ALTUS STRATEGIES PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

Company Registration No. 10746796
(England and Wales)

Contents

Company Information

Board	
Non-executive Chairman	David Netherway
Chief Executive Officer	Steven Poulton
Executive Director	Matthew Grainger
Non-executive Director	Robert Milroy
Non-executive Director	Michael Winn
Non-executive Director	Karim Nasr
Chief Financial Officer	Martin Keylock
General Counsel	Sandra Bates
Company Secretary	Martin Keylock
Company number	10746796
Registered office	The Orchard Centre 14 Station Road Didcot Oxfordshire OX11 7LL United Kingdom
Independent Auditor	PKF Littlejohn LLP Statutory Auditor 15 Westferry Circus Canary Wharf London E14 4HD United Kingdom
Bankers	HSBC Bank Plc 186 Broadway Didcot Oxfordshire OX11 8RP United Kingdom
Nominated Adviser & Broker	SP Angel Corporate Finance LLP Prince Frederick House 35-39 Maddox Street London W1S 2PP United Kingdom

Solicitors (Canada)	Northwest Law Group Suite 704, 595 Howe Street Vancouver British Columbia V6C 2T5 Canada
Registrar (UK)	Computershare Investor Services Plc The Pavilions Bridgwater Road Bristol BS13 8AE United Kingdom
Registrar (Canada)	Computershare Investor Services Inc. 510 Burrard St, 3rd Floor Vancouver British Columbia V6C 3B9 Canada
PR Adviser	Yellow Jersey Mappin House Oxford Street London W1W 8HF United Kingdom
Stock market trading symbols	Alternative Investment Market: ALS London Stock Exchange TSX Venture Exchange: ALTS Toronto Stock Exchange OTCQX: ALTUF OTC Markets

2020 Key Highlights

Operational highlights

- Independent Mineral Resource Estimate ("**MRE**") published on Diba gold project, western Mali, comprising 4,834,000 tonnes at 1.39 g/t gold ("**Au**") for 217,000 ounces in the Indicated category and 5,479,000 tonnes at 1.06 g/t Au for 187,000 ounces in the Inferred category
- Excellent results received from metallurgical test work on oxide and sulphide samples at Diba, testing the amenability of ores to carbon-in-leach ("**CIL**") and heap leach processing
- Updated Preliminary Economic Assessment ("**PEA**") published for Diba project, with 32% increase in after-tax net present value ("**NPV**") to US$107 million based on 10% discount rate and US$1,500/oz gold price
- Results of an MRE announced for the Tabakorole gold project, southern Mali, comprising 1.2 g/t Au for 620,000 ounces in the Indicated category, 1.2 g/t Au for 290,000 ounces in the Inferred category, completed under the Company's joint venture ("**JV**") with Australian Securities Exchange ("**ASX**")-listed Marvel Gold Limited ("**Marvel Gold**", formerly called Graphex Mining Limited)
- Encouraging results from 70-hole 2,042m shallow aircore ("**AC**") drilling at Tabakorole, defining 200m northwest extension to mineralisation
- Environmental Impact Assessment of Agdz silver and copper project, eastern Morocco, accepted by Ministry of Interior, and new targets generated on the project using predictive mapping techniques

Corporate highlights

- Definitive Purchase & Sale and Royalty agreements signed with TSX Venture Exchange ("**TSX-V**")-listed Stellar AfricaGold Inc. ("**Stellar**") in respect of the Company's 100% interest in the Prikro and Zenoula gold projects in Côte d'Ivoire for 2.5m Stellar shares, warrants to purchase a further 2.5m Stellar shares, milestone payments and a 2.5% Net Smelter Return ("**NSR**") royalty on each project
- Grant of share options to certain directors and employees to acquire 5.1 million ordinary shares of £0.05 par value ("**Ordinary Shares**") at an exercise price of £0.7315 per Ordinary Share, representing a 10% premium to the closing market price on the date of grant
- Appointment to the Altus Board of Karim Nasr, CEO of La Mancha Holdings S.à r.l. ("**La Mancha**"), as its representative
- Appointment of Alister Hume as Business Development Manager, Sandra Bates as General Counsel and Richard Belcher as VP Exploration
- Commencement of quotation of the Company's Ordinary Shares on the OTCQX 'Best Market' in the United States under the ticker symbol 'ALTUF', enhancing visibility of the Company to potential US investors

Financial highlights

- Strategic Investment Agreement with La Mancha concluded, resulting in an investment by La Mancha of £6.5m / C$11.2m and La Mancha holding a 35.45% interest in the Company
- Consolidation of the Company's ordinary shares on a five-for-one basis
- Initial 15 million shares with a value of £1.1m / C$1.9m in ASX-listed Canyon Resources Ltd ("**Canyon**") received in accordance with agreement to terminate the JV on the Birsok bauxite project in central Cameroon

- Cash balance of £5.9m / C$10.3m as at 31 December 2020
- Cash outflow for operating activities of £2.3m / C$4.1m for the year
- Balance of listed equity holdings of £1.3m / C$2.3m as at 31 December 2020

Post-period end

- Completion of oversubscribed fundraising for £7.70m / C$13.35m at an issue price of £0.75 / C$1.30 per share with net proceeds to be primarily used to accelerate gold exploration programmes in Egypt and Mali
- Expansion of activities into Egypt through award of four gold exploration licences totalling 1,565km^2 located in the Eastern Desert through a competitive international bidding process
- Grant of three new copper and silver exploration projects totalling 252km^2 within the prospective western Anti-Atlas belt of Morocco
- Receipt of second tranche of 10 million shares in Canyon with a value of £0.6m / C$1.1m
- Completion of strategic review of Bikoula iron project in southern Cameroon by Mining Plus UK Ltd ("**Mining Plus**") to determine next steps for development
- Drilling at Tabakorole gold project extending strike length by 150m to over 3km

Chairman's Statement

Reflection on the year

In this statement a year ago, I reflected on the recent successful completion of a fundraising by the Company and looked ahead with a degree of uncertainty to the potential challenges that would be posed by the unfolding pandemic. A year on and uncertainty remains regarding the direction of the pandemic, tempered by hope for the efficacy of the global vaccine rollout, but I am delighted to be once again reflecting on the recent successful completion of a fundraising by the Company. This is testament to how, against the backdrop of an unprecedented health crisis and global economic upheaval, the team at Altus has managed to continue driving exploration programmes, refining the Company's portfolio of projects and building value that continues to make the Company attractive to shareholders.

Altus was in the fortunate position of facing the pandemic period with a strong working capital balance sheet, having successfully concluded the process by which La Mancha, a pre-eminent Africa-focused mining investment group, made its strategic investment in the Company. Altus has deployed these resources across its projects in a disciplined and effective manner. Significant progress was made at the Diba gold project in western Mali, with the Company undertaking its first drilling programme, conducting metallurgical testwork, and reporting the results of an independent MRE and PEA. Two further projects in Mali, Lakanfla and Tabakorole, were the subject of accelerated exploration activity, with a resource update and a series of drilling programmes being conducted by our JV partner. The Company's portfolio of assets continued to be replenished, with a successful application for four gold exploration licences in Egypt – a new jurisdiction for Altus, and the sale of two gold projects in Côte d'Ivoire for upfront and milestone payments and future royalties. This brought the number of projects on which Altus holds a royalty to nine, and further demonstrated how Altus is growing and developing its project and royalty business.

Management and Board

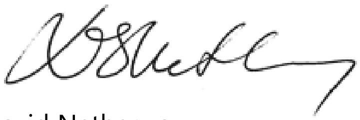
For a company of our size, Altus has a strong senior management team, Board of Directors and corporate governance procedures. During the year, we welcomed Karim Nasr to the Board. Karim is the CEO of La Mancha and Altus immediately began benefiting from his considerable business acumen and insights. The senior management team was significantly bolstered by three appointments in 2020; Alister Hume joined as Business Development Manager, Sandra Bates joined as General Counsel and Richard Belcher took up the role of VP Exploration. Alister is an experienced investment and business development manager with over a decade of expertise working in private equity and capital markets in the natural resources industry. Sandra is an international lawyer with over 20 years' experience, having advised listed and private companies in the natural resources sector on complex commercial negotiations and Environmental, Social and Governance (ESG) engagement. Richard is a talented geologist with a track record of exploration and discovery across the African continent. I am delighted to welcome all three of them to the management team.

Looking forward

I am looking forward to what could prove to be an exciting year for Altus, as we establish our presence in Egypt and start work on new licence ground in Morocco. A return to normal travel and site operations is much anticipated by our team, not least our UK-based geologists. For all of our employees, we will maintain their health and safety as our highest priority.

Whatever the challenges and opportunities of the coming 12 months, Altus is in a strong position to deal with them, backed by a robust treasury, an exceptional shareholder register and a first-class team of resource professionals. I am confident we will continue to deliver on all our objectives and once again exceed expectations.

On behalf of the Board, I thank the entire team at Altus for their contributions to a successful year in challenging circumstances, and I thank our existing and new shareholders for their continued support.



David Netherway
Non-executive Chairman
27 April 2021

Business Overview

Our project and royalty generator business model

Altus is a mining **Royalty Generator** focused on becoming the leading royalty company for African resource assets. The Company is based in the United Kingdom and is dual-listed in the UK (AIM:ALS) and in Canada (TSX-V:ALTS). Its shares also trade on the OTCQX in the United States (OTCQX:ALTUF). Since being founded in 2007, the Company has developed a portfolio of resource assets, diversified by commodity and jurisdiction. The team's track record of success in Africa and unique business model has attracted La Mancha, one of the world's largest mining investors, as a strategic shareholder. La Mancha's involvement is transformational for the Company, accelerating its royalty generation activities and expanding the pipeline of new project opportunities in Africa. The business is managed from our UK head office in Oxfordshire and is currently active in Mali, Egypt, Ethiopia, Morocco, Côte d'Ivoire and Cameroon.

Altus' unique and risk-diversified business model generates short and long-term income whilst also providing investors with exposure to the multiple potential returns that can be generated from the discovery process. Altus is growing its portfolio of royalties through organic royalty generation and the potential acquisition of royalties from third parties. The Company's portfolio approach reduces risk exposure through commodity and geographic diversification. By entering JVs with third parties on its own discoveries, Altus preserves shareholder capital for investing in further discovery opportunities. The royalties are designed to yield sustainable long-term income for Altus.

The **Discovery** strategy leverages the Company's expertise and proven ability to identify and rapidly advance early-stage, potentially high-value projects. Altus aims to acquire multiple exploration licences in diverse jurisdictions and then undertakes exploration on these simultaneously. Once a discovery has been made, project funding is met from JV partnerships, reducing risk and preserving capital. Income is generated through JV milestone payments which occur at exploration and development landmarks. Altus typically retains a residual minority equity position in the project, providing longer term optionality. Finally, Altus retains a royalty which provides long-term cash flow potential once the project enters production.

The **Acquisition** strategy focuses on accelerating the growth of the portfolio through direct purchase of existing royalties from third parties, or by royalty creation through the provision of strategic capital to select exploration and mining companies. This acquisition strategy aims to enhance the quality of the

Company's royalty portfolio, provide further diversification, and accelerate income to the group from cash-generating assets.

Risk diversification

Risk diversification is at the heart of the Company's philosophy, and is enacted by diversifying our portfolio across a variety of minerals at multiple locations across several jurisdictions. At the date of this report, Altus had a growing portfolio of 26 assets comprising six royalties, three JV projects with royalties and 17 exploration projects (including one project under application), spanning seven countries and across seven metals.

<u>Our royalty generation pyramid</u>

#	Project	3rd Party	M	Country
1	Leopard Rock	Avesoro	Au	Liberia
2	Birsok	Canyon	Al	Cameroon
3	Pitiengoma Est	Resolute	Au	Mali
4	Lakanfla	Marvel Gold	Au	Mali
5	Agdz	-	Cu	Morocco
6	Bikoula	-	Fe	Cameroon
7	Laboum	-	Au	Cameroon
8	Dara	-	Cu	Ethiopia
9	Diba	-	Au	Mali
10	Djelimangara	Desert Gold	Au	Mali
11	Sebessounkoto	Desert Gold	Au	Mali
12	Tabakorola	Marvel Gold	Au	Mali
13	Takzim	-	Zn	Morocco
14	Prikro	Stellar Africa	Au	Ivory Coast
15	Ammas	-	Zn	Morocco
16	Zaer	-	Cu	Morocco
17	Zager	-	Au	Ethiopia
18	Zanoule (apl)	Stellar Africa	Au	Ivory Coast
19	Toura (apl.)	Firering	Ni	Ivory Coast
20	W.Jundi	-	Au	Egypt
21	Bakriyah	-	Au	Egypt
22	A. Diwan	-	Au	Egypt
23	W. Dubur	-	Au	Egypt
24	Izougza	-	Cu-Ag	Morocco
25	Azrar	-	Cu	Morocco
26	Tata	-	Cu	Morocco

New Projects

Altus generates projects by selectively acquiring mineral exploration licences and advancing projects through the work of its technical team of exploration geologists. At each level, any projects that prove to be uneconomic are dropped. Successful projects progress up the pyramid toward advanced exploration with JV partners and eventually the definition and monetisation of the resource. As each project matures and develops, Altus reduces its ownership, but retains a royalty interest on its future cash generation.

More than half of the Company's portfolio is comprised of gold projects, the most advanced of which are located in western and southern Mali. Aside from gold, Altus is focused on metals that it believes will be critical in the transmission, storage and efficient use of electricity in the coming decade, as the world seeks to decarbonise. Copper will be paramount among these. Other metals such as cobalt, lithium, vanadium and aluminium also have a critical part to play, as will specialist and less well-known rare-earth metals, including neodymium and praseodymium that are used in the high-quality magnets of electric motors.

Focus on Africa

While Altus' acquisition strategy targets assets in all parts of the world, the Company's discovery strategy 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). According to the same survey, deposits in Africa (excluding South Africa) are being discovered at average depths of just 9m, which is much shallower than average global depths of 78m; in Canada and the USA the average discovery depths are even greater, at 125m and 198m respectively.

A growing portfolio of assets across Africa

Since the reporting date, the Company has been awarded four licences in Egypt, a new jurisdiction for Altus, and a further three new licences in Morocco.

This opportunity to make discoveries across Africa without recourse to expensive subsurface exploration technologies, including drilling programmes, means that our shareholder capital can potentially generate more value and at greater speed if applied to exploration in Africa than it might in many other parts of the world, thus increasing the discovery potential per Altus share. Given the collective geographical, geological and operational expertise of our management and advisor team, we believe Altus is well positioned to maximise this opportunity.

The coordinated drive to decarbonise the global economy and the unprecedented monetary stimulus following the COVID pandemic have the potential to inflate and supercharge what may otherwise have been a normal and long anticipated cyclical upturn for copper, gold and other key metals.

Chief Executive's Review

Introduction

I am pleased to report on a transformational year for Altus. Our team performed admirably despite the horrendous impacts of the Covid-19 pandemic and unprecedented international response. While prioritising the safety and security of our colleagues and the communities with whom we work, Altus grew its portfolio of assets during the year and completed a number of transactions which realised value for our shareholders. In this report I review our progress to date, discuss the current market conditions and set out our objectives for the year ahead.

A key milestone for the year was the completion of the strategic investment by La Mancha which closed in February 2020 with effectively unanimous shareholder support. La Mancha is the wholly-owned, mining investment vehicle of the Egyptian-born Sawiris family, which also has strategic stakes in Endeavour Mining Corporation and Golden Star Resources Ltd. These are two leading Canadian-listed gold mining groups, both with a focus on Africa. Coincident with the strategic investment into Altus, we consolidated our share capital on a 5:1 basis.

In April 2020, we were delighted to welcome Karim Nasr, the CEO of La Mancha, to our Board. We also bolstered the team with the appointment of a number of highly talented individuals, including Sandra Bates as General Counsel, Alister Hume as Business Development Manager and Richard Belcher as VP Exploration.

<u>Royalty & Project Transactions</u>

Altus successfully closed a number of project and royalty transactions in the year, including:

- The receipt of an initial 15 million shares in ASX-listed Canyon, with a current value of approximately £1.0m / C$1.7m, in relation to the termination of the Birsok bauxite JV in central Cameroon.
- The sale of two gold projects in Côte d'Ivoire to TSX-V-listed Stellar, in return for 2,500,000 shares of Stellar and 2,500,000 share purchase warrants, each exercisable to purchase a Stellar share for 24 months at C$0.07, the potential for future project milestone equity-based payments and a 2.5% NSR royalty on each project.
- An agreement with ASX-listed Marvel Gold under which Marvel Gold acquired the JV earn-in rights previously held by Glomin Services Limited ("**Glomin**") on the Company's Lakanfla and Tabakorole gold projects, in western and southern Mali respectively. Under the JV, Marvel Gold has the right to earn up to an 80% interest in each project by completing up to four key stages, culminating in a Definitive Feasibility Study ("**DFS**"). Altus will receive up to US$1,450,000 in future milestone cash payments, maintain the option to co-finance a 20% equity interest in the projects on completion of the DFS and will retain a 2.5% NSR royalty on each project.
- The acquisition of a 2% NSR royalty held by AGMEX SARL on the Company's Lakanfla gold project in western Mali, with the option to acquire the final 1% NSR royalty held by AGMEX

SARL.

- The commencement of trading of the Company's shares on the OTCQX 'Best Market' in the United States, under the ticker symbol 'ALTUF'.

After the period, in February 2021, Altus announced the receipt of the final 10 million tranche of shares in Canyon in respect of the Joint Venture Termination Agreement ("**JVTA**") signed in February 2019. The Company currently holds 26.1 million Canyon shares with a market value of approximately £1.7m / C$2.9m representing 4.2% of Canyon's issued capital.

As at the end of the period, Altus had the following active joint venture and royalty interests.

Project	Counterparty	Country	Metal	Status	Royalty
Lakanfla	Marvel Gold	Mali	Gold	Active JV	2.5% NSR
Tabakorole	Marvel Gold	Mali	Gold	Active JV	2.5% NSR
Pitiangoma Est	Resolute Mining (1)	Mali	Gold	Active JV	2.0% NSR
Ndablama	Avesoro Resources (2)	Mali	Gold	Sold	2.5% NPI
Sebessounkoto Sud	Desert Gold	Mali	Gold	Sold	2.5% NSR
Djelimangara	Desert Gold	Mali	Gold	Sold	2.5% NSR
Prikro	Stellar	Côte d'Ivoire	Gold	Sold	2.5% NSR
Zenoula	Stellar	Côte d'Ivoire	Gold	Sold	2.5% NSR
Birsok	Canyon (3)	Cameroon	Bauxite	Vended-in	US$1.50/t

Notes

1. Altus retains an option to co-fund its project interest at 30% or dilute to an NSR royalty
2. Net Profit Interest royalty is on the southern portion of the Ndablama gold project
3. Subject to the transfer of the Birsok licence to Canyon, NSR royalty is conditional upon the award of a mining licence to Canyon on their adjacent Minim Martap bauxite project

Joint Venture Activities

During and after the period, Marvel Gold undertook a series of significant drilling programmes at the Lakanfla and Tabakorole JV projects in western and southern Mali respectively. These programmes have resulted in significant progress at Tabakorole in particular, where Marvel Gold has announced an updated MRE, increasing the previous MRE by approximately 50%. Marvel Gold has also extended the strike of the known deposit as well as discovered a potential new parallel zone.

Project Generation Activities

During 2020, we accelerated our exploration programmes in Africa, with a specific focus on our 100% owned Diba gold project in western Mali. This work included an updated MRE, completion of metallurgical testwork, an independent PEA and a 10,000m Reverse Circulation ("**RC**") drilling programme. Each of these programmes generated positive results and Diba is now emerging as an exciting new gold opportunity in west Africa.

Elsewhere, Altus continued its project generation activities, completing a series of programmes that included trenching, mapping and sampling in Cameroon, Morocco and Ethiopia, primarily exploring for gold, copper and silver deposits. The Company also placed two of its projects, namely Daro and Zager, in northern Ethiopia under *Force Majeure*, due to the ongoing regional instability in the Tigray region.

After the year end, in February 2021, we were delighted to announce that the Egyptian Mineral Resource Authority ("**EMRA**") had awarded Altus four gold projects (comprising nine licence blocks), totalling

1,565km^2 in the Eastern Desert of Egypt. The projects were carefully selected by Altus based on their high geological prospectivity and were awarded as part of a competitive international bidding process, which included a number of multinational gold mining companies. We are currently establishing our operational base in Egypt and are looking forward to commencing exploration imminently. Also after the year end, the Company relinquished its Tigray-Afar copper project, in northern Ethiopia due to insufficient exploration success.

Funding

The Company's Ordinary Shares are listed on the AIM market (AIM:ALS) of the London Stock Exchange in the UK and the TSX Venture Exchange (TSX-V:ALTS) in Canada. Our shares also trade on the OTC market (OTCXQ:ALTUF) in the United States. These listings provide the Company with enhanced exposure to current as well as potential investors and counterparties for project transactions.

La Mancha Strategic Investment

On 04 December 2019, the Company entered into a Strategic Investment Agreement with La Mancha, whereby, subject to shareholder and regulatory approval, La Mancha subscribed for 24,845,878 new Ordinary Shares (post-consolidation) at a price of £0.26 / C$0.45 per share for aggregate gross proceeds of £6.5 million / C$11.2 million before expenses. A General Meeting of the Company's shareholders was held on 18 February 2020 in respect of the proposed investment by La Mancha and all resolutions were duly passed.

La Mancha is a pre-eminent Africa-focused mining investment group, which has a notable track record in deal selection and value creation. The group is the wholly-owned mining investment vehicle of the Sawiris family and as at 31 December 2020 had strategic investments in two publicly traded mining companies: a 19% holding in Endeavour Mining Corp. (TSX:EDV) and a 34% holding in Golden Star Resources Ltd. (TSX:GSC and NYSE:GSS). These two companies have operations in Africa and Australia with aggregate production in excess of 1.7 million gold equivalent ounces per year.

La Mancha's strategic investment in Altus is its first external investment into the listed mineral exploration and royalty sector. The Directors believe the investment not only represents a strong industry endorsement of the Altus team, portfolio and business model, but that it will prove transformative for Altus, providing the capital and expertise to fast track the Company's project and royalty generation activities, as well as unlocking new external growth opportunities.

Specifically, the transaction benefits the Company by providing:

- additional capital to allow Altus to grow its portfolio of projects and royalties across Africa, as well as advance its existing projects further and faster than would otherwise have been possible;
- access to potential new project and corporate opportunities, introduced through La Mancha's significant network in Africa and the resource sector more broadly;
- a robust balance sheet, as compared to our peer group, during an optimal period in the mining cycle, which will strengthen the Company's position when negotiating accretive acquisition opportunities;
- the appointment of up to two La Mancha directors to Altus' Board, the first being Karim Nasr, which occurred on 06 April 2020 and which will bring additional operating and technical expertise within the mining sector and in Africa; and
- wider market recognition for the Company, its capabilities and ambitious growth plans which may attract further investors to the Company's equity and potential partners for its projects.

