Directors' Report & Consolidated Financial Statements

For the year ended 31 January 2019

Itinerant Resources Plc

Registered Number: 3156769

CONTENTS

COMPANY INFORMATION

Directors	Peter R. Walsh Maurice O'Brien
Secretary/Registrar	Peter R. Walsh
Company Number	3156769
Registered Office	Kemp House, 160, City Road, London EC 1 V 2NX United Kingdom
Dublin Office	46A Upper Dorset Street Dublin 1 Ireland
Auditors	Mazars Chartered Accountants & Statutory Audit Firm Block 3 Harcourt Centre Harcourt Road Dublin 2 Ireland
Solicitors	Charles Russell Speechlys 5 Fleet Place London EC4M 7RD United Kingdom Chinawa Law Chambers 12th Floor Causeway Building Cnr Central Avenue & 3rd Street Harare Zimbabwe
Bankers	Bank of Ireland 6 Lower O'Connell Street Dublin 1 Ireland Bank of Ireland Global Markets Colvill House Talbot Street Dublin 1 Ireland
Consulting Geologist	BRG limited Athy Business Campus Kilkenny Rd, Woodstock South Athy, Co. Kildare

DIRECTORS' REPORT

The Directors present their report and the audited financial statements of the Group and the Company for the year ended 31 January 2019.

The Company has not prepared a strategic report as it has taken advantage of the exemption afforded by Section 414B of the Companies Act 2006.

Principal Activities

The Group's gold interests in Zimbabwe are held by Tinker Mining (Private) Limited, a locally registered and 100% owned subsidiary company. Building shareholder value is best achieved through exploration, evaluation and development of our gold projects. Significant added value arises where resource estimates can be increased and/or the resource classification upgraded, in our case from inferred to indicated, to JORC standards. We continue to seek other resource opportunities in Zimbabwe that are within our operational and financial capacities.

Directors of the Company

The following directors held office during the year:
Peter R. Walsh (Chairman)
Maurice O'Brien

Results and Dividends

The Group loss for the year amounted to £37,711 (2018: loss £24,827). Shareholders' funds decreased by £5,211, (2018 decreased by £24,827) during the year. The Directors do not recommend the payment of a dividend. (2018: Nil)

Business Review

Review of performance and development during the year

The board's focus during the year ended 31 January 2019 was how best to undertake the work programme recommended by BRG, Consulting Geologists on the Montezuma gold project. BRG reviewed past exploration and a major structural study of satellite imagery. Of the 40 exploration hotspots identified M-23 is our best exploration target. The work programme objective is to define drill targets quickly and at the lowest cost. The reports further highlighted adjacent areas with development potential.

The political and business environment in Zimbabwe improved in 2018 when Presidential and National Assembly elections were held. Indigenisation legislation was revoked in March 2018 in a move to attract foreign investment. The country's considerable mineral assets are grossly under developed and investor interest has been rekindled.

The Group sought a joint venture partner to co fund the US$750,000 budget for M-23 covering geological mapping, geophysics/geochemistry and progressing to trenching of targets. Favourable results will lead to drilling 20 bore holes over 2,750 metres. Exploration will be to JORC or NI 43-101 standards. Non disclosure agreements were signed with two parties followed by technical due diligence.

Montezuma is not the only under explored gold asset in Zimbabwe. It is a buyers market as projects compete for new investment. Montezuma's exploration to date is more reconnaissance than a defined development programme. Each party accepted it is a highly prospective ground package and possible involvement is dependent on trenching/drill target results in the M-23 area.

Montezuma's future as a quality gold asset will not be determined by past exploration. Modern techniques and methodology must be applied to assess and quantify the scale of its prospectivity. Completing BRG's work programme on M-23, our best exploration target, is a priority. Linking up with a team of geologists based in Bulawayo gives us the technical reach not achieved for many years.

DIRECTORS' REPORT (continued)

Business Review (continued)

Review of performance and development during the year (continued)

Details on the M-23 work programme are set out under Future Developments. BRG estimate a spend of US$750,000 over 27 weeks. The GeoEye-1 structural study and BRG's report has greatly enhanced our database. We have coordinates for each part of the exploration schedule. Work can start once funding is in place.

The board now seeks to raise Stg£250,000 through the issue of new ordinary shares of £0.01 at par. Shareholders will receive a separate letter from the Company on this matter.

