

11 September 2018

Altus Strategies Plc
("Altus" or the "Company")

Corporate Governance Statement

Dear Shareholder,

From 28th September 2018 as part of a change to the AIM Rules, the Company is required to maintain on its website details of a recognised corporate governance code, how the Company complies with this code and an explanation of any deviations from the code. The information will need to be reviewed annually and the website should include the date on which the information was last reviewed. Going forward this will be reviewed at the same time as the Annual Report and Accounts are prepared. The Directors recognise the importance of sound corporate governance and have sought to address these new requirements in a timely manner and have set out below the Company's Corporate Governance Statement.

I am pleased to present the Corporate Governance Statement of the Company. This statement sets out the key features of Altus governance structures and provides an insight into the workings of our Board and Board Committees. I believe that integrity, transparency and accountability are key principles of corporate governance and I intend to uphold these principles in my role as Non-Executive Chairman of the Board. Altus intends to continue to have an open dialogue with its shareholders and ensure that there is strong communication between our shareholders, stakeholders and the Board. Since listing on the AIM in August 2017, Altus has continued to enhance its corporate governance, and has sought to strengthen the skills and knowledge of its Board. The independence and knowledge of the sector of the Altus Board has been strengthened with the appointment of Michael Winn as an additional independent Non-Executive Director, in January 2018 creating a majority of independent Directors.

I look forward to working closely with the members of our Board, our Executive Directors, senior management, and indeed our wider stakeholders to ensure the Company operates under a robust governance framework which facilitates the growth of the Company and delivers returns for shareholders.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'D Netherway', written in a cursive style.

David Netherway
Non-executive Chairman

The QCA Corporate Governance Code

In ensuring good governance Altus has adopted the Quoted Companies Alliance Corporate Governance Code 2018 (the “QCA Code”) and applies the ten principles of the QCA Code as set out in this statement. The Board has also adopted a set of internal corporate governance policies that support compliance with the QCA Code on an on-going basis by the Board, its Committees and its employees, and in relations with wider stakeholders. These policies are also described in more detail in this statement.

1. Business Model & Strategy

The QCA Code states that ‘the Board must be able to express a shared view of the Company’s purpose, business model and strategy.’

- a) Altus operates a ‘Project Generator’ business model focused on Africa. Our business model is to cost-efficiently explore multiple projects simultaneously, prior to seeking third party capital to either fund further exploration and development in return for an equity interest in each asset, or to acquire the asset in full in return for milestone payments and a project royalty being paid to Altus.

Altus is focused on the continent of Africa where, due to the relative lack of exploration using modern techniques compared to many other parts of the world, economic mineral deposits can still be discovered cropping out at surface. The opportunity to make discoveries across Africa without recourse to expensive subsurface exploration technologies or extensive drilling programmes, means that our shareholder capital can potentially generate more value and at greater speed if applied to exploration in Africa than it might in many other parts of the world, thus increasing the discovery potential.

The Company’s implements its strategy through creating and growing a portfolio of well managed and high growth potential projects, diversified by commodity and by country. Altus aims to position its shareholders at the vanguard of value creation, but with a significant reduction in the risks traditionally associated with investments in the mineral exploration sector.

- b) Other than where projects are acquired by direct acquisition, Altus selects prospective geological targets based on the systematic analysis of remote sensing data. We then secure mineral exploration licences where available and undertake preliminary prospecting. Following this initial phase of work, we prioritise our licences based on their apparent potential to host an economic ore body. Where this is interpreted to be unlikely, a licence is dispassionately relinquished to protect capital and save time. Licences which are maintained are advanced to the next stage of exploration. Altus currently has several projects across a number of African countries.
- c) As part of the execution of this strategy the Company currently has at least one project

under joint venture. Our partners provide funding for further exploratory work and have the option to fund project development and mining.