La Mancha's investment has resulted in it owning a 35.43% share of the Company (as at 12 April 2021 – see Director's Report, page 50), and was subject to a waiver by the UK Panel on Takeovers and Mergers under Rule 9 of the City Code on Takeovers and Mergers in respect of the obligation of La Mancha to make a mandatory offer for the Company. La Mancha entered into a relationship agreement with the Company and its nominated adviser, SP Angel Corporate Finance LLP ("**SP Angel**"), which included provisions to maintain the operating independence of the Company, for any transactions between La Mancha and the Company to be conducted on an arm's length basis, and for the Company to continue operating under its existing corporate governance regime. La Mancha retains the right to appoint one director to the Board of the Company as long as it holds a 15% interest in the Company, and two directors while its interest is at least 25%.

Private Placement (Post Period)

After the period, on 21 March 2021, the Company completed a private placement of 10,266,668 Ordinary Shares at a price of £0.75 / C$1.30 per share ("**Placement**") raising approximately £7.70 million / C$13.35 million before expenses. The two Executive Directors participated in the Placement, subscribing for a total of 50,394 new Ordinary Shares with an aggregate value of approximately £37,800 / C$65,500. We were delighted with the participation in the placement by existing shareholders, as well as a number of new institutional and family office investors. Altus also welcomed Shard Capital Partners LLP ("**Shard**") as joint broker to the Company, alongside the Company's existing broker SP Angel. Altus paid broker commissions of approximately £118,000 / C$206,000 in respect of the Placement (representing 1.54% of the amount raised before expenses) and issued a total of 63,065 broker warrants. Each broker warrant has an exercise price of 112.5 pence and is exercisable for a period of two years from the completion of the Placement. The completion of the Placement has strengthened our balance sheet, to allow the Company to accelerate its exploration activities, specifically in respect of Egypt and Mali, as well as provide capital for potential accretive project and royalty acquisition opportunities.

Director Shareholdings

Further to the post period Placement, the Board of Altus has an aggregate beneficial shareholding in the Company of 14,441,315 Ordinary Shares, representing 17.97% of the current issued share capital. The Directors' shareholdings underscore the strong alignment of interests between the Company's Board and shareholders.

Altus Concert Party

There have been no changes in the constitution of those shareholders who may be deemed to be acting in concert (the "**Concert Party**"), as defined by the Takeover Panel of the London Stock Exchange. The Concert Party consists of Steven Poulton, Susannah Poulton, Matthew Grainger, Anna Grainger, David Netherway and Diane Rissik. These individuals in aggregate hold interests in 10,297,335 Ordinary Shares equivalent to 12.81%. of the Company's issued and voting share capital. These individuals do not currently hold any warrants in the Company and hold an aggregate of 2,200,000 share purchase options, which have an exercise price of £0.7315 per option and which expire on 01 September 2025. Shareholders should note that the Concert Party is free to increase its aggregated interest to 29.99% of the Company's issued and voting share capital without incurring an obligation under Rule 9 of the Takeover Code.

Market Commentary

Markets suffered an indiscriminate and sustained sell-off following the realisation of the likely profoundly negative economic implications of the Covid-19 pandemic. The FTSE100 was trading at around 7,500 in mid-February, but fell dramatically by approximately 33% to below 5,000 by the end of March to levels first hit in 1997. The index then rallied approximately 30% higher to almost 6,500 by June 2020 and, after further volatility, closed the year just above the 6,500 level. The price of oil briefly went negative with WTI Crude hitting -$37 a barrel, as supply overwhelmed demand and as a dispute erupted between Saudi Arabia and Russia within the OPEC price fixing cartel. WTI ended the year at US$48 a barrel and currently trades at around US$61.

The price of 'Dr' copper followed a similar pattern to the equity markets, falling 25% from US$2.8/lb to US$2.1/lb between January and March, before rallying 67% in a strong upward trend, boosted by constrained mine supply due to Covid-19 restrictions, hitting US$3.5/lb in December 2020. Gold was already in a cyclical uptrend rising from US$1,517 at the start of the year to US$1,673 by early March. However, it too fell sharply by 12% to US$1,469 by the third week of March. Thereafter gold benefitted from the economic distress, climbing 41% to an all-time high of US$2,068 in early August, before pulling back to US$1,896 by the end of the year.

The shares of mining equities, including Altus, were not spared from the broad equity sell-off in the first quarter of 2020. However, after the initial sell-off had occurred, mining equities trended higher, mirroring the price of gold, copper and other metals. The GDX, an exchange-traded fund for gold miners, started the year at 29.17 and fell 35% to 19.00 by the middle of March. Thereafter it rallied to a high of 42.74 in August before slipping to 36.02 by the end of the year. At the time of writing, the FTSE100 is above 6,950, copper is above US$4.4/lb, gold is above US$1,777/oz and the GDX is trading above 35.80.

The shares of Altus outperformed the market during the year, rising from 31.0p in January to 77.5p as at 31 December 2020. This exceptional performance reflects the Company's significant corporate transactions and project developments during the year. These include the excellent exploration results from the Company's Diba gold project, the Tabakorole gold JV project and the strategic investment by La Mancha.

Commodity Market Outlook

The market's short term reaction to the pandemic underscored the attraction of gold's safe-haven properties, when generating no yield is of zero consequence. Gold has since pulled back from its highs, but remains 6% above the pre-pandemic levels. Other markets and risk assets remain buoyant, with a leading indicator being speculation in Bitcoin which is trading above $53,000 per 'coin'. Real estate markets are also resilient and seemingly indicating sustained or higher prices, with interest rates expected to remain lower for longer. In general, investors are (perhaps correctly) anticipating a strong post-pandemic economic rebound which may be supercharged by the combined effects of the inflation in the money supply by various governments, under the guise of 'stimulus' (borrowing) and the rising wages, standards of living and ultimately domestic demand for goods and services in emerging markets. In almost all scenarios, rising inflation tends to favour the price of gold and other hard assets.

Meanwhile and perhaps concerningly, bond yields are also recovering, with the 10-year US treasury having initially traded at around 1.8% in January 2020, before collapsing to 0.5% in July 2020. Yields are now approaching 1.8% again, effectively erasing all the Covid-19 related rush into the perceived safety of US government 'reserve currency' bonds. A sell off in treasuries combined with a falling gold price, suggests the market is anticipating price inflation and rising real interest rates. Equity markets tend to be negatively impacted by rising rates, as higher discount rates are applied to the future earnings. In turn, falling equity prices can self-reinforce, triggering over-leveraged investors to face margin calls, stop-loss prices to be broken through and increasing speculative short-positions. A second and perhaps more fundamental negative impact of rising real interest rates is the affordability of government and corporate debt piles and the diversion of capital (raised in taxation) from productive uses, such as infrastructure and wages, into purely servicing debt interest. These forces tend to self-limit runaway inflation.

Altus Portfolio Balance

Equity and commodity markets are facing a number of unprecedented factors. The coordinated drive to aggressively decarbonise the global economy has potentially transformational implications for the demand for copper, nickel and the so called 'rare earth metals' which are fundamental to generating, transmitting and using renewable energy. Meanwhile and in addition, the seemingly relentless growth of China, the significant amounts of yet to be printed money being earmarked for infrastructure spending (perhaps exceptionally so in the USA) and the rapid technology-driven progress (and related wealth creation) in emerging markets represent a potential perfect demand-side upward pressure for all major metals, including gold.

However, as government debt burdens across the world rise to unprecedented levels as nations seek to underwrite their economies, a 'too big to fail' mentality regarding the global economy may form, if it hasn't already. Should confidence in the economic growth outlook fall, for whatever reason, in a period of excessive debt and rising inflation, the potential for a substantial economic reset will be significant. As government, commercial and domestic debts are defaulted on and insolvencies rise, bank and other financial equities will come under sustained and systemic pressure. In such a scenario, and in a similar fashion to the post 2008 crisis period, gold could prove once again to be the ultimate store of value.

In light of the above, the Altus portfolio of projects and royalties will continue to be weighted towards gold, with an allocation above 50%. However, Altus will continue to seek to increase its exposure to the metals which are critical to the decarbonisation, infrastructure and global growth themes.

Outlook

This has been a transformational year for the Company, catalysed by the strategic investment by La Mancha. We have laid strong foundations to further grow and realise value for our shareholders. In addition to expanding our portfolio of royalties and projects, most notably in Egypt, we have also welcomed a number of high calibre professionals to the team.

In my report last year, I noted that while Altus is not immune to market turmoil, our business model protects our shareholders from some of the downside risk without limiting exposure to the upside. The events of the last 12 months have amplified the intrinsic benefits for our shareholders from:

- employing a portfolio approach with geological, commodity and jurisdictional diversification;
- being counter-cyclical, investing in exploration for new mines when the costs to do so is at its lowest and the likely future value of discoveries is at its highest;
- employing third party capital to advance multiple projects simultaneously;
- generating short term income through JV payments and project sales;
- creating potential long-term income streams from project royalties; and
- identifying and making accretive project, royalty and corporate acquisitions.

Commodity markets are turning higher. After almost a decade of under investment in the exploration and development of new mineral projects, the world is now faced with shortfalls which will likely lead to higher commodity prices. Talk of a 'Super Cycle' may prove premature. However, the coordinated drive to decarbonise the global economy and the unprecedented monetary stimulus in response to the Covid-19 pandemic have the potential to inflate and supercharge what may otherwise have been a normal and long anticipated cyclical upturn for copper, gold and other key metals.

Our key objectives for 2021 will be to continue:

- to grow the number of projects in our portfolio;
- to advance the exploration work programmes across our existing portfolio of licences;
- to seek and complete a number of royalty-based JV and other transactions on our existing projects; and
- to identify potential project, royalty and corporate acquisition opportunities and, where possible, conclude accretive transactions on these.
- to conduct business with due regard for the Company's stakeholders and its environmental and social responsibilities

Our long-term objective is to realise substantial returns for shareholders, by generating significant positive cashflow from a diversified portfolio of high-quality royalty, project and JV interests. Altus has never had a stronger outlook and with our Board, I very much look forward with you to the year ahead.

In the meantime, I take this opportunity to thank all of the Altus team for their hard work and dedication throughout what has been an unequivocally challenging year. I also take this opportunity to thank our new and existing shareholders for their continued support.

Steven Poulton
Chief Executive Officer
27 April 2021

Strategic Report

*Key Performance Indicators ("**KPIs**")*

The Board use a mixture of financial and non-financial KPIs to help monitor the performance of Altus' group of companies (the "**Group**").

Cash balance

31 December 2020	£5,937,486	**31 December 2019**	£2,212,642

On 24 February 2020, the Group's cash balance increased by £3.7 million as it raised £6.5 million (C$11.2 million) through a strategic investment by La Mancha with 24,845,878 new Ordinary Shares (post-consolidation basis) issued and admitted to trading on AIM. The Group focuses its expenditure on its most prospective projects, and seeks to reduce costs by pursuing potential JV and project sale transactions across its portfolio. The Group's cash on hand is sufficient to fund all projected expenditure for a minimum of 12 months from the date of this report.

Portfolio size – projects in which Altus holds an interest

	Royalties	JVs + Royalty	Projects	Applications
31 December 2020	6	3	9	1
31 December 2019	3	4	12	2

The size of the Group's portfolio reflects the scale and diversification of the Group's project interests. Altus selectively acquires mineral exploration licences and generates and advances projects through the work of its technical team of exploration geologists. Any projects that prove to be uneconomic are dropped, and successful projects progress to advanced exploration with JV partners and eventually the definition and monetisation of the underlying asset. Altus typically reduces its ownership throughout this process and retains a royalty interest on each of the project's future cash generation.

Altus capitalises the cost of its exploration licence renewals. As a number of these licences are renewed on a typical two-yearly cycle, particularly in Mali, not all of these costs were incurred during 2020. The Company sold its Prikro licence and Zenoula application, both in Côte d'Ivoire, during the year and decided to relinquish two licences, Zolowo in Liberia and Tigray-Afar in Ethiopia. After the year end, in Q1 2021, the Company announced that it had been a successful bidder for four gold exploration licences in Egypt and three licences, primarily for copper and silver, in Morocco. This took the number of projects to 17 (including one application), making a total of 26 assets in the Company's portfolio.

Single largest exposure by geography and mineral

	By Geography	By Mineral
31 December 2020	Mali - 32%	Gold – 63%
31 December 2019	Mali - 29%	Gold – 57%

Risk diversification is at the heart of the Company's philosophy, and this is enacted by exploring for a variety of minerals at multiple locations across several jurisdictions. The single largest exposure figures are an indication of the level of diversification of risk within the Group's portfolio. The Group has royalty and exploration project interests in Mali, Ethiopia, Cameroon, Morocco, Côte d'Ivoire, Liberia and (post period) Egypt. The Group continually assesses potential licence applications, projects and third party royalty acquisitions in new jurisdictions. Aside from gold, Altus is focusing on metals that it believes will be critical in the increasingly decarbonised electricity industry, particularly copper. The Group also has interests in nickel, zinc, iron, silver and bauxite projects.

Exploration costs and Administrative expenses

	Exploration costs expensed	Administrative expenses
2020	73%	27%
2019	60%	40%

The Group focuses on deploying its cash on activities that are likely to maximise the value to shareholders while maintaining a strict control on administrative overheads.

Exploration costs includes African-employed geologists, on site costs, assays/analysis and exploration support costs in Africa, as well as UK geologists' salaries, and an allocation of UK management time and UK exploration support costs. There was a significant acceleration of exploration activity on the Group's projects in Mali during the year. The UK support team was expanded and this increased the proportion of exploration expenditure in overall costs.

Principal Risks and Uncertainties

Risk description and impact	**Risk management strategy**
The Group's projects may not contain economically recoverable volumes of minerals or metals, due to insufficient quality or quantity. Delays in the construction and commissioning of mining projects or other technical difficulties may make the deposits unattractive to exploit.	Risk is diversified by holding a portfolio of projects. At every stage of the exploration process, projects are rigorously reviewed, either internally or by qualified third-party consultants, to determine if the results justify the next stage of exploration expenditure.
Exploration activities, particularly more advanced activities such as drilling, carry a risk of local environmental damage or other issues, such as fuel spills, contamination of water courses, dust creation and damage to agricultural land or wild flora and fauna.	The Group aims to comply with provisions of PDAC's 'E3+' guidance on responsible exploration as applicable. It maintains its own Environmental Management Plan, which is regularly reviewed, and publicised to site-based employees. This contains a set of actions for each project based on a policy of Avoid, Mitigate, Remedy.
Exposure to Covid-19 could pose a serious threat to the health of the Group's employees. Long-term working from home could adversely impact the mental health of employees.	All public health advice is immediately put into practice and local restrictions are strictly adhered to. The isolation of working from home is mitigated by regular video calls involving all team members.
Exploration activity exposes the Group's employees to additional health and safety risks, such as accessing sites, use of equipment, and exposure to extreme weather or other environmental hazards.	The Group keeps the wellbeing of its employees as the highest of its priorities. Employees must be up to date with all recommended vaccinations. FCO travel advice is followed at all times, and regular first aid and other operational training is provided.

Risk description and impact	Risk management strategy
An extended period of restrictions on movement could disrupt exploration activity on the Group's projects.	Due to the portfolio nature of the Group's business, some projects are at a stage of development that requires office-based work such as remote sensing and historical data analysis. At times of restricted movement employees can be allocated to such projects to maintain momentum on the development of the portfolio and to minimise redundancy or underemployment. The Group's Africa-based staff has been able to continue on-site operations as local restrictions permitted.
A reduction in global demand for gold, copper or other metals 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. Similarly, commodity prices could fall in reaction to changes in international economic trends, impacting the revenue generated by projects in which the Group holds an interest. This may have a material adverse impact on the operating results and financial condition of the Group.	Altus has adopted a counter-cyclical business model which seeks to grow fastest during economic downturns. It has structured itself as a Company that can run extremely lean operations to undertake early-stage exploration. The Company, at this stage, does not expose itself to significant long-term liabilities or spending commitments, and works with funded JV partners for the advanced stages of exploration.
The successful exploration and development of natural resources on any project will require significant capital investment. 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.	The Group enters JV partnerships with established exploration and mining groups who fund exploration activity in return for an equity share in the exploration assets. The Group takes a disciplined and objective approach to its portfolio, and by relinquishing licences that it does not believe offer good prospects, maintains a high quality range of assets that is attractive to investors. This strategy is evidenced by a number of leading natural resources sector investors on the Company's share register.
The exploration licences and operations of the Group are in jurisdictions outside the United Kingdom, which subjects the Group to political risk. Adverse impacts could include the withdrawal or suspension of licences, and cancellation or onerous changes to permits or regulatory consents.	The Group makes every effort to ensure it has robust commercial agreements covering its activities. It maintains comprehensive documentation covering its licence assets and the Board and management oversee the good standing of these assets. The Group's Africa-based staff maintains a continual dialogue with local government agencies.

Risk description and impact	**Risk management strategy**
The Group is dependent upon a small executive team and other key personnel. The loss of these employees or the inability to attract additional qualified personnel as the Group grows restrict the ability of the Group to manage an expanded portfolio of projects.	The Remuneration & Nominations Committee reviews the Company's compensation package annually to ensure that it remains competitive (see Directors' remuneration report, pages 54-58). The Company maintains strong links with industry bodies and training establishments to ensure access to a wide pool of talent. The management team was expanded during the year to six members.
As a UK-based junior mining project and royalty generator, Altus could struggle to attract JV partners to advance its projects to mine-readiness, and to create a long-term revenue stream.	Since 2017, Altus has listed on both the AIM in the UK and the TSX-V in Canada, building a shareholder base and an industry reputation. During 2020 the Company's shares also began trading on the OTCQX market in the United States. Potential partners are engaged in these markets and elsewhere, including the ASX market in Australia. Altus actively markets its portfolio through news releases and its website, and networks with investors and partners at conferences and industry events.
Financial risks Material financial risks are listed below. Financial risks are also discussed in Note 26.	
It will take some time for revenue streams from active mines to positively impact Altus' cashflow, and until then, the Group will be reliant on funding from shareholders.	The Group aims to maximise the opportunities for converting projects into revenue-generating assets by advancing the exploration of its licences and actively marketing them to potential partners, whist at the same time maintaining a disciplined attitude to expenditure and preserving its cash. The Group also seeks JVs on its projects with third parties, which can reduce the Group's reliance on shareholder funding.
The Group's shareholder financing is denominated in pounds sterling and Canadian dollars. Its exploration expense is incurred in US dollars and a range of African currencies.	When funds are received a cashflow forecast is prepared by currency to identify the anticipated currency transactions that will be required over the period that the funds are expected to be used. FX transactions are undertaken at the earliest opportunity to minimise currency risk.

Corporate and Social Responsibility

The Board of Directors of Altus is committed to the consideration of all stakeholders in its decision-making process and to the respectful treatment of stakeholders in the conduct of the Group's business. In addition, the Directors are conscious of the obligations imposed by section 172 of the Companies Act 2006, their response to which is set out in the following paragraphs.

<u>Sustainability and environmental protection</u>

Altus is committed to conducting its business operations in a sustainable manner and strives continuously to limit the impact of its activities on the natural environment and on the local communities in the regions where it has operations. Altus is a mineral explorer and royalty business, not a mining company, therefore, the environmental impact directly associated with its activities is limited. However, the Company is well aware that good environmental stewardship of its projects is fundamental to its operations, and the Company endeavours to ensure that all areas it explores are properly maintained, and conserved, and rehabilitated once operations are completed.

A central tenet of the Group's policy is the Environmental Management Plan, which guides the Group's on-site activities from the planning stage through on-site operation to the return of sites to local communities once the Group's activity has finished.

Many of the areas of operation are regions of subsistence farming, and Altus and its employees are conscious that the impact of operations may not be limited to nuisance or upset, but could have a serious impact on the livelihoods of local people. As a result, the Group operates a number of policies to prevent problems and to remediate those that cannot be avoided. Where arable or grazing land is affected, rates of compensation are agreed with the local authorities before any invasive activity begins. Meetings are held with local stakeholder groups to explain the project, to listen to local concerns and to mitigate any potential problems. At the other end of the project cycle, once activities have ceased, the Group arranges for replanting of crops or the promotion of flora re-growth, and returns to monitor progress after six months.

<u>Community engagement</u>

Altus is mindful that it has the capacity to have a positive impact in its areas of operation, many of which are remote and offer little alternative opportunity to local people. It employs a range of local people from trained geologists to administrative support and drivers. At the end of 2020, it employed 16 people in four African countries (2019: 17 people in five countries). To some of the local people in the more rural sites, Altus offers the opportunity to be involved in the exploration activity and to gain transferable skills, such as operating geotechnical equipment. Altus has also assisted students of geology from the University at Mekele in Ethiopia to visit its exploration sites.

<u>Human rights</u>

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 undertaken in line with applicable laws on human rights.

<u>Health & Safety</u>

Altus takes the health and wellbeing of its employees extremely seriously and works continuously to minimise the hazards encountered. A comprehensive health and safety programme is maintained incorporating official guidelines, industry best practice, lessons from previous incidents and employee suggestions.

There have been no road traffic accidents affecting the Group during the last two years of operation, although there was one in each of the two preceding years, both involving third party drivers and vehicles. While Altus could not have prevented these accidents, they starkly reiterated the importance of high safety standards. Altus continues to review all of its standards regularly and to stringently vet its suppliers and service providers.

Employees

Altus fully appreciates that its team is central to its future development and success. The aim of the Group is to create an environment that will attract and retain staff, and motivate employees to maximise their potential. The Company provides a fair remuneration package, and gives due consideration to requests for flexible working arrangements. It aims to give employees exposure to wider aspects of the Company's operations. The Group promotes a culture of openness among its employees and welcomes their input into the good running of its operations.

In order to improve the gender balance of its workforce, in its process of recruitment, Altus has engaged with the Women in Mining group. During the year, one female member of the management team and two female geologists were appointed, and at the end of the year women represented 21% of the Company's workforce.

Altus has a long track record in recruiting and training promising geologists. Each year the Group typically offers at least one MSc level project thesis to students of geology or mining geology in the UK. The Group 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 Group.

The Group welcomes diversity within its workforce and does not discriminate against its employees, workers or job applicants on the grounds of age, gender, ethnicity, disability, nationality, race, sexual orientation or religious belief.

Financial Review

Income

Revenue and costs recovered from JV partners increased to £361,000 (2019: £60,000) resulting from a significant increase in activities on the JV with Marvel Gold covering the Lakanfla and Tabakorole projects in western and southern Mali. Income included milestone stage payments and JV management fees as well as recharges of project costs.

Expenses

Exploration costs expensed in the Income Statement increased significantly to £2,350,000 (2019: £1,101,000). This was driven to a large extent by work to advance the Company's projects in Mali, and included the Diba project, which is managed by the Company itself, as well as those projects managed under the JV with Marvel Gold. All three projects incurred drilling costs during the year, and there were higher associated costs for assays, surveying work, camp operations and travel. The split between exploration costs recovered from JV partners and those borne by the Company is shown in note 6 to the financial statements.

