Company Registration No. 06317236 (England and Wales)

ALTUS STRATEGIES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

ALTUS STRATEGIES LIMITED

COMPANY INFORMATION

Directors	Mr S J Poulton	
	Mr D G Netherway	
	Mr M R Grainger	
	Mr N Adshead	
	Mr R Milroy	(Appointed 27 March 2017)
Secretary	Mr J Karoly	
Company number	06317236	
Registered office	Orchard Centre 14 Station Road Didcot Oxfordshire OX11 7LL	
Auditor	Critchleys LLP Greyfriars Court Paradise Square Oxford OX1 1BE	
Bankers	HSBC Bank plc 186 Broadway Didcot Oxon OX11 8RP	
Solicitors	Gowling WLG (UK) LLP 4 More Place Riverside London SE1 2AU	

ALTUS STRATEGIES LIMITED

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Statement from the Chief Executive

I am delighted to write this letter to you and report on another positive year for Altus. Regardless of the challenging backdrop for the exploration sector, we have continued to advance and grow our diversified portfolio of projects across Africa. The progress we have made in 2016, underpins what could be a pivotal and exciting year ahead for the Company, including the proposed listing of our shares on London's AIM market in the first half of 2017.

As can consistently be seen in the macroeconomic narratives of our quarterly reports, the geopolitical events of 2016 came as no great surprise to Altus. As any firm with a commercial interest in commodity markets and gold should, Altus has always endeavoured to question the conventional viewpoint. Being contrarian is often simply a case of being counter-cyclical, in adopting unfashionable positions and committing time and capital to them in advance of the market consensus rotating through 180 degrees. Such an entrepreneurial and opportunistic value creation strategy is core to our philosophy at Altus and it is why we have been incubating and propagating our portfolio of exploration projects throughout the period since 2012, when few companies have been willing or able to do so.

Our focus from the outset is on how we will ultimately exit each opportunity. Having applied a cost-effective approach to our exploration programmes and having discovered a mineral deposit, our strategy is to then seek suitably qualified partners to fund the next phases of exploration, often under the stewardship of our technical team. This allows shareholders to share in the upside value creation, while outsourcing our capital at risk. In turn it also allows us to return to exploration, in order to continue to grow our portfolio of discoveries. With multiple projects being advanced simultaneously we are able to diversify key technical, political, commodity price and management partiality risks that other juniors are often fully exposed to. As the commodity market becomes critically undersupplied and the demand for resources starts to rise, along with prices, then we prepare to monetise our project interests at substantial premiums to the capital invested.

We have elected to focus on the vast continent of Africa, as this is where economic mineral deposits can still be discovered at surface. This simple fact makes our shareholder's exploration dollar go that much further than it would in many other parts of the world, where due to the failures of others in years gone by, a reliance on new technologies or expensive deep drilling is a prerequisite to having any chance of making a notable discovery.

Progress review

During the past year the potential for our Laboum licence in northern Cameroon to host a substantial gold system has only grown. The licence spans an approximately 5km wide NE-trending splay of the Central African Shear Zone. An initial ground magnetics survey across known mineralised zones within the licence has highlighted a strong relationship between the shearing and gold occurrences. In 2016 we commenced a follow up second phase 900 line km ground magnetics survey. The total area being surveyed is approximately 4km x 12km and is defined by the results of a wide spaced soil sampling programme that we completed in 2015. In parallel with the geophysical programme the Company is currently collecting over 4,000 infill soil samples. The high resolution data these concurrent surveys will generate will be used to identify clear targets for future trenching and drilling. Given the paucity of new gold discoveries over the last decade, related to the lack of exploration in frontier destinations, we are hopeful that Laboum will shortly be positioned as a very attractive opportunity for a potential JV partnership.

In Ethiopia, significant progress has been made at our Tigray-Afar copper silver project in partnership with our joint venture partner Japan Oil, Gas and Metals National Corporation ('JOGMEC'). In the first quarter of 2016 we commenced a second phase 3,262m drilling programme at the Slater zone, which confirmed the presence of manto-style mineralisation, intercepting up to 1.22% Cu over 11.9m. Following a 439 sample soil sampling programme at the Agamat prospect, in Q4 2016 we commenced a third phase drilling programme at Tigray-Afar, which is ongoing at the time of writing. I would like to take this opportunity to thank JOGMEC for their continued support of our activities in Ethiopia.

Altus has been active in Morocco since 2014, through our wholly owned subsidiary Aterian Resources. Aterian currently has six active projects, targeting a range of commodities including copper, zinc, gold, tin, tungsten and silver. A number of work programmes have been completed on our flagship Agdz copper-silver-gold licence throughout 2016; including ground geophysics, prospecting, mapping of historical workings, trenching and channel sampling. The trenching programme has yielded encouraging results, including 1.25% Cu & 95 g/t Ag over 9.3m and 0.65% Cu and 36.5 g/t Ag over 14m. In total five priority mineralised zones have been defined at Agdz to date and our work on them suggests that the licence has the potential to host a significant deposit. Encouragingly the Bouskour copper silver mine is located approximately 15km north and on-strike of Agdz, and is being operated by Managem (M&I Resource of 43Mt @ 0.93% Cu, 9.8 g/t Ag).

Our bauxite discovery at Birsok, in central Cameroon, is being advanced under JV with Canyon Resources (ASX:CAY). Altus is currently a material shareholder of Canyon, having acquired 8 million shares worth approximately £0.35m and being approximately 3.5% of Canyon's issued capital (at the time of writing) and which formed part of the consideration in our JV agreement. In December, Canyon confirmed that it was in discussions with the Government of Cameroon and the rail operator, Bolloré Group in relation to developing a potential direct shipping bauxite project in the region, which may include securing additional permits close to Birsok.

At Bikoula and the contiguous Ndjele project, we have made a strategically located iron ore discovery which stretches for more than 17km of strike, within a globally significant iron ore corridor. The deposit is just 6km north and 160km northwest of the world class Nkout (1.4Bt) and Mbalam (2.4Bt) deposits respectively. To date we have drilled 44 reconnaissance diamond drill holes at Bikoula, for a maiden JORC Inferred Mineral Resource of 40Mt at an in-situ grade of 43.0% Fe of unconsolidated surface colluvial ore, including at least 5Mt at 52.7% Fe of supergene hematite. The resource is from less than 25% of the project's strike length, which means we are targeting up to 100Mt of combined colluvial and supergene DSO material.

In Liberia, we continued to advance the Bella Yella gold project during the year, through two further programmes including sampling of multiple artisanal alluvial and hard rock gold workings. We are currently evaluating further licences in Liberia to expand our footprint in the country.

Outlook

Throughout the highly challenging period that the mining industry has endured since 2012, Altus has prudently grown its business. However, our shareholders have avoided the dilution and corrosive capital raises which have been experienced by so many operating in the exploration sector. In following the counter-cyclical 'project generator' model, Altus has expanded its operations into Liberia and Morocco and we have grown our existing projects in Cameroon and Ethiopia. We have also used the sector-wide slump to further expand and bolster our talented technical team, as well as attract two highly credible joint venture partners, who have spent in excess of US$3.5m on our projects to date. The Company's directors have continued to invest in the Company throughout the period, to supplement our working capital, and with the board having 'skin in the game' we have maintained our overheads at a minimum, to ensure exploration dollars have been invested 'into the ground'.

Cognisant of where we now potentially are in the cycle, Altus plans to list its shares on London's Alternative Investment Market during the first half of 2017 to capitalise on an anticipated longer term improvement of sentiment. In so doing, we intend to strengthen our capital base, and expand our operations still further, to take advantage of the very apparent opportunities which exist.

It is a testimony to all our team members, who I take this opportunity to thank here, that in the face of such challenging conditions we have been able to position the Company so well. Looking forward, we expect growing interest in our projects and activities, not just from the larger mining companies who need to rapidly replenish their project pipelines, but also from institutional investors and midcaps that, recognising the predicament the majors have again brought upon themselves, wish to get ahead of the curve while they still can. I also take the opportunity to thank you, our shareholder, for your ongoing support. After such collective endeavours in 2016, I look forward with you to another strong and successful year for Altus ahead.

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present the strategic report and financial statements for the year ended 31 December 2016.

These financial statements for the year ended 31 December 2016 are the first financial statements the company has prepared in accordance with IFRS. The transition date to IFRS was 1 January 2015. The accounting polices explain the principle adjustments made by the company in restating its UK GAAP financial statements. A reconciliation of the statement of financial position as at 1 January 2015 and the financial statements for the year ended 31 December 2015 is shown in note 34.

Review of the business

The Group is focused on the development of mineral exploration projects in various countries in Africa. A detailed review of the activities together with future developments of the Group is provided in the Chief Executive's Statement and the Progress Update.

