29 August 2019

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

Quarterly Report & Financial Statements

Altus Strategies Plc (AIM: ALS & TSX-V: ALTS), the Africa focused project and royalty generator, announces that it has today published its unaudited financial results for the three month and six month periods ending 30 June 2019 and the Management Discussion & Analysis for the three month period ending 30 June 2019. These documents have been posted on the Company's website www.altus-strategies.com and are also available on SEDAR at www.sedar.com.

Market Abuse Regulation (MAR) Disclosure

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

For further information you are invited to visit the Company's website www.altus-strategies.com or contact:

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About Altus Strategies Plc

Altus is a London (AIM: ALS) and Toronto (TSX-V: ALTS) listed project and royalty generator in the mining sector with a focus on Africa. Our team creates value by making mineral discoveries across multiple licences. We enter joint ventures with respected groups and our partners earn interest in these discoveries by advancing them toward production. Project milestone payments we receive are reinvested to extend our portfolio, accelerating our growth. The portfolio model reduces risk as our interests are diversified by commodity and by country. The royalties generated from our portfolio of projects are designed to yield sustainable long-term income. We engage constructively with all our stakeholders, working diligently to minimise our environmental impact and to promote positive economic and social outcomes in the communities where we operate.

Cautionary Note Regarding Forward-Looking Statements

Certain statements in this news release contain forward-looking information. These statements address future events and conditions and, as such, involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements. Such factors include without limitation the completion of planned expenditures, the ability to complete exploration programmes on schedule and the success of exploration programmes. Readers are cautioned not to place undue reliance on the forward-looking information, which speak only as of the date of this news release.

****ENDS****

ALTUS STRATEGIES PLC

INTERIM UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS AND SIX MONTHS ENDED 30 JUNE 2019

Company Registration No. 10746796 (England and Wales)

NOTICE

These condensed consolidated interim financial statements have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company. These condensed consolidated interim financial statements have not been reviewed by the Company's external auditors.

ALTUS STRATEGIES PLC

INTERIM UNAUDITED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2019

CONDENSED CONSOLDIATED INTERIM STATEMENT OF COMPREHENSIVE LOSS

		For the three months ended 30 June		For the six months ended 30 June	
		2019	2018	2019	2018
	Notes	£	£	£	£
Continuing operations					
Management fees and costs recovered from joint venture partners		22,161	6,831	28,112	41,325
Exploration costs expensed	3	(390,342)	(197,042)	(506,462)	(328,411)
Administrative expenses	4	(10,756)	(271,531)	(340,840)	(523,743)
IPO, listing and acquisition related costs		(27,586)	(60,456)	(54,292)	(108,234)
Loss from operations		(406,523)	(522,198)	(873,482)	(919,063)
Investment receivable		2	7	7	13
Interest paid		(2,101)	-	(4,318)	-
Other operating income		4,000	22,171	4,000	22,511
Fair value gain/loss on investments		116,848	(46,383)	42,654	(165,645)
Loss before taxation		(287,774)	(546,403)	(831,139)	(1,062,184)
Taxation		-	-	-	-
Loss for the period		**(287,774)**	**(546,403)**	**(831,139)**	**(1,062,184)**
Exchange differences on retranslation of net assets of subsidiaries		-	93,516	-	32,315
Total comprehensive loss for the quarter		**(287,774)**	**(452,887)**	**(831,139)**	**(1,029,869)**
Loss for the quarter attributable to:					
- Owners of the parent company		(294,790)	(550,094)	(838,444)	(1,063,545)
- Non-controlling interest		7,017	3,691	7,305	1,361
		(288,237)	**(546,403)**	**(831,139)**	**(1,062,184)**
Total comprehensive loss for the quarter attributable to:					
- Owners of the parent company		(294,790)	(456,578)	(838,444)	(1,031,230)
- Non-controlling interest		7,017	3,691	7,305	1,361
		(287,774)	**(452,887)**	**(831,139)**	**(1,029,869)**
Basic earnings per share (pence) attributable to the owners of the parent	**10**	(0.16)	(0.32)	(0.47)	(0.69)
Diluted earnings per share (pence) attributable to the owners of the parent	**10**	(0.16)	(0.32)	(0.47)	(0.69)

ALTUS STRATEGIES PLC

INTERIM UNAUDITED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2019

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 June 2019 £	As at 31 December 2018 £
Non-current assets			
Intangible assets	**5**	4,093,742	4,071,870
Property, plant and equipment		5,331	7,932
Leased assets		90,294	-
Investments		639,768	883,763
		4,829,135	4,963,565
Current assets			
Trade and other receivables		133,224	79,292
Cash and cash equivalents		198,087	724,785
		331,311	804,077
Total assets		5,160,446	1,389,810
Current liabilities			
Trade and other payables		(699,643)	(486,934)
Provisions		(15,000)	(15,000)
Total liabilities		(714,643)	(501,934)
Net assets		**4,445,803**	**5,265,708**
Equity			
Share capital	**6**	1,778,996	1,777,827
Share premium	**6**	6,028,889	6,018,822
Translation reserve		(76,992)	(76,992)
Other reserves		5,770,070	5,770,070
Retained earnings		(8,989,971)	(8,151,527)
Total equity attributable to owners of the parent		4,510,528	5,338,200
Non-controlling interest		(65,187)	(72,492)
Total equity		**4,445,803**	**5,265,708**

The financial statements were approved by the board of directors and authorised for issue on 28 August 2019 and are signed on its behalf by:

Steven Poulton
Chief Executive Officer
29 August 2019
Company no. 10746796

ALTUS STRATEGIES PLC

INTERIM UNAUDITED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2019

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium account	Translation reserve	Other reserves	Retained earnings	Total equity	Non-controlling interest	Total
Six months ended 30 June 2018:	£	£	£	£	£	£	£	£
Balance at 1 January 2018	1,076,808	999,000	-	5,727,614	(6,656,664)	1,146,758	(70,003)	1,076,755
Loss for the period	-	-	-	-	(1,063,545)	(1,063,545)	1,361	(1,099,074)
Other comprehensive loss for the period	-	-	32,315	-	-	32,315	-	69,205
Loss and total comprehensive loss for the period	-	-	32,315	-	(1,063,545)	(1,031,230)	1,361	(1,029,869)
Shares issued for Legend acquisition	410,603	3,079,519	-	-	-	3,490,122	-	3,490,122
Warrants acquired on Legend Acquisition	-	-	-	100,000	-	100,000	-	100,000
Shares and warrants issued for private placement	273,916	1,917,207	-	109,567	-	2,300,690	-	2,300,690
Share issuance costs	-	(146,274)	-	27,455	-	(118,819)	-	(118,819)
Exercise of share warrants	16,500	144,804	-	(85,000)	-	76,304	-	76,304
Total transactions with owners, recognised directly in equity	701,019	4,995,256	-	152,022	-	5,848,297	-	5,848,297
Balance at 30 June 2018	**1,777,827**	**5,994,256**	**32,315**	**5,879,636**	**(7,720,209)**	**5,963,825**	**(68,642)**	**5,895,183**
Six months ended 30 June 2019:								
Balance as at 1 January 2019	1,777,827	6,018,822	(76,992)	5,770,070	(8,151,527)	5,338,200	(72,492)	5,265,706
Loss and total comprehensive loss for the period					(838,444)	(838,444)	7,305	(831,139)
Issue of shares	1,169	10,067	-	-	-	11,236	-	11,236
Total transactions with owners, recognised directly in equity	1,169	10,067	-	-	(838,444)	(827,208)	7,305	(819,903)
Balance at 30 June 2019	**1,778,996**	**6,028,889**	**(76,992)**	**5,770,070**	**(8,989,971)**	**4,510,990**	**(65,187)**	**4,445,803**

ALTUS STRATEGIES PLC
INTERIM UNAUDITED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2019
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

Period ended 30 June		**Three months**		**Six months**	
		2019	**2018**	**2019**	**2018**
	Notes	**£**	**£**	**£**	**£**
Cash flows from operating activities					
Loss for the period after taxation		(287,773)	(546,403)	(831,139)	(1,062,184)
Adjustments for:					
Net interest (received)/paid		2,099	(7)	(7)	(13)
Share based payments		2,102	-	2,103	-
Impairment of non-current assets		-	331	-	331
Depreciation of property, plant and equipment		(3,282)	1,705	3,227	3,616
Fair value (gain)/loss on investments		(116,848)	-	(42,654)	-
FX revaluation of intangible assets		7,337	-	7,337	-
Other gains and losses		15,341	46,383	29,228	165,645
Movements in working capital:					
(Increase)/decrease in trade and other receivables		33,258	(18,537)	(32,941)	(71,630)
Increase/(decrease) in trade and other payables		27,804	(275,035)	110,556	(77,221)
Cash flows used in operating activities		(319,962)	(791,563)	(761,627)	(1,041,456)
Investing activities					
Purchase of intangible assets		(16,503)	(37,607)	(29,209)	(37,607)
Purchase of property plant and equipment		4,473	(1,735)	(626)	(7,189)
Purchase of subsidiaries net of cash received		-	-	-	(124,777)
Sale of investments		159,751	-	286,649	-
Net interest received/(paid)		2,212	7	7	13
Net cash used in investing activities		149,933	(39,335)	256,821	(169,560)
Financing activities					
Proceeds from issue of shares		-	2,181,871	-	2,181,871
Proceeds from exercise of share warrants		-	76,304	-	76,304
Net cash generated from financing activities		-	2,258,175	-	2,258,175
Net increase/decrease in cash and cash equivalents		(174,347)	1,427,277	(497,468)	1,047,159
Cash and cash equivalents at beginning of the period		401,656	153,268	724,785	523,344
Foreign exchange gains and losses		(29,228)	14,053	(29,228)	24,095
Cash and cash equivalents at the end of the period		**198,087**	**1,594,598**	**198,087**	**1,594,598**

1. Accounting policies

General information

Altus Strategies plc ("the Company") is a public company limited by shares incorporated in England and Wales. The registered office is 14 Station Road, The Orchard Centre, Didcot, Oxfordshire, OX11 7LL. The principal activity of the Company and its subsidiaries (together the "Group") is that of a mineral exploration project generator. There is no seasonality or cyclicality to the Group's operations.

The Company's shares are listed on the Alternative Investment Market of the London Stock Exchange ("AIM") and the TSX Venture Exchange ("TSXV"). The Company's shares were admitted to trading on the AIM on 10 August 2017 and the TSXV on 6 June 2018.