The board wants to improve investor communications and past appeals to investors for their email addresses has met with some success. Many shareholders however have yet to provide their contact details and we urge them to do so. The Group has updated our website and opened social media accounts on Twitter (@itinerantgold) and LinkedIn.

In 2006 Tinker Mining (Pvt) Limited bought a small number of claims known as Lovel located near Chinoy northwest of Harare. No work was done as the claims were non strategic. The board had the claims independently assessed and a decision was taken to let them lapse. An impairment of intangible assets was incurred.

Strategy

The Montezuma licence is located in a region with active mines and a strong gold history. Our strategy is the appraisal and continued development of Montezuma, a 1,177 hectare property held under a mining lease located circa 50km south east of Bulawayo, Zimbabwe. Ultimately we seek a mining group to acquire the proved up property.

Future Developments

Consulting geologists recommend a staged, comprehensive exploration programme for the Montezuma licence area estimated to cost US$750,000 over a 27 week period.

Phase	Work Plan	Objectives	Weeks
1	**Set Up / Administration Facility** **Preliminary Sampling & Logging**	- Ascertain current site position - Obtain rock, core and soil samples - Assess historic work	**5**
2	**Soil, Core, Rock Sampling/Geophysics/ Trenching**	- Identify a series of trenches - Enables detailed drill target generation and drill hole targeting	**12**
3	**First Stage Diamond Drilling**	- Follow up on geochemistry, geophysics and trenching to identify worthy drilling targets - Drill 15 bore holes over 1,500 metres - 360 samples for analysis	**5**
4	**Follow Up Diamond Drilling**	- Test the down dip and along strike potential of any significant mineralisation intersected in Phase 3 - Drill 5 bore holes over 1,250 metres - 350 samples for analysis	**5**

The work programme represents a coherent strategy designed to define and delineate mineralisation in the Montezuma licence area. Historic exploration and artisanal activities have confirmed the presence of significant gold enrichment. The area has not been subject to modern exploration techniques and as such the potential for a substantial discovery by using modern tools, techniques and geological models is considered to be excellent.

The Mining Ministry indicated in March last its intention to introduce new policies where mining rights could be withdrawn from companies that take too long to dig for minerals. A "use it or lose it" policy would seriously threaten continuation of our Montezuma mining lease.

DIRECTORS' REPORT (continued)

Key Performance Indicators

Itinerant Resources Plc is an exploration and development group without production or proven reserves. The Group's main key performance indicators include measuring:

- ability to raise finance from new and existing shareholders; and
- execution of a work programme to identify drilling targets at Montezuma
- delivery of a limited drilling programme to determine gold mineralisation potential.

In addition the Group reviews ongoing operating costs and exerts best efforts to ensure finance is available for mining licence renewal and other regulatory costs as they fall due.

The Directors are examining options available to them for raising finance to meet Montezuma's planned work programme and if possible to secure a joint venture partner preferably operating in Zimbabwe.

Principal Risks and Uncertainties

The Group is exposed to resource risk, country and political risk, legislative and regulatory risk and financing risk.

Historically Montezuma produced small levels of gold but needs more development work to establish its commercial viability. It has no proven reserves. We rely on consulting geologists to devise work programmes aimed at identifying the level of prospectivity and economic viability.

There is a risk that estimates of mineral resources overstate their economic potential. The Group is especially vulnerable as it has no production or proven reserves. The board manages this risk by engaging independent geological consultants to review our database and technical materials. We rely on their expertise and credibility to advise us on a resource estimate in accordance with internationally accepted reporting standards. As the Group's mineral assets are in Zimbabwe they are subject to local legislation and regulation.

The Mines and Minerals Amendment Bill drafted in 2015 was referred to the National Assembly's Portfolio Committee who undertook an extensive consultation process involving all stakeholders. A detailed report on the Committee's findings was published in March 2018. It recommended many changes to the draft Bill. The revised Bill has yet to be presented to the National Assembly. One of the issues raised was the adoption of a "use it or lose it" policy. The obligations placed on Tinker Mining (Pvt) Limited could expose the Group to potential forfeiture of its mining lease through non payment of annual renewal fees or its inability to meet exploration work as set out in the new Act.