Organisation Overview

The Group's business is directed by the Board and is managed on a day to day basis by the Chief Executive Officer, based at the Company's offices in Didcot, United Kingdom. The corporate structure reflects the historical development of the Group, together with various project holdings of the Group, with relevant licences and permits held through locally domiciled subsidiaries. Where there is an appropriate requirement, for fiscal and other reasons, incorporated entities are also located in other particular territories.

The Group's exploration activities are undertaken through local subsidiaries in Ethiopia, in Cameroon, in Morocco and in Liberia.

The Board of Directors comprises the Chief Executive Officer, an Executive Director and two Non-Executive Directors.

Strategic Summary

The Group's **overall strategy** is to create value for shareholders through the development of a portfolio of mineral exploration projects, using both internal funding as well as funding sourced from joint venture partners.

The Group's **business plan** is to continue to grow by leveraging its regional knowledge and technical expertise to generate a balanced portfolio of mineral projects, the development of which will be either financed by the Group or partners through joint venture agreements and undertakings. To this extent, the Group evaluates on an ad hoc basis with a view to eventual acquisition, mineral prospects and projects in jurisdictions in which it either holds a presence, and/or has technical or management expertise. Following acquisition and initial exploration activities, the Group then seeks advance its portfolio either through internal funding or through agreements with joint venture partners.

The Board seeks to run the Group with a low cost base in order to maximise the amount that is spent on exploration and development as this is where value can be added. To this extent, the corporate office is run on a streamlined basis by a core team, and specialist skills and activities are outsourced as appropriate, both in the United Kingdom and in local countries.

The Group finances its activities through periodic capital raisings with share placings and through funding agreements with joint venture partners. As the Group continues to develop its projects, there may be opportunities to obtain funding through other financial instruments, including royalty, debt or other arrangements with strategic parties.

Operational performance

2016 Operations Review

In northern Ethiopia the Company has a joint venture with the Japan Oil, Gas and Metals National Corporation (JOGMEC) on the Company's Tigray-Afar copper-silver discovery. A second phase, 3,260m dual rig drilling programme was completed during the first quarter of 2016 across the Slater and Agamat prospects at Tigray-Afar and a soil sampling programme was carried out across the Agamat prospect. Two significant copper anomalies were identified at Agamat and these will be targeted by a a third phase drilling programme, planned for the beginning of 2017.

In central Morocco a reconnaissance trenching programme was carried out at the Agdz project, designed to test the continuity of mineralisation beneath oxide copper and silver that has been mapped in leached rocks at surface. Furthermore, a ground magnetics survey was completed across the northern portion of the Agdz licence. The geophysical data has defined a number of very clear features, including dykes and faults, which are coincident with mineralisation mapped at surface. At least seven high priority areas have been identified to target during the next phase of trenching. A rock chip assay programme was also carried out at the Tamatert licence in Morocco, which is prospective for gold mineralization and hosts a number of artisanal workings. Prospecting was also carried out at the Takzim copper zinc prospect, also in Morocco.

In northern Cameroon a 128 line km ground magnetics survey was completed at the Laboum gold project in early 2016. A 900 line km second phase ground magnetics survey also commenced in Q4 2016 and is expected to finish in H1 2017. Concurrent with this programme a 218 line km infill soil sampling programme is also being completed.

In central Cameroon the Company has a joint venture with ASX-listed Canyon Resources on the Company's 961km2 Birsok and Mandoum bauxite discovery. Following two phases of drilling, Canyon have been involved in discussions with the Cameroonian government and local rail and port operators to understand the technical details of the infrastructure required to establish a direct shipping ore bauxite mine.

Following the General Meeting of shareholders on the 6th December 2016, Altus Capital Ltd has been renamed Aegis Asset Management Ltd and Asterion AV Ltd has been renamed Aegis Asterion Ltd. These two companies, together with Altus Exploration management Ltd were then transferred from Altus Strategies Limited to a subsidiary company Altus Asset Management Ltd, which was in turn renamed Aegis Holdings Ltd. Aegis Holdings Ltd, together with its three subsidiaries was then spun out of the Company by way of an *in specie* share distribution to all shareholders of the Company as at the date of the General Meeting.

Financial Performance Review

The Group is not yet producing minerals and so has no income other than bank interest and management fees arising from joint venture partnerships. Consequently, the Group is not expected to report profits until it disposes of or is able to profitably develop or otherwise turn to account its exploration and development projects. The principal financial key performance indicators ('**KPIs**') monitored by the Board concern levels and usage of cash.

The two main financial KPIs for the Group that allow it to monitor costs and plan future exploration and development activities and are as follows:

	2016	2015
Cash and cash equivalents	£ 415,914	£ 1,014,897
Exploration and development costs as a percentage of total operating costs	50 %	46 %

The Group aims to maximise its outlay on exploration and development costs expenses as a percentage of total operating costs. Due to the preliminary nature of the exploration activities carried out by the Group, expenditure on exploration activities is not capitalised, with the exception of mineral licence fees.

Non-Financial Key Performance Indicators ('KPIs')

The Board monitors the following non-financial KPIs on a regular basis:

Health and Safety – number of reported incidents

There were no reportable incidents in the current or prior year.

Project Related:

Exploration work on internally funded projects during the year was limited due to funding constraints

Project related KPI's which are evaluated include:

- Exploration expenditure by project
- Acquisition of new licence areas

Fundraising

During 2016 at total of £455,530 was received from joint venture partners (year ended 31st December 2015: £1,411,257).

Principal Risks and Uncertainties

Set out below are the principal risks and uncertainties facing the Group:

Exploration risks

The exploration and mining business is controlled by a number of global factors, principally supply and demand which in turn is a key driver in global metal prices; these factors are beyond the control of the Group. Exploration is a high-risk activity and there can be no guarantee that any mineralisation discovered will result in proven and probable reserves or go on to be an operating mine. At every stage of the exploration process, prospects and projects are rigorously reviewed, both internally and by qualified third party consultants to determine if the results justify the next stage of exploration expenditure, ensuring that funds are only applied to high priority targets.

The principal assets of the Group, comprising the mineral exploration licences are subject to certain financial and legal commitments. If these commitments are not fulfilled the licences could be revoked. The Group closely monitors on an ongoing basis its commitments and the expiry terms of all licenses in order to ensure good title is maintained. They are also subject to legislation defined by the governments in the countries in which the Group operates; if this legislation is changed it could adversely affect the value of the Group's assets.

Resource estimates

The Group's reported resources are only estimates. No assurance can be given that the estimated resources will be recovered or that they will be recovered at the rates estimated. Mineral reserve and resource estimates are based on limited sampling and as a result are uncertain because the samples may not be fully representative of the full resource. Mineral resource estimates may require revision (either up or down) in future periods based on further drilling or actual production experience.

Any future resource figures will be estimates and there can be no assurance that the minerals are present, will be recovered or that they can be brought into profitable production. Furthermore, a decline in the market price for natural resources, particularly nickel, could render reserves containing relatively lower grades of these resources uneconomic to recover.

Country risk

The Group's licences and operations are located in foreign jurisdictions. As a result, the Group is subject to political, economic and other uncertainties, including but not limited to, changes in policies or the personnel administering them, appropriation of property without fair compensation, cancellation or modification of contract rights, royalty and tax increases and other risks arising out of foreign governmental sovereignty over the area in which these operations are conducted.

Ethiopia, Cameroon, Morocco and Liberia are the current focus of the Group's activities and these countries offer established political frameworks and actively support foreign investment.

Volatility of commodity prices

Historically, commodity prices including in particular the price of gold and industrial metals (such iron, copper, zinc and aluminium) have fluctuated and are affected by numerous factors beyond the Group's control. The aggregate effect of these factors is impossible to predict. Fluctuations in commodity prices in the long-term may adversely affect the returns of the Group's exploration projects.

A significant reduction in the global demand for gold and industrial metals, leading to a fall in metals prices, could lead to a significant fall in the cash flow of the Group in future periods and/or delay in exploration activities, which may have a material adverse impact on the operating results and financial position of the Group.

Liquidity

The successful exploration of natural resources on any project requires significant capital investment. The Group currently sources finance through the issue of additional equity capital and through joint venture partnerships with third parties. The Group's ability to raise further funds will depend on the success of its strategy and acquired operations. The Group may not be successful in procuring the requisite funds on terms which are acceptable and, if such funding is unavailable, the Group may be required to reduce the scope of its activities or anticipated expansion.

Dependence on key personnel

The Group is dependent upon its executive management team. Whilst it has entered into contractual agreements with the aim of securing the services of these personnel, the retention of their services cannot be guaranteed. The development and success of the Group depends on the ability to recruit and retain high quality and experienced staff. The loss of service of key personnel or the inability to attract additional qualified personnel as the Group grows could have an adverse effect on future business and financial conditions. To date the Group has been successful in recruiting and retaining high quality staff.

