Company Registration No. 10746796 (England and Wales)

ALTUS STRATEGIES PLC

(formerly known as ALTUS RESOURCES PLC)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

ALTUS STRATEGIES PLC
COMPANY INFORMATION

Non-executive Chairman	Mr D Netherway	(appointed 21 May 2017)
Chief executive officer & director	Mr S Poulton	(appointed 28 April 2017)
Executive director	Mr M Grainger	(appointed 28 April 2017)
Non-executive director	Mr R Milroy	(appointed 21 May 2017)
Non-executive director	Mr M Winn	(appointed 30 January 2018)
Chief financial officer	Mr D Miles	(appointed 30 January 2018)
Secretary	Mr M Grainger	
Company number	10746796	
Registered office	Orchard Centre 14 Station Road Didcot Oxfordshire OX11 7LL United Kingdom	
Independent Auditor	PKF Littlejohn LLP Statutory Auditor 1 Westferry Circus Canary Wharf London E14 4HD United Kingdom	
Bankers	HSBC Bank Plc 186 Broadway Didcot Oxfordshire OX1 1BE United Kingdom	
Solicitors	Gowling WLG (UK) LLP 4 More Place Riverside London SE1 2AU United Kingdom	

Nominated Adviser & Broker	SP Angel Corporate Finance LLP Prince Frederick House 35-39 Maddox Street London W1S 2PP United Kingdom
Registrars (UK)	Computershare Investor Services Plc The Pavilions Bridgewater Road Bristol BS13 8AE United Kingdom
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CHAIRMAN'S STATEMENT

Dear Shareholders,

I am delighted to report on a transformational year for Altus Strategies plc ("Altus", "the Company" and together with its subsidiaries "the Group") in 2017, which included the Initial Public Offering ("IPO") of the Company's shares on the AIM Market of the London Stock Exchange ("AIM") in August.

Subsequent to our IPO we commenced a plan of arrangement to acquire Legend Gold Corporation ("Legend") listed on the Toronto Venture Exchange ("TSX-V"). The transaction was successfully completed in January 2018 and brought Altus six exceptionally well located gold exploration projects in western and southern Mali. Several of these are close to the world class Sadiola gold mine, operated by a consortium of IAMGOLD, AngloGold Ashanti and the Malian government.

On completion of the arrangement we were delighted to welcome to the Company, Michael Winn as a Non-Executive Director and David Miles as our Chief Financial Officer, (Legend's former CEO and CFO respectively). Also Demetrius Pohl and Ambogo Guindo joined Altus as strategic advisers.

During 2017, we were also delighted to welcome Robert 'Woody' Milroy to the board. He brings the firm substantial expertise in corporate governance, as well as a career's worth of experience in both operational and investment management roles in the resource sector. I also take this opportunity to thank Neil Adshead, who stepped down as a non-executive director from the board ahead of our listing on AIM. Neil made profound contributions to our strategic discussions during his tenure and we are delighted that he has elected to stay on with Altus as a strategic adviser to the board. I would also like to thank Jeffrey Karoly, who stepped down as our Chief Financial Officer upon the completion of our transaction with Legend.

We have set ourselves an ambitious and clear path for the years ahead. Our first objective is to secure attractive joint venture agreements with strong industry partners on our existing projects. In parallel we aim to continue to grow our portfolio of assets, through grassroots licence applications and the opportunistic acquisitions of projects and royalties. As we go forward Altus will continue to maintain the highest social and environmental standards in the regions and with the communities where we operate.

It has been an incredibly productive year for Altus, having achieved a number of key milestones. On behalf of the board I take this opportunity to express my congratulations to all of the Altus employees, management and stakeholders for their collective hard work and determination during the year. They have driven all of our achievements and I am immensely proud of their contribution. Also I would like to welcome all of our new shareholders, large and small, that have invested in Altus. Your board and management team are working to ensure your confidence in us and our business model proves to be well placed.

We look forward with excitement to the year ahead for Altus, having established a solid and highly entrepreneurial platform for value creation in 2018 and beyond.

David Netherway
Non-Executive Chairman

CHIEF EXECUTIVE OFFICERS' STATEMENT

Welcome to Altus Strategies plc
Altus is a mineral exploration project generator which is focused on Africa. Our goal is to create shareholder value by participating in the potentially substantial returns on capital from making economic mineral discoveries.

Our business model is to cost-efficiently generate new projects and then proactively seek joint venture partners to finance their further exploration and development, in return for a share in their ownership. Risk diversification away from any one project, commodity or jurisdiction is at the core of our philosophy.

Altus aims to provide the optionality associated with investing in multiple junior exploration companies, but with the cost and strategic benefit of a single strong board and management team who have the necessary expertise and track record to make and monetise exploration discoveries.

The Group currently has a diversified portfolio of seventeen exploration projects covering more than 4,000km^2 across six African countries, has assets in six commodities and two active joint venture partnerships.

The shares of Altus are listed on the London AIM (ticker "ALS"). To learn more about Altus please visit our website at www.altus-strategies.com.

1.1 2017 Highlights
Altus had a pivotal year in 2017 and is on path to becoming one of the leading diversified mineral exploration companies operating in Africa.

1.1.1 Key highlights

Corporate highlights:
- Share exchange with Altus Exploration Management Ltd (formerly Altus Strategies Ltd)
- AIM IPO and placement of 11,100,000 shares at £0.10 raising £1.1m before expenses
- Definitive Arrangement Agreement with TSX-V listed Legend Gold Corporation ("Legend")
- Preparations to dual list on the TSX-V

Operational highlights:
- Completion of a 4,226 soil sample & 900 line km ground magnetic survey at Laboum gold project in Cameroon
- Discovery of numerous mineralised, altered structures at Agdz copper-silver project in Morocco
- Grant of 412km^2 Daro copper-gold licence in Ethiopia and 466km^2 Zolowo gold licence in Liberia
- Termination of MoA with JOGMEC on Tigray-Afar copper-silver project in Ethiopia with JOGMEC having invested approximately US$3.0M
- JV partner Canyon Resources Ltd in discussions to develop a bauxite operation in Cameroon

Financial highlights:
- Cash on hand and marketable securities of £1,124,878 (2016: £888,308) as at 31 December 2017
- Exploration expenditure incurred of £556,447 (2016: £512,636)

Post year end:
- Completion of Plan of Arrangement with Legend with 41,060,256 shares issued
- Exploration programmes in Cameroon, Liberia, Morocco, Ivory Coast, Mali and Ethiopia
- Exploration results from Agdz (copper), Zolowo (gold), Daro (copper-gold) and Soa (gold) projects
- Grant of 369.5km^2 Prikro gold licence in Côte d'Ivoire and 96km^2 Zaer copper licence in Morocco

- Placement of 27,391,616 units at C$0.15 (one share and one five year share purchase warrant at C$0.30) raising C$4.1 million (£2.3 million) before expenses
- Conditional approval received to list on the TSX-V

1.1.2 2017 Activity report

In August 2017 the Company completed an Initial Public Offering ("IPO") of its shares on the AIM Market of the London Stock Exchange ("AIM"). Coincident with the IPO, the Company issued 11,000,000 new Ordinary shares to raise gross proceeds of £1,100,000 by way of a private placement with new and existing investors. Prior to the IPO, on 14 June 2017, the Company undertook a share for share exchange with the shareholders of Altus Strategies Ltd ("ASL"). Subsequent to the exchange ASL became a 100% subsidiary of the Company and was renamed Altus Exploration Management Ltd. The transaction has been treated as a group reconstruction and accordingly the financial information for the current and comparative year has been presented as if ASL had been owned by Altus Strategies plc throughout the current and prior year.

In November 2017, Altus announced a definitive binding arrangement agreement with TSX-V listed Legend Gold Corp. ("Legend") by way of a Plan of Arrangement (the "Arrangement") under the Business Corporations Act of British Columbia in Canada. Legend held a portfolio of six gold projects in western and southern Mali including:

- The Diba gold project, where historic drilling has reportedly intersected 13.88 g/t Au over 8m and which hosts an oxide gold resource, approximately 13km from the Sadiola gold mine;
- The Lakanfla project, where historic drilling has reportedly intersected 9.78g/t Au over 12m and 5.2g/t Au over 16m and which hosts a potential karst style deposit, approximately 6km from Sadiola;
- The Djelimangara, Sebessounkoto Sud and Tabakorole gold projects; and
- The Pitiangoma Est gold project which is subject to a joint venture with Resolute Mining Ltd.

The Arrangement completed on 30th January 2018. Each Legend shareholder received three Altus shares for each Legend share they held. Altus issued a total of 41,060,256 new Ordinary Shares with a deemed value of £3.4m / C$5.6m. Upon the closing of the Arrangement, the former Legend shareholders represented approximately 27.6% of the then enlarged Altus share capital. All outstanding Legend Warrants were agreed to be exchanged for replacement Altus Warrants.

As part of the Arrangement the Company welcomed Michael Winn, the former CEO and Chairman of Legend, to the board as a non-executive Director, with Dave Miles joining as CFO and Demetrius Pohl and Ambogo Guindo joining as strategic advisors.

In addition to these various corporate developments, the Group accelerated its project generation activities in Africa during 2017 as follows:

- In central Morocco the Group announced the discovery of numerous mineralised epithermal structures at its 59.7km^2 Agdz copper-silver project. The project is located approximately 14km southwest of the Bouskour copper mine which is operated by the Moroccan mining group Managem.
- In northern Cameroon at the 189km^2 Laboum gold project the Group completed a 4,226 sample infill soil programme and a 900 'line km' long ground magnetic survey. Those programmes resulted in the discovery of a series of quartz veins which have returned a number of high grades up to 24.5 g/t Au.
- In central Cameroon at the 601km^2 Birsok and Mandoum bauxite project the Group's ASX-listed joint venture partner Canyon Resources Ltd reported further progress in its discussions with government.
- In northern Ethiopia the Group's joint venture partner Japan Oil, Gas and Metals National Corporation "JOGMEC" concluded a third phase drilling programme at the Group's 322km^2 Tigray-Afar copper-silver-gold project. The joint venture was terminated in November, with JOGMEC having invested approximately US$3.0M.

- In northern Ethiopia, the Group was granted the 412km^2 Daro copper-gold licence approximately 95km to the west of Tigray-Afar. Results announced after the year end indicate the discovery of a potential copper and gold bearing Volcanogenic Massive Sulphide ("VMS") system.
- In western Liberia the Group was granted the 466km^2 Zolowo gold exploration licence at which numerous artisanal gold workings have been discovered draining from a 33km long Archaean age greenstone gold belt.

1.1.3 Key objectives for 2018

During the course of 2018, Altus aims to grow its project generation business in Africa and specifically plans to:

- Explore existing projects to either make discoveries which may be attractive to potential joint venture partners, or elect to relinquish them in order to save time and capital.
- Continue to identify and submit new licence applications in countries where Altus has operations, as well as those where it does not.
- Enter into valued-adding joint venture partnerships with respected mining industry groups across its portfolio of projects.
- Identify and seek to acquire undervalued projects and royalty interests in order to accelerate the growth of the Group's asset base as well as generate the potential for near term cash flow. Such projects and royalties may be held by a private company or individual, or sit within an existing publicly traded company.

1.2 2017 and post year-end review:

March 2017: Appointment of Robert Milroy as a director of Altus
April 2017: Pre-IPO financing raising £0.54m
August 2017: Listing on the Alternative Investment Market (AIM:ALS) raising £1.1m
August 2017: Geophysics defined targets at Laboum gold project in northern Cameroon
September 2017: Trenching defined targets at the Agdz copper-silver project in central Morocco
October 2017: High grade gold veins discovered at the Laboum gold project
October 2017: Letter of Intent signed with TSX-V listed Legend Gold Corp.
October 2017: Daro copper and gold licence granted in northern Ethiopia
November 2017: Zolowo gold project granted in western Liberia
November 2017: Definitive agreement signed to acquire Legend Gold Corp.
November 2017: Termination of MOA with JOGMEC on Tigray-Afar copper project in northern Ethiopia
November 2017: New copper prospect discovered at Tigray-Afar in northern Ethiopia
January 2018: Acquisition of Legend Gold Corp completed
January 2018: Copper and gold workings discovered at Daro project in northern Ethiopia
January 2018: Gold workings discovered at Zolowo project in western Liberia
January 2018: Michael Winn (former CEO of Legend Gold) appointed as a director of Altus
February 2018: David Miles (former CFO of Legend Gold) appointed as CFO of Altus
February 2018: Demetrius Pohl and Ambogo Guindo appointed as advisors to Altus
March 2018: Zaer copper / tungsten licence granted in central Morocco
March 2018: Prikro gold licence granted in south eastern Côte d'Ivoire
March 2018: Gold prospect defined at Sebessounkoto Sud in western Mali
March 2018: Minière copper prospect sampled at the Agdz project in central Morocco
April 2018: Private placement raising C$4,108,742 / £2,300,690 at C$0.15 per unit

Steven Poulton
Chief Executive Officer

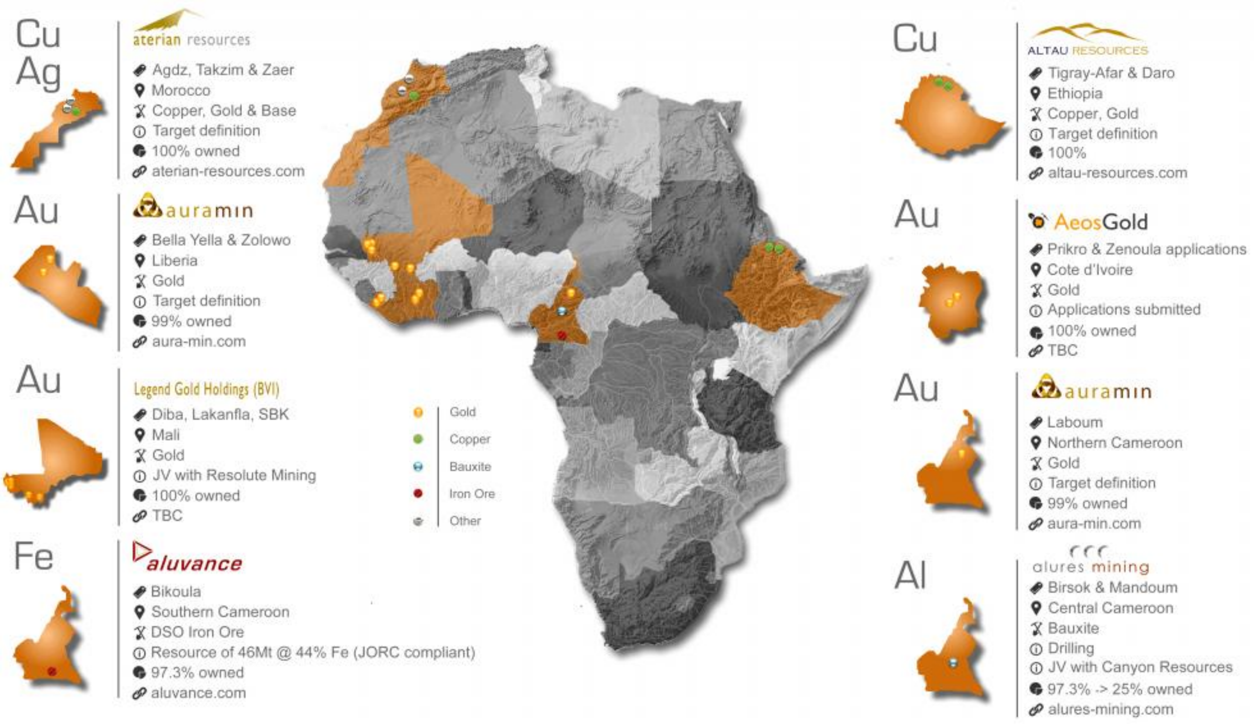
2.1.1 2.1 Our business at a glance

Altus is a public limited company incorporated and domiciled in England and Wales. The Company's shares are listed on AIM under the symbol 'ALS'.

The Group's principal activity, undertaken through its subsidiaries, is the exploration for potential economic mineral deposits in Africa. Altus operates a 'Project Generator' business model whereby having discovered a potentially economic project, the Company seeks third party capital to fund its further exploration and development. This strategy enables Altus to remain focused on the acquisition of new opportunities to be fed into the project generation cycle and aims to minimise equity dilution at the parent company level.

Our business model is designed to create a growing portfolio of well managed and high growth potential projects, diversified by commodity and by country. Altus currently has seventeen projects in six commodities across six African countries. The Company aims to position its shareholders at the vanguard of value creation, but with a significant reduction in the risks traditionally associated with investments in the mineral exploration sector.

2.1.2 Project Snapshot



2.1.3 Project Dashboard

Licence	Country	Commodity	JV	Recon	Soils	Trenching	Geophysics	Drilling	Resource
Laboum	Cameroon	Gold	■	✓	✓	✓	✓		
Birsok-Mandoum	Cameroon	Bauxite	✓	✓	■	✓	■	✓	
Bikoula, Ndjele	Cameroon	Iron Ore	■	✓	✓	✓	✓	✓	✓
Agdz	Morocco	Copper	■	✓	■	✓	✓		
Takzim	Morocco	Zinc	■	✓					
Zaer	Morocco	Copper	■	✓					
Bella Yella, Zolowo	Liberia	Gold	■	✓					
Daro	Ethiopia	Copper, Gold	■	✓					
Tigray - Afar	Ethiopia	Copper	■	✓	✓	✓	✓	✓	
Diba	Mali	Gold	■	✓	✓	✓	✓	✓	✓
Lakanfla	Mali	Gold	■	✓	✓	✓	✓	✓	
Sebessounkoto	Mali	Gold	■	✓	✓	✓	✓	✓	
Mali (other)	Mali	Gold	✓	✓	✓	✓	✓	✓	✓
Prikro	Ivory Coast	Gold	■						

2.2 Introduction

When we founded Altus over ten years ago in 2007 as a 'Project Generator' we did so not just in recognition of the cyclicality of the sector, but we actively sought to embrace it. Our diversified, portfolio approach to exploration with the objective of attracting joint venture finance at the project level, provides meaningful downside risk mitigation against management partiality and unwelcome changes in the prices of any one metal, the politics of any one jurisdiction, the technical results from any one project and equity market conditions. It also increases the amount of potential 'blue sky' upside that comes from making multiple discoveries simultaneously. We believe our entrepreneurial model represents the optimal strategy for investors to participate in the potentially substantial returns associated with an economic mineral discovery.

The most recent bear market which started in 2011 has been a textbook downturn. Many juniors have gone out of business, or their shareholders have suffered the effects of deeply discounted share placements. The mid-cap and major mining companies have focused on deleveraging and cost cutting to maintain profitability or minimise losses. There has been a general and widely recognised failure to invest sufficiently in new exploration during the last ten years. Project pipelines have been impacted and we believe the market is likely to become cyclically undersupplied in key commodities in the near term. Mining companies will need to compete to replenish their resource inventories and metal prices will start to pre-empt the coming production shortfalls. We foresee competition for assets rising. Mining companies, specialist private-equity groups, non-traditional private capital, sovereign groups and broadly supportive capital markets will provide exit optionality, potentially at substantial premiums to the capital invested. Altus has not only survived the recent downturn, but since 2011 we have been methodically preparing for this anticipated scramble for new projects.

We took the strategic decision to list in London on AIM in 2017 (AIM: ALS), near what we believe to be the cyclical low for the resource market. Being publicly traded raises our profile and demonstrates our management standards to potential joint venture partners and other entities, seeking to deploy capital or undertake corporate transactions. Underscoring the merits of having a publicly traded equity and our ambitious growth strategy, in November 2017 the Company signed a definitive agreement to acquire Legend Gold Corporation ("Legend") which was then listed on the TSX-V through an all-stock transaction. Altus acquired the entire issued and outstanding shares of LGN Holdings (BVI) Inc. by way of a Plan of Arrangement pursuant to the laws of the province of British Columbia in Canada. The transaction closed after the year end in January 2018 and brought Altus six highly prospective and well-located gold assets in Western and Southern Mali, as well as a joint venture with ASX listed Resolute Mining Ltd. We are confident that due to their location, scale and prospectivity that these projects will be of interest to potential joint venture partners as we start to advance them.

Dovetailing with our accretive acquisition of Legend, in April 2018 the Company made preparations for the listing of its shares on the Toronto Venture Exchange and completed a successful capital raise of C$4,108,742 (approximately £2,300,000), undertaken by way of a private placement of 27,391,616 Units. Each Unit was priced at C$0.15c and comprised one share and one five year share purchase warrant at C$0.30. I take this opportunity to welcome our new institutional and private shareholders to the Company and to thank them, as well as our existing shareholders, for their continued support. Based on our current budgets which exclude any income that may be received from, or overheads shared with, potential joint venture partners, Altus is effectively fully financed for the next 18 months.