Expenditure relating to projects relating in Mali was £1,497,000 which accounted for 64% of total exploration costs (2019: £269,000 and 24%). All other countries of operation reduced their share of exploration costs as a result, although expenditure increased in relation to projects in Cameroon to £319,000 (2019: £221,000) to support a trenching and sampling programme on the Laboum project, and in Morocco to £268,000 (2019: £214,000) to support an Environmental Impact Assessment and predictive mapping programme. Expenditure reduced in Ethiopia to £202,000 (2019: £243,000) due to the suspension of on-site operations in response to the security situation, and in Côte d'Ivoire to £58,000 (2019: £74,000) due to the sale of the Company's Prikro project in November 2020. There was virtually no expenditure in Liberia (2019: £80,000) as the Company relinquished its Zolowo licence in Q1 2020.

Staff costs for UK-based geologists and the corporate team increased to £997,000 (2019: £855,000). The Company responded to the transformative strategic investment by La Mancha earlier in the year by building its capability to grow a diversified portfolio of royalty and project assets. This included the appointments of a business development manager, an in-house legal counsel, a VP Exploration as well as the appointment of a Non-executive Director representing La Mancha. Staff costs for the Group increased to £1,210,000 (2019: £1,098,000). Notwithstanding the curtailment of onsite activities during the year, the Group retained its full team of geologists. Staff costs including share-based payments increased to £1,814,000 (2019: £1,098,000) mainly resulting from the fair value charge for share options granted during the year.

Administrative expenses in the Income Statement increased to £849,000 (2019: £731,000). This included the increase in staff costs as well as higher legal and investor relations costs. The Company's internal staff development was supported by the retention of legal advisors in Canada and the UK, and of advisors to improve the marketing of the Company's portfolio and to strengthen communication with current and potential shareholders. There were reductions in accounting costs, as more functions were brought in-house, and in travel costs as refunds were obtained for cancelled flights.

Listing and acquisition related costs includes legal, regulatory and other such costs relating to JV and other corporate transactions, including prospective agreements relating to project partnerships, project sales and royalty acquisitions. Costs for the year were £88,000 (2019: £89,000).

Other income and costs

Other operating costs increased to £993,000 (2019: £54,000) and included a share based payment charge of £664,000 (2019: £22,000) resulting from the valuation of share options granted to Directors and employees in August 2020, and a foreign exchange loss of £329,000 (2019: £32,000) which was mainly an accounting translation of balances into the functional currency rather than a realised loss.

Other income increased to £1,939,000 (2019: £152,000) with its main component of £1,727,000 being in respect of the receipt of 25 million shares of Canyon, in accordance with the JVTA. The first tranche of 15 million shares was received in February 2020, the second tranche of 10 million shares was received in February 2021 and accrued at the reporting date. Other income also included R&D tax credits in the UK for the 2018 and 2019 tax years totalling £206,000 (2019: £129,000 for the 2017 tax year). By January 2021, both tax claims had been settled in full by HMRC. The loss on revaluation of the Group's external investments during the year was £162,000 (2019: £85,000).

Assets and cash

The net assets of the Group increased to £10,301,000 (2019: £4,531,000) which was reflected in a higher closing cash balance of £5,937,000 (2019: £2,213,000), a higher value of external investments of £1,321,000 (2019: £302,000), higher trade and other receivables of £854,000 (2019: £196,000) and lower trade and other payables of £1,145,000 (2019: £1,439,000).

An increase in the Group's cash balance resulted from the strategic investment by La Mancha which was approved at a General Meeting of the Company's shareholders on 18 February 2020. The investment concluded on 21 February 2020 and raised £6.5 million (C$11.2 million) before expenses through the issuance of 24,845,879 new Ordinary Shares at an issue price of £0.26 (C$0.45) per share (number of shares and issue price on a post-consolidation basis). Subsequent to the investment La Mancha held 35.45% of the issued share capital of the Company.

The increase in the balance of external investments arose from the receipt of 15 million shares of ASX-listed Canyon as outlined above. The tranche of 10 million shares was recorded as accrued income at the reporting date and was the main constituent in the increase in the balance of trade and other receivables. The Group was also the recipient of 2.5 million shares of TSX-V-listed Stellar as initial consideration for the sale of the Group's Prikro gold project and Zenoula gold application in Côte d'Ivoire.

The reduction in the balance of trade and other payables was primarily due to the issue of 14 million pre-consolidation ordinary shares of the Company to Delphi Unternehmensberatung AG ("**Delphi**") in January 2020, which settled the carry-over liability arising from Delphi's subscription for Ordinary Shares in December 2019 which was delayed due to regulatory approval.

The Group's operating cash outflow for the year increased to £2,348,000 (2019: £1,581,000) as a result of the increase in exploration and administrative expenses outlined above. The Group recorded an investing cash outflow of £104,000 (2019: £680,000 cash inflow) as it did not sell any externally held investments during the year (2019: proceeds of £674,000).

Fundraising

On 22 March 2021, the Company raised £7.7 million (C$13.4 million) through an oversubscribed placement of 10,266,668 Ordinary Shares of the Company at a price of £0.75 (C$1.30) per share with existing and new institutional and private investors. La Mancha and certain directors and employees of the Group participated in the placement. The fundraising was led by joint brokers SP Angel and Shard. The issue price of the new Ordinary Shares represented a discount of approximately 8.0% to the closing mid-market price of £0.815 / C$1.41 on 19 March 2021. The new Ordinary Shares represented approximately 12.77% of the Company's enlarged issued share capital. The Ordinary Shares issued to La Mancha and the Altus Directors and officers participating in the fundraising are subject to a TSX-V four month hold period and the Ordinary Shares issued to Canadian investors are subject to a Canadian regulatory four month hold period. The hold period will expire on 26 July 2021.

The net proceeds from the placement will be used to aggressively accelerate the Group's exploration programmes in Egypt and Mali, as well as enabling the Company to consider potential project and royalty acquisition opportunities. Further details of the placement are included in the Company's news release dated 22 March 2021 (www.altus-strategies.com/news, titled 'Altus Closes Over-Subscribed £7.70m / C$13.35m Equity Fundraising and Appoints Shard Capital Partners LLP as Joint Broker').

Going concern

The Directors have assessed the cash resources available to the Company, including balances of cash at the reporting date and funds raised post year end, and investments held in publicly traded companies. They have reviewed a detailed 24-month budget prepared by the Company, assessing the likelihood of receiving projected income and the breakdown between committed and discretionary projected expenditure.

The assessment included an analysis of the impact on the Company's business of Covid-19. Since the onset of the Covid-19 pandemic, the Company has managed to undertake operations, which included on site work as well as desk-based research, and believes that it will be able to sustain these operations in the coming months. The basis of this judgement is discussed further in note 1 to the financial statements.

In making their assessment, the Directors acknowledged the existence of a number of material uncertainties including volatility in financial and commodity markets, political and security risks, and uncertainty regarding the future impact of Covid-19. These and other risks faced by the Company are outlined in detail in the Strategic Report on pages 20 to 22.

Based on their assessment, the Directors have, at the time of approving the financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. It has sufficient cash to maintain its current business operations for at least 12 months and does not expect to have to raise funds to provide additional working capital in that time. Thus, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Review of Operations by Country

Projects held by the Group or operating under joint ventures

At the reporting date, the Company held an interest in 19 project and royalty assets. Three of the projects were under JV, and Altus held royalties on these three JV projects and on a further six projects. Having been granted additional exploration licences in the first quarter of 2021, at the date of issuing this annual report the Company held an interest in 26 assets, two of which were minority interests due to equity earn-in by a JV partner. The project and royalty assets are listed in the Business Overview on page 10.

Mali Operations

At the end of the period, Altus held an interest in four projects in Mali. Two of the projects (Diba and Lakanfla) are located in the Kayes region of western Mali, approximately 450km northwest of the capital city of Bamako while the others (Tabakorole and Pitiangoma Est) are located in southern Mali, approximately 280km and 300km southeast respectively of Bamako. The projects are held through two of the Company's 100% owned subsidiaries, LGN Holdings (BVI) Inc., which became part of the Group in January 2018 through a plan of arrangement, and Legend Gold Limited, a UK-registered subsidiary. The Lakanfla and Tabakorole projects are the subject of a JV with Marvel Gold Limited (ASX:MVL), while the Pitiangoma Est project is the subject of a JV with Resolute Mining Limited (ASX:RSG and LSE:RSG). The Company also holds separate royalty interests in two gold projects in western Mali, Djelimangara and Sebessounkoto Sud. Details of these projects are included on page 39.

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

Korali Sud (Diba) is located 13km southwest of the Sadiola gold mine, which is operated by Allied Gold Corp, a private Australian mining company, and the Malian government. Both Sadiola and Korali Sud are situated on the Senegal-Malian shear corridor within the world renowned 'Kenieba window'.

Oxide gold mineralisation at Diba is mainly found in saprolite which is within 50m of the surface, across a compact 1,200m^2 area that has been drilled to date. The deposit is controlled by a number of structures with gold occurring as fine-grained disseminations and localised high-grade calcite-quartz veinlets. Diba has a potentially low mining strip ratio with relatively limited overburden and a high proportion of the potential mineralisation is in the oxide zone. Deeper drilling at Diba targeting the sulphide zone has intersected 1.32 g/t Au over 45m (from 93m) (not true width of interval). The sulphide zone remains open at depth.

During Q3 2020, an MRE on Diba was announced, which included a PEA to outline the potential economics for an open pit gold mine. Both studies were undertaken by independent UK-based technical consultants Mining Plus.

The results of the MRE, outlined in the table below, were announced in Altus' news release entitled "Significant Gold Resource at Diba Project, Western Mali" dated 6 July 2020 and are contained in a technical report entitled "Altus Strategies Plc Diba Project Mineral Resource Estimation (NI 43-101)" dated 06 July 2020. Julian Aldridge, CGeol (Geological Society of London), a Mining Plus employee, is the Qualified Person (the responsible person required under National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("**NI 43-101**") of the Canadian Securities Administrators) for the estimate. The technical report represents a significant increase in the MRE compared to a historical report prepared in 2013.

Diba project mineral resource estimate							
	Indicated				**Inferred**		
Domain	Tonnes (t)	Grade (g/t)	Contained gold (oz)		Tonnes (t)	Grade (g/t)	Contained gold (oz)
Oxide	3,900,000	1.46	183,100		939,000	1.10	33,200
Fresh	934,000	1.12	33,600		4,540,000	1.05	153,300
Total	4,834,000	1.39	217,000		5,479,000	1.06	187,000

Note: Applying a 0.5g/t Au cut-off grade

The results of the PEA were announced on 22 July 2020, reporting an after-tax NPV of US$81 million (US$115 million before tax) based on a 10% discount rate and a US$1,500/oz gold price. It is noted that mineral resources that are not mineral reserves do not have demonstrated economic viability. The PEA envisages a simple low-cost and low-strip ratio open-pit gold mine that will use standard heap-leach processing.

In October 2020, the Company announced the results of metallurgical test work on oxide and sulphide samples from the Diba project, which was undertaken to ascertain the amenability of ores on the project to CIL and heap leach processing. Excellent gold recoveries were reported including:

- 98.3% recovery at moderate (75µm) grind size on oxide sample for CIL scenario
- 86.8% recovery at moderate (75µm) grind size on sulphide samples for CIL scenario
- 95.8% recovery at coarse (6.3mm) crush size on oxide sample for heap leach scenario

Based on the high gold recoveries from heap leaching of oxide ores, an updated PEA was announced on 18 November 2020 which showed a significant increase in the NPV to US$107 million after tax (US$152 million before tax), using a 10% discount rate and a US$1,500/oz gold price.

Seven further prospects have been defined within the licence area to date. These include Diba NW, a 2.6km^2 soil anomaly which is immediately along strike and northwest of the current historic Diba resource, Diba East, approximately 2km^2 in size and located immediately to the east of the historic Diba resource and Diba SW, located approximately 0.5km and along strike of the Diba historical resource. Diba SW is defined by a discontinuous 1.2km long gold in termite soil anomaly along the flanks of a ferricrete capped ridge and is also coincident with a VTEM geophysical anomaly.

An RC drilling programme was undertaken at Diba between November 2020 and completed after the reporting period in January 2021. The programme was undertaken by Capital Drilling Limited ("**Capital Drilling**") and comprised a total of 10,308m over 114 holes. A total of 4,932m was drilled (incorporating 57 drill holes) in and around the Diba deposit testing potential up dip, down dip and along strike extensions, as well as infilling areas within the MRE envelope to increase the resource confidence. A further 5,376m were drilled to test a number of prospects located within 3km of the Diba deposit. All the drill holes were drilled at -60 degrees inclination and ranged between 50m to 270m in length. Drilling was orientated perpendicular to the strike of the Diba deposit and the interpreted structural orientation of the target areas.

Following the reporting period, assay results from these holes received to date were reported in three news releases (www.altus-strategies.com /news, see announcements on 07 January, 26 January and 11 February 2021).

Results from the drilling programme led to the delineation of a significant and coherent, shallow-dipping and near-surface potential gold deposit at Diba NW. The prospect is located just 1.5km northwest of the existing Diba deposit. Intersections at Diba NW included 1.45 g/t Au over 22m (not true width) from 55m downhole, within an area that is currently 550m long by 150m wide. The highest grades appeared to be situated on the northern margin of an igneous intrusion, which is interpreted to be up to 1.5km long. Diba NW remains open along strike and down dip.

Results received to date also confirmed the discovery of a new zone of mineralisation, which may potentially extend the Diba deposit by approximately 100m to the west, including (intersections are down-the-hole and not true widths) 11.03 g/t Au over 3m from 37m downhole, 1.21 g/t Au over 8m from 10m downhole and 1.05 g/t Au over 13m from 25m downhole.

A programme of ground geophysics and follow up drilling are planned in the first half of 2021 for the project.

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

Lakanfla is located 5km east of Korali Sud and 6.5km from the karst-type FE3 and FE4 open pits that form part of the Sadiola gold mine to which it is considered to be geologically analogous. It is also considered to be geologically analogous to the Yatela karst-type gold deposit, which was mined between 2001 and 2015, and which is located 35km to the northwest. Nevertheless, mineralisation hosted on these properties is not necessarily indicative of mineralisation hosted at Lakanfla.

The project hosts a significant number of active and historical artisanal gold workings coincident with significant geochemical and gravity anomalies surrounding a granodiorite intrusion. Historical drilling (unverified by the Group) has returned encouraging intersections including 9.78 g/t Au over 12m and 5.20 g/t Au over 16m (not true widths). Historical drilling targeted breccia mineralisation of the granodiorite, and intersected low-grade gold mineralisation in limestones, voids and loose sands at depth, features which are indicative of a karst system. The presence of a low gravity geophysical anomaly and corresponding surface slumps features are also considered to be significant indicators.

In November 2019, Altus signed a JV agreement with Glomin to advance the Lakanfla and Tabakorole projects. On 16 June 2020 the JV earn-in rights held by Glomin were acquired by ASX-listed Marvel Gold, and the Company entered a new JV with Marvel Gold. Under the terms of the JV, Altus will receive up to US$1.45 million in milestone cash payments, retain the option to co-finance each project with a 20% equity position on completion of a DFS and hold a 2.5% NSR royalty on each project.

A 3,800m Stage-1 RC drilling programme and associated passive seismic surveys were undertaken during Q4 2020 by Marvel Gold and these were completed in January 2021. The programme proved the existence of a karst system, helped to define its likely size and shape and returned multiple intersections of anomalous albeit low-level gold. A three-dimensional structural interpretation was created based on the passive seismic survey data. This interpretation will be used to direct follow up drilling to better target the 'shoulders' of the central granodiorite body, which may host a supergene blanket of enriched gold mineralisation.

Systematic soil sampling completed in tandem with the drilling programme has defined a number of encouraging targets, with peak values of 39.1 g/t Au and 4.2 g/t Au. The first of these samples were located in a new area in the north of the Lakanfla licence, approximately 4km from the former (karst-style) open pits of the Sadiola gold mine. These targets do not appear to have any associated artisanal workings and as such represent new targets.

The programme was funded by Marvel Gold, which, with the completion of Stage-1 commitments after the year end, had earned a 33% interest in the project.

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

Tabakorole is located 280km south of the capital city of Bamako and sits on the Massagui Belt, which hosts the Morila gold mine operated by Firefinch Limited (ASX:FFX) (formerly owned by Barrick Gold). Mineralisation hosted at Morila is not necessarily indicative of mineralisation hosted by Tabakorole. The project is subject to the JV agreement with Marvel Gold as outlined above.

A 70-hole (2,042m) shallow AC drilling programme was completed in May 2020. The AC programme established a strong correlation between magnetic anomalies and drilled mineralisation. Intercepts (not true widths) included 1.05 g/t Au over 12m from 9m, 0.77 g/t Au over 21m from surface and 0.95 g/t Au over 15m from surface and defined a potential 200m north-westerly strike extension to the 2.7km-long FT Prospect (formerly known as the FT Project).

A high-resolution ground magnetic programme was completed in Q3 2020 covering an area of 25km^2 and comprising 163 NE-SW orientated lines spaced 50m apart for a total 520 line-kilometres. Initial interpretation of the geophysical data from this survey has identified nine priority magnetic targets to date, with a cumulative strike length of over 8km. These anomalies are interpreted to be extensions to the known shear structure as well as splays or sub-parallel and offset structures to it. The anomalies are typically coincident with geochemical samples with elevated gold values from a range of surface to shallow subsurface sampling techniques including soil, termite-mound, AC drilling and auger drilling. None of the nine targets has undergone any systematic drill testing to date.

Additionally, in Q3 2020, Marvel Gold completed a 1,544m diamond drilling programme on the FT Prospect, along with an additional 1,813m AC programme. The programme was designed to test high-grade plunge extensions, drill untested gaps in the deposit plus a single hole into the north-west strike extension and to provide QAQC support for the deposit model. The diamond drilling was undertaken by Capital Drilling and consisted of eight diamond drill holes for a total of 1,544m. The holes were drilled between -52 and -60 degrees inclination, perpendicular to the strike of the FT Prospect and ranged between 62.5m to 293.0m in length. Intersections included 4.7 g/t Au over 14.0m and 1.2 g/t over 31.0m (not true widths). The results confirmed a 600m north-west extension to the FT prospect.

Metallurgical testwork was undertaken on four composite samples of fresh rock collected from diamond drillholes. The composites targeted the current MRE grade of 1.2 g/t Au and ranged from 1.1 to 1.9 g/t Au. All samples were taken in fresh rock as this material represents approximately 90% of the Tabakorole MRE. Initial bottle roll testing is the industry standard first-step to determine gold recoveries from cyanide leaching. Results from the testing showed average leach recoveries of 92.7%, 94.8% and 96.6% for the four samples at three different grind sizes. The high recoveries indicate that the gold is likely to be recoverable via a simple CIL process flow sheet, with no indications of refractory gold.

In September 2020, the results of an MRE commissioned by Marvel Gold were announced (see table below). The MRE was prepared by International Resource Solutions Pty Ltd (Perth, Australia) under the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves* prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian

Institute of Geoscientists and Minerals Council of Australia ("**JORC Code**") and was reported as at 30 September 2020. A Qualified Person has not undertaken sufficient work to classify the MRE in accordance with NI 43-101, and the Company is not treating it as such.

Tabakorole project mineral resource estimate 30 September 2020				
Category		**Tonnes (t)**	**Grade (g/t)**	**Contained gold (oz Au)**
Oxide	Indicated	1,000,000	1.3	40,000
	Inferred	1,500,000	1.3	60,000
Fresh	Indicated	6,300,000	1.2	250,000
	Inferred	15,100,000	1.2	560,000

Note: Cut-off grade 0.6 g/t Au

A further 6,300m of RC drilling was undertaken on the project by Capital Drilling on behalf of Marvel Gold commencing in December 2020 and concluding after the year end in February 2021. Initial results from 19 of the 39 holes in the programme extended the strike length of the FT Prospect by 150m to over 3km, and showed broad and high-grade intersections. Final results from the remaining 20 holes of the 39-hole programme, received after the year end, included an intersection of 2.0 g/t over 16m from 75m located approximately 50m northeast of the current deposit, representing the discovery of a potential new and parallel gold zone.

Results from these intersections were reported in four news releases (www.altus-strategies.com /news, see announcements on 18 February, and 02, 18, and 23 March 2021).

After the year end, in March 2021, Marvel Gold commenced a five-hole, 750m diamond drilling programme in the southeast of the deposit and a 6,000m AC drilling programme to test potential strike extensions. A high-resolution ground magnetic survey was also commenced to extend and improve the resolution of the area surveyed.

Marvel Gold has completed Stage-2 of the project and made milestone payments totalling US$175,000 to date, earning a 51% interest in Tabakorole. Altus currently retains a 49% equity interest. Marvel Gold has the right to earn up to an 80% interest in Tabakorole by sole funding a further stage of exploration, culminating in a DFS, and making further milestone payments to Altus. Thereafter, Altus has the right to co-fund or dilute its 20% interest in the project. Altus also retains a 2.5% NSR royalty on the project. Marvel Gold will have the right to reduce the royalty to 1.0% for a payment to Altus of between US$9.99 million and US$15 million (subject to the size of the resource at Tabakorole).

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

Pitiangoma Est is located 300km southeast of the capital city of Bamako. The licence is subject to a JV with ASX-listed Resolute Mining Limited ("**Resolute**") and is located on the Syama shear zone, 15km from the Tabakoroni gold deposit and 40km from the Syama gold mine (both owned by Resolute). Resolute can earn up to a 70% interest in the project by funding US$3 million 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% NSR royalty.

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

Egypt Operations

After the end of the reporting period, on 25 January 2021, the Company announced that it had been awarded four gold projects (comprising nine gold exploration licences) in the Eastern Desert of Egypt by the Egyptian Mineral Resources Authority as part of an international bidding process. The four gold projects, Wadi Jundi, Bakriyah, Abu Diwan and Wadi Dubur, total 1,565km^2 and will be held by the Company's 100% owned subsidiary, Akh Gold Limited. The licences have been awarded for an initial two-year term, with each licence renewable for up to two further periods each of two years duration. The projects have the potential to host orogenic gold deposits within volcanic formations and granitic intrusions, as well as potential gold-bearing Volcanogenic Massive Sulphide ("**VMS**") systems hosted in ancient seafloor sequences.

Wadi Jundi Gold Project (696km^2), Eastern Egypt

The Wadi Jundi project consists of four licence blocks, covering a total area of 696km^2. The project is located approximately 40km south of the historic El Sid gold mine, which reportedly contributed around 45% of Egypt's gold production during the 20th century, and is 115km north-west of the Sukari gold mine which produces approximately 400,000 ounces of gold per year. Mineralisation hosted at El Sid and Sukari is not necessarily indicative of mineralisation hosted at the Wadi Jundi project. Wadi Jundi is directly accessible by secondary tracks from the Al Kosair-Qena asphalt highway, which runs along the Licence's northern boundary and connects the city of Luxor and coastal town of Quseer. Altus believes Wadi Jundi is prospective for orogenic gold mineralisation related to deformed volcanic sequences proximal to granite intrusions, as well as VMS deposits.

Bakriyah Gold Project (348km^2), Eastern Egypt

The Bakriyah project consists of two licence blocks, covering a total area of 348km^2. The project is located approximately 60km south of the historic El Sid gold mine, and 115km north-west of the Sukari gold mine. Mineralisation hosted at El Sid and Sukari is not necessarily indicative of mineralisation hosted at the Bakriyah project. Bakriyah is accessible by secondary tracks from a major E-W asphalt road 30km to the south, which connects to the Red Sea coastal town of Marsa Alam. Altus believes Bakriyah is prospective for orogenic gold mineralisation related to granite intrusions.

