Bezant Resources Plc

Annual Report

and

Financial Statements

For the year ended 31 December 2017

Bezant Resources Plc

Contents

Bezant Resources Plc

Corporate directory

Directors:	C Bird	*Executive Chairman*
	L Read	*Chief Executive Officer*
	E Kirby	*Non-Executive Director*
	R Siapno	*Non-Executive Director*

Secretary:
York Place Company Secretaries Limited
3rd Floor
White Rose House
28a York Place
Leeds, LS1 2EZ

Registered office:
Floor 6, Quadrant House
4 Thomas More Square
London, E1W 1YW

Registered number:
02918391 (England & Wales)

Nominated adviser:
Strand Hanson Limited
26 Mount Row
London, W1K 3SQ

Broker:
Novum Securities Limited
8-10 Grosvenor Gardens
London, SW1W 0DH

Solicitors:
Joelson JD LLP
30 Portland Place
London, W1B 1LZ

Auditors:
UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London, E1W 1YW

Registrars:
Link Market Services Limited
PXS1
34 Beckenham Road
Beckenham
Kent, BR3 4TU

Bankers:
National Westminster Bank Plc
66 High Street
Maidenhead
Berks, SL6 1QA

National Australia Bank
Capital Office, Ground Floor
100 St Georges Terrace
Perth
Western Australia 6000

Chairman's Statement

Dear Shareholder,

I am pleased to present the Group's final results for the 12 months ended 31 December 2017. This is my first statement to Bezant's shareholders since my appointment as Chairman and I would like to take this opportunity to not only report on the key events of 2017 for the Company, but also to provide an overview on the Board's ongoing strategy developed during the early part of 2018.

As the incoming Chairman, appointed post the reporting period end in March 2018, I joined the Company's management team and have the benefit of hindsight. At the year end, the Company's short-term cash flow constraints were dwarfed by the sheer magnitude and potential of its Mankayan copper-gold project in the Philippines (the "**Mankayan Project**") and its lesser explored Eureka project in Argentina. On joining the Board, I formed the view that action needed to be taken to address the potential short-term cash flow and funding risks that would have remained if the Company were to have continued to focus on developing the Choco alluvial gold-platinum project in Colombia (the "**Choco Alluvial Project**") which was disposed of in late April 2018. A primary factor in our assessment was that any Company transformation would best be achieved through the progression and development of the Company's copper-gold assets rather than pursuing short-term income from our Colombian alluvial project to cover the Company's overheads. The Board collectively agreed that the fortunes and prospects for quality copper-gold projects in transparent regimes were very good and that the Mankayan Project was amongst the global forerunners in this arena.

Prior to joining the Company, I had views on the clear potential of the two copper related projects in its portfolio and this has been endorsed by my subsequent close scrutiny of the available technical data. Likewise, I had views on the Company's management being a team I could work with to seek to release such potential future value, and this too has been borne out by our close interaction since my appointment.

Once the strategic decision had been made to exit from the Choco Alluvial Project, the executive team implemented the disposal in a very professional and commercial manner securing and completing a transaction for proceeds of US$500,000 in a very short time period. In my experience, frequently when disposal decisions are taken, the process can become protracted and the time and overhead cost involved can ultimately be greater than the disposal value achieved; pleasingly this was not the case with the disposal of the Choco Alluvial Project, details of which were announced on 26 April 2018, and I applaud the team's tenacity.

The Company spent much of 2017 assessing the metrics for its Choco Alluvial Project and progressing it into initial production. The development of the Choco Alluvial Project was accelerated following the loss of traction on the Mankayan Project in the Philippines after the receipt of formal notice from the Department of Environment and Natural Resources ("**DENR**") on 20 February 2017 regarding the Mineral Production Sharing Agreement ("**MPSA**") (No. 057-96-CAR), held by Bezant's associate, Crescent Mining and Development Corporation ("**CMDC**"), questioning the validity of CMDC's MPSA. As announced on 21 February 2017, the Company understands that the notification it received from the DENR formed part of the potential cancellation of a total of approximately 75 MPSAs. Since then, there has been a change in leadership of the DENR and I am pleased to be able to confirm that CMDC has now received confirmation of a two year renewal of the exploration period set out under its MPSA.

In light of the above uncertainty surrounding the Mankayan Project, it made sense, at that time, for Bezant to seek to create low capital-intensive mining operations that could be flexibly deployed across the Choco Alluvial Project's licence areas, representing a well-established region for historic gold and platinum production, and Bezant took all the necessary steps to move towards achieving a sustained commercial production scenario.

A £1,000,000 (gross) fundraising, announced on 21 March 2017, and a £585,000 (gross) fundraising secured on 5 July 2017 funded initial production at the FKJ-083 licence area in the Choco region of Western Colombia and, as announced on 31 July 2017, the Registro Unico de Comercializadores de Minerales ("**RUCOM**") was granted from the Colombian National Mining Agency (ANM – Agencia Nacional de Mineria), allowing the Company to sell precious metals.

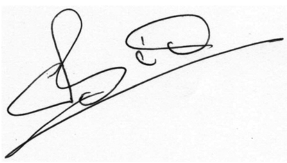
The first kilogramme of gold-platinum metals was then recovered and sold, as announced on 19 September 2017, and a further £700,000 (gross) in equity was raised on 5 October 2017 in order to finance production into higher grade gravels. However, regrettably by December 2017, when the next development fundraising was scheduled to occur, the Company's prevailing share price had dropped significantly such that it was the then Board's view that the level of funds needed to achieve and sustain proprietary mining on a commercial scale would have led to excessive dilution for the Company's existing shareholders. Accordingly, a more limited fundraise of approximately £550,000 (gross) was instead undertaken in December 2017 in order to provide the group with general working capital whilst it sought to procure the requisite funding to complete the full-scale ramp-up process via an alternative route such as project/asset level financing or an appropriate farm-in partner.

The rapid development of the Choco Alluvial Project during 2017 has served to demonstrate that Bezant has the benefit of an accomplished and experienced management team who were prepared and willing to make difficult decisions and take the necessary short-term action to protect the Company's long-term future. The Company's achievements at the Choco Alluvial Project assisted with the recent disposal process, and I am sure that AuVert Mining Group Limited, which acquired the project, will have the opportunity to achieve future economic returns as an alluvial focussed operator in the more suitable private domain.

Global stock markets generally appear to be strengthening but with an euphoria not necessarily consistent with reality. It is my personal expectation that inflationary pressure is now building and that interest rates will need to rise as a consequence, which I believe could then lead to a market correction with markets becoming somewhat depressed. The aforementioned climate is always good for commodities and, apart from economic conditions, the fundamentals for base metals are very encouraging, particularly for copper.

The forecast global demand for copper in 2030 is frequently stated to be twice that of today. If one considers the typical gestation period for a large new copper mine of approximately 8 years from exploration activities commencing, then the forecast demand in 2030 is key to the sanctioning of new mining operations. History indicates that we are currently at that stage of the commodity cycle where large mining company executives have received the benefit of excessive cost cutting, in the form of increased profits, and now have their shareholders enquiring as to whether this is sustainable. Historically, this has led large mining companies to seek to acquire new projects which have a high geological confidence, but which have only been modestly evaluated from a financial and economic perspective. Two decades ago, the major mining companies generally abandoned their own exploration efforts, preferring instead to buy into the success derived from more junior company's activities risk funded by the capital markets. The Board firmly believes that the Mankayan Project is well positioned to be potentially developed into one of the world's next significant copper mining projects, and we will now aggressively work to add to the existing resource base and seek to optimise the engineering of the mine plan so as to further improve the project's financials and the fundamentals of this important asset.

Post the year end, on 5 February 2018, the Company announced a conditional fundraising of, in aggregate, £600,000 (gross) which was completed following shareholder approval obtained at the Company's General Meeting held on 1 March 2018. Accordingly, the Company is now well placed to pursue its new strategic focus as outlined in its announcement of 10 May 2018 and seek to generate long term shareholder value.



Mr Colin Bird
Executive Chairman

29 May 2018

Board of directors

Mr Laurence Read *(Chief Executive Officer) (Appointed 15 January 2018)*

Experience and Expertise

Mr Read, aged 41, has spent the last 18 years advising natural resources companies, investment groups and advisers on strategic development, turn-around situations and global investor relations. He has experience working with off-take groups, producers, resource developers, service providers and explorers across a diverse range of minerals.

He was appointed as Chief Executive Officer on 15 January 2018 following the resignation of Dr. Bernard Olivier. Mr Read was previously a director of the Company having been appointed to the board as a Non-Executive director on 15 October 2012.

Other current directorships

Executive Director of Ferrum Crescent Limited
Chief Executive Officer of Mowbrai Limited
Non-Executive Director of Capital Metals Limited
Ixis Resources Limited

Former directorships in the last 5 years

Non-Executive Director of Tern Plc
Non-Executive Director of Mineral & Financial Investments Limited

Equity Participation in Porta Communications which had a controlling stake in Threadneedle Communications Limited.

Special responsibilities

Chief Executive Officer/Executive Committee.

Interests in shares and options

1,060,949 fully paid ordinary shares in Bezant Resources Plc.

Mr Colin Bird *(Executive Chairman) (Appointed 1 March 2018)*

Experience and Expertise

Mr Bird, aged 74, joined the board post the reporting period end in March 2018, replacing Mr Ed Nealon as Chairman, following a review of Bezant's portfolio and a strategic investment in the Company undertaken in February 2018 by himself as a private individual and also via Tiger Resource Finance plc, of which he is Chairman.

Colin is a chartered mining engineer with multi commodity mine management experience in Africa, Spain, Latin America and the Middle East. He has been the prime mover in a number of public company listings in the UK, Canada and South Africa. His most notable achievement was founding Kiwara Resources Plc and selling its prime asset, a copper property in Northern Zambia, to First Quantum Minerals for US$260 million in November 2009.

Other current directorships

African Pioneer Plc, Bird Leisure and Admin (Pty) Ltd, Braemore Resources Ltd, Dullstroom Plats (Pty) Ltd, Ferrum Crescent Limited, Galagen (Pty) Ltd, Galileo Resources Plc, Galileo Resources South Africa (Pty) Ltd, Glenover Phosphate (Pty) Ltd, Holyrood Platinum (Pty) Ltd, Jubilee Metals Group Plc, Jubilee Tailings Treatment Company (Pty) Ltd, Lion Mining Finance Ltd, M.I.T. Ventures Group, Maude Mining & Exploration (Pty) Ltd, New Age Metals Inc, NewPlats (Tjate) (Pty) Ltd, Revelo Resources Corp, Tiger Resource Finance Plc, Tjate Platinum Corporation (Pty) Ltd, Umhlanga Lighthouse Café CC, Windsor Platinum Investments (Pty) Ltd and Xtract Resources Plc.

Former directorships in the last 5 years

1 Tara Bar and Restaurant CC, Add X Trading 810 CC, Afminco (Pty) Ltd, Dialyn Café CC, Emanual Mining and Exploration (Pty) Ltd, Isigidi Trading 413 CC, Jubilee Smelting & Refining (Pty) Ltd, Mokopane Mining & Exploration (Pty) Ltd, NDN Properties CC, Orogen Gold Plc, Pilanesberg Mining Co (Pty) Ltd, Pioneer Coal (Pty) Ltd, PowerAlt (Pty) Ltd, SacOil Holdings Ltd and Sovereign Energy Plc.

Special responsibilities

Chairman of the Board/Remuneration Committee and member of Audit Committee.

Interests in shares and options

11,111,111 ordinary shares in the capital of the Company, together with 5,555,555 warrants with each warrant giving the right to subscribe for a new ordinary share at a price of one pence per share for a period of 30 months from the date of issue.

Dr. Evan Kirby *(Non-Executive Director) (Appointed 4 December 2008)*

Experience and Expertise

Dr Kirby, aged 66, is a metallurgist with over 40 years' of international involvement. He worked initially in South Africa for Impala Platinum, Rand Mines and then Rustenburg Platinum Mines. Then in 1992, he moved to Australia to work for Minproc Engineers and then Bechtel Corporation. After leaving Bechtel in 2002, he established his own consulting company to continue with his ongoing mining project involvement. Evan's personal "hands on" experience covers the financial, technical, engineering and environmental issues associated with a wide range of mining and processing projects.

Other current directorships

Non-executive director of Ferrum Crescent Limited (listed on ASX, AIM and JSE), Mustang Resources Limited (ASX Listed) and Director of private company, Metallurgical Management Services Pty. Limited.

Former directorships in the last 5 years

Luiri Gold Limited (listed on ASX), Luri Gold Mines Limited, Nyota Minerals Limited (listed on AIM and ASX), Nyota Minerals (UK) Limited and Kefi Minerals (Ethiopia) Limited (formerly named Nyota Minerals (Ethiopia) Limited).

Special responsibilities

Chairman Audit Committee.

Interests in shares and options

7,479,374 fully paid ordinary shares in Bezant Resources Plc.

Board of directors (continued)

Mr Ronnie Siapno *(Non-Executive Director) (Appointed 25 October 2007)*

Experience and Expertise

Mr Siapno, aged 54, graduated from the Saint Louis University in the Philippines in 1986 with a Bachelor of Science degree in Mining Engineering and is a lifetime member of the Philippine Society of Mining Engineers. Since graduation, he has held various consulting positions such as Mine Planning Engineer to Benguet Exploration Inc., Mine Production Engineer to Pacific Chrome International Inc., Exploration Engineer to both Portman Mining Philippines Inc. and Phoenix Resources Philippines Inc. and Geotechnical Engineer to Pacific Falkon Philippines Inc.

Other current directorships

President of Crescent Mining and Development Corporation and Director of Bezant Holdings Inc.