2.2.1 Market outlook

The economic ramifications from the financial crisis of 2008 and the subsequent concerted monetary response by the Central Banks have not yet fully played out. After a sustained period of 'Quantitative Easing' and zero-to-negative interest rates, the market has become predictably dependent on 'cheap' money. Government and personal debts have continued to rise globally since 2008. During this time the blue-chip equity markets have benefited from the increasing money supply, not least from leverage financed corporate share buy backs. However, real economic global growth and productivity has remained low to stagnant by historical metrics. Without the productivity increases required to repay sovereign debt, countries will need to instigate policies designed to inflate the debt away. We therefore continue to foresee an era of competitive fiat currency devaluation.

The emergence and rise of protectionist policies, designed to counter the domestic downsides of globalised 'offshoring' of productive industries and cash reserves (to countries with lower wages, energy prices or tax rates) may inadvertently strengthen currencies. This is perhaps most especially the case for the United States and may only serve to increase the inflationary or infrastructure stimulus that's required to reduce the debt pile. In the meantime, China's reported GDP growth has been relatively subdued over the last five years, albeit still relatively high at between 6 and 8% annually. However, this is compared to the often greater than double digit growth figures which the world had grown accustomed prior to the 2008 crisis.

Our outlook for precious metals therefore continues to remain positive. Both as a store of value against a potentially deflationary induced severe market correction or from the successful implementation of inflationary policies that we consider are required to ease global debt burdens. For this reason, our portfolio is heavily weighted towards gold with ten distinct gold projects.

One of the key features of the last few years has been the growing recognition of the coming electrification of transportation and the vital business of energy storage, at the expense of fossil fuels. The demand for specialist battery metals such as cobalt, lithium and vanadium has understandably increased. Altus has been investigating exploration opportunities in all three of these metals. The importance of copper as the key conductive metal has been somewhat overlooked. According to the International Copper Association, copper demand for use in electric vehicles alone is expected to increase from 0.18Mt pa at present, to over 1.7Mt pa by 2027 with the number of electric vehicles projected to grow from 3 million to 27 million. A typical internal combustion engine uses on average 23Kg of copper, whereas a battery powered electric vehicle is reported to require on average 83Kg of copper.

Altus has aggressively sought to grow its exposure to copper over the last few years. During 2017 we have advanced our Agdz copper-silver project in central Morocco and made encouraging discoveries at our Daro copper-gold and Tigray-Afar copper-silver projects, both in northern Ethiopia.

2.2.2 Operations Report

Our project generation focus is on the vast continent of Africa, as this is where we believe economic mineral deposits can still be discovered cropping out at surface. We can therefore make discoveries faster and more cost efficiently than in more mature destinations, where there's an increasing reliance on expensive drilling or new technologies.

During 2017 new exploration licences were granted to the Group in Ethiopia (Daro, copper-gold) and Liberia (gold) and applications were submitted in Côte d'Ivoire (gold) and Morocco (Tungsten and copper). After the year the Group acquired a portfolio of six gold projects in Western and Southern Mali through its transaction with Legend. Also, after the end of the year the Group was granted its first project in Côte d'Ivoire (Prikro, gold).

At the time of writing, Altus has a diversified portfolio of seventeen precious metal (gold and silver) and base metal (copper, tungsten, aluminium and iron ore) exploration projects, across six African countries (Morocco, Mali, Ethiopia, Cameroon, Liberia and Côte d'Ivoire). Altus has two active joint venture partners, both listed on the Australian Stock Exchange, namely Resolute Mining Ltd (on the Group's Pitiangoma Est project in southern Mali) and Canyon Resources Ltd (on the Group's Birsok and Mandoum bauxite project in Central Cameroon).

In addition to our active exploration programmes, our experienced management and exploration team are generating new opportunities to be fed into the Group's project pipeline. During 2018 we shall seek to enter mutually beneficial joint venture partnerships on our projects and consider accretive acquisitions of third party projects and project interests. The following is a review of our activities by project:

2.2.3 Morocco operations

Altus holds three projects in the Kingdom of Morocco through its 100% owned subsidiary Aterian Resources Ltd, targeting copper, zinc, silver, gold, tin and tungsten.

2.2.3.1 Agdz Copper-Silver Project, (59.7km^2) Central Morocco

Agdz is the Group's most advanced project in Morocco. It comprises four licence blocks situated in the Anti-Atlas Mountains, approximately 350km south of the capital Rabat and approximately 14km southwest of the Bouskour copper mine which is operated by Moroccan state mining group Managem.

Altus completed three separate work programmes during 2017. These programmes included 275m of reconnaissance trenching at the Makarn and Amzwaro prospects. The programme defined numerous mineralised epithermal structures and multiple alteration and breccia zones within a meta-volcanic sequence. Trench AM-T-09 exposed a series of weathered, highly altered, brecciated and fractured zones in packages over widths of up to 33m and trench AM-T-11 revealed 7.5m of alteration with variable copper oxides mapped over two closely spaced zones. After the year the Group announced that it had mapped 10 parallel hard rock mine workings within a 150m long and 90m wide area of the Minière Prospect.

The next phase of work at Agdz is expected to include a systematic trenching programme across priority targets areas. The Agdz licence is currently pending renewal.

2.2.3.2 Takzim Copper & Zinc Project, (63.4km^2) Central Morocco

The Takzim project comprises four licence blocks located approximately 200km south of the capital Rabat and 35km northeast of Marrakech and 6.5km east of the historic Bir n Hass copper mine. The next phase of work at Takzim is expected to include mapping and prospecting for copper and zinc, targeting a quartz carbonate vein system.

2.2.3.3 Zaer Tungsten & Tin Project, (96km^2) Central Morocco

The Zaer project comprises six licence blocks located approximately 80km south of the capital Rabat. The project is located in the Central Moroccan Hercynian Massif, which contains three large granitic plutons and several buried plutons which have been intruded into a sequence of Ordovician to Devonian aged sediments. The region hosts numerous active and historic mines and development projects for copper, tin, tungsten, lead, zinc and fluorite.

2.2.3.4 Other Morocco licences

After the year end on 26 February 2018, Altus announced that it had relinquished four early stage projects totalling 163km^2 (Oulmes, Ment, Tamatert and Ouarzazate) in Morocco as initial results, did not demonstrate sufficient scale in Altus' view to attract a future joint venture partner.

2.2.4 Ethiopia operations

Altus holds two projects in the Republic of Ethiopia at Tigray-Afar and Daro. Both projects are held by the Company's 100% owned subsidiary Altau Resources Ltd.

2.2.4.1 Tigray-Afar (322km^2) Copper-Silver Project, Northern Ethiopia

The Tigray-Afar project is situated in the Tigray Regional State of northern Ethiopia, approximately 45km north of the regional centre of Mekele, 65km north of Africa's largest wind energy project at Ashegoda and 580 km north of the capital Addis Ababa. The licence targets the prospective Proterozoic volcanic and volcanoclastic terranes that form part of the Arabian Nubian Shield. The shield hosts several substantial deposits in the region including the Bisha and Asmara copper/gold deposits in Eritrea, approximately 250km north of the Tigray-Afar Project, as well as the Sukari gold mine in Egypt and the Jabal Sayid copper project in Saudi Arabia. The project area was selected on the basis of the presence of a major regional shear zone, coincident with locations of anomalous copper occurrences defined by Ethiopian Geological Survey in the 1980s. The project hosts the 'Italian Pit', an 80m long and up to 15m wide historical open pit copper mine, believed to have been worked by the Italians during the 1930s.

In September 2014, Altus announced the signing of a Memorandum of Understanding ("MoU") for a joint venture with Japan Oil, Gas, and Metals National Corporation ("JOGMEC"). The MoU granted JOGMEC the option to acquire an initial 51% interest in the project by funding US$2.5M in expenditures prior to 31 March 2016. With three phases of drilling completed, JOGMEC fulfilled this requirement (having funded in excess of US$3.0M).

In November 2017, JOGMEC notified the Group that the project did not fit its investment criteria and withdrew from the MoU. As a result, the Group retains 100% ownership of and title to the project and to the data generated from the MoU. The Group has since made encouraging discoveries of copper mineralisation at Asagara copper prospect located in the northern portion of the Tigray-Afar licence.

2.2.4.1.1 Slater Prospect (Tigray Afar)

The next phase of work at the Slater prospect is expected to include the re-interpretation of results generated by the MoU and testing of gossanous outcrops that have been mapped by the Group but which have not yet been drill tested.

2.2.4.1.2 Asagara Copper Prospect (Tigray Afar)

Mapping and prospecting during the third quarter of 2017 identified two areas of newly developed artisanal copper workings at the Asagara copper prospect. Groups of up to 50 miners have been reportedly excavating copper oxide mineralisation. Secondary copper sulphide minerals have also been identified in hand specimen.

Geological mapping by the Group at Asagara has identified semi-continuous oxide copper mineralisation over a strike length of 2.0km and along a parallel zone of 0.6km in strike length. The prospect remains open to the north and to the south. The next phase of work at the Asagara prospect is expected to include channel sampling and trenching to determine the true width of mineralisation.

2.2.4.1.3 Agamat Copper-Gold Prospect (Tigray Afar)
The Agamat Cu-Ag-Au prospect is located in the north of the project area and hosts copper mineralisation coincident with axial planar shearing, along fold hinges, which appears to show a general association with specular haematite, pyrite and/or quartz veining proximal to the fold hinges. The Agamat prospect is associated with a significant geophysical 'VTEM' anomaly striking north-south for approximately 5km. To the south of the VTEM anomaly are gossanous outcrops within a tectonised zone up to 60m wide. Visible gold and intense carbonate-silica-pyrite (+/- gold) alteration have been observed within this zone.

The next phase of work at the Agamat prospect is expected to include mapping of the shear zones, with the aim of undertaking a systematic channel sampling programme.

2.2.4.2 Daro (411.7km^2) Copper-Gold Project, Northern Ethiopia
In October 2017 the Group was granted the Daro exploration licence. The project is situated approximately 95km west of the Group's Tigray-Afar Cu-Ag project, 100km northwest of the Tigray state capital of Mekele and 570km north of Ethiopia's capital, Addis Ababa.

Daro targets potential Volcanogenic Massive Sulphide ("VMS") copper and gold deposits. The licence is situated within the Neo-Proterozoic Nakfa Terrane, which hosts a number of significant VMS base metal and gold deposits and mines. These includes Bisha, a polymetallic mine operated by Nevsun Resources Ltd (TSX: NSU) 190km north west of Daro, the Harvest and Adyabo projects, being advanced by East Africa Metals Inc. (TSX-V:EAM) 35km west of Daro and the Asmara project being advanced by Sichuan Road & Bridge Mining Investment Corp Ltd 100km north of Daro.

Historical data compilation of Daro, undertaken by the French governmental Bureau de Recherches Géologiques et Minières (BRGM), has defined a number of marker lithologies and structures that are considered prospective for VMS deposits. These include the presence of bimodal volcanics, extensive chert horizons and associated metasedimentary, metavolcanic, mafic and ultramafic lithologies which conform to an ophiolite complex of ancient oceanic crust and seafloor sediments.

After the year end the Group announced the results of exploration completed at Daro, including the discovery of the Teklil prospect, a 2.5km long and 200m wide target which is open along strike. Teklil hosts a series of alluvial and hard rock gold workings as well as in-situ copper-bearing gossans.

Approximately 4km southwest of Teklil, the Group has discovered the Wedihazo prospect where copper-bearing metasedimentary rocks have been observed discontinuously for approximately 250m and which are up to 15m wide in places.

The Group has completed a 146 stream sediment sample programme which covered approximately 65% of the licence area. Results from this programme have established two key drainages covering 20km^2 and 48km^2 respectively. As part of the stream sediment programme, numerous alluvial gold workings were mapped along a 9.5km section of the Ilawit river.

The next phase of work at Daro is expected to include detailed mapping, soil sampling and ground magnetics across areas prioritised from previous exploration programmes.

2.2.5 Cameroon operations
Altus holds three projects in the Republic of Cameroon. The Laboum gold project is held through the Company's 99% owned subsidiary Auramin Ltd, and the Birsok & Mandoum bauxite and Bikoula & Ndjele iron ore projects are held though the Company's 97.3% owned subsidiary Aluvance Ltd.

2.2.5.1 Laboum Gold Project, (189km²) Northern Cameroon

The Laboum project is located in the north east of Cameroon, approximately 110km southeast of the provincial capital of Garoua which is served by a regional airport, and 600km northeast of the Cameroonian capital, Yaoundé. Year-round access to the licence area is provided by a network of maintained laterite roads.

The project area was selected due to the presence of a major northeast-southwest striking regional shear zone, which in places is 5km wide and coincident with gold anomalies as defined by the BRGM in the 1990s. The geology of the project area comprises highly prospective Birimian metavolcanic and metasedimentary rocks which have been intruded by synkinematic late Pan-African granites. Dilational and fold structures which exist along and within the shear zone are considered to be excellent targets to explore for potentially economic mesothermal gold deposits.

During the year the Group completed a 4,226 sample infill soil sampling programme with samples collected at 50m intervals along 100m spaced lines. The programme follows the completion of a regional soil grid, where 2,200 samples were collected at 100m intervals along 400m spaced lines. A high-resolution 1,028 line kilometre ground magnetics programme was also completed in the year. A number of quartz veins have also been discovered during these surveys.

The results from the exploration programmes completed to date indicate to the Group that gold mineralisation is strongly coincident with major silicified units and shearing in a zone which is approximately 13.5km long zone and up to 5km wide. A number of priority targets have been defined to date, including at the Landou prospect (3.75km strike), the Kalardje prospect (2.5km strike) and the Tapare prospect (7km strike).

The next phase of work at Laboum is expected to include a systematic trenching programme across priority target areas to define drill targets.

2.2.5.2 Birsok (198km²) and Mandoum (174km²) Bauxite Project, Central Cameroon

The Birsok and Mandoum licences are located in the centre of Cameroon, approximately 370km northeast of the capital Yaoundé. An application to renew the Birsok licence for a two year period from 4 December 2016 is currently pending approval by the relevant regulatory authority. In 2013 Aluvance entered into a joint venture with ASX listed Canyon Resources Limited. Canyon can earn up to a 75% interest in the Birsok and Mandoum project through funding A$6M in exploration over five years in two stages.

In 2015 a RC drill programme was carried out across the highest priority target plateaux at Birsok. Seventy five shallow vertical holes were drilled. Preliminary metallurgical studies undertaken by Canyon have indicated abundant free alumina with between 78% to 90% of Al_2O_3 amenable to refining. This, along with the close (<10 km) proximity of the project to the rail line between Ngaoundere and from the Atlantic port at Douala, indicates that the bauxite may be amenable to direct shipping.

As part of the joint venture with Canyon, the Company's non-executive Chairman (David Netherway) serves on the board of and is Chairman of Canyon. Altus currently holds 8,000,000 shares in Canyon which were received as part of the joint venture consideration. During 2017 Canyon continued discussions with the Government of Cameroon inter-departmental committee, to analyse Canyon's proposal to develop a major DSO Bauxite mining and export operation in the country. Canyon has also made progress in assessing a logistics solution to assist in the development of a bauxite mining and DSO export operation.

The next phase of work at Birsok is expected to include drilling to define a maiden mineral resource.

2.2.5.3 Bikoula (200km²) and Ndjele (200km²) Iron Ore Project, Southern Cameroon

The Bikoula licence and contiguous Ndjele licence are located in the south of Cameroon, approximately 150km south of the capital Yaoundé. The project is located on the westerly geological strike of the Nkout iron ore and

160km NW of the Mbalam iron ore deposits. Importantly the licences are located on the road network that links to the deep water port at Kribi and are also approximately 30km from the proposed trans-Cameroon iron ore rail line. Bikoula and Ndjele were originally identified by strong anomalies generated by an airborne magnetic survey which was completed by Aluvance in 2012.

At Bikoula the Group has defined a maiden JORC compliant Inferred Mineral Resource of 46 Mt at 44% Fe (not in accordance with NI43-101), from less than 25% of the 17km long (Libi Hills) target. Forty eight drill holes have been completed to date.

An Environmental and Social Impact Assessment has been completed by Digby Wells Environmental on behalf of the Group, which reported that the surrounding population are supportive of the work undertaken to date and the potential employment and development opportunities.

The next phase of work at Bikoula is expected to include follow up surface sampling to define further drill targets.

2.2.6 Liberia operations

Altus holds two projects in the Republic of Liberia through its 100% owned subsidiary Auramin Ltd. Both projects target Archaean greenstone gold deposits.

2.2.6.1 Bella Yella (640km^2) Gold Project, Western Liberia

The Bella Yella exploration licence is situated 130km east of and along the same Archaean geological trend as the New Liberty gold mine (operated by AIM and TSX listed Avesoro Resources). Bella Yella was selected on the basis of a number of gold bearing drainages, predominantly around the Glubai Hills and Tenkeh Hills prospects.

Reconnaissance exploration by the Group across Bella Yella has identified multiple artisanal gold mining camps, including hard rock and alluvial workings.

The Bella Yella licence is currently pending renewal.

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

In November 2017 the Group was granted the Zolowo exploration licence. Zolowo is situated approximately 25km northeast of the Group’s Bella Yella gold project and 190km northeast of the capital, Monrovia. It was selected based on a comprehensive in-house analysis of available datasets including geological maps, historic mineral occurrences, remote sensing data and satellite imagery. The licence is located on the south-western portion of the West African Craton and contains a significant 33km long northeast-southwest trending Archaean-aged greenstone belt, which forms a prominent ridge that traverses the licence.

After the year end exploration completed by the Group has confirmed the presence of numerous artisanal alluvial gold mining sites at Zolowo. Over 50 separate workings were visited by the Group, all within the central part of the licence area. Of these, 35 were found to be active and the largest extended for approximately 250m. At each working up to 25 artisanal miners were found to be selectively mining gold bearing gravels, often at the boundary between saprolite and bedrock. It was reported that gold has been mined in this way from the Zolowo area since the 1930’s. As part of the reconnaissance programme a number of hard rock samples have been collected for assay.

The next phase of work at Zolowo is expected to include a licence-wide stream sediment survey to define the primary sources of the alluvial gold workings.

2.2.7 Côte d’Ivoire operations

Altus holds one project in the Republic of Côte d’Ivoire and has a further exploration licence application which is pending grant. The Prikro gold project is held through the Group’s 100% owned subsidiary Aeos Gold Ltd.

2.2.7.1 Prikro (369.5km^2) Gold Project, Southwestern Côte d’Ivoire

After the year end in March 2018 the Group was granted the Prikro exploration licence. Prikro is located approximately 240km southeast of the capital Abidjan and is accessible via a series of tracks from the towns of Agnibilekrou and Koun-Fao. The licence was selected due to the presence of highly prospective Birimian aged greenstone geology, an interpreted 10km long fold hinge structure and the existence of artisanal gold workings in the surrounding areas. Many workings reportedly occur along strike of a NE-SW trending shear zone which is interpreted to traverse the licence area. The geology underlying the project predominantly includes Paleoproterozoic metasedimentary and metavolcanic units with associated granitoidal igneous complexes that have intruded along the axis and nose of a regional-scale fold structure.

The next phase of work at Prikro is expected to include prospecting and stream sediment sampling.

2.2.8 Mali operations

Further to the completion in January 2018 of the Arrangement with Legend Gold ("Legend"), which was previously listed on the TSXV Altus holds six projects in the Republic of Mali. The projects are held through the Company's 100% owned subsidiary LGN Holdings (BVI) Inc.

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

The Korali Sud licence hosts the Diba project and is located in the Kayes region approximately 450km northwest of the capital Bamako and approximately 13km southwest of the Sadiola gold mine, which is operated jointly by AngloGold Ashanti (JSE: ANG, NYSE: AU, ASX: AGG), IAMGOLD (TSX: IMG, NYSE: IAG) and the Malian government. Sadiola lies on the Senegal-Malian shear corridor within the world renowned 'Kenieba window'.

The Diba project hosts an historic resource (based on a 0.5 g/t cut off and gold price of US$1,200/oz) of 275,000oz (being 6.34 million tonnes at 1.35 g/t) in the Indicated category and 32,500oz (0.72 million tonnes at 1.40 g/t) in the Inferred category. The resource was prepared for Legend by AMEC Americas Limited in the report entitled "Technical Report and Mineral Resource Estimate Diba Badiazila Gold Property Mali, West Africa", dated June 30, 2013 (Table 1) and filed on SEDAR on 20 September 2013 by Legend. The resource comprises stacked lenses which dip approximately dip 35-40 degrees ESE within the oxide zone.