Abu Diwan Gold Project (346km^2), Eastern Egypt

The Abu Diwan project consists of two licence blocks, covering a total area of 346km^2. The project is located approximately 30km north-east of the historic El Sid gold mine, and 160km north-west of the Sukari gold mine. Mineralisation hosted at El Sid and Sukari is not necessarily indicative of mineralisation hosted at the Abu Diwan project. Abu Diwan is directly accessible by asphalt road from the Red Sea coastal city of El Quseir, located 30km to the south-east. Altus believes Abu Diwan is prospective for orogenic gold mineralisation hosted in an ophiolite belt proximal to a granite intrusion.

Wadi Dubur Gold Project (175km^2), Eastern Egypt

The Wadi Dubur project consists of one licence block, covering a total area of 175km^2. The project is located 5km west of the historic Atud gold mine and approximately 40km north-west of the Sukari gold mine. Mineralisation hosted at Atud and Sukari is not necessarily indicative of mineralisation hosted at the Wadi Dubar project. Wadi Dubur is directly accessible by asphalt road from the Red Sea coastal town of Marsa Alam, 60km to the east. Altus believes Wadi Dubur is prospective for orogenic gold mineralisation hosted in a north-west trending ophiolite belt.

Also following the end of the reporting period, the Company announced on 10 March 2021 that systematic remote sensing had been undertake on the four Egyptian projects which had resulted in the identification of over 100 potential hard rock gold workings, with a number of workings being up to 375m in length. Fieldwork is expected to commence in the second quarter of 2021 to follow up on the priority targets generated from the remote sensing programme.

Cameroon Operations

Altus holds two projects in Cameroon, the Laboum gold project, held through the Company's 99% owned subsidiary, Auramin Ltd, and the Bikoula iron ore project, held through the Company's 97.3% owned subsidiary, Aluvance Ltd. The Company also holds a royalty interest in the Birsok bauxite project in central Cameroon, details of which are provided on pages 39-40.

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

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

During Q4 2020, Altus commenced a systematic reconnaissance trenching and sampling programme, with 13 trenches totalling approximately 5,000m. The trenches are orientated perpendicular to the general north-easterly trend of the Laboum shear zone and associated gold-in-soil anomalies, at the time of reporting Altus is waiting for assay results. Results were reported from the discovery of a new array of quartz veins at the Tapare prospect. The discovery comprises 21 quartz veins, ranging from between 10m to 345m in length, within a 150m wide zone. The veins are hosted in metasiltstone and metagreywacke formations. A total of 141 reconnaissance samples have been collected as part of the current field programme at Laboum of which 27 samples were collected from the Tapare discovery, including vein samples which returned grades of up to 36.20 g/t Au and 1.13 g/t Au.

Bikoula Iron Ore Project (194km^2), Southern Cameroon

The Bikoula project comprises the Bikoula and Ndjele licences, with an area of 99km^2 and 95km^2 respectively, and is located 150km south of the capital city of Yaoundé. The licences are on the western geological strike of the Nkout iron ore deposit and 160km west of the Mbalam iron ore deposit. The licences, which are currently pending renewal, are adjacent to the road linking to the deep-water port at Kribi and are 30km north of the proposed trans-Cameroon east-west iron ore rail line.

The Group has defined a maiden Inferred MRE of 46 Mt at 44% Fe, including a supergene haematite cap of 5 Mt at 52.7% Fe, under the JORC Code. The independent resource report was prepared by Coffey Mining South Africa (Pty) Ltd and entitled 'Mineral Resource Estimation and Classification of the Bikoula Iron Ore Project in Cameroon' and dated April 2014. The resource was calculated on less than 25% of the strike of a 17km-long Libi Hills airborne geophysical target. To date 48 drill holes have been completed at Bikoula. In 2018, Altus pitted a large airborne magnetic anomaly at the Nkout North prospect. This work discovered further supergene haematite within reddish clayey soils. The Group considers this prospect and the undrilled remainder of the Libi Hills prospect to represent excellent targets for the definition of further high-grade iron ore resources.

After the period end, on 17 March 2021, the Company announced the completion of a strategic review of the project by independent consultants Mining Plus. The review included analysing the work completed to date to create an updated financial model and incorporated the potential positive impacts from recent infrastructure upgrades in Cameroon, including the completion of the deep water port at Kribi (located 350km to the west of the Project) and the construction of new roads. The strategic review will be used by the Company to determine the next steps for developing the project, including the potential to undertake a resource expansion drilling programme.

An Environmental and Social Impact Assessment Study was also completed by the Company. Altus is seeking a partner to advance the project with further drilling along the anomaly, and the preparation of an independent MRE.

Morocco Operations

At the end of the year Altus held four projects in Morocco through its 100% owned subsidiary, Aterian Resources Ltd, primarily targeting copper, silver and zinc. On 15 March 2021 the Company announced that it had been granted a further three copper and silver projects following a competitive tendering process. Altus has applied for a number of additional licences across Morocco and awaits the results of these submissions.

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

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

Altus has carried out geological mapping, surface outcrop sampling, reconnaissance trenching and ground magnetic surveys at the Agdz project. This work has defined strongly mineralised and altered zones and a clear structural context. Three main prospects have been identified to date at Makarn, Amzwaro and Minière from which rock-chip samples have returned assay results up to 26.5% copper ("**Cu**") and 448 g/t silver ("**Ag**") and an initial rock-chip channel sample returned 1.25% Cu and 96 g/t Ag over 9.3m, with grades up to 2.26% Cu and 223 g/t Ag. Rock-chip and spoil samples from the Minière prospect, which hosts multiple underground workings that exploit a series of sub-parallel alteration zones, have returned 13.0% Cu, 6.0% Cu and 5.0% Cu. Mapped alteration in the Makarn prospect is considered analogous to that of the Bouskour mine. However, the mineralisation hosted at Bouskour is not necessarily indicative of mineralisation hosted at Agdz. and has been mapped over a 0.5km strike length to date.

In Q1 2020, an Environmental Impact Assessment was completed by an independent Moroccan environmental consultancy, which was approved by the Ministry of the Interior in Q4 2020. The approval is valid for a period of five years and is renewable thereafter. Attainment of the approval of an EIA is a key milestone for the granting of a future mining licence.

In Q4 2020, the Company also announced the results of a predictive mapping programme for Agdz which was carried out at the BRGM Campus of the University of Orléans in France. Using modern techniques, analysis was undertaken on all surface data compiled by Altus to date, including surface rock and trench results, mapping data and gamma spectrometry and ground magnetic survey results. A number of broad targets were identified from the study, encompassing parts of the Amzwaro and Makarn Prospects. One of the priority targets is approximately 1km long and strikes in a north easterly direction in the northern portion of the Makarn Prospect.

Altus is actively seeking a JV partner for Agdz to conduct trenching and to undertake a maiden drill programme. Limited work was undertaken on the Company's three other exploration projects in Morocco (Takzim, Zaer, and Ammas) due to travel restrictions related to the Covid-19 pandemic.

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

Takzim comprises five permits located 35km northeast of the city of Marrakech and 7km east of the historical Bir-n-Hass copper mine. However, the mineralisation hosted at Bir-n-Hass is not necessarily indicative of mineralisation hosted at Takzim. No significant exploration work was conducted on Takzim during the year.

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

Zaer comprises six permits located 80km south of the capital city of Rabat in the Hercynian Massif, which contains three large granitic plutons that have been intruded into a sequence of sediments. The region hosts active and historical mines for copper, tin, tungsten, lead and zinc. Zaer is strategically located covering a 20km strike length of metamorphic aureole along a granite-metasediment contact. No significant exploration work was conducted on Zaer during the year.

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

Ammas comprises two permits, located 30km south of the city of Marrakech. The project is 3km southeast and along strike of Managem's Hajjar zinc, lead and copper VMS mine. However, the mineralisation hosted at Hajjar is not necessarily indicative of mineralisation hosted at Ammas. The Hajjar mine exploits a number of buried and folded massive sulphide lenses. No significant exploration work was conducted on Ammas during the year.

Following the period end, the Company announced the grant of three new copper and silver projects totalling 252km^2 in central Morocco and which are detailed below. Remote sensing is underway on these projects and exploration programmes are expected to commence shortly.

Igzougza Copper-Silver Project (24km^2), Western Morocco

Igzougza comprises two permits and is located 380km south of the capital city of Rabat, in the central Anti-Atlas Mountains. The project hosts a major regional east-west trending strike-slip fault zone between Proterozoic granite-migmatite terrain and Neoproterozoic volcano-sediments overlain unconformably by Cenozoic volcano-sediments. The project is located 20km from the Zgounder silver mine operated by Aya Gold & Silver Inc. (TSX:AYA). Mineralisation hosted at Zgounder is not necessarily indicative of mineralisation at Izougza. Numerous copper, silver, gold and cobalt mineral occurrences are reported along strike to the east and west with an apparent association with the major strike-slip fault zone.

Azrar Copper Project (85km^2), Western Morocco

Azrar comprises six permits and is located 430km south of Rabat, on the flank of the Agadir-Melloul inlier in the western Anti-Atlas Mountains. The project hosts terminal Neoproterozoic volcano-sediments overlain unconformably by Adoudounian sediments. These sedimentary sequences are known to host copper deposits in the Western and Central Anti-Atlas. A series of north to northeast striking faults and fold hinges traverse the project and are cut by a series of west-northwest interpreted structures.

Tata Copper Project (143km^2), Western Morocco

Tata comprises nine permits and is located 465km south of Rabat, in the Tata inlier of the western Anti-Atlas Mountains. The project hosts Palaeoproterozoic flysch sequences deposited in a tectonic basin, intruded by a granitic complex and complexly deformed during successive Eburnean, Pan-African and Hercynian orogenies. The Palaeoproterozoic metasediments are unconformably overlain by Neoproterozoic volcano-sediments, in turn unconformably overlain by Adoudounian sediments that are known host to major sedimentary copper deposits in the Western and Central Anti-Atlas.

Ethiopia Operations

Altus holds two projects in Ethiopia at Daro, and Zager. Both projects are held by the Company's 100% owned subsidiary, Altau Resources Ltd, and are located on the prospective Arabian Nubian Shield of Northern Ethiopia. The Company decided not to renew its Tigray-Afar licence at the end of 2020, as exploration results indicate that the mineralisation potential did not meet Altus target size criteria. During 2020, hostilities broke out between the regional government of Tigray-Afar and the Ethiopian federal government with military action taking place in and around Mekele, the capital of Tigray region. The Company immediately suspended site operations and ensured the safe return home of its staff. Site operations remain suspended pending the cessation of hostilities and the restoration of a safe working environment. The Company formally notified the Ethiopian authorities of *force majeure* in accordance with the relevant clauses in the exploration agreements.

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

Daro is located 570km north of Ethiopia's capital city, Addis Ababa. The project targets potential VMS copper and gold deposits. It is situated in the Neo-Proterozoic Nakfa Terrane, which hosts a number of significant VMS base metal and gold deposits and mines.

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

To date, five priority prospects: Keren, Teklil, Wedihazo and Simret have been defined by the Company on the licence. The Keren prospect strikes for 2km with grab and outcrop samples returning up to 37 g/t Au and 10.35 g/t Au. At the 2.5km long Teklil prospect, located within an ophiolite complex, rock chip and grab samples have returned 24% Cu, 6.51 g/t Au and 203 g/t Ag. A reconnaissance ground gravity geophysical survey along an initial 300m section of the Teklil prospect identified a potentially significant gravity anomaly adjacent to key VMS markers, including a gossanous outcrop sample which returned 6.95% Cu. Rock chip and grab sample results at the 0.5km long Wedihazo prospect, have returned up to 22.3% Cu and 0.24 g/t Au. At the Simret prospect, grab samples have returned up to 944 g/t Ag, 3.55 g/t Au and 2.72% lead ("**Pb**") and discovered Au-Ag-Cu-Pb-Zn bearing quartz veins and gossanous float. The Wedi Keshi gold prospect has been mapped as a highly altered quartz-feldspar porphyry intrusion with a strike length of approximately 2km and up to 300m in width. The intrusion is coincident with a series of discontinuous hard gold workings which likely represent the primary source for gold in the alluvial artisanal workings in the area. Rock chip sampling of quartz veins and altered wall rock material have returned 21.6 g/t Au 14.1 g/t Au, 8.5 g/t Au and 7.3 g/t Au.

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

Zager Copper-Gold Project *(285km^2)*, Northern Ethiopia
The Zager prospect is located in the Semien Mi'irabawi Zone of Tigray in northern Ethiopia, approximately 175km northwest of the Tigray state capital of Mekele and 610km north of Addis Ababa. The project is 80km west of the Company's Daro project and 15km north of the Harvest polymetallic VMS project. The project targets potential VMS copper and gold deposits. It is situated in the Neo-Proterozoic Nakfa Terrane, which hosts a number of significant VMS base metal and gold deposits and mines.

Initial prospecting and ground truthing programme on Zager have resulted in the discovery of five hard rock artisanal gold workings, two of which have shafts estimated to be up to 15m deep. Follow up exploration has identified eight additional hard rock artisanal gold workings. Three of the newly identified workings are situated on the margin of a large alluvial gold field, where densely spaced excavations cover an area of approximately 500m by 1,000m. Rock chip sampling, primarily of quartz veins and spoil from the hard rock sites, have returned grades including 27.1 g/t Au, 7.3 g/t Au and 2.9 g/t Au. Polymetallic mineralisation has also been observed at a number of localities, with galena, chalcopyrite and bornite identified in hand specimen. These observations have been supported by rock chip sample results up to 1.5 % Pb, 0.2 % Cu and 24 g/t Ag.

Altus is seeking a JV partner for Zager to conduct trenching and complete a geophysical gravity survey with the aim of defining targets for a maiden drill programme.

Côte d'Ivoire Operations
Altus holds one exploration licence application in Côte d'Ivoire, for the Toura Ni-Co project. The application is held through the Company's 100% owned subsidiary, Aeos Gold Ltd. In November 2020, the Company completed the sale of its interest in the Prikro gold project and the Zenoula licence application to Stellar as detailed above with further details of the transaction available on the Company's website (www.altus-strategies.com/news, entry dated 27 November 2020) and on page 40.

During 2019, the Company announced that it had signed an option agreement on its Toura application with Firering Holdings Limited ("**Firering**"), upon exercise of which Firering will earn a 95% interest in the project, and Altus will receive a cash payment of €15,000, a 5% capped free carried interest and a royalty linked to the nickel price. Further details are available on the Company's website (www.altus-strategies.com/news, entry dated 25 July 2019).

Liberia Operations
Altus no longer holds any projects in Liberia, having elected to relinquish its Zolowo licence during 2020 due to the comparatively high cost of undertaking mineral exploration in Liberia. The Company retains its royalty interest in the Leopard Rock Gold Prospect (see following section).

Projects in which the Group holds a royalty interest

Leopard Rock Gold Prospect (90km^2), Western Liberia
The Leopard Rock prospect is part of the 457km^2 Bea Mountain Mining Licence in western Liberia, located approximately 100km northwest of the capital city, Monrovia, and held privately by Avesoro Resources Inc. (formerly AIM & TSX:ASO), which was taken private in January 2020. It is located in the north-eastern part of the Bea licence area, approximately 40km northeast of the New Liberty Gold Mine

and 2km southeast of the Ndablama project. The target area is underlain by Archaean greenstones comprising amphibolite gneisses and ultramafic schists situated within the pressure shadow of the adjacent granitic batholith and along the western margin of a shallow westerly-dipping shear. This deformation zone is gently folded around the edge of the intrusion forming an open west-plunging anticline that is the key host of mineralisation. Gold is associated with shear-hosted disseminated sulphides and hydrothermal alteration, namely silicification, magnetite destruction, phlogopite and chlorite.

Exploration across the Leopard Rock and Ndablama prospects began in 2007 with a series of channels highlighting the potential for gold mineralisation within the granitoid's pressure shadow. A significant soil sampling programme was then undertaken on a 50m x 100m grid which defined a 13km long gold-in-soil anomaly up to 100m wide. This zone coincided with the margin of the granitoid and the southern extents formed the basis of the Ndablama and Leopard Rock prospects. An induced polarisation survey was then carried out by Fugro in 2012 over a 1.8km^2 area which outlined a 500m zone of potential sulphide mineralisation in between these two areas of interest, and suggests both prospects are hosted by a continuation of the same NW-SE trending structure. Subsequent trenching and channelling at Leopard Rock confirmed the presence of sub-surface gold with highlights including 11m at 6.4 g/t Au and 4m at 6.4 g/t Au, and the initial 24-hole drill programme subsequently returned intercepts of 4m at 17.6 g/t Au, 6m at 9.4 g/t Au and 4m at 13.9 g/t Au.

Altus holds a 2.5% Net Profit Interest royalty on the former Archaean Gold licence that encompasses the Leopard Rock prospect under a royalty agreement with Aureus Mining Inc. (now Avesoro) in May 2013.

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

Djelimangara and Sebessounkoto Sud gold projects are located in the Kayes region of western Mali, approximately 450km northwest of the capital city of Bamako. Sebessounkoto Sud is located 15km south east of the Company's Diba project. Historical trenching undertaken by Barrick (formerly Randgold Resources), reportedly returned up to 0.68g/t Au over 61m. During 2018, while the projects were held by the Group, the Soa gold prospect covering a 2.7km long gold-in-soil anomaly was defined, identified from mapping artisanal workings, and sampling spoil and termite mounds. Spoil samples returned up to 5.18g/t Au, 3.98g/t Au and 2.4g/t Au.

Djelimangara is located 3km southeast of the Diba project, and comprises four priority prospects: Sourounkoto, Kamana, Woyanda and Manankoto. These are characterised by gold-in-soil anomalies of up to 2.5km in length, coincident with hard rock gold workings in fine metasediments. Historical drilling (unverified by the Group) reportedly returned encouraging intersections including 1.34g/t Au over 30m.

The Company held a 100% interest in the project until October 2019, when it sold its interest to TSX-V-listed Desert Gold Venture Inc. ("**Desert Gold**"). The transaction included payment to the Company of US$50,000 in cash and 3,000,000 Desert Gold shares, which at the time of the transaction had a value of approximately £248,500 (C$420,000). Subject to project milestones being achieved, the Company may receive an additional US$200,000 in cash and up to 5,000,000 additional Desert Gold shares. The transaction also included a 2.5% NSR royalty of which 1.5% can be repurchased by Desert Gold for up to US$6.0m, depending on the size of the reserve at the time of a DFS.

Birsok Bauxite Project (372km^2), Central Cameroon

Birsok is located 370km northeast of the capital city of Yaoundé. From 2013 to October 2018, the project was under a JV with ASX-listed Canyon. The project is contiguous with Canyon's Minim-Martap, a potential tier-one bauxite project. The Birsok licence is currently pending renewal.

On 11 February 2019, the Company announced that it had signed a JV Termination Agreement, a Sale and Purchase Agreement and a Royalty Agreement with Canyon. For termination of the JV, a total of 25 million Canyon shares have been issued to Altus. These shares were received in two tranches of 15 million, as announced on 11 February 2020, and 10 million on 12 February 2021. Each tranche of shares is subject to a voluntary escrow period of 12 months from the date of issue. This escrow period has now expired for the initial 15 million shares granted on 11 February 2020. For vending the Birsok project to Canyon, Canyon will issue a further 5 million ordinary shares to Altus (subject to a 12-month voluntary escrow agreement), upon the execution of a mining convention on the Minim Martap Project. Altus will also receive a US$1.50 per tonne 'life of mine' royalty on sales of ore mined from Birsok. Details of these agreements with Canyon are available on the Group's website (www.altus-strategies.com/news, entry dated 11 February 2019). Altus currently holds 26,100,000 fully paid ordinary shares in Canyon representing an approximate 4.25% interest in Canyon on an undiluted basis at the time of the recent share grant.

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

Prikro is located 240km northeast of the country's largest city, Abidjan. The project targets a folded and sheared Birimian-aged greenstone sequence intruded by felsic plutons, and hosts historical gold, copper, zinc and molybdenum mineral occurrences.

On 7 November 2020, the Company announced the completion of a definitive Sale & Purchase agreement with TSX-V listed Stellar in respect of the Prikro gold exploration licence and Zenoula gold licence application in Côte d'Ivoire. Under the agreement Stellar acquired a 100% interest in the projects through the acquisition of Aeos Resources Ltd, a wholly owned Seychelles incorporated subsidiary of the Company. The consideration consisted of an initial 2.5 million units of Stellar, where each unit comprised one Stellar share and one warrant to purchase a further Stellar share for C$0.07 for two years, with further shares to be issued upon definition of a resource and completion of a DFS. Altus retains a 2.5% NSR royalty on each of the projects, and Stellar has the right to repurchase up to 1.0% of each royalty for US$0.5 million for each 0.5% repurchased.

Cautionary note regarding historical data

Readers are cautioned that some data on the Mali licences in this written disclosure is historical exploration data that has not been verified by a Qualified Person. Not all historical samples are available and Altus does not have complete information on the quality assurance or quality control measures taken in connection with the exploration results, or other exploration or testing details regarding these results. There has been insufficient exploration to define current resources and the Company cautions that there is a risk further exploration will not result in the delineation of current mineral resources. The historical data should therefore not be relied upon until the Company can confirm it.

Qualified Person

The technical disclosure in this document has been approved by Steven Poulton, Chief Executive of Altus. He has not verified the historical data disclosed in this document but has no reason to question its accuracy. A graduate of the University of Southampton in Geology (Hons), he also holds a Master's degree from the Camborne School of Mines (Exeter University) in Mining Geology. He is a Fellow of the Institute of Materials, Minerals and Mining and has over 20 years of experience in mineral exploration and is a Qualified Person under the AIM rules and NI 43-101.

Corporate Governance Report

Introduction

Since the implementation of changes to the London Stock Exchange AIM rules in September 2018 Altus has formally adopted the QCA Corporate Governance Code, and applies the 10 principles of the QCA Code as set out in the statement below and detailed in this report.

The Group's AIM Compliance Code, dating from its listing, is published on the Company's website at https://www.altus-strategies.com/corporate/corporate-governance/ and in September 2018 it published its Corporate Governance Statement.

Details of the Group's response to the framework laid down by the QCA are contained within this report and other sections of the Annual Report and Financial Statements as follows.

Corporate governance principle	**Reference**	**Page(s)**
Strategy and business model	Business Overview	9-11
Shareholder needs and expectations	Corporate Governance Report	41-49
Responsibilities to stakeholders	Strategic Report	19-24
Risk management	Corporate Governance Report	41-49
	Strategic Report	19-24
	Financial Statements note 26	98-100
Composition of the Board	Corporate Governance Report	41-49
Board experience, skills and capabilities	Corporate Governance Report	41-49
Board performance evaluation	Corporate Governance Report	41-49
Corporate culture	Corporate Governance Report	41-49
Governance structures	Corporate Governance Report	41-49
Communication with shareholders/stakeholders	Corporate Governance Report	41-49

Statement of Corporate Governance

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 through its governance of the Company and its subsidiaries. The Directors have overall responsibility for the corporate governance of the Group and recognise the importance of the highest standards of behaviour and accountability.

