Katoro Gold PLC
(formerly Opera Investments PLC)

Annual Report and Financial Statements

For the year ended 31 December 2017

Company registration number: 09306219

DIRECTORS:	Louis Coetzee - Chairman (Executive) Louis Scheepers - Non-Executive Director Myles Campion - Non-Executive Director Paul Dudley - Non-Executive Director Lukas Maree - Non-Executive Director
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COMPANY NUMBER:	09306219

Chairman's Statement

The Company hit the ground running following the acquisition of Kibo Gold Limited and admission to AIM in May 2017, developing a vigorous work programme at its key project, the Imweru gold project in Tanzania.

Immediately after the admission to AIM, Katoro commenced a Pre-Feasibility Study ('PFS') and Diamond and RC infill drilling programme, two months ahead of schedule, highlighting the capability of the on-ground project team. The first four holes were drilled much faster than anticipated, providing significant cost-savings. Subsequently, we were able to expand the scope of the programme to drill 3,410 metres across 31 holes instead of the planned c.1,400 meters in 8-10 holes. This programme was completed in July, more than a month ahead of schedule despite the extra work.

After the completion of sample logging, selection, packaging and laboratory sample preparation, three sample batches consisting of metallurgical, geotechnical and resource samples were despatched to different laboratories in Tanzania and South-Africa. As many shareholders are aware, the significance of sending these samples to a foreign laboratory is that 2017 saw the introduction of new mining legislation in Tanzania. I am very proud of the ability of the Katoro team to adapt and adjust to the new framework. I believe that we were one of the first, if not the first, company to export geological/metallurgical samples under the new legislation. We have always cooperated closely with all the relevant authorities on a local, regional and national governmental level, and will continue to do so.

Early cost savings also enabled us to commission a full Environmental and Social Impact Assessment ('ESIA') study without the need to raise additional funds as originally stated in the Admission document. The fact that the full ESIA could be initiated in parallel with the FS means that Katoro is able to submit a more complete and technically sound mining right application, which we believe will expedite the application process. Phases I & II of the ESIA have already been completed.

Furthermore, as part of the PFS, we commissioned a Light Detection and Ranging ('LiDAR') survey that will provide us with extremely accurate data set over the entire envisaged mining area and can be used for the final resource estimation and optimised mine design.

The Group is currently assessing the economic viability of Imweru, based on the preliminary pre-feasibility results and the new mining legislation and regulations in Tanzania. The Group's assessment will include:

- Consideration of an extended exploration work programme to increase the current resource, by exploring some of the previously identified exploration targets that form part of the Imweru / Lubando gold project (To date only approximately 50% of the Imweru and Lubando project areas have been explored); and
- Engagement with the Tanzanian Ministry of Minerals to seek to agree key aspects of the mining licence application for Imweru, to ensure its economic feasibility based on the new mining legislation and regulations.

The Group expects to complete the assessment referred to above by the end of Q2 / early Q3 2018. The Group has decided to suspend all ongoing feasibility work on the Imweru project until it has reached a final decision on the economic viability and further development of Imweru.

The Group has employed a sensible financial policy, ensuring that expenditure remained low and substantial savings over the original budget have been realised over the past 12 months. Accordingly, the Group has £565k of cash at the balance sheet date that is being managed to enable the Group to meet ongoing administrative expenditure as the Group's strategy and work programmes are assessed.

Additionally, the Board has decided to seek to diversify Katoro's portfolio and has approved a specific strategy and programme for the identification and evaluation of new / additional projects.

It has always been the Group's stated objective to bring the Imweru gold project into production on an expedited basis, so as to generate sufficient revenues to self-fund the further development and expansion of the Imweru and Lubando gold projects. Having considered the preliminary findings of the pre-feasibility work, as well as the impact of the recent updates to the mining legislation in Tanzania, we have decided to first assess the current economic viability of Imweru to determine whether we should continue with the present development strategy or whether an adjustment is required, to ensure optimal utilisation of resources and realisation of the full potential of the Imweru / Lubando gold projects. Naturally, this will delay our planned timetable to production, but the fact remains that we are currently at a stage of the feasibility study where we need to make critical strategic decisions that will determine the success or failure of the Imweru gold project and we therefore need to ensure that we take these decisions responsibly.

Looking ahead, we anticipate a steady flow of news as we hit key trigger points, including the strategic decision regarding the Imweru gold project – if decided to proceed with the project, the completion of the PFS; drill results; updated geological models; a new Mineral Resource estimate; a feasibility study; and the application for a Mining Licence. Additionally, we plan to test the viability of another mine development at Lubando by conducting an initial scoping study on the current Mineral Resource; if the results are positive, we will proceed with a PFS and FS. We are also committed to diversifying our asset portfolio and are assessing various projects that the Board believes to be value accretive opportunities. I look forward to updating shareholders with our progress and findings moving forward.

I'd like to express my gratitude to the shareholders for their continued support and to all the employees for their hard work as we focus on delivering on our strategy.

Executive Chairman
Louis Coetzee

Strategic Report

The Board of Directors present their Strategic report together with the audited annual financial statements for the year ended 31 December 2017 of Katoro Gold plc ("the Company") and its subsidiaries (collectively "the Group").

Principal activities
The principal activity of the Group is gold focussed exploration activities in Tanzania.

Review of business in the year
The Group is in its early stage of development and details of the operational activities of the Group are included in the Chairman's statement.

On 5 May 2017, the Company successfully concluded the acquisition of the entire issued and to be issued share capital of Kibo Gold Limited from Kibo Mining plc, placing, cancellation of the Company's listing on the Standard Segment and trading on the Main Market, waiver of Rule 9 of the City Code, change of name to Katoro Gold PLC and admission of the enlarged Group and its securities to trading on AIM. The consideration for the acquisition of Kibo Gold Limited ("the Acquisition") was the issue on 23 May 2017, credited as fully paid, of 61,000,000 Katoro shares to Kibo Mining plc together with the assignment of a loan with the value of £2,072,405. The Acquisition, resulted in Katoro Gold becoming an operating company instead of an investing company, and constituted a reverse takeover under the UKLA's Listing Rules. On the same date, the Company issued a further 5,033,322 ordinary shares at 6 pence per share to satisfy the payment of certain fees in connection with the Acquisition and AIM admission. Also, the Company placed 25,000,000 ordinary shares at 6 pence per share with new and existing shareholders to raise the necessary funds for the Company to advance its assets.

Financial activities

During the year to 31 December 2017 and following the successful completion of the acquisition of Kibo Gold Limited, the Group used the proceeds from the placing to continue to evaluate the Imweru licence and incurred expenditure of £911,649.

The Group also incurred significant amount of professional fees to conclude the acquisition and list on the AIM market. A portion of the total fees £369,923 was recognised in share premium and the balance is recognised in the statement of comprehensive income.

The deemed cost of listing is the excess of the deemed acquisition cost over the fair value of the assets and liabilities acquired.

Description	31 December 2017
AIM IPO transaction costs	£556,935
Deemed cost of listing	£206,670
Exploration expenditure	£911,649
Cash balance held	£564,840

The result for the year amounted to a loss of £1903,676 for the year ended 31 December 2017 (31 December 2016: Loss £507,247). The remaining cash balance amounting to £564,840 will be utilised to finance further development and plans, as detailed in the Chairman's statement.