Uninsured risk

The Group, as a participant in exploration and development programmes, may become subject to liability for hazards that cannot be insured against or third party claims that exceed the insurance cover. The Group may also be disrupted by a variety of risks and hazards that are beyond its control, including geological, geotechnical and seismic factors, environmental hazards, industrial accidents, occupation and health hazards and weather conditions or other acts of God.

On behalf of the board

....
Mr S J Poulton
Director
..7/4/2017..........

The directors present their annual report and financial statements for the year ended 31 December 2016.

Principal activities

The principal activity of the company continued to be that of mineral exploration service provider and resource investment advisor.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr S J Poulton
Mr D G Netherway
Mr M R Grainger
Mr N Adshead
Mr R Milroy (Appointed 27 March 2017)

Results and dividends

The results for the year are set out on pages 15 to 16.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

Directors' interests

The directors' interests in the shares of the company were as stated below:

2016	**Ordinary A shares held**	**% of Ordinary A shares**
D Netherway	38,516	9.2%
S Poulton	109,973	26.3%
M Grainger	27,933	6.7%

The beneficial interests of other substantial shareholders as at 31 December 2016 were as follows:

	Ordinary A shares held	**% of Ordinary A shares**
Adam & Company	20,000	4.8%
GS Banque SA	22,434	5.4%
Lynchwood Nominees	25,156	6.0%
Exploration Capital Partners 2012 Limited Partnership (Sprott)	71,500	17.1%

The directors' interests in the shares of the company were as stated below:

2015	**Ordinary A shares held**	**% of Ordinary A shares**
D Netherway	37,366	9.0%
S Poulton	109,973	26.3%
M Grainger	27,933	6.7%

2015	**Ordinary B shares held**	**% of Ordinary B shares**
D Netherway	12,834	26.2%
S Poulton	19,101	39.1%
M Grainger	10,334	21.1%

The beneficial interests of other substantial shareholders as at 31 December 2015 were as follows:

	Ordinary A shares held	% of Ordinary A shares
Adam & Company	20,000	4.8%
GS Banque SA	22,434	5.4%
Exploration Capital Partners 2012 Limited Partnership (Sprott)	71,500	17.1%
Vidacos	25,156	6.0%

Supplier payment policy

The group's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The group's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the group's contractual and other legal obligations.

Trade creditors of the group at the year end were equivalent to 43 day's purchases, based on the average daily amount invoiced by suppliers during the year.

Financial risk management

There are no matters concerning financial risk which are material for the assessment of the assets, liabilities, financial position and profit or loss of the company.

Future developments

Aluvance Ltd

In regard to the company's Birsok and Mandoum bauxite project in central Cameroon, its joint venture partner Canyon Resources is in discussions with the Government of Cameroon and rail operators in relation to developing a potential direct shipping bauxite project in the region. The company may also seek to secure additional permits in the region. Canyon is preparing for the re-commencement of exploration activities in 2017 following the end of the rainy season.

Auramin Ltd

The Laboum licence in northern Cameroon was transferred from a subsidiary of Aluvance to Auramin during 2016. In 2017 the company will recommence exploration at Laboum with the continuation of a 4,200 infill soil sampling programme across key prospects on the licence. In parallel the company's field team will complete the remaining stages of the ground magnetic survey which commenced in Q4 2016.

Altau Resources Ltd

Under a joint venture agreement with the Japan Oil, Gas and Metals National Corporation (JOGMEC), a third phase drilling programme will be carried out in the first half of 2017 at the company's Tigray-Afar copper project. The programme is designed to test targets at the Agamat prospect.

Aterian Resources Ltd

The company will undertake further channel and trench sampling at the Agdz project in central Morocco in order to prepare the project for a potential joint venture partnership. Additional reconnaissance work programmes will also be undertaken on the company's other licences in Morocco.

Aeos Energy Ltd

It is anticipated that company will seek to acquire mineral exploration licences in the Republic of Ivory Coast and be renamed accordingly.

Alures Mining Ltd

It is anticipated that company will remain inactive during 2017.

Auditor

The auditors, Critchleys LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the group's financial position and financial performance; and
- make an assessment of group's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group’s and company’s transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company and group is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company and group is aware of that information.

On behalf of the board

....
Mr S J Poulton
Director
7/4/2017
....

CORPORATE GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

The Board of Directors

As at 31 December 2016, the Board of Directors comprised four members: two Executive Directors and two Non-Executive Directors including the Chairman, Mr David Netherway. The Executive Directors have a wealth of minerals exploration experience. Similarly the Non-Executive Directors have extensive mineral and financial experience

Board meetings

The Board ordinarily meets approximately on a quarterly basis and as and when further required, providing effective leadership and overall management of the company's affairs by reference to those matters reserved for its decision. This includes the approval of the budget and business plan, major capital expenditure, acquisitions and disposals, risk management policies and the approval of the financial statements. Formal agendas, papers and reports are sent to the Directors in a timely manner, prior to the Board meetings. The Board delegates certain aspects of its responsibilities to the Board committees which have terms of reference as listed below.

Corporate governance practices

The Board recognises the importance of sound corporate governance commensurate with the size of the company and the interests of Shareholders. As the company grows, the Directors will seek to develop policies and procedures in line with the requirements of the Code of Best Practice (commonly known as the 'UK Corporate Governance Code'), as published by the Financial Reporting Council so far as is practicable and considers them to be appropriate taking into account the size and nature of the company.

Remuneration committee

The remuneration committee comprises David Netherway and Neil Adshead and is responsible for reviewing the performance of the Executive Directors and senior management and for setting the framework and broad policy for the scale and structure of their remuneration, taking into account all factors which it shall deem necessary. The remuneration committee also determines the allocation of share options and is responsible for setting up any performance criteria in relation to the exercise of options granted under any share options schemes adopted by the company.

The company intends to form an audit committee, comprising two non-executive directors which will have primary responsibility for monitoring the quality of internal controls, ensuring that the financial performance of the company is properly measured and reported on and for reviewing reports from the company's auditors relating to the Group's accounting and internal controls.

Internal controls

The Board recognises the importance of both financial and non-financial controls and has reviewed the company's control environment and any related shortfalls during the year. Since the company was established, the Directors are satisfied that, given the current size and activities of the company, adequate internal controls have been implemented. Whilst they are aware that no system can provide absolute assurance against material misstatement or loss, in light of the current activity and proposed future developments of the company, continuing reviews of internal controls will be undertaken to ensure that they are adequate and effective.

Risk management

The Board considers risk assessment to be important in achieving its strategic objectives. There is a process of evaluation of performance targets through regular reviews by senior management of forecasts. Project milestones and timelines are regularly reviewed.

Relations with shareholders

The Board is committed to providing effective communication with the shareholders of the company. Significant developments are disseminated announcements and regular updates on the company website. The Board views the Annual General Meeting as a forum for communication between the company and its shareholders and encourages their participation in its agenda.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ALTUS STRATEGIES LIMITED

We have audited the financial statements of Altus Strategies Limited for the year ended 31 December 2016 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cashflows and the related notes.The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

This report is made solely to the company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company’s members those matters 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2016 and of the group's loss for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF ALTUS STRATEGIES LIMITED

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Date: 10/4/2017

Caroline Webster (Senior Statutory Auditor)
for and on behalf of Critchleys LLP
Statutory Auditor
Greyfriars Court
Paradise Square
Oxford
OX1 1BE

ALTUS STRATEGIES LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Continuing operations £	Discontinued operations £	31 December 2016 £	Continuing operations £	Discontinued operations £	31 December 2015 £
Revenue	**3**	455,475	55	455,530	1,411,257	-	1,411,257
Gross profit		455,475	55	455,530	1,411,257	-	1,411,257
Other operating income		7,080	600	7,680	74,818	-	74,818
Administrative expenses		(1,433,256)	(2,578)	(1,435,834)	(1,922,084)	-	(1,922,084)
Operating loss	**4**	(970,701)	(1,923)	(972,624)	(436,009)	-	(436,009)
Investment revenues	**8**	165	142	307	438	-	438
Other gains and losses	**9**	-	294,233	294,233	8,911	-	8,911
Profit/(loss) on disposal of operations							
- Gain on disposal of discontinued operations		-	24,592	24,592	-	-	-
Loss before taxation		(970,536)	317,044	(653,492)	(426,660)	-	(426,660)
Taxation	**10**	(174)	-	(174)	-	-	-
Loss and total comprehensive income for the year	**27**	(970,710)	317,044	(653,666)	(426,660)	-	(426,660)