Table 1: Diba project mineral resource

Category	**Ton (kt)**	**Au Grade (g/t)**	**Au Contained (koz)**
Indicated	6,348	1.35	275.2
Inferred	720	1.40	32.5

Notes: Applying a 0.5g/t cut-off grade and as reported in 2013 NI 43-101 technical report.

Drill results from the Diba prospect as reported by Legend (Table 2) include 12m @ 20.66g/t Au and 32m @ 2.06g/t Au. Given Diba's morphology, the project has a potentially low mining strip ratio with relatively limited overburden and a high proportion of the potential ore is in the oxide zone. Deeper drilling at Diba targeting the sulphide zone has intersected 1.32 g/t over 45m (from 93m). The sulphide zone remains open at depth. The Group has not verified the historic drilling data at the Diba project.

Table 2: Diba project historic drill intersections

Hole ID	From (m)	To (m)	Intersection (m)	Grade (g/t Au)
MIDH07-065	10.0	22.0	12.0	20.66
MIDH06-009	44.0	61.0	17.0	3.25
DBRC-009	93.0	138.0	45.0	1.32
MIDH07-035	16.0	48.0	32.0	2.06
MIDH06-006	18.0	57.0	39.0	1.36
MIDH07-057	32.0	62.0	30.0	2.15

A regional soil sampling programme completed by previous owners of the project on a 500m x 250m (and in places 250m x 100m) grid identified a number of gold in soil anomalies at the Diba project. This programme was completed between 2005 and 2007 and along with subsequent auger programmes, defined a 2.5km x 0.5km anomaly at Diba. Ground induced polarisation (IP), high resolution resistivity and induced polarisation (“HIRIP”) and ground magnetics surveys were completed by Terra Tec between 2006 and 2007 and covered 116 line-km. A follow up 3,543 line-km regional airborne VTEM survey was completed by Geotech Airborne Limited in 2008. Approximately 32,000m of diamond, RC and RAB drilling was reportedly completed by previous licence holders, which included Endeavour Mining Corporation.

Oxide gold mineralisation at Diba is predominantly found in saprolite which is within 50m of surface, across a compact 300m x 400m area drilled to date. The deposit is controlled by a number of NW and NE orientated structures with gold occurring as fine grained disseminations and localised high grade calcite-quartz veinlets. Alteration at Diba is typically albite-hematite+/-pyrite, although pyrite content is generally very low (<1%).

The next phase of work at Diba is expected to include termite mound sampling to define additional prospects for follow up trenching. Re-logging of selected drill core to better define the oxide zone at Diba may also be undertaken.

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

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

The Lakanfla project hosts a significant number of active and historic artisanal gold workings which are coincident with major geochemical and gravity anomalies. These workings surround the Kantela granodiorite intrusion and cover an area of approximately 900m x 500m. Significantly there is evidence of ground collapse at surface, indicative of karst style voids at depth within carbonate rock units. The gold mineralisation at Lakanfla is hosted within breccia zones which cut the granodiorite and surrounding carbonate metasediments.

Historic drilling as reported by Legend has returned encouraging intersections including 9.78g/t Au over 12m and 5.20g/t Au over 16m (Table 3) as well as having intersected voids and unconsolidated sand from 165-171m depth. The Group has not verified the historic drilling data at the Lakanfla project.

Table 3: Lakanfla project historic drill intersections

Hole ID	From (m)	To (m)	Intersection (m)	Grade (g/t Au)
01KRAB-03	12.00	24.00	12.00	9.78
30KRC-19	52.00	90.00	38.00	1.19
04KDD-06	36.00	52.00	16.00	5.20

A soil sampling programme at Lakanfla completed by previous owners of the project on a 500m x 250m (and in places 250m x 100m) grid identified a number of gold in soil anomalies. The programme was undertaken between 2005 and 2007 and along with subsequent auger programmes defined a 1.7km x 1km anomaly.

A HIRIP and ground magnetic survey was completed by Terra Tec between 2006 and 2007. A regional airborne VTEM survey was completed by Geotech Airborne Limited in 2008, with follow up ground gravity geophysics covering an area of $48km^2$. The geophysical surveys have defined a major gravity low on the margins of the granodiorite intrusion and IP signature.

Diamond, RC and RAB drilling has been completed at the Lakanfla project by previous owners of the project. The holes primarily targeted breccia mineralisation within the Kantela granodiorite and associated artisanal workings on the flanks. The low gravity geophysical anomaly and surface slumps features, which are interpreted to be indications of karsts within the limestone and marl units, remain to be drill tested.

The next phase of work at Lakanfla is expected to include drill testing of the karst model. Six priority targets have been identified by Altus for follow up exploration.

2.2.8.3 Djelimangara ($55km^2$) Gold Project, Western Mali

The Djelimangara project is located approximately 3km east of the Diba project. Four priority prospects have been discovered to date at Djelimangara, namely: Sourounkoto, Kamana, Woyanda and Manankoto. These are each characterised by gold in soil anomalies of up to 2.5km in length, coincident with hard rock and / or alluvial artisanal gold workings in fine metasediments.

A regional soil sampling programme at Djelimangara completed by previous owners of the project on a 500m x 250m (and in places 250m x 100m) grid identified a gold in soil anomaly over a NE strike length of 2.7km. The programme was completed between 2005 and 2007 and was subsequently followed up with auger and termite mound sampling. In parallel to these programmes a HIRIP and ground magnetic survey was completed by Terra Tec between 2006 and 2007. A regional airborne VTEM survey was then completed by Geotech Airborne Limited in 2008 followed by a ground gravity survey. Diamond, RC and RAB drilling has been completed at the Djelimangara project and has reportedly returned encouraging intersections including 1.34g/t Au over 30m (Table 4). The Group has not verified the historic drilling data at Djelimangara project.

Table 4: Djelimangara project historic drill intersections

Hole ID	**From (m)**	**To (m)**	**Intersection (m)**	**Grade (g/t Au)**
MDRC05-01	32.00	62.00	30.00	1.34
Including	54.00	62.00	8.00	3.71
MDRC05-27	48.00	66.00	18.00	1.38
Including	58.00	60.00	2.00	10.33
MDRC05-22	30.00	48.00	18.00	1.30
Including	44.00	48.00	4.00	3.55

The next phase of work at the Djelimangara project is expected to include infill termite mound sampling, channel sampling of artisanal workings, trenching and infill auger sampling. The programme will aim to generate a number of priority drill targets.

2.2.8.4 Sebessounkoto Sud ($28.5km^2$) Gold Project, Western Mali

The Sebessounkoto Sud project is located approximately 15km south east of the Diba project and hosts a 2.7km long gold in soil anomaly as well as a number of active and historic artisanal workings which are up to 150m long and 40m deep. Trenching results, undertaken by LSE listed Randgold Resources (LSE: RRS), which had a joint venture with Legend Gold Corp on the project, reportedly returned up to 0.68g/t Au over 61.4m. The joint venture between Legend and Randgold ended in 2016. A regional soil sampling programme completed by previous owners of the project on a 500m x 250m (and in places 250m x 100m) grid identified a number of gold in soil anomalies at Sebessounkoto Sud. The programme was completed between 2005 and 2007 and along with subsequent auger programmes and termite mound sampling a 2.7km long northeast striking anomaly has been defined.

In parallel to these programmes a HIRIP and ground magnetic survey was completed by Terra Tec between 2006 and 2007. A regional airborne VTEM survey was then completed by Geotech Airborne Limited in 2008 followed by a ground gravity survey.

After the end of the year the Group announced results from mapping and prospecting as well as the investigating of recently opened artisanal workings. Spoil (waste material) and termite mound sampling has defined the 2.3km long Soa gold prospect. The Group also recorded numerous and often interlinked vertical shafts as well as open pits excavations, the largest of which measured approximately 150m long and 40m deep. Artisanal mining was observed to focus on saprolite along a NNE striking, near vertical to shallow west dipping, brittle-ductile shear zone. The activity has exposed multiple alteration zones typically associated with shallow dipping en-echelon shear zones and stockworks, comprised of ‘smoky quartz’. Separately a review of the historic VTEM data has identified an approximately 6.3km long NNE striking anomaly roughly 850m west of and parallel to the Soa prospect.

The next phase of work at Sebessounkoto Sud is expected to include trenching and auguring, in addition to further surface mapping and sampling along the geophysical target.

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

The Tabakorole project is located in southern Mali, approximately 280km south of the capital Bamako. The project sits on the Massagui Belt which hosts the Morila gold mine operated by Randgold Resources Ltd. Exploration to date has identified a 2.7km long shear zone which is up to 200m wide. Historic drilling as reported by Legend has returned encouraging intersections including 2.02g/t Au over 18m (Table 5).

Table 5: Tabakarole project historic drill intersections

Hole ID	**From (m)**	**To (m)**	**Intersection (m)**	**Grade (g/t Au)**
14TKRC02	9.00	27.00	18.00	2.02
14TKRC03A	0.00	29.00	29.00	1.25
14TKRC04	0.00	35.00	35.00	1.22
14TKRC10	4.00	20.00	16.00	1.85

A regional soil sampling programme completed on a 500m x 100m grid defined a strong gold in soil anomaly at Tabakorole. The programme was completed by BHP in the early 1990s. Since 2003 a total of 28,912m of diamond, 31,943m of RC, 6,577m of auger and 60,676m of air core drilling have reportedly been completed in addition to 1,400 line-km of airborne geophysics. A more recent 14 hole RC infill drilling program (totalling 741m) has reportedly been completed. The Group has not verified the historic drilling data at the Tabakarole project.

The next phase of work at Tabakorole is expected to include scoping studies and resource definition drilling.

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

The Pitiangoma Est project is subject to a joint venture with ASX listed Resolute Mining Limited (“Resolute”). The project is located on the Syama shear zone in southern Mali, approximately 300km southeast of the capital Bamako. The project is 15km south of the Tabakoroni deposit and approximately 40km south of the Syama gold mine; both owned by Resolute.

Resolute have the right to earn up to a 70% interest in the Pitiangoma Est project by funding US$3M in exploration and completing a feasibility study. Thereafter Altus may elect to co-fund its 30% interest on a pro rata basis, or exchange its interest for a 2% Net Smelter Royalty.

Prior to the joint venture with Resolute, exploration included regolith sampling (6,930 soil and 1,230 auger samples), lithological mapping, airborne geophysics (VTEM), BLEG stream sediment sampling and RC drilling (2,160m) as well as diamond drilling (6,450m). These work programmes were completed by Endeavour, prior to the project being acquired by Legend Gold.

Resolute has reportedly completed 110 air core drill holes for a total of 4,869m and a gradient array IP survey focussed on the Misseni Prospect and this has reportedly been followed up by a 7 hole (3,167m) RC drilling programme in 2017. The Group has not verified the historic drilling data at the Pitiangoma Est project.

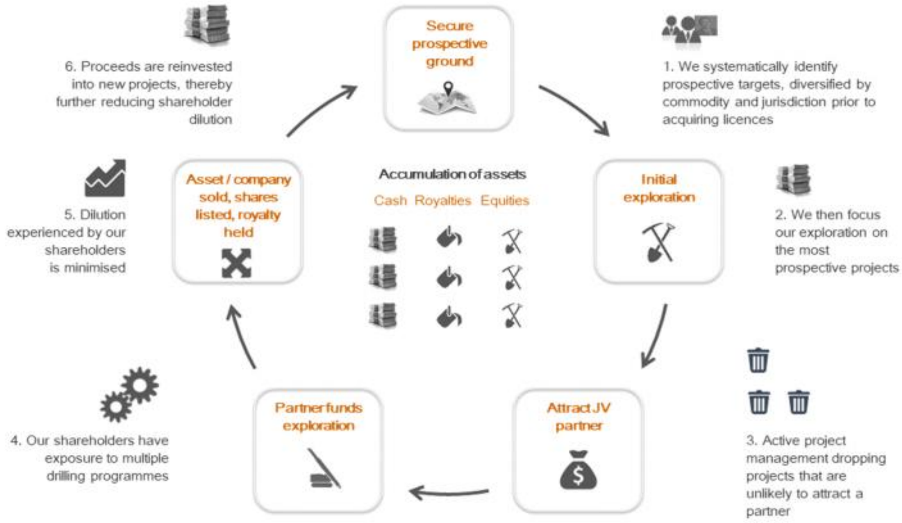
The next phase of work at Pitiangoma Est is expected to include exploration and resource definition drilling.

Note on historical information:
Any references made in this report to historical information, including historical geologic and technical information cannot be verified. A Qualified Person has not verified the sampling, analytical, and test data underlying any such historical information. The Company has obtained historical information from sources that it believes to be reliable and assumes it is accurate and complete in all material aspects. While the Company has carefully reviewed the available historical information, it cannot guarantee its accuracy and completeness. The forward looking information and statements included in this announcement are expressly qualified by this cautionary statement and are based on the beliefs, estimates and opinions of the Company on the date of this announcement. Except as required by securities laws the Company does not undertake any obligation to publicly update or revise any forward looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

2.3 Our ‘Project Generator’ strategy
Altus is a Project Generator focused on Africa. Our business model is to cost-efficiently explore multiple projects simultaneously, prior to entering into joint ventures with suitably qualified third parties who fund the next phases of exploration, often under the stewardship of our technical team, in return for an equity interest in each discovery. Our focus from the outset is on how we will ultimately exit each opportunity. We aim to create value by minimising shareholder dilution, outsourcing risks, monetising returns and maintaining upside exposure to a diversified and growing portfolio of high quality project interests.

2.3.1 Generating projects and creating value
Our strategic objective is to generate multiple returns on capital through the discovery, acquisition, development and monetisation of a diversified portfolio of mineral deposits in Africa. Our mission is in the first part to build a portfolio of valuable assets during downturns, through discovery and acquisition, as this is when the cost of doing so is at its lowest. In the second part we seek to monetise our assets through project sales, royalty income and equity divestments in the subsequent cyclical upswings.

The project generator model:

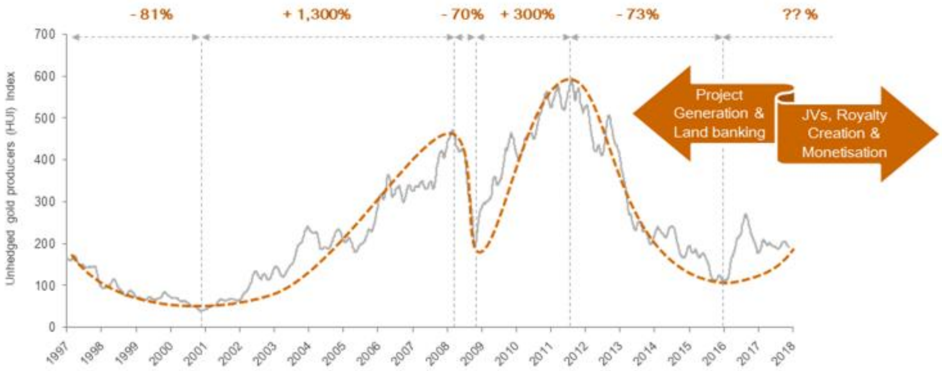


Our team identifies prospective geological targets from the systematic analysis of remote sensing data. We then secure mineral exploration licences over areas of interest, where available and undertake preliminary prospecting. Our projects are prioritised based on their apparent potential to host an economic ore body. Where this is interpreted to be unlikely, we relinquish the licences to protect capital and save time. When a potential economic discovery has been made we seek joint venture partners to fund what we consider to be the highest risk phases of exploration, which include drilling and resource definition, in return for an equity interest in the individual projects. Altus prefers to provide technical and managerial support in the early stages where appropriate. This approach is designed to provide the upside optionality of multiple juniors, with the efficiency of a single management team, who have the necessary proven track record and the expertise to capitalise on early stage opportunities. With a strategy of financing and diluting at the project level through JVs, the Company is also less reliant on the benevolence of the capital markets for funding.

2.3.2 Embracing the cyclical nature of the mining sector

The mining sector is notoriously cyclical, with sentiment swinging from irrational exuberance to short sighted despair. The extreme phases lead to assets being severely mispriced and Altus embraces this opportunity. This characteristic is due in a large part to the significant time-lag for current resource demand to be met by new production coming on stream. Tightening supply causes metal prices to rise. Capital is raised to develop new assets, or expand existing ones. An inevitable consequence is over supply. As prices fall, the book value of assets is written down and mines are high graded or mothballed. Investment capital evaporates or becomes prohibitively expensive and our industry shrinks in value and head count as the focus switches to remaining profitable, or simply surviving.

The cyclical nature of the mining sector:

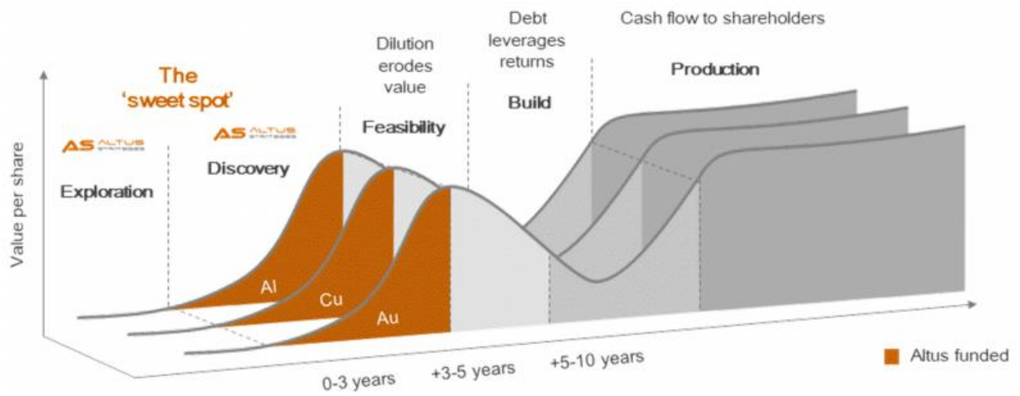


2.3.3 Optimising the risk/return ratio

Investors are rightly wary of the seemingly speculative ‘all or nothing’ risk / return profile of the exploration sector. Perhaps the greatest risk faced by an exploration company is the failure to make a commercial discovery. Success is often simply geared to improving commodity prices and the outcomes of relatively high-risk drilling programmes. The potentially phenomenal returns that can be generated from making an economic discovery broadly reflect the chances of doing so. For each success there are perhaps a thousand or more projects that fail to ‘make the grade’ and in so doing generate a ‘negative return’ for their investors.

A second risk faced by investors in junior resource companies is the potential for an over-reliance on capital markets to finance exploration. This can result in a high cost of capital and excessive dilution, meaning shareholders may end up owning a significantly smaller stake in their company’s assets than is warranted for the risks they have taken on.

Focused on the ‘Sweet Spot’:



A further and by no means final risk is that an exploration company can become over reliant on one or two assets. As such investors can face a concentration of their capital in one specific commodity, jurisdiction or management objective. Without the strategic latitude or financial means to explore them, potentially transformational opportunities may never be recognised or seized. Moreover, being wedded to one or two projects can make companies more resistant to rejecting poor quality projects at the earliest possible opportunity.

Our ‘Project Generator’ strategy aims as far as is possible to mitigate or franchise these risks with our partners, while maintain exposure to the significant upside from the definition of an economic mineral discovery.

2.3.4 Entering joint venture partnerships

We recognise that our strength and passion is in mineral exploration. Altus is not seeking to become a mining company. Although mining can be profitable, we believe the highest returns on capital are achieved during the discovery process. As such we pro-actively seek joint venture partnerships with larger mining or specialist investment groups who have the balance sheet and technical expertise to advance our discoveries toward, and where achievable into, production. In return they have the opportunity to earn a majority interest in each respective project. If a project is successful, Altus can typically elect to co-fund or dilute as it progresses through feasibility studies and mine development. We also have the flexibility to consider selling some or all of a project for cash, equity, future production royalties or a mix of these.

This approach to financing exploration helps to reduce our general and administrative expenditure and minimises the dilution incurred at the parent company level. Critically it means that we are free to go on and make new discoveries elsewhere.