Key performance indicators
The Group is in its early stage of development and since listing on AIM in May 2017 the Group has been focussed on exploration activities in Tanzania. The Group is currently in the evaluation phase and the key business objective is to complete this phase and move to development, details of the value of expenditure incurred during the period are included above and the nature is included in the Chairman's statement. Management do not consider there to be any KPI's at this stage other than the result for the period which is included in the statement of comprehensive income.

Principal Risks and Uncertainties
The realisation of exploration and evaluation assets is dependent on the discovery and successful development of economic mineral reserves and is subject to a number of significant potential risks summarised as follows, and described further below:

- Financial instrument & Foreign exchange risk;
- Strategic risk;
- Funding risk;
- Commercial risk;
- Operational risk;
- Staffing and Key Personnel Risks;
- Speculative Nature of Mineral Exploration and Development;
- Political Stability;
- Uninsurable Risks; and
- Foreign investment risks including increases in taxes, royalties and renegotiation of contracts.

Financial instrument and foreign exchange risk
The Company and Group are exposed to risks arising from financial instruments held and foreign exchange transactions entered into throughout the period. These are discussed in Note 16 to the Annual Financial Statements.

Strategic risk
Significant and increasing competition exists for mineral acquisition opportunities throughout the world. As a result of this competition, the Company may be unable to acquire rights to exploit additional attractive mining properties on terms it considers acceptable. Accordingly, there can be no assurance that the Company will acquire any interest in additional operations that would yield reserves or result in commercial mining operations. The Company expects to undertake sufficient due diligence where warranted to help ensure opportunities are subjected to proper evaluation.

Funding risk
In the past the Company has raised funds via equity contributions from new and existing shareholders, thereby ensuring the Company remains a going concern until such time that revenues are earned through the sale or development and mining of a mineral deposit. There can be no assurance that such funds will continue to be available on reasonable terms, or at all in future. The Directors regularly review cash flow requirements to ensure the Company can meet financial obligations as and when they fall due.

Commercial risk
The mining industry is competitive and there is no assurance that, even if commercial quantities of minerals are discovered, a profitable market will exist for the sale of such minerals. There can be no assurance that the quality of the minerals will be such that the Company properties can be mined at a profit. Factors beyond the control of the Company may affect the marketability of any minerals discovered. Mineral prices are subject to volatile price changes from a variety of factors including international economic and political trends, expectations of inflation, global and regional demand, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. Ultimately, the Company expects that prior to a development decision, a project would be the subject of a feasibility analysis to ensure there exists an appropriate level of confidence in its economic viability.

Operational risk
Mining operations are subject to hazards normally encountered in exploration, development and production. These include unexpected geological formations, rock falls, flooding, dam wall failure and other incidents or conditions which could result in damage to plant or equipment or the environment and which could impact any future production throughout. Although it is intended to take adequate precautions to minimise risk, there is a possibility of a material adverse impact on the Company's operations and its financial results. The Company will develop and maintain policies appropriate to the stage of development of its various projects.

Staffing and Key Personnel Risks
Recruiting and retaining qualified personnel is critical to the Company's success. The number of persons skilled in the acquisition, exploration and development of mining properties is limited and competition for such persons is intense. While the Company has good relations with its employees, these relations may be impacted by changes in the scheme of labour relations which may be introduced by the relevant governmental authorities. Adverse changes in such legislation may have a material adverse effect on the Company's business, results of operations and financial condition. Staff are encouraged to discuss with management matters of interest to the employees and subjects affecting day-to-day operations of the Company.

Speculative Nature of Mineral Exploration and Development
In addition to the above there can be no assurance that the current exploration programs will result in profitable mining operations.

The recoverability of the carrying value of exploration and evaluation assets is dependent on the successful discovery of economically recoverable reserves, the achievement of profitable operations, and the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in market conditions could require material write downs of the carrying value of the Company's assets.

Development of the Company's mineral exploration properties is, amongst others, contingent upon obtaining satisfactory exploration results and securing additional adequate funding. Mineral exploration and development involves substantial expenses and a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to adequately mitigate. The degree of risk reduces substantially when a Company's properties move from the exploration phase to the development phase.

The discovery of mineral deposits is dependent upon a number of factors including the technical skill of the exploration personnel involved. The commercial viability of a mineral deposit, once discovered, is also dependent upon a number of factors, including the size, grade and proximity to infrastructure, metal prices and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. In addition, several years can elapse from the initial phase of drilling until commercial operations are commenced.

Political Stability
The Company is conducting its activities in Tanzania. The Directors believe that the Government of Tanzania supports the development of natural resources by foreign investors and actively monitor the situation. However, there is no assurance that future political and economic conditions in Tanzania will not result in the Government of Tanzania adopting different policies regarding foreign development and ownership of mineral resources. Any changes in policy affecting ownership of assets, taxation, rates of exchange, environmental protection, labour relations, repatriation of income and return of capital, may affect the Company's ability to develop the projects.

Uninsurable Risks
The Company may become subject to liability for accidents, pollution and other hazards against which it cannot insure or against which it may elect not to insure because of prohibitive premium costs or for other reasons, such as amounts which exceed policy limits.

Foreign investment risks including increases in taxes, royalties and renegotiation of contracts
The Group is subject to risk arising from the ever-changing economic environment in which its subsidiaries operate, mainly driven by the changing regulatory environment governing corporate taxation, transfer pricing and other investment related operational activities. The Group continues to re-assess its investment decisions in order to limit exposure to the ever-changing regulatory environment in which it operates.

This report was approved by the Board on 27 April 2018 and signed on its behalf by:

Louis Coetzee
Chairman

Directors' Report

The Board of Directors present their Annual Report together with the audited annual financial statements for the year ended 31 December 2017 of Katoro Gold plc ("the Company") and its subsidiaries (collectively "the Group").

The Board comprises of an Executive Director and four Non-Executive Directors. As the Company evolves, the Board will be reviewed and expanded if necessary to ensure appropriate expertise is in place at all times to support its business activities.

The Board is responsible for formulating, reviewing and approving the Company's strategy, budgets, major items of capital expenditure and acquisitions. An agenda and all supporting documentation is circulated to all Directors before each Board Meeting. Open and timely access to all information is provided to all Directors to enable them to bring independent judgement on issues affecting the Company and facilitate them in discharging their duties.

At the end of the financial year, and at the date of this report, the board of Directors comprised:

Louis Coetzee – Chairman (Executive Director)
Louis Scheepers (Non-Executive Director)
Myles Campion (Non-Executive Director)
Paul Dudley (Non-Executive Director)
Lukas Marthinus Maree (Lukas Maree) (Non-Executive Director)

Louis Coetzee, BA, MBA, Age 52 – Chairman (Executive)
Louis has 25 years' experience in business development, promotion and financing in both the public and private sector. In recent years he has concentrated on the exploration and mining area where he has founded, promoted and developed a number of junior mineral exploration companies based mainly on Tanzanian assets. Louis has tertiary qualifications in law and languages, project management, supply chain management and an MBA from Bond University (Australia) specializing in entrepreneurship and business planning and strategy.