ALTUS STRATEGIES LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Continuing operations £	Discontinued operations £	31 December 2016 £	Continuing operations £	Discontinued operations £	31 December 2015 £
Loss for the financial year is attributable to:							
- Owners of the parent company				(649,091)			(427,502)
- Non-controlling interests				(4,575)			842
				(653,666)			(426,660)
Total comprehensive income for the year is attributable to:							
- Owners of the parent company				(649,091)			(460,230)
- Non-controlling interests				(4,575)			33,570
				(653,666)			(426,660)
Earnings per share	**12**						
Basic (pence per share)				(0.78)			(0.52)
Diluted (pence per share)				(0.72)			(0.48)
Earnings per share from continuing operations							
Basic (pence per share)				(1.16)			(0.52)
Diluted (pence per share)				(1.07)			(0.48)
Earnings per share from discontinued operations							
Basic (pence per share)				0.38			-
Diluted (pence per share)				0.35			-

ALTUS STRATEGIES LIMITED

GROUP STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Notes	2016		2015	
		£	£	£	£
Non-current assets					
Intangible assets	**13**		105,640		90,269
Property, plant and equipment	**14**		2,065		4,035
Investments	**15**		472,394		575
			580,099		94,879
Current assets					
Trade and other receivables	**17**	254,479		569,209	
Investments	**18**	-		189,876	
Cash and cash equivalents		415,914		1,014,897	
		670,393		1,773,982	
Total assets			1,250,492		1,868,861
Current liabilities					
Trade and other payables	**19**	323,863		202,526	
Current tax liabilities		4,018		3,579	
Provisions	**20**	15,000		15,000	
Net current assets			327,512		1,552,877
Total liabilities			342,881		221,105
Net assets			907,611		1,647,756
Equity					
Called up share capital	**24**		104,526		116,396
Share premium account	**25**		5,770,590		5,748,597
Other reserves	**26**		(92,323)		4,279
Retained earnings	**27**		(4,807,839)		(4,158,748)
Equity attributable to owners of the parent company			974,954		1,710,524
Non-controlling interests			(67,343)		(62,768)
			907,611		1,647,756

The financial statements were approved by the board of directors and authorised for issue on 7/4/2017 and are signed on its behalf by:

....	....
Mr S J Poulton	Mr M R Grainger
Director	**Director**

ALTUS STRATEGIES LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Non-current assets					
Property, plant and equipment	**14**		859		2,145
Investments	**15**		2,960,842		2,944,748
			2,961,701		2,946,893
Current assets					
Trade and other receivables	**17**	1,222,788		1,318,919	
Cash and cash equivalents		375,864		565,371	
		1,598,652		1,884,290	
Total assets			4,560,353		4,831,183
Current liabilities					
Trade and other payables	**19**	1,024,962		3,221,934	
Provisions	**20**	15,000		15,000	
Net current assets/(liabilities)			558,690		(1,352,644)
Total liabilities			1,039,962		3,236,934
Net assets			3,520,391		1,594,249
Equity					
Called up share capital	**24**		104,526		116,396
Share premium account	**25**		5,770,590		5,748,597
Other reserves	**26**		(92,323)		4,279
Retained earnings	**27**		(2,262,402)		(4,275,023)
Total equity			3,520,391		1,594,249

The financial statements were approved by the board of directors and authorised for issue on 7/4/2017 and are signed on its behalf by:

....
Mr S J Poulton
Director

....
Mr M R Grainger
Director

Company Registration No. 06317236

ALTUS STRATEGIES LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Share capital £	Share premium account £	Other reserves £	Retained earnings £	Total equity £	Non-controlling interest £	Total £
Balance at 1 January 2015		110,657	5,388,761	4,279	(3,698,518)	1,805,179	(96,338)	1,708,841
Period ended 31 December 2015:								
Loss for the year		-	-	-	(427,502)	(427,502)	842	(426,660)
Other comprehensive income:								
Amounts attributable to non-controlling interests		-	-	-	(32,728)	(32,728)	32,728	-
Issue of share capital	**24**	5,739	359,836	-	-	365,575	-	365,575
Balance at 31 December 2015		116,396	5,748,597	4,279	(4,158,748)	1,710,524	(62,768)	1,647,756
Period ended 31 December 2016:								
Loss and total comprehensive income for the year		-	-	-	(649,091)	(649,091)	(4,575)	(653,666)
Issue of share capital	**24**	353	21,993	-	-	22,346	-	22,346
Reduction of shares	**24**	(12,223)	-	-	-	(12,223)	-	(12,223)
Transfers		-	-	(96,602)	-	(96,602)	-	(96,602)
Balance at 31 December 2016		104,526	5,770,590	(92,323)	(4,807,839)	974,954	(67,343)	907,611

ALTUS STRATEGIES LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Share capital £	Share premium account £	Other reserves £	Retained earnings £	Total £
Balance at 1 January 2015		110,657	5,388,761	4,279	(3,831,320)	1,672,377
Period ended 31 December 2015:						
Loss and total comprehensive income for the year		-	-	-	(443,703)	(443,703)
Issue of share capital	**24**	5,739	359,836	-	-	365,575
Balance at 31 December 2015		116,396	5,748,597	4,279	(4,275,023)	1,594,249
Period ended 31 December 2016:						
Profit and total comprehensive income for the year		-	-	-	2,012,621	2,012,621
Issue of share capital	**24**	353	21,993	-	-	22,346
Reduction of shares	**24**	(12,223)	-	-	-	(12,223)
Transfers		-	-	(96,602)	-	(96,602)
Balance at 31 December 2016		104,526	5,770,590	(92,323)	(2,262,402)	3,520,391

ALTUS STRATEGIES LIMITED

GROUP STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016		2015	
		£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	**32**		(495,629)		(954,040)
Income taxes paid			(174)		-
Net cash outflow from operating activities			(495,803)		(954,040)
Investing activities					
Purchase of intangible assets		(15,371)		(9,822)	
Purchase of property, plant and equipment		(405)		(3,016)	
Proceeds on disposal of property, plant and equipment		-		2,200	
Distribution in specie		(100,000)		-	
Proceeds on disposal of fixed asset investments		-		186,540	
Other investments and loans made		(1,092,191)		(1,367,995)	
Proceeds from other investments and loans		1,104,480		1,758,011	
Interest received		307		438	
Net cash (used in)/generated from investing activities			(103,180)		566,356
Financing activities					
Proceeds from issue of shares		-		362,150	
Net cash (used in)/generated from financing activities			-		362,150
Net decrease in cash and cash equivalents			(598,983)		(25,534)
Cash and cash equivalents at beginning of year			1,014,897		1,040,431
Cash and cash equivalents at end of year			415,914		1,014,897

COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016

		2016		2015	
	Notes	**£**	**£**	**£**	**£**
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	**33**		283,201		(663,149)
Investing activities					
Purchase of property, plant and equipment		(405)		(1,165)	
Purchase of fixed asset investments		(472,394)		(52,202)	
Proceeds on disposal of fixed asset investments		-		274,889	
Interest received		91		150	
Net cash (used in)/generated from investing activities			(472,708)		221,672
Financing activities					
Proceeds from issue of shares		-		362,150	
Net cash (used in)/generated from financing activities			-		362,150
Net decrease in cash and cash equivalents			(189,507)		(79,327)
Cash and cash equivalents at beginning of year			565,371		644,698
Cash and cash equivalents at end of year			375,864		565,371

1 Accounting policies

Company information

Altus Strategies Limited ("the Company") is a limited company incorporated in England and Wales. The registered office is Orchard Centre, 14 Station Road, Didcot, Oxfordshire, OX11 7LL.

The Group consists of Altus Strategies Limited and all of its subsidiaries.

1.1 Accounting convention

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, (except as otherwise stated).

These financial statements for the year ended 31 December 2016 are the first financial statements the company has prepared in accordance with IFRS. For all periods up to and including 31 December 2015, the company prepared its financial statements in accordance with UK GAAP. The accounting polices explain the principle adjustments made by the company in restating its UK GAAP financial statements. A reconciliation of the statement of financial position as at 1 January 2015 and the financial statements for the year ended 31 December 2015 is shown in note 34.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

As permitted by s408 Companies Act 2006, the Company has not presented its own income statement and related notes. The Company's profit for the year was £2,012,621 (2015 - £443,703 loss).

1.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of Altus Strategies Limited and its subsidiaries as at 31 December 2016. No profit or loss account is presented for the company as permitted by section 408 of the Companies Act 2006.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangements with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

1 Accounting policies (Continued)

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interest
- Derecognises the cumulative translation differences, recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- The group income statement and statement of cash flows includes the results and cash flows of Aegis Holdings Limited, Aegis Asterion Limited, Aegis Asset Management Limited and Aegis Exploration Management Limited for the period 1 January 2016 to 14 December 2016, the date of their sale outside the Group.
- Reclassifies the parent’s share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

1.3 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. In common with many junior resource investment and exploration companies the company raises funds in discrete tranches from existing shareholders and / or new investors. The Directors and management are using funds for the evaluation of resource investment and exploration opportunities. The current funds are forecast to provide sufficient working capital through the next financial year and additional funds will be raised as and when required. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1 Accounting policies **(Continued)**

1.4 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Recognised in revenue are recharges that are invoiced to the Group’s joint venture partners. These are based upon costs together with management fees incurred in connection with exploration programmes carried out under joint venture agreements and in which the Group acts as principal. The execution of exploration programmes under joint venture funding arrangements is a key component of the strategy of the Group.