As Itinerant Resources Plc is in a pre-revenue state it relies on shareholders to provide finance to meet annual statutory and regulatory obligations in Ireland, UK and Zimbabwe. Failure to do so attracts fines, penalties and likely forfeiture of its mining lease. Further exploration of Montezuma will only be possible if funds are provided to the Group. In recent years the board has secured sufficient finance to cover regulatory payments and important reports guiding on Montezuma's prospectivity. The Group's financing risk cannot be understated. The board will continue to seek a joint venture partner to co-fund new drilling should favourable exploration results arise.

The board regularly monitors all of the above risks and where possible appropriate actions are taken to lessen or address those risks. However, raising new capital regularly is critical to the Group's future and in determining Montezuma's prospectivity and investor exit options.

Corporate Governance

The board is committed to high standards of corporate governance. As the Group grows the board will review their compliance policies and practices and will adopt such governance practices insofar as they are appropriate given the Group's size and stage of development.

Supplier Payment Policy

It is the Group's normal practice to agree terms of transactions, including payment terms, with suppliers and provided suppliers perform in accordance with the agreed terms, it is the company's policy that payment is made accordingly.

DIRECTORS' REPORT (continued)

Going Concern
The Directors believe that it is appropriate to adopt the going concern basis in preparing the financial statements. Having made appropriate enquiries, the Directors are of the opinion that the Company and Group with shareholder support have adequate resources to continue operations in the foreseeable future. The Directors note that Itinerant Resources plc has raised finance for exploration work, regulatory costs and working capital as required.

Charitable and Political Donations
The Company or the Group has not made a charitable or political donation during the year.

Disclosure of Information to Auditors
The Directors who held office at the date of approval of this Directors' Report confirm that, as far as they are individually aware, there is no relevant audit information of which the Company's auditors are unaware. The Directors further confirm that they have taken all necessary steps as directors that they ought to have as directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors
A resolution to reappoint Mazars, Chartered Accountants and Statutory Audit Firm, Dublin, Ireland will be proposed at the forthcoming Annual General Meeting.

By Order of the Board

Peter R. Walsh

Peter R. Walsh
Company Secretary

4 June 2019

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with Financial Reporting Standard 102, (FRS 102) and applicable law comprising the Companies Act 2006.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group at the end of the financial year and of the profit or loss of the Group for that year. In preparing these the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, disclose with reasonable accuracy at any time the financial position of the 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 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 financial statements may differ from legislation in other jurisdictions.

By Order of the Board

Peter R. Walsh

Peter R. Walsh
Secretary

Maurice O Brien
Director

4 June 2019

MAZARS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ITINERANT RESOURCES PLC

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Itinerant Resources Plc (the 'parent company') and its subsidiary (the 'group') for the year ended 31 January 2019, which comprise the Consolidated Income Statement, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Cash Flow Statement and related notes to the financial statements, including the summary of significant accounting policies set out in note 3. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 January 2019 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company and the group 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 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.

Material Uncertainty – valuation of assets

In forming our opinion, we have considered the adequacy of the disclosures made in note 16 of the financial statements concerning the carrying value of the mining interests and investments in Zimbabwe. There is a risk that estimates of mineral resources overstate their economic potential. These assets, which are carried in the group balance sheet at £769,752 may be overstated. Our opinion is not qualified in this respect.

Material Uncertainty – going concern

In forming our opinion, we have considered the adequacy of the disclosures made in note 16 of the financial statements concerning the uncertainty as to the continued support for the group and the parent company by their providers of funds. In view of the significance of this we consider that it should be drawn to your attention but our opinion is not qualified in this respect

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the directors' report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent and its environment obtained in the course of the audit, we have not identified any material misstatements in 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 specific by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to claim the exemption from the requirement to prepare a strategic report.

We have nothing to report in this regard.

MAZARS

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK). Those standards require us to comply with the Financial Reporting Council's Ethical Standard. This report is made solely to the group's and the parent 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 group's and the parent 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 group, the group's members, the parent company and the parent company's members as a body for our audit work, for this report, or for the opinions we have formed.

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

Bernard Barron

Bernard Barron
Senior Statutory Auditor

For and on behalf of
Mazars
Chartered Accountants and Statutory Audit Firm
Harcourt Road
Dublin 2
Ireland

4 June 2019

4 June 2019

CONSOLIDATED INCOME STATEMENT
for the year ended 31 January 2019

	Note	2019 £	2018 £
Turnover		-	-
Administrative expenses		(37,711)	(24,827)
Operating loss	6	(37,711)	(24,827)
Interest receivable		-	-
Loss on ordinary activities before taxation		(37,711)	(24,827)
Tax on loss on ordinary activities	9	-	-
Loss on ordinary activities after taxation		(37,711)	(24,827)

The Group and the Company's turnover and expenses all relate to continuing operations. A statement of other comprehensive income has not been prepared as the group had no recognised gains and losses other than its reported loss for the current and prior year.