Several aspects of the business in its current guise offer particular challenges to the Board in respect of its approach to corporate governance, in particular:

- Complexity of operation in relation to size
  The Group's current activities include managing licence assets, entering JV and royalty arrangements, transferring licences and companies and managing a group structure across 10 jurisdictions, all with a team of 24 employees plus consultants.
- Expansion of operations
  The Company undertook project operations in five countries during 2020, and has announced that it will be expanding operations into Egypt in 2021 with four new projects, as well being granted three additional projects in Morocco; the Company is continuously analysing opportunities to expand its area of operations into new jurisdictions, and to extend its business through the acquisition of third party royalties.

- Areas of operation
  The focus of Altus' exploration and the location of all of its intangible assets is Africa. Of the five countries in which it currently has project operations, only one (Morocco) appears inside the top 100-ranked countries in the World Bank's international index of ease of doing business (May 2020).
- Operating as a dual-listed company
  The Company listed on the AIM market in August 2017 and, 10 months later, on the TSX-V. This opportunity brought with it responsibilities to shareholders predominantly in Europe and North America, and obligations for compliance with regulatory regimes in the UK and Canada.

The Board is mindful that a strong corporate culture has a fundamental impact on the development of the Company's strategy, and is an essential tool in delivering that strategy, as well as in judging risk, meeting challenges and dealing with external stakeholders.

The Board seeks to foster a culture of openness, respect, frequent communication and shared responsibility. To do this it promotes interaction between the Board and senior management, employees in various locations, shareholders and partners. Members of the Board make themselves accessible and willing to act as a sounding board or a source of guidance, and by example encourage the permeation of this culture throughout the management and wider team, both in the UK and Africa.

The effect of this open culture is to encourage dialogue at all levels, and to provide an environment in which all employees can have the confidence to raise issues and offer solutions without fear of recrimination or censure. With openness comes shared responsibility, as management is not viewed as a closed shop where all decisions are taken. Instead, employees are expected to act on issues, in discussion with relevant parties, rather than leave their resolution to someone else.

In the development and implementation of strategy this enables free and frank discussion of options and their relative merits. It encourages all employees to highlight risks, and facilitates timely discussion of issues and challenges, as well as swift and well-considered responses and actions. The values that bind the team together extend to its dealings with external stakeholders, encouraging engagement with shareholders, project partners and local communities in areas of exploration, and displaying a respect and sense of responsibility that fosters mutual co-operation.

Board Composition

The Group's Board of Directors comprises a Non-executive Chairman, a Chief Executive Officer, one Executive Director and three Non-executive Directors. 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, who are based at the Company's registered offices in Didcot, United Kingdom. The Group's Chief Financial Officer is not a director of the Company, and is also based at the registered office. The Chairman, David Netherway, and two of the three Non-executive Directors are classified as independent under Canadian securities laws and the QCA Corporate Governance Code. David Netherway has been a Director of Altus Strategies Plc and previously Altus Strategies Limited since 2007. The Board considers that he makes a significant contribution to the Company and that he has retained his independence of character and judgement notwithstanding his long-term relationship with the Company. The strategic investment by La Mancha (see Chief Executive's Review on pages 12-18) gave La Mancha the right to appoint up to two Non-executive Directors to the Board. The first of these appointments was announced on 6 April 2020, with Karim Nasr (the CEO of La Mancha) being appointed to the Board. All other Directors served for the whole year in 2020. Following a change to the Company's articles of association approved at the

Group's 2019 AGM, all Directors, including those appointed since the previous AGM, retire and stand for re-election at the AGM every year.

The Board members combine a broad range of skills and expertise in the fields of geology and mineralisation, strategy, finance and corporate governance. Those in office at the end of the year are as follows.

	David Netherway	**Steven Poulton**	**Matthew Grainger**
Position	Non-executive Chairman	Chief Executive	Executive
Appointment date	21-May-17	28-Apr-17	28-Apr-17
Status	Independent	Not independent	Not independent
Audit Committee	Member	-	-
Remuneration Committee	Member	-	-
	Robert Milroy	**Michael Winn**	**Karim Nasr**
Position	Non-executive	Non-executive	Non-executive
Appointment date	21-May-17	30-Jan-18	06-Apr-20
Status	Independent	Independent	Not independent
Audit Committee	Chair	Member	-
Remuneration Committee	Chair	Member	-

David Netherway
Non-Executive Chairman
David 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. David was non-executive chairman of Kilo Goldmines (TSX: KGL) until March 2020; he was a former director of Avesoro Resources Inc. (formerly Aureus Mining; AIM & TSX: ASO, taken private in January 2020); he is a non-executive director of Kore Potash plc (ASX, AIM & JSE: KP2). In December 2020 he stood down as chairman of Canyon (ASX:CAY), which is Altus' former partner in the Birsok bauxite project, but remains a non-executive director.

Steven Poulton
Chief Executive Officer
Steven 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. He started his career with Mano River in 1998, joining the board in 2007. In 2002 he co-founded and was Chief Executive of Ariana Resources, a gold producer in Turkey 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 for approximately US$200m, and west African gold producer Avesoro Resources (formerly Aureus Mining). In 2007 he was a founding non-executive director of west Africa focused diamond development company Stellar Diamonds. Stellar Diamonds 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 and a Fellow of the Institute of Materials, Minerals and Mining.

Matthew Grainger
Executive Director
Matthew 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). Matthew is a director of Aegis Holdings and a co-founder of industry networking groups The Oxford Mining Club and Resource IQ.

Robert Milroy
Non-Executive Director
Robert 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 EV Private Equity Funds III, IV, V, V Plus and 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 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 Winn
Non-Executive Director
Michael 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., a US company which provides investment analysis and financial services to companies operating in the energy and mining sectors and President of Seabord Services Corp., a Canadian company providing management and regulatory services to private and public mining companies. Michael is also the Chairman of EMX Royalty Corp., a Canadian royalty company listed on the TSX-V and NYSE American. 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 a former director and officer of several TSX-V and NYSE listed companies operating in Canada, Latin America, Europe and Africa, and is currently a director of Atico Mining Corp. (TSX-V:ATY). He holds a B.S. in Geology from the University of Southern California.

Karim Nasr
Non-Executive Director (appointed 06 April 2020)
Karim is the Chief Executive of La Mancha Group, an investment company with a portfolio of gold mining assets in West Africa, having joined as its Chief Financial Officer in 2018. He is also a director of La Mancha's TSX and NYSE-listed subsidiary, Golden Star Resources Ltd. Prior to La Mancha, Karim was the CEO and CIO of Digital World Capital (DWC), an FCA regulated investment manager in Telecom and Media companies. At DWC, Karim was in charge of the investment strategy and risk management for the DWC Cross Com Fund on a discretionary basis and of the special situation investments and debt restructuring advisory practice for private clients on a non-discretionary basis. Prior to DWC, Karim was in charge of Corporate Finance for Wind Telecom, one of the largest mobile operators by subscribers, where, from 2001 to 2011, he led over 225 financing and investment projects in the telecom sector, closed US$68 billion in debt and equity financings, US$67 billion in M&A, managed up to US$30 billion in liabilities, and closed major landmark debt restructuring deals. From 1996 to 1999, Karim was the CEO of Anzima s.a.l., a Lebanese IT consulting and software firm. He started his career in 1995 at An-Nahar s.a.l., a Lebanese print media group. Karim holds a Masters in Management from the University of Paris IX Dauphine with a major in Finance. He is fluent in English, Arabic and French.

Martin Keylock
Chief Financial Officer
Martin was promoted to the position of Chief Financial Officer in July 2019, having joined the Group as its Financial Controller in November 2018. Martin has over 17 years of experience in corporate accounting. Prior to joining Altus, he worked in the telecoms and architecture sectors, and most recently as Financial Controller at Velocys plc, a multinational, AIM-listed renewable fuels business. He has been a member of the ACCA since 2007, and holds an MA from the University of Glasgow and an MSc from Aston University in the United Kingdom.

Segregation of duties

The responsibilities of the Chairman include providing leadership to the Board, the efficient organisation and conduct of the Board's function, setting the Board's agenda, briefing all Directors in relation to issues arising at Board meetings and ensuring that adequate time is available for discussion of all agenda items. The Chairman is also responsible for ensuring an effective strategy is in place for communicating with shareholders, 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 for ensuring constructive and respectful relations between the Executive and Non-executive Directors and between the Board and senior management.

The Executive Directors co-ordinate the day-to-day running of the Group, and are responsible for making recommendations to the Board regarding short and medium-term budgets, targets, strategies and objectives for the Group.

The Company makes available independent professional and legal advice to all Directors, to ensure they are able to discharge their duties. In addition, all Board members have access to the services of the Company's in-house Legal Counsel and of the Company Secretary, who is responsible for ensuring compliance with all Board procedures.

Function of the Board and its Committees

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.

The Board generally meets on a quarterly basis with additional meetings as and when required. Through these meetings it provides control, guidance and oversight in reference to those matters reserved for its decision. This includes:

- approval of the budget and business plan
- major capital expenditure
- acquisitions and disposals
- risk management policies
- approval of the financial statements

The Board delegates certain aspects of its responsibilities to the Board committees which have terms of reference as listed below.

Audit Committee

The Audit Committee comprises Robert Milroy, David Netherway and Michael Winn and is chaired by Robert Milroy. It meets at least four times a year. The committee has responsibility for ensuring the integrity of the financial statements, and that the financial performance of the Company is properly measured and reported by overseeing the production of annual and interim accounts and results announcements, and confirming any changes to accounting policies.

The Audit Committee has unrestricted access to the Company's external auditor in London, PKF Littlejohn LLP. It reviews reports from the auditor, including recommendations regarding accounting and other internal controls. It advises the Board with regard to the appointment of the auditor and monitors the extent of non-audit services undertaken.

The committee monitors the effectiveness of internal controls and risk management systems on behalf of the Board (see Risk Management section later in this report).

Remuneration and Nominations Committee

The Remuneration and Nominations Committee comprises Robert Milroy, David Netherway and Michael Winn and is chaired by Robert Milroy. It meets at least once a year. The committee has responsibility for determining the Group's remuneration policies, and, within these terms, for making recommendations to the Board on the individual remuneration packages of the Company's Chief Executive, Chairman and the Executive and Non-executive Directors. This includes salary, bonus and incentive payments, and awards of shares and share options. Decisions regarding remuneration of the Group's employees are delegated to the Group's management, subject to approval of the annual budget and interim forecasts by the Board. The committee may consult with the Chief Executive as appropriate. No Director may be involved in any discussions relating to their own remuneration.

On 18 August 2020 the Board voted to extend the Terms of Reference of the then Remuneration Committee to include the duties and responsibilities of a nominations committee. The committee became responsible for reviewing the structure, size and composition (including skills, knowledge and experience) of the Board and its committees, and for considering appointments of additional and replacement directors.

Meeting attendance

Attendance at the meetings of the Board and committee meetings during the year is set out below. The denominator is the number of meetings the Director was eligible to attend.

	Board	Audit Committee	Remuneration Committee
David Netherway	8/8	4/4	3/3
Steven Poulton	11/11	n/a	n/a
Matthew Grainger	11/11	n/a	n/a
Robert Milroy	10/11	4/4	4/4
Michael Winn	10/11	3/4	3/4
Karim Nasr	6/7	n/a	n/a

Responsibilities of the Board

Internal controls

The Board acknowledges its responsibility for the Group's system of internal controls and procedures for the purpose of protecting shareholders' interests and safeguarding of the Group's assets. This covers operations, financial and risk management and regulatory compliance. Such systems are designed to manage, rather than eliminate, the risk of failure to achieve business objectives; any system can provide only reasonable, and not absolute, assurance against material misstatement or loss. In adopting its controls and procedures, the Board takes into consideration their appropriateness to the Group, given its size, complexity, stage of development, regulatory environment (AIM and TSX-V) and areas of operation.

In at least one of the meetings of the Audit Committee each year the Group's internal controls and procedures are reviewed for effectiveness, and amended, updated and expanded as deemed necessary. The Board ensures that its controls are applied as consistently as possible across its subsidiary companies in the UK and overseas.

The two most significant assets of the Group are its exploration licences and its cash balances. The Board reviews the standing of the licences each quarter with respect to the fulfilment of local requirements to submit renewals, reports and other documentation, to pay fees and taxes, and to undertake certain levels of exploration. The Board also monitors the Group's treasury management, which institutions it holds money with and the balance of currencies held relative to its operational requirements.

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. In identifying potential risks, the Board looks at:

- Inherent risk of mining prospects
- Macroeconomic environment, particularly with regard to the gold price
- Financing environment

- Operational environment

The Board has concluded that given the size and level of development of the Group it is currently not appropriate to establish an internal audit function, although it will keep this option under review.

Anti-bribery and anti-corruption

The Board is committed to ensuring that the Company conducts its business ethically and has led the implementation of an anti-bribery and anti-corruption policy and has also put in place appropriate procedures to ensure that Directors, employees and consultants of the Group comply with the UK Bribery Act 2010. Regular training is given to all staff on the terms and implications of the policy, and the policy is publicised to people working on behalf of the company and to companies with which the Group engages.

Financial information

The Group's management has adopted internal controls to provide reasonable assurance regarding the reliability of financial information, both for internal financial control, and for the preparation of published financial statements. These controls are set out in a framework document entitled 'Financial Position and Prospects Procedures'. The controls are reviewed regularly each year. Management accounts are produced on a monthly basis, results are reviewed against an annual budget and periodic reforecasts, and significant variances are reported.

The financial statements for 2020 have been reviewed by the Audit Committee in consultation with the Group's auditor, PKF Littlejohn LLP. Particular attention was paid to the Group's cash position, presentation of the accounts on a going concern basis and access to future funding, and to support for the value of the Group's intangible assets as represented by its capitalised licence costs.

The Audit Committee regularly reviews the provision of non-audit services from its auditors. It 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.

Share dealing code

The Company has adopted a share dealing code for the Directors and applicable employees to ensure compliance with the AIM rules relating to dealings in the Company's securities and with the Market Abuse Regulations as applied to AIM-listed companies.

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 shareholders, and, equally, that the shareholders understand how the actions of the Board and short-term financial performance of the Group relate to the achievement of the Group's longer-term goals.

The Board is committed to effective communication with the shareholders of the Company. Formal communication is provided through the publication of the Annual Report and quarterly operational updates and financial results. In addition, news releases are issued regularly throughout the year and the Company maintains a website (www.altus-strategies.com) on which press releases, corporate presentations and financial information are available to view. Shareholders and other interested parties can subscribe to receive notification of news updates and other documents from the Company via email. The Company has an active presence on Twitter and Linked-In as a means of improving accessibility to

Company newsfeeds.

Enquiries from individual shareholders on matters relating to the business of the Company are welcomed. Executive Directors meet and hold calls with major shareholders to discuss the progress of the Company and provide periodic feedback to the Board following meetings with shareholders. This includes travelling to Canada and the US to meet North American-based shareholders.

The Board welcomes the attendance of shareholders at the Annual General Meeting and the Executive Directors are happy to answer shareholders' questions.

By order of the Board,

David Netherway
Chairman
27 April 2021

Directors' Report

The Directors present their annual report and financial statements for the year ended 31 December 2020.

Company

Altus Strategies plc is the parent company of the Group. It is a public limited company listed on the AIM market of the London Stock Exchange and the TSX-V in Canada, and incorporated and registered in the United Kingdom. The Company's shares also trade on the OTCQX 'Best Market' in the United States. The registered office address is The Orchard Centre, 14 Station Road, Didcot, Oxfordshire, OX11 7LL, United Kingdom.

Principal activity

The principal activity of the Group and Company is that of a project and royalty generator in the field of mineral exploration. An overview of the business model is included on pages 9-11, and a detailed review of the Group's activities, together with expected future developments and objectives of the Group, is provided within the Strategic Report on pages 19-24.

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 (2019: £Nil). The Directors do not recommend payment of a final dividend.

Directors

The Directors who, unless otherwise indicated, held office during the year and up to the date of signature of the financial statements were as follows:

David Netherway (Non-executive Chairman)
Steven Poulton (Chief Executive Officer)
Matthew Grainger (Executive Director)
Robert Milroy (Non-executive Director)
Michael Winn (Non-executive Director)
Karim Nasr (Non-executive Director) (appointed 6 April 2020)

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 12 April 2021.

Major shareholders (* indicates Director of the Company)	Number of shares	% of issued capital
La Mancha Holdings S.à r.l.	28,483,360	35.43%
Delphi Unternehmensberatung AG	7,000,000	8.71%
Steven Poulton*	5,757,061	7.16%
Resource Capital Investment Corp. (Sprott)	4,691,600	5.84%
Michael Winn*	3,743,980	4.66%
David Netherway*	2,441,375	3.04%

Share Capital

Details of the share capital and movements in share capital during the year are disclosed in note 29 to the financial statements. On 1 September 2020, a total of 3,000,000 share options were issued to Directors and 2,100,000 share options were issued to employees. Details of these share options are provided in note 28 to the financial statements.

Company's listing

The Company's Ordinary Shares have been trading on AIM in London since 10 August 2017, on TSX-V in Canada since 6 June 2018 and on OTCQX in the United States since 23 September 2020.

Going Concern and availability of finance

The Directors have a reasonable expectation that the Group and Company will be able to access adequate financial resources to continue in operational existence for the foreseeable future and, therefore, they continue to adopt the going concern basis in the preparation of the annual report and financial statements. Further details on the Directors' assumptions are included in the Financial Review on page 27 and in the statement on going concern in note 1 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 website in accordance with UK legislation governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The Group is compliant with AIM Rule 26 regarding the Group's website.

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 their compliance. Details of this code are set out in the Corporate Governance Report on pages 41-49.

Directors and their interests

The Directors who served during the year, together with their directly beneficial interests in the shares of the Company, including those held by a spouse or civil partner, were as follows.

	31 December 2020		**31 December 2019**		
			Post-consolidation	**Pre-consolidation**	
David Netherway	2,441,375	3.48%	2,441,375	12,206,875	5.81%
Steven Poulton	5,720,000	8.16%	5,565,096	27,825,481	13.24%
Matthew Grainger	2,085,566	2.97%	2,085,566	10,427,828	4.96%
Robert Milroy[1]	400,000	0.57%	387,436	1,937,179	0.92%
Michael Winn	3,743,980	5.34%	3,743,980	18,719,898	8.90%
Karim Nasr	-	-	n/a	n/a	n/a

1. Held through Milroy Capital Limited a company controlled by Robert Milroy

Key performance indicators (KPIs)

Information on the Group's KPIs is included in the Strategic Report on pages 19-24.

Principal Risks and uncertainties
The principal risks and uncertainties of the Group are outlined in the Strategic Report on pages 19-24.

Section 172 requirements
The Group's response to the requirements of section 172 of the Companies Act 2006 is included in the Strategic Report on pages 19-24.

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 suppliers.

Future developments
The Group will continue to execute its project and royalty generator business model during 2021. This is expected to include:

- continuing to grow the number of projects in our portfolio in our existing countries of operations as well as in new jurisdictions;
- completing a number of royalty-based JV and other transactions on our existing assets; and
- identifying potential project, royalty and corporate acquisition opportunities and where possible concluding accretive transactions on these.

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 risks are detailed in the Principal risks and uncertainties section of the Strategic Report on page 22 and in note 26 of the financial statements.

Events after the reporting date
The events after the reporting date are set out in note 32 to the Financial Statements.

Directors' and Officers' Indemnity Insurance
The Group maintains Directors and Officers insurance, and its provision for qualifying third-party indemnity for the benefit of its Directors and Officers was in place throughout the year and remained in place at the reporting date.

Annual General Meeting
The Annual General Meeting of the Company will be held at the Company's offices of the Company on Monday 14 June 2021.

Auditor
PKF Littlejohn LLP has indicated its willingness to continue in office as the Group's auditor. A resolution proposing that they be re-appointed will be put forward at the Annual General Meeting.

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 steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the Board,

Steven Poulton
Chief Executive Officer
27 April 2021

Directors' Remuneration Report

Remuneration and Nominations Committee

The Remuneration and Nominations Committee comprises Robert Milroy, David Netherway and Michael Winn and is chaired by Robert Milroy. It meets at least once a year. Further details are included in the Corporate Governance Report on pages 41-49. Due to the parent company's listing on AIM it is not required to comply with the following regulations, and has therefore excluded certain disclosures required by these regulations.

- Report Regulations 2013
- UKLA Listing Rules
- the disclosure provisions under schedule 8 to SI 2008/410 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008

Remuneration policy for Executive and Non-executive Directors

The remuneration policy for Executive Directors is designed to provide a competitive package, to reward good performance and to align the Directors' interests with those of shareholders. The package includes basic salary (which may be partly deferred and paid in shares), bonus and company pension contributions in line with Group policy, as well as share options. Remuneration packages are reviewed annually. Both Executive Directors have service contracts with the Group with notice periods of three months. No Director has a service agreement with a notice period in excess of three months. Bonuses for Executive Directors in 2020 were set at 50% of basic salary and linked to a number of KPI targets. Considering targets that had been met and other performance factors, the Committee determined that the full bonus would be payable for the year and this was paid in 2021. Non-executive Directors receive only basic fees and do not receive bonuses or company pension contributions, although they are included in the policy on share options.

Contracted and deferred remuneration

The total value of Directors' remuneration for 2020 was £451,080, comprising £316,080 for Executive Director salaries and Non-executive Director fees, £112,500 for Executive Director bonuses and £22,500 for Executive Director pension contributions.

In each year Directors may choose to defer some of their remuneration, whether this is salary or company pension contributions, until such time as the Company has the liquid resources available to be able to settle the deferred amounts in cash. Deferred remuneration is recorded in the accounts by way of an accrual. The balance of deferred remuneration brought forward was £247,409 in respect of salaries and Board fees, and £62,875 in respect of company pension contributions. This was in addition to outstanding bonus payments of £127,500. These balances were settled during the year. Excluding bonuses, which are paid in the year following that to which they relate, and monthly pension contributions, which are paid in the following month, there were no outstanding balances of deferred remuneration at the end of the year.

The following tables present Directors' remuneration for the years 2018 to 2020, comprising salaries, bonuses payable, and company pension contributions for Executive Directors, and Board fees for Non-executive Directors. As well as contractual amounts, the tables show amounts paid for the current year and prior years (prior to the applicable deductions of tax or national insurance), amounts deferred for the year and the balance of deferred remuneration. Certain of this information is also presented in note 11 to the financial statements.