Former directorships in the last 5 years

None.

Special responsibilities

Mankayan Project: Director of Operations.
Remuneration Committee.

Interests in shares and options

1,333,334 fully paid ordinary shares in Bezant Resources Plc.

Bezant Resources Plc

Strategic report
For the year ended 31 December 2017

Principal activity

The Company is registered in England and Wales, having been first incorporated on 13 April 1994 under the Companies Act 1985 with registered number 02918391 as a public company limited by shares, in the name of Yieldbid Public Limited Company. On 19 September 1994, the Company changed its name to Voss Net Plc, with a second change of name to that of Tanzania Gold Plc on 27 September 2006. On 9 July 2007, the Company adopted its current name of Bezant Resources Plc.

The Company was listed on AIM, a market operated by the London Stock Exchange, on 14 August 1995.

The principal activity of the Group is natural resource exploration, development and beneficiation.

Its FTSE Sector classification is that of Mining and FTSE Sub-sector that of Gold Mining.

Review of Business

The Chairman's statement contains a review of 2017 and refers to the Company's renewed focus on its copper and gold assets, and in this respect I commend all shareholders to read the results of the strategic review announced on 10 May 2018.

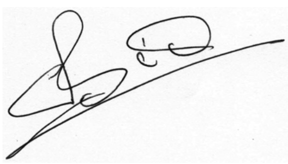
Principal risks and uncertainties facing the Company

The principal risks and uncertainties facing the Company are the risk of not finding adequate mineral reserves, risks associated with securing personnel, services and equipment required to develop its assets and uncertainties concerning fluctuations in commodity prices and foreign exchange rates. However, the Company has managed to secure service contracts in relation to its exploration activities (currently limited to the Philippines and Argentina) on a timely basis, such that its projects continue to be developed in accordance with applicable work programmes, and has established various networks of contacts, key contractors and other personnel to assist in their further development. The Company is also exposed to sovereignty risks relating to potential changes of local Governments and possible subsequent changes in jurisdiction concerning the maintenance or renewal of licences and the equity position permitted to be held in the Company's subsidiaries.

Performance of the Company

The Company is an exploration entity whose assets comprise early-stage projects that are not yet at the production stage. Currently, no revenue is generated from such projects. The key performance indicators for the Company are therefore linked to the achievement of project milestones and the increase in overall enterprise value.

On behalf of the Board



Mr Colin Bird
Executive Chairman

29 May 2018

The Directors present their report together with the audited financial statements of Bezant Resources Plc (the "**Company**") and its subsidiary undertakings (together, the "**Group**" or "**Bezant**") for the year ended 31 December 2017.

The Company changed its accounting reference date from 30 June to 31 December in 2016. These financial statements therefore cover the 12 month period from 1 January 2017 to 31 December 2017.

The principal activity, review of the business and future development disclosures are contained in the Chairman's Statement on pages 3 to 4 and the Strategic Report on page 8.

Results and dividends

The Group's results for the year are set out in the financial statements. The Directors do not propose recommending any distribution by way of dividend for the year ended 31 December 2017.

These financial statements include additional unaudited comparatives for the 12 months ended 31 December 2016 in the Consolidated Statement of Profit and Loss and the Consolidated Statement of Other Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the related notes to those statements. These comparatives are shown as separate columns and are headed as 'Unaudited' and have been included in the financial statements due to a requirement of the AIM Rules when an AIM quoted company changes its accounting reference date in order to aid the users of the financial statements by providing comparatives to the year ended 31 December 2017. The comparatives for the 12 months ended 31 December 2016 are unaudited. The auditors' opinion on the financial statements does not include these comparatives for the 12 months ended 31 December 2016.

Directors

The following directors have held office during and subsequent to the reporting year:

Colin Bird (appointed 1 March 2018)
Laurence Read
Ronnie Siapno
Evan Kirby
Edward Nealon (resigned 1 March 2018)
Bernard Olivier (resigned 15 January 2018)

Directors' interests

The beneficial and non-beneficial interests of the current directors and related parties in the Company's shares were as follows:

	Ordinary shares of 0.2p each	Percentage of issued share capital
C. Bird	11,111,111[1]	1.43%
E. Kirby	7,479,374	0.96%
R. Siapno	1,333,334	0.17%
L. Read	1,060,949	0.14%

Notes:

1. Colin Bird also holds 5,555,555 warrants expiring on 6 September 2020 which give the right to subscribe for ordinary shares at a price of 1 pence per share.

Report on directors' remuneration and service contracts

This report has been prepared in accordance with the requirements of Chapter 6 of Part 15 of the Companies Act 2006 and describes how the Board has applied the principles of good governance relating to Directors' remuneration set out in the UK Corporate Governance Code.

Executive remuneration packages are prudently designed to attract, motivate and retain Directors of the necessary calibre and to reward them for enhancing value to shareholders. The performance measurement of the Executive Directors and key members of senior management and the determination of their annual remuneration packages is undertaken by the Remuneration Committee. The remuneration of Non-Executive Directors is determined by the Board within limits set out in the Articles of Association.

Executive Directors are entitled to accept appointments outside the Company providing the Board's permission is sought.

The service contracts of the Executives and all the Non-Executive Directors are all subject to a twelve month termination period. Effective from January 2018, the Board agreed to a reduction in board fees. Each Director is entitled to receive up to £12,000/USD18,000 per annum as Directors' Fees along with relevant Consulting Fees as applicable, with the aggregate of Salary, Directors' Fees and Consulting fees detailed in the Directors' Remuneration Summary Table below and in Note 26.

Each Director is also paid all reasonable expenses incurred wholly, necessarily and exclusively in the proper performance of his duties.

Pensions

The Group does not operate a pension scheme and has not paid any contributions to any pension scheme for Directors or employees.

Directors' remuneration

Remuneration of the Directors was as follows:

	Directors' Fees	Salary and Consulting Fees	Share based payment – shares and options	Total 12 months ended 31 December 2017	Total 12 months ended 31 December 2016	Total six months ended 31 December 2016
	£	£	£	£	£	£
E. Nealon	35,000	–	–	35,000	46,500	25,500
B. Olivier	15,000	105,000	–	120,000	93,000	51,000
R. Siapno	12,000	–	–	12,000	9,300	5,100
E. Kirby	15,000	35,000	–	50,000	38,750	21,250
L. Read	10,323	7,508	–	17,831	25,568	13,388
Total	87,323	147,508	–	234,831	213,118	116,238

Notes:

1. Directors' remuneration shown above comprises all of the salaries, Directors' fees, consulting fees and other benefits and emoluments paid to Directors for the 12 months ended 31 December 2017, 31 December 2016 and the six months ended 31 December 2016.
2. Mr Read's Director's fees include NIC and UK payroll tax.

3. On 7 August 2017, the Board elected to convert a total of £110,718 of unpaid fees in relation to the period 1 October 2016 to 31 July 2017 into shares at a conversion price of 1.2976 pence per share.
4. On 22 March 2018, Ed Nealon waived fees of £25,000 and Laurence Read waived fees and expenses of £12,558 and the other directors of the Company elected to convert a total of £31,233 of unpaid fees in relation to the period 1 July to 31 December 2017 into shares at a conversion price of 0.45 pence per share.
5. On 28 September 2016, the Board elected to convert a total of £36,715 into shares at a share price of 2.5 pence per share.

Environment, Health, Safety and Social Responsibility Policy Statement

The Company adheres to the above Policy, whereby all operations are conducted in a manner that protects the environment, the health and safety of employees, third parties and the entire local communities in general.

The Company is currently principally involved in exploration projects, located within the Philippines and Argentina.

The Company received formal approval of its Environmental Impact Assessment ("**EIA**") in respect of its "Eureka Project" in Argentina on 30 May 2013.

During the year, current operations were closely managed in order to maintain our policy aims, with no matters of concern arising. There have been no convictions in relation to breaches of any applicable legislation recorded against the Group during the year.

Substantial & Significant Shareholdings

The Company has been notified, in accordance with DTR 5 of the FCA's Disclosure and Transparency Rules, or is aware, of the following interests in its ordinary shares as at 16 May 2018 of those shareholders with a 3% and above equity holding in the Company.

	Number of Ordinary Shares	Percentage of issued share capital
Vidacos Nominees Limited Clrlux Acct	162,860,485	20.97%
HSBC Global Custody Nominee (Uk) Limited 941346 Acct	68,140,337	8.77%
Verona Investment Group Inc	44,601,745	5.74%
Barclays Direct Investing Nominees Limited Client1 Acct	36,926,676	4.76%
Tomori Enterprises Limited	46,635,115	6.01%
Interactive Investor Services Nominees Limited Smktnoms Acct	33,742,218	4.35%
Jim Nominees Limited Jarvis Acct	26,058,106	3.36%
Interactive Investor Services Nominees Limited Smktisas Acct	25,849,311	3.33%

Political and charitable contributions

There were no political or charitable contributions made by the Group during the year ended 31 December 2017.

Information to Shareholders – Website

The Company has its own web-site (www.bezantresources.com) for the purposes of improving information flow to shareholders, as well as to potential investors.

Statement of responsibilities of those charged with Governance

The Directors are responsible for preparing the financial statements in accordance with applicable laws and International Financial Reporting Standards as adopted by the European Union. Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company and of the profit or loss of the Group for that year.

In preparing those financial statements, the Directors are required to:

– select suitable accounting policies and then apply them consistently;

– make judgements and estimates that are reasonable and prudent;

– state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

– prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Group will continue in business.

The Directors confirm that the financial statements comply with the above requirements.

The Directors are responsible for keeping proper accounting records which at any time disclose with reasonable accuracy the financial position of the Company (and the Group) and enable them to ensure that the financial statements comply with the Companies Act 2006. The Directors are also responsible for safeguarding the assets of the Company (and the Group) and for taking steps for the prevention and detection of fraud and other irregularities.

In addition, they are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

Statement of disclosure to auditor

So far as all the Directors, at the time of approval of their report, are aware:

– there is no relevant audit information of which the Company's auditors are unaware, and

– the Directors have taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

UHY Hacker Young LLP have expressed their willingness to continue as the auditors of the Company, and in accordance with section 489 of the Companies Act 2006, a resolution to re-appoint them will be proposed at the Company's forthcoming Annual General Meeting.

Annual General Meeting

The Company will hold an Annual General Meeting on Friday, 22 June 2018 and the wording of each resolution to be tabled is set out in the Notice of Meeting.

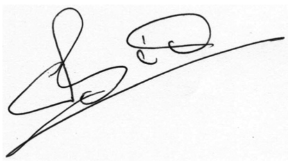
Resolution 5, which is to be tabled as an ordinary resolution, is to grant the Directors the general authority to allot shares which will, *inter alia*, enable the Company to progress the development of its copper-gold projects in the Philippines and Argentina.

Resolution 6, which is to be tabled as an ordinary resolution, is to authorise the establishment of a share option scheme (the Executive Share Option Scheme) for the Company's directors, senior management, consultants and employees on the following terms: (i) the number of options to be issued shall not exceed 10% of the issued share capital of the Company from time to time; (ii) the exercise price of the options shall be determined by the remuneration committee of the Board of directors of the Company based on the volume weighted average share price of the Company in the 30 days preceding the issue of the options; (iii) the allocation of the options shall be determined by the remuneration committee of the Board of Directors of the Company; (iv) the options shall vest in accordance with the terms of the Executive Share Option Scheme; and (v) the options should be exercised within ten years of the date of the resolution approving the Executive Share Option Scheme.

Resolution 7, which is to be tabled as a special resolution, is to grant the Directors the authority to allot shares on a non-preemptive basis. This authority to allot enables the Company to meet its obligations, if required, in accordance with the proposed Executive Share Option Scheme to be ratified by the Company's shareholders at the meeting and grants the Directors additional general authority for the allotment of equity securities on a non-preemptive basis, to enable the Company the flexibility to raise additional working capital if required.

Shareholders who are unable to attend the Annual General Meeting and who wish to appoint a proxy in their place must ensure that their proxy is appointed in accordance with the provisions set out in the Notice of Meeting by **10.00 a.m. on 20 June 2018**.

On behalf of the Board



Mr Colin Bird
Executive Chairman

29 May 2018

Corporate governance

The Company is listed on AIM, a market operated by the London Stock Exchange, and is not required to comply with the requirements of The UK Corporate Governance Code (the "**Code**"). However, the Board is committed to the high standards of good corporate governance prescribed in the Code and seeks to apply its principles, in so far as practicable, having regard to the current size and structure of the Group. The Board is accountable to the Company's shareholders and the Company has adopted the QCA's Corporate Governance Code for Small and Mid-Size Quoted Companies 2013.

Board of Directors and Committees

During the financial year, the Directors met on a frequent basis, with two of the five Directors in office during the year operating from within the same office. The Board currently consists of an executive Chairman, an executive Director (being the CEO), along with two non-executive Directors. Therefore, at least half of the Board is comprised of non-executive Directors, as recommended by the Code.

The Board is responsible for determining policy and business strategy, setting financial and other performance objectives and monitoring achievement. The Chairman takes responsibility for the conduct of the Company and Board meetings and ensures that directors are properly briefed to enable full and constructive discussions to take place. However, no formal schedule of Board Meetings has been deemed necessary to date and no schedule of matters specifically reserved to the Board for decision, has yet been established.

To enable the Board to function effectively and to discharge its duties, Directors are given full and timely access to all relevant information. They have ready access to the advice and services of the Company's Solicitors, along with the Company Secretary and may seek independent advice at the expense of the Company, where appropriate. However, no formal procedure has been agreed with the Board regarding the circumstances in which individual directors may take independent professional advice.