Basis of preparation

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards (IFRS) and IFRS interpretations committee (IFRS IC) interpretations as adopted for use in the European Union and IFRS and their interpretations issued by the International Accounting Standards Board (IASB). These financial statements do not constitute statutory accounts as defined in the Companies Act 2006.

These condensed consolidated interim financial statements have been prepared on a going concern basis in accordance with the same accounting policies and methods of application as the most recent audited financial statements for the year ended 31 December 2018, and those envisaged for the year ended 31 December 2019, except for the new policies outlined below. The Group has not adopted any standards or interpretation in advance of the required implementation dates. It is not anticipated that the future adoption of any new or revised standards or interpretations issued by the IASB will have a material impact on the Group's earnings or shareholder's funds. The effect of the adoption of IFRS 16 is outlined below.

These condensed interim financial statements are for the three month and six month periods ended 30 June 2019. Comparative information has been provided for the unaudited three month and six month periods ended 30 June 2018, and where applicable the audited twelve month period from 1 January 2018 to 31 December 2018.

The financial statements are prepared in British Pounds Sterling (£), which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest whole pound.

The financial statements have been prepared on the historical cost basis, except for the valuation of investments at fair value through profit or loss.

These condensed consolidated interim financial statements have not been audited or reviewed by the Company's external auditors, PKF Littlejohn.

Basis of consolidation
These condensed consolidated interim financial statements comprise the accounts of the parent company, and its subsidiaries, after the elimination of all material intercompany balances and transactions.

Going concern
The Directors have at the time of approving these condensed consolidated financial statements, a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for the foreseeable future. In common with many junior resource investment and exploration companies, the Group and Company raise 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 into the fourth quarter of 2019 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.

Risks and uncertainties
The Directors continuously assesses and monitors the key risks of the business. The key risks that could affect the Group's medium term performance and the factors that mitigate those risks have not substantially changed from those set out in the Annual Report and Financial Statements for the Year Ended 31 December 2018, a copy of which is available on the Group's website, www.altus-strategies.com, and on SEDAR, www.sedar.com. The key financial risks are liquidity risk, foreign exchange risk, credit risk, commodity risk and interest rate risk.

Critical accounting estimates
The preparation of condensed consolidated interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in Annual Report and Financial Statements for the Year Ended 31 December 2018. The nature and amounts of such estimates have not changed significantly during the interim periods.

The Group has one lease under the rules of the newly-adopted IFRS 16, which was signed during in Q1 of 2019.

Foreign exchange gains and losses on consolidation
On consolidation, the results of overseas operations measured using a different functional currency to British Pounds Sterling, are translated into British Pounds Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of these overseas operations are translated at the rate of the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

Valuation of equity units issued in private placements
The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocated value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the ordinary shares issued in private placements are determined to be the more easily measurable component and were valued at their fair value, as determined by the closing quoted bid price on the day of issuance of the ordinary shares. The balance, if any, was allocated to the attached warrants. Any fair value attributed to the warrants is recorded in other reserves.

Adoption of IFRS 16
On 1 January 2019, the Group adopted all of the requirements of IFRS 16 – Leases. IFRS 16 Leases was issued in January 2016 and provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value.

At 1 January 2019 the Group had no leases with a lease term greater than 12 months. Consequently, the adoption of the standard resulted in no impact to the opening financial statements. Periodic payments made in respect of mineral exploration site licences are capitalised under the rules of IFRS 6.

One new lease was signed during the period. In the Statement of Financial Position the right-of-use asset is recorded in Non-current assets and the lease liability is split between Current liabilities for the portion due within 12 months (£17,264) and Non-current liabilities for the remainder (£75,130).

To determine the split between principal and interest in the lease the Company applied an estimate of the interest it would have to pay in order to finance payments under the new lease. This method was adopted as the Company was not able to ascertain the implied interest rate and does not have borrowings to use as a benchmark. The impact of the estimate is currently considered to be immaterial to the financial statements, but the Directors will review this approach as appropriate.

The figures brought into the Statement of Financial Position represented 2% of Non-current assets, 3% of Current liabilities and 100% of Non-current liabilities. The net effect on Net Assets is a reduction of £1,108. Expensed lease costs relating to low value assets was £8,421. Cash outflow in the period for lease payments was £14,546.

2. Segmental Analysis

The Group operates principally in the UK, Canada and Africa, with operations managed on a project by project basis within each geographical area. Activities in the UK and Canada are mainly administrative in nature whilst the activities in Africa relate to exploration and evaluation work.

	UK & Canada 2019 £	Africa 2019 £	Total 2019 £	UK & Canada 2018 £	Africa 2018 £	Total 2018 £
For the three months ended 30 June						
Management fees and costs recovered from joint venture partners	22,038	123	22,161	1,033	5,798	6,831
Loss from operations	(245,118)	(161,405)	(406,523)	(321,788)	(200,410)	(522,198)
For the six months ended 30 June						
Management fees and costs recovered from joint venture partners	22,038	6,074	28,112	1,033	40,292	41,325
Loss from operations	(590,906)	(282,576)	(873,482)	(529,247)	(389,816)	(919,063)
Reportable segment assets	943,754	4,216,692	5,160,446	2,004,204	4,264,767	6,268,971
Reportable segment liabilities	(634,034)	(80,609)	(714,643)	(285,526)	(88,262)	(373,788)

3. Exploration Expenses

Location and licence	Administrative expenses 2019 £	Operational expenses 2019 £	Travel expenses 2019 £	Total 2019 £	Administrative expenses 2018 £	Operational expenses 2018 £	Travel expenses 2018 £	Total 2018 £
	For the three months ended 30 June							
Cameroon - Bikoula & Ndjele	1,462	376	3,682	5,519	6,648	6,450	6,075	19,173
Cameroon - Birsok & Mandoum	-	-	-	-	5,362	-	-	5,362
Cameroon - Laboum	2,490	2,910	5,457	10,858	16,794	2,214	660	19,668
Cameroon - General	25,223	8,795	-	34,018	15,280	-	-	15,280
Ethiopia - Daro	539	6,526	5,302	12,367	882	6,196	4,124	11,202
Ethiopia – Tigray-Afar	-	(437)	-	(437)	2,862	-	-	2,862
Ethiopia – General	9,856	6,162	1,847	17,864	11,685	702	1,613	14,000
Ivory Coast - Prikro	-	-	-	-	650	7,912	859	9,421
Ivory Coast - Other	3,362	25	-	3,387	7,697	3,608	4,598	15,903
Liberia – Bella Yella	-	-	-	-	-	1,143	-	1,143
Liberia – Zolowo	250	(336)	85	(2)	1,346	7,261	3,625	12,232
Liberia – General	2,732	10,977	(24)	13,684	4,454	130	-	4,584
Mali - Korali Sud (Diba)	-	1,916	-	1,916	11,978	1,775	85	13,838
Mali - Djelimangara	-	5,360	-	5,360	822	6,592	49	7,463
Mali - Lakanfla	868	-	-	868	45	965	3	1,013
Mali - Pitiangoma Est	-	-	-	-	458	2,840	21	3,319
Mali - Sebessounkoto Sud	-	-	-	-	1,833	10,711	80	12,624
Mali - Tabakorole	-	-	-	-	-	-	-	-
Mali – General	15,643	8,772	1,159	25,574	-	-	-	-
Morocco - Agdz	-	-	-	-	960	-	-	960
Morocco - Ammas	-	-	-	-	-	-	-	-
Morocco - Takzim	-	-	-	-	-	134	3	137
Morocco - Zaer	-	-	-	-	-	-	-	-
Morocco – General	11,145	5,794	401	17,340	16,291	1,394	2,647	20,332
Other	-	-	-	-	3,606	538	2,382	6,526
UK geologists and support costs	131,024	107,629	-	238,653	-	-	-	-
Total	**204,600**	**164,589**	**21,152**	**390,342**	**109,653**	**60,565**	**26,824**	**197,042**

For the six months ended 30 June

Location and licence	Administrative expenses 2019	Operational expenses 2019	Travel expenses 2019	Total 2019	Administrative expenses 2018	Operational expenses 2018	Travel expenses 2018	Total 2018

	£	£	£	£	£	£	£	£
Cameroon – Bikoula & Ndjele	1,462	376	3,682	5,519	12,152	6,469	6,075	24,696
Cameroon – Birsok & Mandoum	-	281	-	281	15,264	-	-	15,264
Cameroon - Laboum	2,490	2,910	5,457	10,858	22,275	2,248	660	25,183
Cameroon - General	51,931	16,567	-	68,498	46,493	608	1,212	48,313
Ethiopia - Daro	952	6,529	8,409	15,890	1,254	17,228	4,740	23,222
Ethiopia – Tigray-Afar	-	-	-	-	5,396	232	50	5,678
Ethiopia – Zager	8	121	3,244	3,373	-	-	-	-
Ethiopia – General	15,560	14,392	4,404	34,355	22,473	1,588	3,072	27,133
Ivory Coast - Prikro	-	-	-	-	650	7,912	859	9,421
Ivory Coast - Other	10,377	38	-	10,415	7,727	3,608	4,598	15,933
Liberia – Bella Yella	-	-	-	-	-	1,143	-	1,143
Liberia – Zolowo	277	(336)	85	25	3,450	8,396	6,013	17,859
Liberia – General	3,296	21,972	81	25,348	12,368	130	-	12,498
Mali - Korali Sud (Diba)	162	1,916	-	2,078	14,594	1,775	85	16,454
Mali - Djelimangara	143	5,366	985	6,494	1,008	6,592	49	7,649
Mali - Lakanfla	1,146	-	-	1,146	503	1,068	3	1,574
Mali - Pitiangoma Est	-	-	-	-	458	2,840	21	3,319
Mali - Sebessounkoto Sud	-	-	-	-	2,023	10,711	80	12,814
Mali - Tabakorole	-	-	-	-	12,975	-	-	12,975
Mali – General	30,016	13,931	2,739	46,686	-	-	-	-
Morocco - Agdz	615	1,735	35	2,386	2,659	1,128	224	4,011
Morocco - Takzim	-	-	-	-	-	134	3	137
Morocco - Zaer	-	10	884	894	-	-	-	-
Morocco – General	21,932	10,627	1,005	33,564	31,360	2,520	2,729	36,609
UK geologists and support costs	131,024	107,629	-	238,653	3,606	538	2,382	6,526
Total	**271,390**	**204,062**	**31,009**	**506,462**	**218,688**	**76,868**	**32,855**	**328,411**