- d) The final part of the strategy of Altus is growth through acquisition of selected projects, where Altus identifies a company which it considers does not have sufficient management and financial capability to realise the value from their projects(s) or where the market has mispriced the value of their assets. The acquisition of Legend Gold Corporation, which was listed on the TSX-V, for its portfolio of gold projects in Mali is an example of the Board's continued execution of this facet of the Company's strategy.
- e) There are several risks associated with the execution of the Company's strategy these include, but are not limited to:
 - i. Altus may fail to generate new targets or discoveries
 - ii. Altus may not be able to attract joint venture partners, and those partners may not be able to secure funding.
 - iii. The future profitability of operations will be dependent upon commodity, labour, energy and other prices.
 - iv. The Company's rights to exploit its licence areas in Africa are potentially subject to greater risks than more developed markets, including significant economic and political risks.

The Company seeks to mitigate these risks by maintaining a diverse portfolio in terms of countries of operations and commodities. The Board have developed a diverse range of contacts across the industry to assist with securing joint venture partners and retaining the rights for the projects under joint venture to revert to Altus in the event of expenditure commitments not being met.

2. Understanding Shareholder Needs and Expectations

The QCA Code states 'the Directors must develop a good understanding of the needs and expectations of the Company's shareholder base.'

- a) The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The Directors believe that Altus has a successful and well-established programme which facilitates shareholder engagement. The Board is committed to providing and encouraging, effective communication with the shareholders of the Company. The Board reports to the shareholders on its stewardship of the Company through the publication of quarterly operational updates and the quarterly, interim and final financial results. These and other significant developments are disseminated through the London Stock Exchange's Regulatory News Service (RNS), Canada's System for Electronic Document Analysis and Retrieval (SEDAR), a commercial

newswire service for reaching its Canadian register shareholders and by way of timely updates of the Company's website. The Company attempts to maintain regular news flow and includes contact details on all its news releases to enhance the information it shares and to ensure ongoing dialogue with shareholders.

- b) The Board views the Annual General Meeting as a forum for communication between the Company and all its shareholders and encourages and welcomes their participation in its agenda. The Executive directors and the Chairman attend the Annual General Meeting and are available to answer questions.
- c) Enquiries from individual shareholders on matters relating to the business of the Company are welcomed. Shareholders and other interested parties can subscribe to receive notification of news updates and other documents from the Company via email. In addition, the Executive directors meet with major shareholders to discuss the progress of the Company and provide periodic feedback to the Board following meetings with shareholders. Altus also has conference information booths and attends institutional road-shows and presentations, to facilitate discussions with investors and industry stakeholders. This programme of investor relations is run by Altus and the firm retains a PR company to assist in shareholder communications. Shareholders can contact the Company directly using the following email address: info@altus-strategies.com.

3. Considering Wider Stakeholder and Social Responsibilities

The QCA Code states that long-term success relies upon good relations with a range of different stakeholder groups both internal and external. The Board needs to identify the Company's stakeholders and understand their needs, interests and expectations.

- a) Other than shareholders, the Board has identified Altus stakeholders to include staff, suppliers, customers, joint venture partners, local governments and the wider community. A key part of the Altus business model is identifying the impact that its business activities will have on the communities in which Altus operates. Altus seeks to engage its stakeholders in the delivery of its strategy in a way that is beneficial to all stakeholders. The environmental impact of the activities of Altus is also carefully considered and the maintenance of high environmental standards and minimisation of impact is attempted.
- b) The Company seeks to maintain good working relationships with the governments of the countries Altus operates in, providing regular updates to the relevant ministries. Before beginning exploration, the Company seeks to meet the ministers and local government to garner their support for its operations. The Company seeks to also engage the local communities in and around the licence areas through meetings to develop their understanding of its activities and ensure their support.

- c) Altus engages local advisors and employs local geologists from the countries it operates in, facilitating the upskilling of local geologists and helping to develop a sustainable and knowledgeable resource pool within Africa. The Company will also mobilise geologists from one African country into other African countries and to complete work programmes alongside that country's as well as UK expatriate geologists. This provides our local geologists with a potentially greater breadth of experience than they are likely to receive working for other mineral exploration companies.

- d) Altus is committed to conducting its business activities in a manner which promotes sustainable development and creates an improvement in the social welfare of each of the regions in which it operates. We strive continuously to limit the impact of our activities on the natural environment and the surrounding communities.