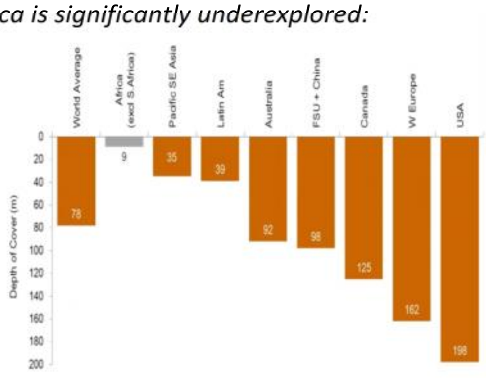
2.3.5 Our focus on Africa

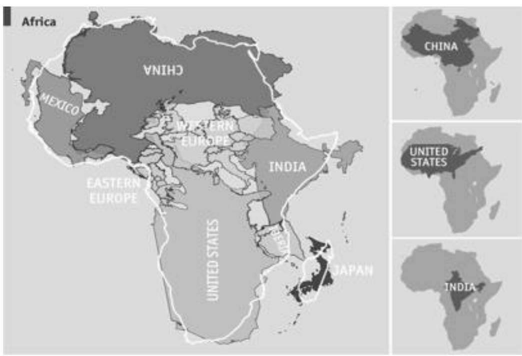
Altus is focused on the continent of Africa where, due to the relative lack of exploration using modern techniques compared to many other parts of the world, economic mineral deposits can still be discovered cropping out at surface. It is reported that 24% of all discoveries in the last decade were found on the continent, despite receiving only 14% of the global exploration budget (source: MinEx Consulting 2015). Deposits in Africa (excluding South Africa) are being discovered at average depths of just 9m which is much shallower than the average global depth of 78m. In Canada and the USA the average discovery depths are even greater, at 125m and 198m respectively.

This opportunity to make discoveries across Africa without reliance on expensive subsurface exploration technologies, including drilling, means discoveries can be made rapidly and cost effectively at surface with more targets tested per dollar invested by the Company. Our shareholder's capital can potentially be used to generate more value and at greater speed if applied to exploration in Africa, than it might in many other parts of the world.

Given the collective geographical, geological and operational expertise of our management and advisor team in Africa, we believe Altus is well positioned to exploit this opportunity.

Africa is significantly underexplored:





2.3.6 Our diversified portfolio

Altus has established a portfolio of 17 precious (gold and silver) and base (copper, tungsten, aluminium and iron ore) metals exploration assets across 6 African countries (Morocco, Mali, Ethiopia, Cameroon, Liberia and Côte d'Ivoire). The Group has 2 active joint venture partners, both of which are listed on the Australian stock exchange, namely Resolute Mining Ltd and Canyon Resources Ltd. Our diversification ensures that our shareholders are not over exposed to any one asset, commodity or jurisdiction, but that they are exposed to many more projects and opportunities than is typical when investing in a junior exploration company. Our exploration teams are actively generating new opportunities to feed into the Group's project pipeline.

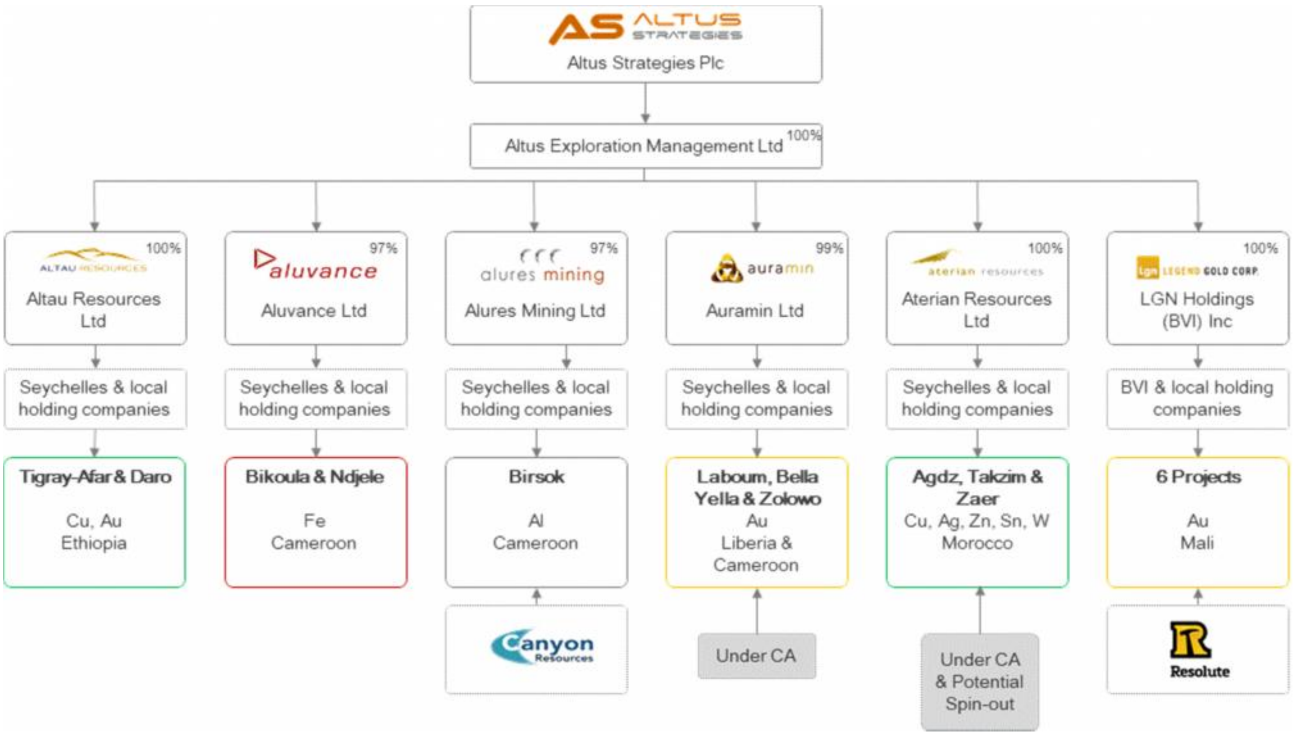
2.3.7 Our alignment of interests

Our team have a proven ability for managing multiple exploration programmes under one cost-effective corporate umbrella. In addition to this expertise, approximately 35% of the Company's shares are held by its board and management team. In backing Altus, our shareholders are putting their money alongside that of the key decision makers.

2.3.8 Our 'deal ready' structure

Sitting below Altus are six subsidiaries, below which sit a series of intermediary subsidiaries mainly Seychelles-based. Our corporate structure is purposefully tailored to segregate the Group along commodity and/or geographical lines. The legal segregation ensures each of our projects is able to enter agreements with and receive investment from joint venture partners, or participate in other corporate activities, without impacting on any other part of the Group.

Simplified corporate structure:



2.3.9 Summary

Our business model aims to position its shareholders in the 'sweet spot' of the mining sector. We seek to maximise the exposure our shareholders have to the potentially exceptional value creation that can be generated from the resource discovery process.

We consider the following to be the key benefits from operating as a 'Project Generator':

- participating in the potential value creation from making multiple discoveries simultaneously;
- minimising the dilution of the Company's share capital by securing joint venture finance at the project level;
- farming-out the capital at risk on any one individual project;
- maintaining upside exposure to value creation by retaining co-funding rights;
- continuously seeking to grow the Group's portfolio;
- diversifying the ubiquitous technical, commodity, country and management risks;
- generating income through joint venture payments, asset sales, and royalty streams; and

- aligning the interests of the Company's management with those of its shareholders.

Altus will continue to be opportunistic, leveraging its geographical, commercial and technical expertise to grow a balanced portfolio of projects across Africa, through grassroots licence applications and the acquisition of, or investment in, selected projects or project interests. We intend to monetise our project interests when appropriate, with the proceeds being returned to our shareholders or re-invested primarily into the generation of new projects.

2.4 Principal Risks and Uncertainties

The management of the Company and of its subsidiaries (together the "Group") and the execution of the Group's strategy are subject to a number of risks. The principal business risks affecting the Group are set out below. Risks are formally reviewed by the Board, and appropriate processes are put in place to monitor and mitigate them. If more than one event occurs, it is possible that the overall effect of such events would compound the possible adverse effects on the Group.

2.4.1.1 Environmental

The environmental impact of the Group to date is largely limited to drilling activities associated with mineral exploration. The ultimate development of any project will inevitably impact on the local landscape and communities. While the Group believes that its operations and future projects are currently, and will be, in compliance with all relevant material environmental and health and safety laws and regulations, there can be no assurance that new laws and regulations, or amendments to, or stringent enforcement of, existing laws and regulations will not be introduced.

2.4.1.2 Exploration and mining

Whilst the Directors endeavour to apply what they consider to be the latest technology to assess potential projects, the business of exploration for and identification of minerals and metals is speculative and involves a high degree of risk. The mineral and metal deposits of any projects discovered or acquired by the Group may not contain economically recoverable volumes of minerals, base metals or precious metals of sufficient quality or quantity. Even if there are economically recoverable deposits, delays in the construction and commissioning of mining projects or other technical difficulties may make the deposits difficult to exploit.

At every stage of the exploration process the Group's projects are rigorously reviewed, both internally and by qualified third-party consultants to determine if the results justify the next stage of exploration expenditure, ensuring that funds are only applied to high priority targets.

The exploration and development of any project may be disrupted, damaged or delayed by a variety of risks and hazards which are beyond the control of the Group. These include (without limitation) geological, geotechnical and seismic factors, environmental hazards, technical failures, adverse weather conditions, acts of God and government regulations or delays.

2.4.1.3 Operational

Exploration is also subject to general industrial operating risks, such as equipment failure, explosions, fires and industrial accidents, which may result in potential delays or liabilities, loss of life, injury, environmental damage, damage to or destruction of property and regulatory investigations. The Group may also be liable for the mining activities of previous miners and previous exploration works. Although the Group intends, either itself directly or through its operators, to maintain insurance in accordance with industry practice, no assurance can be given that the Group or the operator of an exploration project will be able to obtain insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims. The Group may elect not to become insured because of high premium costs or may incur a liability to third parties (in excess of any insurance cover) arising from pollution or other damage or injury.
The principal assets of the Group, comprising the mineral exploration licences, are subject to certain financial and

legal commitments. If these commitments are not fulfilled these licences could be revoked. The Group closely monitors on an ongoing basis its commitments and the expiry terms of all licenses in order to ensure good title is maintained.

2.4.1.4 Reserve and resource estimates

The Group's future reported reserves and resources are only estimates. No assurance can be given that the estimated reserves and resources will be recovered or that they will be recovered at the rates estimated. Mineral and metal reserve and resource estimates are based on limited sampling and, consequently, are uncertain because the samples may not be representative. Mineral and metal reserve and resource estimates may require revision (either up or down) based on actual production experience.

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

2.4.1.5 Volatility of gold, copper and other commodity prices

Historically, commodity prices (including in particular the price of gold and copper) have fluctuated and are affected by numerous factors beyond the Group's control, including global demand and supply, international economic trends, currency exchange fluctuations, expectations for inflation, speculative activity, consumption patterns and global or regional political events. The aggregate effect of these factors is impossible to predict. Fluctuations in commodity prices, over the long term, may adversely impact the returns of the Group's exploration projects.

A significant reduction in global demand for gold, copper or other metals and minerals, could lead to a significant fall in the value of the Group's exploration assets and the cash flow from any production, or even result in the abandonment of a project should it prove uneconomical to develop. This may have a material adverse impact on the operating results and financial condition of the Group.

2.4.1.6 Financing

The successful exploration and development of natural resources on any project will require significant capital investment. The company intends to secure this capital by bringing in joint venture partnerships including established mining groups and investors, and through the issue of additional equity capital in the Company. The Group's ability to attract joint venture partners or to raise further funds will depend on the success of their exploration programmes and broader market conditions. The Group may not be successful in procuring the requisite funds on terms which are acceptable to it (or at all) and, if such funding is unavailable, the Group may be required to reduce its level of exploration activity and divest or relinquish its assets.

2.4.1.7 Political, economic and regulatory regime

The exploration licences and operations of the Group are in jurisdictions outside the United Kingdom and accordingly there will be a number of risks which the Group will be unable to control. Whilst the Group will make every effort to ensure it has robust commercial agreements covering its activities, there is a risk that the Group's activities will be adversely affected by economic and political factors such as the imposition of additional taxes and charges, cancellation or suspension of licences and changes to the laws governing mineral exploration and operations.

The Group's activities will be dependent upon the grant of appropriate licences, concessions, leases, permits, and regulatory consents that may be withdrawn or made subject to limitations. There can be no assurance that they will be granted or renewed or if so, on what terms. There is also the possibility that the terms of any licence may be changed other than as represented or expected. The countries where the Group currently operates, offer relatively stable political frameworks and actively supports foreign investment.

2.4.1.8 Dependence on key personnel

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

2.5 Financial Review

The Company was incorporated on 28 April 2017. The share for share transaction has been treated as a group reconstruction and accordingly the financial information for the current and comparative year has been presented as if Altus Exploration Management Limited (formerly Altus Strategies Limited) had been owned by Altus Strategies plc throughout the current and prior year. The comparative figures for prior years represent the Group as if there had been no change in control.

The Group is not yet producing minerals and so has no income other than bank interest and management fees arising from joint venture partnerships. Consequently, the Group is not expected to report profits until it disposes of or is able to profitably develop or otherwise turn to account its exploration and development projects.

2.5.1 Loss for the year

The Group recorded a loss for the year of £1,862,805 (2016: loss of £653,666). The Group is currently involved in exploration and evaluation activities and is not actively mining. As a result, the Group is not revenue generative.

2.5.2 Cash and cash equivalents

At 31 December 2017, the Group had cash and cash equivalents of £523,344 (2016: £415,914). The Directors have prepared cash flow forecasts for the 12 months from the date of signing of these Financial Statements. The Directors have formed a judgement at the time of approving the Financial Statements that there is a reasonable expectation that the Company and Group have adequate resources to continue operations for the foreseeable future. For this reason, the Directors continue to adopt the going concern basis in preparing the Financial Statements. Further details of the Directors' conclusions regarding going concern are detailed in note 1.3 to the Financial Statements. The Directors do not recommend payment of a dividend (2016: £Nil).

2.5.3 Exploration Assets

	2017	2016
Capitalised as intangible assets during the year	£46,235	£15,371
Carrying amount at 31 December	£151,875	£105,640

Due to the preliminary nature of the exploration activities carried out by the Group, expenditure on exploration activities is not all capitalised, with the exception of mineral licence fees. The Group acquired new licences in 2017 at Daro and Zolowo, and renewed its licences at Bikoula, Laboum and Tigray-Afar.

2.5.4 Joint Venture Income

During 2017 at total of £401,228 (2016: £455,530) was received from the Group's joint venture partners in reimbursement of exploration expenditures incurred by the Company. This figure comprised £338,155 from Japan Oil, Gas and Metals National Corporation ("JOGMEC") and £62,073 from Canyon Resources Ltd.

2.5.5 Financial Key Performance Indicators

The principal financial key performance indicators ('KPIs') monitored by the Board concern levels and usage of cash. The four main financial KPIs for the Group that allow it to monitor costs and plan future exploration and development activities and are as follows:

	2017	**2016**
Cash and cash equivalents	£523,344	£415,914
General and administrative expenses as a percentage of total assets	108%	74%
Exploration and development costs as a percentage of total operating costs	30%	50%
Capitalised as intangible assets during the year	£46,235	£15,371

KPI's are not GAAP measurements and are not intended to be a substitute for these measures. The KPI's used by the Group may not be the same as those used by other companies and so should not be used as such.

General and administrative expenses as a percentage of total assets have increased, in light of the reduction of outstanding trade receivables due to the end of the joint venture with JOGMEC.

The Group aims to maximise its outlay on exploration and development costs expenses as a percentage of total operating costs. Exploration and development costs as a percentage of total operating costs have decreased, in light of increased legal and professional costs with respect to the listing on the AIM and enhanced employee remuneration.

Exploration costs capitalised as intangible relate to acquisition of mineral licences during 2017 and have increased, in light of expansion of the portfolio of licences and renewal of existing licences.

2.5.6 Non-Financial Key Performance Indicators

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

- Operational Performance: The Company made good progress with its exploration programmes through the year with a number of new discoveries being made and existing targets being defined in more detail.
- Project related KPI's which are evaluated include:
  - Exploration expenditure by project
  - Acquisition of new project areas

2.5.7 Fundraising

On the 10 August 2017 a total of 11,100,000 new Ordinary Shares of 1p each were issued through a private placement and subscription agreement at an issue price of £0.10 per share to raise £1,100,000 before expenses. The placement and subscription were undertaken in conjunction with the listing of the Company's entire then issued share capital on the Alternative Investment Market of the London Stock Exchange. After the year end the Company completed a non-brokered private placement offering of units ("Units") at an issue price of C$0.15 / £0.0846 per Unit to raise C$4,108,742 / £2,300,690. Each Unit was comprised of one Ordinary Share and one Ordinary Share purchase warrant of Altus ("Warrant") exercisable to purchase one Ordinary Share for five years at an exercise price of C$0.30.

By order of the Board

Mr S Poulton
Director
30 April 2018

2.6.1 Sustainability

Altus is committed to conducting its business activities in a manner which promotes sustainable development and creates an improvement in the social welfare of each of the regions in which it operates. We strive continuously to limit the impact of our activities on the natural environment and the surrounding communities. It is a fundamental policy of the Group that all business will be conducted responsibly and, in a manner, designed to protect our staff, the community and the environment by creating a safe and healthy work environment.

2.6.2 Local communities

Altus is proud of the positive impacts it has on the local communities where it operates. While many of the areas where the Group operates are relatively remote, where possible the Group seeks to employ and train members of the local community in order that they can participate socially as well as economically in our exploration activities. The Group seeks to employ technicians and geologists from the countries in which it has operations. Where possible the Group seeks to develop affiliations to the geological departments within the universities of these countries.

2.6.3 Environmental

Altus is sensitive to the environment in which it works and therefore undertakes its exploration activities in a manner that minimises or eliminates negative environmental impacts and maximises positive impacts of an environmental nature. Altus is a mineral explorer and developer, not a mining company. Hence, the environmental impact associated with its activities is minimal. To ensure proper environmental stewardship on its projects, Altus ensures that all areas it explores are properly maintained, conserved and rehabilitated.

2.6.4 Human rights

Altus is committed to best-practice in socially and morally responsible exploration and in the development of mineral resources for the benefit of all stakeholders. The activities of the Group are in line with applicable laws on human rights.

2.6.5 Health & Safety

The Group operates a comprehensive health and safety programme to ensure the wellness and security of its employees. The control and eventual elimination of all work-related hazards requires a dedicated team effort involving the active participation of all employees. A comprehensive health and safety programme is the primary means for delivering best practices in health and safety management. This programme is regularly updated to incorporate employee suggestions, lessons learned from past incidents and new guidelines related to new projects with the aim of identifying areas for further improvement of health and safety management. This results in continuous improvement of the health and safety programme. Employee involvement is recognised as fundamental in recognising and reporting unsafe conditions and avoiding events that may result in injuries and accidents.

2.7 Directors, Senior Management and Advisors

As at 31 December 2017, the Board of Directors comprised four members: two Executive Directors and two Non-Executive Directors including the Chairman, Mr David Netherway. Subsequent to the end of the year on 30 January 2018 Mr Michael Winn was appointed as a Non-Executive Director. The Directors have a wealth of minerals exploration and financial experience.

2.7.1 Directors

David G. Netherway B.E. (Mining), C.Dip.A.F FAusIMM FIMMM
Non-Executive Chairman**
Mr Netherway is a mining engineer with over 40 years of experience in the mining industry. David was involved in the construction and development of the New Liberty, Iduapriem, Siguiri, Samira Hill and Kiniero gold mines in West Africa and has mining experience in Africa, Australia, China, Canada, India and the Former Soviet Union.

David served as the CEO of Shield Mining until its takeover by Gryphon Minerals, prior to that he was the CEO of Toronto listed Afcan Mining Corporation, a China focused gold mining company that was sold to Eldorado Gold in 2005. He was also the Chairman of Afferro Mining which was acquired by IMIC in 2013. David has held senior management positions in a number of mining companies including Golden Shamrock Mines, Ashanti Goldfields and Semafo Inc. He is a former director of Altus Resource Capital and Altus Global Gold. Mr Netherway is currently the non-executive Chairman of Kilo Goldmines [TSX: KGL] and of Canyon Resources [ASX: CAY] which is Altus' partner in the Birsok and Mandoum Project and he is a non-executive director of Avesoro Resources (formerly Aureus Mining) [TSX/AIM: ASO] and of Kore Potash plc [ASX, AIM & JSE: KP2].