4. Administrative expenses

Administrative expenses include the following balances:	For the three months ended 30 June		For the six months ended 30 June	
	2019	**2018**	**2019**	**2018**
	£	**£**	**£**	**£**
Employee costs	(59,106)	184,371	126,059	337,409
Costs incurred on behalf of joint venture partners	(1,986)	-	-	-
Legal and professional expenses	(30,375)	72,972	6,730	90,090
Audit and accounting expenses	48,635	-	67,857	-
Costs relating to stock exchange listings	9,726	-	43,176	-
Corporate travel expenses	17,441	12,441	34,060	27,465
Premises expenses	(1,608)	8,675	5,001	34,373
Exchange losses/(gains)	15,341	(40,473)	29,229	(33,798)
Depreciation of property, plant and equipment	1,734	1,705	3,227	3,616
Depreciation of leased assets	5,016	-	10,032	-
Other expenses	5,936	31,840	15,469	64,588
	10,756	**271,531**	**340,840**	**523,743**

5. Intangible Assets

Licence	Country	31 December 2018	Additions	Disposals and Impairments	FX adjustment	Warrant exercise	30 June 2019
		£	£	£	£	£	£
Korali Sud (Diba)	Mali	1,373,508	-	-	(2,555)	(29,591)	1,341,364
Lakanfla	Mali	599,233	-	-	(1,115)	(12,910)	585,208
Djelimangara	Mali	390,476	-	-	(726)	(8,413)	381,336
Sebessounkoto Sud	Mali	403,970	-	-	(751)	(8,703)	394,514
Tabakorole	Mali	592,447	6,579	-	(1,102)	(12,764)	585,160
Pitiangoma Est	Mali	585,712	-	-	(1,089)	(12,619)	572,004
Adjustment		(85,000)	-	-	-	85,000	-
Laboum	Cameroon	38,043	8,402	-	-	-	46,445
Bikoula	Cameroon	35,130	7,926	-	-	-	43,056
Ndjele	Cameroon	6,327	1,985	-	-	-	8,313
Birsok	Cameroon	65,130	-	-	-	-	65,130
Mandoum	Cameroon	39,210	-	-	-	-	39,210
Tigray-Afar	Ethiopia	15,752	437	-	-	-	16,188
Daro	Ethiopia	-	-	-	-	-	-
Zager	Ethiopia	-	2,481	-	-	-	2,481
Agdz	Morocco	4,706	-	(62)	-	-	4,644
Takzim	Morocco	616	-	-	-	-	616
Zaer	Morocco	-	-	-	-	-	-
Prikro	Ivory Coast	1,474	1,462	-	-	-	2,936
Toura (application)	Ivory Coast	1,338	-	-	-	-	1,338
Zolowo	Liberia	3,798	-	-	-	-	3,798
		4,071,870	**29,271**	**(62)**	**(7,338)**	**-**	**4,093,742**

6. Share Capital

	Number of shares	Share capital £	Share premium £	Total £
At 1 January 2019	177,782,686	1,777,827	6,018,822	7,796,649
Shares issued in period	116,973	1,169	10,067	11,236
At 30 June 2019	177,899,659	1,778,997	6,028,888	7,807,885

On 4 March 2019 shares were issued to a consultant in respect of a finder's fee agreement relating to the Company's licences in Côte d'Ivoire.

7. Share warrants

Issue date	Warrants outstanding at 1 January 2019	Warrants issued in period	Warrants exercised in period	Warrants lapsed in period	Warrants outstanding at 30 June 2019	Exercise price £	Expiry date
30 January 2018[1]	300,000	-	-	-	300,000	0.050	8 September 2019
18 April 2018[1]	911,861	-	-	-	911,861	0.135	17 April 2021
18 April 2018[1]	27,391,616	-	-	-	27,391,616	0.181	17 April 2023
	28,603,477	-	-	-	28,603,477		

[1] Exercise prices are determined by reference to the underlying Canadian Dollar price and the exchange rate as at 30 June 2019.

The approximate weighted average exercise price of outstanding warrants is £0.178.

Warrants issued on 30 January 2018 represent outstanding warrants of Legend which were replaced by the Company when it acquired Legend.

8. Share Options

The Company does not presently operate a share option plan.

9. Share based payments

The share based payment charge in the quarter represented an accrual for consultant's fees.

10. Earnings per share

The calculation of the basic loss per share of 0.16 pence for the three months ended 30 June 2019 (2018: 0.32 pence) is based on the loss attributable to the equity holders of the Company of £294,790 for the three month period ended 30 June 2018 (2018: £550,094) divided by the weighted average number of shares in issue during the period of 177,899,659 (2018: 171,040,938).

The calculation of the basic loss per share of 0.47 pence for the six months ended 30 June 2019 (2018: 0.69 pence) is based on the loss attributable to the equity holders of the Company of £838,444 for the six month period ended 30 June 2019 (2018 £1,063,545) divided by the weighted average number of shares in issue during the period of 177,858,941 (2018: 152,920,186).

The basic and diluted loss per share are the same, as the effect of the exercise of warrants would be to decrease the loss per share.

Details of warrants that could potentially dilute earnings per share in future periods are disclosed in note 8 above.

11. Dividends

No dividend has been declared or paid by the Company during the three months or six months ended 30 June 2019.

12. Related party transactions

The contracted remuneration of key management personnel of the Group for the three month period ending 30 June 2019 of £79,594 (2018: £96,967) and for the six month period ended 30 June 2019 of £161,469 (2018: £151,233). In 2019 £46,750 has been paid in cash and £114,719 has been deferred.

For the three months and six months ended 30 June 2019, the Group incurred expenses of £3,426 (2018: £11,033) and £19,743 (2017: £14,350) respectively, for services provided by Seabord Services Corp. ("Seabord"), a company controlled by one of the directors. Seabord is a management services company that provides the accounting advisory services and administrative support to the Group with respect to its obligations in Canada. At 30 June 2019 £41,211 was due to Seabord (at 31 December 2018: £44,775).

For the three months and six months ended 30 June 2019, the Group recharged £nil (2018: £5,798) and £5,951 (2018: £40,291) respectively, of costs to Canyon Resources Ltd ("Canyon") with respect to the Birsok & Mandoum project joint venture between Canyon and Altus. Canyon is a company with a mutual director. At 30 June 2019 £43,861 was due from Canyon (at 31 December 2018: £37,550).

For both the three months and six months ended 30 June 2019, the Group recharged £360 (2018: £83), of costs to Aegis Asset Management Limited ("Aegis"). Aegis is a company with mutual directors. At 30 June 2019 £360 was due from Aegis (at 31 December 2018: £130).

13. Ultimate controlling party

The Directors believe there to be no ultimate controlling party.

14. Approval of financial statements

These condensed consolidated interim financial statements were authorised for issue by the board of directors on 28 August 2019.

ALTUS STRATEGIES PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS

THREE AND SIX MONTH PERIODS ENDED 30 JUNE 2019

Company Registration No. 10746796 (England and Wales)

As approved for issue on 29 August 2019

ALTUS STRATEGIES PLC

MANAGEMENT'S DICSUSSION AND ANALYSIS

FOR THE PERIOD ENDED 30 JUNE 2019

GENERAL

This management discussion and analysis ("MD&A") of financial position and results of operations is prepared as at 20 August 2019 and should be read in conjunction with the interim unaudited condensed financial statements for the three and six month periods ended 30 June 2019 and the annual audited consolidated financial statements of Altus Strategies plc (the "Company", or "Altus" and together with its subsidiaries "the Group") for the year ended 31 December 2018.

The Group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS interpretations committee (IFRS IC) interpretations as adopted for use in the European Union and with IFRS and their interpretations issued by the IASB. The consolidated financial statements have also been prepared in accordance with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, (except as otherwise stated).

The financial statements have been prepared on a historical cost basis, as modified by the financial assets at fair value through profit or loss. The financial statements are prepared in British Pounds Sterling (£), which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest whole pound.

Additional information on the Company's activities can be found on the Company's website at www.altus-strategies.com and at https://beta.companieshouse.gov.uk/ and www.sedar.com.

DESCRIPTION OF BUSINESS

Altus is a public limited company incorporated and domiciled in England and Wales. The Company's shares have been listed on the AIM Market of the London Stock Exchange ("AIM") under the symbol "ALS" since 10 August 2017 and on the TSX Venture Exchange ("TSX-V") under the symbol "ALTS" since 6 June 2018.

The principal activity of the Group and Company is that of a project and royalty generator in the field of mineral exploration with a focus on Africa. Our business model is to make and monetise mineral discoveries. We proactively seek joint venture partners to finance the exploration and development of the projects we have generated, in return for a share in their ownership and the payment of future royalties to Altus. Our goal is to increase value per share by participating in the potentially substantial and long term returns on capital that can be made by making economic mineral discoveries. Risk diversification is at the heart of our philosophy, and we enact this by exploring for a variety of minerals across several jurisdictions. At the end of the quarter the Group had a diversified portfolio of twenty one projects, exploring for six different commodities across six countries. This diversification means that the Company's portfolio is constantly evolving: new licences are added, licences that are not considered to be a good prospect are relinquished and those for which exploration, remote sensing and sample analysis indicate that a potentially economic discovery can be made are actively marketed. Licences that are under JV partnerships will be drilled, and the successful of these will result in mines being built and royalties accruing to Altus on the metals produced.

FORWARD LOOKING INFORMATION

This MD&A may contain "forward-looking statements" that reflect the Company's current expectations and projections about its future results. When used in this MD&A, words such as "estimate", "intend", "expect", "anticipate" and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance, and are subject to risks and uncertainties and other factors that could cause Altus's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements. These risks, uncertainties and factors may include, but are not limited to: unavailability of financing, failure to identify commercially viable mineral reserves, fluctuations in the market valuation for commodities, difficulties in obtaining required approvals for the development of a mineral project and other factors.

The operating plan is also dependent on being able to raise new equity funds as required to ensure there are sufficient capital resources to acquire and explore new properties. Other factors which affect Altus' operating plan are gaining access to exploration properties by concluding agreements with local communities, and commodity prices. If any of these factors are affected negatively, such as joint venture partners being unable to raise sufficient capital to complete option agreements or if the Company is unable to raise sufficient capital of its own, there will be a significant impact on the Company's operating plan and on any forward-looking statements contained herein.