The Code states that there should be a nomination committee to deal with the appointment of both executive and non-executive Directors except in circumstances where the Board is small. The Directors consider the size of the current board to be small and have not therefore established a nomination committee. The appointment of executive and non-executive Directors is currently a matter for the Board as a whole. This position will be reviewed should the number of directors increase substantially.

The current Directors' biographical details are set out on pages 5 to 7.

The non-executive Directors are independent of management and are free from any business or any other relationship which could interfere materially with the exercise of their independent judgement. The non-executive Directors are appointed for specified terms and are subject to re-election and to the Companies Act provisions relating to the removal of a Director. Reappointment of non-executive Directors is not automatic.

Under the Company's Articles of Association, the appointment of all new Directors must be approved by shareholders in a general meeting. In addition, one third of Directors are required to retire and to submit themselves for re-election at each Annual General Meeting.

The Directors have established the following two committees, both of which report to the Board and have written terms of reference which deal clearly with their respective authorities and duties.

Audit committee

The audit committee receives reports from management and the external auditors relating to the interim report and the annual report and financial statements, reviews reporting requirements and ensures that the maintenance of accounting systems and controls is effective. The audit committee is comprised of two Directors, Dr. Evan Kirby (Chairman) and Mr Colin Bird.

The audit committee has unrestricted access to the Company's auditors. The audit committee also monitors the controls which are in force and any perceived gaps in the control environment. The Board believes that the current size of the Group does not justify the establishment of an independent internal audit department. Finance personnel are periodically instructed to conduct specific reviews of business functions relating to key risk areas and to report their findings to the Board.

Remuneration committee

The remuneration committee determines the scale and structure of the remuneration of the executive Directors and approves the granting of options to Directors and senior employees and the performance related conditions thereof. The remuneration committee is comprised of two non-executive Directors, namely Dr. Evan Kirby and Mr Ronnie Siapno, and is chaired by Mr Colin Bird.

The remuneration and terms and conditions of appointment of the non-executive Directors is determined by the Board.

Internal control

The Board is responsible for establishing and maintaining the Group's system of internal control. Internal control systems manage rather than eliminate the risks to which the Group is exposed and such systems, by their nature, can provide reasonable but not absolute assurance against misstatement or loss. There is a continuous process for identifying, evaluating and managing the significant risks faced by the Group. The key procedures which the Directors have established with a view to providing effective internal control, are as follows:

- Identification and control of business risks

  The Board identifies the major business risks faced by the Group and determines the appropriate course of action to manage those risks.

- Budgets and business plans

  Each year the Board approves the business plan and annual budget. Performance is monitored and relevant action taken throughout the year through the regular reporting to the Board of changes to the business forecasts.

- Investment appraisal

  Capital expenditure is controlled by budgetary process and authorisation levels. For expenditure beyond specified levels, detailed written proposals have to be submitted to the Board. Appropriate due diligence work is carried out if a business or asset is to be acquired.

- Annual review and assessment

  The Board is currently carrying out a detailed review and assessment of the effectiveness of the Group's system of internal control, a process that will be maintained on an annual basis.

Going concern

The Group made a loss from all operations for the year ended 31 December 2017 after tax of £4.6 million (2016: £10.0 million), had negative cash flows from operations and is currently not generating revenues. Cash and cash equivalents were £231,000 as at 31 December 2017. An operating loss is expected in the 12 months subsequent to the date of these accounts and as a result the Company will probably need to raise funding to provide additional working capital to finance its ongoing activities. Management has successfully raised money in the past, but there is no guarantee that adequate funds will be available when needed in the future.

There is a material uncertainty related to the conditions above that may cast significant doubt on the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Based on the Board's assessment that the Company will be able to raise additional funds, if required, to meet its working capital and capital expenditure requirements, the Board have concluded that they have a reasonable expectation that the Group can continue in operational existence for the foreseeable future. For these reasons the Group continues to adopt the going concern basis in preparing the annual report and financial statements.

Relations with shareholders

The Board attaches considerable importance to the maintenance of good relationships with shareholders. Presentations by the Directors to institutional shareholders and City analysts are made as and when considered appropriate by the Board and the Company's advisers.

All shareholders are invited to attend the Annual General Meeting and all General Meetings, when required, and are encouraged to take the opportunity of putting questions to the Board.

The Annual General Meeting is regarded as an opportunity to communicate directly with private shareholders.

Dr. Evan Kirby
Non-Executive Director

29 May 2018

UHY Hacker Young
Chartered Accountants

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF BEZANT RESOURCES PLC**

Opinion

We have audited the financial statements of Bezant Resources Plc for the year ended 31 December 2017 which comprise the Consolidated Statement of Profit and Loss and the Consolidated Statement of Other Comprehensive Income, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated and Parent Company Balance Sheets, the Consolidated and Parent Company Statements of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the state of the Group and Parent Company's affairs as at 31 December 2017 and of the Group and Parent company's loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with part 3 of Chapter 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Emphasis of matters

Going concern

We have considered the adequacy of the going concern disclosures made in note 1.1 to the financial statements concerning the Group's and Company's ability to continue as a going concern. The Group incurred an operating loss of £4.6m during the year ended 31 December 2017 and is still incurring losses. As discussed in note 1.1, the Company will need to raise further funds in order to meet its budgeted operating costs. These conditions, along with other matters discussed in note 1.1 indicate the existence of a material uncertainty which may cast significant doubt about the Group's and Company's ability to continue as a going concern. The financial statements do not include the adjustments (such as impairment of assets) that would result if the Group and Company were unable to continue as a going concern.

Our opinion is not modified in respect of the above matter.

UHY Hacker Young
Chartered Accountants

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF BEZANT RESOURCES PLC (continued)

Comparative information for the year ended 31 December 2016

We have considered the adequacy of the disclosures made in the director's report and note 1.1 covering the basis of preparation relating to the inclusion of additional unaudited comparatives for the 12 months ended 31 December 2016 in the Consolidated Statement of Profit and Loss and the Consolidated Statement of Other Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the related notes. These comparatives have been included in the financial statements due to a requirement of the AIM Rules when an AIM quoted company changes its accounting reference date to aid the users of the financial statements by providing comparatives to the year ended 31 December 2017. The comparatives for the 12 months ended 31 December 2016 are unaudited. Our opinion on the financial statements does not include these comparatives for the year ended 31 December 2016.

Our opinion is not modified in respect of the above matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Our assessment of risks of material misstatements

We identified the following risks of material misstatement that we believe had the greatest impact on our overall audit strategy and scope, the allocation of resources in the audit; and directing the efforts of the engagement team. This is not a complete list of all risks identified by our audit.

Key audit matter	How our audit addressed the key audit matter
Impairment of exploration and evaluation assets and investment in subsidiary companies The Group has capitalised significant costs in respect of the Eureka project in accordance with IFRS 6 'Exploration for and Evaluation of Mineral Resources' (IFRS 6), therefore there is a risk of impairment. The renewal and good standing of the licences is key in order to ensure no impairment of the exploration assets. The company also has significant investments in the wider group of which the carrying value is linked to the underlying exploration asset. Therefore there is also a risk of impairment of the investments.	In accordance with IFRS 6 we reviewed the exploration and evaluation (E&E) assets for indications of impairment. In respect of the Eureka project, in accordance with IFRS 6 we reviewed the asset for indications of impairment, considered and discussed the directors' impairment review and we obtained evidence that all licenses remain valid and are in good standing. We obtained and reviewed the board's impairment assessment that no impairment was required at the year end. We reviewed the future plans of the project in respect of funding, viability and development.

UHY Hacker Young
Chartered Accountants

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF BEZANT RESOURCES PLC (continued)

Key audit matter	How our audit addressed the key audit matter
Management override of controls Intrinsically there is always a risk of material misstatement due to fraud as a result of possible management override of internal controls.	We reviewed the nominal ledger accounts, journals and cash transactions to identify any unusual or exceptional transactions. We investigated and tested a sample of items to ensure amounts paid during the year related to business expenses and that transactions were appropriate. We reviewed and enquired into the accounting systems, processes, controls and segregation of duties that existed in the Company and the Group. We also evaluated whether there was evidence of bias by the directors that represented a risk of material misstatement of fraud.
Going concern The financial statements are prepared on the going concern basis, which assumes the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business. As the group had not yet produced revenue at the year end, going concern was considered to be a possible uncertainty during the audit process.	The Group held cash and cash equivalents of £231k at the year end. Although the Group completed a fund raising of £600k subsequent to the end of the year and has raised a further £372k following disposal of the Choco project, there is an uncertainty as to whether additional funding and working capital will be required within at least twelve months from the date when the financial statements are authorised for issue. Our audit report therefore includes an 'emphasis of matter' paragraph as set out above earlier in this report.

Our application of materiality

The scope and focus of our audit was influenced by our assessment and application of materiality. We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements on our audit and on the financial statements.

We define financial statement materiality as the magnitude by which misstatements, including omissions, could reasonably be expected to influence the economic decisions taken on the basis of the financial statements by reasonable users.

We also determine a level of performance materiality which we use to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

UHY Hacker Young
Chartered Accountants

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF BEZANT RESOURCES PLC (continued)

Overall materiality	We determined materiality for the financial statements as a whole to be £106,000.
How we determine it	Based on the main key indicator, being 2% of net assets of the Group.
Rationale for benchmarks applied	We believe the net assets is the most appropriate benchmark due to the size and stage of development of the Company and Group and due to the Group not yet generating much revenue.
Performance materiality	On the basis of our risk assessment, together with our assessment of the Company's control environment, our judgement is that performance materiality for the financial statements should be 75% of materiality, and this was rounded to £80,000.

We agreed with the Audit Committee that we would report to them all misstatements over £7,500 identified during the audit, as well as differences below that threshold that, in our view, warrant reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account an understanding of the structure of the Company and the Group, their activities, the accounting processes and controls, and the industry in which they operate. Our planned audit testing was directed accordingly and was focused on areas where we assessed there to be the highest risk of material misstatement. Our Group audit scope includes all of the group companies. At the parent company level, we also tested the consolidation procedures. The audit team communicated regularly throughout the audit with the finance team in order to ensure we had a good knowledge of the business of the Group.

During the audit we reassessed and re-evaluated audit risks and tailored our approach accordingly.

The audit testing included substantive testing on significant transactions, balances and disclosures, the extent of which was based on various factors such as our overall assessment of the control environment, the effectiveness of controls and the management of specific risk.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant findings, including any significant deficiencies in internal control that we identify during the audit.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Our opinion

UHY Hacker Young
Chartered Accountants

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BEZANT RESOURCES PLC (continued)

on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 12, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF BEZANT RESOURCES PLC (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm. This description forms part of our auditor's report.

Colin Wright (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young
Chartered Accountants
Statutory Auditor

Quadrant House
4 Thomas More Square
London E1W 1YW

29 May 2018

Bezant Resources Plc

Consolidated Statement of Profit and Loss
For the year ended 31 December 2017

	Notes	**Audited 12 months ended 31 December 2017 £'000**	Unaudited 12 months ended 31 December 2016 £'000	Audited Six months ended 31 December 2016 £'000
CONTINUING OPERATIONS				
Group revenue		**–**	–	–
Cost of sales		**–**	–	–
Gross profit/(loss)		**–**	–	–
Operating expenses	**3**	**(968)**	(941)	(581)
Group operating loss	**4**	**(968)**	(941)	(581)
Other income	**5**	**3**	2	2
Impairment of assets	**6**	**(80)**	(8,433)	–
Share of Associates' loss	**13**	**–**	(62)	(155)
Loss before taxation		**(1,045)**	(9,434)	(734)
Taxation	**7**	**–**	–	–
Loss for the period from continuing operations		**(1,045)**	(9,434)	(734)
DISCONTINUED OPERATIONS				
Loss for the period from discontinued operations	**17**	**(3,587)**	(611)	(446)
Loss for the period		**(4,632)**	(10,045)	(1,180)
Attributable to:				
Owners of the Company		**(4,633)**	(10,021)	(1,172)
– Continuing operations		**(1,045)**	(9,434)	(734)
– Discontinued operations		**(3,588)**	(587)	(438)
Non-controlling interest – discontinued operations		**1**	(24)	(8)
		(4,632)	(10,045)	(1,180)
Loss per share (pence)				
Basic and diluted from continuing operations	**8**	**(0.29)**	(6.15)	(0.42)
Basic and diluted from discontinued operations	**8**	**(1.00)**	(0.38)	(0.25)
Basic and diluted from all operations	**8**	**(1.29)**	(6.53)	(0.67)

Bezant Resources Plc

Consolidated Statement of Other Comprehensive Income
For the year ended 31 December 2017

	Audited 12 months ended 31 December 2017 £'000	Unaudited 12 months ended 31 December 2016 £'000	Audited Six months ended 31 December 2016 £'000
Other comprehensive income:			
Loss for the year	**(4,632)**	(10,045)	(1,180)
Items that may be reclassified to profit or loss:			
Foreign currency reserve movement	**61**	273	(66)
Total comprehensive loss for the period	**(4,571)**	(9,772)	(1,246)
Attributable to:			
Owners of the Company	**(4,575)**	(9,739)	(1,235)
– Continuing operations	**(1,068)**	(9,164)	(765)
– Discontinued operations	**(3,507)**	(575)	(470)
Non-controlling interest – discontinued operations	**4**	(33)	(11)
	(4,571)	(9,772)	(1,246)