It is a fundamental policy of the Company that all business will be conducted responsibly and in a manner designed to protect our staff, the community and the environment by creating a safe and healthy work environment.

In order to meet these high standards the Company will:

- i. Assess the health, safety and environmental effects of its activities, integrating those considerations into its planning, design and operational decisions;
 - ii. Comply with all local, regional and national requirements, going beyond these requirements as needed;
 - iii. Design, develop and operate its facilities with a view to:
 - reducing the impact of its operations
 - making efficient use of energy, water and other resources
 - limiting waste generation and disposal
 - disposing of wastes responsibly;
 - iv. Thoroughly rehabilitate areas no longer required to support its operations using sound practical methods;
 - v. Strive for continuous improvement in its health, safety and environmental programs and implement systems to monitor and audit its performance;
 - vi. Communicate with its staff, contractors, the community, regulators and other stakeholders regarding health, safety and environmental issues;
 - vii. Work with the community, as well as local, regional and national governments, in the formulation of health, safety and environmental regulations and policies that affect the Company.
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- e) Demographically the geological workforce is steadily aging and in response to this Altus has sought to redress the growing imbalance through contribution to a scholarship

programme at the Camborne School of Mines. Altus also seeks to assist those seeking future employment in the industry through the provision of internships and providing data and field experience to university students for their Master degree level research projects.

4. Risk Management

The QCA Code states that the Board needs to ensure that the Company's risk management framework identifies and addresses all relevant risks in order to execute and deliver the Company's strategy.

- a) Whilst the Board is ultimately responsible for identifying and managing areas of significant business risk, it has established an Audit Committee that ensures effective Risk Management systems are in place that identify and manage key Company risks, establish and maintain effective controls, and ensure compliance with risk management policies and the reporting of any non-compliance occurrences.

- b) The Company's risk management systems have identified the following key risks as applicable to Altus and appropriate mitigation controls (where possible or necessary) are in place:
 - i. No assurance of titles or borders
 - ii. Mineral property exploration and mining risks
 - iii. Joint venture funding risks
 - iv. Commodity price risks
 - v. Financing and share price fluctuation risks
 - vi. Political and currency risks
 - vii. Insured and uninsured risks
 - viii. Environmental risks and hazards
 - ix. Conflicts of interests
 - x. Key personnel risk
 - xi. Competition

Further details of these risks and measures taken to mitigate and control them can be found in the Altus quarterly Management Discussion and Analysis reports and its Annual Report.

- c) The Company has also adopted policies and procedures relating to Anti-corruption and Bribery, Share dealing, Social media and AIM compliance, all of which are designed to manage the risks of being a quoted company. It has also adopted a Financial Position and Prospects Procedures manual to ensure financial risks are understood and managed.

- d) The Audit Committee periodically reviews risk management controls for effectiveness and whether they still meet the risk appetite of the Board. The Board then amends or implements new changes to ensure that risks are managed.

5. Well-functioning Board of Directors

The QCA Code states that the Board must be maintained as a well-functioning, balanced team led by the Chair. The Board should have an appropriate balance between executive and non-executive directors and have at least two independent non-executive directors.

- a) As at the date of this statement the Altus Board composition complies with the QCA Code and each independent director has been assessed and is considered to be independent by the Board.

The Board receives weekly updates from the management team through minutes of weekly Company meetings. The Board and its Audit and Remuneration committees are made up of the following members:

Director	Position	Status	Audit Committee	Remuneration Committee
David Netherway	Non-Executive Chairman	Independent	Member	Member
Steven Poulton	Chief Executive	Not independent	-	-
Matthew Grainger	Executive	Not independent	-	-
Robert Milroy	Non-Executive	Independent	Chair	Chair
Michael Winn	Non-Executive	Independent	Member	Member

Directors are expected to devote the necessary time commitments required by their position and are expected to attend at least four Board meetings each year. The Board meets at least 4 times per annum however, the Board meets more frequently than this on an *ad hoc* basis. The Audit Committee is scheduled to meet at least 4 times a year but may meet more frequently regarding the Company's audit or on risk management issues. The Remuneration Committee is scheduled to meet at least once a year. The Company will report annually on the number of Board and committee meetings held during the year and the attendance record of individual Directors. This information is disclosed in the Company's Annual Report and Accounts. Formal agendas, papers and reports are sent to the directors in a timely manner, prior to the Board meetings.