Steven J. Poulton BSc. (Hons.), MSc. MCSM FGS FIMMM
Director and Chief Executive Officer
Mr Poulton is the Chief Executive and co-founder of Altus Strategies and a director of its exploration subsidiaries. He holds an Honours degree in Geology from Southampton University and a Master's degree in Mining Geology from the Camborne School of Mines. Steven started his career with Mano River Resources in 1998, rising to Operations Manager and latterly director in 2007. In 2002 he co-founded Ariana Resources which listed on AIM in 2005 [AIM: AAU]. In 2004 he founded and was interim Chairman of African Aura Resources which listed on the TSX-V in 2008 and which through its merger with Mano River in 2009 created African Aura Mining. In 2011 African Aura Mining was divested into Afferro Mining which was acquired by IMIC in 2013 and gold producer Avesoro Resources (formerly Aureus Mining) [TSX/AIM: ASO]. He was a non-executive director of West African diamond development company Stellar Diamonds from 2007. Stellar listed on AIM by way of a reverse takeover of West African Diamonds in 2010 and was acquired by Newfield Resources [ASX:NWF] in 2018. In 2008 Altus co-founded and Steven was joint Investment Manager to Altus Resource Capital, a five year closed-ended and long-only investment fund focused on junior resource equities. Altus Resource Capital listed on the LSE in 2009 and by 2011 had approximately US$150m of assets under management. He is a director of Aegis Holdings and a co-founder of industry networking groups The Oxford Mining Club and Resource IQ. He is a Fellow of the Geological Society of London, a Fellow of the Institute of Materials, Minerals and Mining and a member of the Association of Mining Analysts.

Matthew R. Grainger BSc. MSc. MCSM
Director and Executive Director
Mr Grainger is an Executive Director and co-founder of Altus Strategies and a director of its exploration subsidiaries. He holds an Honours degree in Earth Science from Anglia Ruskin University and a Master's degree in Mining Geology from the Camborne School of Mines. Matthew joined Cambridge Mineral Resources in 1999 and in 2002 he co-founded Ariana Resources which listed on AIM in 2005 [AIM: AAU]. In 2006 he joined African Aura Resources as Chief Operating Officer which listed on the TSX-V in 2008 and, through its merger with Mano River in 2009, created African Aura Mining, which in 2011 was divested into Afferro Mining which was acquired by IMIC in 2013 and gold producer Avesoro Resources (formerly Aureus Mining) [TSX/AIM: ASO]. Matthew is a director of Aegis Holdings and a co-founder of industry networking groups The Oxford Mining Club and Resource IQ.

Robert B. Milroy BCom. (Hons)
Non-Executive Director**
Mr Milroy is Chairman of Milroy Capital Ltd a family investment company that manages various private equity investments in natural resources, engineering, renewable energy and commercial real estate. He has over 40 years of operational experience either as an owner or senior manager in the investment, mining and petroleum industries. He was a founding and Managing Director of the Corazon Capital Group; a Guernsey regulated investment management and stockbroking company for 14 years until its takeover by Canaccord Genuity in 2010. In addition, he was the Managing Director of Eagle Drilling, a drilling firm that specialised in hard rock core drilling in Central and Western Africa. Currently he is a Non-Executive Director of the Energy Venture Funds III, IV, V, Chairman of the Zeropex Group Ltd a water engineering firm. Previously he was a Non-Executive Director of Altus Resource Capital, Altus Global Gold and Genuity Energy a UK onshore oil and gas exploration firm. Robert is also a noted speaker and financial author, having written the Standard & Poor's Guides to Offshore Investment Funds. Robert graduated with a Bachelor of Commerce (Honours) from the University of Manitoba in 1971. He is a

Member of the Association of Mining Analysts, Chartered Institute for Securities & Investment, Petroleum Exploration Society of Great Britain and Institute of Directors.

Michael D. Winn
Non-Executive Director**
Mr Winn was the Chairman and CEO at Legend Gold Corp. a TSX-V listed company which was acquired by Altus in January 2018. Michael is President of Seabord Capital Corp. which provides investment analysis and financial services to companies operating in the energy and mining sectors. Michael is also President of Seabord Services Corp., a Canadian company providing management and regulatory services to private & public mining companies. He worked as an analyst for Global Resource Investments Ltd. from 1993 to 1997 where he specialized in the evaluation of emerging oil and gas and mining companies, and has worked in the oil and gas industry since 1983 and the mining industry since 1992. Michael is currently a director and officer of several TSX-V and NYSE listed companies operating in Canada, Latin America, Europe and Africa. He holds a B.S. in Geology from the University of Southern California.

** Denotes member of the Company’s Audit Committee and Remuneration Committee

2.7.2 Chief Financial Officer

David Miles BSc. CPA, CA
Chief Financial Officer
Mr Miles is a Chartered Professional Accountant with a BSc in Geology who has over 20 years’ experience in a large multinational corporate environment, primarily with Cominco Ltd. While with Cominco, he held various positions in corporate finance including Exploration Controller, responsible for the financial reporting of the corporation's eight international exploration subsidiaries as well as reporting for Canadian based exploration. From 2002 to 2004, David was the corporate controller for Quest Capital Corp. (formerly Viceroy Resource Corporation). David is currently the CFO of TSX-V listed Lara Exploration Ltd. and was formerly the CFO of Legend Gold Corp. a TSX-V listed company which was acquired by Altus in January 2018. David was also formerly the CFO at the following TSX-V listed companies: Reservoir Minerals Inc. Revelo Resources Corp., Colombian Mines Corporation, Esperanza Resources Corp., Nevgold Resource Corp., Inca Pacific Resources Corp, Eurasian Minerals Inc., Sanu Resources Ltd., Prospector Consolidated Resources Inc., Standard Uranium Inc. and Alexco Resource Corp.

2.7.3 Strategic Advisers

Guy E. M. Pas BA. (Hons.)
Strategic Adviser
Mr Pas held the position of VP at Chase Manhattan bank between 1973 and 1983. In 1984 he joined the oil trading community and in 1987 co-founded the Addax & Oryx Group, an Africa-based oil production and trading group. In 1988 he co-founded, and was chairman of Samax Resources, a company that discovered several economic gold deposits in Tanzania and in 1998 was acquired by Ashanti Goldfields for US$130M. In 1995 he was founder of Mano River Resources a West African gold, diamond and iron ore business which merged with African Aura Resources. He was a director of African Aura Mining and its successor firm Afferro Mining. Afferro was sold to IMIC plc for £126m/$200M in December 2013. Among other projects that Guy Pas was a founder or strategic investor in are Stellar Diamonds, Oxus Resources, Siberian Diamonds, Afren, Ovoca Gold, Advance Gold, GAIA Resource Fund, Eastbound Resources and Thriai Capital Advisors Ltd. He has a degree in Applied Economics from HHS Antwerp since part of KU-Leuven, Belgium.

Dr. Demetrius Pohl B.A. Hons, M.Sc. Ph.D MAIPG
Strategic Advisor
Dr Pohl is a consulting economic geologist who began his career in the West Australian nickel fields where he is credited with discovering the Dordie North nickel deposit for Anaconda Mining Inc. Since then Demetrius has worked for several major mining companies, including Esso Minerals, Chevron and BHP Billiton Ltd. in Australia,

South America, and Africa where he was responsible for project generation, primarily for gold but also for base-metals. Demetrius was involved in the early identification and development of the Syama, Sadiola and Morila gold mines in Mali, Golden Pride in Tanzania, Essakan in Burkina Faso and Tongon in Côte d'Ivoire. He started a private exploration company, Sanu Resources Inc., in 1997, which went public in 2003 and in 2006 discovered the 30Mt Hambok massive sulphide copper zinc deposit in Eritrea. In 2008 Sanu was merged into NGEx Resources Inc., a Lundin Mining Corporation group company. Demetrius became VP Exploration of Corado Capital Corp, an exploration company spun out of NGEx in 2012. Corado was subsequently merged with Legend Gold Corp. in 2013 where he became VP Exploration. Legend was then acquired by Altus in January 2018. Demetrius is currently a director of Rhyolite Resources Inc., acts as a Qualified Professional for Revelo Resources Corp. and Atico Mining Corporation and is on the Advisory Board of Indigo Exploration Inc. Demetrius holds a Ph.D in Geochemistry from Stanford University, has published research on epithermal 'bonanza' silver deposits in Peru at the American Museum of Natural History in New York, where he held the position of Assistant Curator and teaching at Columbia University as an adjunct professor in Economic Geology.

Ambogo Guindo MSc.
Strategic Adviser (Mali)
Mr Guindo has over 25 years' experience in gold exploration in Mali, where he was former government and United Nations Development Programme geologist. He was involved in the discovery and drill out of the Syama deposit for BHP Minerals International in 1987, and served with BHP for 12 years including two years in their San Francisco Head Office. Ambogo was VP Business Development at Legend Gold Corp. a TSX-V listed company which was acquired by Altus in January 2018. Previously Ambogo served as VP Exploration for North Atlantic Resources Ltd in 2002 prior to its acquisition by Legend Gold. He has been instrumental in acquiring and maintaining the properties held by Altus in Mali.

Dr. Neil Adshead BSc (Hons.) Ph.D
Strategic Adviser
Dr Adshead is an independent resource specialist who until early 2017 was an Investment Strategist at Sprott Asset Management in Canada. Prior to joining Sprott, Neil was a senior mining analyst with Passport Capital, a San Francisco-based global investment firm. Previously, Neil spent 10 years in corporate, exploration and mine geology roles for Placer Dome subsidiaries in Canada, Australia and Papua New Guinea. Neil received a PhD in Economic Geology from James Cook University of North Queensland, Australia, in 1995. Before departing the UK Neil worked as a mud logger and data engineer on North Sea oil rigs for a Schlumberger subsidiary after receiving a First Class Honours degree in Earth Sciences from Birmingham University. Neil has built an extensive global network in both the mining and investment sectors over the past 25 years.

Dr. Tom G. Elder BSc. (Hons.) Ph.D FGS FIMMM
Strategic Adviser
Dr Elder is a geology graduate of Durham University and held a post-graduate NATO Scholarship at the Universities of Oslo and Durham, his doctorate being awarded in 1964. From 1964 to 1982 he ran exploration programmes in the UK, Ireland, Spain, Italy, Portugal and Greenland for Cominco Ltd. In 1982 he joined BP Minerals and was appointed European, then Global Exploration Manager. The latter position entailed management of a total of eighteen countries, a geo-scientific staff of more than 150 and an annual budget of up to US$65 million. Rio Tinto acquired BP Minerals in 1989, where his role involved assessing and recommending exploration discoveries for development or disposal. Stepping down from Rio in 1995, he was appointed President and CEO of TSX-V and AIM-listed Mano River Resources Inc. in 1998, making gold, iron ore and diamond discoveries in Liberia, Sierra Leone and Guinea which subsequently went into production. From 2002 to 2011 he was a non-executive director of Centamin Egypt Ltd during the year the Company put the Sukari gold project into production.

Malcolm A. Burne
Strategic Adviser
Mr Burne started his career in stock broking as an equity analyst and then later as investment editor of The

Financial Times and Telegraph group. He has managed and controlled fund management, venture capital and investment banking companies in Australia, Hong Kong and North America. Malcolm has been a director of over twenty international companies. He was the founder of resources stockbroker, publicly quoted Ambrian Capital plc, the former chairman of Australian Bullion Company and the founder and non-executive chairman of Golden Prospect Precious Metals Limited.

DIRECTORS' REPORT

The directors present their group annual report and financial statements for the year ended 31 December 2017.

Principal activities and business review
The parent company was incorporated on 28 April 2017.

The principal activity of the Group and Company is that of a mineral exploration project generator and resource investment advisor.

On 6 June 2017, the company changed its name from Altus Resources plc to Altus Strategies plc.

The Company's ordinary shares are listed on the London Alternative Investment Market under the symbol ALS. The Company aims to create value for its shareholders by providing them with an economic participation in the discovery and development of mineral resources.

The Group aims to discover and acquire a portfolio of mineral exploration projects, diversified by commodity and jurisdiction. Thereafter the Group seeks joint venture partnerships with larger mining groups or strategic investors, to finance the subsequent stages of exploration and development of its assets, in return for an equity interest in each project.

The Group's business plan is to grow through new licence applications and strategic project and royalty acquisitions. The Group evaluates new opportunities in jurisdictions in which it either holds a presence, and/or where it believes it has the technical and management expertise to operate.

The Group intends to earn income from the sale of its project interests, as well as from cashflow from producing royalties it may hold.

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

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

A detailed review of the Group's activities, together with expected future developments and objectives of the Group, is provided within the Strategic Report.

Results and dividends
The results for the year are set out in the Group Statement of Comprehensive income.

No ordinary dividends were paid during the year (2016 - £Nil). The directors do not recommend payment of a dividend.

Directors

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

Mr D Netherway	(appointed 21 May 2017)
Mr S Poulton	(appointed 28 April 2017)
Mr M Grainger	(appointed 28 April 2017)
Mr R Milroy	(appointed 21 May 2017)
Mr M Winn	(appointed 30 January 2018)

Substantial shareholdings

The Directors are aware of the following substantial interests or holdings in 3% or more of the Company's ordinary called up share capital as at 30 April 2018

Major shareholders	Number of shares	% of issued capital
Steven Poulton*	24,354,569	13.83
Michael Winn*	17,969,898	10.20
Exploration Capital Partners 2012 Limited Partnership	17,458,000	11.74
David Netherway*	10,750,600	6.10
Matthew Grainger*	8,747,500	4.97
Euro Pacific Gold Fund	6,680,000	3.97
Exploration Capital Partners 2014 Limited Partnership	6,000,000	3.41

*Indicates Directors of the Company

Share Capital

Details of the share capital and movements in share capital during the year are disclosed in note 29 to the financial statements.

During the year no share options were issued to directors.

Company's listing

The Company's ordinary shares have been traded on AIM since 10 August 2017.

Going Concern and availability of finance

The Directors have a reasonable expectation that the Group has and will have future access to adequate resources to continue in operational existence for the foreseeable future and, therefore, continue to adopt the going concern basis in preparing the Annual Report and Financial Statements. Further details on their assumptions and their conclusion thereon are included in the statement on going concern in Note 1.3 of the Financial Statements.

Website publication

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website (www.altus-strategies.com) and for ensuring the annual report and the financial statements are made available on its website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein. The Group is compliant with AIM Rule 26 regarding the Group's website.

The Directors confirm that they have complied with the above requirements in preparing the Financial Statements.

Principal Risks and uncertainties

The principal risks and uncertainties are outlined in the Strategic Report.

Board composition

The Directors who served during the year are stated on the previous page.

The Directors have responsibility for the overall corporate governance of the Group and recognise the need for the highest standards of behaviour and accountability. The Directors are committed to the principles underlying best practice in corporate governance and as the Group grows intend to comply with the principles of The UK Corporate Governance Code published in September 2014 by the Financial Reporting Council and the Quoted Companies Alliance (QCA) published Corporate Governance Guidelines in such respects as they consider appropriate for a company of its size and nature. The Board has a wide range of experience directly relevant to the Group and its activities and its structure ensures that no one individual or group dominates the decision making process. Further details relating to the Board, independence and meetings undertaken during the year are set out in the Report on Corporate Governance.

Committees

The Company has established an Audit Committee and a Remuneration Committee. Details of these committees are set out in the Report on Corporate Governance.

Employees

As a Group, we understand the importance of our team in developing and growing the Company for the future. We aim to create an environment that will attract, retain and motivate people to maximise their potential. The Company provides fair remuneration, flexible working arrangements where practical and exposure to wider aspects of the Company's operations. The Company gives full and fair consideration to applications for employment received irrespective of age, gender, colour, ethnicity, disability, nationality, religious beliefs, or sexual orientation. The Board also welcomes interest and suggestions from employees, which can improve business performance.

Share dealing

The Company has adopted a share dealing code for the Directors and relevant employees in accordance with the AIM Rules and Market Abuse Regulations and takes proper steps to ensure compliance by the Directors and these employees. Details of this the code are set out in the Report on Corporate Governance.

Training & development

Altus has a long track record in recruiting and training promising geologists. Each year the Company typically offers at least one MSc level project thesis to students studying geology or mining geology. The Company is also proud to provide internships for recent graduates, allowing them to gain flexible work experience and if available the opportunity for a full time role with the Company.

Directors and their interests

The Directors who served during the year, together with their directly beneficial interests in the shares of the Company as at 31 December 2017, are as follows:

	31 December 2017		31 December 2016	
Director	**Shares**	**Options**	**Shares**	**Options**
David Netherway[1]	10,750,600	-	38,516	4,570
Steven Poulton[2]	24,354,569	-	109,973	2,784
Matthew Grainger[3]	8,747,500	-	27,933	13,089
Robert Milroy[4]	250,000	-	-	-

1. Includes 1,333,400 Ordinary Shares held by Diane Rissik
2. Includes 1,600,000 Ordinary Shares held by Susannah Poulton
3. Includes 720,000 Ordinary Shares held by Anna Grainger
4. Held through Milroy Capital Limited a company controlled by Robert Milroy

Share options

Altus Exploration Management Ltd ("**AEM**" formerly Altus Strategies Ltd) had issued Enterprise Management Incentive approved ("**EMI**") and non-EMI share options to Directors, employees and non-employees. All of the issued and outstanding share options of AEM were either exercised or cancelled prior to the shareholders of AEM undertaking a share for share exchange with the Company on 14 June 2017. Prior to the share exchange AEM undertook a 200:1 share subdivision. The numbers and prices of the share options described below are in the share capital of AEM and on a pre-subdivision basis.

Non-EMI Share Options

The total number of non-EMI share options over Ordinary shares outstanding at 31 December 2017 was Nil (2016: 8,170).

Date of grant/exercisable from	**Exercise price**	**Outstanding 31 December 2016**	**Exercised**	**Cancelled**	**Outstanding 31 December 2017**
1 September 2007	£7.50	1,600	1,600	-	-
17 November 2007	£15.00	1,000	800	200	-
08 November 2009	£10.00	1,000	800	200	-
11 January 2012	£4.70	4,570	4,570	-	-
Total		**8,170**	**7,770**	**400**	**-**

The non-EMI share options exercised by Directors, employees and non-employees during the year was as follows:

Date of grant/exercisable from	Exercise price	Exercised in the year	David Netherway	Employees	Non-employees
1 September 2007	£7.50	1,600	-	-	1,600
17 November 2007	£15.00	800	-	-	800
08 November 2009	£10.00	800	-	-	800
11 January 2012	£4.70	4,570	4,570	-	-
Total		**7,770**	**4,570**	**-**	**3,200**

Approved EMI Share Options

The total number of approved-EMI share options over Ordinary shares outstanding at 31 December 2017 was Nil (2016: 29,141).

Date of grant/exercisable from	Exercise price	Outstanding 31 December 2016	Exercised	Cancelled	Outstanding 31 December 2017
11 January 2012	£4.70	19,232	19,232	-	-
11 January 2016	£4.70	2,784	2,784	-	-
11 January 2016	£6.00	7,125	6,750	375	-
Total		**29,141**	**28,766**	**375**	**-**

The approved EMI share options exercised by Directors, employees and non-employees during the year was as follows:

Date of grant/exercisable from	Exercise price	Exercised in the year	Steven Poulton	Matthew Grainger	Employees
11 January 2012	£4.70	19,232	-	13,089	6,143
11 January 2016	£4.70	2,784	2,784	-	-
11 January 2016	£6.00	6,750	-	-	6,750
Total		**28,766**	**2,784**	**13,089**	**12,893**

The Company does not currently have an approved EMI or unapproved share option plan in place and as such there are currently no share options issue and outstanding.

Director	Options held
David Netherway	-
Steven Poulton	-
Matthew Grainger	-
Robert Milroy	-

Suppliers & Contractors

The Group has a prompt payment policy and seeks to ensure that all liabilities are settled within the supplier's terms. Through fair dealings the Group aims to cultivate the goodwill of its contractors, consultants and

Future developments
The Group will continue to execute its project generator business model during 2018. Its activities are expected to include:
- undertake budgeted mineral exploration programmes across the Group's portfolio of projects;
- enter discussions and agreements with third parties for new joint ventures on the Group's projects; and
- consider potential project, royalty and company acquisition opportunities.

Matters covered in the Strategic Report
The business review and review of KPIs are included in the Operations Review and Strategic Report.

Financial risk management

In common with all other businesses, the Group is exposed to a variety of financial risks that arise from its area of operations. These include the effect of changes in foreign currency exchange rates, funding risk, credit risk and liquidity risk. The Group has a risk management programme in place that seeks to limit the adverse effects on the financial performance of the Group. The Group does not use derivative financial instruments to manage foreign currency risk and, as such, no hedge accounting is applied.