Bezant Resources Plc

Consolidated Statement of Changes in Equity
For the year ended 31 December 2017

	Share Capital £'000	Share Premium £'000	Other Reserves £'000	Retained Losses £'000	Non-Controlling interest £'000	Total Equity £'000
Audited – 12 months ended 31 December 2017						
Balance at 1 January 2017	**410**	**33,227**	**991**	**(27,756)**	**(54)**	**6,818**
Current year loss	**–**	**–**	**–**	**(4,633)**	**1**	**(4,632)**
Foreign currency reserve	**–**	**–**	**58**	**–**	**3**	**61**
Total comprehensive loss for the year	**–**	**–**	**58**	**(4,633)**	**4**	**(4,571)**
Proceeds from shares issued	**765**	**1,985**	**–**	**–**	**–**	**2,750**
Issue of ordinary shares related to business combination	**50**	**221**	**–**	**–**	**–**	**271**
Warrants issued	**–**	**–**	**18**	**–**	**–**	**18**
Lapsed share options	**–**	**–**	**(265)**	**265**	**–**	**–**
Balance at 31 December 2017	**1,225**	**35,433**	**802**	**(32,124)**	**(50)**	**5,286**
Unaudited – 12 months ended 31 December 2016						
Balance at 1 January 2016	199	31,421	709	(17,735)	–	14,594
Current year loss	–	–		(10,021)	(24)	(10,045)
Foreign currency reserve	–	–	282	–	(9)	273
Total comprehensive loss for the year	–	–	282	(10,021)	(33)	(9,772)
Proceeds from shares issued	122	1,031	–	–	–	1,153
Issue of ordinary shares related to business combination	89	775	–	–	–	864
Subsidiary acquired	–	–	–	–	(21)	(21)
Balance at 31 December 2016	410	33,227	991	(27,756)	(54)	6,818
Audited – six months ended 31 December 2016						
Balance at 1 July 2016	274	32,048	1,054	(26,584)	(43)	6,749
Current period loss	–	–	–	(1,172)	(8)	(1,180)
Foreign currency reserve	–	–	(63)	–	(3)	(66)
Total comprehensive loss for the period	–	–	(63)	(1,172)	(11)	(1,246)
Proceeds from shares issued	122	1,031	–	–	–	1,153
Issue of ordinary shares related to business combination	14	148	–	–	–	162
Balance at 31 December 2016	410	33,227	991	(27,756)	(54)	6,818

Bezant Resources Plc

Company Statement of Changes in Equity
For the year ended 31 December 2017

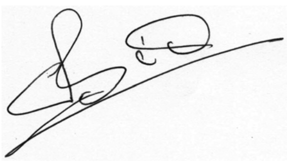
	Share Capital £'000	Share Premium £'000	Other Reserves £'000	Retained Losses £'000	Total Equity £'000
Audited – 12 months ended 31 December 2017					
Balance at 1 January 2017	**410**	**33,227**	**407**	**(25,414)**	**8,630**
Current year loss	**–**	**–**	**–**	**(5,639)**	**(5,639)**
Total comprehensive loss for the year	**–**	**–**	**–**	**(5,639)**	**(5,639)**
Proceeds from shares issued	**765**	**1,985**	**–**	**–**	**2,750**
Issue of ordinary shares related to business combination	**50**	**221**	**–**	**–**	**271**
Warrants issued	**–**	**–**	**18**	**–**	**18**
Lapsed share options	**–**	**–**	**(265)**	**265**	**–**
Balance at 31 December 2017	**1,225**	**35,433**	**160**	**(30,788)**	**6,030**
Unaudited – 12 months ended 31 December 2016					
Balance at 1 January 2016	199	31,421	407	(16,266)	15,761
Current year loss	–	–	–	(9,148)	(9,148)
Total comprehensive loss for the year	–	–	–	(9,148)	(9,148)
Proceeds from shares issued	122	1,031	–	–	1,153
Issue of ordinary shares related to business combination	89	775	–	–	864
Balance at 31 December 2016	410	33,227	407	(25,414)	8,630
Audited – six months ended 31 December 2016					
Balance at 1 July 2016	274	32,048	407	(24,991)	7,738
Current period loss	–	–	–	(423)	(423)
Total comprehensive loss for the period	–	–	–	(423)	(423)
Proceeds from shares issued	122	1,031	–	–	1,153
Issue of ordinary shares related to business combination	14	148	–	–	162
Balance at 31 December 2016	410	33,227	407	(25,414)	8,630

Bezant Resources Plc

Consolidated and Company Balance Sheets
As at 31 December 2017

		Consolidated		Company	
		Audited	Audited	**Audited**	Audited
		2017	2016	**2017**	2016
	Notes	**£'000**	£'000	**£'000**	£'000
ASSETS					
Non-current assets					
Plant and equipment	**12**	**10**	20	**3**	4
Investments	**13**	**–**	–	**3,108**	5,390
Intangible assets	**14**	**–**	1,834	**–**	–
Exploration and evaluation assets	**15**	**4,786**	4,790	**3,129**	3,129
Total non-current assets		**4,796**	6,644	**6,240**	8,523
Current assets					
Trade and other receivables	**16**	**99**	73	**92**	22
Cash and cash equivalents		**231**	229	**227**	203
		330	302	**319**	225
Non-current assets classified as held for sale	**17**	**467**	–	**–**	–
Total current assets		**797**	302	**319**	225
TOTAL ASSETS		**5,593**	6,946	**6,559**	8,748
LIABILITIES					
Current liabilities					
Trade and other payables	**18**	**212**	128	**529**	118
Liabilities directly associated with non-current assets classified as held for sale	**17**	**95**	–	–	–
Total current liabilities		**307**	128	**529**	118
NET ASSETS		**5,286**	6,818	**6,030**	8,630
EQUITY					
Share capital	**20**	**1,225**	410	**1,225**	410
Share premium	**20**	**35,433**	33,227	**35,433**	33,227
Share-based payment reserve		**18**	265	**18**	265
Foreign exchange reserve		**784**	726	**142**	142
Retained losses		**(32,124)**	(27,756)	**(30,788)**	(25,414)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		**5,336**	6,872	**6,030**	8,630
NON-CONTROLLING INTEREST		**(50)**	(54)	**–**	–
TOTAL EQUITY		**5,286**	6,818	**6,030**	8,630

These financial statements were approved by the Board of Directors on 29 May 2018 and signed on its behalf by:



Mr Colin Bird
Executive Chairman

Company Registration No. 02918391

Bezant Resources Plc

Consolidated and Company Statements of Cash Flows
For the year ended 31 December 2017

	Notes	Consolidated Audited 12 months ended 31 December 2017 £'000	Consolidated Unaudited 12 months ended 31 December 2016 £'000	Consolidated Audited Six months ended 31 December 2016 £'000	Company Audited 12 months ended 31 December 2017 £'000	Company Unaudited 12 months ended 31 December 2016 £'000	Company Audited Six months ended 31 December 2016 £'000
Net cash outflow from operating activities	**23**	**(2,068)**	(1,475)	(950)	**(242)**	(661)	(483)
Cash flows from investing activities							
Other income		**53**	39	24	**33**	37	22
Acquisition of plant and equipment		**(13)**	(3)	(3)	**–**	–	–
Deferred exploration expenditure		**–**	(2)	–	**–**	–	–
Option payments		**(233)**	(58)	(91)	**–**	33	–
Acquisition of subsidiary, net of cash acquired	**24**	**(155)**	(669)	–	**(155)**	(733)	–
Investment in existing subsidiary		**–**	–	–	**–**	(704)	(704)
Loans to associates and subsidiaries		**(102)**	(360)	(155)	**(2,123)**	(630)	(154)
		(450)	(1,053)	(225)	**(2,245)**	(1,997)	(836)
Cash flows from financing activities							
Proceeds from issuance of ordinary shares	**25**	**2,593**	1,118	1,118	**2,593**	1,118	1,118
Increase/(decrease) in cash		**75**	(1,410)	(57)	**106**	(1,540)	(201)
Cash and cash equivalents at beginning of year		**229**	1,550	261	**203**	1,511	228
Foreign exchange movement		**(53)**	89	25	**(82)**	232	176
Cash and cash equivalents at end of year		**251**	229	229	**227**	203	203
Cash and cash equivalents – continuing operations		**231**	217	217	**227**	203	203
Cash and cash equivalents included in assets classified as held for sale		**20**	12	12	**–**	–	–

General information

Bezant Resources Plc (the "**Company**") is a company incorporated in England and Wales. The address of its registered office and principal place of business is disclosed in the corporate directory. The Company is quoted on the Alternative Investment Market ("**AIM**") of the London Stock Exchange and has the TIDM code of BZT. Information required by AIM Rule 26 is available in the section of the Group's website with that heading at www.bezantresources.com.

1. Accounting policies

1.1 Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated below.

Going concern basis of accounting

The Group made a loss from all operations for the year ended 31 December 2017 after tax of £4.6 million (2016: £10.0 million), had negative cash flows from operations and is currently not generating revenues. Cash and cash equivalents were £231,000 as at 31 December 2017. An operating loss is expected in the 12 months subsequent to the date of these accounts and as a result the Company will probably need to raise funding to provide additional working capital to finance its ongoing activities. Management has successfully raised money in the past, but there is no guarantee that adequate funds will be available when needed in the future.

There is a material uncertainty related to the conditions above that may cast significant doubt on the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Based on the Board's assessment that the Company will be able to raise additional funds, if required, to meet its working capital and capital expenditure requirements, the Board have concluded that they have a reasonable expectation that the Group can continue in operational existence for the foreseeable future. For these reasons the Group continues to adopt the going concern basis in preparing the annual report and financial statements.

Basis of preparation

The financial information, which incorporates the financial information of the Company and its subsidiary undertakings (the "**Group**"), has been prepared using the historical cost convention and in accordance with International Financial Reporting Standards ("**IFRS**") including IFRS 6 'Exploration for and Evaluation of Mineral Resources', as adopted by the European Union ("**EU**").

These financial statements include additional unaudited comparatives for the 12 months ended 31 December 2016 in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the Consolidated Statements of Changes in Equity, the Consolidated Statement of Cash Flow and the related notes to those statements. These comparatives are shown as separate columns and are headed as 'Unaudited' and have been included in the financial statements due to a requirement of the AIM Rules when an AIM quoted company changes its accounting reference date in order to aid the users of the financial statements by providing comparatives to the year ended 31 December 2017. The comparatives for the 12 months ended 31 December 2016 are unaudited. The auditors' opinion on the financial statements does not include these comparatives for the year ended 31 December 2016.

1.1 Accounting policies (continued)

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiary undertakings and have been prepared using the principles of acquisition accounting, which includes the results of the subsidiaries from their dates of acquisition.

All intra-group transactions, income, expenses and balances are eliminated fully on consolidation.

A subsidiary undertaking is excluded from the consolidation where the interest in the subsidiary undertaking is held exclusively with a view to subsequent resale and the subsidiary undertaking has not previously been consolidated in the consolidated accounts prepared by the parent undertaking.

Business combination

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired (i.e. discount on acquisition) is credited to profit and loss in the year of acquisition. The interest of minority shareholders is stated at the minority's proportion of the fair values of the assets and liabilities recognised. Subsequently, any losses applicable to the minority interest in excess of the minority interest are allocated against the interests of the parent.

Investment in associated companies is accounted for using the equity method.

New IFRS standards and interpretations not applied

There were no IFRS standards or IFRIC interpretations adopted for the first time in these financial statements that had a material impact on the Group/Company's financial statements.

At the date of approval of these financial statements, the following Standards and Interpretations which may be applicable to the Group, but have not been applied in these financial statements, were in issue but not yet effective:

Standard	*Details of amendment*	*Effective date*
IFRS 1 *First-time Adoption of International Financial Reporting Standards*	Annual Improvements 2014-2016 Cycle: Deletion of short-term exemptions that are no longer applicable.	1 January 2018
IFRS 2 *Share-based Payment*	• Classification and Measurement of Share-based Payment Transactions: A collection of three distinct narrow-scope amendments dealing with classification and measurement of share-based payments. The amendments address: ◦ the effects of vesting conditions on the measurement of a cash-settled share-based payment; ◦ the accounting requirements for a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled; and ◦ classification of share-based payment transactions with net settlement features.	1 January 2018

1.1 Accounting policies (continued)

Standard	*Details of amendment*	*Effective date*
IFRS 3 *Business Combinations*	Annual Improvements 2015 – 2017 Cycle: Clarification that when an entity obtains control of a business that is a joint operation, it is required to remeasure previously held interests in that business.	1 January 2019
IFRS 4 *Insurance Contracts*	• Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts: Two amendments to IFRS 4 to address the interaction between IFRS 4 and IFRS 9: ◦ A temporary exemption from IFRS 9 has been granted to insurers that meet specified criteria; and ◦ An optional accounting policy choice has been introduced to allow an insurer to apply the overlay approach to designated financial assets when it first applies IFRS 9.	1 January 2018
IFRS 9 *Financial Instruments*	• A final version of IFRS 9 has been issued which replaces IAS 39 Financial Instruments: Recognition and Measurement. The completed standard comprises guidance on Classification and Measurement, Impairment Hedge Accounting and Derecognition: ◦ IFRS 9 introduces a new approach to the classification of financial assets, which is driven by the business model in which the asset is held and its cash flow characteristics. A new business model was introduced which allows certain financial assets to be categorised as "fair value through other comprehensive income" in certain circumstances. ◦ The requirements for financial liabilities are mostly carried forward unchanged from IAS 39. However, some changes were made to the fair value option for financial liabilities to address the issue of own credit risk. ◦ The new standard introduces a single "expected credit loss" impairment model for the measurement of financial assets. ◦ IFRS 9 contains a new model for hedge accounting that aligns the accounting treatment with the risk management activities of an entity, in addition enhanced disclosures will provide better information about risk management and the effect of hedge accounting on the financial statements. ◦ IFRS 9 carries forward the derecognition requirements of financial assets and liabilities from IAS 39.	1 January 2018 *IFRS 9 (2014) supersedes any previous versions of IFRS 9, but earlier versions of IFRS 9 remain available for application if the relevant date of application is before 1 February 2015*
	• Prepayment Features with Negative Compensation. The narrow-scope amendment allows companies to measure particular prepayable financial assets with negative compensation at amortised cost or at fair value through other comprehensive income if a specified condition is met.	1 January 2019