He has worked in various project management and business development roles mostly in the mining industry throughout his career. Between 2007 and 2009, Louis held the position of Vice-President, Business Development with Canadian listed Great Basin Gold (TSX: CBG).

Louis Scheepers, Age 60 – (Non-Executive)
Louis is an experienced project manager with more than eighteen years' experience of practical project development and execution in the mining and extractive industry. He has gained valuable experience in mineral exploration, feasibility studies and greenfields mining projects, spending much time in South, Central and East Africa, as well as the Middle East.

Prior to teaming with the AIM listed Kibo Mining PLC as Chief Operations Officer, he held the position of CEO, Mzuri Exploration Services Ltd ("MXS"), as well as the Executive responsible for Project Development at the TSX, NYSE and JSE listed Great Basin Gold Ltd after completing a stint as Mining Consultant.

Myles Campion, BSc, MSc, Age 47 – (Non-Executive)
Myles has a comprehensive background in all technical and financial facets of the resources sector, specialising internationally in resource evaluation and project assessment. This follows a 10-year career as an exploration and mine site geologist in Australia covering base metals and gold. He holds a BSc (Hons) in Geology from University of Wales College, Cardiff and an MSc (MinEx) from the Royal School of Mines in London, and also holds a Graduate Diploma of Business (Finance).

His financial experience ranges from Australian and UK equities research through to project and debt financing in London, covering the entire spectrum of mining companies with an extensive knowledge of the global resources market covering the three main bourses, the Toronto Stock Exchange, AIM and the ASX. This knowledge was applied effectively as a Fund Manager at Oceanic Asset Management, where he successfully managed the Australian Natural Resources Fund, an Open Ended Investment Company (OEIC) traded in London, steering the fund to an outperforming 50 percent return over five years.

Paul Dudley, BSc, FCA, Age 45 – (Non-Executive)
Paul is a Fellow of the Chartered Institute of Accountants of England and Wales and is a Member of the UK's Chartered Institute of Securities and Investment. He co-founded HD Capital Partners Ltd in 2010, a corporate advisory business that is authorised and regulated by the UK's Financial Conduct Authority.

Earlier in his career, he worked as a Qualified Executive for stockbroking firm WH Ireland, where he acted as a Nominated Adviser on numerous flotations, fundraisings and provided advice on takeovers and other transactions in the private and public arena. Previously, Paul was seconded to the listing department of the London Stock Exchange and worked at Sigma Capital plc, a venture capital investment firm, where he advised on investment into emerging growth companies. He began his career at PriceWaterhouseCoopers.

Lukas Marthinus Maree, BLC, LLB, Age 55 – (Non-Executive)
Tinus Maree is a lawyer by profession. He has served on the boards of a number of public companies including Kibo Mining plc., Goldsource Mines Limited, Africo Resources Limited and Diamondworks Limited that have made significant successful investments in exploration projects in Africa and North America, and has more recently served as the CEO of private investment companies Rusaf Gold Limited and Mzuri Capital Group Limited, both of which have successfully developed and sold mineral projects in Russia and Tanzania in the last seven years.

He was also a founder principal of River Group, designated advisors to the listing of Kibo on the JSE, and was responsible for its Canadian office until his retirement from the Group in 2013 to pursue personal interests.

Review of Business Developments
As set out in the Chairman's Report and review of activities, the Company hit the ground running following the acquisition of Kibo Gold Limited and listing on AIM in May 2017, developing a vigorous work programme at its key project, the Imweru gold project in Tanzania.

Results
The result for the year amounted to a loss of £1,903,676 for the year ended 31 December 2017 (31 December 2016: Loss £507,247)

Post Statement of Financial Position Events
There have been no material post reporting date events.

Directors' Interests
The interests of the Directors (held directly and indirectly), who held office at the date of approval of the financial statements, in the share capital of the Company are as follows:

Louis Coetzee, Louis Scheepers and Tinus Maree are also Directors of Kibo Mining Plc, the majority shareholder.

Ordinary Shares (held directly and indirectly)

Directors	17 April 2018	31 December 2017	31 December 2016
Louis Coetzee	-	-	-
Louis Scheepers	-	-	-
Myles Campion	1,750,000	1,750,000	1,750,000
Paul Dudley	1,166,667	1,166,667	1,166,667
Tinus Maree	-	-	-

There are no share options in issue as at the date of this report.

For further detail surrounding the ordinary shares and refer to Notes 13 of the annual financial statements.

Directors Remuneration (Period to 31 December 2017)

Directors	Directors fees	Total
Louis Coetzee	-	-
Louis Scheepers	-	-
Myles Campion	-	-
Paul Dudley	-	-
Tinus Maree	-	-

Payment of Directors' fees will occur 18 months following the date the Company admitted to trading on AIM or earlier if a fundraise is undertaken. There were no other elements of Directors remuneration incurred in the period.

There have been no other contracts or arrangements of significance during the period in which Directors of the Company, or their related parties, were interested.

Directors' Meetings
The Company held 14 (Fourteen) Board meetings during the reporting period and the number of meetings attended by each of the Directors of the Company during the year to 31 December 2017 were:

Director Name	Position	Number of Meetings Attended	Number of Meetings Eligible to Attend
Louis Coetzee (appointed on 23 May 2017)	Chairman	5	5
Louis Scheepers (appointed on 18 December 2017)	Non-Executive Director	-	-
Myles Campion	Non-Executive Director	14	14
Paul Dudley	Non-Executive Director	14	14
Tinus Maree (appointed on 23 May 2017)	Non-Executive Director	5	5

Committee Meetings
The Company held one Audit Committee meeting during the reporting period and the number of meetings attended by each of the members during the year to 31 December 2017 were:

Director Name	Position	Number of Meetings Attended	Number of Meetings Eligible to Attend
Paul Dudley	Chairman -Non-Executive Director	1	1
Myles Campion	Non-Executive Director	1	1
Tinus Maree (appointed on 23 May 2017)	Non-Executive Director	1	1

The Company held one Remuneration Committee meeting during the reporting period and the number of meetings attended by each of the members during the year to 31 December 2017 were:

Director Name	Position	Number of Meetings Attended	Number of Meetings Eligible to Attend
Myles Campion	Chairman -Non-Executive Director	1	1
Paul Dudley	Non-Executive Director	1	1
Tinus Maree (appointed on 23 May 2017)	Non-Executive Director	1	1

The Company held no Nominations Committee meetings during the reporting period.

The Company held no Disclosure and AIM Rules Compliance Committee meeting during the reporting period.

Significant Shareholdings
The Company has been informed that, in addition to the interests of the Directors, at 31 December 2017 and at the date of this report, the following shareholders own 3% or more beneficial interest, either direct or indirect, of the issued share capital of the Company, which is considered significant for disclosure purposes in the annual financial statements:

	Percentage of Issued Share Capital		
	17 April 2018	**31/12/2017**	**31/12/2016**
Kibo Mining plc	56.7%	56.7%	-
David Steinepreis	7.3%	7.3%	21.74%
Yakoub Yakoubov	4.5%	-	-

Subsidiary Undertakings
Details of the Company's subsidiary undertakings are set out in Note 7 to the annual financial statements.

Political Donations
During the period, the Group made no charitable or political contributions (2016: £ nil).