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

Currency Risk
The Company's functional currency is the pound sterling, and major purchases are transacted in pounds sterling, West African francs, Ethiopian birr, Moroccan dirham and the Liberian dollar. The Company's head office expenditures are mainly incurred in pounds sterling and the majority of its exploration costs are incurred in the local African currencies. Management believes the foreign exchange risk derived from currency conversions is not significant to its operations, and therefore does not hedge its foreign exchange risk. For the year ended 31 December 2017, the Company had an exchange gain of £14,318 (2016 - £38,605) which were not material to its operations.

Credit Risk
Credit risk is the risk that one party will cause a financial loss for another party by failing to discharge an obligation. The Company's credit risk is primarily attributable to receivables from joint venture partners. The Company has no significant concentration of credit risk arising from operations.

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's objective is to ensure that there are sufficient committed financial resources to meet its current obligations and its future business requirements for a minimum of twelve months.

Events after the reporting date
The events after the reporting date are set out in note 28 to the Financial Statements.

Directors' and Officers' Indemnity Insurance
The Group provided Directors and Officers insurance for both the current and prior years and has made qualifying third-party indemnity provisions for the benefit of its Directors and Officers. These were made during the year and remain in force at the date of this report.

Annual General Meeting

The Notice of the Annual General Meeting of the Company and the Management Information Circular together with Management Discussion and Analysis as at 31 December 2017 will be distributed to shareholders together with the Annual Report. Full details of the business to be considered at that meeting can be found in the Notice.

Auditor

PKF Littlejohn were appointed as auditor to the company and in accordance with section 485 of the Companies House Act 2006, a resolution proposing that they be re-appointed will be put forward at a General Meeting.

PKF Littlejohn LLP has indicated its willingness to continue in office as auditor.

Statement of disclosure to auditor

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

Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group and Parent Company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of the profit or loss of the Group and Parent Company for that period. The Directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market and in accordance with the rules of the Toronto Stock Exchange.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- state whether applicable IFRSs as adopted by the European Union have been followed for the Group and Parent Company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Parent Company will continue in business.

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

The Company is compliant with AIM Rule 26 regarding the Company's website.

On behalf of the board

....
Mr S Poulton
Director
Date: 30 April 2018

CORPORATE GOVERNANCE STATEMENT

The Directors have responsibility for the overall sound corporate governance of the Group and recognise the importance of the highest standards of behaviour and accountability. As the Group grows the Directors will seek to develop policies and procedures in line with the requirements of the Code of Best Practice (commonly known as the 'UK Corporate Governance Code'), as published in 2014 by the Financial Reporting Council and the Quoted Companies Alliance (QCA) published Corporate Governance Guidelines in such respects as they consider appropriate for a company of its size and nature. The Board has a wide range of experience directly relevant to the Group and its activities and its structure ensures that no one individual or group dominates the decision making process. On 3rd August 2017 the Board adopted a series of internal financial and performance related controls as set out within a framework document entitled 'Financial Position and Prospects Procedures'.

Organisation overview

The Group's Board of Directors comprises the Chief Executive Officer, an Executive Director and three Non-Executive Directors including a Non-Executive Chairman. The Group's business is directed by the Board and is managed on a day to day basis by the Chief Executive Officer and Executive Director, based at the Company's registered offices in Didcot, United Kingdom. The Group's Chief Financial Officer is based in Vancouver, Canada.

The Group's corporate structure reflects the Group's 'Project Generator' business strategy. The relevant licences owned by the Group are held through locally domiciled subsidiaries. These in turn are owned by Seychelles or British Virgin Islands ("BVI") incorporated companies. In turn the Seychelles or BVI companies are owned by a series of England & Wales incorporated exploration companies which are majority or fully owned by Altus Exploration Management Ltd a wholly owned subsidiary of Altus Strategies plc. Where there is an appropriate requirement, for fiscal and other reasons, incorporated entities are also located in other particular territories.

The Group's exploration activities during 2017 were undertaken through local subsidiaries in Morocco, Ethiopia, Cameroon and Liberia. After the end of the year the Group established operations in Côte d'Ivoire and Mali. Statements in respect of the Company's social and environmental responsibilities are set out separately in the Social and Environmental Report.

Board of Directors

The Board of Directors is responsible for the management of the Group on behalf of its shareholders. The objective of the Group is to create long term value for shareholders, and the Board is responsible for delivering that objective by governing the Company and its subsidiaries. The Board is responsible for approving the Group strategy and policies, for safeguarding the assets of the Group, and is the ultimate decision-making body of the Group in all matters except those that are reserved for specific shareholder approval. Matters that are specifically reserved for the Board's decision include business acquisitions or disposals, authorisation of major capital expenditure and material contractual arrangements, changes to the Group's capital structure, setting policies for the conduct of business, approval of budgets, remuneration policy of Directors and senior management, and taking on debt and approval of financial statements. Other matters are delegated to the Committees of the Board and Executive Directors, supported by policies for reporting to the Board.

As at 31 December 2017 the Board of Directors comprised two executive directors and two non-executive directors being the Chairman, Mr David Netherway and Mr Robert Milroy. Subsequent to the end of the year Mr M. Winn was appointed to the Board as a non-executive director. The executive directors being Mr Steven Poulton (Chief Executive) and Mr Matthew Grainger have substantial experience in the mineral exploration sector. Similarly, the non-executive directors have extensive mineral and financial experience. Mr Netherway, Mr Milroy and Mr Winn are classified as independent by the Toronto Stock Exchange.

The responsibilities for David Netherway as Chairman include providing leadership to the Board, for the efficient organisation and conduct of the Board's function, in settings its agenda, for the briefing of all directors in relation to issues arising at Board meetings and for ensuring that adequate time is available for discussion of all agenda items. The Chairman is also responsible for effective shareholder communication, arranging Board performance evaluation, promoting a culture of openness and debate by facilitating the effective contribution to the Board of non-executive directors in particular, and to ensuring constructive and respectful relations between the executive and non-executive directors and between the Board and senior management.

The executive directors oversee and coordinate the day-to-day running of the Group and can make decisions over a number of areas without reference to the full Board and specifically deal with all matters relating to the daily operation of the Group. The executives comprise Steven Poulton (Chief Executive) and Matthew Grainger. The executive directors are responsible for the daily operation of the Group and for making recommendations to the Board regarding short and medium-term budgets, targets and overall objectives and strategies for the Group.

The Company provides independent professional and legal advice to all directors where necessary, to ensure they are able to discharge their duties. In addition, all Board members have access to the services of the Company Secretary, who is responsible for ensuring all Board procedures are complied with.

The articles of association provide that any Director who was not appointed or re-appointed at one of the preceding two annual general meetings retire and stand for re-election. All new directors appointed since the previous Annual General Meeting need to stand for election at the following Annual General Meeting.

The Board has established an Audit Committee and a Remuneration Committee. The terms of reference of each are described below.

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

Attendance at the meetings of the Board and sub-committee meetings throughout the year, by the relevant Board members since the formation of the Company in July 2017, is set out below.

Director	Board	Audit Committee	Remuneration Committee
David Netherway	9	-	1
Steven Poulton	9	n/a[1]	n/a[1]
Matthew Grainger	9	n/a[1]	n/a[1]
Robert Milroy	9	-	1
Michael Winn[2]	n/a[2]	n/a	n/a

(1) n/a Indicates that a director was not a member of the committee at any time during the year.

(2) Michael Winn was appointed to the board after the end of the year, on 30 January 2018.

Board Independence

Director	Position	Appointed	Status	Audit Committee	Remuneration Committee
David Netherway	Non-Executive Chairman	21 May 2017	Independent	Member	Member
Steven Poulton	Chief Executive	28 April 2017	Not independent	-	-
Matthew Grainger	Executive	28 April 2017	Not independent	-	-
Robert Milroy	Non-Executive	21 May 2017	Independent	Chair	Chair
Michael Winn	Non-Executive	30 January 2018	Independent	Member	Member

Audit committee

The Audit Committee comprises Robert Milroy, David Netherway and Michael Winn and is chaired by Robert Milroy. The Audit Committee is expected to meet at least twice a year and otherwise as required. It has responsibility for monitoring the integrity of the financial statements, monitoring the quality of internal controls and risk management systems, ensuring that the financial performance of the Company is properly measured and reported on (including annual and interim accounts and results announcements). It is also responsible for reviewing reports from the Company's auditors relating to the Group's accounting and internal controls, reviewing any changes to accounting policies, reviewing and monitoring the extent of the non-audit services undertaken by external auditors and advising on the appointment of external auditors. The Audit Committee has unrestricted access to the Company's external auditors.

Remuneration committee

The Remuneration Committee comprises Robert Milroy, David Netherway and Michael Winn and is chaired by Robert Milroy. It is expected to meet not less than once a year and at such other times as required. A non-executive director must be present at the meeting to form a quorate and the Committee may consult with the Company's Chief Executive as appropriate, save for in respect of the remuneration of the Company's Chief Executive.

The Remuneration Committee has responsibility for determining, within the agreed terms of reference, the Company's policy on the remuneration packages of the Company's chief executive, the chairman, the executive and non-executive directors, the Company Secretary and other senior executives. The Remuneration Committee also has responsibility for: (i) recommending to the Board a compensation policy for directors and executives and monitoring its implementation; (ii) approving and recommending to the Board and the Company's shareholders, the total individual remuneration package of the chairman, each executive and non-executive director and the chief executive officer (including bonuses, incentive payments and share options or other share awards); and (iii) approving and recommending to the Board the total individual remuneration package of the Company Secretary and all other senior executives (including bonuses, incentive payments and share options or other share awards), in each case within the terms of the Company's remuneration policy and in consultation with the chairman of the Board and/or the chief executive officer. No Director or manager may be involved in any discussions as to their own remuneration.

Nomination Committee

Given the size of the Board and the stability of management, the Company has not established a separate Nomination Committee but anticipates that were such a Committee to be established it would be drawn from the members of the Remuneration Committee. The Board is collectively responsible for reviewing the structure, size and composition (including skills, knowledge and experience) of the Board and its committees and for considering new appointments of additional and replacement directors.

Internal controls
The Board acknowledges their responsibility for the Group's system of internal controls and procedures and for reviewing the effectiveness of these and ensuring that management of its subsidiaries review the internal controls and procedures operating in the subsidiaries. Such controls and procedures are designed to safeguard the Company's and the Group's assets and ensure reliability of reporting information, financial and otherwise, for both internal use and external publication. The Group's management has designed internal controls over financial reporting, in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

Throughout the year the design and operating effectiveness of the Group's internal controls over financial reporting are reviewed. Based on these evaluations the Board has concluded that the internal controls over financial reporting were effective as at 31 December 2017, using the criteria, having taken account of the size and nature of the Group.

The Group's management, including the Chief Executive Officer and the Chief Financial Officer, does not expect that its disclosure controls and internal controls over financial reporting will prevent or detect all errors and fraud. A cost effective system of internal controls, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the internal controls over financial reporting are achieved. Continuing reviews of internal controls will be undertaken to ensure that they are adequate and effective. The auditors additionally undertake a review as part of the statutory audit.

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

Share dealing code
The Company has adopted a share dealing code for the Directors and applicable employees of the Group for ensuring compliance by such persons with the provisions of the AIM Rules relating to dealings in the Company's securities, to the Market Abuse Regulation of AIM (MAR). The Directors consider that this share dealing code is appropriate for a company whose shares are admitted to trading on AIM. The Group will continue to take proper steps to ensure compliance by the Directors and applicable employees with the terms of the share dealing code and the relevant provisions of the AIM Rules and MAR.

Service contracts
No Director has any service contracts, consultancy agreements or other such arrangements with a notice period in excess of one year.

Non-audit services
The Board regularly reviews the provision of non-audit services from its auditors, at least annually through discussion at Committee meetings. The Board is satisfied that the provision of non-audit services by PKF Littlejohn LLP is compatible with the general standard of independence for auditors and does not give rise to any conflict of interest.

Anti-bribery and Anti-corruption policy
The Company has implemented an anti-bribery and anti-corruption policy and also implemented appropriate procedures to ensure that the Board, employees and consultants of the Group comply with the UK Bribery Act 2010.

Relations with shareholders

The Board is accountable to the Company's shareholders and as such it is important for the Board to appreciate the aspirations of the shareholders and equally that the shareholders understand how the actions of the Board and short term financial performance relate to the achievement of the Group's longer term goals.

The Board is committed to providing and encouraging, effective communication with the shareholders of the Company. The Board reports to the shareholders on its stewardship of the Company through the publication of quarterly operational updates and the quarterly and final financial results. The Company publishes its annual report, interim report and quarterly operational and financial updates through stock exchange announcements. News releases are issued throughout the year and the Company maintains a website (www.altus-strategies.com) on which press releases, corporate presentations and Financial Statements are available to view.

Enquiries from individual shareholders on matters relating to the business of the Company are welcomed. Shareholders and other interested parties can subscribe to receive notification of news updates and other documents from the Company via email. In addition, the Executive directors meet with major shareholders to discuss the progress of the Company and provide periodic feedback to the Board following meetings with shareholders.

The Board views the Annual General Meeting as a forum for communication between the Company and all its shareholders and encourages and welcomes their participation in its agenda. The Executive directors attend the Annual General Meeting and are available to answer questions. Details of resolutions to be proposed at the 2018 Annual General Meeting to be held in June 2018 will be sent to all shareholders and will also be available on the Company's website in due course.

By order of the Board

Steven Poulton
Chief Executive
30 April 2018

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Altus Strategies plc (the parent company) and its subsidiaries (the group) for the year ended 31 December 2017 which comprise the Group Statement of Comprehensive Income, the Group and Parent Company Statement of Financial Position, the Group and Parent Company Statement of Changes in Equity, the Group and Parent Company Statement of Cash Flows and notes to the financial statements, 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 and as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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

In our opinion:

- The financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2017 and of the group's and parent company's loss for the year then ended;
- The group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- The parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- The financial statements 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 group and parent 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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our application of materiality

The materiality applied to the Group financial statements was £120,000, based on thresholds for net assets and the loss before tax. The performance materiality was £84,000.

An overview of the scope of the audit

As part of designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements. In particular, we looked at areas involving significant accounting estimates and judgement by the directors and considered future events that are inherently uncertain. We also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

The accounting records of the parent company and all subsidiary undertakings are centrally located and audited by us based upon Group materiality or risk to the Group.

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.

We have determined the following key audit matters and set out our findings:

Key Audit Matter	How the scope of our audit responded to the key audit matter
Valuation and recoverability of exploration assets and, for the parent company, amounts due from subsidiary and related undertakings.	We reviewed the Group's exploration licences and permits to confirm good title and standing. For licences which had expired and are in the process of renewal, we assessed the relevant factors, in conjunction with discussions with management, regarding the likelihood of renewal. We reviewed the terms and status of the joint venture agreements in place, in conjunction with the accounting treatment adopted under the terms of those agreements. The early stage projects were reviewed for indicators of impairment in accordance with IFRS 6, in conjunction with the competent persons report prepared for the IPO Admission Document. The recoverability of amounts due from subsidiary and related undertakings were assessed by reference to the underlying projects therein.

Other information

The other information comprises the information included in the Annual Report, other than the Group and Parent Company's financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the Group and Parent Company 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 our audit:

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and Parent Company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

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

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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the Group and Parent Company 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 Group and Parent Company financial statements, the directors are responsible for assessing the Group and Parent 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 Group or Parent Company or to cease operations, or have no realistic alternative but to do so.

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: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

"Signed"

David Thompson (Senior Statutory Auditor)
for and on behalf of PKF Littlejohn LLP
Statutory Auditor
1 Westferry Circus
Canary Wharf
London
E14 4HD

30 April 2018

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Altus Strategies plc and its subsidiaries (the "group") for the year ended 31 December 2017 which comprise the group statement of comprehensive income, the group statement of financial position, the group statement of changes in equity, the group statement of cash flows and notes to the financial statements, 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 issued by the International Accounting Standards Board ("IAASB").

In our opinion:

- the group financial statements present fairly, in all material respects, the financial position of the group as at 31 December 2017 and 31 December 2016 and its financial performance and its cash flows for the years then ended; and
- the group financial statements have been properly prepared in accordance with IFRSs as issued by the IAASB.

Basis for Opinion:

We conducted our audit in accordance with International Standards on Auditing (ISAs) as issued by IAASB 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 group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the group financial statements in the UK, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

We have determined the following key audit matters and set out our findings:

Key Audit Matter	How the scope of our audit responded to the key audit matter
Valuation and recoverability of exploration assets and, for the parent company, amounts due from subsidiary and related undertakings.	We reviewed the Group's exploration licences and permits to confirm good title and standing. For licences which had expired and are in the process of renewal, we assessed the relevant factors, in conjunction with discussions with management, regarding the likelihood of renewal. We reviewed the terms and status of the joint venture agreements in place, in conjunction with the accounting treatment adopted under the terms of those agreements. The early stage projects were reviewed for indicators of impairment in accordance with IFRS 6, in conjunction with the competent persons report prepared for the IPO Admission Document. The recoverability of amounts due from subsidiary and related undertakings were assessed by reference to the underlying projects therein.

Other information
The other information comprises the information included in the annual report and the management discussion and analysis, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and 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.

Responsibilities of management
Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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 International Standards on Auditing (ISAs) 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the group's financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the group and the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (i.e. gives a true and fair view).
- Are required to report on consolidated financial statements, obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for the audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The partner in charge of the audit resulting in this independent auditors’ report is David Thompson.

“Signed”

David Thompson (Engagement Partner)
for and on behalf of PKF Littlejohn LLP
Statutory Auditor
1 Westferry Circus
Canary Wharf
London
E14 4HD

30 April 2018

ALTUS STRATEGIES PLC
GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2017
Company Registration No. 10746796

	Notes	2017 £	2016 £
Continuing operations			
Management fees and costs recovered from joint venture partners	**4**	401,228	455,475
Administrative expenses	**6**	(1,497,498)	(920,620)
Exploration costs expensed	**7**	(556,447)	(512,636)
IPO and acquisition related costs		(371,753)	-
Loss from operations		(2,024,470)	(977,781)
Investment revenues	**12**	61	165
Other operating income		33,588	7,080
Fair value gain on investments	**13**	129,142	287,639
Gain on disposal of discontinued operations	**8**	-	29,405
Loss before taxation		(1,861,679)	(653,492)
Taxation	**14**	(1,126)	(174)
Loss and total comprehensive income for the year		(1,862,805)	(653,666)
Loss for the year attributable to:			
- Owners of the parent company		(1,860,145)	(649,091)
- Non-controlling interest		(2,660)	(4,575)
		(1,862,805)	(653,666)
Total comprehensive income for the year attributable to:			
- Owners of the parent company		(1,860,145)	(649,091)
- Non-controlling interest		(2,660)	(4,575)
		(1,862,805)	(653,666)

ALTUS STRATEGIES PLC
GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2017
Company Registration No. 10746796

	Note	2017	2016
		£	£
Earnings per share (pence) attributable to the owners of the parent	**15**		
Continuing operations		(1.84)	(0.81)
Discontinued operations		-	0.03
		(1.84)	(0.78)

ALTUS STRATEGIES PLC
GROUP STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017
Company Registration No. 10746796

	Notes	2017 £	2016 £
Non-current assets			
Intangible assets	**16**	151,875	105,640
Property, plant and equipment	**17**	2,386	2,065
Investments	**19**	601,536	472,394
		755,797	580,099
Current assets			
Trade and other receivables	**21**	110,669	254,479
Cash and cash equivalents		523,344	415,914
		634,013	670,393
Total assets		1,389,810	1,250,492
Current liabilities			
Trade and other payables	**22**	298,055	323,863
Current tax liabilities		-	4,018
Provisions	**23**	15,000	15,000
Total liabilities		313,055	342,881
Net current assets		320,958	327,512
Net assets		1,076,755	907,611
Equity			
Share capital	**29**	1,076,808	104,526
Share premium	**30**	999,000	5,770,590
Other reserves		5,727,614	(92,323)
Retained earnings		(6,656,664)	(4,807,839)
Total equity attributable to owners of the parent		1,146,758	974,954
Non-controlling interest		(70,003)	(67,343)
Total equity		1,076,755	907,611

The financial statements were approved by the board of directors and authorised for issue on 30 April 2018 and are signed on its behalf by:

....	....
Mr R Milroy	Mr M Grainger
Director	**Director**

The notes on pages 60 to 92 form part of these financial statements

ALTUS STRATEGIES PLC
COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017
Company Registration No. 10746796

	Notes	2017 £
Non-current assets		
Investments	**19**	965,808
Current assets		
Trade and other receivables	**21**	527,913
Cash and cash equivalents		291,087
		819,000
Total assets		1,784,808
Current liabilities		
Trade and other payables	**22**	91,662
Total liabilities		91,662
Net current assets		727,338
Net assets		1,693,146
Equity		
Called up share capital	**29**	1,076,808
Share premium account	**30**	999,000
Retained earnings		(382,662)
Total equity		1,693,146

As permitted by section 408 of the Companies Act 2006, the Company has not presented its own statement of comprehensive income and relates notes. The Company's loss for the year was £382,662.