Any references made in this report to historical information, including historical geological and technical information cannot be verified. A qualified person ("Qualified Person") under the AIM rules and National Instrument 43-101 *Standards of Disclosure of Mineral Projects* of the Canadian Securities Administrators ("NI 43-101") has not verified the sampling, analytical, and test data underlying any such historical information. The Company has obtained historical information from sources that it believes to be reliable, and assumes it is accurate and complete in all material aspects. While the Company has carefully reviewed the available historical information, it cannot guarantee its accuracy and completeness. The forward looking information and statements included in this announcement are expressly qualified by this cautionary statement and are based on the beliefs, estimates and opinions of the Company on the date of this announcement. Except as required by securities laws the Company does not undertake any obligation to publicly update or revise any forward looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein. Due to risks and uncertainties, including the risks and uncertainties identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise except as required by securities law.

HIGHLIGHTS

Highlights for the three months ended 30 June 2019 and to the date of this report are as follows.

Corporate highlights:

- Royalty and JV Terms Sheet signed with Corben Resources Ltd ("Corben") on Zolowo and Laboum gold projects in Liberia and Cameroon
- JV with Resolute Mining Ltd ("Resolute") on Pitiangoma Est project in southern Mali extended by two years to 2021

Operational highlights:

- New copper and gold exploration licence granted in northern Ethiopia
- Drill targets defined at Djelimangara and Sebessounkoto Sud projects, western Mali
- Drill targets defined at Tabakorole gold project, southern Mali
- New prospect defined at Diba gold project, western Mali
- Exploration update provided on Daro copper-gold project, northern Ethiopia
- Exploration update provided on Agdz copper-silver project, central Morocco

Financial highlights:

- Balance of cash and marketable securities of £0.8m / C$1.4m (cash balance of £0.2m / C$0.3m and listed equity holdings of £0.6m / C$1.1m as at 30 June 2019)
- Cash outflow for operating activities of £0.2m / C$0.3m for 3 months ending 30 June 2019

Post period:

- Option agreement signed on Toura nickel-cobalt project in Côte d'Ivoire
- Term sheet signed with Glomin Services Ltd for a joint venture on two projects in western Mali
- Term sheet signed with TSX-V listed Desert Gold Ventures Inc. for sale of and royalty on two projects in western Mali
- Gold discoveries on Zager VMS licence in northern Ethiopia

OPERATIONS REPORT

Altus is a project and royalty generator which is focused on Africa. The Company's business model is to make mineral discoveries, prior to undertaking joint ventures with third parties who can earn up to a 100% equity interest in our projects by financing the next stages of exploration, making milestone payments to the Company and entering a royalty agreement with the Company on future production.

Due to its large size, many parts of Africa remain under-explored or not explored at all. Altus believes that significant economic deposits can still to be discovered at or close to surface. Importantly, this means that in Africa the speed of discovery can potentially be faster and the cost of discovery can potentially be lower for shareholders, when compared to more mature mining jurisdictions.

At the time of writing, Altus has a diversified portfolio of twenty one precious metal (gold and silver) and base metal (copper, zinc, bauxite and iron ore) exploration projects across six African countries (Morocco, Ethiopia, Cameroon, Liberia, Côte d'Ivoire and Mali). The Company has two active joint ventures, with both its partners being listed on the Australian Stock Exchange ("ASX"). The Company's current partners are Resolute Mining Ltd (ASX: RSG) on the Company's Pitiangoma Est gold project in southern Mali, and Canyon Resources Ltd ("Canyon") (ASX: CAY) on the Company's Birsok bauxite project in central Cameroon. In February 2019 the Company entered agreements with Canyon to terminate the Birsok JV in return for equity in Canyon and to vend the Birsok project to Canyon for further equity in Canyon and a $1.50/t royalty (subject to the grant of a mining licence).

During the period Altus announced the signing of a Terms Sheet with a private Australian company Corben Resources Ltd in respect of the Company's gold projects in Liberia and Cameroon and agreed with Resolute to extend the Pitiangoma Est JV by two years.

During the quarter ending 30 June 2019, the Company's team of geologists has begun exploration of the recently granted Zager licence in northern Ethiopia, and continued to examine new project acquisition and licence application opportunities to be fed into the project generation pipeline.

After the period end Altus announced:

a) the signing of a Term Sheet with TSX-V listed Desert Gold Ventures Inc. for the sale of and a royalty on the Company's contiguous Sebessounkoto Sud and Djelimangara gold projects located in western Mali.
b) the signing of a Term Sheet with Glomin Services Ltd for a joint venture on the Company's Lakanfla and Tabakorole gold projects located in western and southern Mali respectively.

The following is a review of the Company's activities by jurisdiction and project during the period.

Mali Operations

Altus holds six projects in Mali. The projects are held through the Company's 100% owned subsidiary, LGN Holdings (BVI) Inc., which became part of the Group in January 2018 through a plan of arrangement with Legend Gold Corp. ("Legend"), which was previously listed on the TSX-V. Four of the projects (Korali Sud/Diba, Lakanfla, Djelimangara and Sebessounkoto Sud) are located in the Kayes region of western Mali, approximately 450km northwest of the capital city of Bamako; two projects (Tabakorole and Pitiangoma Est) are located in southern Mali.

Korali Sud (Diba) Gold Project (83.1 km^2), Western Mali

Korali Sud ("Diba") is located 13km southwest of the Sadiola gold mine, which is operated by AngloGold Ashanti (JSE: ANG, NYSE: AU, ASX: AGG), IAMGOLD (TSX: IMG, NYSE: IAG) and the Malian government. Both Sadiola and Korali Sud are situated on the Senegal-Malian shear corridor within the world renowned 'Kenieba window'.

Korali Sud hosts the Diba historical resource (see Table 1 below), as prepared for Legend by AMEC Americas Limited ("Technical Report and Mineral Resource Estimate Diba Badiazila Gold Property Mali, West Africa", 30 June 2013) and filed on SEDAR by Legend on 20 September 2013. A Qualified Person has not done sufficient work to classify this historical estimate as current mineral resources and Altus is not, therefore, treating this historical estimate as a current mineral resource. However, it remains relevant to the Project and Altus believes it is also reliable. To verify this historical estimate so that the resource can be considered current, Altus would be required to contract a qualified and independent consultant to review historical drilling data and prepare a resource estimate in accordance with NI 43-101. The resource comprises stacked lenses which dip approximately 35-40 degrees ESE within the oxide zone.

Table 1: Diba project historical mineral resource

Category	**Tonnes (t)**	**Grade (g/t Au)**	**Metal (oz Au)**
Indicated	6,348,000	1.35	275,200
Inferred	720,000	1.40	32,500

Notes: Applying a 0.5g/t cut-off grade and a US$1,200/oz gold price as reported in 2013 NI 43-101 technical report.

Historical drill results from the Diba project (unverified by the Group) include 12m at 20.66 g/t Au and 32m at 2.06 g/t Au. Diba has a potentially low mining strip ratio with relatively limited overburden and a high proportion of the potential ore is in the oxide zone. Deeper drilling at Diba targeting the sulphide zone has intersected 1.32 g/t Au over 45m (from 93m). The sulphide zone remains open at depth.

Oxide gold mineralisation at Diba is mainly found in saprolite that is within 50m of the surface, across a compact 1,200m^2 area drilled to date. The deposit is controlled by a number of structures, with gold occurring as fine grained disseminations and localised high grade calcite-quartz veinlets.

Altus has defined two further drill targets within the licence area: Diba Northwest, a 2.6km^2 soil anomaly which is immediately along strike and northwest of the current historic Diba resource, and

Diba East, approximately $2km^2$ in size and located immediately to the east of the historic Diba resource. The Company has prepared a phase one exploration programme for Diba, which incorporates an initial 5,000m of drilling and is actively looking for a partner to progress this work.

During the quarter, the Company completed a systematic termite mound sampling programme which resulted in the discovery of a new prospect at Diba WNW, located approximately 1.5km from the Diba historical resource. This drill-ready prospect is approximately 650m by 400m in size and remains open to the north and west. Altus is not currently seeking a joint venture on the Diba project, while it undertakes its own exploration programme.

Lakanfla Gold Project (24 km^2), Western Mali

Lakanfla is located 5km east of Korali Sud and 6.5km from (and is considered to be geologically analogous to) the karst-type FE3 and FE4 open pits that form part of the Sadiola gold mine. It is also considered to be geologically analogous to the Yatela karst-type gold deposit, which was mined between 2001 and 2015, located 35km to the northwest.

The project hosts a significant number of active and historical artisanal gold workings which are coincident with major geochemical and gravity anomalies surrounding a granodiorite intrusion. Historical drilling (unverified by the Group) has returned encouraging intersections including 9.78 g/t Au over 12m and 5.20 g/t Au over 16m. Historical drilling targeted breccia mineralisation of the granodiorite, and intersected low grade gold mineralisation in limestones, voids and lose sands at depth, features which are indicative of a karst. A low gravity geophysical anomaly and corresponding surface slumps features, are also considered to be significant indicators. The karst target at Lakanfla remain to be systematically drill tested.

On 7 February 2019 the Company announced the signing of a Term Sheet for a Joint Venture with ASX-listed Indiana Resources Ltd (ASX: IDA) on the Lakanfla project. On 17 June 2019 the Company announced that this Terms Sheet had expired.

After the period end Altus announced the signing of a Term Sheet for a JV with Glomin Services Ltd on the Lakanfla (and Tabakorole) projects. Subject to concluding a definitive agreement and the progress of the JV, Glomin will earn up to an 80% initial interest in the projects and Altus will receive up to US$1,450,000 in milestone cash payments and a 2.5% Net Smelter Return ("NSR") royalty on the projects. In accordance with the Term Sheet, Glomin has paid Altus a US$50,000 exclusivity payment.

Djelimangara & Sebessounkoto Sud Gold Projects (55 km^2 and 28 km^2), Western Mali

The contiguous Djelimangara and Sebessounkoto Sud licences are located 3km and 15km southeast of Korali Sud respectively, and comprise four priority prospects to date: Sourounkoto, Kamana, Woyanda and Manankoto. These prospects are characterised by gold-in-soil anomalies of up to 2.5km in length, coincident with hard rock gold workings in fine metasediments. Historical drilling (unverified by the Group) has reportedly returned encouraging intersections including 1.34 g/t Au over 30m in Djelimangara, while historical trenching (unverified by the Group) undertaken by Barrick (formerly Randgold Resources) has reportedly returned up to 0.68 g/t Au over 61m in Sebessounkoto Sud. During 2018 the Group defined the Soa gold prospect in the Sebessounkoto Sud licence, with a 2.7km long gold-in-soil anomaly. Spoil samples returned grades of 5.18 g/t Au, 3.98 g/t Au and 2.4 g/t Au.