Going Concern
The Directors have reviewed budgets, projected cash flows and other relevant information, and on the basis of this review, are confident that the Company and the Group will have adequate financial resources to continue in operational existence for the foreseeable future.

The operations of the Group are currently financed from funds which the Group has raised from shareholders. The Group has not yet earned revenues as it is still in the exploration phase of its business. The economic feasibility of the Imweru project is being assessed and there is currently no committed exploration expenditure forecast. The future of the Company and the Group is dependent on the successful outcome of its short and medium term ability to raise new funding to fund any exploration or development work on its interests going forward. The Directors have prepared a cashflow forecast assuming no funds are raised and this shows the Group can extinguish existing liabilities and planned non-discretionary ongoing expenditure for a period of at least 12 months from the date of approval of these financial statements. Consequently, they consider that it is appropriate to prepare the financial statements on the going concern basis.

Environmental responsibility
The Company recognises that its activities require it to have regard to the potential impact that it, its subsidiaries and partners may have on the environment. Where exploration and development works are carried out, care is taken to limit the amount of disturbance and where any remediation works are required they are carried out as and when required.

Dividends
There have been no dividends declared or paid during the current financial period (2016: £ nil).

Corporate Governance Policy
The Board is aware of the importance to conform to its statutory responsibilities and industry good practice in relation to corporate governance of the Group.

The Board is accountable to the shareholders for delivery of sustained value growth. In order to support its duties and responsibilities the Board implements control procedures that assess and manage risk and ensure robust financial and operational management within the Company. The principal risks that the Company is exposed to can be classified under the general headings of exploration risk, commodity risk, price risk, currency risk and political risk.

The Board also sets the Company's core values and ethical standards of business conduct ensuring these are effectively communicated to all staff and are monitored continuously by the Board.

The Board sets the Company's strategy and monitors its implementation through management and financial performance reviews. It also works to ensure that adequate resources are available to implement strategy in a timely manner.

The Company subscribes to the values of good corporate governance at all levels and is committed to conduct business with discipline, integrity and social responsibility. The Board of Directors is firmly committed to good corporate governance in determining what is considered good governance for a smaller listed company the Directors have made reference to the principles contained in the Corporate Governance Code to the extent that they are appropriate to a smaller listed company..

Role of Directors
All Board members ensure that appropriate governance procedures are adhered to and there is a clear division of responsibilities at Board level to ensure a balance of power and authority so that no one individual has unfettered powers of decision making.

Board and Audit Committee meetings have been taking place periodically and the executive Director manages the daily Company operations with Board meetings taking place on a regular basis throughout the financial period. During the current reporting period, the Board met 14 (fourteen) times and provided pertinent information to the Executive Committee of the Company.

The Board is responsible for effective control over the affairs of the Company, including: strategic and policy decision-making financial control, risk management, communication with stakeholders, internal controls and the asset management process. Although there was no specific committee tasked with identifying, analysing and reporting on risk during the financial period, this was nevertheless part of the everyday function of the Directors and was managed at Board level.

Directors are entitled, in consultation with the Chairman, to seek independent professional advice about the affairs of the Company, at the Company's expense.

Audit Committee
The Members of the audit committee are Paul Dudley, Myles Campion and Tinus Maree.

The audit committee has set out its roles and responsibilities within its charter and ensured that it is aligned to good financial governance principles.

These include:

- the establishment of an Audit Committee to guide the audit approach, as well as its modus operandi and the rules that govern the audit relationship;
- assess the processes relating to and the results emanating from the Group's risk and control environment;
- monitoring the integrity of the Group's integrated reporting and all factors and risks that may impact on reporting;
- annually reviewing the expertise, appropriateness and experience of the finance function;
- annually nominating the external auditors for appointment by the shareholders;
- reviewing developments in governance and best practice;
- foster and improve open communication and contact with relevant stakeholders of the Group; and
- assessing the external auditor's independence and determining their remuneration.

The audit committee further sets the principles for recommending the external auditors for non-audit services use.

The committee met once during the current year as there was no need to review its strategy.

Remuneration Committee
The members of the remuneration committee are Paul Dudley, Myles Campion and Tinus Maree.

The purpose of the remuneration committee is to discharge the responsibilities of the board relating to all compensation, including equity compensation of the Company's executives. The remuneration committee establishes and administers the Company's executive remuneration with the broad objective of aligning executive remuneration with Company performance and shareholder interests, setting remuneration standards aimed at attracting, retaining and motivating the executive team, linking individual pay with operational and Company performance in relation to strategic objectives; and evaluating compensation of executives including approval of salary, equity and incentive-based awards.

The committee is empowered by the Board to set short, medium and long-term remuneration for the executive Directors. More generally, the committee is responsible for the assessment and approval of a Board remuneration strategy for the Group.

The committee met once during the current year as there was no need to review its strategy.

Nomination Committee
The members of the remuneration committee are Paul Dudley, Myles Campion and Tinus Maree.

The nomination committee is responsible for considering and making recommendations to the Board in respect of appointments to the Board. It is also responsible for keeping the structure, size and composition of the Board under regular review, and for making recommendations to the Board with regard to any changes necessary, as well as succession planning, taking into account the skills and expertise that will be needed on the Board in the future.

The committee did not meet during the current year as there was no need to review its strategy.

Disclosure and AIM Rules Compliance Committee
The members of the AIM Rules Compliance Committee are Paul Dudley and Louis Coetzee.

The role of the disclosure and AIM Rules compliance committee is to oversee the Company's compliance with the AIM Rules and the Disclosure Guidance and Transparency Rules which require the Company to disclose, in the prescribed manner, as soon as possible, any inside information directly concerning the Company, unless an exemption from disclosure is available.

The Disclosure Committee is also, amongst other things, responsible for maintaining and monitoring the adequacy of procedures, systems and controls for the identification, treatment and disclosure of inside information and for complying with other disclosure obligations falling on the Company under the AIM Rules, the Market Abuse Regulation and Disclosure Guidance and Transparency Rules.

Internal Audit
The Company does not have an internal audit function. Currently the operations of the Group do not warrant an internal audit function, however the Board is assessing the need to establish an internal audit department considering future prospects as the Group's operations increase. During the period the Board has taken responsibility to ensure effective governance, risk management and that the internal control environment is maintained.

Health, Safety and Environmental Policy
The Group is committed to high standards of Health, Safety and Environmental performance across our business. Our goal is to protect people, minimize harm to the environment, integrate biodiversity considerations and reduce disruption to our neighbouring communities. We seek to achieve continuous improvement in our Health, Safety and Environmental performance.

Corporate Social Responsibility Policy (CSR)
The Group's policy is to conduct all our business operations to best industry standards and to behave in a socially responsible manner. Our goal is to behave ethically and with integrity and to respect cultural, national and religious diversity.

Governance of IT
The Board is responsible for IT governance as an integral part of the Group's governance as a whole. The IT function is not expected to significantly change in the foreseeable future. The Board has the required policies and procedures in place to ensure governance of IT is adhered to.