1.5 Intangible assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Where the nature of exploration activities is of too preliminary in order for the Group to determine that those assets will be successful in determining specific mineral resources, expenditures on exploration activities are written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that that the technical, commercial and financial feasibility can be demonstrated.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Deferred exploration costs	Not amortised

Deferred exploration costs comprise of exploration license fees, capitalised in accordance with IFRS 6 "Exploration for and Evaluation of Mineral Resources". Licenses are initially measured at cost. Deferred exploration costs are assessed for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. When exploration for and evaluation of mineral resources in cash generating units does not lead to the discovery of commercially viable quantities of mineral resources of the Group has decided to discontinue such activities in that unit, the associated deferred exploration costs are written off to the profit and loss account.

1 Accounting policies **(Continued)**

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	25% on cost and 50% on cost
Fixtures, fittings & equipment	25% on cost
Computer equipment	50% on cost
Motor vehicles	50% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.7 Non-current investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of non-current assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1 Accounting policies **(Continued)**

Liquidity risk

The company seeks to manage financial risk to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial assets

Financial assets are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets are initially measured at fair value plus transaction costs.

Held to maturity investments

Financial assets with fixed or determinable payments and fixed maturity dates that the Company has the positive intent and ability to hold to maturity are classified as held to maturity investments.

Held to maturity investments are measured at amortised cost using the effective interest method less any impairment, with revenue recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1 Accounting policies (Continued)

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Other financial liabilities
Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of financial liabilities
Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.11 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax
Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1 Accounting policies **(Continued)**

1.13 Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.16 Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity. The expense of credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the time beginning and end of that period.

1.17 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Rentals payable under operating leases, less any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.18 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

1 Accounting policies **(Continued)**

1.19 Liquidity risk

The company seeks to manage financial risk to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

1 Accounting policies **(Continued)**

1.20 First time adoption of IFRS

These financial statements for the year ended 31 December 2016 are the first the group has prepared in accordance with IFRS. For periods up to and including the year ended 31 December 2015, the group prepared its financial statements in accordance with UK GAAP.

Accordingly, the group has prepared financial statements that comply with IFRS applicable as at 31 December 2016, together with the comparative period data for the year ended 31 December 2015, as described in the summary of significant accounting policies. In preparing the financial statements, the group's opening statement of financial position was prepared as at 1 January 2015, the group's date of transition to IFRS. A reconciliation of the statement of financial position as at 1 January 2015 and the financial statements for the year ended 31 December 2015 are shown in note 34.

Exemptions applied

IFRS 1 allows first time adopters certain exemptions from the retrospective application of certain requirements under IFRS. The group has applied the following exemptions:

- IFRS 3 Business Combinations has not been applied to acquisitions of subsidiaries that are considered businesses under IFRS that occurred before 1 January 2015. Use of this exemption means that the UK GAAP carrying amount of assets and liabilities, that are required to be recognised under IFRS, is their deemed cost at the date of acquisition. After the date of acquisition, measurement is in accordance with IFRS. Assets and liabilities that do not qualify for recognition under IFRS are excluded from the opening IFRS statement of financial position. The company did not recognise or exclude any previously recognised amounts as a result of IFRS recognition requirements. IFRS 1 also requires that the UK GAAP carrying amount of goodwill must be used in the opening IFRS statement of financial position (apart from adjustments for goodwill impairment and recognition or derecognition of intangible assets). In accordance with IFRS 1, the group has tested goodwill for impairment at the date of transition to IFRS. Goodwill remains fully amortised at 1 January 2015.
- IFRS 2 Share Based Payment has not been applied to equity instruments in share based payment transactions that were granted on or before 11 January 2012, nor has it been applied to equity instruments granted after 11 January 2012 that had vested before 1 January 2015. For cash settled share based payment transactions, the company has not applied IFRS 2 to liabilities that were settled before 1 January 2015.

The group has considered the other exemptions which were available and deemed them not applicable.

Reconciliation of equity as at 1 January 2015 and 31 December 2015 and total comprehensive income for the year ended 31 December 2015

A reconciliation of the statement of financial position as at 1 January 2015 and the financial statements for the year ended 31 December 2015 are shown in note 34.

- **Intangible assets**
  Under UK GAAP one off licenses with an indefinite life were capitalised whilst annual license fees were expensed in the profit and loss. Under IFRS, annual license fees have been capitalised in accordance with IFRS 6 Exploration for and Evaluation of Mineral Resources. As at 1 January 2015 £46,068 has been reclassified as Deferred exploration costs. As at 31 December 2015 £55,890 has been reclassified.
- **Share based payments**
  IFRS requires the fair value of the share options to be determined using an appropriate pricing model recognised over the vesting period. It was not necessary to recognise any additional expense for the year ended 31 December 2015 as a result of the exemption available on first time adoption. The first expense recognised is in the year ended 31 December 2016 for new options granted 11 January 2016.
- **Statement of cashflows**
  The transition from UK GAAP to IFRS reflects the reclassification of purchase of intangible assets as investing activities where they have previously been expensed as operational activities.

1 Accounting policies **(Continued)**

1.21 New standards, amendments and interpretations not yet adopted

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

2 Critical accounting estimates and judgements

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Share based payment

Estimating fair value for share based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about them. For the measurement of the fair value of equity settled transactions with employees at the grant date, the company uses the Black Scholes model. The assumptions and model used for estimating fair value for share based payment transactions are disclosed in note 23.

Stability of Joint Venture Partners

The stability of the Group's joint venture partners is periodically reviewed in determining the likelihood of future funding for related projects.

Impairment of Deferred Exploration Costs

Deferred exploration costs had a carrying value as at 31 December 2016 of £ 105,640 (31 December 2015: £ 90,269). Management tests annually whether deferred exploration costs have a carrying value in accordance with the accounting policy stated in note 1.5. Each exploration project is subject to an annual review either by a consultant or senior company geologist to determine if the exploration results returned to date warrant further exploration expenditure and have the potential to result in an economic discovery. This review takes into consideration long-term metal prices, anticipated resource volumes and grades, permitting and infrastructure as well as the likelihood of on-going funding from joint venture partners. In the event that a project does not represent an economic exploration target and results indicate that there is no additional upside, or that future funding from joint venture partners is unlikely, a decision will be made to discontinue exploration. The Directors have reviewed the estimated value of each project prepared by management and do not consider any impairment necessary.

Other areas

Where investments are held in tradeable securities, these are valued as per the tradeable market value as at the balance sheet date.

3 Revenue and segmental analysis

An analysis of the group's revenue is as follows:

	2016	2015
	£	£
Revenue		
Management fees	-	87,688
Recharged costs	455,530	1,323,569
	455,530	1,411,257
Other significant revenue		
Interest income	307	438

Segmental analysis

	UK	Africa	Total
	2015	2015	2015
	£	£	£
Revenues	139,693	1,274,564	1,411,257
Administrative expenses	(1,431,854)	(490,230)	(1,922,084)
Reportable segment assets	1,615,954	252,907	1,868,861
Reportable segmant liabilities	187,466	33,639	221,105

	UK	Africa	Total
	2016	2016	2016
	£	£	£
Revenues	4,943	450,587	455,530
Administrative expenses	(901,041)	(534,793)	(1,435,834)
Reportable segment assets	1,059,433	191,059	1,250,492
Reportable segmant liabilities	298,106	44,775	342,881

4 Operating (loss)/profit

	2016	2015
	£	£
Operating (loss)/profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	(38,605)	3,132
Exploration and development costs	512,636	632,421
Depreciation of owned property, plant and equipment	2,375	2,608
Loss on disposal of property, plant and equipment	-	(2,200)
Loss on disposal of intangible assets	-	(177,340)
Share-based payments	3,398	-
Operating lease charges	23,046	20,401

Further expenditure amounting to £211,339 (2015: £252,865) has been incurred for wages and salaries of UK Geologists that relates to the exploration and developments disclosed above.