Executive Directors	2020 £	2019 £	2018 £
Steven Poulton, Chief Executive Officer			
Contractual salary	125,000	125,000	122,500
Bonus payable	62,500	46,875	-
Pension payable	12,500	12,500	12,250
Total payable	200,000	184,375	134,750
Salary paid (for current year)	125,000	6,250	97,500
Salary paid (unpaid in prior years)	172,500	-	-
Bonus paid (unpaid in prior years)	90,000	-	-
Pension paid (for current year)	11,458	-	-
Pension paid (unpaid in prior years)	62,875	-	-
Total paid	461,833	6,250	97,500
Salary deferred	-	118,750	25,000
Bonus to be paid	62,500	46,875	-
Pension deferred / to be paid	1,041	12,500	12,250
Total deferred	63,541	178,125	37,250
Deferred salary balance	-	172,500	53,750
Bonus payable balance	62,500	90,000	43,125
Pension payable balance	1,041	62,875	50,375
Total deferred balance	63,541	325,375	147,250
Matthew Grainger, Executive Director			
Contractual salary	100,000	100,000	100,000
Bonus payable	50,000	37,500	-
Pension payable	10,000	10,000	10,000
Total payable	160,000	147,500	110,000
Salary paid (for current year)	100,000	91,090	86,000
Salary paid (unpaid in prior years)	36,576	-	-
Bonus paid (unpaid in prior years)	37,500	21,563	-
Pension paid (for current year)	9,167	10,000	-
Pension paid (unpaid in prior years)	-	7,675	-
Total paid	183,243	130,328	86,000
Salary deferred	-	8,910	14,000
Bonus to be paid	50,000	37,500	-
Pension deferred / to be paid	833	-	10,000
Total deferred	50,833	46,410	24,000
Deferred salary balance	-	36,576	27,666
Bonus payable balance	50,000	37,500	21,563
Pension payable balance	833	-	7,675
Total deferred balance	50,833	74,076	56,904

Non-executive Directors	2020 £	2019 £	2018 £
David Netherway, Chairman			
Board fees payable	35,000	35,000	35,000
Board fees paid (for current year)	35,000	35,000	-
Board fees paid (unpaid in prior years)	-	39,167	-
Total paid	35,000	74,167	-
Board fees deferred	-	-	35,000
Balance of deferred fees	-	-	39,167
Robert Milroy *			
Board fees payable	25,000	25,000	25,000
Board fees paid (for current year)	25,000	25,000	-
Board fees paid (unpaid in prior years)	-	45,833	-
Total paid	25,000	70,833	-
Board fees deferred	-	-	25,000
Balance of deferred fees	-	-	45,833
Michael Winn			
Board fees payable	20,000	20,000	18,333
Board fees paid (for current year)	15,000	-	-
Board fees paid (unpaid in prior years)	38,333	-	-
Total paid	53,333	-	-
Board fees deferred/to be paid	5,000	20,000	18,333
Balance of deferred fees	5,000	38,333	18,333
Karim Nasr			
Board fees payable	11,080	-	-
Board fees paid	-	-	-
Board fees to be paid	11,080	-	-
Balance of deferred fees	11,080	-	-

* Robert Milroy is a director through Milroy Capital Ltd

Total for all Directors	**2020** **£**	**2019** **£**	**2018** **£**
Contractual salary / Board fees	316,080	305,000	300,833
Bonus payable	112,500	84,375	-
Pension payable	22,500	22,500	22,250
Total payable	451,080	411,875	323,083
Salary / Board fees paid (for current year)	300,000	159,840	183,500
Salary / Board fees paid (unpaid in prior year)	247,409	85,000	-
Bonus paid (unpaid in prior years)	127,500	21,563	-
Pension paid (for current year)	20,625	10,000	-
Pension paid (unpaid in prior years)	62,875	7,675	-
Total paid	758,409	281,578	183,500
Salary / Board fees deferred / to be paid	16,080	145,160	117,333
Bonus to be paid (for current year)	112,500	84,375	-
Pension deferred / to be paid	1,875	12,500	22,250
Total deferred	130,455	242,035	139,583
Deferred salary / Board fees balance	16,080	247,409	184,749
Bonus to be paid balance	112,500	127,500	64,688
Pension deferred / to be paid balance	1,875	62,875	58,050
Total deferred balance	130,455	437,784	307,487

Share options
On 28 August 2020 the Company issued to the Directors 3,000,000 share options to acquire Ordinary Shares in the Company at an exercise price of 73.15p, which represented a 10% premium on the grant date market price. For Non-executive Directors, 50% of the share options vest immediately and 50% after 12 months. For Executive Directors, 50% of the share options vest after one year and 50% after 18 months. The number of share options granted to each Director is as follows.

	Director	**Number of share options**
Non-executive Directors	David Netherway	400,000
	Robert Milroy *	300,000
	Michael Winn	250,000
	Karim Nasr	250,000
Executive Directors	Steven Poulton	1,000,000
	Matthew Grainger	800,000

Further details of the Company's share options scheme are provided in note 28 to the financial statements.

Purchase of Company shares by Directors
Certain directors have used their own funds to purchase shares in the Company, including participation in the private placement of December 2019 and March 2021. The number and value of shares purchased is shown in the table below. All shares are shown on a post-consolidation basis.

	David Netherway	Steven Poulton	Matthew Grainger	Robert Milroy*	Total
2021 (at date of report)					
Value £	-	27,795	10,000	-	37,795
Shares	-	37,061	13,333	-	50,394
Average price p	-	75.00	-	-	75.00
2020					
Value £	-	96,468	-	8,583	105,051
Shares	-	154,903	-	12,564	167,467
Average price p	-	62.28	-	68.31	62.73
2019					
Value £	75,727	139,125	66,578	70,834	352,264
Shares	291,255	535,096	256,066	272,436	1,354,853
Average price p	26.00	26.00	26.00	26.00	26.00
2018					
Value £	-	25,613	15,055	11,798	52,465
Shares	-	159,086	80,000	65,000	304,086
Average price p	-	16.10	18.80	18.15	17.25
Total					
Value £	75,727	289,001	91,633	91,215	509,781
Shares	291,255	886,146	349,399	350,000	1,826,406
Average price p	26.00	32.61	26.20	26.06	27.91

* Robert Milroy purchased shares through Milroy Capital Limited

Michael Winn and Karim Nasr did not purchase any shares during the period covered by the table above (Karim Nasr was appointed as a Non-executive Director in April 2020).

By order of the Board,

Robert Milroy
Chairman of the Remuneration and Nominations Committee
27 April 2021

Statement of Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group and Parent Company financial statements in accordance with international accounting standards in conformity with the Companies Act 2006. 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 AIM and in accordance with Canadian securities laws.

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

- select suitable accounting policies and apply them consistently
- state whether international accounting standards in conformity with the Companies Act 2006 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
- 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,

Steven Poulton
Chief Executive Officer
27 April 2021

Independent Auditor's Report to the Members of Altus Strategies plc

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 2020 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 accounting standards in conformity with the requirements of the Companies Act 2006 and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 2020 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 international accounting standards in conformity with the requirements of the Companies Act 2006;
- the parent company financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 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.

Separate opinion in relation to IFRSs as issued by the IASB

As explained in note 1 to the group financial statements, the group, in addition to complying with its legal obligation to apply international accounting standards in conformity with the requirements of the Companies Act 2006, has also applied IFRSs as issued by the International Accounting Standards Board (IASB).

In our opinion the group financial statements give a true and fair view of the consolidated financial position of the group as at 31 December 2020 and of its consolidated performance and its cash flows for the year then ended in accordance with IFRSs as issued by the IASB.

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
In auditing the financial statements, we have concluded that the Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included reviewing the group's forecasts and assumptions used in preparation. Our work included comparing these forecasts to actual results and significant events subsequent to the year end.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Our application of materiality
The scope of our audit was influenced by our application of materiality. The quantitative and qualitative thresholds for materiality determine the scope of our audit and the nature, timing and extent of our audit procedures. The materiality applied to the group financial statements was £200,000 (2019: £140,000), based on thresholds for net assets and the loss before tax. The benchmarks used and the percentages applied are unchanged from the prior period and were selected as the exploration assets and exploration costs are the primary drivers of the business. The performance materiality was £140,000 (2019: £98,000) and triviality of £10,000 (2019: £7,000). The materiality applied to the parent company financial statements was £30,000 (2019: £30,000) based upon the loss before tax. The performance materiality for the parent company was £21,000 (2019: £21,000).

Component materiality for all entities within the group was set lower than our overall group materiality and ranged from £1,000 to £75,000 with a performance materiality set at 70% of overall materiality.
We agreed with the audit committee that we would report all audit differences identified during the course of our audit in excess of £10,000 at group level, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

Our approach to the audit
Our audit is risk based and is designed to focus our efforts on the areas at greatest risk of material misstatement, aspects subject to significant management judgement as well as greatest complexity, risk and size.

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. The recoverability of intangible assets and investments in subsidiary undertakings were assessed as areas which involved significant judgements by management. 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. The key audit matters and how these were addressed are outlined below.

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.

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 (refer notes 17,19 and 21). The carrying value of intangible assets as at 31 December 2020 is £3,277,381 (2019: £3,202,950) which comprises costs associated with exploration licenses and projects in Africa. The carrying value of investments in subsidiaries, together with intra-group receivables was £14,912,031 (2019: £9,190,705) as at 31 December 2020. Management is required to assess annually whether there is any indication that the group's intangible assets are impaired, and consider whether the carrying value exceeds the expected recoverable amount. The carrying value of investments in subsidiaries, including intra group receivables, is directly linked to the underlying exploration assets. Evaluating the recoverable amount, particularly for early stage exploration projects, requires significant estimation and judgement. This makes this area a key focus for the audit.	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. We discussed with management the scope of their future budgeted and planned expenditure on the licence area. The recoverability of amounts due from subsidiary and related undertakings were assessed by reference to the underlying exploration projects. Management's impairment assessments were reviewed for reasonableness. We considered any other information obtained during the course of our work, including applicable subsequent events, to assess whether there were any potential indicators of impairment not identified by management. Based on the procedures performed, we consider

	management's judgements to be reasonable and the related disclosures appropriate.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 the 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 in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept 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 Statement of Directors' Responsibilities, 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'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.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and parent company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussion with management, our expertise in the sector and through the application of cumulative audit knowledge.
- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from the Companies Act 2006, IFRS accounting standards, and the operating terms set out in the exploration licenses, as well as local laws and regulations.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent company with those laws and regulations. These procedures included, but were not limited to:
    - enquiries of management; and
    - review of minutes and other correspondence.
- We also identified the risks of material misstatement of the financial statements due to fraud at both the group and parent company level. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, whether key management judgements could include management bias was identified in relation to the carrying value of the exploration assets and we addressed this as outlined in the Key Audit Matters section.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- Compliance with laws and regulations at the subsidiary level was ensured through enquiry of management and review of ledgers and correspondence for any instances of non-compliance.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

Use of our report

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.

David Thompson

David Thompson (Senior Statutory Auditor)
for and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London
E14 4HD

27 April 2021

Independent Auditor's Report to the Members of Altus Strategies plc in Respect of Canadian National Instrument 52-107

Opinion

We have audited the group financial statements of Altus Strategies plc and its subsidiaries (the "group") for the year ended 31 December 2020 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 ("IASB").

In our opinion:

- the group financial statements present fairly, in all material respects, the financial position of the group as at 31 December 2020 and 31 December 2019 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 IASB.

Basis for Opinion:

We conducted our audit in accordance with International Standards on Auditing (ISAs) as issued by the 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.

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. 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 (refer notes 17,19 and 21). The carrying value of intangible assets as at 31 December 2020 is £3,277,381 (2019: £3,202,950) which comprises costs associated with exploration licenses and projects in Africa. The	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.

carrying value of investments in subsidiaries, together with intra-group receivables was £14,912,031 (2019: £9,190,705) as at 31 December 2020. Management is required to assess annually whether there is any indication that the group's intangible assets are impaired, and consider whether the carrying value exceeds the expected recoverable amount. The carrying value of investments in subsidiaries, including intra group receivables, is directly linked to the underlying exploration assets. Evaluating the recoverable amount, particularly for early stage exploration projects, requires significant estimation and judgement. This makes this area a key focus for the audit.	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. We discussed with management the scope of their future budgeted and planned expenditure on the licence area. The recoverability of amounts due from subsidiary and related undertakings were assessed by reference to the underlying exploration projects. Management's impairment assessments were reviewed for reasonableness. We considered any other information obtained during the course of our work, including applicable subsequent events, to assess whether there were any potential indicators of impairment not identified by management. Based on the procedures performed, we consider management's judgements to be reasonable and the related disclosures appropriate.

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 group 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 Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the group financial statements, the Directors are responsible for assessing the group'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 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 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 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.
- 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.

David Thompson (Engagement Partner)
for and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London
E14 4HD

27 April 2021

Group Statement of Comprehensive Income

For the Year Ended 31 December 2020

Continuing operations	Notes	2020 £	2019 £
Revenue and costs recovered from JV partners	4	361,425	59,911
Exploration costs expensed	7	(2,350,028)	(1,101,000)
Administrative expenses	8	(848,794)	(731,103)
Listing and acquisition related costs		(88,440)	(88,595)
Foreign exchange gains/(losses)		(328,787)	(31,825)
Share based payments		(663,945)	(22,103)
Loss from operations		(3,918,569)	(1,914,715)
Finance (costs)/ income	12	(4,923)	(8,338)
Other income	13	1,938,615	151,875
Gain / (loss) on disposal	14	68,897	-
Other gains / (losses) on investments	14	(163,409)	(627,444)
Loss before taxation		(2,079,389)	(2,398,622)
Income tax	15	-	-
Loss for the year		(2,079,389)	(2,398,622)
Other comprehensive income			
Exchange differences on retranslation of net assets of subsidiaries		-	(5,587)
Total comprehensive loss for the year		(2,079,389)	(2,404,209)
Loss for the year attributable to:			
- Owners of the parent company		(2,076,435)	(2,372,787)
- Non-controlling interest		(2,954)	(25,835)
		(2,079,389)	(2,398,622)
Total comprehensive income for the year attributable to:			
- Owners of the parent company		(2,076,435)	(2,378,374)
- Non-controlling interest		(2,954)	(25,835)
		(2,079,389)	(2,404,209)
Earnings per share (pence) attributable to the owners of the parent			
Basic earnings per share	16	(3.12)	(6.63)

The notes on pages 77-105 form part of these financial statements.

ALTUS STRATEGIES PLC

Group Statement of Financial Position

As at 31 December 2020

Company Registration No. 10746796

	Notes	2020 £	2019 £
Non-current assets			
Intangible assets	**17**	3,277,381	3,202,950
Property, plant and equipment	**18**	4,720	3,190
Right of use assets	**30**	60,198	80,262
Investments at fair value through profit or loss	**20**	1,320,542	302,072
		4,662,841	3,588,474
Current assets			
Trade and other receivables	**21**	853,629	196,219
Held-for-sale assets	**22**	86,765	66,023
Cash and cash equivalents		5,937,486	2,212,642
		6,877,880	2,474,884
Total assets		11,540,721	6,063,358
Current liabilities			
Trade and other payables	**23**	(1,144,754)	(1,438,875)
Held-for-sale liabilities	**22**	(34,020)	(13,182)
Provisions	**24**	(15,000)	(15,000)
		(1,193,774)	(1,467,057)
Non-current liabilities			
Trade and other payables		(45,848)	(65,797)
Total liabilities		(1,239,622)	(1,532,854)
Net current assets		5,684,106	1,007,827
Net assets		**10,301,099**	**4,530,503**
Equity			
Share capital	**29**	3,504,580	2,102,284
Share premium	**29**	13,222,115	7,378,369
Translation reserve		(82,579)	(82,579)
Other reserves		6,359,013	5,755,070
Retained earnings		(12,600,749)	(10,524,314)
Total equity attributable to owners of the parent		10,402,380	4,628,830
Non-controlling interest		(101,281)	(98,327)
Total equity		**10,301,099**	**4,530,503**

The notes on pages 77-105 form part of these financial statements. The financial statements were approved by the Board of Directors and authorised for issue on 27 April 2021 and are signed on its behalf by:

Steven Poulton

Chief Executive Officer

Company Statement of Financial Position

As at 31 December 2020
Company Registration No. 10746796

	Notes	2020 £	2019 £
Non-current assets			
Investments in subsidiaries	**19**	4,608,930	4,608,930
Investments at fair value through profit or loss	**20**	413,634	208,953
		5,022,564	4,817,883
Current assets			
Trade and other receivables	**21**	10,375,059	4,598,461
Cash and cash equivalents		460,131	219,343
		10,835,190	4,817,804
Total assets		15,857,754	9,635,687
Current liabilities			
Trade and other payables	**23**	(328,404)	(1,005,510)
Total liabilities		(328,404)	(1,005,510)
Net current assets		10,506,786	3,812,294
Net assets		**15,529,350**	**8,630,177**
Equity			
Called up share capital	**29**	3,504,580	2,102,284
Share premium	**29**	13,222,115	7,378,369
Other reserves		631,399	27,456
Retained earnings		(1,828,744)	(877,932)
Total equity		**15,529,350**	**8,630,177**

As permitted by Section 408 of the Companies Act 2006, the Company has not presented its own statement of comprehensive income and related notes. The Company's loss for the year was £950,812 (2019: loss of £273,974).

The notes on pages 77-105 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 27 April 2021 and are signed on its behalf by:

Steven Poulton
Chief Executive Officer

Group Statement of Changes in Equity

For the Year Ended 31 December 2020

	Notes	Share capital £	Share premium account £	Translation reserve £	Other reserves £	Retained earnings £	Total equity £	Non-controlling interest £	Total £
Balance at 1 January 2019		1,777,827	6,018,822	(76,992)	5,770,070	(8,151,527)	5,338,200	(72,492)	5,265,708
Year ended 31 December 2019									
Loss for the year		-	-	-	-	(2,372,787)	(2,372,787)	(25,835)	(2,398,622)
Other comprehensive loss for the year		-	-	(5,587)	-	-	(5,587)	-	(5,587)
Total comprehensive income for the period		-	-	(5,587)	-	(2,372,787)	(2,378,374)	(25,835)	(2,404,209)
Issue of share capital	**29**	324,457	1,359,547	-	-	-	1,684,004	-	1,684,004
Warrants expired		-	-	-	(15,000)	-	(15,000)	-	(15,000)
Total transactions with owners, recognised directly in equity		324,457	1,359,547	-	(15,000)	-	1,669,004	-	1,669,004
Balance at 31 December 2019		2,102,284	7,378,369	(82,579)	5,755,070	(10,524,314)	4,628,830	(98,327)	4,530,503
Year ended 31 December 2020									
Loss for the year		-	-	-	-	(2,076,435)	(2,076,435)	(2,954)	(2,079,389)
Other comprehensive loss for the year		-	-	-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	(2,076,435)	(2,076,435)	(2,954)	(2,079,389)
Issue of share capital	**29**	1,402,296	5,843,746	-	-	-	7,246,042	-	7,246,042
Share based payments	**28**	-	-	-	603,943	-	603,943	-	603,943
Total transactions with owners, recognised directly in equity		1,402,296	5,843,746	-	603,943	-	7,849,985	-	7,849,985
Balance at 31 December 2020		3,504,580	13,222,115	(82,579)	6,359,013	(12,600,749)	10,402,380	(101,281)	10,301,099

The notes on pages 77-105 form part of these financial statements.

Company Statement of Changes in Equity

For the Year Ended 31 December 2020

	Notes	Share capital £	Share premium account £	Other reserves £	Retained earnings £	Total £
Balance at 1 January 2019		1,777,827	6,018,822	42,456	(603,958)	7,235,147
Year ended 31 December 2019						
Loss and total comprehensive income for the year		-	-	-	(273,974)	(273,974)
Issue of share capital	**29**	324,457	1,359,547	-	-	1,684,004
Expiry of warrants		-	-	(15,000)	-	(15,000)
Total transactions with owners, recognised directly in equity		324,457	1,359,547	(15,000)	-	1,669,004
Balance at 31 December 2019		2,102,284	7,378,369	27,456	(877,932)	8,630,177
Year ended 31 December 2020						
Loss and total comprehensive income for the year		-	-	-	(950,812)	(950,812)
Issue of share capital	**29**	1,402,296	5,843,746	-	-	7,246,042
Share based payments	**28**	-	-	603,943	-	603,943
Total transactions with owners, recognised directly in equity		1,402,296	5,843,746	603,943	-	7,849,985
Balance at 31 December 2020		3,504,580	13,222,115	631,399	(1,828,744)	15,529,350

The notes on pages 77-105 form part of these financial statements.

Group Statement of Cash Flows

For the Year Ended 31 December 2020

	2020 £	2019 £
Cash flows from operating activities		
Loss from continuing operations	(2,079,389)	(1,914,715)
Less: net interest paid	4,923	-
Less: movement in depreciation	23,845	26,210
Less: impairment of intangible assets	20,952	39,210
Less: equity-settled share based payments	663,945	22,103
Less: bad debt provision	(430)	-
Less: fair value (gain)/loss on investments	94,512	-
Less: receipt of shares as consideration	(1,180,838)	-
(Increase)/decrease in trade and other receivables	(609,255)	32,203
Increase/(decrease) in trade and other payables	387,622	185,083
Other working capital	(2,364)	29,213
Net cash outflow used in operating activities	(2,676,477)	(1,580,693)
Investing activities		
Proceeds from sale of subsidiary	-	38,664
Proceeds from sale of investment	-	673,852
Purchase of intangible assets	(95,383)	(30,587)
Purchase of property, plant and equipment	(5,310)	(1,321)
Interest received	1,775	14
Interest paid	(4,947)	(183)
Net cash generated from/(used in) investing activities	(103,865)	680,439
Financing activities		
Net proceeds from the issue of shares	6,523,561	1,684,004
Proceeds for which issue of shares pending	-	722,482
Principal element of lease payments	(13,473)	(12,073)
Interest element of lease payments	(4,902)	(6,302)
Net cash generated from financing activities	6,505,186	2,388,111
Net increase in cash and cash equivalents	3,724,844	1,487,857
Cash and cash equivalents at beginning of the year	2,212,642	724,785
Cash and cash equivalents at end of the year	**5,937,486**	**2,212,642**

Significant non-cash transactions

In January 2020 the Company issued 400,000 Ordinary Shares (post consolidation) to AGMEX SARL in relation to the acquisition of a 2% NSR royalty on the Company's Lakanfla project, and a further 2,800,000 Ordinary Shares (post consolidation) to Delphi Unternehmensberatung AG in respect of funds of £722,481 received as part of the non-brokered private placement in December 2019. In February 2020 ASX-listed Canyon issued 15 million shares valued at £1,108,999 to the Company in accordance with the JVTA. In August 2020 the Company granted 5,100,000 options to purchase new Ordinary Shares in the Company at an exercise price of £0.7315 per share to Directors and employees of the Company.

The notes on pages 77-105 form part of these financial statements.