Integrated and Sustainability Reporting
Integrated Reporting is defined as a "holistic and integrated representation of the Group's performance in terms of both its finances and its sustainability". The Group currently does not have a separate integrated report. The Board and its sub-committees are in the process of assessing the principles and practices of integrated reporting and sustainability reporting to ensure that adequate information about the operations of the Group, the sustainability issues pertinent to its business, the financial results and the results of its operations and cash flows are disclosed in a single report.

Statement of Directors' Responsibility
The directors are responsible for preparing the Strategic Report, 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 International Financial Reporting Standards (IFRSs') as adopted by the EU and applicable law.

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 company and the Group and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting 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;

- prepare the financial statements 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 and 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.

They are further responsible for ensuring that the Strategic Report and the Report of the Directors and other information included in the Annual Report and Financial Statements is prepared in accordance with applicable law in the United Kingdom.

The maintenance and integrity of the Katoro Gold plc web site is the responsibility of the directors; the work carried out by the auditors does not involve the consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred in the accounts since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of the accounts and the other information included in annual reports may differ from legislation in other jurisdictions.

Corporate Governance
The Directors are committed to maintaining the highest standards of corporate governance commensurate with the size, stage of development and financial status of the Group.

The Board
The Board is responsible for the supervision and control of the Company and is accountable to the shareholders. The Board has reserved decision-making on a variety of matters, including determining strategy for the Group, reviewing and monitoring executive management performance and monitoring risks and controls.

The Board has five Directors, comprising of an executive Director and four non-executive Directors. The Board met formally on 14 (fourteen) occasions during the year ended 31 December 2017. An agenda and supporting documentation was circulated in advance of each meeting. All the Directors bring independent judgement to bear on issues affecting the Group and all have full and timely access to information necessary to enable them to discharge their duties. The Directors have a wide and varying array of experiences in the industry.

Auditors
The auditors, Crowe Clark Whitehill LLP, have been re-appointed as the auditors of the Company, and have indicated their willingness to continue in office in accordance with section s475 of the Companies Act 2006.

Annual General Meeting
Notice of the forthcoming Annual General Meeting of the Company together with resolutions relating to the Company's ordinary and special business will be given to the members separately.

Provision of information to auditors
Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:
• So far as that Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
• That Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information.

This report was approved by the Board on 27 April 2018 and signed on its behalf by:

Louis Coetzee
Chairman

Independent Auditors Report

Opinion

We have audited the financial statements of Katoro Gold plc (the “Parent Company”) and its subsidiaries (the “Group”) for the year ended 31 December 2017, which comprise:

- the Group statement of comprehensive income for the year ended 31 December 2017;
- the Group and parent company statements of financial position as at 31 December 2017;
- the Group and parent company statements of cash flows for the year then ended;
- the Group and parent company statements of changes in equity for the year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Overview of our audit approach

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the Group financial statements as a whole to be £160,000, based on a 8% of the Group result.

We use a different level of materiality (‘performance materiality’) to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment.

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.

We agreed with the Audit Committee to report to it all identified errors in excess of £8,000. Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

Overview of the scope of our audit

There are four components of the Group, Katoro Gold Plc as an entity, Kibo Gold Limited, Reef Miners Limited and Savannah Mining Limited. The audit of Katoro Gold Plc was conducted from the UK, transactions are limited to administrative and professional fees, these were provided by management to us. We engaged a member firm of the Crowe Horwath International network to undertake the audit work on Reef Miners Limited and Savannah Mining Limited (although Savannah mining is not a significant component) under our direction. Following discussions held at the planning stage, we issued instructions to the network firm that detailed the significant risks to be addressed through the audit procedures and indicated the information we required to be reported, we reviewed their working papers and discussed key findings.

Kibo Gold Limited is domiciled is Cyprus and the local auditors there performed agreed upon procedures to verify the key balances and transactions. Supporting working papers were sent to us and reviewed.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included 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.

This is not a complete list of all risks identified by our audit.

Key audit matter	***How the scope of our audit addressed the key audit matter***
Acquisition of Kibo Gold Limited The acquisition of Kibo Gold Limited has a significant impact on the form and presentation of these financial statements. We considered the risk that the accounting treatment adopted was incorrect and did not fairly present the substance of the transaction.	*As the acquisition was not a business combination management were responsible for selecting an appropriate accounting policy. We reviewed this policy, the adequacy of the disclosure and the accounting entries. In doing this we agreed key items back to supporting documentation and recalculated the deemed cost of listing arising.*
Listing expenses Under the accounting standard the costs of listing and issuing new shares are required to be split between equity and profit and loss. We considered the risk that this split was inappropriate.	*We obtained the detail of the listing expenses and validated this to supporting documentation. Where costs were felt to relate solely to the issue of shares, and hence were recognised directly in equity, we validated this judgement. For costs that related to both the listing and the share issue these were split based on the portion of new equity to old equity. We re-performed this calculation to verify the accounting treatment.*

Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

Other information

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

Opinion on other matter 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 directors' report and strategic 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 company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Responsibilities of the directors for the financial statements

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

In preparing the financial statements, the directors are responsible for assessing the Group's and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or 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.

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.

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.

M Stallabrass

Matthew Stallabrass

for and on behalf of

Crowe Clark Whitehill LLP

Statutory Auditor

London

Date: 27 April 2018

	Note	31 Dec 2017 £	31 Dec 2016 £
Revenue	3	-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses		(177,205)	(16,514)
Foreign exchange losses		(36,005)	-
AIM IPO transaction costs		(556,935)	-
Deemed cost of listing	12	(206,670)	-
Exploration expenditure written off		(911,649)	(167,608)
Loss before tax from continuing operations		**(1,888,464)**	**(184,122)**
Taxation	6	-	-
Comprehensive loss for the period		**(1,888,464)**	**(184,122)**
Other comprehensive income/(expense)			
Exchange differences on translating foreign operations that may be subsequently reclassified to profit or loss		(15,212)	(323,125)
Total comprehensive loss for the period		**(1,903,676)**	**(507,247)**
Loss per share			
Basic and diluted loss per share (pence)	11	(4.2)	(1.1)

All amounts are derived from continuing operations.

	Note	31 Dec 2017 £	31 Dec 2016 £
Assets			
Current assets			
Cash and cash equivalents	**8**	564,840	11,257
Other receivables	**9**	1,818	-
Total current assets		566,658	11,257
Total assets		**566,658**	**11,257**
Equity and liabilities			
Equity			
Share capital	**13**	1,082,833	172,500
Share premium	**14**	2,050,418	918,631
Capital contribution	**14**	10,528	10,528
Translation reserve	**14**	(442,762)	(427,550)
Merger reserve	**14**	1,271,715	(945,378)
Warrant reserve		41,808	-
Retained earnings		(3,623,166)	(1,734,702)
Total equity		391,374	(2,005,971)
Current liabilities			
Trade and other payables	**10**	175,284	12,501
Loans from Group companies	**10**	-	2,004,727
Total current liabilities		175,284	2,017,228
Total equity and liabilities		**566,658**	**11,257**

The financial statements were approved by the Board of Directors and authorised for issue on 27 April 2018 and were signed on its behalf by:

Louis Coetzee
Director
Company number: 09306219

The notes on page 24 to 36 form part of these financial statements

	Note	31 Dec 2017 £	31 Dec 2016 £
Assets			
Non-current assets			
Investment in subsidiary		1,761,014	-
Total non-current assets		1,761,014	-
Current assets			
Cash and cash equivalents	**8**	236,497	597,684
Other receivables	**9**	-	115,641
Total current assets		236,497	713,325
Total assets		**1,997,511**	**713,325**
Equity and liabilities			
Equity			
Share capital	**13**	1,082,833	172,500
Share premium	**14**	2,050,418	918,631
Warrant reserve	**14**	41,808	-
Retained earnings		(1,234,338)	(511,111)
Total equity		1,940,721	580,020
Current liabilities			
Trade and other payables	**10**	56,790	133,285
Total current liabilities		56,790	133,285
Total equity and liabilities		**1,997,511**	**713,305**

Equity includes a loss for the year of the parent company, of £723,227 (2016: £448,691).