- c) The Board has agreed that appointments to the Board should be made by the Board as a whole and so Altus has not created a Nominations Committee.

6. Appropriate Skills and Experience of the Directors

The QCA Code states that the Board must have an appropriate balance of skills and experience

and not be dominated by one person or group of people.

- a) Altus complies with the QCA Code and full biographical details of the Directors and their skills and experience can be found at <http://www.altus-strategies.com/corporate/who-we-are/>. The Directors who have been appointed to the Company have been chosen because of the range of skills and experience they offer and which are appropriate for the strategy and objectives for the Company. In appointing new Directors, the Board has agreed that appointments are made by the Board as a whole and has not created a Nominations Committee. The Board recognises that it currently has a limited diversity and this will form a part of any future recruitment consideration.
- b) David Netherway (Non-Executive Chairman) is a mining engineer with over 40 years of experience in the mining industry. He is able to bring a wealth of experience and knowledge of the industry. He has been involved in the construction of various gold mines across West Africa and elsewhere. He provides valuable advice on the operational aspects of developing economic mineral resources in Africa. David also serves on several other boards of publically traded companies in a non-executive capacity and brings these experiences to the Board
- c) Steven Poulton (Chief Executive Officer) is a geologist with over 20 years of experience of operating in the African mining sector. He is responsible for developing and exercising the Company's strategy and provides leadership to Altus. Steven also serves as the Company's qualified person and provides corporate, technical and strategic analysis to the Board.
- d) Matthew Grainger (Executive Director) is a geologist with over ten years of experience in the African mining sector. He provides oversight of planning and execution of the Company's exploration programmes as well as contributing to the corporate affairs and strategic direction of the Company. He has worked with Steven since 2002 and together they operate as an entrepreneurial leadership team.
- e) Robert Milroy (Non-executive Director) has over 40 years of experience in the investment, mining and petroleum industry. He brings expertise in the operations of financial markets as well as a fine attention to detail in respect of corporate governance and compliance matters. His years of operating in a financial regulated environment means that he holds invaluable knowledge in relation to risk identification and management.
- f) Michael Winn (Non-Executive Director) is a geologist with over 35 years in the oil and gas and mining industries. Michael has experience as an analyst specialising in emerging oil and gas and mining companies, this provides Michael with strong analytical and market awareness skills to the Board, when assessing both the Company and its projects as well

as potential corporate and strategic opportunities. Additionally Michael provides strong guidance and leadership with respect of administrative, regulatory and corporate affairs associated with the Company's listing on the TSX-V exchange.

- g) Orientation of new members of the Board is conducted informally by management and members of the Board. Given its size, the Company has not adopted formal policies respecting continuing education for Board of Director members. New Board members are provided with: (i) access to recent, publicly filed documents of the Company, technical reports and internal financial information; (ii) access to management and technical experts and consultants; and (iii) a summary of significant corporate and securities responsibilities.
- h) Board members are encouraged to communicate with management, auditors and technical consultants, to keep themselves current with industry trends and developments and changes in legislation with management's assistance and to attend related industry seminars and visit our offices. Board members have full access to the Company's records.
- i) The Company also encourages continuing education of its directors and officers where appropriate in order to ensure that they have the necessary skills and knowledge to meet their respective obligations to the Company.
- j) Where the Board requires additional specific skills and experience to effectively perform their roles as directors the Company seeks input from professional and strategic advisors. The Companies main strategic advisors can be found at <http://www.altus-strategies.com/corporate/who-we-are/>. The Company also utilises Seaboard Services Corp. to provide Chief Financial Officer services to Altus and additional administrative support, with particular focus on Canadian regulatory requirements.
- k) The role of Company Secretary is currently performed by one of the Executive Directors. The Board is seeking the correct individual to fulfil this role and support the Chairman and the wider Board.