5 Auditor's remuneration

	2016	2015
Fees payable to the company's auditor and associates:	£	£
For audit services		
Audit of the financial statements of the group and company	8,000	8,000
Audit of the company's subsidiaries	-	573
	8,000	8,573
For services in respect of associated pension schemes		
All other non-audit services	900	955

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2016 Number	2015 Number	Company 2016 Number	2015 Number
Directors	4	4	4	4
Employees	24	26	8	10
	28	30	12	14

6 Employees (Continued)

Their aggregate remuneration comprised:

	Group 2016	2015	Company 2016	2015
	£	£	£	£
Wages and salaries	521,356	592,543	507,594	579,243
Social security costs	50,664	63,837	50,664	63,837
Pension costs	127,457	34,097	127,457	34,097
	699,477	690,477	685,715	677,177

7 Directors' remuneration

	2016	2015
	£	£
Remuneration for qualifying services	229,400	195,885
Company pension contributions to defined contribution schemes	58,562	-
	287,962	195,885

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2015 - 2).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

Remuneration for qualifying services	90,000	90,000
Company pension contributions to defined contribution schemes	29,281	-

8 Investment income

	2016	2015
	£	£
Interest income		
Interest on bank deposits	307	438

9 Other gains and losses

	2016	2015
	£	£
Fair value gains/(losses) on financial instruments		
Amounts written back to fair value through profit or loss	6,594	392,039
Other gains/(losses)		
Gain/(loss) on disposal of financial assets held at fair value through profit or loss	287,639	(383,128)
	294,233	8,911

10 Income tax expense

	2016	2015
	£	£
Foreign current tax on profits for the current period	174	-

Of the charge to current tax in relation to discontinued operations, £0 relates to tax on profits and £0 arose on disposal.

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2016	2015
	£	£
Loss before taxation	(678,084)	(426,660)
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.00%)	(135,617)	(85,332)
Tax effect of expenses that are not deductible in determining taxable profit	(22,753)	42,632
Tax effect of utilisation of tax losses not previously recognised	(3,874)	(6,894)
Unutilised tax losses carried forward	87,823	24,750
Adjustments in respect of prior years	4,098	(30)
Permanent capital allowances in excess of depreciation	49	(38,788)
Effect of overseas tax rates	65,530	63,662
Gain on demerger	4,918	-
Tax expense for the year	174	-

11 Discontinued operations

Gain on disposal of discontinued operations

During the year the group disposed of four of its subsidiaries by way of a distribution in specie. The purpose of distribution was for the group to focus on developing its mineral exploration business. The subsidiaries whose activities were divested were that of FCA regulated fund management, consultancy services and turn around investment opportunities. The distribution in specie allowed for the two distinct areas of activity to be segregated whilst allowing the existing shareholders to retain full and pro rata ownership of the divested subsidiaries.

Upon distribution net assets of the subsidiaries disposed amounted to £75,408. The distribution made amounted to £100,000 resulting in a profit to the group of £24,592. A merger reserve equal to the value of the distribution was created upon disposal.

12 Earnings per share

	2016 Number	2015 Number
Weighted average number of ordinary shares for basic earnings per share	83,609,646	82,591,049
- Weighted average number outstanding share options	7,462,200	6,437,200
Weighted average number of ordinary shares for diluted earnings per share	91,071,846	89,028,249

Earnings	**£**	**£**
Continuing operations		
Loss/profit for the period from continued operations	(970,710)	426,660
Less non-controlling interests	4,575	33,570
Earnings for basic and diluted earnings per share being net profit attributable to equity shareholders of the company for continued operations	(966,135)	460,230
Discontinued operations		
Profit/loss for the period from discontinued operations	317,044	-
Less non-controlling interests	-	-
Earnings for basic and diluted earnings per share being net profit attributable to equity shareholders of the company for discontinued operations	317,044	-
Basic earnings pence per share		
From continuing operations	(1.16)	(0.52)
From discontinued operations	0.38	-
	(0.78)	(0.52)
Diluted earnings pence per share		
From continuing operations	(1.07)	(0.48)
From discontinued operations	0.35	-
	(0.72)	(0.48)

As set out in Note 35 ‘Events after the reporting date’, a subdivision of shares was approved by shareholders on 3rd March 2017 whereby 200 new Ordinary shares were issued for each existing Ordinary A share. Furthermore, the 48,892 B-Class shares (2015: 48,892) were cancelled by a Special Resolution of Shareholders approved on 6th December 2016. In accordance with IAS 33 the weighted average number of shares for the year has been retrospectively adjusted to present the new subdivided number of shares, together with the omission of the cancelled B-Class shares.

13 Intangible fixed assets

Group	Goodwill	Deferred exploration costs	Total
	£	£	£
Cost			
At 1 January 2016	379,156	90,269	469,425
Additions	-	15,371	15,371
Disposals	(379,156)	-	(379,156)
At 31 December 2016	-	105,640	105,640
Amortisation and impairment			
At 1 January 2016	379,156	-	379,156
Disposals	(379,156)	-	(379,156)
At 31 December 2016	-	-	-
Carrying amount			
At 31 December 2016	-	105,640	105,640
At 31 December 2015	-	90,269	90,269

Goodwill represented a premium arising on acquisition. It related to those subsidiaries that have been disposed of during the year by way of the distribution in specie.

14 Property, plant and equipment

Group	Plant and machinery	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2016	240	3,760	43,032	23,140	70,172
Additions	-	72	333	-	405
Disposals	-	-	(21,960)	-	(21,960)
At 31 December 2016	240	3,832	21,405	23,140	48,617
Depreciation and impairment					
At 1 January 2016	190	1,901	40,906	23,140	66,137
Depreciation charged in the year	50	596	1,729	-	2,375
Eliminated in respect of disposals	-	-	(21,960)	-	(21,960)
At 31 December 2016	240	2,497	20,675	23,140	46,552
Carrying amount					
At 31 December 2016	-	1,335	730	-	2,065
At 31 December 2015	50	1,859	2,126	-	4,035

Company	Fixtures, fittings & equipment	Computer equipment	Total
	£	£	£
Cost			
At 1 January 2016	911	20,205	21,116
Additions	72	333	405
At 31 December 2016	983	20,538	21,521
Depreciation and impairment			
At 1 January 2016	642	18,329	18,971
Depreciation charged in the year	169	1,522	1,691
At 31 December 2016	811	19,851	20,662
Carrying amount			
At 31 December 2016	172	687	859
At 31 December 2015	269	1,876	2,145

15 Non-current assets

		Group		Company	
		2016	2015	2016	2015
	Notes	£	£	£	£
Investments in subsidiaries	16	-	-	2,488,448	2,944,748
Investments carried at fair value		472,394	575	472,394	-
		472,394	575	2,960,842	2,944,748

The company has not designated any financial assets that are not classified as held for trading as financial assets at fair value through profit and loss.

Fair value of financial assets carried at amortised cost
Except as detailed below the directors believe that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

Financial assets for which fair value cannot be measured reliably
Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses, in line with the accounting policy. Subsidiaries are not held at fair value as there is no active market so cannot be fair value cannot be measured reliably.

Investments carried at fair value comprise listed equity shares. The fair value of these equity shares is determined by reference to published price quotations in and active market.

16 Subsidiaries

Details of the company's subsidiaries at 31 December 2016 are as follows:

Name of undertaking	Country of incorporation	Nature of business	Class of shares held	% Held Direct	% Held Indirect
Alures Mining Ltd		Holding company	Ordinary	100.00	
Auramin Ltd		Gold exploration	Ordinary	100.00	
Aterian Resources Ltd		Mineral exploration	Ordinary	100.00	
Aeos Energy Ltd		Gold exploration	Ordinary	100.00	
Altau Resources Ltd		Copper exploration	Ordinary	100.00	
Aluvance Ltd		Mineral exploration	Ordinary	97.26	
Altau Resources Ltd	Ethiopia	Copper exploration	Ordinary	100.00	100.00
Aeos Resources Ltd	Republic of Seychelles	Dormant	Ordinary	100.00	100.00
Altaucam Resources Ltd	Republic of Seychelles	Dormant	Ordinary	100.00	100.00
Altau Holdings Ltd	Republic of Seychelles	Dormant	Ordinary	100.00	100.00
Avance African Group Ltd	Republic of Seychelles	Dormant	Ordinary	100.00	100.00
Aucam Resources Ltd	Republic of Seychelles	Dormant	Ordinary	100.00	100.00
Inland Exploration Ltd	Republic of Seychelles	Dormant	Ordinary	100.00	100.00
Westcoast Exploration Ltd	Republic of Seychelles	Dormant	Ordinary	100.00	100.00
Mansion Resources Ltd	Republic of Seychelles	Dormant	Ordinary	100.00	100.00
Altar Resources Ltd	Republic of Seychelles	Dormant	Ordinary	100.00	100.00
Eagle Resources Ltd	Republic of Seychelles	Dormant	Ordinary	100.00	100.00
Enigma Resources Ltd	Republic of Seychelles	Dormant	Ordinary	100.00	100.00
Atlas Minerals	Republic of Seychelles	Dormant	Ordinary	100.00	100.00
Atlantic Minerals	Republic of Seychelles	Dormant	Ordinary	100.00	100.00
Alboran Minerals	Republic of Seychelles	Dormant	Ordinary	100.00	100.00
Addax Minerals	Republic of Seychelles	Dormant	Ordinary	100.00	100.00
Akkari Minerals	Republic of Seychelles	Dormant	Ordinary	100.00	100.00
Aures Minerals	Republic of Seychelles	Dormant	Ordinary	100.00	100.00
Azilal Minerals	Republic of Seychelles	Dormant	Ordinary	100.00	100.00
Altus Diamonds	Republic of Seychelles	Dormant	Ordinary	100.00	100.00
Avanor SARL	Cote d'Ivoire	Dormant	Ordinary	97.26	97.26
Avanex SARL	Cote d'Ivoire	Dormant	Ordinary	97.26	97.26