The financial statements were approved by the board of directors and authorised for issue on 30 April 2018 and are signed on its behalf by:

....
Mr R Milroy
Director

....
Mr M Grainger
Director

The notes on pages 60 to 92 form part of these financial statements

ALTUS STRATEGIES PLC

GROUP STATEMENT OF CHANGES IN EQUITY

AS AT 31 DECEMBER 2017
Company Registration No. 10746796

	Notes	Share capital	Share premium account	Other reserves	Retained earnings	Total equity	Non-controlling interest	Total
		£	£	£	£	£	£	£
Balance at 1 January 2016		116,396	5,748,597	4,279	(4,158,748)	1,710,524	(62,768)	1,647,756
Year ended 31 December 2016:								
Loss and total comprehensive income for the year		-	-	-	(649,091)	(649,091)	(4,575)	(653,666)
Issue of share capital	**29 & 30**	353	21,993	-	-	22,346	-	22,346
Reduction of shares		(12,223)	-	-	-	(12,223)	-	(12,223)
Transfers		-	-	(96,602)	-	(96,602)	-	(96,602)
Total transactions with owners, recognised directly in equity		(11,870)	21,993	(96,602)	-	(86,479)	-	(86,479)
Balance at 31 December 2016		104,526	5,770,590	(92,323)	(4,807,839)	974,954	(67,343)	907,611
Year ended 31 December 2017								
Loss and total comprehensive income for the year		-	-	-	(1,860,145)	(1,860,145)	(2,660)	(1,862,805)
Issue of share capital	**29 & 30**	127,200	1,901,106	-	-	2,028,306	-	2,028,306
Issue of warrants		-	-	3,643	-	3,643	-	3,643
Capital reorganisation		845,082	(6,672,696)	5,827,614	-	-	-	-
Share options exercised		-	-	(11,320)	11,320	-	-	-
Total transactions with owners, recognised directly in equity		972,282	(4,771,590)	5,819,937	11,320	2,031,949	-	2,031,949
Balance at 31 December 2017		1,076,808	999,000	5,727,614	(6,656,664)	1,146,758	(70,003)	1,076,755

ALTUS STRATEGIES PLC
COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2017
Company Registration No. 10746796

	Notes	Share capital £	Share premium account £	Retained earnings £	Total £
Year ended 31 December 2017:					
Loss and total comprehensive income for the year		-	-	(382,662)	(382,662)
Issue of share capital	**29 & 30**	1,076,808	999,000	-	2,075,808
Total transactions with owners, recognised directly in equity		1,076,808	999,000	-	2,075,808
Balance at 31 December 2017		1,076,808	999,000	(382,662)	1,693,146

ALTUS STRATEGIES PLC

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2017
Company Registration No. 10746796

	Notes		2017		2016
		£	£	£	£
Cash flows from operating activities					
Cash generated from/ (used in) operations	**36**		(1,523,505)		(495,629)
Income taxes paid			-		(174)
Net cash outflow from operating activities			(1,523,505)		(495,803)
Investing activities					
Purchase of intangible assets		(1,734)		(15,371)	
Purchase of property, plant and equipment		(46,235)		(405)	
Distribution in specie		-		(100,000)	
Other investments and loans made		-		(1,092,191)	
Proceeds from other investments and loans		-		1,104,480	
Interest received		61		307	
Net cash used in investing activities			(47,908)		(103,180)
Financing activities					
Proceeds from issue of shares		1,678,843		-	
Net cash generated from financing activities			1,678,843		-
Net increase/(decrease) in cash and cash equivalents			107,430		(598,983)
Cash and cash equivalents at beginning of year			415,914		1,014,897
Cash and cash equivalents at end of year			523,344		415,914

The notes on pages 60 to 92 form part of these financial statements

ALTUS STRATEGIES PLC
COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2017
Company Registration No. 10746796

	Notes	£	2017 £
Cash flows from operating activities			
Cash used in operations	**37**		(818,913)
Net cash used in operating activities			(818,913)
Financing activities			
Proceeds from issue of shares		1,110,000	
Net cash generated from financing activities			1,110,000
Net increase in cash and cash equivalents			291,087
Cash and cash equivalents at beginning of year			-
Cash and cash equivalents at end of year			291,087

Non-cash transactions
During the year the Company issued 96,580,812 ordinary shares to acquire Altus Exploration Management Limited by way of a share for share exchange.

The notes on pages 60 to 92 form part of these financial statements

1 Accounting policies

Company information

Altus Strategies plc is a public company limited by shares incorporated in England and Wales. The registered office is 14 Station Road, Didcot, Oxfordshire, OX11 7LL.

The Group consists of Altus Strategies plc and all of its subsidiaries, as listed in note 20.

1.1 Basis of preparation

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

The financial statements have been prepared on the historical cost basis, except for the valuation of investments at fair value through profit or loss. The principal accounting policies adopted are set out below.

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

As permitted by section 408 of the Companies Act 2006, the Company has not presented its own statement of comprehensive income and relates notes. The Company's loss for the year was £382,662.

1.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of Altus Strategies plc and its subsidiaries as at 31 December 2017.

Altus Strategies plc was incorporated on 28 April 2017. On 14 June 2017, Altus Strategies plc acquired the entire share capital of Altus Exploration Management Limited by way of a share for share exchange. The transaction has been treated as a group reconstruction and has been accounted for using the reverse merger accounting method. Accordingly, the financial information for the current year and comparatives have been presented as if Altus Exploration Management Limited has been owned by Altus Strategies plc throughout the current and prior years.

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

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

1 Accounting policies **(continued)**

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

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

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

"Joint ventures" as referred to in the financial statements refer to agreements with exploration partners and not joint ventures as defined within IFRS 11.

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

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

1.3 Going concern

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

1 Accounting policies (continued)

1.4 Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, which is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

1.5 Exceptional items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so, to provide further understanding of the financial performance of the Group. They are material items of income of expense that have been shown separately due to the significance of their nature or amount. IPO and acquisition related costs are included as exceptional items in profit or loss.

1.6 Fair value measurement

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The resulting calculations under IFRS 13 affected the principles that the Group uses to assess the fair value, but the assessment of fair value under IFRS 13 has not materially changed the fair values recognised or disclosed. IFRS 13 mainly impacts the disclosures of the Company. It requires specific disclosures about fair value measurements and disclosures of fair values, some of which replace existing disclosure requirements in other standards.

1.7 Intangible assets – Deferred exploration costs

Expenditure on exploration activities is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

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

Deferred exploration costs: Not amortised

Deferred exploration costs comprise of exploration licence fees capitalised in accordance with IFRS 6 “Exploration for and Evaluation of Mineral Resources.” Licences are initially measured at cost. At each reporting date, the Group reviews the carrying amount in line with the accounting policy for impairment. When a project is considered no longer viable, the associated licence cost is written off to the income statement.

1 Accounting policies (continued)

1.8 Property, plant and equipment

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

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

Fixtures and fittings	4 years straight line
Computers	2 years straight line
Plant and Machinery	4 years straight line
Motor vehicles	2 years straight line

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

1.9 Non-current investments

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

1.10 Impairment of non-current assets

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

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

1 Accounting policies (continued)

1.11 Cash and cash equivalents

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

1.12 Financial assets

Financial assets are recognised in the statement of financial position when the Group or Company becomes party to the contractual provisions of the instrument.

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

Financial assets are initially measured at fair value plus transaction costs, other than those classified as fair value through profit and loss, which are measured at fair value. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current.

Loans and receivables

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

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

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date. For loans and receivables, the amount of the loss is measured as the difference between the asset’s carrying amount and the present value of estimated future cash flows.

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

Derecognition of financial assets

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

1 Accounting policies **(continued)**

1.13 Financial liabilities

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

Other financial liabilities

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

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

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.14 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

1.15 Taxation

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

Current tax

Current tax is based on taxable profit or loss for the year. Taxable profit or loss differs from net profit or loss as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1 Accounting policies (continued)

1.16 Provisions

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

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

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

1.17 Employee benefits

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

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

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

1.18 Retirement benefits

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

1.19 Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

1 Accounting policies (continued)

1.20 Leases

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

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

1.21 Foreign exchange

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

1.22 Liquidity risk

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

2 Adoption of new and revised standards and changes in accounting policies

Standards which are in issue but not yet effective

At the date of authorisation of these financial statements, the following Standards and Interpretations, which have not yet been applied in these financial statements, were in issue but not yet effective.

New and amended standards adopted by the company
There are no IFRSs or IFRIC interpretations that were effective for the first time for the financial year beginning 1 January 2017 that had a material impact on the Group or Company.

New and revised IFRSs in issue but not yet effective
The Group and Company have not applied the following new and revised Standards and Interpretations that have been issued but are not yet effective:

	Effective date for annual periods beginning on or after
• IFRS 9 Financial Instruments	1 January 2018
• IFRS 15 Revenue from Contracts with Customers	1 January 2018
• IFRS 16 Leases	1 January 2019
• IFRS 2 (Amendments) Share-based payments – classification and measurement	1 January 2018
• IFRS 10 and IAS 28 (Amendments) Sale or Contribution of Assets between	*1 January 2018
• an Investor and its Associate or Joint Venture	
• IAS 40 (Amendments) Transfer of Investment Property	1 January 2018
• IFRIC Interpretation 22 Foreign currency transactions and advanced consideration	1 January 2018
• IFRIC 23 Uncertainty over Income Tax Treatments	*1 January 2019
• IAS 28 (Amendments) Long-term interests in Associates and Joint Ventures	*1 January 2019
• Annual Improvements to IFRS Standards 2015-2017 Cycle	*1 January 2019

* Subject to EU endorsement

The Group is evaluating the impact of the new and amended standards above. The directors believe that these new and amended standards are not expected to have a material impact on the company's results or shareholders' funds. There is not expected to be any significant impact form the introductions of IFRS 15 as the Group does not have any revenue from contracts with customers.

Based on an analysis of the Group’s financial assets and financial liabilities as at 31 December 2017 on the basis of the facts and circumstances that exist at that date, the Directors of the Company do not expect there to be a significant impact on the adoption of IFRS 9.

3 Critical accounting estimates and judgements

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are shown below.

Share based payments
Estimating fair value for share based payment transactions require determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. The estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about them. For measurement of the fair value of equity settles transactions with employees at the grant date, the Company used the Black Scholes model. The assumptions and model for estimating fair value for share based payments are disclosed in note 27.

Impairment of Deferred Exploration Costs
At the reporting date, deferred exploration costs had a carrying value of £151,875 (2016 - £105,640). Management tests annually whether deferred exploration costs have a carrying value in accordance with the accounting policy stated in note 1.7 each exploration cost us subject to an annual review either by a consultant or a senior geologist to determine if the exploration results have returned to date, warrant further exploration expenditure and have the potential to result in an economic discovery. This review takes in to consideration long term metal prices, anticipated resource volumes and grades, permitting and infrastructure as well as the likelihood of on-going funding from joint venture partners. In the event that a project does not represent an economic exploration target and results indicate that there is no additional upside, or that future funding from joint venture partners is unlikely, a decision will be made to discontinue exploration. The Directors have reviewed the estimated value of each project prepared by management and do not consider any impairment necessary.

4 Segmental Analysis

	2017	2016
	£	£
Management fees and costs recovered from joint venture partners	401,228	455,475
Other operating income	33,588	-
Interest income	61	165
	33,649	165

Segmental analysis	UK	Africa	Total
	2016	2016	2016
	£	£	£
Management fees and costs recovered from joint venture partners	4,943	450,587	455,530
Loss from operations	(890,575)	(87,206)	(977,781)
Reportable segment assets	1,059,433	191,059	1,250,492
Reportable segment liabilities	298,106	44,775	342,881

	UK	Africa	Total
	2017	2017	2017
	£	£	£
Management fees and costs recovered from joint venture partners	-	401,228	401,228
Loss from operations	(1,829,925)	(194,545)	(2,024,470)
Reportable segment assets	1,075,825	313,985	1,389,810
Reportable segment liabilities	(241,062)	(71,993)	(313,055)

5 Operating loss

	2017	2016
	£	£
Operating loss for the year is stated after		
Exchange losses/(gains)	(14,318)	(38,605)
Exploration and development costs	556,447	512,636
IPO and acquisition related costs	371,753	-
Depreciation	1,413	2,375
Share-based payments	3,643	3,398
Operating lease charges	350,846	23,046

6 Administrative expenses

	2017	2016
	£	£
Administrative expenses include the following balances		
Employee costs (note 10)	1,091,773	699,477
Costs incurred on behalf of joint venture partners	195,196	115,958
Legal and professional expenses	140,045	46,122
Travel expenses	29,079	20,342
Exchange gains	(14,318)	(38,605)
Depreciation of property, plant and equipment	1,413	2,375
Other expenses	54,310	74,951
	1,497,498	920,620

7 Exploration and development costs

Location and licence	**Administrative expenses 2017**	**Operational expenses 2017**	**Travel expenses 2017**	**Total 2017**
	£	**£**	**£**	**£**
Morocco - Agdz	447	7,975	6,615	15,037
Morocco - Takzim	457	571	38	1,066
Morocco – General	77,262	10,524	3,899	91,685
Ethiopia – Tigray-Afar	24,281	44,508	16,379	85,168
Ethiopia – General	79,788	4,405	7,345	91,538
Cameroon - Laboum	63,390	47,803	33,151	144,344
Cameroon - Birsok & Mandoum	1,032	189	-	1,221
Cameroon - Bikoula & Ndjele	1,715	3,162	1,692	6,569
Cameroon - General	68,989	(345)	970	69,614
Liberia – Bella Yella	9,418	4,575	24	14,017
Liberia – Zolowo	23,564	-	-	23,564
Liberia – Other	153	-	-	153
Other	4,275	4,479	3,717	12,471
Total	**354,771**	**127,846**	**73,830**	**556,447**

7 Exploration and development costs (*continued*)

Location and licence	Administrative expenses 2016	Operational expenses 2016	Travel expenses 2016	Total 2016
	£	£	£	£
Morocco - Agdz	52,448	9,703	9,265	71,416
Morocco - Takzim	36	2,610	867	3,513
Morocco – General	2,813	9,484	2,610	14,907
Ethiopia – Tigray-Afar	44,578	70,053	16,477	131,108
Ethiopia – General	65,274	2,441	4,865	72,580
Cameroon - Laboum	26,172	44,815	24,333	95,320
Cameroon - Birsok & Mandoum	5,176	1,170	1,652	7,998
Cameroon - Bikoula & Ndjele	7,336	4,114	2,306	13,756
Cameroon - General	86,083	619	2,675	89,377
Liberia – Bella Yella	8,810	1,005	1,179	10,994
Liberia – Zolowo	-	-	-	-
Liberia – Other	138	789	740	1,667
Other	-	-	-	-
Total	**298,864**	**146,803**	**66,969**	**512,636**

8 Discontinued operations

	2016
Revenue	55
Gross profit	55
Other operating income	600
Administrative expenses	(2,578)
Operating loss	(1,923)
Investment revenues	142
Other gains and losses	6,594
Profit/(loss) on disposal of operations:	
- Gain on disposal of discontinued operations	24,592
Profit before taxation	29,405
Taxation	-
Total comprehensive income for the year	29,405

8 Discontinued operations ***(continued)***

In the year ended 31 December 2016, the group disposed of four of its subsidiaries by way of a distribution in specie. The purpose of the distribution was for the group to focus on developing its mineral exploration business. The subsidiaries whose activities were divested were that of FCA regulated fund management, consultancy services and turn around investment opportunities. The distribution in specie allowed for two distinct areas of activity to be segregated whilst allowing the existing shareholders to retain full and pro rata ownership of the divested subsidiaries.

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

9 Auditor's remuneration

	2017	2016
Fees payable to the company's auditor and associates:	£	£
For audit services		
Audit of the financial statements of the group and company	20,500	8,000
	20,500	8,000

10 Employees

	Group		Company	
	2017	**2016**	**2017**	**2016**
	Number	**Number**	**Number**	**Number**
Directors	4	4	-	-
Employee	20	24	-	-
	24	28	-	-

The remuneration comprised:

	Group		Company	
	2017	**2016**	**2017**	**2016**
	£	**£**	**£**	**£**
Wages and salaries	924,005	521,356	-	-
Social security costs	94,617	50,664	-	-
Pension costs	73,151	127,457	-	-
	1,091,773	699,477	-	-

11 Directors remuneration

	2017	2016
	£	£
Remuneration for qualifying services	315,444	229,400
Company pension contributions to defined contribution schemes	49,138	58,562
	364,582	287,962

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2016 - 2).

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

	2017	2016
	£	£
Remuneration for qualifying services	201,523	90,000
Company pension contributions to defined contribution schemes	44,669	29,281
	246,192	119,281

	Directors' Fees		**Bonuses**		**Company pension contributions**		**Other employment benefits**		**Total**	
	For the year ended 31 Dec 2017	For the year ended 31 Dec 2016	**For the year ended 31 Dec 2017**	For the year ended 31 Dec 2016	**For the year ended 31 Dec 2017**	For the year ended 31 Dec 2016	**For the year ended 31 Dec 2017**	For the year ended 31 Dec 2016	**For the year ended 31 Dec 2017**	For the year ended 31 Dec 2016
	£	£	**£**	£	**£**	£	**£**	£	**£**	£
David Netherway	12,500	50,000	-	-	-	-	-	-	12,500	50,000
Steven Poulton	56,500	90,000	31,379	-	4,469	29,281	-	-	92,348	119,281
Matthew Grainger	72,583	89,400	128,940		44,669	29,281	-	-	246,192	118,681
Robert Milroy	13,542	-	-	-	-	-	-	-	13,542	-
Totals	**155,125**	229,400	**160,319**	-	**49,138**	58,562	-	-	**364,582**	287,962

12 Investment income

	2017	2016
	£	£
Interest income		
Interest on bank deposits	61	165

13 Other gains and losses

	2017	2016
	£	£
Other gains/(losses)		
Gains/(losses) on disposal of financial assets held at fair value through profit and loss	129,142	287,639

14 Income tax expense

	2017	2016
	£	£
Foreign current tax on profit for the current year	1,126	174

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

	2017	2016
	£	£
Loss before taxation	(1,861,679)	(678,084)
Expected tax charge based on the standard rate of corporation tax in the UK of 19.25% (2016 – 20.00%)	(358,373)	(135,617)
Tax effect of expenses that are not deductible in determining taxable	104,823	(22,753)
Tax effect of utilisation of tax losses not previously recognised	-	(3,874)
Unutilised tax losses carried forward	253,216	87,823
Utilised tax losses brought forward	243	
Adjustments in respect of prior years	-	4,098
Permanent capital allowances in excess of depreciation	91	49
Effect of overseas tax rates	1,126	65,530
Gain on demerger	-	4,918
Tax expense for the year	1,126	174

15 Earnings per share

	2017 Number	2016 Number
Weighted average number of ordinary shares for basic earnings per share	100,929,581	83,609,646
	100,929,581	83,609,646
Earnings	**£**	**£**
Continuing operations		
Loss for the year from continuing operations	(1,862,805)	(687,646)
Less non-controlling interests	2,660	4,575
Earnings for basic and diluted earnings per share being net loss attributable to equity shareholders	(1,860,145)	(683,071)
Discontinued operations		
Earning for basic and diluted earnings per share being net profit attributable to equity shareholders of Altus Exploration Management Limited for discontinued operations	-	29,405
Basic earnings per share		
From continuing operations	(1.84)	(0.81)
From discontinued operations	-	0.03
	(1.84)	(0.78)

16 Intangible fixed assets

Group	Deferred exploration costs	Total
	£	£
Cost		
At 1 January 2017	105,640	105,640
Additions	46,235	46,235
Disposals	-	-
At 31 December 2017	151,875	151,875
Amortisation and impairment		
At 1 January 2017	-	-
Disposals	-	-
At 31 December 2017	-	-
Carrying amount		
At 31 December 2016	105,640	105,640
At 31 December 2017	151,875	151,875

17 Property, plant and equipment

Group	Plant and machinery	Fixtures, fittings and equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2017	240	3,832	21,405	23,140	48,617
Additions	-	527	1,207	-	1,734
Disposals	-	-	-	-	-
At 31 December 2017	240	4,359	22,612	23,140	50,351
Amortisation and impairment					
At 1 January 2017	240	2,497	20,675	23,140	46,552
Depreciation charged in the year	-	525	888	-	1,413
Eliminated on disposals	-	-	-	-	-
At 31 December 2017	240	3,022	21,563	23,140	47,965
Carrying amount					
At 31 December 2016	-	1,335	730	-	2,065
At 31 December 2017	-	1,337	1,049	-	2,386

18 Financial instruments

Financial instruments of the Group and Company are as follows:

Group

2017	Financial instruments at FVTPL £	Loans and receivables £	Investments held at cost less accumulated impairment £	Liabilities measured at amortised cost £
Non-current assets	601,536	-	-	-
Cash and cash equivalents	-	523,342	-	-
Trade and other receivables	-	32,519	-	-
Other creditors	-	-	-	298,055
	601,536	555,861	-	298,055

2016	Financial instruments at FVTPL £	Loans and receivables £	Investments held at cost less accumulated impairment £	Liabilities measured at amortised cost £
Non-current assets	472,394	-	-	-
Cash and cash equivalents	-	415,914	-	-
Trade and other receivables	-	193,977	-	-
Other creditors	-	-	-	298,055
	472,394	609,891	-	298,055

Company

2017	Financial instruments at FVTPL £	Loans and receivables £	Investments held at cost less accumulated impairment £	Liabilities measured at amortised cost £
Non-current assets	-	-	965,808	-
Cash and cash equivalents	-	291,087	-	-
Trade and other receivables	-	510,723	-	-
Other creditors	-	-	-	91,661
	-	801,810	965,808	91,661

18 Financial instruments ***(continued)***

2016	Financial instruments at FVTPL	Loans and receivables	Investments held at cost less accumulated impairment	Liabilities measured at amortised cost
	£	£	£	£
Non-current assets	-	-	-	-
Cash and cash equivalents	-	-	-	-
Trade and other receivables	-	-	-	-
Other creditors	-	-	-	-
	-	-	-	-

Investments in subsidiaries are held at cost less accumulated impairment as fair value cannot be reliably determined.