CONSOLIDATED AND COMPANY BALANCE SHEETS
As at 31 January 2019

	Notes	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Fixed assets					
Intangible assets	10	769,752	756,687	-	-
Investments	11	-	-	418,341	418,341
		769,752	756,687	418,341	418,341
Current assets					
Other debtors	12	-	-	769,752	756,687
Bank and Cash		1,788	6,235	1,788	6,235
		1,788	6,235	771,540	762,922
Creditors: amounts falling due within one year	13	(141,670)	(351,923)	(141,670)	(351,923)
Net current (liabilities) /assets		(139,882)	(345,688)	629,870	410,999
Creditors: amounts falling due after one year	13	(410,603)	(186,521)	(410,603)	(186,521)
Net assets		**219,267**	**224,478**	**637,608**	**642,819**
Capital and reserves					
Called up share capital	14	738,592	706,092	738,592	706,092
Share premium account		727,796	727,796	727,796	727,796
Income statement		(1,247,121)	(1,209,410)	(828,780)	(791,069)
Equity shareholders' funds		**219,267**	**224,478**	**637,608**	**642,819**

The financial statements were approved by the Board on4 June 2019 and signed on its behalf by:

Peter R. Walsh

Peter R. Walsh
Secretary

Maurice O Brien
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
As at 31 January 2019

	Called up share capital £	Share premium £	Income statement £	Total £
At 1 February 2018	706,092	727,796	(1,209,410)	224,478
Loss for the year	-	-	(37,711)	(37,711)
Issue of shares	32,500	-	-	32,500
At 31 January 2019	**738,592**	**727,796**	**(1,247,121)**	**219,267**

COMPANY STATEMENT OF CHANGES IN EQUITY
As at 31 January 2019

	Called up share capital £	Share premium £	Income statement £	Total £
At 1 February 2018	706,092	727,796	(791,069)	642,819
Loss for the year	-	-	(37,711)	(37,711)
Issue of shares	32,500	-	-	32,500
At 31 January 2019	**738,592**	**727,796**	**(828,780)**	**637,608**

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 January 2019

	Notes	2019 £	2018 £
Loss before tax		**(37,711)**	**(24,827)**
Impairment of intangible assets		13,716	-
Increase in creditors		13,829	34,454
Net cash outflow from operating activities		**(10,166)**	**9,627**
Cash flow from investing activities			
Capitalisation of intangible assets		(26,781)	(23,033)
Net cash outflow from investing activities		**(26,781)**	**(23,033)**
Cash flows from financing activities			
Issue of shares		32,500	-
Net cash inflow from financing activities		**32,500**	-
Decrease in cash in the year		**(4,447)**	**(13,406)**
Cash and cash equivalents at the start of the year		6,235	19,641
Cash and cash equivalents at the end of the year		**1,788**	**6,235**

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 January 2019

1. **General Information**

Itinerant Resources Plc is incorporated in England and Wales as a public company for the purpose of acquiring, defining and developing quality mineral projects in Zimbabwe. It is unlisted and has 276 shareholders. The Group's gold interests in Zimbabwe are held by Tinker Mining (Private) Limited, a locally registered and 100% owned subsidiary company.

2. **Statement of Compliance**

The financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" ("FRS 102") and Company Act 2006.

3. **Principal Accounting Policies**

The significant accounting policies adopted by the company are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(a) Basis of Preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" ("FRS 102") and Company Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

(b) Basis of Consolidation

The Group consolidates the financial statements of the Company and its subsidiary undertaking made up to 31 January 2019. The subsidiary undertaking is accounted for using the acquisition method of accounting.

No income statement is presented for the Company as permitted by Section 408 of the Companies Act 2006. The loss for the company for the year was £37,711 (2018: £24,827).