Results from termite mound samples has also defined a number of geochemical anomalies in the Djelimangara project, including one priority area approximately 0.5km by 0.5km in size which remains open to the north and south.

During the quarter the Company has undertaken an extensive review of all historical data on the projects to define further targets.

After the period end Altus announced the signing of a Term Sheet with TSX-V listed Desert Gold Ventures Inc. for the sale of and an NSR royalty on the projects. Subject to concluding a definitive agreement Altus will receive an initial payment of US$50,000 and 3 million Desert Gold shares with a value of approximately C$675,000 (as at 27 August 2019). Subject to progress on the projects further milestone payments in cash and shares will be due to Altus, and the Company will retain up to a 2.5% NSR royalty on the projects.

Tabakorole Gold Project (100 km^2), Southern Mali

Tabakorole is located 280km south of the capital city of Bamako and sits on the Massagui Belt, which hosts the Morila gold mine operated by Barrick. Exploration to date has identified a 2.7km long shear zone which is up to 200m wide and hosts a historical mineral resource, see table 2 below. The resource was prepared in accordance with NI 43-101 by H. Andrew Daniels, Consulting Geologist, P.Geo in a report entitled "Technical Report on the Mineral Resource Update, June 2007 FT Project Mali, West Africa", dated July 27, 2007 and filed on SEDAR on July 27, 2007 by North Atlantic Resources Ltd. A Qualified Person has not done sufficient work to classify this historical estimate as current mineral resources and Altus is not, therefore, treating this historical estimate as a current mineral resource. However, it remains relevant to the Project and Altus believes it is also reliable. To verify this historical estimate so that the resource can be considered current, Altus would be required to contract a qualified and independent consultant to review historical drilling data and prepare a resource estimate in accordance with NI 43-101.

Historical drilling (unverified by the Group) has returned encouraging intersections including 16m at 9.31 g/t Au, 14m at 9.84 g/t Au and 60m at 2.91 g/t Au.

Table 2**:** Tabakorole project historical mineral resource

Category		**Tonnes (t)**	**Grade (g/t Au)**	**Metal (Oz Au)**
Oxide	Indicated	1,040,000	1.01	34,000
	Inferred	960,000	1.114	35,000
Sulphide	Indicated	6,840,000	0.94	207,000
	Inferred	9,590,000	1.03	318,000

On 7 February 2019 the Company announced a Term Sheet for a Joint Venture with ASX-listed Indiana Resources Ltd (ASX: IDA) on the Tabakorole project. On 17 June 2019 the Company announced that this Terms Sheet had expired.

During the quarter the Company announced that following an extensive review of the historical data on the Tabakorole project a number of priority drill targets had been defined, which when tested have the potential to expand the FT prospect as well as define new prospects.

After the period end Altus announced the signing of a Term Sheet for a JV with Glomin Services Ltd on the Tabakorole (and Lakanfla) projects. Details of the Term Sheet are included under the Lakanfla project on pages 6-7.

Pitiangoma Est Gold Project (106 km^2), Southern Mali

Pitiangoma Est is located 300km southeast of the capital city of Bamako. The licence is subject to a joint venture with ASX-listed Resolute Mining Limited and is located on the Syama shear zone, 15km from the Tabakoroni deposit and 40km from the Syama gold mine (both owned by Resolute). Resolute can earn up to a 70% interest in the project by funding US$3million in exploration and completing a feasibility study. Thereafter Altus may elect to co-fund its 30% interest on a *pro rata* basis, or exchange its interest for a 2% Net Smelter Return royalty.

Prior to the JV with Resolute, exploration at Pitiangoma Est included regolith sampling (6,930 soil and 1,230 auger samples), lithological mapping, airborne VTEM geophysics, BLEG stream sediment sampling and RC drilling (2,160m) as well as diamond drilling (6,450m). These work programmes were completed by Endeavour Mining Corporation who held the project prior to it being acquired by Legend. Since the commencement of the JV, Resolute has reportedly completed a gradient array IP survey, 329 air core drill holes for a total of 14,193m and 7 RC drill holes for a total of 708m.

During the reporting period the Company announced that it had signed a two year extension to the joint venture with Resolute until May 2021. At the time of writing drilling is reportedly underway by Resolute, following up anomalies generated by air core drilling. Full data from the drilling programme has not yet been received. Early indicative results are not believed to have defined a potentially discovery. The Company is awaiting further results from these programmes.

Cameroon Operations

Altus holds three projects in Cameroon including the Laboum gold project, held through the Company's 99% owned subsidiary, Auramin Ltd, the Birsok bauxite project and the Bikoula & Ndjele iron ore project that are held though the Company's 97.3% owned subsidiary, Aluvance Ltd.

Laboum Gold Project (189 km^2), Northern Cameroon

Laboum is located 600km northeast of the capital city of Yaoundé. The licence hosts a major Pan-African age, regional shear zone which is up to 5km wide and which comprises highly prospective Birimian metavolcanic and metasedimentary rocks. Results of a ground magnetic survey and regional soil sampling programme completed by the Company have defined numerous anomalies. Many of these are coincident with dilational and fold structures which are considered to be excellent targets for potentially economic gold deposits. Rock chip sampling by the Company has returned grades including 24.50 g/t Au, 16.15 g/t Au from quartz veins and 6.86 g/t Au from sheared and silicified metasediments.

During the quarter, the Company identified further artisanal workings in a new area of the licence coincident with a remote sensing anomaly and quartz vein targets. Samples from this area are undergoing analysis at the time of writing.

During the quarter Altus signed a Terms Sheet for a Sale & Purchase, Joint Venture and Royalty agreement with Corben Resources Ltd, an unlisted Australian company. Under the proposed terms, Altus will vend its Zolowo gold project in Liberia into Corben and Corben will have the right to earn up to a 100% interest in the Laboum gold project through a joint venture. Altus will retain up to a 2.5% NSR royalty. Details of the agreement are available on the Company's website (www.altus-strategies.com/news, entry dated 24 April 2019).

Birsok (198 km^2) Bauxite Project, Central Cameroon

The Birsok licence is located 370km northeast of the capital city of Yaoundé. From December 2013 the licence has been subject to a joint venture with ASX-listed Canyon. The project is contiguous with Canyon's Minim-Martap potentially tier-one bauxite project.

On 11 October 2018 the Company announced it had signed a letter of intent with Canyon to terminate the JV and vend in the Birsok project to Canyon. On 11 February 2019 the Company announced that it had signed a JV Termination Agreement and a Sale and Purchase Agreement with Canyon, in return for 25 million Canyon shares and to vend the JV licences into Canyon for an additional 5 million Canyon shares and a US$1.50/t royalty on the licences (subject to Canyon receiving a mining licence on the Minim Martap project). Details of the agreement with Canyon are available on the Group's website (www.altus-strategies.com/news, entries dated 11 October 2019 and 11 February 2019). Completion of the transaction is subject to the satisfaction of certain conditions precedent, including the approval of Canyon's shareholders to issue the Canyon shares. The Company is working closely with Canyon to expedite the completion of the transaction.

During the first half of the year the Mandoum licence expired and a new application is being considered.

Bikoula (200 km^2) & Ndjele (200 km^2) Iron Ore Project, Southern Cameroon

The Bikoula and Ndjele licences are located 150km south of the capital city of Yaoundé. The licences are on the western geological strike of the Nkout iron ore deposit and 160km west of the Mbalam iron ore deposit. The licences are adjacent to the road linking to the deep water port at Kribi and are 30km north of the proposed trans-Cameroon east-west iron ore rail line.

The Group has defined a maiden JORC-compliant Inferred Mineral Resource of 46 Mt at 44% Fe, including a supergene haematite cap of 5 Mt at 52.7% Fe. The resource statement is not in accordance with NI 43-101. The independent resource report was prepared by Coffey Mining South Africa (Pty) Ltd and entitled 'Mineral Resource Estimation and Classification of the Bikoula Iron Ore Project in Cameroon' and dated April 2014. The non-43-101 resource was calculated on less than 25% of the strike of a 17km-long Libi Hills airborne geophysical target. To date 48 drill holes have been completed at Bikoula. During 2018, Altus pitted a large airborne magnetic anomaly at the Nkout North prospect. This work discovered further supergene haematite within reddish clayey soils. The Group considers this prospect and the undrilled remainder of the Libi Hills prospect to represent excellent targets for the definition of further high grade iron ore resources. No material exploration was undertaken on the project during the quarter.

Altus is seeking a partner to advance the project to undertake further drilling and the preparation of an independent NI 43-101 compliant mineral resource estimate.

Morocco Operations

Altus holds four projects in Morocco through its 100% owned subsidiary, Aterian Resources Ltd, targeting copper, lead, zinc, silver and gold.

Agdz Copper-Silver Project (60 km^2), Central Morocco

Agdz comprises four contiguous permits in the Anti-Atlas Mountains, 350km south of the capital city Rabat and 14km from the Bouskour copper mine which is operated by Managem, the Moroccan state mining group.

Altus has carried out geological mapping, surface outcrop sampling, reconnaissance trenching and ground magnetic surveys at Agdz. This work has defined strongly mineralised and altered zones and a clear structural context. Three main prospects have been identified to date at Makarn, Amzwaro and Minière from which rock-chip samples have returned assay results up to 26.5% Cu and 448 g/t Ag and an initial rock-chip channel sample returned 1.25% Cu and 96 g/t Ag over 9.3m, with grades up to 2.26% Cu and 223 g/t Ag. Rock-chip and spoil samples from the Minière prospect, which hosts multiple underground workings that exploit a series of sub-parallel alteration zones, have returned 13.0% Cu, 6.0% Cu and 5.0% Cu. Mapped alteration in the Makarn prospect is considered analogous to that of the Bouskour mine, with over a 0.5km strike length mapped to date.

During the quarter the Company announced results from a rock chip sampling programme on the licence. These included 2.22% Cu, 52 g/t Ag and 2.96 g/t Au. The Company also announced the discovery of further copper mineralisation within an approximately 1km long and 0.5km wide northeast trending elongate rhyolite dome, located between the Amzwaro and Makarn prospects. The Company is planning a 50 line kilometre Induced Polarisation programme across the northern portion of the Agdz licence.