The financial statements were approved by the Board of Directors and authorised for issue on 27 April 2018 and were signed on its behalf by:

Louis Coetzee
Director

Company number: **09306219**

The notes on pages 24 to 36 form part of these financial statements

	Share capital £	Share premium £	Retained earnings £	Capital contribution reserve £	Merger reserve £	Warrant reserve £	Translation reserve £	Total Equity £
At 1 January 2017	172,500	918,631	(1,734,702)	10,528	(945,378)	-	(427,550)	(2,005,971)
Loss for the period	-	-	(1,888,464)	-	-	-	-	(1,888,464)
Other comprehensive loss	-	-	-	-	-	-	(15,212)	(15,212)
Total comprehensive loss	-	-	(1,888,464)	-	-	-	(15,212)	(1,903,676)
Issue of share capital	910,333	1,501,710	-	-	2,217,093	-	-	4,629,136
Share issue costs	-	(369,923)	-	-	-	-	-	(369,923)
Warrants	-	-	-	-	-	41,808	-	41,808
At 31 December 2017	**1,082,833**	**2,050,418**	**(3,623,166)**	**10,528**	**1,271,715**	**41,808**	**(442,762)**	**391,374**
At 1 January 2016	172,500	918,631	(1,550,580)	10,528	(945,378)	-	(104,425)	(1,498,724)
Loss for the period	-	-	(184,122)	-	-	-	-	(184,122)
Other comprehensive loss	-	-	-	-	-	-	(323,125)	(323,125)
Total comprehensive loss	-	-	(184,122)	-	-	-	(323,125)	(507,247)
At 31 December 2016	**172,500**	**918,631**	**(1,734,702)**	**10,528**	**(945,378)**	**-**	**(427,550)**	**(2,005,971)**

The notes on pages 24 to 36 form part of these financial statements

	Share capital £	Share premium £	Retained earnings £	Warrant reserve £	Total Equity £
At 1 January 2017	172,500	918,631	(511,111)	-	580,020
Loss for the period	-	-	(723,227)	-	(723,227)
Other comprehensive loss	-	-	-	-	-
Total comprehensive loss	-	-	(723,227)	-	(723,227)
Issue of share capital	910,333	1,501,710	-	-	2,412,043
Share issue costs	-	(369,923)	-	-	(369,923)
Warrants	-	-	-	41,808	41,808
At 31 December 2017	**1,082,833**	**2,050,418**	**(1,234,338)**	**41,808**	**1,940,721**
At 1 January 2016	172,500	918,631	(448,691)	-	642,440
Loss for the period	-	-	(62,420)	-	(62,420)
Other comprehensive loss	-	-	-	-	-
Total comprehensive loss	-	-	(62,420)	-	(62,420)
At 31 December 2016	**172,500**	**918,631**	**(511,111)**	**-**	**580,020**

The notes on pages 24 to 36 form part of these financial statements

	31 Dec 2017 £	31 Dec 2016 £
Cash flows from operating activities		
Loss for the period	(1,888,464)	(184,122)
Adjustments for:		
Deemed cost of listing	206,670	-
Deal costs settled in shares	155,539	-
Foreign exchange	36,005	-
(Decrease)/Increase in trade and other payables	261,898	4,800
Decrease/(Increase) in trade and other receivables	(1,818)	-
Net cash flows from operating activities	(1,230,170)	(179,322)
Cash flows from financing activities		
Issue of shares (net of share issue costs)	1,318,345	-
Cash of legal acquirer at acquisition date	465,408	-
Increase in loans advanced from related parties	-	161,882
Net cash flows from financing activities	1,783,753	161,882
Net cash flows	553,583	(17,440)
Cash and cash equivalents at the start of the financial period	11,257	27,100
Exchange fluctuation	-	1,597
Cash and cash equivalents at the end of the financial period	**564,840**	**11,257**

	31 Dec 2017 £	31 Dec 2016 £
Cash flows from operating activities		
Loss for the period	(723,227)	(62,420)
Adjustments for:		
Deal costs settled in shares	155,539	-
(Decrease)/Increase in trade and other payables	(76,452)	(37,730)
Decrease/(Increase) in trade and other receivables	115,641	(115,641)
Net cash flows from operating activities	(528,499)	(215,791)
Cash flows from financing activities		
Issue of shares (net of share issue costs)	1,318,345	-
Increase in loans advanced to related parties	(1,151,013)	-
Net cash flows from financing activities	167,332	-
Net cash flows	(361,167)	(215,791)
Cash and cash equivalents at the start of the financial period	597,664	813,455
Cash and cash equivalents at the end of the financial period	**236,497**	**597,644**

Note 1 General information

Katoro Gold PLC (formerly Opera Investments PLC) (“Katoro” or the “Company”) is incorporated in England & Wales as a public limited company. The Company’s registered office is located at 60 Gracechurch Street, London EC3V 0HR.

On 5 May 2017, the Company announced that it had agreed to acquire the entire issued and to be issued share capital of Kibo Gold Limited (“Kibo Gold”) (the “Acquisition”). The Acquisition, resulted in Katoro becoming an operating company instead of an investing company, and constituted a reverse takeover under the UKLA’s Listing Rules. The Acquisition completed on 23 May 2017 along with the Company’s admission to trading on the AIM Market of the London Stock Exchange (“AIM”).

Kibo Gold owns 100 per cent of its subsidiaries Reef Miners Limited (“Reef Miners”) and Savannah Mining Limited (“Savannah Mining”) together the Kibo Gold Group.

The principal activity of the Kibo Gold Group is to carry out evaluation and exploration studies within a licenced portfolio area with a view to generating commercially viable Mineral Resources, namely gold mines. In Lake Victoria, the Kibo Gold Group has two gold mining projects, Imweru and Lubando, which have mineral exploration licences currently held by Reef Miners.

The Kibo Gold Group’s registered office is located in Cyprus at 57 Kolonakiou Street, Limassol, Cyprus.

The Company has taken advantage of Section 408 of the Companies Act 2006 and has not included a Company only Profit and Loss account in these Financial Statements. The loss attributable to members of the Company for the year ended 31 December 2017 is £723,227 (2016: £448,691).

Going concern

The Company, together with the Kibo Gold Group (the “Group”), currently generates no revenue and had net assets of £295,874 as at 31 December 2017.

The Directors have reviewed budgets, projected cash flows and other relevant information, and on the basis of this review, are confident that the Company and the Group will have adequate financial resources to continue in operational existence for the foreseeable future.