16 Subsidiaries (Continued)

Bauxex SA	Cameroon	Dormant	Ordinary	97.26	97.26
Aucam SA	Cameroon	Iron exploration	Ordinary	97.26	97.26
Valnord SA	Cameroon	Gold exploration	Ordinary	100.00	100.00
Mining & Exploration Services (Liberia) Ltd	Liberia	Gold exploration	Ordinary	100.00	100.00
AF Resources SARL AU	Morocco	Dormant	Ordinary	100.00	100.00
Arzu Resources SARL AU	Morocco	Copper exploration	Ordinary	100.00	100.00
Adrar Resources SARL AU	Morocco	Dormant	Ordinary	100.00	100.00
Altus Mining (SL)	Sierra Leone	Dormant	Ordinary	100.00	100.00

Investments in subsidiaries are stated at cost. The future value of the investments in subsidiaries is dependent on future exploration and commercial success.

17 Trade and other receivables

	Group		Company	
	2016	**2015**	**2016**	**2015**
Amounts falling due within one year:	**£**	**£**	**£**	**£**
Trade receivables	135,953	438,247	135,953	438,247
Unpaid share capital	-	12,623	-	12,223
Other receivables	-	9,999	-	9,999
VAT recoverable	42,808	54,054	3,967	4,880
Amounts due from associate undertakings	-	-	1,012,472	840,841
Amounts due from related parties	58,024	-	58,024	-
Prepayments	17,694	54,286	12,372	12,729
	254,479	569,209	1,222,788	1,318,919

Trade receivables - credit risk

Fair value of trade receivables
The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

Ageing of impaired trade receivables
Amounts due from associate undertakings have been impaired to 50% of the balance owing.

17 Trade and other receivables (Continued)

	Group 2016 £	2015 £	Company 2016 £	2015 £
UK pound	143,116	165,960	1,152,496	969,175
Other currencies	111,363	403,249	70,292	349,744
Total	254,479	569,209	1,222,788	1,318,919

As of 31 December 2016 the Group's and Company's receivables of £ 254,479 (2015: £ 569,209) were fully performing.

18 Current asset investments

	Group 2016 £	2015 £	Company 2016 £	2015 £
Listed investments	-	189,876	-	-

Listed investments comprise listed equity shares. The fair value of these equity shares is determined by reference to published price quotations in an active market.

19 Other creditors falling due within one year

	Group 2016 £	2015 £	Company 2016 £	2015 £
Trade payables	23,146	84,357	9,333	74,129
Amounts due to undertakings in which the group has a participating interest	-	-	741,856	3,049,468
Other payables	16,058	16,797	2,875	3,615
Accruals and deferred income	284,659	101,372	270,898	94,722
	323,863	202,526	1,024,962	3,221,934

	Group 2016 £	2015 £	Company 2016 £	2015 £
UK Pound	299,040	108,342	1,021,932	3,150,909
Other currencies	24,823	94,184	3,030	71,025
Total	323,863	202,526	1,024,962	3,221,934

20 Provisions for liabilities

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
	15,000	15,000	15,000	15,000

A provision has been recognised in accordance with IAS 37 in respect of the company's obligation to its landlord for dilapidations on the expiry of its lease. The provision has been recognised because there is an obligation at the reporting date as a result of an onerous contract, where outflow is probable to settle the obligation and a reliable estimate can be made.

Movements on provisions:

Group	**£**
At 1 January 2016 and 31 December 2016	15,000

Company	**£**
At 1 January 2016 and 31 December 2016	15,000

A provision has been recognised in accordance with IAS 37in respect of the company's obligation to its landlord for dilapidations on the expiry of its lease. The provision has been recognised because there is an obligation at the reporting date as a result of an onerous contract, where outflow is probable to settle the obligation and a reliable estimate can be made.

21 Retirement benefit schemes

	2016	2015
Defined contribution schemes	**£**	**£**
Charge to profit and loss in respect of defined contribution schemes	127,457	34,097

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

22 Share Options

Non-EMI Share Options

The total number of non-EMI share options over Ordinary shares outstanding at 31 December 2016 was 8,170. These share options were as follows:

Date of grant/exercisable from	Exercise price	Number/ granted	Exercise/ cancelled	31 December 2016
1 September 2007	£7.50	1,600	-	1,600
17 November 2007	£15.00	1,800	(800)	1,000
08 November 2009	£10.00	1,000	-	1,000
21 September 2010	£10.00	600	(600)	-
21 September 2010	£15.00	600	(600)	-
11 January 2012	£4.70	7,354	(2,784)	4,570
Total		12,954	(4,784)	8,170

The non-EMI share options held by directors, employees and non-employees as at 31 December 2016 were as follows:

Date of grant/exercisable from	Exercise price	David Netherway	Non-employees	Total granted
1 September 2007	£7.50	-	1,600	1,600
17 November 2007	£15.00	-	1,000	1,000
08 November 2009	£10.00	-	1,000	1,000
21 September 2010	£10.00	-	-	-
21 September 2010	£15.00	-	-	-
11 January 2012	£4.70	4,570	-	4,570
Total		4,570	3,600	8,170

The weighted average of the exercise price per share of the non-EMI share options as at 31 December 2016 was £7.16.

Approved EMI Share Options

The total number of approved EMI share options over Ordinary shares outstanding at 31 December 2016 was 29,141. These share options were as follows:

Date of grant/exercisable from	Exercise price	Number/ granted	Exercise/ cancelled	31 December 2016
11 January 2012	£4.70	19,232	-	19,232
11 January 2016	£6.00	9,909	-	9,909
Total		29,141	-	29,141

22 Share Options (Continued)

The approved EMI share options held by directors, employees and non-employees as at 31 December 2016 were as follows:

Date of grant/exercisable from	Exercise price	Matthew Grainger	Steven Poulton	Employees	Total granted
11 January 2012	£4.70	13,089	-	6,143	19,232
11 January 2016	£6.00	-	2,784	7,125	9,909
Total		13,089	2,784	13,268	29,141

The weighted average of the exercise price per share of these approved share options as at 31 December 2016 was £5.14.

The total share options held by directors as at 31 December 2016 were as follows:

EMI & Non-EMI Share Options	David Netherway	Steven Poulton	Matthew Grainger	Total granted
EMI share options	-	2,784	13,089	15,873
Non-EMI share options	4,570	-	-	4,570
Total	4,570	2,784	13,089	20,443

23 Share-based payment transactions

Group and company
The weighted average fair value of options granted in the year was determined using the Black Scholes option pricing model.

	2016	2015
Weighted average share price	£3.82	-
Weighted average exercise price	£6.00	-
Expected volatility	20.00%	-
Expected life	2 Years	-
Risk free rate	1.32%	-
Expected dividends yields	-	-

	Group 2016 £	2015 £	Company 2016 £	2015 £
Expenses recognised in the year				
Arising from equity settled share based payment transactions	3,398	-	3,398	-

24 Share capital

	Group and company 2016	2015
Ordinary share capital	**£**	**£**
Issued and fully paid		
418,104 Ordinary A shares of 25p each	104,526	104,173
Ordinary B shares of 25p each	-	12,223
	104,526	116,396

Reconciliation of movements during the year:

	Ordinary A Shares Number	Ordinary B Shares Number
At 1 January 2016	416,692	48,892
Issue of fully paid shares	1,412	-
Cancelled	-	(48,892)
At 31 December 2016	418,104	-

25 Share premium account

	Group 2016 £	2015 £	Company 2016 £	2015 £
At beginning of year	5,748,597	5,388,761	5,748,597	5,388,761
Issue of new shares	-	356,466	-	356,466
Other movements	21,993	3,370	21,993	3,370
At end of year	5,770,590	5,748,597	5,770,590	5,748,597

26 Other reserves

Group	Merger reserve	Share based payment reserve	Total
	£	£	£
At 1 January 2015	-	4,279	4,279
At 31 December 2015	-	4,279	4,279
Additions	(100,000)	3,398	(96,602)
At 31 December 2016	(100,000)	7,677	(92,323)

Company	Merger reserve	Share based payment reserve	Total
	£	£	£
At 1 January 2015	-	4,279	4,279
At 31 December 2015	-	4,279	4,279
Additions	(100,000)	3,398	(96,602)
At 31 December 2016	(100,000)	7,677	(92,323)

During the year a merger reserve was created upon disposal of four of the company's subsidiaries by way of a distribution in specie to the company's shareholders.