(c) Intangible Assets – Mining Interest

The Company accounts for mineral expenditure as follows:

<u>Capitalisation</u>

Certain costs (other than payments to acquire the legal rights to explore) incurred prior to acquiring the rights to explore are charged directly to the income statement. Exploration, appraisal and development expenditure incurred on exploring and testing exploration prospects are accumulated and capitalised as intangible exploration and evaluation (E&E) assets. Capitalised costs include geological and geophysical costs and other direct costs of exploration (drilling, trenching, sampling and technical feasibility and commercial viability activities.) In addition, capitalised costs includes an allocation from operating expenses including directors remuneration and consultancy fees, all such costs which are deemed by management to be directly related to exploration and evaluation activities.

E&E costs are not amortised prior to the conclusion of appraisal activities. At completion of appraisal activities if technical feasibility is demonstrated and commercial reserves are discovered, then the carrying amount of the relevant E&E asset will be reclassified as a development and production asset, once the carrying value of the asset has been assessed for impairment.

If following completion of appraisal activities in an area, it is not possible to determine technical feasibility and commercial viability, or the right to explore expires, then the costs of such unsuccessful exploration and evaluation are written off to the income statement in the period in which the event occurred.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 January 2019

3. **Principal Accounting Policies (continued)**

(c) Intangible Fixed Assets (continued)

Impairment

If facts and circumstances indicate that the carrying value of an E&E asset may exceed its recoverable amount, an impairment review is performed. The following are indicators of impairment.

- The right to explore in an area has expired, or will expire in the near future, without renewal.
- No further exploration or evaluation is planned or budgeted for.
- A decision has been made to discontinue exploration and evaluation in an area, because of the absence of commercial reserves.
- Sufficient data exists to indicate that the carrying amount will not be fully recovered from future development and production.

(d) Foreign Currencies

Assets and liabilities in foreign currencies are translated at the rate ruling at the balance sheet date. Transactions are translated at the rate ruling at the date of the transactions. Exchange differences are dealt with in the income statement.

For the purposes of consolidation, the income statement and balance sheet of the foreign subsidiary are translated at the closing rate and any translation gain or loss is transferred directly to reserves.

(e) Deferred Taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date.

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on a non-discounted basis at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

4. **Critical Accounting Estimates and Judgements**

(a) Critical judgements in applying the company's accounting policies

In the process of applying the company's accounting policies above, management has identified the judgemental areas that have the most significant effect on the amounts recognised in the financial statements (apart from those involving estimations, which are dealt with below):

(b) Exploration and evaluation

The assessment of whether operating expenses and directors' emoluments are capitalised or expensed involves judgement. Management consider the nature of each cost incurred and whether it is deemed appropriate to capitalise it within exploration and evaluation assets. Given the activity of the directors and resultant operating costs are primarily focused on the company's mining prospects, the directors consider is appropriate to capitalise a portion of directors' emoluments and operating expenses.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 January 2019

4. Critical Accounting Estimates and Judgements (continued)

(c) Going concern

The preparation of the financial statements requires an assessment on the validity of the going concern assumption. The validity of the going concern assumption is dependent on the successful further development and ultimate production of the mineral reserves and the availability of sufficient finance to bring the reserves to economic maturity and profitability. The realisation of the intangible assets depends on the successful discovery and development of economic reserves. The directors have reviewed the proposed programme for exploration and evaluation assets and on the basis of the capital funding achieved to date and the cash requirements of the company for the forthcoming year, consider it appropriate to prepare financial statements on the going concern basis.

5. Segmental Information

The elements of loss before taxation and net current assets relating to Zimbabwe were £nil (2018: £nil) and £nil (2018: £nil) respectively.

6. Operating Loss

	2019 £	2018 £
Operating loss is stated after charging:		
Auditors' Remuneration - Parent Company element of Group	3,444	3,444
Impairment of intangible assets	13,716	-
FX (gain) / loss	(771)	3,001

7. Employee Information

The average monthly numbers of persons, including executive directors, employed by the Group during the year were:

	2019 No	2018 No
Management	2	2

8. Directors' Emoluments

	2019 £	2018 £
Emoluments	-	-

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 January 2019

9. Taxation

(a) Analysis of charge in year

There has been no tax charged for the current or prior year as the Company has not made taxable profits in either of these periods.