7. Evaluating Board Performance

The QCA Code states that the Board should regularly review the effectiveness of its performance as a unit, as well as that of its committees and individual directors.

- a) Altus reviews Board, Committee and individual director performance on an on-going basis in the context of its contribution to the Company's financial performance. The Board will be undertaking an internal Board evaluation process in the current financial year. The internal Board evaluation will take the form of a self-review questionnaire to be

completed by all members of the Board, the results will be reviewed by the Chairman and the wider Board and will implement changes to improve the effectiveness of the Board. A summary of this evaluation exercise together with its results and recommendations will be included in the Company's annual report and accounts.

- b) The articles of association provide that any Director who was not appointed or re-appointed at one of the preceding two annual general meetings retire and stand for re-election.
- c) The Company has not adopted term limits for directors on the Board or other mechanisms of Board renewal. The Board currently assesses each director annually in order to ensure that the Board is balanced between highly experienced directors with long-term knowledge of the mining industry and those with a fresh perspective. The Board will periodically consider whether term limits or other mechanisms of Board renewal should be adopted and will implement changes when appropriate.
- d) Succession planning is considered by the Board as a whole.

8. Corporate Culture

The QCA Code states that the Board should promote a corporate culture that is based on ethical values and behaviours.

- a) It is the Board's view that the Altus corporate culture is consistent with its objectives, strategy and business model and a good example of this is how Principle 3 of the QCA Code (Wider Stakeholder and Social Responsibilities) has been adopted by Altus. The Company has implemented an anti-bribery and anti-corruption policy and also implemented appropriate procedures to ensure that the Board, employees and consultants of the Company comply with the UK Bribery Act 2010. The Board is also aware that the tone and culture set by the Board will greatly impact all aspects of the Company as a whole and the way that employees behave. A large part of the Company's activities is centred upon what needs to be an open and respectful dialogue with employees, partners and other stakeholders. Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Company to successfully achieve its corporate objectives.
- b) In order to ensure that the corporate culture extends from the Board to the employees, the Company has adopted additional standards of good practice and ethical business code. The Company has developed a Corporate Code of Conduct (the "Code") as a guide for all of its personnel in fulfilling the Company's legal and other obligations to legitimate stakeholders. The employment contract of all employees contains this Code, by which all staff must abide. The Code applies to all personnel including employees, Officers,

Directors, consultants, agents, and other representatives retained by the Company. The Code covers Guiding Principles, Fair Dealings with Stakeholders, and Conflicts of Interest. The Company ensures all employees are required to read the anti-corruption and bribery policies and the share dealing codes.

9. Maintenance of Governance Structures and Processes

The QCA Code states the Company should maintain governance structures and process in line with its corporate culture and appropriate to its size and complexity.

- a) Board of Directors – The Board is responsible for approving the Company strategy and policies, for safeguarding the assets of the Company, and is the ultimate decision-making body of the Company in all matters except those that are reserved for specific shareholder approval. Matters that are specifically reserved for the Board’s decision include business acquisitions or disposals, authorisation of major capital expenditure and material contractual arrangements, changes to the Company’s capital structure, setting policies for the conduct of business, approval of budgets, remuneration policy of Directors and senior management, and taking on debt and approval of financial statements. Other matters are delegated to the Committees of the Board and Executive Directors, supported by policies for reporting to the Board. The Directors’ biographies can be found here <http://www.altus-strategies.com/corporate/who-we-are/>.
- b) The Board has written position description for the Chairman (the “Chair”) of the Board and for the Chief Executive (“CEO”). It does not have written position descriptions for each chairman of each Board committee. The primary roles of such committee chairman includes ensuring such committee is organized properly, functions effectively and meets its obligations and responsibilities. Each chairman conducts the affairs of the committees in accordance with the charters of such committee.