Altus is actively seeking a joint venture partner for the Agdz project.

Takzim Copper-Zinc Project (72 km^2), Central Morocco

Takzim comprises five permits located 35km northeast of the city of Marrakech and 7km east of the historical Bir-n-Hass copper mine. No material exploration was undertaken on the project during the quarter. Altus is actively seeking a joint venture partner for the Takzim project.

Zaer Copper Project (96 km^2), Central Morocco

Zaer comprises six permits located 80km south of the capital city of Rabat in the Hercynian Massif, which contains three large granitic plutons that have been intruded into a sequence of sediments. The region hosts active and historical mines for copper, tin, tungsten, lead and zinc. Zaer is strategically located covering a 20km strike length of metamorphic aureole along a granite-metasediment contact.

No material exploration was undertaken on the project during the quarter. Altus is actively seeking a joint venture partner for the Zaer project.

Ammas Zinc-Lead Project (32 km^2), Central Morocco

Ammas is comprised of two permits, located 30km south of the city of Marrakech. The project is 3km southeast and along strike of Managem's Hajjar Zn-Pb-Cu VMS mine. The Hajjar mine exploits a number of buried and folded massive sulphide lenses. No material exploration was undertaken on the project during the quarter. Altus is actively seeking a joint venture partner for the Ammas project.

Ethiopia Operations

Altus holds three projects in Ethiopia at Tigray-Afar, Daro, and, since 3 June 2019, Zager. All three projects are held by the Company's 100% owned subsidiary, Altau Resources Ltd.

Daro Copper-Gold Project (412 km^2), Northern Ethiopia

Daro is located 570km north of Ethiopia's capital city, Addis Ababa and 95km west of the Company's Tigray-Afar Cu-Ag project. The project targets potential Volcanogenic Massive Sulphide ("VMS") copper and gold deposits. It is situated in the Neo-Proterozoic Nakfa Terrane, which hosts a number of significant VMS base metal and gold deposits and mines.

Prospecting and regional mapping has identified key geological markers for a VMS deposit type setting. These include the presence of bimodal volcanics, extensive chert horizons and associated metasediments, which conform to an ophiolite complex of ancient oceanic crust and seafloor sediments.

To date, four priority prospects: Keren, Teklil, Wedihazo and Simret have been defined by the Company on the licence. The Keren prospect strikes for 2km with grab and outcrop samples returning up to 37 g/t Au and 10.35 g/t Au. At the 2.5km long Teklil prospect, located within an ophiolite complex, rock chip and grab samples have returned 24% Cu, 6.51 g/t Au and 203 g/t Ag. Rock chip and grab sample results at the 0.5km long Wedihazo prospect, have returned up to 22.3% Cu and 0.24 g/t Au. At the Simret prospect, grab samples have returned up to 944 g/t Ag, 3.55 g/t Au and 2.72% Pb and discovered Au-Ag-Cu-Pb-Zn bearing quartz veins and gossanous float.

During the quarter a reconnaissance ground gravity survey was completed along an initial 300m section of the Teklil prospect. The survey identified a potentially significant gravity anomaly adjacent to key VMS markers, including a gossanous outcrop sample which returned 6.95% Cu.

Also during the quarter, the Company announced the discovery of a potentially significant new gold prospect at Wedi Keshi, which is hosted within a highly altered quartz-feldspar porphyry intrusion, and was discovered by the Company's Sentinel remote sensing programme. The prospect has been mapped for approximately 2km in length and 300m in width. It is also coincident with a series of discontinuous hard gold workings and likely represents the primary source for the gold in the alluvial artisanal workings in the area. Gold grades from rock chip sampling of quartz veins and altered wall rock material include 14.1 g/t Au, 8.5 g/t Au and 7.3 g/t Au.

Altus is actively seeking a joint venture partner for the Daro project, to conduct trenching and complete a geophysical survey with the aim of defining targets for a maiden drill programme.

Zager Copper-Gold Project *(285 km^2)*, Northern Ethiopia

Zager is located in the Semien Mi'irabawi Zone of Tigray in northern Ethiopia, approximately 175km northwest of the Tigray state capital of Mekele and 610km north of Addis Ababa. It is 80km west of the Company's Daro project with which it shares an almost identical geological terrane, and 15km from the Harvest polymetallic VMS project. The licence hosts 27km of ophiolite belt within the prospective Arabian Nubian Shield.

Initial prospecting of the licence has been undertaken and rock chip sampling has returned grades of 1.95 g/t, 1.31 g/t and 1.11 g/t Au. In addition, a number of hard rock artisanal gold workings have been identified within the licence. Altus is not currently seeking a joint venture on the Zager project, while it undertakes its own exploration programmes.

Tigray-Afar Copper-Silver Project (242 km^2), Northern Ethiopia

Tigray-Afar is located 580km north of Ethiopia's capital city, Addis Ababa and 95km east of the Company's Daro Cu-Au project. An evaluation of previous exploration data, has identified a potential sediment hosted copper target within a 5km long VTEM conductor. The zone hosts gossans at surface, which are interpreted to overlay a potential copper sulphide source which has yet to be drill tested. No further work was undertaken during the quarter. The next steps for the project will be to conduct a 2,000m 5-hole programme to test the presence of sedimentary hosted copper mineralisation. No material exploration was undertaken on the project during the quarter. Altus is actively seeking a joint venture partner for the Tigray-Afar project.

Liberia Operations

Altus holds one licence, namely Zolowo, in Liberia through its 100% owned subsidiary Auramin Ltd, targeting orogenic lode gold deposits within the Man Shield, which forms part of the West African Craton.

Zolowo Gold Project (466 km^2), Western Liberia

Zolowo is located 190km northeast of the capital city of Monrovia. The licence targets a significant 33km-long Archaean-age greenstone belt on the West African Craton. No material exploration was undertaken on the project during the quarter.

During the quarter the Company announced that a Terms Sheet had been signed with Corben Resources which incorporated the vend-in of the Zolowo project (see Operations in Cameroon, Laboum project). Under the terms of the vend-in, Altus will receive 10% of the issued equity capital of Corben upon its proposed IPO on the Australian Stock Exchange followed by milestone payments of A$0.5 million and A$1 million upon the definition of a one million ounce gold resource and a one million ounce gold reserve respectively. Altus will retain a 2.5% NSR royalty, of which Corben may purchase 1% for US$2 million.

Côte d'Ivoire Operations

Altus holds the Prikro exploration licence in Côte d'Ivoire as well as two submitted licence applications. One application targets gold and the other targets nickel-cobalt. The licence and applications are held through the Company's 100% owned subsidiary, Aeos Gold Ltd.

Prikro Gold Project (369.5 km^2), Eastern Côte d'Ivoire

Prikro is located 240km southeast of the country's largest city, Abidjan. The project targets a prospective folded and sheared Birimian-aged greenstone sequence intruded by felsic plutons, and hosts historical Au, Cu, Zn and Mo mineral occurrences. No material exploration was undertaken on the project during the quarter. Altus is actively seeking a joint venture partner for the Prikro project.

After the end of the period, on 25 July 2019 the Company announced that it had signed an option agreement on its Toura nickel-cobalt licence application, with Firering Holdings Limited ("Firering") upon exercise of which Firering will earn a 95% interest in the Toura project, and Altus will receive a cash payment of €15,000, a 5% free carried interest until such time that Firering have invested US$1 million and a production royalty which his linked to the nickel price. Further details are available on the Company's website (www.altus-strategies.com/news, entry dated 25 July 2019).

Qualified Person

The technical disclosure in this MD&A has been read and approved by Steven Poulton, Chief Executive of Altus. He has not verified the historical data disclosed in this regulatory announcement but has no reason to question its accuracy. A graduate of the University of Southampton in Geology (Hons), Steven Poulton also holds a Master's degree from the Camborne School of Mines (Exeter University) in Mining Geology. He is a Fellow of the Institute of Materials, Minerals and Mining and has over 20 years of experience in mineral exploration and is a Qualified Person under the AIM rules and National

Instrument 43-101 Standards of Disclosure of Mineral Projects of the Canadian Securities Administrators.

OUTLOOK

The Company's strategy for the next twelve months will be to:

- Close the agreement with Canyon Resources Ltd
- Facilitate the completion of due diligence by Corben, in respect of the Zolowo and Laboum gold projects in Liberia and Cameroon respectively
- Facilitate the completion of due diligence by Glomin Services, in respect of the Lakanfla and Tabakorole gold projects in Mali
- Facilitate the completion of due diligence by Desert Gold, in respect of the Djelimangara & Sebessounkoto Sud gold projects in Mali
- Develop new joint venture and or royalty agreements with third parties on the Company's remaining projects
- Undertake exploration to generate new projects within its current countries of operation; and
- Evaluate early to advance stage project and royalty acquisition opportunities, which may exist privately or within listed companies

RESULTS OF OPERATIONS

Three Months Ended 30 June 2019

Income

Income from recharging costs to JV partners of £22,000 was higher than in the comparative quarter of 2018 (£7,000), although there was no change to the nature of the revenue, reflecting mainly mining event sales and recharges, and recharges of costs relating to the JV arrangement with Canyon in Cameroon.

Expenses

The Company has undertaken work to improve the methodology it uses to apportion costs between Exploration and Administrative costs. The following costs for the quarter were categorised as Exploration Costs; under the methodology used in 2018 and up to 2019 Q1, they were treated as Administrative costs.

UK geologists	£52,018
Operations management costs	£39,095
UK costs of exploration	£17,074
Total	£108,187

Exploration costs under the new method of apportioning were £261,000 and under the old method were £153,000 (2018 Q2: £197,000); the change from 2018 reflected the focus of the Company in the first few months of the year on reviewing and assimilating the extensive historical data pertaining to the Company's exploration licences in Mali. The exploration team has remained the same size, and the level of activity is similar, although costs on specific projects have varied as detailed in note 3 and in the Operations Report on pages 4 to 13.

The largest area of operational spend in Africa was in Cameroon at £50,000 for the quarter (2018 Q2: £59,000). Approximately £33,000 was spent in each of Mali and Ethiopia, which included exploration work at the Company's recently granted Zager licence, and £17,000 was spent in Morocco. The total of £83,000 for these three countries was in line with the £87,000 expensed in the same quarter in 2018.