(b) Factors affecting tax charge for year

The differences between the tax assessment for the year and the standard rate of corporation tax in the UK 19% (2018: 19%) are explained below:

	2019 £	2018 £
Loss on ordinary activities before tax	(37,711)	(24,827)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	(7,165)	(4,717)
Effects of:		
Creation of tax losses	7,165	4,717
Current tax charge for the year (see (a) above)	-	-

(c) Deferred taxation (not recognised)

A deferred tax asset in respect of trading losses has not been recognised on the grounds that there is insufficient evidence that the amounts can be utilised in the future.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 January 2019

10. Intangible Assets

Group	Exploration & Evaluation Assets	Total
	£	£
At 1st Feb 2018	756,687	756,687
Expenditure during the year		
- Consultancy Fees	8,741	8,741
- Licence Renewal	14,374	14,374
- Other Costs and Expenses	3,666	3,666
Impairments	(13,716)	(13,716)
At 31 Jan 2019	769,752	769,752
Amortisation		
At 1st Feb 2018	-	-
Charge for Year	-	-
At 31 Jan 2019	-	-
Net Book Value 2019	769,752	769,752
Net Book Value 2018	756,687	756,687

11. Investments

Company	2019 £	2018 £
Subsidiary at Cost (Shares and Loans)		
At 1 February 2018 and 31 January 2019	**418,341**	**418,341**

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 January 2019

11. Investments (continued)

Subsidiary Undertakings

The wholly owned subsidiary of the Company at 31 January 2019 which has been consolidated is:

Company	Total Allocated Capital	Percentage held	Country of Incorporation & Operations	Nature of Business
Tinker Mining (Pvt) Limited	50 Ordinary Shares of US$1	100%	Zimbabwe	Mineral Exploration

12. Other Debtors

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Intercompany	-	-	769,752	756,687
	-	**-**	**769,752**	**756,687**

The intercompany balance relates to funding provided to Tinker Mining (Pvt) Ltd to engage in exploration and evaluation activities.

13. Creditors

Amounts falling due within one year

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Accruals and other creditors	23,065	36,603	23,065	36,603
Amounts owed to shareholders (other than directors)	3,339	216,622	3,339	216,622
Amounts due to related parties	115,266	98,698	115,266	98,698
	141,670	**351,923**	**141,670**	**351,923**

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 January 2019

13. Creditors (continued)

Amount falling due after one year

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Amounts due to related parties	410,603	186,521	410,603	186,521
	410,603	**186,521**	**410,603**	**186,521**

Related Party creditors are repayable in a period greater than 12 months.

14. Share Capital Presented as Equity

	2019 £	2018 £
Authorised equity		
500,000,000 (2018: 500,000,000) Ordinary shares of £0.01p each	5,000,000	5,000,000
Allotted, called up and fully paid equity		
73,859,150 (2018: 70,609,150) Ordinary shares of £0.01p each	738,592	706,092

15. Related Party Transactions

During the year £2,500 (2018: £2,500) was charged by Derivan & Co. Chartered Accountants, for professional fees and out of pocket expenses incurred on behalf of the Company. Peter R. Walsh, a director of the Company, is also a principal of Derivan & Co. At the year-end an amount of £67,565 (2018: £65,065) was included within creditors for the Group and Company.

During the year, £8,741 (2018: £6,593) was charged by Flagstone Consultants Ltd, for business advisory service fees. Maurice O'Brien, a director and shareholder of the Company, is also a director of Flagstone Consultants Ltd. At the year-end an amount of £129,756 (2018: £121,456) was included within creditors for the Group and Company.

A related party made payments on behalf of the Group in the year totalling £nil (2018: £nil). The company accrues interest at a rate of 16.5% per annum on certain amounts owed to this party. The current year interest of £16,897 (2018: £14,407) is included in administration expenses. This related party has a charge over the intellectual property, files, records and geographical studies relating to the intangible assets of the group as security over these payments.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 January 2019

16. Material Uncertainties

Material uncertainties exist regarding the following:

1. the carrying value of mining interests and investments in Zimbabwe. There is a risk that estimates of mineral resources overstate their economic potential. The Group is especially vulnerable as it has no production or proven reserves. These assets, which are carried in the Group balance sheet at £769,752 may be overstated; and
2. whether the Group, and the Company, will remain a going concern. The Company and the Group are dependent upon their providers of funds to enable them to continue to trade. The uncertainty referred to above could lead to those providers being unwilling to continue their support. We note that during the 2018/2019 financial year there was an issue of shares of £32,500 which has increased the share capital.

The Directors believe that the uncertainty will reduce in the future and thus the Group will be able to continue to trade. The financial statements do not include any adjustments that would result from the Group not continuing as a going concern.

17. Approval of the Financial Statements

The board approved the financial statements on 4 June 2019.