1.1 Accounting policies (continued)

Standard	*Details of amendment*	*Effective date*
IFRS 11 *Joint Arrangements*	• Annual Improvements 2015 – 2017 Cycle: Clarification that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business.	1 January 2019
IFRS 15 *Revenue from Contracts from Customers*	• New standard that requires entities to recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This core principle is achieved through a five-step methodology that is required to be applied to all contracts with customers. • The new standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively and improve guidance for multiple-element arrangements.	1 January 2018
IFRS 16 *Leases*	• IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. A lessee measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities. As a consequence, a lessee recognises depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows.	1 January 2019
IFRS 17 *Insurance contracts*	• IFRS 17 creates one accounting model for all insurance contracts in all jurisdictions that apply IFRS. • IFRS 17 requires an entity to measure insurance contracts using updated estimates and assumptions that reflect the timing of cash flows and take into account any uncertainty relating to insurance contracts. • The financial statements of an entity will reflect the time value of money in estimated payments required to settle incurred claims. • Insurance contracts are required to be measured based only on the obligations created by the contracts. • An entity will be required to recognise profits as an insurance service is delivered, rather than on receipt of premiums. • This standard replaces IFRS 4 – Insurance contracts.	1 January 2021

1.1 Accounting policies (continued)

Standard	*Details of amendment*	*Effective date*
IAS 12 *Income Taxes*	• Annual Improvements 2015 – 2017 Cycle: Clarification that all income tax consequences of dividends should be recognised in profit or loss, regardless how the tax arises.	1 January 2019
IAS 19 *Employee Benefits*	• Plan Amendment, Curtailment or Settlement (Amendments to IAS 19): The amendments require an entity to use the updated assumptions from a remeasurement net defined benefit liability or asset resulting from a plan amendment, curtailment or settlement to determine current service cost and net interest for the remainder of the reporting period after the change to the plan.	1 January 2019
IAS 23 *Borrowing Costs*	• Annual Improvements 2015 – 2017 Cycle: The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.	1 January 2019
IAS 28 *Investments in Associates and Joint Ventures*	• Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28): Narrow scope amendment to address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.	The effective date of this amendment has been deferred indefinitely until further notice
	• Annual Improvements 2014-2016 Cycle: Clarification that a venture capital organisation, or a mutual fund, unit trust and similar entities may elect, at initial recognition, to measure investments in an associate or joint venture at fair value through profit or loss separately for each associate or joint venture.	1 January 2018
	• Long-term interest in Associates and Joint Ventures: Clarification provided that an entity should apply IFRS 9 to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.	1 January 2018
IFRIC 22 *Foreign Currency Transactions and Advance Consideration*	• This interpretation addresses the exchange rate to use in transactions that involve advance consideration paid or received in a foreign currency.	1 January 2018
IFRIC 23 *Uncertainty over Income Tax Treatments*	• The interpretation specifies how an entity should reflect the effects of uncertainties in accounting for income taxes.	1 January 2019

The Group does not anticipate that the adoption of these standards will have a material effect on its financial statements in the year of initial adoption.

1.2 Significant accounting judgments, estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting year are:

Share-based payment transactions:

The Group measures the cost of equity-settled transactions with directors, consultants and employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using a Black and Scholes model.

Impairment of investments, options and deferred exploration expenditure:

The Group determines whether investments, options and deferred exploration expenditure are impaired when indicators, based on facts and circumstances, suggest that the carrying amount may exceed its recoverable amount. Such indicators include the point at which a determination is made as to whether or not commercial mining reserves exist in the associate in which the investment is held or whether exploration expenditure capitalised is recoverable by way of future exploitation or sale, obviously pending completion of the exploration activities associated with any specific project in each segment.

1.3 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Sale of goods

Revenue from the sale of goods (precious and base metals) is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Risks and rewards of ownership are considered passed to the buyer at the time of delivery of the goods to the customer.

(ii) Interest income

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

1.4 Share-based payments

The Company offered share-based payments to certain employees, directors and advisers by way of issues of share options, none of which to date have been exercised. The fair value of these payments is calculated by the Company using the Black Scholes option pricing model. The expense is recognised on a straight line basis over the year from the date of award to the date of vesting, based on the Company's best estimate of shares that will eventually vest. All of the Company's share-based payments are currently vested in full.

1.5 Financial assets

Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trade. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The Group's loans and receivables comprise 'trade and other receivables' and cash and cash equivalents in the balance sheet.

c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Recognition and measurement

Purchases and sales of financial assets are recognised on the trade-date, being the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all the financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at cost, as reduced by appropriate allowances for estimated irrecoverable amounts.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of comprehensive income within 'other (losses)/gains' in the year in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of other income when the Group's right to receive payments is established.

The fair values of quoted investments are based on current market prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

1.6 Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. Financial liabilities include trade and other payables.

Trade and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Group.

Equity instruments are recorded at the fair value of the consideration received, net of direct issue costs.

1.7 Cash and cash equivalents

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

1.8 Trade and other receivables

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An allowance for doubtful debts is made when there is objective evidence that the Group will not be able to collect the debts. Bad debts are written off when identified.

1.9 Foreign currency transactions and balances

(i) Functional and presentational currency

Items included in the Group's financial statements are measured using Pounds Sterling ("**£**"), which is the currency of the primary economic environment in which the Group operates ("**the functional currency**"). The financial statements are presented in Pounds Sterling ("**£**"), which is the functional currency of the Company and is the Group's presentational currency.

The individual financial statements of each Group company are presented in the functional currency of the primary economic environment in which it operates.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Transactions in the accounts of individual Group companies are recorded at the rate of exchange ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates ruling at the balance sheet date. All differences are taken to the income statement.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the year. Exchange differences arising are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income or as expenses in the year in which the operation is disposed of.

1.10 Interest in jointly controlled entities

The Group's interests in jointly controlled entities are brought to account using the equity method of accounting in the consolidated financial statements. The parent entity's interests in jointly controlled entities are brought to account using the cost method. Where the Group acquires an interest in a jointly controlled entity, the acquisition cost is amortised on a basis consistent with the method of amortisation used by the jointly controlled entity in respect to assets to which the acquisition costs relate.

1.11 Deferred tax

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax balances are not discounted.

1.12 Plant and equipment

Plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit and loss account during the financial year in which they are incurred.

Depreciation on these assets is calculated using the diminishing value method to allocate the cost less residual values over their estimated useful lives as follows:

Plant and equipment – 33.33%

Fixtures and fittings – 7.5%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate at the balance sheet date.

1.13 Impairment of assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the profit and loss account.

1.14 Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

1.15 Exploration, evaluation and development expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of

1.15 Exploration, evaluation and development expenditure (continued)

depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs of site restoration are provided when an obligating event occurs from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on a discounted basis. Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

1.16 Intangibles

The difference between the amount paid on the acquisition of subsidiary undertakings and the aggregate fair value of their separate net assets has been attributed to the fair value of option rights and intellectual property. Intangible assets are not amortised but tested for impairment when there are any indications that its carrying value is not recoverable. As such intangibles are stated at cost less any provision for impairment in value.

1.17 Investments

Investments in subsidiaries, joint ventures and associated companies are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of investments in subsidiaries, joint ventures and associated companies, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

1.18 Non-current assets or disposal groups held-for-sale and discontinued operations

Non-current assets or disposal groups are classified as held-for-sale if their carrying amount will be recoverable principally through a sale transaction, not through continuing use. The condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition.

These assets may be a component of an entity, a disposal group or an individual non-current asset. Upon initial classification as held-for sale, non-current assets and disposal groups are recognised at the lower of carrying amount and fair values less cost to sell.

A discontinued operation is a significant distinguishable component of the Group's business that is abandoned or terminated pursuant to a single formal plan, and which represents a separate major line of business or geographical area of operation. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held-for-sale.

The profit or loss on sale or abandonment of a discontinued operation is determined from the formalised discontinuance date. Discontinued operations are separately recognised in the financial statements once management has made a commitment to discontinue the operation without a realistic possibility of withdrawal which should be expected to quality for recognition as a completed sale within one year of classification.

2. Segment reporting

For the purposes of segmental information, the operations of the Group are focused in geographical segments, namely the UK, Argentina, Colombia and the Philippines and comprise one class of business: the exploration, evaluation and development of mineral resources. The UK is used for the administration of the Group.

The Group's loss before tax arose from its operations in the UK, Argentina, Colombia (discontinued operations) and the Philippines.

For the 12 months ended 31 December 2017

	Continuing operations			Discon-tinued	
	UK £'000	**Argentina £'000**	**Philippines £'000**	**Colombia £'000**	**Total £'000**
Consolidated loss before tax	**(991)**	**(54)**	**–**	**(3,587)**	**(4,632)**
Included in the consolidated loss before tax are the following income/(expense) items:					
Impairment	**(80)**	**–**	**–**	**(2,094)**	**(2,174)**
Depreciation	**(1)**	**(4)**	**–**	**(9)**	**(14)**
Foreign currency loss	**(155)**	**–**	**–**	**(12)**	**(167)**
Total Assets	**324**	**4,802**	**–**	**467**	**5,593**
Total Liabilities	**(208)**	**(4)**	**–**	**(95)**	**(307)**

For the 12 months ended 31 December 2016

	Continuing operations			Discon-tinued	
	UK £'000	**Argentina £'000**	**Philippines £'000**	**Colombia £'000**	**Total £'000**
Consolidated loss before tax	(9,198)	(44)	(192)	(611)	(10,045)
Included in the consolidated loss before tax are the following income/(expense) items:					
Impairment	(8,433)	–	–	–	(8,433)
Depreciation	(2)	(4)	–	–	(6)
Foreign currency gain	74	–	–	2	76
Total Assets	230	4,824	–	1,892	6,946
Total Liabilities	(91)	(7)	–	(30)	(128)

2. Segment reporting (continued)

For the six months ended 31 December 2016

	Continuing operations			Discontinued	
	UK £'000	Argentina £'000	Philippines £'000	Colombia £'000	Total £'000
Consolidated loss before tax	(580)	(21)	(133)	(446)	(1,180)
Included in the consolidated loss before tax are the following income/(expense) items:					
Depreciation	(1)	(2)	–	–	(3)
Interest received	–	–	–	–	–
Foreign currency loss	12	–	–	2	14
Total Assets	230	4,824	–	1,892	6,946
Total Liabilities	(91)	(7)	–	(30)	(128)

3. Operating expenses

	Audited 12 months ended 31 December 2017 £'000	Unaudited 12 months ended 31 December 2016 £'000	Audited Six months ended 31 December 2016 £'000
On-going operating expenses	**963**	935	578
Depreciation and amortisation	**5**	6	3
	968	941	581

4. Operating loss

The Group's operating loss is stated after charging/(crediting):

	Audited 12 months ended 31 December 2017 £'000	Unaudited 12 months ended 31 December 2016 £'000	Audited Six months ended 31 December 2016 £'000
Parent Company auditor's remuneration – audit services	**36**	47	27
Parent Company auditor's remuneration – tax services	**7**	4	3
Parent Company auditor's remuneration – other services	**6**	4	–
Operating lease charges			
– Premises	**22**	10	5
– Equipment	**1**	1	1
Depreciation of tangible assets	**5**	6	3
Foreign exchange (loss)/gain	**(155)**	(76)	(14)

5. Other income

	Audited 12 months ended 31 December 2017 £'000	Unaudited 12 months ended 31 December 2016 £'000	Audited Six months ended 31 December 2016 £'000
Shares issued at a premium	**3**(1)	2(2)	2(2)
	3	2	2

1. In satisfaction of certain accrued directors' fees, salaries and certain fees outstanding to senior management and consultants which had been unpaid for the period from 1 October 2016 to 31 July 2017, Bezant issued 12,359,642 new ordinary shares of 0.2 pence each in the Company on 14 August 2017. The conversion was made at the volume weighted average price ("**VWAP**") of the Company's shares over the period the fees were outstanding. The VWAP over the period of approximately 1.2976 pence per share represented a discount of approximately 1.7 per cent. to the closing mid-market share price of 1.32 pence on 4 August 2017. In total, unpaid fees of, in aggregate, £160,379 were converted into new ordinary shares.
2. In satisfaction of certain accrued directors' fees and salaries which had been unpaid since 1 June 2016, Bezant issued 1,468,600 new ordinary shares of 0.2 pence each in the Company on 27 September 2016. The conversion was made at the VWAP of the Company's shares over the period the fees were outstanding. The VWAP over the period of approximately 2.5 pence per share represented a premium of approximately 5 per cent. to the closing mid-market share price of 2.38 pence on 27 September 2016. In total, unpaid fees of, in aggregate, £36,715 were converted into new ordinary shares.

6. Impairment of assets

	Audited 12 months ended 31 December 2017 £'000	Unaudited 12 months ended 31 December 2016 £'000	Audited Six months ended 31 December 2016 £'000
Impairment loss on loan to associate	**80**	3,465	155
Impairment loss on investment in associate	**–**	4,968	–
	80	8,433	155

The Mankayan project owned by Crescent Mining and Development Corporation is part of the continuing operations and was fully impaired in 2016 (see note 13) due to then significant lingering uncertainty concerning the political and tax environment in the Philippines. Although the political and tax environment has subsequently improved the Company has not yet written back any of the provision made in 2016 and the provision made in 2017 in relation to additional funds lent in 2017.