Company Statement of Cash Flows

For the Year Ended 31 December 2020

	2020	2019
	£	£
Cash flows from operating activities		
Loss before tax	(950,812)	(273,974)
Less: Interest paid	396	183
Less: fair value (gain) / loss on investments	(132,848)	3,242
Less: Equity-settled share based payments	663,943	22,103
Less: Receipt of shares as consideration	(71,833)	-
(Increase)/decrease in trade and other receivables	(55,271)	10,915
Increase/(decrease) in trade and other payables	36,691	(18,957)
(Increase)/decrease in intercompany balances	(5,772,643)	(1,740,820)
Other working capital	-	(15,000)
Net cash used in operating activities	(6,282,377)	(2,012,308)
Investing activities		
Purchase of investments	-	(208,953)
Interest paid	(396)	(183)
Net cash used in investing activities	(396)	(209,136)
Financing activities		
Proceeds from the issue of shares	6,523,561	1,684,004
Proceeds for which issue of shares pending	-	722,482
Net cash generated from financing activities	6,523,561	2,406,486
Net increase/(decrease) in cash and cash equivalents	240,788	185,042
Cash and cash equivalents at beginning of the year	219,343	37,544
Exchange movements on cash and cash equivalents	-	(3,243)
Cash and cash equivalents at end of the year	460,131	219,343

Significant non- cash transactions

In January 2020 the Company issued 400,000 Ordinary Shares to AGMEX SARL in relation to the acquisition of a 2% NSR royalty on the Company's Lakanfla project, and a further 2,800,000 Ordinary Shares to Delphi Unternehmensberatung AG in respect of funds of £722,481 received as part of the non-brokered private placement in December 2019. In August 2020 the Company granted 5,100,000 options to purchase new Ordinary Shares in the Company at an exercise price of £0.7315 per share to Directors and employees of the Company.

The notes on pages 77-105 form part of these financial statements.

1 Accounting policies

Company information

Altus Strategies plc is a public company limited by shares and incorporated in England and Wales. The registered office is 14 Station Road, Didcot, Oxfordshire, OX11 7LL, United Kingdom. The Group consists of Altus Strategies plc and all of its subsidiaries, as listed in note 19.

Basis of preparation

These financial statements have been prepared in accordance with International Accounting Standards in conformity of the Companies Act 2006 and International Financial Reporting Standards (IFRS) and IFRS interpretations committee (IFRS IC) 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, as modified by the valuation of financial assets at fair value through profit or loss. The principal accounting policies adopted are set out below.

The financial statements are presented in British Pounds Sterling (£), which is also 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 related notes. The Company's loss for the year was £950,812 (2019: loss of £273,974).

Basis of consolidation

The consolidated financial statements comprise the financial statements of Altus Strategies plc and its subsidiaries as at 31 December 2020. Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

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

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

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.

Going concern

Between December 2019 and February 2020, the Group concluded a non-brokered private placement of shares and a strategic investment from La Mancha (see Chief Executive's Review pages 12-18), which together brought cash funds of £8.9 million (C$15.4 million) into the Group. During the year these funds have been deployed to accelerate its existing project and royalty generation activities, and at the end of the year the Group reported a cash balance of £5.9 million. In addition, the Group holds shares in three publicly traded companies with a total value at the reporting date of £1.3 million.

On 22 March 2021, the Company announced that it had raised £7.7 million (C$13.4 million) through an oversubscribed placement of 10,266,668 Ordinary Shares of the Company at a price of £0.75 (C$1.30) per share with existing and new institutional and private investors. La Mancha and certain directors and employees of the Group participated in the placement. The placement was led by joint UK brokers SP Angel Corporate Finance LLP and Shard Capital Partners LLP. The issue price of the new Ordinary Shares represented a discount of approximately 8.0% to the closing mid-market price of £0.815 / C$1.41 on 19 March 2021. The new Ordinary Shares represented approximately 12.77% of the Company's enlarged issued share capital. The Ordinary Shares issued to La Mancha and the Altus Directors and employees participating in the fundraising will be subject to a TSX-V four month hold period and the Ordinary Shares issued to Canadian investors will be subject to a Canadian regulatory four month hold period. The hold period will expire on 26 July 2021.

The Group maintains a 24-month budget projection that is founded on its strategic objectives. Apart from the costs of maintaining its staff and its normal business operations, much of the expenditure envisaged under the Group's budget is discretionary. There is significant scope to adjust levels of expenditure in line with long term expectations of financial constraint.

In response to the dramatic impact that the coronavirus pandemic continues to have on the global economy, on the mining sector and on all aspects of business operations, the Directors regularly review the Group's activities. During 2020, the Company was able to advance its exploration activities in Mali and conduct a drilling programme at its Diba gold project. It was able to safely deploy its Malian staff and move employees from other countries with low infection rates in line with international travel restrictions. The Company's two other projects in Mali were also drilled, by the Company's JV partner, Marvel Gold. The Company entered a new jurisdiction, successfully bidding for exploration licences in Egypt, and commenced setting an operational base there.

Due to restrictions imposed in response to the pandemic, no UK employees were able to travel to the Company's projects for the remainder of 2020. Instead, employees focussed on desk-based research of both current Company projects and potential new projects. This research enabled the selection of licence priorities for the Company's participation in the Egyptian International Bid Round and for the process of 'Black Permit' applications in Morocco. The research identified several new drilling targets at the Diba project in Mali, and supported the update of both the Mineral Resource Estimate and Preliminary Economic Assessment at Diba. Although it is the wish of the Company that UK employees return to site as soon as it is legal and safe to do so, until that time they will continue to make a valuable contribution to the ongoing business operation, and to expanding, refining and marketing the Company's portfolio of projects.

The Directors remain confident, given the experience of operating under Covid-19 restrictions for the past year, that the Group can continue in operation for the foreseeable future under similar or improved conditions. The UK government vaccine roll-out programme is on target. It is reasonable to expect that a high proportion of the overall population will be fully vaccinated by late summer of 2021, and that restrictions on movement will be consequently relaxed. However, the Directors acknowledge that there is an inherent uncertainty for all businesses regarding the future direction of the pandemic. Other material risks and uncertainties faced by the business are outlined in the Strategic Report on pages 20-22.

Given the Group's cash balances as a result of the inflow of funds, and notwithstanding the severity of the economic impact of coronavirus, the Directors have, at the time of approving the financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. It has sufficient cash to maintain its current business operations for at least twelve months and does not expect to have to raise funds to provide additional working capital in that time. Thus, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

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 or 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.

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.

Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the date 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.

Other reserves

Other reserves consist of a non-distributable merger reserve from historic acquisitions and the share based payment reserve as a result of the share based payments outlined in note 28.

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

New and amended standards adopted by the Group and Company

The Group and Company have applied the following standards and amendments for the first time for its annual reporting period commencing 1 January 2020:

- Amendments to References to the Conceptual Framework in IFRS Standards
- Amendments to IFRS 3: Business Combinations
- Amendments to IAS 1 and IAS 8: Definition of Material
- Amendments to IFRS 9, IAS 39 and IFRS 17: Interest rate Benchmark Reform

The Group and Company has assessed the adoption of these standards and amendments and there has been no material impact on the financial statements as a result of the adoption.

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
Amendment to IFRS 16: Leases - COVID 19 - Related Rent Concessions	1 June 2020
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Interest Rate Benchmark Reform – Phase 2	*1 January 2021
Annual Improvements to IFRS Standards 2018-2020 Cycle	*1 January 2022

* subject to endorsement

The Group and Company are 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 Group and Company's results or shareholders' funds.

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 as follows.

Exploration and development costs	Note 7
Fair value of financial assets	Note 14
Impairment of deferred exploration costs	Note 17
Share based payments	Note 28

4 Revenue and costs recovered from JV partners

Costs recovered from JV partners and management fees relating to JV projects are recognised in the month in which they arise. Milestone payments, which relate to various stages of JV projects including on signature of an agreement, election by the JV partner to proceed to the next project stage, definition of a resource or completion of a feasibility study, are recognised once the Company's performance obligation is satisfied, in accordance with IFRS 15 Revenue from Contracts with Customers. No revenue is currently recognised on the Company's portfolio of royalties.

	2020	2019
	£	£
Costs recovered from JV partners	298,891	19,114
Milestone payments	38,262	40,797
Management fees	24,272	-
Total	**361,425**	**59,911**

5 Segmental analysis

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.

	UK	Africa	Total
	2019	2019	2019
Group	£	£	£
Revenue and costs recovered from JV partners	13,163	46,748	59,911
Loss from operations	(1,312,530)	(602,185)	(1,914,715)
Reportable segment assets	2,597,590	3,465,768	6,063,358
Reportable segment liabilities	(1,455,318)	(77,536)	(1,532,854)
	2020	**2020**	**2020**
	£	£	£
Revenue and costs recovered from JV partners	2,983	358,442	361,425
Loss from operations	(2,882,546)	(1,036,023)	(3,918,569)
Reportable segment assets	7,701,600	3,839,121	11,540,721
Reportable segment liabilities	(991,704)	(247,918)	(1,239,622)

6 Operating loss

	2020	2019
Operating loss for the year is stated after	£	£
Exchange losses/(gains)	328,790	31,825
Exploration and development costs (note 7)	2,350,028	1,101,000
Depreciation (including right-of-use assets, note 8)	23,845	26,210
Operating lease charges	20,604	26,774
Other administrative costs	804,346	678,119
Listing and acquisition related costs	88,440	88,595
Share-based payments	663,945	22,103

7 Exploration and development costs

The Group's costs derived from its operations in countries in which it holds licences are detailed below. The number of projects at the end of the year is indicated.

Location and number of projects	Admin. expenses 2020 £	Operations expenses 2020 £	Travel expenses 2020 £	Total 2020 £	Costs recovered from JV partners 2020 £	Costs not recovered 2020 £
Cameroon (3)	172,198	102,686	43,870	318,754	-	318,754
Ethiopia (2)	116,078	80,211	5,211	201,500	-	201,500
Côte d'Ivoire (0)	41,294	16,541	-	57,835	-	57,835
Liberia (0)	54	8	28	90	-	90
Mali (4)	243,641	1,171,568	81,667	1,496,876	(267,493)	1,229,383
Morocco (4)	161,890	97,550	8,066	267,506	-	267,506
Other countries	96	7,371	-	7,467	-	7,467
Total	**735,251**	**1,475,935**	**138,842**	**2,350,028**	**(267,493)**	**2,082,535**

Location and number of projects	Admin. expenses 2019 £	Operations expenses 2019 £	Travel expenses 2019 £	Total 2019 £	Costs recovered from JV partners 2019 £	Costs not recovered 2019 £
Cameroon (3)	136,484	71,426	13,193	221,103	-	221,103
Ethiopia (3)	115,449	89,505	38,185	243,139	-	243,139
Côte d'Ivoire (1)	51,045	22,585	-	73,630	-	73,630
Liberia (1)	33,019	46,705	441	80,165	-	80,165
Mali (4)	148,268	102,693	17,952	268,913	(1,719)	267,194
Morocco (4)	131,018	80,626	2,406	214,050	-	214,050
Total	**615,283**	**413,540**	**72,177**	**1,101,000**	**(1,719)**	**1,099,281**

The table of figures includes an estimate of costs relating to the allocation of UK costs, including geologists' salaries, management time and UK support costs, based on the number of projects running in each country during the year. During the year the Group relinquished one project in Ethiopia (Tigray-Afar) and one project in Liberia (Zolowo) and sold one project in Côte d'Ivoire (Prikro). It held two projects in Morocco that do not have any intangible assets (Ammas and Zaer). The Group was awarded four projects in Egypt and three projects in Morocco after the reporting date.

8 Administrative expenses

Administrative expenses include the balances in the table below.

Group	2020 £	2019 £
Employee costs (note 10)	392,723	315,890
Consultants and contractors	3,000	8,981
Legal fees	75,547	55,734
Audit, accountancy & tax	87,535	98,289
Registrar and Nomad fees	76,646	17,761
Investor relations	66,109	18,574
Other professional expenses	68,726	70,960
Travel expenses	7,979	53,981
Premises and office expenses	20,127	10,222
Depreciation of property, plant and equipment	3,780	6,146
Depreciation of leased assets	20,064	20,064
Impairment of licence	20,952	39,210
Other expenses	5,606	15,291
	848,794	731,103

The figure reported for Administrative expenses in 2019 in the prior year's financial statements was £785,031 which included a foreign exchange loss of £31,825 and share based payment charge of £22,103. These figures are shown in Other operating costs in the following note.

9 Auditor's remuneration

Fees payable to the company's auditor for the financial year were as follows.

For audit services	2020 £	2019 £
Audit of the financial statements of the group and company	25,500	22,000

10 Employees

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.

The average number of employees of the Group during the year was as follows. Altus Strategies plc has no employees and incurs no remuneration costs.

Group	2020 Number	2019 Number
Directors	6	5
Employees (excluding consultants and associates)	24	23
	30	28

Of the employees, eight were employed in the UK and 16 were employed in four countries in Africa. Remuneration of African-contracted employees is included in Exploration Costs, while remuneration of Directors and UK-contracted employees is allocated between Exploration and Administrative Costs on a time basis. Costs for the year were as follows.

Group	2020 £	2019 £
Exploration staff costs	817,328	782,462
Administrative staff costs	392,723	315,890
	1,210,051	1,098,352
Wages, salaries and Non-executive Directors' fees	654,087	554,879
Contractors	32,493	-
Bonuses	168,000	130,000
Social security costs	93,772	65,061
Pension costs	45,924	105,730
Other costs	2,733	(400)
Total UK costs	997,009	855,270
Overseas staff	213,042	243,082
	1,210,051	1,098,352
Share based payments	603,942	-
	1,813,993	1,098,352

11 Directors' remuneration

Details of Directors' remuneration are included in the Directors' Remuneration Report on pages 54-58.

	Fees/salaries		Bonuses		Pensions		Total	
	2020	2019	**2020**	2019	**2020**	2019	**2020**	2019
	£	£	**£**	£	**£**	£	**£**	£
Non-executive Directors								
D. Netherway	35,000	35,000	-	-	-	-	35,000	35,000
R. Milroy	25,000	25,000	-	-	-	-	25,000	25,000
M. Winn	20,000	20,000	-	-	-	-	20,000	20,000
K. Nasr	11,080	-	-	-	-	-	11,080	-
Executive Directors								
S. Poulton	125,000	125,000	62,500	46,875	12,500	12,500	200,000	184,375
M. Grainger	100,000	100,000	50,000	37,500	10,000	10,000	160,000	147,500
Total	316,080	305,000	112,500	84,375	22,500	22,500	451,080	411,875
Bonus accrual 2017	-	-	-	64,687	-	-	-	64,687
Salary accrual 2017	-	(1,819)	-	-	-	-	-	(1,819)
Total	316,080	303,181	112,500	149,062	22,500	22,500	451,080	474,743

During 2020 retirement benefits accrued under defined contribution schemes for two Executive Directors (2019: two Directors).

12 Finance (costs)/ income

Group	2020 £	2019 £
Interest on bank deposits	1,775	(169)
Interest on lease liabilities (note 30)	(6,302)	(8,169)
Other interest payments	(396)	-
	(4,923)	(8,338)

13 Other income

Other income for the financial year was as follows.

Group	2020 £	2019 £
Receipt of shares in respect of contract termination	1,726,578	-
R&D tax credit	206,040	129,031
Event sponsorship	5,750	22,844
Other income	247	-
	1,938,615	151,875

14 Other gains and losses

See note 25 for accounting policy and detail of financial assets held at fair value through profit or loss.

Group	2020 £	2019 £
Unrealised		
Gain/(loss) on revaluation of investments	(162,368)	(85,085)
Other unrealised gains/(losses)	(1,041)	-
Total fair value gains/(losses) on financial assets at fair value through profit or loss	(163,409)	(85,085)
Realised		
Gain/(loss) on disposal of investments	-	(21,444)
Gain/(loss) on disposal of subsidiaries	68,897	(520,915)
	(94,512)	(627,444)

During 2020, the Group sold its interest in Aeos Resources Limited, which, through its subsidiary AuCrest SARL, held the Prikro gold licence and Zenoula gold licence application in Côte d'Ivoire. The loss recorded was based on the carrying value of the investment in Aeos Resources Limited measured against the initial consideration received from the purchaser, Stellar AfricaGold Inc.

The completion of the agreement that was announced on 27 November 2020 included further milestone payments to the Group, subject to progress on the projects, and a 2.5% net smelter return royalty. No income has been recognised in respect of these future payments as the likelihood of them occurring is considered too uncertain at this stage.

15 Income tax

Income tax 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.

Current tax for the year for the Company was £nil (2019: £nil), as follows.

	2020	2019
Group	**£**	**£**
Income tax expense	-	-

The tax on the Group's loss before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits/ (losses) of the consolidated entities as follows.

	2020	2019
Group	**£**	**£**
Loss before taxation	(2,079,389)	(2,398,622)
Expected tax charge based on the standard rate of corporation tax in the UK of 19% (2019: 19%)	(395,084)	(455,738)
Tax effect of:		
Expenses not deductible for tax purposes	181,819	61,632
Impairment not deductible for tax purposes	3,981	7,450
Unutilised tax losses for which no deferred tax asset is recognised	209,284	386,656
Tax expense for the year	-	-

The Group has tax losses of approximately £1,927,000 (2019: £1,718,000) available to carry forward against future taxable profits. No deferred tax asset has been recognised in view of the uncertainty over the timing of future taxable profits against which the losses may be offset.

16 Earnings per share

The basic loss per share is calculated by dividing the loss attributable to owners of the parent company by the weighted average number of Ordinary Shares in issue during the year. Dilution is represented by a number of warrants and options outstanding, which at the end of the year numbered 5,660,695 and 5,100,000 respectively.

No diluted earnings per share is presented as the loss-making nature means the warrants and options are anti-dilutive. A 5:1 consolidation of shares was undertaken after market close on 21 February 2020. The comparative figures are presented on a post-consolidation basis. The original (pre-consolidation) figure presented for weighted average number of ordinary shares in issue was 179,031,225 and the basic loss per share was 1.34 pence.

	2020	**2019**
Loss attributable to owners (£)	(2,076,435)	(2,372,787)
Weighted average number of Ordinary Shares in issue	66,475,493	35,788,467
Basic loss per share (pence)	(3.12)	(6.63)

17 Intangible assets

Expenditure on exploration activities is written off against profit or loss 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 exploration licence fees capitalised in accordance with IFRS 6 'Exploration for and Evaluation of Mineral Resources'. Licences are initially measured at cost. Management tests quarterly whether deferred exploration costs require impairment. Each exploration licence is subject to a quarterly review either by a consultant or senior Company geologist to determine if the exploration results returned to date warrant further exploration expenditure and have the potential to result in an economic discovery. This review takes into consideration long-term metal prices, anticipated resource volumes and grades, permitting and infrastructure, external factors affecting the project, as well as the likelihood of on-going funding from current or potential JV partners. In the event that a licence does not represent an economic exploration target and results indicate that there is no additional upside, or that future funding from JV partners is unlikely, a decision will be made to discontinue exploration. A further review of the recommendations of the consultant or senior Company geologist is then performed by management.

Group	At 1 January 2020	Additions	Disposals & impairment	At 31 December 2020
Mali				
Korali Sud (Diba)	1,336,143	8,436	-	1,344,579
Lakanfla	582,930	-	-	582,930
Tabakorole	582,908	31,758	-	614,666
Pitiangoma Est	569,777	-	-	569,777
Cameroon				
Laboum	46,445	7,714	-	54,159
Bikoula	43,056	8,047	-	51,103
Ndjele	8,313	3,666	-	11,979
Ethiopia				
Tigray-Afar	16,495	659	(17,154)	-
Daro	1,070	-	-	1,070
Zager	2,481	411	-	2,892
Morocco				
Agdz	4,644	-	-	4,644
Takzim	616	-	-	616
Côte d'Ivoire				
Prikro	2,936	-	(2,936)	-
Toura (application)	1,338	-	-	1,338
Liberia				
Zolowo	3,798	-	(3,798)	-
Egypt				
Wadi Jundi	-	16,723	-	16,723
Bakriyah	-	8,362	-	8,362
Abu Diwan	-	8,362	-	8,362
Wadi Dubur	-	4,181	-	4,181
	3,202,950	98,319	(23,888)	3,277,381

Group	At 1 January 2019	Additions	Disposals & impairment	Revaluations and FX adjustments	At 31 December 2019
Mali					
Korali Sud (Diba)	1,373,508	-	-	(37,365)	1,336,143
Lakanfla	599,233	-	-	(16,303)	582,930
Djelimangara	390,476	-	(379,851)	(10,625)	-
Sebessounkoto Sud	403,970	-	(392,978)	(10,992)	-
Tabakorole	592,447	6,579	-	(16,118)	582,908
Pitiangoma Est	585,712	-	-	(15,935)	569,777
Adjustment on exercise of warrants	(85,000)	-	-	85,000	-
Cameroon					
Laboum	38,043	8,402	-	-	46,445
Bikoula	35,130	7,926	-	-	43,056
Ndjele	6,327	1,986	-	-	8,313
Birsok	65,130	-	(65,130)	-	-
Mandoum	39,210	-	(39,210)	-	-
Ethiopia					
Tigray-Afar	15,752	743	-	-	16,495
Daro	-	1,070	-	-	1,070
Zager	-	2,481	-	-	2,481
Morocco					
Agdz	4,706	(62)	-	-	4,644
Takzim	616	-	-	-	616
Côte d'Ivoire					
Prikro	1,474	1,462	-	-	2,936
Toura (application)	1,338	-	-	-	1,338
Liberia					
Zolowo	3,798	-	-	-	3,798
	4,071,870	30,587	(877,169)	(22,338)	3,202,950

18 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.

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. The 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.

	Plant and machinery	Fixtures, fittings and equipment	Computer equipment	Motor vehicles	Total
Group	**£**	**£**	**£**	**£**	**£**
Cost					
At 1 January 2020	795	44,949	25,364	67,553	138,661
Additions	-	-	5,310	-	5,310
Disposals	-	(220)	(4,783)	-	(5,003)
At 31 December 2020	795	44,729	25,891	67,553	138,968
Amortisation and impairment					
At 1 January 2020	469	44,691	22,758	67,553	135,471
Charge in the year	139	150	3,491	-	3,780
Disposals	-	(220)	(4,783)	-	(5003)
At 31 December 2020	608	44,621	21,466	67,553	134,248
Carrying amount					
At 31 December 2019	326	258	2,606	-	3,190
At 31 December 2020	187	108	4,425	-	4,720

	Plant and machinery	**Fixtures, fittings and equipment**	**Computer equipment**	**Motor vehicles**	**Total**
Group	**£**	**£**	**£**	**£**	**£**
Cost					
At 1 January 2019	795	44,949	24,043	77,693	147,480
Additions	-	-	1,321	-	1,321
Disposals	-	-	-	(10,140)	(10,140)
At 31 December 2019	795	44,949	25,364	67,553	138,661
Amortisation and impairment					
At 1 January 2019	330	44,119	17,406	77,693	139,548
Charge in the year	139	572	5,352	-	6,063
Disposals	-	-	-	(10,140)	(10,140)
At 31 December 2019	469	44,691	22,758	67,553	135,471
Carrying amount					
At 31 December 2018	465	830	6,637		7,932
At 31 December 2019	326	258	2,606	-	3,190

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.

19 Subsidiaries

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently held at fair value; as there is no active market, fair value is considered to be amortised cost less impairments. 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. None of the non-controlling interests is material to the group.

		Company
	2020	**2019**
	£	**£**
At 1 January	4,608,930	4,608,930
Additions	-	-
Disposals	-	-
	4,608,930	4,608,930

Altus Strategies plc has direct investments in the following subsidiary undertakings.

Name of undertaking	Incorporated	% Holding	Principal activity
Altus Exploration Management Limited[1]	UK	100.00	Business support services
Altus Royalties Limited[1]	UK	100.00	Royalty holding company
LGN Holdings (BVI) Inc[11]	BVI	100.00	Holding company

Altus Strategies plc is the ultimate parent but not the immediate parent of the following subsidiary undertakings.