27 Retained earnings

	Group 2016	2015	Company 2016	2015
	£	£	£	£
At the beginning of the year	(4,158,748)	(3,698,518)	(4,275,023)	(3,831,320)
(Loss)/profit for the year	(649,091)	(427,502)	2,012,621	(443,703)
Other comprehensive income attributable to non-controlling interests	-	(32,728)	-	-
At the end of the year	(4,807,839)	(4,158,748)	(2,262,402)	(4,275,023)

28 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2016	2015	Company 2016	2015
	£	£	£	£
Between two and five years	26,542	47,500	26,542	47,500
	26,542	47,500	26,542	47,500

29 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, who are also directors, is as follows.

	2016	2015
	£	£
Aggregate compensation	287,962	195,885

29 Related party transactions **(Continued)**

Transactions with related parties
During the year the group entered into the following transactions with related parties:

	Sale of goods		Purchase of goods	
	2016	**2015**	**2016**	**2015**
	£	**£**	**£**	**£**
Entities over which the group has control, joint control or significant influence	14,324	138,138	31,758	117,886

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2016	**2015**
	£	**£**
Group		
Entities over which the group has control, joint control or significant influence	741,856	3,049,468

29 Related party transactions (Continued)

The following amounts were outstanding at the reporting end date:

	Amounts owed by related parties 2016			Amounts owed by related parties 2015		
	Balance	Provision	Net	Balance	Provision	Net
	£	£	£	£	£	£
Group						
Entities over which the group has control, joint control or significant influence	2,024,944	1,012,472	1,012,472	1,681,682	840,841	840,841

29 Related party transactions (Continued)

The following amounts were recognised as an expense in the period in respect of bad and doubtful debts due from related parties:

	2016	2015
	£	£
Group		
Entities over which the group has control, joint control or significant influence	(2,811,821)	257,679

All group transactions have been eliminated on consolidation.

Aegis Asset Management Ltd
The company was a wholly owned subsidiary of Altus Strategies Ltd until ownership changed in the year. As at 31 December 2016 the balance owing from Aegis Asset Management Ltd is £1,024 (2015: £0). This is included in other debtors and has been settled after the balance sheet date.

Aegis Asterion Ltd
The company was a wholly owned subsidiary of Altus Strategies Ltd until ownership changed in the year. As at 31 December 2016 the balance owing from Aegis Asterion Ltd is £57,000 (2015: £0). This is included in other debtors and has been settled after the balance sheet date.

Mr S J Poulton
Mr S J Poulton is a director and shareholder of the company. With the agreement of the board, on 7 July 2016, the company entered into a loan agreement with Mr S J Poulton in the amount of £325,000 (2015: £0). The funds have been applied to a loan of the same amount and on an arms-length basis to Stellar Diamonds Plc (a company of which Mr S J Poulton is a director). On 4 October 2016 Altus Strategies Ltd sold its ownership of the loan it had made to Stellar Diamonds Ltd to Mr S J Poulton at face value, and in turn paid for this with the forgiveness in full of the loan of the same value which he made to Altus Strategies Ltd.

30 Directors' transactions

Description	% Rate	Opening balance	Amounts repaid	Closing balance
		£	£	£
Interest free loan	-	9,999	(9,999)	-
		9,999	(9,999)	-

31 Controlling party

There is no ultimate controlling party.

32 Cash generated from group operations

	2016 £	2015 £
Loss for the year after tax	(653,666)	(426,660)
Adjustments for:		
Taxation charged	174	-
Investment income	(307)	(438)
Gain on disposal of property, plant and equipment	-	(2,200)
Gain on disposal of intangible assets	-	(177,340)
Depreciation and impairment of property, plant and equipment	2,375	2,608
Other gains and losses	(294,233)	(8,911)
Equity settled share based payment expense	3,398	-
Movements in working capital:		
Decrease/(increase) in trade and other receivables	302,506	(570,505)
Increase in trade and other payables	144,124	229,406
Cash absorbed by operations	(495,629)	(954,040)

33 Cash generated from operations - company

	2016 £	2015 £
Profit/(loss) for the year after tax	2,012,621	(443,703)
Adjustments for:		
Investment income	(91)	(150)
Depreciation and impairment of property, plant and equipment	1,691	2,234
Other gains and losses	356,300	164,459
Equity settled share based payment expense	3,398	-
Movements in working capital:		
Decrease/(increase) in trade and other receivables	83,907	(623,223)
(Decrease)/increase in trade and other payables	(2,174,625)	237,234
Cash generated from/(absorbed by) operations	283,201	(663,149)

34 Reconciliations on adoption of IFRS

Reconciliation of equity - group

		At 1 January 2015			At 31 December 2015		
		Previous UK GAAP	Effect of transition	IFRS	Previous UK GAAP	Effect of transition	IFRS
	Notes	£	£	£	£	£	£
Non-Current Assets							
Other intangibles		34,379	46,068	80,447	34,378	55,891	90,269
Property, plant and equipment		3,627	-	3,627	4,035	-	4,035
Investments		477,766	-	477,766	575	-	575
		515,772	46,068	561,840	38,988	55,891	94,879
Current assets							
Trade and other receivables		176,072	(27)	176,045	569,251	(42)	569,209
Investments		102,989	-	102,989	189,876	-	189,876
Cash and cash equivalents		1,040,431	-	1,040,431	1,014,897	-	1,014,897
		1,319,492	(27)	1,319,465	1,774,024	(42)	1,773,982
Total Assets		1,835,264	46,041	1,881,305	1,813,012	55,849	1,868,861
Current liabilities							
Taxation		(582)	-	(582)	(3,579)	-	(3,579)
Trade and other payables		(156,882)	-	(156,882)	(202,526)	-	(202,526)
Other provisions		(15,000)	-	(15,000)	(15,000)	-	(15,000)
		(172,464)	-	(172,464)	(221,105)	-	(221,105)
Net current assets		1,147,028	(27)	1,147,001	1,552,919	(42)	1,552,877
Total liabilities		(172,464)	-	(172,464)	(221,105)	-	(221,105)
Net assets		1,662,800	46,041	1,708,841	1,591,907	55,849	1,647,756

34 Reconciliations on adoption of IFRS (Continued)

		At 1 January 2015			At 31 December 2015		
		Previous UK GAAP	**Effect of transition**	**IFRS**	**Previous UK GAAP**	**Effect of transition**	**IFRS**
	Notes	**£**	**£**	**£**	**£**	**£**	**£**
Equity							
Share capital		110,657	-	110,657	116,396	-	116,396
Share premium		5,388,761	-	5,388,761	5,748,597	-	5,748,597
Other reserves		4,279	-	4,279	4,279	-	4,279
Retained earnings		(3,744,075)	45,557	(3,698,518)	(4,213,872)	55,124	(4,158,748)
Non-controlling minority interests		(96,822)	484	(96,338)	(63,493)	725	(62,768)
Total equity		1,662,800	46,041	1,708,841	1,591,907	55,849	1,647,756

Reconciliation of total comprehensive income for the financial period

		Year ended 31 December 2015		
		Previous UK GAAP	**Effect of transition**	**IFRS**
	Notes	**£**	**£**	**£**
Revenue		1,411,257	-	1,411,257
Administrative expenses		(1,931,891)	9,808	(1,922,084)
Other operating income		74,818	-	74,818
Operating (loss)/profit		(445,816)	9,808	(436,009)
Investment revenues		438	-	438
Other gains and losses		8,911	-	8,911
Loss before taxation		(436,467)	9,808	(426,660)
Taxation		-	-	-
Loss and total comprehensive income		(436,467)	9,808	(426,660)

35 Events after the reporting date

On March 3rd 2017 a General Meeting of Shareholders was held at which all resolutions were passed. These included *inter alia* a subdivision of existing issued share capital on the basis of 200 new ordinary shares of £ 0.00125 each for each existing ordinary share of £ 0.25 each. The Directors were authorised to dissapply pre-emption rights as provided by the Articles of Association and under S561(1) of the Companies Act 2006. References to ‘B’ shares were removed from the Articles of Association of the Company and any reference to ‘A Shares’ was amended to ‘Ordinary Shares’. Directors were also authorised to send or supply documents by making them available on a website or other electronic means.