7. Taxation

	Audited 12 months ended 31 December 2017 £'000	Unaudited 12 months ended 31 December 2016 £'000	Audited Six months ended 31 December 2016 £'000
UK Corporation tax – current year	**–**	–	–
Total current tax charge	**–**	–	–
Factors affecting the tax charge for the year:			
Loss on ordinary activities before tax	**(4,632)**	(10,045)	(1,180)
Loss on ordinary activities multiplied by the standard rate of UK corporation tax of 19.25%	**(892)**	(2,009)	(236)
Effects of:			
Non-taxable income	**–**	(163)	–
Non-deductible expenses	**881**	669	4
Tax losses (unprovided deferred tax)	**11**	1,503	232
Total tax charge	**–**	–	–

At 31 December 2017, the Group had unused losses carried forward of £10,834,000 (2016: £10,690,000) available for offset against suitable future profits. Most of the losses were sustained in the United Kingdom.

The Group's deferred tax asset as at 31 December 2017 that arose from these losses has not been recognised in respect of such losses due to the uncertainty of future profit streams. The contingent deferred tax asset, which has been measured at 17%, is estimated to be £1,842,000 (2016: £2,005,000).

8. Loss per share

The basic and diluted loss per share have been calculated using the loss attributable to equity holders of the Company for the 12 months ended 31 December 2017 of £4,633,000 (12 months ended 2016: £10,021,000; six months ended: £1,172,000). The basic loss per share was calculated using a weighted average number of shares in issue of 359,330,994 (12 months ended 2016: 153,342,797; six months ended 31 December 2016: 175,167,279).

The diluted loss per share has been calculated using a weighted average number of shares in issue and to be issued of 406,576,983 (12 months ended 31 December 2016: 155,740,597; six months ended 31 December 2016: 177,565,079).

The diluted loss per share and the basic loss per share are recorded as the same amount, as conversion of share options decreases the basic loss per share, thus being anti-dilutive.

9. Holding company income statement

In accordance with the provisions of Section 408 of the Companies Act 2006, the Parent Company has not presented a separate income statement. A loss for the 12 months ended 31 December 2017 of £5,639,000 (12 months ended 31 December 2016: £9,148,000; six months ended 31 December 2016: £423,000) has been included in the consolidated income statement.

10. Directors' emoluments

The Directors' emoluments of the Group are as follows:

	Audited 12 months ended 31 December 2017 £'000	Unaudited 12 months ended 31 December 2016 £'000	Audited Six months ended 31 December 2016 £'000
Wages, salaries and fees	**235**	213	116

Refer to page 10 for details of the remuneration of each director.

11. Employee information

	Audited 12 months ended 31 December 2017	Unaudited 12 months ended 31 December 2016	Audited Six months ended 31 December 2016
Average number of employees including directors:			
Management and technical	**5**	5	5

11. Employee information (continued)

	Audited 12 months ended 31 December 2017 £'000	Unaudited 12 months ended 31 December 2016 £'000	Audited Six months ended 31 December 2016 £'000
Salaries (excluding directors' remuneration)	**–**	–	–

12. Plant and equipment

	Consolidated		**Company**	
	Audited 2017 £'000	Audited 2016 £'000	**Audited 2017 £'000**	Audited 2016 £'000
Plant and equipment				
Cost				
At beginning of year	**95**	137	**60**	60
Acquisitions through business combinations – Plant (note 30)	**545**	**–**	**–**	–
Transfer – Mine development from options (note 14)	**1,668**	–	**–**	–
Additions	**13**	3	**–**	–
Classified as held for sale (note 17)	**(2,252)**	–	**–**	–
Exchange differences	**15**	(45)	**–**	–
At end of year	**84**	95	**60**	60
Depreciation				
At beginning of year	**75**	78	**56**	54
Charge for the year	**14**	6	**1**	2
Classified as held for sale	**(9)**	–	**–**	–
Exchange differences	**(6)**	(9)	**–**	–
At end of year	**74**	75	**57**	56
Net book value at end of year	**10**	20	**3**	4

13. Investments

	Consolidated		Company	
	Audited	Audited	**Audited**	Audited
	2017	2016	**2017**	2016
	£'000	£'000	**£'000**	£'000
Investment in associates	**–**	4,968	**–**	–
Loan to associate	**80**	3,465	**3,469**	3,389
Impairment provision (note 6)	**(80)**	(8,433)	**(3,469)**	(3,389)
Investment in subsidiaries	**–**	–	**3,390**	2,964
Impairment of investment in subsidiaries	**–**	–	**(2,362)**	–
Loan to subsidiaries	**–**	–	**4,797**	3,008
Provision for subsidiary loan recoverability	**–**	–	**(2,717)**	(582)
	–	–	**3,108**	5,390

13.1 Investment in associates

	Consolidated		Company	
	Audited	Audited	**Audited**	Audited
	2017	2016	**2017**	2016
	£'000	£'000	**£'000**	£'000
Acquisition of interest in associate				
As at beginning of year	**–**	5,030	**–**	–
Proportionate share of loss in associate	**–**	(62)	**–**	–
Impairment provision (note 6)	**–**	(4,968)	**–**	–
As at end of year	**–**	–	**–**	–

13.2 The Group's share of the results of its associate and its assets and liabilities are as follows:

Crescent Mining and Development Corporation (incorporated and operates in the Philippines)

	2017	2016
	£'000	£'000
Assets	**2,181**	1,310
Liabilities	**(2,322)**	(1,355)
Loss for the year	**(67)**	(191)
% Interest Directly Held	**40**	40
% Interest Indirectly Held	**24**	24
% Interest held – Total	**64***	64*

* The Group's direct and indirect holding in Crescent Mining and Development Corporation ("**CMDC**") amounts to 64% of the total share capital of CMDC. However, some of the Group's holdings are held through a separate Filipino entity, in which the Group does not exercise control but merely has minority influence. Accordingly, it is the opinion of the Directors that the Group does not exercise control over CMDC and it is therefore treated as an associated company.

Approval of the 2 year renewal of the Exploration Year of Mineral Production Sharing Agreement ("**MPSA**") no. 057-96-CAR ("**Mankayan Licence**") was received on 28 August 2015. Under the terms of the renewal, CMDC was required to satisfy work programme commitments totalling approximately US$2,500,000 over the period.

13. Investments (continued)

13.3 Bezant Holdings Inc. (incorporated and operates in the Philippines)

	2017	2016
	£'000	£'000
Assets	**42**	41
Liabilities	**(39)**	(38)
Loss for the year	**(1)**	(4)
% Interest held	**40**	40

13.4 Investments – subsidiary undertakings

The Company's significant subsidiary undertakings held as fixed asset investments as at 31 December 2017 were as follows:

	Country of incorporation	**Principal Activity**	**Percentage of ordinary share capital held**
Held directly			
Tanzania Gold Limited	Ireland	Holding Company	100%
Asean Copper Investments Limited	British Virgin Islands	Holding Company	100%
Colombian Mining Data S.A.	Panama	Intellectual Property holding	100%
Leeward Islands Explorations LLC	Nevis	Holding Company	100%
Kellstown Investment Corp.	Panama	Holding Company	100%
Held indirectly			
Anglo Tanzania Gold Limited	England	Gold and copper exploration	100%
Eureka Mining & Exploration SA	Argentina	Gold and copper exploration	100%
Puna Metals SA	Argentina	Gold and copper exploration	100%
Ulloa Recursos Naturales S.A.S.	Colombia	Gold and platinum exploration	100%
Aguaclara Compania Minera S.A.S.	Colombia	Gold and platinum exploration	70%
Ulloa Capital S.A.S.	Colombia	Holding Company	100%
Santacilia Capital S.A.S.	Colombia	Holding Company	100%
Andean Mining S.A.S.	Colombia	Holding Company	100%

14. Intangible assets

14.1 Option to acquire exploration licence

	Consolidated		Company	
	Audited 2017 £'000	Audited 2016 £'000	**Audited 2017 £'000**	Audited 2016 £'000
Balance at beginning of year	**1,672**	–	**–**	–
Acquisitions through business combinations – Colombian projects' rights over platinum and gold licence areas	**–**	1,620	**–**	–
Additions	**288**	91	**–**	
Contribution to options costs	**(275)**	–		
Transferred to Mine Development (note 12)	**(1,668)**[1]	–		
Exchange differences	**(17)**	(39)	**–**	–
Carried forward at end of year	**–**	1,672	**–**	–

1. The option costs were transferred to mine development upon the exercise of the option to acquire mining titles FKK-083 and HCA-082 in the Choco Region of Colombia.

14.2 Intellectual property rights over proprietary geological data

	Consolidated		Company	
	Audited 2017 £'000	Audited 2016 £'000	**Audited 2017 £'000**	Audited 2016 £'000
Balance at beginning of year	**162**	–	**–**	–
Acquisitions through business combinations – Rights over geological information and other data	**–**	162	**–**	–
Classified as held for sale (note 17)	**(162)**	–	**–**	–
Carried forward at end of year	**–**	162	**–**	–
Total intangibles	**–**	1,834	**–**	–

15. Exploration and evaluation assets

	Consolidated		Company	
	Audited	Audited	**Audited**	Audited
	2017	2016	**2017**	2016
	£'000	£'000	**£'000**	£'000
Balance at beginning of year	**4,790**	4,790	**3,129**	3,129
Exchange differences	**(4)**	–	**–**	–
Carried forward at end of year	**4,786**	4,790	**3,129**	3,129

The amount of capitalised exploration and evaluation expenditure relates to 11 licences comprising the Eureka Project and are located in north-west Jujuy near to the Argentine border with Bolivia and are formally known as Mina Eureka, Mina Eureka II, Mina Gino I, Mina Gino II, Mina Mason I, Mina Mason II, Mina Julio I, Mina Julio II, Mina Paul I and Mina Paul II, covering, in aggregate, an area in excess of approximately 5,500 hectares and accessible via a series of gravel roads. All licences remains valid and in good standing.

The directors have assessed the value of the intangible assets, and in their opinion, based on a review of the expiry dates of licences, expected available funds and the intention to continue exploration and evaluation, no impairment is necessary.

16. Trade and other receivables

	Consolidated		Company	
	Audited	Audited	**Audited**	Audited
	2017	2016	**2017**	2016
	£'000	£'000	**£'000**	£'000
Due within one year:				
VAT recoverable	**20**	22	**20**	22
Other debtors	**79**	51	**72**	–
	99	73	**92**	22

17. Non-current assets and disposal groups classified as held for sale

Following a comprehensive review of the strategic options available for its operations in Colombia, Bezant entered into a legally binding agreement on 25 April 2018 ("**Sale Agreement**") with Auvert Mining Group Limited ("**Auvert**") for the sale of its wholly owned subsidiary Ulloa Recursos Naturales S.A.S. ("**Ulloa**"), which holds the Group's wholly owned alluvial platinum and gold licences, located in the Choco region of Colombia, and the associated processing plant, mobile test plant and other mining equipment located in the licence area (the "**Choco Project**").

As a result of the transaction, this group of assets ("**disposal group**") are disclosed as a disposal group held for sale. The assets and liabilities to be disposed of are set out below and are stated at the lower of carrying amount and fair value less cost to sell which resulted in an impairment charge of £2.1m based on the sale proceeds. The total consideration payable by Auvert to the Company in respect of the Disposal is, in aggregate, US$500,000 payable in cash, of which US$450,000 had already been paid and the balance of US$50,000 was held in escrow with the Company's solicitors to be released subject to delivery of satisfactory receipt by Auvert of certain post-completion deliverables.

17. Non-current assets and disposal groups classified as held for sale (continued)

	2017 £'000
Assets of disposal groups classified as held for sale	
Plant and equipment	158
Intangible assets	162
Trade and other receivables	127
Cash and cash equivalents	20
Total assets	**467**
Liabilities of disposal groups classified as held for sale	
Trade and other payables	95
Total liabilities	**95**

Analysis of the results of discontinued operations and the results recognised on the measurement of assets of disposal groups is as follows:

	2017 £'000	2016 £'000
Comparative information has been restated to ensure comparability.		
Revenue	**88**	–
Cost of sales	**(831)**	–
Operating expenses	**(769)**	(611)
Other income	**19**	–
Loss before tax of discontinued operations	**(1,493)**	(611)
Tax (charge)/credit	**–**	–
Loss after tax of discontinued operations	**(1,493)**	(611)
Impairment loss on disposal group	**(2,094)**	–
Loss for the year from discontinued operations	**(3,587)**	(611)
Cash flow information		
Operating cash flows	**(1,314)**	(10)
Investing cash flows	**(465)**	(147)
Financing cash flows	**1,771**	120
Total cash flows	**(8)**	(37)

18. Trade and other payables

	Consolidated		**Company**	
	Audited 2017 £'000	Audited 2016 £'000	**Audited 2017 £'000**	Audited 2016 £'000
Trade creditors	**185**	81	**504**	93
Accruals	**27**	47	**25**	25
	212	128	**529**	118

19. Financial instruments

(a) Interest rate risk

As the Group has no borrowings, it is not exposed to interest rate risk on financial liabilities. The Group's interest rate risk arises from its cash held on short term deposit, which is not significant.

(b) Net fair value

The net fair value of financial assets and financial liabilities approximates to their carrying amount as disclosed in the balance sheet and in the related notes.

(c) Foreign currency risk

The Group undertakes certain transactions denominated in foreign currencies, hence exposure to exchange rate fluctuations arise. The Group has not hedged against currency depreciation but continues to keep the matter under review.