Name of undertaking	Incorporated	% Holding	Principal activity
Aeos Gold Limited[1]	UK	100.00	Gold exploration
Auramin Limited[1]	UK	99.00	Gold exploration
Aluvance Limited[1]	UK	97.26	Iron ore exploration
Akh Gold Limited[1]	UK	100.00	Bauxite exploration
Altau Resources Limited[1]	UK	100.00	Copper exploration
Aterian Resources Limited[1]	UK	100.00	Mineral exploration
Oxford Mining Club Limited[1]	UK	50.00	Events
Altau Resources Limited[2]	Ethiopia	100.00	Copper exploration
Aucam SA[5]	Cameroon	97.26	Iron ore exploration
Valnord SA[5]	Cameroon	99.00	Gold exploration
Mining & Exploration Services Limited[6]	Liberia	99.00	Gold exploration
Azru Resources SARL AU[8]	Morocco	100.00	Copper exploration
Legend Gold Mali SARL[12]	Mali	100.00	Gold exploration
LGC Exploration Mali SARL[12]	Mali	100.00	Gold exploration
LGC Piti SARL[12]	Mali	100.00	Gold exploration

The following are dormant subsidiaries.

Name of undertaking	Incorporated	% Holding	Principal activity
Altaucam Resources Limited[3]	Seychelles	100.00	Dormant
Altau Holdings Limited[3]	Seychelles	100.00	Dormant
Avance African Group Limited[3]	Seychelles	97.26	Dormant
Aucam Resources Limited[3]	Seychelles	97.26	Dormant
Inland Exploration Limited[3]	Seychelles	100.00	Dormant
Westcoast Exploration Limited[3]	Seychelles	100.00	Dormant
Mansion Resources Limited[3]	Seychelles	99.00	Dormant
Altar Resources Limited[3]	Seychelles	99.00	Dormant
Eagle Resources Limited[3]	Seychelles	99.00	Dormant
Enigma Resources Limited[3]	Seychelles	99.00	Dormant
Atlas Minerals[3]	Seychelles	100.00	Dormant
Atlantic Minerals[3]	Seychelles	100.00	Dormant
Alboran Minerals[3]	Seychelles	100.00	Dormant
Addax Minerals[3]	Seychelles	100.00	Dormant
Akkari Minerals[3]	Seychelles	100.00	Dormant
Aures Minerals[3]	Seychelles	100.00	Dormant
Azilal Minerals[3]	Seychelles	100.00	Dormant
Altus Diamonds[3]	Seychelles	100.00	Dormant

Avanor SARL[4]	Côte d'Ivoire	97.26	Dormant
Avanex SARL[4]	Côte d'Ivoire	97.26	Dormant
Bauxex SA[5]	Cameroon	97.26	Dormant
Adrar Resources SARL AU[7]	Morocco	100.00	Dormant
Altus Mining (SL)[9]	Sierra Leone	100.00	Dormant
Apalex Sarl[4]	Côte d'Ivoire	100.00	Dormant
Aza Minerals Sarl[7]	Morocco	100.00	Dormant
Akassori[10]	Chad	100.00	Dormant
Legend Mali (BVI) II Inc[11]	BVI	100.00	Dormant
Legend Mali (BVI) III Inc[11]	BVI	100.00	Dormant
Legend Mali (BVI) IV Inc[11]	BVI	100.00	Dormant
Legend Mali (BVI) V Inc[11]	BVI	100.00	Dormant
Legend Mali (BVI) VI Inc[11]	BVI	100.00	Dormant
Akh Gold I Limited[1]	UK	100.00	Dormant
Akh Gold II Limited[1]	UK	100.00	Dormant
Akh Gold III Limited[1]	UK	100.00	Dormant
Akh Gold IV Limited[1]	UK	100.00	Dormant
Akh Gold V Limited[1]	UK	100.00	Dormant
Akh Gold VI Limited[1]	UK	100.00	Dormant
Legend Gold Limited[1]	UK	100.00	Dormant
Legend Mali (UK) I Limited[1]	UK	100.00	Dormant
Legend Mali (UK) II Limited[1]	UK	100.00	Dormant
Legend Mali (UK) III Limited[1]	UK	100.00	Dormant

On 27 November 2020 the Group sold its holding in Aeos Resources Limited and its subsidiary AuCrest SARL.

The registered office addresses applying to the tables in this note are as follows.

<u>Registered office addresses</u>

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, Résidence 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
11. MMG Trust (BVI) Corp, Pasea Estate, Road Town, Tortola, British Virgin Islands
12. Porte 608, Rue 136, Korofina Nord, Bamako, Mali

20 Investments

The Group holds both financial assets at amortised cost and financial assets at fair value through profit and loss. See note 25 for further information on the accounting policies applied to financial assets.

Investments carried at fair value through profit or loss 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.

		Group		Company
	2020	2019	2020	2019
	£	£	£	£
At 1 January	302,072	883,763	208,953	-
Additions	1,180,838	213,250	71,839	213,250
Disposals	-	(673,852)	-	-
Gains/(losses) on disposal	-	(21,444)	-	
Revaluation gains/ (losses)	(162,368)	(99,645)	132,842	(4,297)
	1,320,542	302,072	413,634	208,953

21 Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, in which case they are recognised at fair value. The group holds the trade receivables with the objective of collecting the contractual cash flows, and so it measures them subsequently at amortised cost using the effective interest method.

		Group		Company
	2020	2019	2020	2019
	£	£	£	£
Trade receivables	-	75	-	-
VAT recoverable	30,526	15,732	13,833	4,592
Amounts due from group undertakings	-	-	10,303,101	4,581,775
Amounts due from related parties	33,366	33,432	-	-
Prepayments	63,089	15,380	58,125	12,094
Accrued income	5,919	-	-	-
Accrued other income from receipt of shares	617,579	-	-	-
R&D tax credit	100,288	129,031	-	-
Other receivables	2,862	2,569	-	-
	853,629	196,219	10,375,059	4,598,461

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 Held-for-sale assets

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount or fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet in accordance with IFRS 5.

On 11 February 2019 the Group announced that it had concluded various agreements with Canyon that included the transfer of the Group's subsidiaries Aucam Resources Ltd and Aucam SA, and the Group's Birsok licence in Cameroon to Canyon. At the reporting date the transfer was still pending and the assets and liabilities of Aucam SA were designated as held-for-sale.

	2020	2019
	£	£
Non-current assets		
Intangible assets	85,967	65,130
Current assets		
Cash and cash equivalents	798	399
Prepayments	-	494
	86,765	66,023
Current liabilities		
Amounts due to related parties	(34,020)	(13,182)

23 Trade and other payables

Trade payables are recognised initially at fair value, and subsequently measured at amortised cost using the effective interest method. Liabilities arising from a lease are initially measured on a present value basis. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Deferred income for the Group in 2020 includes a US$200,000 milestone payment received from a JV partner for which the Company's obligations had not been met at the reporting date. Other payables in 2019 for both Group and Company included funds received from a shareholder as part of the Private Placement in December 2019 for which the share issue was deferred until January 2020 pending regulatory approval.

		Group		Company
	2020	2019	2020	2019
	£	£	£	£
Current liabilities				
Trade payables	291,843	57,570	38,266	53,965
Amounts due to group undertakings	-	-	111,533	162,849
Amounts due to related parties	59,034	69,311	-	-
Accruals and deferred income	772,232	545,186	178,605	39,018
Lease liabilities (IFRS 16)	20,065	18,198	-	-
Other payables	1,580	748,610	-	749,678
	1,144,754	1,438,875	328,404	1,005,510
Non-current liabilities				
Lease liabilities (IFRS 16)	45,848	65,797	-	-
	1,190,602	1,504,672	328,404	1,005,510

24 Provisions

Provisions are recognised when the Group or Company has a legal or constructive present obligation as a result of a past event and the Company judges that it is probable that it 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.

		Group		Company
	2020	2019	2020	2019
	£	£	£	£
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.

25 Financial instruments

The Group's financial instruments and their respective accounting policies are as follows.

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.

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 measured at either amortised cost or at fair value through profit or loss.

Financial assets at fair value through profit or loss are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current.

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

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

Impairment of financial assets
Financial assets, other than those at 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.

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.

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

The Group's financial assets are recorded as follows.

Group	2020 Assets at amortised cost £	2020 Assets at FVPL £	2019 Assets at amortised cost £	2019 Assets at FVPL £
Investments	-	1,320,542	-	302,072
Cash and cash equivalents	5,937,486	-	2,212,642	-
Trade and other receivables	790,540	-	180,839	
	6,728,026	1,320,542	2,393,481	302,072

The Company's financial assets are recorded as follows.

Company	2020 Assets at amortised cost £	2020 Assets at FVPL £	2019 Assets at amortised cost £	2019 Assets at FVPL £
Investments	-	413,634	-	208,593
Investments in subsidiaries	4,608,930	-	-	4,608,930
Cash and cash equivalents	460,131	-	219,343	-
Trade and other receivables	10,316,934	-	4,586,366	-
	15,385,995	413,634	4,805,709	4,817,523

The Group and Company have the following financial liabilities.

Group	2020 Liabilities at amortised cost £	2019 Liabilities at amortised cost £
Trade and other payables	1,190,602	1,504,672
Company	**£**	**£**
Trade and other payables	328,404	1,005,510

26 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.

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.

Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from holding cash in various currencies. 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 Egyptian pounds. 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. When funds are received a cashflow forecast is prepared by currency to identify the anticipated currency transactions that will be required over the period that the funds are expected to be used. FX transactions are undertaken at the earliest opportunity to minimise currency risk. For the year ended 31 December 2020, the Group had an exchange loss of £328,790 (2019: £31,825 loss) which was not considered material to its operations.

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.

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.

Group	2020 £	2019 £
Trade receivables	-	75
Other receivables	2,862	2,569
R&D tax credit	100,288	129,031
VAT recoverable	30,526	15,732
Amounts due from related parties	33,366	33,432
Prepayments	63,089	15,380
Accrued income	5,919	-
Accrued other income from receipt of shares	617,579	-
Cash and cash equivalents	5,937,486	2,212,642
Held-for-sale assets	86,765	66,023
	6,877,880	2,474,884

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.

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 under 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.

2020	Up to 3 months £	3 to 12 months £	Over 12 months £	Total £
Trade payables	291,843	-	-	291,843
Related parties	59,034	-	-	59,034
Lease payables	4,841	15,224	45,848	65,913
Other payables	1,580	-	-	1,580
Accruals and deferred income	772,232	-	-	772,232
Provisions	-	-	15,000	15,000
Held-for-sale liabilities	34,020	-	-	34,020
	1,163,550	15,224	60,848	1,239,622

2019	Up to 3 months £	3 to 12 months £	Over 12 months £	Total £
Trade payables	126,882	-	-	126,882
Lease payables	6,250	18,750	58,995	83,995
Other payables	737,639	10,970	-	748,609
Accruals and deferred income	545,186	-	-	545,186
Provisions	-	-	15,000	15,000
Held-for-sale liabilities	13,182	-	-	13,182
	1,429,139	29,720	73,995	1,532,854

27 Retirement benefit schemes

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due. For those employees that pay into a Self-Invested Personal Pension scheme, the Company matches their contributions up to an agreed salary percentage. At 31 December 2020 unpaid employer's pension liabilities stood at £16,732 (2019: £81,518) of which £3,959 was for Executive Directors (2019: £62,875).

Defined contribution scheme	2020 £	2019 £
Charge for the year	45,924	105,730

28 Share based payments

At the Annual General Meeting of the Company held on 16 June 2020 shareholders re-ratified the Company's share options scheme, and on 28 August 2020 the Company granted options to acquire 5,100,000 Ordinary Shares to Directors and employees. There were no performance conditions attached to the options, and the grant included both EMI and non-EMI options.

Options are measured at fair value at the date of grant. The basic assumptions that feed into both models are volatility of the share price, annual risk free rate and dividend yield. Volatility is estimated using the average daily share price from the previous three years, the risk free rate is based on the Bank of England's yield curve tables, and it is assumed no dividend will be paid over the life of the option. The vesting terms of the options granted in August 2020 vary between immediate, 12 months and 18 months from the date of grant, subject to the employee completing a corresponding service period, and they expire after five years. The exercise price is the mid-market value of Altus Strategies plc's Ordinary Shares on the day prior to grant plus a 10% premium. Options are fair valued at grant date using the Black-Scholes model, and expensed over the vesting period.

Movements in the number of options outstanding and their related weighted average exercise prices were as follows.

	Number of options	2020 Weighted average exercise price (p)	Number of options	2019 Weighted average exercise price (p)
At 1 January	-	-	-	-
Granted	5,100,000	73.15	-	-
At 31 December	5,100,000	73.15	-	-

Of the 5,100,000 options outstanding at 31 December 2020, 1,200,000 were exercisable. The weighted average exercise price of the exercisable options was 73.15p. All outstanding options will expire in 2025.

The fair value of options granted during the year, as calculated using the Black Scholes model, was 31.50p per option. The significant inputs into the model were as follows.

	2020
Weighted average share price at grant date	66.50p
Weighted average exercise price	73.15p
Weighted average expected volatility	60%
Weighted average risk free rate	0.00%
Dividend yield	0.00%
Weighted average expected life	5 years

The total share based payment expense recognised in the income statement was £663,945 (2019: £22,103) of which £603,943 (2019: £nil) was in respect of director and employee share options, £60,000 was in respect of the Company's repurchase of a 2% Net Smelter Return royalty on the Company's Lakanfla project, and £2 was in respect of fractional shares issued. No shares were issued to consultants during the year in respect of services provided (2019: £22,103).

During the year no warrants were issued (2019: nil) and no warrants expired (2019: 300,000). Outstanding warrants relate to the private placement undertaken in combination with the Company's listing on the TSX-V in April 2018, under which each new share entitled the subscriber to one warrant, exercisable for five years, to purchase one Ordinary Share at an exercise price of C$1.50 (post consolidation). These warrants were not valued using the Black Scholes model as the full value paid was attributed to the associated shares. Details of the warrants outstanding at the end of the year are as follows.

	Number of warrants	2020 Weighted average exercise price (£)	Number of warrants	2019 Weighted average exercise price (£)
Outstanding as at 1 January	28,303,477	0.173	28,603,477	0.164
Consolidation 5:1	(22,642,782)	-	-	-
Granted	-	-	-	-
Expired	-	-	(300,000)	0.048
Exercised	-	-	-	-
Outstanding as at 31 December	5,660,695	0.864	28,303,477	0.173
Exercisable at 31 December	5,660,695	0.864	28,303,347	0.173

During the year ending 31 December 2020, the number of warrants was reduced and their value correspondingly increased due to a 5:1 consolidation of the Company's shares (see note 29). The weighted average remaining life of the warrants outstanding is 2.2 years.

29 Share capital and share premium

Share capital and share premium include Ordinary Shares in Altus Strategies plc issued to shareholders and warrants and options that have been exercised.

Company	Number of shares*	Ordinary share capital £	Share premium £
At 1 January 2019	177,782,686	1,777,827	6,018,822
Issue of new shares	32,445,775	324,457	1,359,546
At 31 December 2019	210,228,461	2,102,284	7,378,369
Issue of new shares (pre-consolidation)	140,229,389	1,402,294	5,843,746
Consolidation 5:1	(280,366,280)	-	-
Issue of new shares (post consolidation)	31	2	-
At 31 December 2020	70,091,601	3,504,580	13,222,115

* All shares have been issued, authorized and fully paid

At a General Meeting of the Company's shareholders on 18 February 2020, approval was given for a consolidation of the Company's shares (the "**Share Consolidation**"). Under the Share Consolidation one consolidated ordinary share was issued for every five existing ordinary shares. The Share Consolidation occurred after the close of trading in the Company's shares on AIM and the TSX-V on 21 February 2020. Dealings in the Ordinary Shares commenced on 24 February 2020. The ISIN and CUSIP for the Ordinary Shares is GB00BJ9TYB96 and G03676122 respectively.

30 Leases

The group holds one lease that it accounts for under IFRS 16, which was signed in January 2019. To determine the split between principal and interest in the lease the Company applied an estimate of the interest it would have to pay in order to finance payments under the new lease. This method was adopted as the Company was not able to ascertain the implied interest rate and does not have borrowings to use as a benchmark. The impact of the estimate is currently considered to be immaterial to the financial statements, but the Directors will review this approach as appropriate. Other leases are either small in value or cover a period of less than 12 months.

	2020 £	2019 £
For the year		
Cash outflow	24,500	18,375
Capital	18,198	12,073
Interest	6,302	6,302
Depreciation charge	20,064	20,064
Interest charge	6,302	8,169

At 31 December 2020		
Right-of-use asset		
At 1 January	80,262	-
Additions	-	100,326
Depreciation	(20,064)	(20,064)
At 31 December	60,198	80,262
Lease liability		
Less than 12 months	20,065	18,198
Greater than 12 months	45,848	65,797
Total lease liability	65,913	83,995

Lease liabilities are included in trade and other payables as shown in note 23.

Rent payable under operating leases, less any lease incentives received, is charged to Administrative expenses 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.

At the reporting date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, on which the short-term exemption has been taken, which fall due as follows.

	2020	**2019**
Group	**£**	**£**
Within one year	4,587	4,791
Between 2 and 5 years	-	-
	4,587	4,791

31 Related party transactions

For detail on Directors' remuneration in the year see the Directors' Remuneration Report on pages 54-58 and note 11.

Seabord Services Corp. ("**Seabord**") is a management services company that provides to the Group the services of its adviser, David Miles, and his administrative support team. Seabord provided similar services to Legend Gold Corp. before its acquisition by the Group in January 2018, and David Miles was the Chief Financial Officer of the Company until 1 July 2019 through a contract with Seabord. Michael Winn, a non-executive director of the Group, is the sole shareholder and a director of Seabord. The value of services provided by Seabord in the year was £53,386 (2019: £43,936). The amount payable to Seabord at the end of the year was £nil (2019: £69,311).

Canyon is a JV partner of the Group in respect of the Birsok project in Cameroon. One non-executive director of the Group is also a director of Canyon. The value of services provided to Canyon during the year was £nil (2019: £5,951). The amount receivable from Canyon at the end of the year was £43,501 (2019: £43,501).

The Aegis group of companies ("**Aegis**") comprises Aegis Holdings Ltd, Aegis Asset Management Ltd, Aegis Asterion Ltd and Aegis Exploration Management Ltd, and shares three directors with the Group (Aegis Exploration Management Ltd two directors). The value of costs recharged to Aegis during the year was £509

(2019: £300). The amount payable to Aegis at the end of the year was £53,386 (2019: £790 receivable), which included a short term cash loan of £59,609.

32 Subsequent events

Project updates

Since the reporting date the Company has made a series of announcements providing updates on progress at the Company's projects in Mali, Diba and Lakanfla in western Mali, and Tabakorole in the south of the country. Exploration activities at Lakanfla and Tabakorole are conducted under a JV between the Company and ASX-listed Marvel Gold Limited, and funded by Marvel Gold. Stages 1 and 2 of the JV have been completed at Tabakorole and Stage 1 has been completed at Lakanfla, earning Marvel a 51% interest in Tabakorole and a 33% interest in Lakanfla.

In announcements on 07 January and 26 January 2021, the Company reported encouraging results from a 10,300-metre RC drilling programme at Diba, which saw the hosted near-surface deposit extended by 100 metres. Results from the programme are included in the Operations Report on pages 28-30. On 11 February 2021 the Company announced the delineation of a shallow-dipping, near-surface potential gold deposit at Diba NW, located approximately 1.5km from the primary Diba deposit.

On 27 January 2021, the Company announced the results of preliminary metallurgical testwork undertaken on composite samples of fresh rock collected from core drilling on the FT Prospect at Tabakorole. A further announcement, on 11 February 2021, reported that RC drilling at the project had extended the strike length of the FT Prospect by at least 150m, to beyond 3km. These were the results from the first 8 out of 39 holes in the 6,300-metre programme. The commencement of a high resolution magnetic survey was also announced, along with an upcoming AC drilling programme designed to define further potential strike extensions and parallel targets. On 02 March 2021, the Company announced broad and high grade intersections from a further three holes in the RC drilling programme. Further positive results were announced on 18 March 2021, and results from the final 20 holes were announced on 23 March 2021, which included the discovery of a potential new parallel zone of mineralisation.

The results of a 3,800-metre RC drilling programme at Lakanfla were announced on 27 January 2021 along with associated passive seismic surveys. These results confirmed a significant karst-style system along a 6km margin of granite intrusion.

In two news releases on 25 January and 09 February 2021, the Company announced that its wholly-owned subsidiary Akh Gold Limited had been granted four gold exploration licences comprising nine licence blocks and totalling 1,565km^2 in the Eastern Desert of Egypt. The licences were awarded by EMRA as part of a competitive international bidding process. The four licences, Wadi Jundi, Bakriyah, Abu Diwan and Wadi Dubur are situated between 30km and 100km from the Red Sea coast, and were granted for an initial two-year term.

On 15 March 2021, the Company announced the granting of three new copper and silver exploration projects totalling 252km^2 in the western Anti-Atlas Mountains of Morocco, following a competitive tender process. With the grant of the three projects, Izougza, Azrar and Tata, the Company approximately doubled its land holding to 511km^2 and increased its portfolio to seven base and precious metals projects in Morocco.

Investments

On 12 February 2021, the Company announced that it had received 10 million fully paid ordinary shares in ASX-listed Canyon. These shares were the final tranche from a total of 25 million shares to be issued in accordance with the previously announced JVTA between Altus and Canyon dated 09 February 2019 regarding the Birsok bauxite JV project in Cameroon. The issued shares had a market value at the date of issue of £0.64 million (C$1.15 million). After the issue of these shares, the Company held a total of 26.1 million shares in Canyon.

Issue of equity
The Company issued 6,000 Ordinary Shares on 16 February 2021 following an exercise of warrants at C$1.125 (£0.64) for gross proceeds of C$6,750 (£3,840), 20,000 Ordinary Shares on 15 March 2021 following an exercise of warrants at C$1.125 (£0.64) for gross proceeds of C$22,500 (£12,970), and a further 7,266 Ordinary Shares on 12 April 2021 following an exercise of warrants at C$1.125 (£0.65) for gross proceeds of C$8,174 (£4,700).

On 22 March 2021, the Company raised £7.7 million (C$13.4 million) through an oversubscribed private placement of 10,266,668 new Ordinary Shares of the Company at a price of £0.75 (C$1.30) per share with existing and new institutional and private investors. La Mancha and certain directors and employees of the Group participated in the placement. The fundraising was led by joint UK brokers SP Angel Corporate Finance LLP and Shard Capital Partners LLP. The issue price of the new Ordinary Shares represented a discount of approximately 8.0% to the closing mid-market price of £0.815 / C$1.41 on 19 March 2021. The new Ordinary Shares represented approximately 12.77% of the Company's enlarged issued share capital. The Ordinary Shares issued to La Mancha and the Altus Directors and officers participating in the fundraising are subject to a TSX-V four month hold period and the Ordinary Shares issued to Canadian investors are subject to a Canadian regulatory four month hold period. The hold period will expire on 26 July 2021.