The primary responsibility of the Chair of the board is to lead the board effectively and to oversee the adoption, delivery and communication of the Company's corporate governance model. The Chair must have adequate separation from the day-to-day business to be able to make independent decisions. Save in exceptional (and well justified and explained) circumstances, the Chair should not also fulfil the role of CEO. If there’s a need to combine these roles then this should be temporary and discussed beforehand with shareholders. A good Chair will display clear vision and focus on strategy, acting in a manner that brings together the various characteristics, skills, qualities and experience of the other members of the Board. The role should foster a positive governance culture throughout the Company. The Chair should be visible in the role. Attendance at results presentations and meetings with shareholders helps to signal that the Board’s being run with the appropriate level of engagement and time commitment. The Chair is responsible for making sure that the Board agenda

concentrates on the key issues, both operational and financial, with regular reviews of the Company's strategy and its overall implementation. The Chair should ensure that the Board receives accurate, timely and clear information and there should be good information flows within the Board and its committees as well as between the non-executive directors and senior management.

The primary responsibility of the CEO is to develop the Company's strategic plan; carry out a comprehensive operational planning and budgeting process; monitor the Company's financial performance against budget; and identify risks and opportunities in the Company's business and manage them accordingly.

- c) **Audit Committee** – The Company's Audit Committee is responsible for ensuring that the financial performance of the Company is properly monitored and reported on and in this capacity interacts as needed with the Company's External Auditors. The Committee also considers risk management and internal financial controls. The Audit Committee comprises three Non-Executive Directors: Robert Milroy (Chairman), David Netherway and Michael Winn. The Chief Financial Officer is invited to and attends the audit committee meetings to provide his skills and knowledge in audit committee matters. The formal Terms of Reference for the Audit Committee can be found here: <http://www.altus-strategies.com/corporate/corporate-governance/>.
- d) **Remuneration Committee** – The Company's Remuneration Committee is responsible for making recommendations to the Board on the remuneration of the Directors and senior executives. It comprises three Non-Executive Directors: Robert Milroy (Chairman), David Netherway and Michael Winn. The formal Terms of Reference for the Remuneration Committee can be found here: <http://www.altus-strategies.com/corporate/corporate-governance/>.
- e) **Nominations Committee** – given the size and complexity of Altus the Board has agreed that appointments to the Board will be made by the Board as a whole and so has not created a Nominations Committee.
- f) As Altus grows it will seek to appoint additional highly-skilled and diverse members to the Board who will complement and enhance the effectiveness and knowledge of the Board. The Board will assess the need to improve the Company's corporate governance structures and policies annually, or following a significant change to the businesses and Board's strategy, structure or personnel.

10. Shareholder Communication

The QCA Code states a healthy dialogue should exist between the Board and all of its stakeholders, including shareholders, to enable all interested parties to come to informed

decisions about the Company.

- a) The Board attaches great importance to providing shareholders with clear and transparent information on the Company's activities, strategy and financial position. Details of all shareholder communications are provided on the Company's website. The Board holds meetings with significant shareholders and regards the annual general meeting as a good opportunity to communicate directly with all shareholders. The Company lists contact details on its website and on all announcements released should shareholders wish to communicate with the Board.
 - b) Altus announces significant developments which are disseminated via various outlets including, the London Stock Exchange's Regulatory News Service (RNS), Canada's System for Electronic Document Analysis and Retrieval (SEDAR), a newswire service for reaching its Canadian register shareholders and updates of the Company's website. Shareholders can also sign up to a mailing list to receive the news directly to their email. Latest news releases are held at this location <http://www.altus-strategies.com/news/>.
 - c) The Board announces the results of resolutions through a news announcement distributed through the channels above. Where any resolution has a significant portion of votes cast against it the Company will investigate and engage in direct dialogue with the relevant shareholders, to understand the reasonings behind any vote against and to investigate safeguards that can be put in place to obtain shareholder support.
 - d) The Company has an area of its website dedicated to shareholder information <http://www.altus-strategies.com/investors>. The Company website hosts a range of useful data for shareholders including and not exclusively, historical financial and operational reports, significant corporate governance, contact details for shareholder services and stock information.
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