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date is as follows:

	Assets		**Liabilities**	
	2017	2016	**2017**	2016
	£'000	£'000	**£'000**	£'000
US Dollars	**10**	17	**77**	34
AU Dollars	**226**	167	**2**	–
AR Pesos	**9**	21	**4**	7
CO Pesos	**137**	54	**93**	30
	382	259	**176**	71

Sensitivity analysis

A 10 per cent. strengthening of the British Pound against the foreign currencies listed above at 31 December would have increased/(decreased) profit or loss by the amounts shown below. The analysis assumes that all other variables remain the same. The analysis is performed on the same basis as at 31 December 2016.

	2017	2016
	£'000	£'000
US Dollars	**7**	2
AU Dollars	**(22)**	(17)
AR Pesos	**(3)**	(4)
CO Pesos	**(68)**	(26)

A 10 per cent. weakening of the British Pound against the foreign currencies listed above at 31 December would have had the equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

(d) Financial risk management

The Directors recognise that this is an area in which they may need to develop specific policies should the Group become exposed to wider financial risks as the business develops.

19. Financial instruments (continued)

(e) Liquidity risk management

The Directors have regard to the maintenance of sufficient cash resources to fund the Group's immediate operating and exploration activities. Cash resources are managed in accordance with planned expenditure forecasts.

(f) Capital risk management

The Directors recognise that the Group's capital is its equity reserves. The Group's current objective is to manage its capital in a manner that ensures that the funds raised meet its operating and exploration expenditure commitments. Currently, the Company does not seek any borrowings to operate the Company and all future supplemental funding is raised through investors as and when required in order to finance working capital requirements and potential new project opportunities, as they may develop.

20. Share capital

	Audited 31 December 2017 £'000	Audited 31 December 2016 £'000
Number		
Authorised		
5,000,000,000 ordinary shares of 0.2p each	**10,000**	10,000
	10,000	10,000
Allotted, called up and fully paid		
As at beginning of the year	**410**	199
Share subscription	**765**	122
Acquisition of subsidiary (note 30)	**50**	89
As at end of year	**1,225**	410

	Number of shares 31 December 2017	Number of shares 31 December 2016
Ordinary share capital is summarised below:		
As at beginning of the year	**204,953,507**	99,527,025
Share subscription	**369,959,889**	59,450,000
Shares issued to directors and management*	**12,359,642**[(1)]	1,468,600[(2)]
Acquisition of subsidiary (note 30)	**25,000,000**	44,507,882
As at end of year	**612,273,038**	204,953,507

1 In satisfaction of certain accrued directors' fees, salaries and certain fees outstanding to senior management and consultants which had been unpaid for the period from 1 October 2016 to 31 July 2017, Bezant issued 12,359,642 new ordinary shares of 0.2 pence each in the Company on 14 August 2017. The conversion was made at the volume weighted average price ("**VWAP**") of the Company's shares over the period the fees were outstanding. The VWAP over the period of approximately 1.2976 pence per share represented a discount of approximately 1.7 per cent. to the closing mid-market share price of 1.32 pence on 4 August 2017. In total, unpaid fees of, in aggregate, £160,379 were converted into new ordinary shares.

2 In satisfaction of certain accrued directors' fees and salaries which had been unpaid since 1 June 2016, Bezant issued 1,468,600 new ordinary shares of 0.2 pence each in the Company on 27 September 2016. The conversion was made at the VWAP of the Company's shares over the year the fees were outstanding. The VWAP over the year of approximately 2.5 pence

20. Share capital (continued)

per share represented a premium of approximately 5 per cent. to the closing mid-market share price of 2.38 pence on 27 September 2016. In total, unpaid fees of, in aggregate, £36,715 were converted into new ordinary shares.

	Audited 2017 £'000	Audited 2016 £'000
The share premium was as follows:		
As at beginning of year	**33,227**	31,421
Share subscription	**2,229**	1,102
Share issue costs	**(244)**	(71)
Acquisition of subsidiary (note 30)	**221**	775
As at end of year	**35,433**	33,227

Each fully paid ordinary share carries the right to one vote at a meeting of the Company. Holders of shares also have the right to receive dividends and to participate in the proceeds from sale of all surplus assets in proportion to the total shares issued in the event of the Company winding up.

21. Share-based payments

During the year the Company had the following share-based payment plans involving equity settled share options and warrants in existence:

Scheme	**Number**	**Date granted**	**Exercise price**	**Maximum term**	**Vesting conditions**
Share options	2,397,800	12/01/2007	91p	10 years	Vested in three equal parts to 15 June 2010
Warrants	5,000,000	21/03/2017	1.5p	2 years	Vested immediately upon being granted
Warrants	34,411,765	12/07/2017	2p	1 year	Vested immediately upon being granted
Warrants	1,470,588	12/07/2017	1.5p	2 years	Vested immediately upon being granted
Warrants	6,363,636	13/10/2017	1.1p	5 years	Vested immediately upon being granted

The number and weighted average exercise prices of the above options and warrants are as follows:

	31 December 2017		31 December 2016	
	Number	**Weighted average exercise price**	Number	Weighted average exercise price
Outstanding at beginning of year	**2,397,800**	**91p**	2,397,800	91p
Warrants issued	**5,000,000**	**1.5p**	–	–
Warrants issued	**34,411,765**	**2p**	–	–
Warrants issued	**1,470,588**	**1.5p**	–	–
Warrants issued	**6,363,636**	**1.1p**	–	–
Lapsed options	**(2,397,800)**	**91p**	–	–
Outstanding at end of year	**47,245,989**		2,397,800	91p

21. Share-based payments (continued)

In accordance with the requirements of IFRS 2 Share-based Payments, the weighted average estimated fair value for the warrants granted (£75,000) was calculated using a Black and Scholes option pricing model.

22. Reconciliation of movements in shareholders' funds

	Consolidated			Company		
	Audited 12 months ended 31 December 2017 £'000	Unaudited 12 months ended 31 December 2016 £'000	Audited Six months ended 31 December 2016 £'000	**Audited 12 months ended 31 December 2017 £'000**	Unaudited 12 months ended 31 December 2016 £'000	Audited Six months ended 31 December 2016 £'000
Loss for the year	**(4,633)**	(10,021)	(1,172)	**(5,639)**	(9,148)	(423)
Proceeds from shares issued	**2,750**	1,855	1,153	**2,750**	1,855	1,153
Issue of ordinary shares related to business combination (note 30)	**271**	162	162	**271**	162	162
Currency translation differences on foreign currency operations	**58**	282	(63)	**–**	–	–
Warrants issued	**18**	–	–	**18**	–	–
Opening shareholders' funds	**6,872**	14,594	6,792	**8,630**	15,761	7,738
Closing shareholders' funds	**5,336**	6,872	6,872	**6,030**	8,630	8,630

23. Reconciliation of operating loss to net cash outflow from operating activities

	Consolidated			Company		
	Audited 12 months ended 31 December 2017 £'000	Unaudited 12 months ended 31 December 2016 £'000	Audited Six months ended 31 December 2016 £'000	**Audited 12 months ended 31 December 2017 £'000**	Unaudited 12 months ended 31 December 2016 £'000	Audited Six months ended 31 December 2016 £'000
Operating loss from all operations	**(2,480)**	(1,552)	(1,027)	**(1,065)**	(1,280)	(532)
Depreciation and amortisation	**14**	6	3	**1**	2	1
VAT refunds received	**(33)**	(39)	(24)	**(33)**	(37)	(22)
Share warrant expense	**18**	–	–	**18**	–	–
Foreign exchange gain	**167**	(76)	(14)	**336**	366	–
Decrease in receivables	**(145)**	122	45	**(70)**	202	(15)
Increase in payables	**391**	64	67	**571**	86	85
Net cash outflow from operating activities	**(2,068)**	(1,475)	(950)	**(242)**	(661)	(483)

24. Acquisition of subsidiary, net of cash acquired

	Consolidated			Company		
	Audited 12 months ended 31 December 2017 £'000	Unaudited 12 months ended 31 December 2016 £'000	Audited Six months ended 31 December 2016 £'000	**Audited 12 months ended 31 December 2017 £'000**	Unaudited 12 months ended 31 December 2016 £'000	Audited Six months ended 31 December 2016 £'000
Total consideration paid (note 30)	**(426)**	(1,597)	(162)	**(426)**	(1,597)	(162)
Issue of shares (note 20)	**271**	864	162	**271**	864	162
Cash consideration paid	**(155)**	(733)	–	**(155)**	(733)	–
Net cash acquired	**–**	64	–	**–**	–	–
	(155)	(669)	–	**(155)**	(733)	–

25. Proceeds from issuance of ordinary shares

	Consolidated			Company		
	Audited 12 months ended 31 December 2017 £'000	Unaudited 12 months ended 31 December 2016 £'000	Audited Six months ended 31 December 2016 £'000	**Audited 12 months ended 31 December 2017 £'000**	Unaudited 12 months ended 31 December 2016 £'000	Audited Six months ended 31 December 2016 £'000
Share capital and premium at end of year (note 20)	**36,658**	33,637	33,637	**36,658**	33,637	33,637
Shares issued to acquire subsidiaries	**(271)**	(864)	(162)	**(271)**	(864)	(162)
Directors loans converted to shares	**(160)**	(37)	(37)	**(160)**	(37)	(37)
Shares converted at premium	**3**	2	2	**3**	2	2
Share capital and premium at beginning of year	**(33,637)**	(31,620)	(32,322)	**(33,637)**	(31,620)	(32,322)
	2,593	1,118	1,118	**2,593**	1,118	1,118

26. Related party transactions

(a) Parent entity

The parent entity within the Group is Bezant Resources Plc.

(b) Subsidiaries

Interests in subsidiaries are set out in note 13.

(c) Associates

Interests in associates are set out in note 13.

(d) Transactions with related parties

The following table provides details of payments to related parties during the year and outstanding balances at the year-end date:

	31 December 2017		31 December 2016	
	Paid during the year £'000	**Due by Company at year-end date £'000**	Paid during the year £'000	Due by Company at year-end date £'000
Serengeti Resources Pty. Ltd	**120**	**60**	93	9
Metallurgical Management Services Pty. Ltd	**50**	**25**	39	4
Athlone International Consultants Pty. Ltd	**35**	**–**	46	5
Mowbrai Ltd	**18**	**–**	26	3
R Siapno	**12**	**6**	9	1
	235*	**91**	213*	22

* The above amounts represent directors' fees and are included in directors' remuneration per note 10.

Related parties

Serengeti Resources Pty. Ltd is a consultancy company controlled by the former director Dr. Bernard Olivier. Metallurgical Management Services Pty. Ltd is a consultancy company controlled by the director Dr. Evan Kirby. Athlone International Consultants Pty. Ltd is a consultancy company controlled by the former director Mr Ed Nealon. Mowbrai Limited is a consultancy company controlled by the director Mr Laurence Read.

27. Commitments

Non-cancellable lease rentals payable as follows:

	2017 £'000	2016 £'000
Less than one year	**–**	21
Between two and five years	**–**	–
	–	21

Operating lease payments represent rentals payable by the Company for office space and equipment.

28. Contingent liabilities

Litigation is on-going against the Group relating to a historic alleged claim for a 40% interest in the Mankayan Project, as disclosed in June 2007 at the time of the Group's acquisition of Asean. The information usually required by IAS 37 'Provisions, contingent liabilities and contingent assets' is not disclosed, because the board of directors believe that to do so would seriously prejudice the outcome of the case. The board of directors are confident that the Group will successfully defend this claim.

29. Subsequent events

As announced on 5 February 2018, the Company raised, in aggregate, £600,000 before expenses through a subscription and placing of, in aggregate, 133,333,333 new ordinary shares of 0.2 pence each in the capital of the Company ("**Ordinary Shares**") at a price of 0.45 pence per share (the "**Issue Price**") (the "**Fundraising**"). The Fundraising comprised a placing, which was oversubscribed, of 126,436,773 new Ordinary Shares via the Company's then broker, Peterhouse Corporate Finance Limited, and a subscription for a further 6,896,560 new Ordinary Shares, both at the Issue Price, with certain existing and new strategic investors.

The Fundraising was undertaken in two tranches, comprising the initial issuance of 44,444,444 new Ordinary Shares (the "**Tranche One Shares**") utilising the Company's pre-existing share capital authorities and the conditional issuance of a further 88,888,889 new Ordinary Shares (the "**Tranche Two Shares**"), subject to the requisite shareholder approval. The Tranche One Shares were admitted to trading on AIM on 9 February 2018. The issue of the Tranche Two Shares was conditional on, *inter alia*, the passing of certain resolutions by Bezant's shareholders (the "**Resolutions**") at a duly convened general meeting of the Company (the "**General Meeting**"). Approval was obtained at the General Meeting held on 1 March 2018 and subsequently the Tranche Two Shares were admitted to trading on AIM on 2 March 2018.

In addition to the new Ordinary Shares issued pursuant to the Fundraising, one warrant to subscribe for a further new Ordinary Share at a price of one pence per share were issued to subscribers in the Fundraising in respect of every two Ordinary Shares subscribed (the "**Warrants**"). A total of 66,666,666 Warrants was therefore issued following the General Meeting and are exercisable for a period of 30 months from the date of issue.

As announced on 22 March 2018, in order to preserve the Company's cash resources, Laurence Read, CEO, and Edward Nealon, the former Chairman, both agreed to waive all fees and expenses owed to them by the Company as at 31 December 2017 of £12,558 and £25,000 respectively, amounting to £37,558 in aggregate.