Administrative costs under the new method were £135,000 and under the old method were £243,000 (2018: £277,000). To a large extent this reflects the reduced level of corporate activity compared to the same quarter in 2018, which included costs relating to the Company's listing on the TSX-V market in

Canada which occurred on 6 June 2019 and the C$4.2m private placement as announced by the Company on 18 April 2018.

The fair value gain on investments of £117,000 (2018 Q2: £46,000 loss) was in respect of the Company's holding in ASX-listed Canyon Resources Limited, which is denominated in Australian dollars.

Six Months Ended 30 June 2019

For the six months ended 30 June 2019 the Company had a net loss of £831,000 compared to a loss of £1,062,000 in the first half of 2018. Combined Exploration and Administrative costs of £847,000 were at a similar level to the comparative period (2018 H1: £852,000). As described in the quarterly summary above, the methodology of apportioning costs between the two categories has been updated.

IPO, listing and acquisition related costs reduced from £108,000 to £54,000. These costs in 2019 also include activity related to joint venture negotiations. The fair value loss on investment reduced from £166,000 in 2018 H1 to £74,000 in 2019 H1, with this figure mainly reflecting movements in foreign exchange rates.

Liquidity and Capital Resources

The net assets of the Group reduced from £5,266,000 at 31 December 2018 to £4,446,000 at 30 June 2019, which, allowing for fluctuations in current assets and liabilities, reflected mainly a lower cash balance, a reduction in investments and an increase in accruals.

There was a small increase of £9,000 in the value of the group's intangible assets as exploration licence costs were capitalised. Pursuant to the Company's policy, the carrying balances of all intangible assets were reviewed by the management team for impairment and presented to the board. No impairments were made in the quarter.

The cash balance decreased from £725,000 at 31 December 2018 to £198,000, reflecting two quarters of operating expenses with minimal revenue. The Company realised income by the sale of 2.5 million shares in the Company's holding of Canyon realising proceeds of £287,000.

The directors are confident, based on the experience of raising finance in 2017 and 2018, the liquidity profile of Canyon and the potential for joint venture and other deal flow that the Company will continue to have sufficient capital, and have prepared these financial statements on a going concern basis accordingly.

An increase in the value of payables from £487,000 as at 31 December 2018 to £700,000 was due partly to the continued deferral of board fees by non-executive directors and the partial deferral of salaries and pensions by executive directors as outlined in detail in the 2018 Annual Report and Accounts (see www.altus-strategies.com/investors/financials/). The value of deferred remuneration during the quarter was £60,000.

The adoption of IFRS 16 as of 1 January 2019 has had the effect of increasing non-current assets by £90,000 and current liabilities by £98,000 as at 30 June 2019. This net liability will reduce over the life of the lease of the Company's UK office, which expires in 2023. The impact on the ratio of current liabilities to current assets has been to increase it from 1.86 to 2.15.

SUMMARY OF QUARTERLY RESULTS

Quarter Ended	2019 30 Jun £	2019 31 Mar £	2018 31 Dec £	2018 30 Sep £
Costs recovered from JV partners	22,161	5,951	44,231	4,122
Exploration costs	(390,342)	(116,120)	(103,455)	(199,036)
Administration costs	(10,756)	(330,085)	(404,635)	(292,732)
IPO, acquisition and JV costs	(27,586)	(26,706)	(3,027)	-
Net profit/(loss) from operations	(406,523)	(466,960)	(466,886)	(487,646)
Investment income	2	5	32	17
Other operating income	1,899	(2,217)	(30,974)	10,440
Fair value gain/(loss) on investments	116,848	(74,194)	(47,011)	494,883
Loss before taxation	(287,774)	(543,366)	(544,839)	17,694
Taxation		-	-	-
Income/(loss) for the quarter	(287,774)	(543,366)	(544,839)	17,694
Income/(loss) per share - basic and diluted	(0.00)	(0.00)	(0.00)	(0.00)

Quarter Ended	2018 30 Jun £	2018 31 Mar £	2017 31 Dec £	2017 30 Sep £
Costs recovered from JV partners	6,831	34,494	13,241	4,761
Exploration costs	(197,042)	(131,369)	358,640	(134,562)
Administration costs	(271,531)	(252,213)	(766,007)	(221,441)
IPO and acquisition costs	(60,456)	(47,777)	28,979	(212,047)
Net profit/(loss) from operations	(522,198)	(396,865)	(365,147)	(563,289)

Investment income	7	6	3,658	12
Other operating income	22,171	340	13,362	88
Fair value gain/(loss) on investments	(46,383)	(119,262)	227,200	43,563
Loss before taxation	(546,403)	(515,781)	(120,927)	(519,626)
Taxation	-	-	-	-
Income/(loss) for the quarter	(546,403)	(515,781)	(120,927)	(519,626)
Income/(loss) per share - basic and diluted	(0.00)	(0.00)	(0.01)	(0.50)

There has not been a material change in the underlying costs of the business during 2018 and the first two quarters of 2019 as the scope of operations, and the size of the team have remained largely the same since the completion of the Plan of Arrangement with Legend in January 2018, which brought in the six Mali gold exploration licences.

Over the last 12 months, net loss from operations has steadily reduced from £522,000 in 2018 Q2 to £407,000 in the latest quarter. This has resulted from the Company's efforts to carefully manage its financial resources and to focus expenditure on the areas that bring the greatest return in terms of the marketability of its licence portfolio.

The variable costs that have resulted in the main quarterly fluctuations in the table above are as follows.

The main variations in Exploration costs are due to changes in the level of onsite activity, with additional costs to transport geologists to site including flying UK geologists to Africa, equipment rentals and maintenance and use of causal labour. The most significant cost is for assaying samples including the transport of samples to the assaying labs. Other costs which causes variations between quarters are licence renewals, annual audit costs and local taxes. Exploration licences and land rents, although a significant cost to the business, are capitalised in line with the Company's accounting policies and do not generally affect the quarterly results.

IPO and acquisition costs, and to a lesser extent Administration costs, were impacted by the recording of non-capitalised costs in relation to the listing of the Company's shares on the AIM in London in August 2017, the dual listing of the Company on the TSX-V in Toronto in June 2018 and the Plan of Arrangement with Legend in January 2018. Since the beginning of 2019, the Company has grouped the costs of executing JV and other partnering agreements with the Company's financing and corporate acquisition costs.

The change in the Fair value gain on investment is derived from the value of shares in Canyon (ASX: CAY). The shares were valued at the ASX market price of A$0.20 as at 30 June 2019, and varied in price between A$0.09 and A$0.29 during 2018 and between A$0.18 and A$0.24 in the first half of 2019. Further fluctuations result from the shares' denomination in Australian dollars.

OFF-BALANCE SHEET ARRANGEMENTS

The Company had no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

The Company entered into a number of transactions with key management personnel. The remuneration of key management personnel includes those persons having the authority and responsibility for the planning, directing and controlling of the activities of the Company are as follows.

Six months ended 31 March 2019	Contractual Remuneration	Pension Contribution	Contractual Total	Paid in the period
	£	£	£	£
Executive Directors				
Steven Poulton	60,425	6,044	66,469	6,250
Matthew Grainger	50,000	5,000	55,000	40,500
Non-executive Directors				
David Netherway	17,500	-	17,500	-
Robert Milroy	12,500	-	12,500	-
Michael Winn	10,000	-	10,000	-
Total	150,425	11,044	161,469	46,750
Deferred remuneration	103,675	11,044	114,719	

The above payments for director compensation are payments made in the normal course of business. The amounts paid for these services are negotiated in good faith by both parties and fall within normal market ranges. The Remuneration Committee reviews executive compensation annually. The Board of Directors considers any changes recommended by the Remuneration Committee and approves these changes if appropriate.

In each year directors may choose to defer some of their remuneration, whether this is salary or company pension contributions, until such time as the Company has either the headroom to be able to allot further shares to its directors, or the liquid resources available to be able to settle the deferred amounts in cash. Deferred remuneration is recorded in the accounts by way of an accrual. The value of remuneration deferred by the directors in respect of 2019 H1 was £114,719 and the total paid to directors was £46,750.

The following are the related party balances at 30 June 2019 and 30 June 2018.

	30 June	**30 June**

Related party current assets/(liabilities)	2019	2018
	£	£
Canyon Resources Ltd	43,501	15,660
Seabord Services Corp.	(41,211)	(48,357)
Aegis Asset Management Ltd	360	83
	2,650	(32,614)

Canyon Resources Ltd

David Netherway is a director and shareholder of the Company. He is also a director of Canyon which is listed on the Australian Stock Exchange. Altus has a joint venture arrangement with Canyon in relation to the Birsok project in central Cameroon. Altus incurs project expenses and recharges them to Canyon. As at 30 June 2019, the balance due to Altus was £43,501 (30 June 2018: £48,357).

Seabord Services Corp.

Michael Winn is a director and shareholder of the Company. He is also the controlling party of Seabord Services Corporation ("Seaboard"). Seabord has an agreement with Altus to provide financial advisory services and administrative support to Altus with respect to its legal and compliance obligations in Canada. As at 30 June 2019, the balance due from Altus was £41,211 (30 June 2018: £48,357).

Aegis Asset Management Ltd

Three of the directors and shareholders of the Company (David Netherway, Steven Poulton and Matthew Grainger) are also directors of Aegis Asset Management Ltd ("Aegis"), which was formerly a subsidiary of the Company. Altus incurs some incidental costs which it recharges to Aegis. As at 30 June 2019, the balance due to Altus was £360 (30 June 2018: £83).

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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 Judgments

Impairment of Deferred Exploration Costs

Deferred exploration costs had a carrying value as at 30 June of £4,093,742 (2018 Q4: £4,071,870). On a quarterly basis, Management tests whether deferred exploration costs have a carrying value in accordance with the accounting policy stated in note 16 of the annual audited consolidated financial statements of Altus Strategies plc. Each exploration project is subject to a quarterly review either by a consultant or a 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, external factors affecting the project, as well as the likelihood of on-going funding from current or potential 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. A further review of the recommendations of the consultant or senior Company geologist is then performed by management. The Directors have reviewed the estimated value of each project prepared by management and do not consider any further impairment necessary.

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.

Finance leases

The Company adopted IFRS 16 Leases as at 1 January 2019. At that date it had no assets that fell under the regime of the new standard, however, during the half year it signed one new lease for office premises in the UK and has accounted for this applying IFRS 16. To determine the split between principal and interest in the lease the Company applied an estimate of the interest it would have to pay in order to finance payments under the new lease. This method was adopted as the Company was not able to ascertain the implied interest rate and does not have borrowings to use as a benchmark. The impact of the estimate is currently considered to be immaterial to the financial statements and the Directors will review this approach as appropriate.