The operations of the Group are currently financed from funds which the Group has raised from shareholders. The Group has not yet earned revenues as it is still in the exploration phase of its business. The economic feasibility of the Imweru project is being assessed and there is currently no committed exploration expenditure forecast. The future of the Company and the Group is dependent on the successful outcome of its short and medium term ability to raise new funding to fund any exploration or development work on its interests going forward. The Directors have prepared a cashflow forecast assuming no funds are raised and this shows the Group can extinguish existing liabilities and planned non-discretionary ongoing expenditure for a period of at least 12 months from the date of approval of these financial statements. Consequently, they consider that it is appropriate to prepare the financial statements on the going concern basis.

Note 2 Accounting policies

Note 2(a) Basis of preparation

The Group and parent company financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and the Companies Act 2016.

On 23 May 2017, the Company became the legal parent of Kibo Gold following completion of the Acquisition on the Company's admission to AIM. The consolidated financial statements are presented as the substance of the Acquisition. The comparative results to 31 December 2016 represent the consolidated position of Kibo Gold prior to the Acquisition.

The Acquisition is deemed outside the scope of IFRS 3 (Revised 2008) and not considered a business combination because the Directors have made a judgement that prior to the Acquisition, Katoro was not a business under the definition of IFRS 3 Appendix A and the application guidance in IFRS 3.B7-B12 due to Katoro being a shell company that had no processes or capability for outputs (IFRS 3.B7).

On this basis, the Directors have developed an accounting policy for the Acquisition, applying the principles set out in IAS 8.10-12, in that the policy adopted is:

- relevant to the users of the financial information;
- more representative of the financial position, performance and cash flows of the Group;
- reflects the economic substance of the transaction, not merely the legal form; and
- free from bias, prudent and complete in all material aspects.

The accounting policy adopted by the Directors applies the principles of IFRS 3 in identifying the accounting acquirer and the presentation of the consolidated financial statements of the legal parent (Katoro) as a continuation of the accounting acquirer's financial statements (Kibo Gold). This policy reflects the commercial substance of the Acquisition as follows:

- the original shareholders (Kibo Mining PLC) of the subsidiary undertakings (Kibo Gold Group) are the most significant shareholders post the Acquisition, owning 57.1 per cent of the Company's currently issued share capital.

Accordingly, the following accounting treatment and terminology has been applied in respect of the Acquisition (which, in effect, results in the presentation of the financial results as though Kibo Gold acquired Katoro):

- the assets and liabilities of the legal subsidiary Kibo Gold are recognised and measured in the Group financial statements at the pre-combination carrying amounts, without reinstatement to fair value;
- the retained earnings and other equity balances recognised in the Group financial statements reflect the retained earnings and other equity balances of Kibo Gold immediately before the business combination, and the results of the period from 1 January 2017 to the date of the business combination are those of Kibo Gold. However, the equity structure appearing in the Group financial statements reflects the equity structure of the legal parent (Katoro), including the equity instruments issued under the share for share exchange to effect the business combination; the cost of the combination has been determined from the perspective of Kibo Gold.

The fair value of the shares in the Company has been determined from the share price of Katoro shares immediately prior to suspension of trading of 4.375 pence per share. The value of the Company prior to the Acquisition on this basis was £754,000. The difference between Katoro's fair value and its net assets acquired by Kibo Gold of £548,000 has been charged to the Consolidated Statement of Comprehensive Income as a deemed cost of listing amounting to £207,000.

Transaction costs of equity transactions relating to the issue and admission to AIM of the Company's shares are accounted for as a deduction from equity where they relate to the issue of new shares and listing costs are charged to the Group Income Statement.

The individual financial information of each Group entity is measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial information of the Group is presented in Pounds Sterling, which is the presentation currency for the Group. The functional currency of each of the Group entities is the local currency of each individual entity.

Note 2(b) Use of estimates and judgements

The preparation of the Financial Information in conformity with IFRS requires the Directors to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

Exploration and evaluation expenditure
In line with the Groups accounting policy, all the exploration and evaluation expenditure has been charged to profit or loss, as in the judgement of the Directors the commercial viability of the mineral deposits had not been established.

Acquisition accounting
The acquisition did not meet the definition of a business combination under IFRS 3, therefore management had to develop a policy to account for the acquisition, this is detailed in note 2 a.

Allocation of costs between the issuing of equity and acquiring the exchange listing
Judgement is required when allocating joint costs between the issuing of equity and acquiring the exchange listing as part of the AIM admission. The Directors had regard to the number of shares issued on listing as a proportion of the total shares in issue after the listing and following this exercise, £557k was recognised in the Statement of Comprehensive Income and £369k directly in equity.

Note 2(c) Exploration & evaluation expenditure

Exploration and evaluation activity involves the search for Mineral Resources, the determination of technical feasibility and the assessment of commercial viability of an identified Mineral Resource.

Exploration and evaluation activity includes:
- researching and analysing historical exploration data;
- gathering exploration data through topographical, geochemical and geophysical studies;
- exploratory drilling, trenching and sampling;
- determining and examining the volume and grade of the Mineral Resource;
- surveying transportation and infrastructure requirements; and
- conducting market and finance studies.

Exploration and evaluation expenditure is charged to the income statement as incurred except in the following circumstances, in which case the expenditure may be capitalised:

In respect of minerals activities:
- the exploration and evaluation activity is within an area of interest which was previously acquired as an asset acquisition or in a business combination and measured at fair value on acquisition; or
- the existence of a commercially viable mineral deposit has been established.

At each reporting period end the capitalisation criteria had not been met due to the existence of a commercially viable mineral deposit not being established and therefore no exploration and evaluation assets have been recognised.

Note 2(d) Foreign currencies

Functional and presentation currency

Items included in the financial information of each Group entity are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The Interim Financial Information is presented in Pounds Sterling, which is the Group’s presentation currency.

Transactions and balances

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

Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position are presented at the closing rate at the date of that statement of financial position.
- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transaction); and
- all resulting exchange differences are recognised as a separate component of equity. On consolidation, exchange differences arising from the translation of receivables from foreign subsidiaries for which settlement is neither planned nor likely to occur in the foreseeable future are taken to shareholders equity. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

Note 2(e) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in active market are classified as loans and receivables. Loans and receivables are measured at amortised cost, using the effective interest method less impairment. Interest is recognised by applying the effective interest method, except for short-term receivables when the recognition of interest would be immaterial.

(b) Financial liabilities and equity instruments

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or financial liabilities measured at amortised cost.

Financial liabilities are classified as at fair value through profit or loss if the financial liability is either held for trading or it is designated as such upon initial recognition.

Trade and other payables

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis.

Note 2(f) Income tax

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit 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 not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Group and its subsidiaries operate by the end of the financial period.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Note 2(g) Issue expenses and share premium account

Issue expenses are written off against the premium arising on the issue of share capital.

Note 2(h) Earnings per Share (EPS)

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of shares outstanding for the effects of all dilutive potential shares.

Note 2(i) Equity

Share capital is determined using the nominal value of the shares that have been issued. The share premium account includes any premium on the initial issuing of share capital. Any transaction costs associated with the issue of shares are deducted from the share premium account.