Certain of the Company's directors also agreed to convert outstanding fees of £31,233, due in respect of the period from 1 July 2017 to 31 December 2017, into 6,940,667 new Ordinary Shares (the "**Director Shares**") and the Company's management agreed to convert outstanding fees and salaries of £22,217, due in respect of the same period, into 4,937,111 new Ordinary Shares (the "**Management Shares**"). In addition, £30,000 of fees due to Dr. Bernard Olivier, the Company's former CEO who resigned as a director on 15 January 2018, were converted into 6,666,667 new Ordinary Shares (the "**Fee Conversion Shares**"). The Director Shares, Management Shares and Fee Conversion Shares were all issued at a price of 0.45 pence per share (the "**Conversion Price**"), being the price at which the Company completed its most recent fundraise announced on 5 February 2018 and which represented a premium of approximately 7.14 per cent. to the Company's closing mid-market share price of 0.42 pence on 21 March 2018. These fee conversions will further assist the Company in seeking to conserve its cash reserves.

In addition, it was agreed that £55,800 in respect of certain fees and expenses owed by the Company to Verona Investment Group Inc. ("**Verona**") would be settled by the issue of 12,400,000 new Ordinary

29. Subsequent events (continued)

Shares at the Conversion Price (the "**Verona Shares**"). Furthermore, the obligation to issue a further 15,000,000 new Ordinary Shares to Verona as deferred consideration for the acquisition of Kellstown Investments Corp. on achievement of certain operational milestones at the Choco Project, as announced on 31 May 2017, has now been terminated.

As announced on 26 April 2018 and described in more detail in note 17, the Company has entered into a legally binding agreement for the sale for US$500,000 of its wholly owned subsidiary Ulloa Recursos Naturales Naturales S.A.S. ("**Ulloa**"), which holds the Group's wholly owned alluvial platinum and gold licences (FKJ-083 and HCA-082), located in the Choco region of Colombia, and associated processing plant, mobile test plant and other mining equipment located in the licence area (the "**Choco Project**"), to Auvert Mining Group Limited ("**Auvert**") (the "**Disposal**").

30. Acquisition of subsidiaries

On 27 January 2016, the Company acquired the whole of the issued share capital of Leeward Exploration LLC incorporated in Nevis for a consideration of US$1 million and 37,306,137 fully paid new common shares in Bezant at 1.88 pence (approximately 2.68 cents) per share. Leeward and its subsidiaries held options over alluvial platinum and gold mining and exploration licences located in and around Choco, Colombia.

The acquisition-date values of the assets acquired and liabilities assumed and the consideration transferred were as follows:

	Acquisition £'000
Option rights	1,600
Trade and other receivables	95
Cash and cash equivalents	64
Trade and other payables	(24)
Loans	(321)
Net assets and liabilities acquired	**1,414**
Non-controlling interest	21
Total	**1,435**
Consideration:	
– Issue of Bezant ordinary shares (note 20)	(702)
– Cash paid	(733)
Total consideration transferred	**(1,435)**

The option rights were revalued to fair value at the date of acquisition. The excess amount paid for Leeward and its subsidiary undertakings over the aggregate fair value of their separable net assets and liabilities has been attributed to the option rights.

On 17 October 2016, the Company acquired the whole of the issued share capital of Colombian Mining Data S.A. ("**CMD**") incorporated in Panama for 7,201,745 fully paid new shares in Bezant. CMD holds, *inter alia*, certain proprietary geological information and other data and intellectual property rights to be utilised by Exumax S.A.S. ("**Exumax**") in performing its services under the exploration agreement.

30. Acquisition of subsidiaries (continued)

The acquisition-date values of the assets acquired and liabilities assumed and the consideration transferred were as follows:

	Acquisition £'000
Intellectual property rights	162
Net assets and liabilities acquired	**162**
Consideration:	
– Issue of Bezant ordinary shares (note 20)	(162)
Total consideration transferred	**(162)**

The intellectual property rights were revalued to fair value at the date of acquisition. The excess amount paid for CMD over the aggregate fair value of their separable net assets and liabilities has been attributed to the intellectual property rights.

On 31 May 2017, the Company signed an agreement to acquire a Panamanian special purpose vehicle, Kellstown Investments Corp ("**Kellstown**") for a cash consideration of US$200,000 and initial equity consideration comprising the issue of 25 million new ordinary shares of 0.2 pence each in the capital of the Company ("**Ordinary Shares**") on Completion. Kellstown via its wholly owned subsidiary owned both a processing plant and mobile test plant and certain other mining equipment which was utilised in mining operations on the Company's FKJ-083 mining licence in Colombia.

The acquisition-date values of the assets acquired and liabilities assumed and the consideration transferred were as follows:

	Acquisition £'000
Plant and equipment	545
Trade and other receivables	8
Trade and other payables	(127)
Net assets and liabilities acquired	**426**
Consideration:	
– Issue of Bezant ordinary shares (note 20)	(271)
– Cash paid	(155)
Total consideration transferred	**(426)**

The plant and equipment was revalued to fair value at the date of acquisition. The excess amount paid for Kellstown and its subsidiary undertakings over the aggregate fair value of their separable net assets and liabilities has been attributed to the plant.

BEZANT RESOURCES PLC
(the "Company")

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 02918391)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of the members of the Company will be held at the offices of Joelson JD LLP, 30 Portland Place, London WIB 1LZ at 10.00 a.m. on 22 June 2018.

Members will be asked to consider and, if thought fit, pass the resolutions set out below. Resolutions 1 to 6 will be proposed as ordinary resolutions and Resolution 7 will be proposed as a special resolution. The business to be transacted under Resolutions 1 to 4 is deemed to be ordinary business under the Company's Articles of Association and the business under Resolutions 5 to 7 is deemed to be special business under the Company's Articles of Association.

ORDINARY RESOLUTIONS

1. To receive and consider the Company's annual report and financial statements for the twelve months ended 31 December 2017 and the reports of the directors and auditors thereon.

2. To ratify the appointment of Mr Colin Bird as Executive Chairman of the Company.

3. To approve the re-appointment of Mr Ronnie Siapno as a Director of the Company, having been made a director previously and being eligible for re-election.

4. To ratify the re-appointment of UHY Hacker Young LLP as auditors of the Company and to authorise the directors to fix their remuneration.

5. THAT, for the purposes of section 551 of the Companies Act 2006 (the "**Act**"):

   (a) the directors of the Company be and are hereby generally and unconditionally authorised to exercise all the powers of the Company to allot shares in the Company and grant rights to subscribe for or to convert any security into shares in the Company (the "**Rights**") up to an aggregate maximum nominal amount of £1,553,101 to such persons and at such times and on such terms and conditions as the Directors think proper, such authority, unless previously revoked or varied by the Company in a General Meeting, to expire at the conclusion of the next Annual General Meeting of the Company following the date on which this resolution is passed or, if earlier, fifteen months from the date of this resolution; and,

   (b) the Company be and is hereby authorised prior to the expiry of such period referred to in sub paragraph (a) above to make an offer or agreement which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors may allot shares or grant Rights in pursuance of such an offer or agreement as if the authority conferred hereby had not expired;

   so that all previous and existing authorities conferred on the Directors in respect of the allotment of shares or grant of Rights pursuant to the said Section 551 of the Act be and they are hereby revoked provided that this resolution shall not affect the right of the Directors to allot shares or grant Rights in pursuance of any offer or agreement entered into prior to the date hereof.

6. THAT, the Company establish a share option scheme (the **"Executive Share Option Scheme"**) for its directors, senior management, consultants and employees on the following terms: (i) the number of options to be issued shall not exceed 10% of the issued share capital of the Company from time to time; (ii) the exercise price of the options shall be determined by the remuneration committee of the Board of directors of the Company based on the volume weighted average share price of the Company in the 30 days preceding the issue of the options; (iii) the allocation of the options shall be determined by the remuneration committee of the Board of Directors of the Company; (iv) the options shall vest in accordance with the terms of the Executive Share Option Scheme; and (v) the options should be exercised within ten years of the date of this resolution.

This resolution revokes and replaces all unexercised authorities previously granted to the Company to establish any share option schemes for its directors, senior management, consultants and employees but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

SPECIAL RESOLUTION

7. THAT, subject to and conditional upon the passing of resolution number 5 above, the Directors be and are hereby empowered in accordance with section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act), wholly for cash, under the authority conferred on them by resolution number 5 above to allot equity securities as if section 561(1) of the Act did not apply to such allotment, provided that the power conferred by this resolution shall be limited to:

(a) the allotment and issue of equity securities in connection with an issue or offering by way of rights in favour of holders of equity securities and any other persons entitled to participate in such issue or offering where the equity securities respectively attributable to the interests of such holders and persons are proportionate (as nearly as may be) to the respective numbers of equity securities held by or deemed to be held by them on the record date of such allotment subject only to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws or requirements of any recognised regulatory body in any territory;

(b) the allotment (otherwise than pursuant to sub-paragraph (a) above) of equity securities pursuant to the exercise of any share options issued pursuant to the Executive Share Option Scheme (as defined in resolution 6) representing up to 10% of the issued ordinary share capital of the Company from time to time; and

(c) the allotment (otherwise than pursuant to sub-paragraphs (a) and (b) above) of equity securities for cash up to an aggregate nominal value not exceeding £1,553,101;

and this power, unless renewed, shall expire at the conclusion of the next Annual General Meeting of the Company following the date on which this resolution is passed or if earlier fifteen months from the date of the passing of this resolution, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired. This authority shall replace all existing authorities conferred on the Directors in respect of the allotment of equity securities to the extent that the same have not previously been utilised.

By Order of the Board

York Place Company Secretaries Limited

Company Secretary

Registered Office:
Floor 6, Quadrant House
4 Thomas More Square
London E1W 1YW

Dated: 29 May 2018

NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING ("AGM"):

Entitlement to attend, speak and vote

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members on the Company's register of members at:

   - close of business on 20 June 2018; or,
   - in the event that this AGM is adjourned, at close of business on the day two days prior to the adjourned meeting, shall be entitled to attend, speak and vote at the AGM in respect of the number of ordinary shares registered in their name at that time.

   Changes to the register of members after close of business on 20 June 2018 shall be disregarded in determining the rights of any person to attend, speak and vote at the AGM.

Appointment of proxies

2. If you are a member of the Company who is entitled to attend, speak and vote at the AGM, you are entitled to appoint a proxy or proxies to exercise all or any of your rights to attend, speak and vote at the AGM and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and in the notes to the proxy form.
3. If you are not a member of the Company but you have been nominated by a member of the Company to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in this "Appointment of proxies" section. Please contact the Company's Registrars, Link Market Services Limited, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF for further information.
4. A proxy does not need to be a member of the Company but must attend the AGM to represent you. Details of how to appoint the Chairman of the AGM or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the AGM you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
5. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share.
6. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the AGM.

Appointment of proxy using hard copy proxy form

7. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote. To appoint a proxy using the proxy form, the form must be:

   - completed and signed;
   - sent or delivered to the Company's Registrars, Link Market Services Limited, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF; and
   - received by Link Market Services Limited, no later than 10.00 a.m. on 20 June 2018.

   In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

   Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form, together with a duly completed certificate of non-revocation of such power or authority.

Electronic proxies

8. You may register your proxy appointment and instructions on-line by visiting Signal Shares, www.signalshares.com, selecting BEZANT RESOURCES PLC and following the instructions. In order to register your vote on-line you will need to enter your Investor Code which appears on the bottom right-hand side of your share certificate.

Appointment of proxies through CREST

9. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the AGM and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

   In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a **CREST Proxy Instruction**) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (**EUI**) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID) **Link Asset Services (CREST Participant ID Number RA10)** by 10.00 a.m. on 20 June 2018. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

   CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Appointment of proxy by joint members

10. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

11. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

    Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact the Company's Registrars.

    If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

12. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Link Market Services Limited, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

    The revocation notice must be received by Link Market Services Limited, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF no later than 48 hours before the date and time of the meeting.

    If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

    Appointment of a proxy does not preclude you from attending the AGM and voting in person. If you have appointed a proxy and attend the AGM in person, your proxy appointment will automatically be terminated.

Issued shares and total voting rights

13. As at 6.00 p.m. on 28 May 2018, the Company's issued share capital comprised 776,550,816 ordinary shares of £0.002 per share. Each ordinary share carries the right to one vote at a general meeting of the Company. Therefore, the total number of voting rights in the Company as at 6.00 p.m. on 28 May 2018 is 776,550,816.

Documents on display

14. Copies of the service contracts and letters of appointment of the executive directors and non-executive directors respectively of the Company will be available for inspection:

    - For at least 15 minutes prior to the meeting; and
    - During the meeting.

Communication

15. Except as provided above, members who have general queries about the AGM should communicate via telephonic means or in writing to the registered address of the Company (no other methods of communication will be accepted):

    Laurence Read

    Chief Executive Officer, Bezant Resources Plc
    Tel: +44 (0) 203 289 9923

    You may not use any electronic address to communicate with the Company for any purposes in connection with this Notice of AGM.

Executive Share Option Scheme

16. The Company has not issued any shares or, options over shares to Directors or Employees since 2007, save for the shares issued to Directors in settlement of Directors fees owed to them.

    The Company proposes to establish an Executive Share Option Scheme with the following terms:

    i. the number of options to be issued at any time shall not exceed 10% of the issued share capital of the Company from time to time;

    ii. the exercise price of the options shall be determined by the remuneration committee of the Board of the Company based on the volume weighted average share price of the Company in the 30 days preceding the issue of the options;

    iii. the allocation of the options shall be determined by the remuneration committee of the Board of Directors of the Company;

    iv. the options shall vest in accordance with the terms of the Executive Share Option Scheme; and

    v. the options should be exercised within ten years of the date of the resolution approving the Executive Share Option Scheme.