The Group uses the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation technique:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group has classified its financial instruments using these categories as follows:

Group	2017 Level 1 inputs	2016 Level 1 inputs
	£	£
Non-current assets	601,536	472,392

There were no transfers between levels in the year.

The Company does not hold any financial instruments measured using the fair value hierarchy.

19 Non-current assets

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Investments in subsidiaries	-	-	965,808	-
Investments carried at fair value	601,536	472,394	-	-
	601,536	472,394	965,808	-

19 Non-current assets *(continued)*

Fair value of financial assets carried at amortised cost

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

Financial assets for which fair value cannot be measured reliably

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

Fair value of listed equity shares

Investments carried at fair value comprise listed equity shares (Level 1). The fair value of these equity shares is determined by reference to published price quotations in an active market.

20 Subsidiaries

Details of the Company's subsidiaries at 31 December 2017 are as follows:

Name of undertaking	Country of incorporation	Ownership interest (%)	Voting power held (%)	Nature of business
Altus Exploration Management Limited[1]	UK	100.00	100.00	Service provider and resource investment adviser
Aeos Gold Limited[1]	UK	100.00	100.00	Gold exploration
Auramin Limited[1]	UK	99.00	99.00	Gold exploration
Aluvance Limited[1]	UK	97.26	97.26	Iron ore exploration
Alures Mining Limited[1]	UK	100.00	100.00	Bauxite exploration
Altau Resources Limited[1]	UK	100.00	100.00	Copper exploration
Aterian Resources Limited[1]	UK	100.00	100.00	Mineral exploration
Oxford Mining Club Limited[1]	UK	50.00	50.00	Events
Altau Resources Limited[2]	Ethiopia	100.00	100.00	Copper exploration
Aeos Resources Limited[3]	Seychelles	100.00	100.00	Dormant
Altaucam Resources Limited[3]	Seychelles	100.00	100.00	Dormant
Altau Holdings Limited[3]	Seychelles	100.00	100.00	Dormant
Avance African Group Limited[3]	Seychelles	100.00	100.00	Dormant
Aucam Resources Limited[3]	Seychelles	100.00	100.00	Dormant
Inland Exploration Limited[3]	Seychelles	100.00	100.00	Dormant
Westcoast Exploration Limited[3]	Seychelles	100.00	100.00	Dormant
Mansion Resources Limited[3]	Seychelles	100.00	100.00	Dormant
Altar Resources Limited[3]	Seychelles	100.00	100.00	Dormant
Eagle Resources Limited[3]	Seychelles	100.00	100.00	Dormant
Enigma Resources Limited[3]	Seychelles	100.00	100.00	Dormant
Atlas Minerals[3]	Seychelles	100.00	100.00	Dormant
Atlantic Minerals[3]	Seychelles	100.00	100.00	Dormant
Alboran Minerals[3]	Seychelles	100.00	100.00	Dormant
Addax Minerals[3]	Seychelles	100.00	100.00	Dormant
Akkari Minerals[3]	Seychelles	100.00	100.00	Dormant
Aures Minerals[3]	Seychelles	100.00	100.00	Dormant

20 Subsidiaries *(continued)*

Azilal Minerals[3]	Seychelles	100.00	100.00	Dormant
Altus Diamonds[3]	Seychelles	100.00	100.00	Dormant
Avanor SARL[4]	Côte d'Ivoire	97.26	97.26	Dormant
Avanex SARL[4]	Côte d'Ivoire	97.26	97.26	Dormant
Bauxex SA[5]	Cameroon	97.26	97.26	Dormant
Aucam SA[5]	Cameroon	97.26	97.26	Iron ore exploration
Valnord SA[5]	Cameroon	100.00	100.00	Gold exploration
Mining & Exploration Services Limited[6]	Liberia	100.00	100.00	Gold exploration
AF Resources SARL AU[7]	Morocco	100.00	100.00	Dormant
Azru Resources SARL AU[8]	Morocco	100.00	100.00	Copper exploration
Adrar Resources SARL AU[7]	Morocco	100.00	100.00	Dormant
Altus Mining (SL)[9]	Sierra Leone	100.00	100.00	Dormant
AuCrest Sarl[4]	Côte d'Ivoire	100.00	100.00	Gold exploration
Apalex Sarl[4]	Côte d'Ivoire	100.00	100.00	Dormant
Aza Minerals Sarl[7]	Morocco	100.00	100.00	Dormant
Akassori[10]	Chad	100.00	100.00	Dormant

On 14 June 2017, the Company undertook capital reorganisation by way of a share for share exchange with the shareholders of Altus Strategies Limited. Subsequent to the exchange Altus Strategies Limited became a 100% subsidiary of the Company and was renamed Altus Exploration Management Limited.

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

Registered office addresses

[1] 14 Station Road, Didcot, Oxfordshire OX11 7LL, United Kingdom

[2] Bole Sub-City, Kebele 08/09, House No. 811/A, P.O.Box 2633, Addis Ababa, Ethiopia

[3] Suite 24, First Floor, Eden Plaza, Eden Island, Victoria, PO Box 438, Mahé, Seychelles

[4] Cocody Les Deux Plateux, Rue des Jardins, Residence Aziz, Porte B, 20 BP 725 Abidjan 20, Côte d'Ivoire

[5] BP: 5405 Bastos, Dernier poteau, Yaoundé, Cameroon

[6] PO Box 10-3218, 1000 Monrovia 10, Liberia

[7] Appt 9, IMM 18, Rue Jbel Tazekka, Agdal, Rabat, 10090, Morocco

[8] 46, Avenue Oqba, Appt No. 2, Agdal, Rabat, Morocco

[9] 2, Berthan Macauley Street, Freetown, Sierra Leone

[10] Quartier Diguel Nord, N'Djamena, Chad

21 Trade and other receivables

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Trade receivables	1,051	135,953	-	-
Other receivables	4	-	-	-
VAT recoverable	32,754	42,808	2,485	-
Amounts due from group undertakings	-	-	510,724	-
Amounts due from related parties	31,468	58,024	-	-
Prepayments	45,392	-	14,704	-
	110,669	236,785	527,913	-

Trade receivables - credit risk

All trade receivables are denominated in £ sterling and are fully performing.

Fair value of trade receivables

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

No significant receivable balances are impaired at the reporting end date.

22 Trade and other payables

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Trade payables	78,000	23,146	56,012	-
Other payables	30,985	16,058	6,250	-
Accruals and deferred income	189,070	284,659	29,400	-
	298,055	323,863	91,662	-

23 Provisions for liabilities

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Provisions	15,000	15,000	-	-

All provisions are expected to be settled within 12 months of the reporting date.

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

24 Financial risk management

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk, price risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Groups financial performance. There has been no change in the Group's risk management programme from previous years.

24.1 Market risk

The Group's activities potentially expose it to market risks, which is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rate and foreign currency risk, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates and foreign exchange rates.

24.1.1 Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures. The Group's functional currency is pound sterling, and major purchases are transacted in pounds sterling, US dollars, West African francs, Ethiopian birr, Moroccan dirham and the Liberian dollar. The Group's head office expenditures are mainly incurred in pounds sterling and the majority of its exploration costs are incurred in the local African currencies. The Group believes the foreign exchange risk derived from currency fluctuations is not significant to its financial performance, and therefore does not consider it necessary to actively manage foreign exchange risk. For the year ended December 31, 2017, the Group had an exchange gain of £14,318 (2016: £38,605) which were not material to its operations.

24.1.2 Commodity price risk

The Group's principal activity is the exploration for economic mineral deposits in Africa. The Group is therefore exposed to commodity price risks in the valuation of base minerals, which may impact the commercial viability of the licences it holds or impact the raising of future financing. The Group therefore maintains a diversified portfolio of licences in order to mitigate the risk of changes in the prices of individual base metals.

24.1.3 Interest rate risk

Interest rate risk is the possibility that changes in interest rates will result in higher financing costs or reduced income from the Group's interest bearing financial assets and liabilities. The Group is primarily financed through equity and interest rate risk arising on interest income is immaterial. The Group therefore does not currently consider it necessary to actively manage interest rate risk.

24.2 Credit risk

Credit risk is the risk of suffering financial loss should the Group's customers, clients or counterparties fail to fulfil their contractual obligations to the Group. The Group's core business is the exploration for economic mineral deposits in Africa and therefore the majority of expenditure is incurred in cash. The Group therefore only has significant exposure on its cash and cash equivalents. The Group mitigates this risk by depositing surplus cash with financial institutions with acceptable credit ratings. The carrying value of financial assets approximates their fair value and the maximum exposure as at the Statement of Financial Position date is outlined in the following table:

24 Financial risk management ***(continued)***

	2017 £	2016 £
Trade receivables	1,051	135,953
Other receivables	4	-
VAT recoverable	32,754	42,808
Amounts due from related parties	31,468	58,024
Prepayments	45,392	17,694
Cash and cash equivalents	523,342	415,914
	634,011	670,393

24.3 Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management is achieved by maintaining sufficient cash balances and the availability of funding through an adequate amount of committed credit facilities. The Group manages liquidity by maintaining sufficient cash with banks to meet its changing commitments. The Group's objective is to ensure that there are sufficient committed financial resources to meet its current obligations and its future business requirements for a minimum of twelve months. At present the Group does not make use of any credit or debit facilities.

The table below presents the cash flows payable by the Group by remaining contractual maturities at the Statement of Financial Position date. The amounts disclosed in the table are the contractual undiscounted cash flows. The carrying values of financial liabilities approximates their fair values.

2017	Up to 3 months £	3 to 12 months £	Over 12 months £	Total £
Trade payables	78,000	-	-	78,000
Other payables	30,985	-	-	30,985
Accruals and deferred income	189,070	-	-	189,070
Provisions	15,000	-	-	15,000
	313,055	-	-	313,055

2016	Up to 3 months	3 to 12 months	Over 12 months	Total
Trade payables	23,146	-	-	23,146
Other payables	16,058	-	-	16,058
Accruals and deferred income	284,659	-	-	284,659
Provisions	-	-	15,000	15,000
	323,863	-	15,000	338,863

25 Retirement benefit schemes

Defined contribution schemes	2017	2016
	£	£
Charge to profit or loss in respect of	3,198	127,457

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

26 Share options

Non-EMI Share Options

The total number of non-EMI share options over Ordinary shares outstanding at 31 December 2017 was Nil (2016 – 8,170,000).
These share options were as follows:

Date of grant/exercisable from	Exercise price	Outstanding 31 December 2016	Exercised/ Cancelled	31 December 2017
1 September 2007	£7.50	1,600	1,600	-
17 November 2007	£15.0	1,000	1,000	-
8 November 2009	£10.0	1,000	1,000	-
11 January 2012	£4.70	4,570	4,570	-
Total		8,170	8,170	-

The non-EMI share options held by directors, employees and non-employees during the year was as follows:

Date of grant/exercisable from	Exercise price	Outstanding 31 December 2016	David Netherway	Non-employees
1 September 2007	£7.50	1,600	-	1,600
17 November 2007	£15.00	1,000	-	1,000
8 November 2009	£10.00	1,000	-	1,000
11 January 2012	£4.70	4,570	4,570	-
Total		8,170	4,570	3,600

The weighted average of the exercise price per share of the non-EMI share options as at 31 December 2017 was Nil (2016 - £7.16).

Approved EMI Share Options

The total number of approved EMI share options over Ordinary shares outstanding at 31 December 2017 was nil. These share options were as follows:

26 Share options ***(continued)***

Date of grant/exercisable from	Exercise price	Number/ granted	Exercise/ Cancelled	31 December 2017
11 January 2012	£4.70	19,232	19,232	-
11 January 2016	£4.70	2,784	2,784	-
11 January 2016	£6.00	7,125	7,125	-
Total		29,141	29,141	-

The approved EMI share options held by directors, employees and non-employees as at 31 December 2017 were as follows:

Date of grant/exercisable from	Exercise price	Outstanding 31 December 2016	Steven Poulton	Matthew Grainger	Employees
11 January 2012	£4.70	19,232	-	13,089	6,143
11 January 2016	£4.70	2,784	2,784	-	-
11 January 2016	£6.00	7,125	-	-	7,125
Total		29,141	2,784	13,089	13,268

The Company does not currently have an approved EMI or unapproved share option plan in place and as such there are currently no share options in issue or outstanding.

As part of the IPO, the Company issued warrants over 110,000 ordinary shares of 1p. The warrants are exercisable at any time over a period of 12 months from the listing date, at an exercise price of 10p per share.

27 Share-based payments

Group and company

The weighted average fair value of options during the prior year was determined using the Black Scholes option pricing model.

	2017	2016
Weighted average share price	-	£3.82
Weighted average exercise price	-	£6.00
Expected volatility	-	20.00%
Expected life	-	2 Years
Risk free rate	-	1.32%
Expected dividend yield	-	-

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Expenses recognised in the year				
Arising from equity settled share based payment transactions	3,643	3,398	-	-

During the year, Altus Exploration Management Limited issued 1,192,814 ordinary shares to directors and employees in settlement of services. The fair value of these services was £149,102 and has been recognised in profit or loss in the current year.

28 Subsequent events

Legend acquisition

On January 30, 2018, Altus acquired all of the outstanding shares of Legend Gold Corp. ("Legend"). A summary of the preliminary purchase price allocation for the Legend Acquisition is as follows:

Preliminary Purchase Price	
Legend common shares outstanding as at January 30, 2018	13,686,752
Exchange Ratio	3.0
Altus common shares issued to Legend shareholders	41,060,256
Fair value of Altus common share, in GBP on January 30, 2018	£0.085
Fair value of Altus common shares issued, in GBP	£3,490,122
Fair value of outstanding Legend warrants exchanged for Altus	£102,000
Altus transaction costs	£138,000
Preliminary Purchase Price	£3,728,122

The value of the Altus ordinary shares was calculated based on the issuance of 41,060,256 shares at a price per share of £0.085 which was the closing Altus share price on 30 January 2018. The final purchase price may vary from the above calculation depending on whether there are additional transactions costs.

The replacement of Legend's warrants has been valued using the Black-Scholes option pricing model. The weighted average assumptions used in the Black-Scholes option pricing model are as follows:

Weighted average	**Warrants**
Discounted rate	0.60%
Expected life (years)	1.42
Expected volatility	100%

Altus has only recently become a public company and therefore does not have much trading history on which to base volatility. A volatility of 100% has been assumed for the purposes of this calculation. The fair value of the replacement warrants is based on the outstanding 2,888,618 warrants outstanding adjusted for the Share Exchange Ratio of 3.0 of Altus common shares per Legend warrant. The fair value per common share of Altus is the closing price on the Alternative Investment Market ("AIM") on January 30, 2018 and the foreign exchange rate of 1.7396 is the closing GBP to CAD exchange rate published by the Bank of England on January 30, 2018.

The transaction has been treated as an asset acquisition by Altus and therefore estimated transaction costs attributable to the acquisition totalling £138,000 have been included in the preliminary purchase price. The transaction costs are mainly legal expenses.

Under IFRS 3, a business must have three elements: inputs, processes and outputs. Legend Gold Corp. ("Legend") was an early stage exploration company and had no mineral reserves and no plan to develop a mine. Legend did have title to mineral properties but these could not be considered inputs because of their early stage of development. Legend had no processes to produce outputs. Legend had not completed a feasibility study or a preliminary economic assessment on any of its properties and had no infrastructure or assets that could produce outputs. There was also no management or personnel within the Company that had any experience or expertise in mine development, mining, construction of mill equipment or in milling processes. Therefore, our conclusion was that the transaction was an asset acquisition and not a business acquisition.

28 Subsequent events (continued)

Capital Raise

After the year the Company completed a non-brokered private placement offering of units ("Units") at an issue price of C$0.15 / £0.0846 per Unit to raise C$4,108,742 / £2,300,690. Each Unit was comprised of one Ordinary Share and one Ordinary Share purchase warrant of Altus ("Warrant") exercisable to purchase one Ordinary Share for five years at an exercise price of C$0.30.

29 Share capital

	Company 2017
Ordinary share capital	**£**
Authorised, issued and fully paid	
107,680,814 of 1p each	1,076,808

On 14 June 2017, the Company undertook capital reorganisation by way of a share for share exchange with the shareholders of Altus Strategies Limited. Subsequent to the exchange Altus Strategies Limited became a 100% subsidiary of the Company and was renamed Altus Exploration Management Limited.

30 Share premium

	Group		Company
	2017	2016	2017
	£	£	£
As at 1 January	5,770,590	5,748,587	-
Issue of new shares	1,901,106	21,993	999,000
Capital reorganisation	(6,672,696)	-	-
As at 31 December	999,000	5,770,580	999,000

31 Leases

Lessee

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

	Group	
	2017	**2016**
	£	**£**
Within one year	2,441	-
Between two and five years	-	26,542
	2,441	26,542

32 Related party transactions

Remuneration of key management personnel

See note 11 for details of key management.

Transactions with related parties

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

	Sale of goods	Purchase of		
	2017	**2016**	**2017**	**2016**
	£	**£**	**£**	**£**
Entities over which the company has control, joint control or significant influence	-	14,324	-	31,758

The following amounts were outstanding at the reporting end date:

Transactions with related parties

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

	Amounts owed to related parties	
	2017	**2016**
	£	**£**
Entities over which the company has control, joint control or significant influence	510,724	741,856

33 Controlling party

There is no ultimate controlling party.

34 Cash flows from operating activities - group

	2017	2016
Loss for the year after tax	£	£
Adjustments for:		
Interest received	(1,862,805)	(653,666)
Taxation charged		
Investment income		
Depreciation and impairment of property, plant and	(61)	-
Other gains and losses	1,126	174
Equity settled share based payment	-	(307)
Movements in working capital:	1,413	2,375
(Increase)/decrease in trade and other receivables	(129,141)	(294,233)
Increase/(decrease) in trade and other payables	351,981	3,398
(Increase)/decrease in trade and other receivables	143,810	302,506
Cash used in operations	(29,826)	144,124
Cash flows used in operating activities	(1,523,505)	(495,629)

35 Cash flows from operating activities - company

	2017
	£
Loss for the year after tax	(382,662)
Foreign exchange	40
Movements in working capital:	
(Increase)/decrease in trade and other receivables	(527,913)
Increase/(decrease) in trade and other payables	91,622
Cash used in operations	(818,913)