Share based payments

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. For issues of shares in respect of debt the Company values the shares based on the lower of the closing price on the AIM or TSX-V of the shares on the prior day, or on the volume weighted average for a reasonable period determined by management. For the grant of share options or share warrants, the Company uses the Black Scholes Model. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of any share option or appreciation right, volatility and dividend yield and making assumptions about them. The Company does not presently operate a share option plan.

FINANCIAL RISK MANAGEMENT

Altus's strategy with respect to cash is to safeguard the asset by investing any excess in low risk financial instruments such as term deposits or by holding funds in the highest yielding savings accounts with major United Kingdom domiciled banks. By using this strategy, the Company preserves its cash resources and can marginally increase these resources through the yields on these investments. The Company's financial instruments are exposed to certain financial risks, which include currency risk, credit risk, liquidity risk and interest rate risk.

Currency Risk

The Company's functional currency is the Pound Sterling, and major purchases are transacted in Pounds Sterling, US Dollars, Canadian Dollars, West African Francs, Ethiopian Birrs, Moroccan Dirhams and Liberian Dollars. The Company's head office expenditures are mainly incurred in Pounds Sterling and the majority of its exploration costs are incurred in the local African currencies. Some of the Company's subsidiaries have functional currencies other than Pounds Sterling. The Company is therefore exposed to unrealised foreign currency on the translation of the subsidiary's net assets. Management believes the foreign exchange risk derived from currency conversions is not significant to its operations, and therefore does not hedge its foreign exchange risk. For the six months ended 30 June 2019, the Company had an exchange loss of £29,229 (2018 Q1: £40,473) which was not material to its operations and an unrealised loss on retranslation of net assets of its subsidiaries of £nil (2018 Q1: £93,516).

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. When the Company has sufficient cash, it is invested in term deposits which can be reinvested without penalty after thirty days should interest rates rise. As at 30 June 2019 the Company did not have any interest-bearing loans. Accordingly, the Company does not have significant interest rate risk.

Credit Risk

Credit risk is the risk that one party will cause a financial loss for another party by failing to discharge an obligation. The Company's credit risk is primarily attributable to receivables. The Company has no significant concentration of credit risk arising from operations. Financial instruments included in receivables consist of trade receivables and amounts due from associates.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's objective is to ensure that there are sufficient committed financial resources to meet its current obligations and its future business requirements for a minimum of twelve months. As at 30 June 2019 the Company had a balance of cash and marketable securities of £0.8m. Based on this balance, along with the ability of the Company to raise finance that has been demonstrated in the last two years, and the possibility of reducing some discretionary costs, the Directors believe the Company has the means to continue its operations for a further twelve months and have prepared the financial statements on a going concern basis.

FINANCIAL INSTRUMENTS

Fair Values

The Company's financial instruments consist of cash and cash equivalents, trade and other receivables, investments, and trade and other payables. Financial instruments are initially recognized at fair value with subsequent measurement depending on classification as described below. Classification of financial instruments depends on the purpose for which the financial instruments were acquired or issued, their characteristics, and the Company's designation of such instruments. The Company has classified its financial instruments as follows:

As at 30 June 2019	Investments at FVTPL £	Amortised Cost £	**Total** **£**
Cash and cash equivalents	-	198,087	198,087
Trade and other receivables (excl. non-financial assets)	-	99,122	99,122
Non-current investments	639,768	-	639,768
Trade and other payables (excl. non-financial liabilities)	-	(699,643)	(699,643)
	639,768	(402,434)	237,334

Of the £699,643 Trade and other payables in the table above, £378,305 relates to the deferral of salaries and fees by directors, as referred to in Related Party Transactions on pages 17-18, and £98,519 represents lease liabilities recognised under the newly adopted IFRS 16 standard.

Financial instruments measured at fair value on the statement of financial position are summarized into the following fair value hierarchy levels.

a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

OUTSTANDING SHARE DATA

As of the reporting date of this MD&A, the Company had 177,899,659 ordinary shares issued and outstanding. There were also 28,603,477 share purchase warrants outstanding as follows.

Warrants outstanding	Exercise price*	Issue date	Expiry date
300,000	C$0.083 (£0.050)	30 January 2018	8 September 2019
911,861	C$0.225 (£0.135)	18 April 2018	17 April 2021
27,391,616	C$0.300 (£0.181)	18 April 2018	17 April 2023

* Exercise prices in GBP are determined by reference to the underlying Canadian Dollar price and the exchange rate as at 30 June 2019.

RISKS AND UNCERTAINTIES

No Assurance of Titles or Borders

The acquisition of the right to exploit mineral properties is a very detailed and time-consuming process. There can be no guarantee that the Company has acquired title to any such surface or mineral rights or that those rights will be obtained in the future. To the extent they are obtained, titles to the Company's surface rights or mineral properties may be challenged or impugned and title insurance is generally not available. The Company's mineral properties may be subject to prior unregistered agreements, transfers or claims and title may be affected by, among other things, undetected defects. Such third-party claims could have a material adverse impact on the Company's operations.

Mineral Property Exploration and Mining Risks

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, none of the Company's properties has a known commercial ore deposit. The main responses to operating risks include: ensuring ownership of and access to mineral properties by confirmation that option agreements, claims and leases are in good standing and obtaining permits for drilling and other exploration activities. There can be additional risks involved in some countries where pending applications for claims or licenses can be affected by government changes to application procedures.

Some of the Company's mineral properties are located within or near local communities. In these areas, it may be necessary as a practical matter to negotiate surface access with these local communities. There can be no guarantee that, despite having the legal right to access a mineral property and carry on exploration activities, that the Company will be able to negotiate a satisfactory agreement with the existing land owners or communities for this access. Therefore, the Company or one of its joint venture partners may be unable to carry out exploration activities on a property. In those circumstances where access has been denied by a local community or land owner, the Company may need to rely on the assistance of local officials or the courts to gain access or it may be forced to abandon the property.

Altus may acquire properties through option agreements in the future. Acquisition of title to the properties under these kinds of agreements is only completed when all the option conditions have been met. These conditions generally include making property payments, incurring exploration expenditures on the properties and can include the satisfactory completion of pre-feasibility studies. If the Company does not satisfactorily complete these option conditions in the time frame laid out in the option agreements, the Company's title to the related property will not vest and the Company will have to write-off the previously capitalized costs related to that property.

Joint Venture Funding Risk

When appropriate, Altus seeks partners through joint ventures or option agreements to fund exploration and project development and the Company seeks to retain a royalty interest in its projects as well as receive milestone-based payments. The main risk of this strategy is that funding partners may not be able to raise sufficient capital to satisfy exploration and other expenditure terms in a particular option agreement. As a result, exploration and development of one or more of the Company's property interests may be delayed depending on whether Altus can find another partner or has enough capital resources to fund the exploration and development on its own.

Commodity Price Risk

Altus is exposed to commodity price risk. Declines in the market prices of gold, base metals and other minerals may adversely affect its ability to raise capital or attract joint venture partners to fund exploration on its mineral properties. Commodity price declines could also reduce the amount the Company would receive on the disposition of one of its mineral properties to a third party.

Financing and Share Price Fluctuation Risks

Altus has limited financial resources, has no reliable source of operating cash flow and has no assurance that additional funding will be available to it for further exploration and development of its projects. Further exploration and development of one or more of the Company's projects may be dependent upon the Company's ability to obtain financing through equity issues, debt financing or the sale of some of its exploration properties. Failure to obtain this financing could result in delay or indefinite postponement of further exploration and development of its projects which could result in the loss of one or more of its properties.

Securities markets often experience a high degree of price and volume volatility, and the market price of securities of many companies, particularly those considered to be development stage companies such as Altus, have experienced wide fluctuations in share prices which have not necessarily been related to their operating performance, underlying asset values or prospects. As a result, there can be no assurance that the Company will be able to attract additional capital or whether share prices will be strong to enough to make private placements advisable.

Political and Currency Risks

The Company is operating in African countries, where there is a higher risk of political uncertainty and instability. The Company regularly monitors the political situation in each country in which it operates. Changing political situations may affect the manner the Company operates. The Company's equity financings are sourced in Pounds Sterling and Canadian Dollars but it incurs a significant portion of its expenditures in US Dollars and West African Francs, Ethiopian Birr and Moroccan Dirham. There are no currency hedges in place. Therefore, a material weakening of its funding currencies against the US Dollar, West African Franc, Ethiopian Birr and Moroccan Dirham could have an adverse impact on the amount of exploration conducted.

Insured and Uninsured Risks

During exploration, development and production on mineral properties, the Company is subject to many risks and hazards in general, including adverse environmental conditions, operational accidents, labour disputes, unusual or unexpected geological conditions, changes in the regulatory environment and natural phenomena such as inclement weather, floods, and earthquakes. Such occurrences could result in damage to the Company's property or facilities and equipment, personal injury or death, environmental damage to properties of the Company or others, delays, monetary losses and possible legal liability.

Although the Company may maintain insurance to protect itself against certain risks in such amounts as it considers reasonable, its insurance may not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums or for other reasons. Should such liabilities arise, they could reduce or eliminate future profitability and result in increased costs, have a material adverse effect on the Company's results and cause a decline in the value of the Company's securities. Some work is carried out through independent consultants and the Company requires that all consultants carry their own insurance to cover any potential liabilities because of their work on a project.

Environmental Risks and Hazards

The activities of the Company are subject to environmental regulations issued and enforced by government agencies. Environmental legislation is evolving in a manner that will require stricter standards and enforcement and involve increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees. There can be no assurance that future changes in environmental regulation will not adversely affect Altus's operations. Environmental hazards may exist on properties in which the Company holds interests which are unknown to the Company at present.

Conflicts of Interest

The Company's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and to the extent that such other companies may participate in ventures in which the Company may participate, some directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. If such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with best practice and the laws of British Columbia, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether the Company will participate in a program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Key Personnel Risk

The Company's success is dependent upon the performance of key personnel working in management and administrative capacities. The loss of the services of any senior management or key personnel could have a material and adverse effect on the Company, its business and results of operations.

Competition

The Company will compete with many companies and individuals that have substantially greater financial and technical resources than the Company for the acquisition and development of its projects as well as for the recruitment and retention of qualified consultants and employees.