Note 2 (k) Adoption of new and revised International Financial Reporting Standards

A number of new standards and amendments to standards and interpretations have been issued but are not yet effective and in some cases have not yet been adopted by the EU. IFRS 15 (if applicable), Revenue from Contracts with Customers, will be adopted from 1 January 2018. The Group is not currently revenue generating and therefore no estimate of the impact of adoption has been provided. IFRS 16 is mandatory from 1 January 2019, with earlier application permitted if IFRS 15 has also been applied. The Directors have not yet assessed the potential impact of the adoption of IFRS 16 however the Group does not have significant operating leases. The Directors have not yet assessed the potential impact of the adoption of IFRS 9, however it may impact the measurement of financial instruments, primarily the inter Group balances in the parent financial statements may be effected and an impairment would be recognised having regard to an expected loss model, the required adjustment could be material but has not yet been calculated an update will be provided in the next set of interim financial statements..

Note 3 Revenue

The Group did not generate any revenue during the period 1 January 2017 to 31 December 2017.

Note 4 Employee Information

Group and parent company

Employees (including Directors)	**2017 £'000**	**2016 £'000**
Wages and salaries	-	36,000
Social security costs	-	-
Pension costs	-	-
	-	36,000

	2017 Number	**2016 Number**
The average number of employees during the year was:		
Directors	4	2
Management	-	-
	4	2

Total remuneration of key management personnel being the Directors and key senior personnel is £nil (2016: £nil), and is set out below in aggregate for each of the categories specified in IAS24, related party disclosures.

	2017			**2016**		
	Directors	**Senior key personnel**	**Total**	**Directors**	**Senior key personnel**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Short -term benefits	-	-	**-**	36,000	-	**36,000**
	-	**-**	**-**	**36,000**	**-**	**36,000**

No Director received emoluments more than £250,000 (2016:nil).

Note 5 **Auditors' remuneration**

	31 Dec 2017 £	31 Dec 2016 £
Fees payable to the Group's auditors and its associates for the audit of the Group's annual financial statements.	15,000	13,800
	15,000	**13,800**

Note 6 **Taxation**

(a) Analysis of charge in the period

	31 Dec 2017 £	31 Dec 2016 £
Current tax		
UK corporation tax based in the results for the period at 20% (2016: 20%)	-	-
	-	-

(b) Factors affecting the tax charge for the period

The tax assessed for the period does not reflect a credit equivalent to the loss before tax multiplied by the standard rate of corporation tax of 20% (2016: 20%)

	31 Dec 2017 £	31 Dec 2016 £
Loss before tax	(1,888,464)	(184,122)
Loss before tax multiplied by the standard rate of corporation tax	(377,693)	(36,824)
Expenses disallowed for tax purposes	-	-
Tax losses carried forward	377,693	36,824
Total current tax for the period	**-**	**-**
Total losses carried forward against future profits	1,234,338	511,111

No deferred income tax asset has been recognised in respect of the losses carried forward, due to the uncertainty as to whether the Group will generate sufficient future profits in the foreseeable future to prudently justify this.

Note 7 **Investment in subsidiaries**

	31 Dec 2017 £
Balance at 1 January 2017	-
Additions	610,000
Advances to subsidiaries	1,151,014
Balance at 31 December 2017	**1,761,014**

See note 2 (a) for details of the investment addition.

The details of the subsidiary are as follows:

Name of subsidiary	Principal activity	Registered office	Effective equity interest held by the Group	
			2017	2016
Kibo Gold Limited	Holding company	Kolonakiou 57, PC 4103, Limassol, Cyprus	100%	0%
Savannah Mining Ltd	Exploration company	Amani Place Plot 1008/1 & 1008/2 10th Floor Ohio Street, Dar es Salaam, Tanzania	100%	0%
Reef Miners Ltd	Exploration company	Amani Place Plot 1008/1 & 1008/2 10th Floor Ohio Street, Dar es Salaam, Tanzania	100%	0%

Note 8 Cash and Cash Equivalents

Cash and cash equivalents have not been ceded, or placed as encumbrance toward any liabilities as at year end.

	Group		Company	
	31 Dec 2017 £	31 Dec 2016 £	31 Dec 2017 £	31 Dec 2016 £
Cash at bank and in hand	564,840	11,257	236,497	597,684
	564,840	**11,257**	**236,497**	**597,684**

Note 9 Debtors

	Group		Company	
	31 Dec 2017 £	31 Dec 2016 £	31 Dec 2017 £	31 Dec 2016 £
Other debtors	1,818	-	-	115,641
	1,818	**-**	**-**	**115,641**

Note 10 Trade and other payables

	Group		Company	
	31 Dec 2017 £	31 Dec 2016 £	31 Dec 2017 £	31 Dec 2016 £
Trade creditors	70,926	-	42,572	66,818
Amounts owed to Group undertakings	-	2,004,727	-	-
Other creditors	70,954	-	-	-
Accruals	33,368	12,501	14,218	66,467
	175,248	**2,017,228**	**56,790**	**133,285**

The carrying value of current trade and other payables equals their fair value due mainly to the short term nature of these payables.

The Group has financial risk management policies in place to ensure that all payables are paid within the pre agreed credit terms.

Note 11 Earnings per share

The calculation of loss per share is based on the following loss and number of shares:

	31 Dec 2017 £	31 Dec 2016 £
Loss for the year from continuing operations	(1,888,464)	(184,122)
Basic and diluted number of shares	45,065,740	17,250,000
Basic and diluted loss per share (pence)	(4.2)	(1.1)

As detailed in Note 2 the Group presents basic and diluted EPS data on the basis that the current structure has always been in place. Therefore the number of Katoro shares in issue as at the period end has been used in the calculation. Basic loss per share is calculated by dividing the loss for the year from continuing operations of the Group by the weighted average number of shares in issue during the year.

Katoro has no dilutive instruments in existence.

The Company has in issue warrants at 31 December 2017, these are detailed in note 13. The inclusion of the warrants in the weighted average number of shares in issue would be anti-dilutive and therefore they have not been included.

Note 12 Acquisition

On 23 May 2017, Katoro became the legal parent of Kibo Gold by way of the Acquisition, which has been accounted for as described in Note 2(a), Basis of Preparation. This results in the presentation of the financial results as though Kibo Gold acquired Katoro.

The fair value of the shares in the Company has been determined from the pre-Acquisition suspension to trading price of the Company's shares of 4.375 pence per share. The value of the Company prior to Admission of this basis was £754k. The difference between Katoro's fair value and its net assets acquired by Kibo Gold of £548k has been charged to the Consolidated Statement of Comprehensive Income as a deemed cost of listing amounting to £207k.

Details of net assets acquired and the deemed cost of listing are as follows:

	£
Consideration effectively transferred	754,688
Less net assets acquired:	
Trade and other receivables	863,254
Cash and cash equivalents	465,408
Trade and other payables	(780,644)
Total net assets acquired	548,018
Deemed cost of listing	**206,670**

Note 13 Share Capital

The called-up and fully paid share capital of the Company is as follows:

	31 Dec 2017 £	31 Dec 2016 £
Allotted, called-up and fully paid		
108,283,332 (2016: 17,250,000) Ordinary shares of £0.01 each	1,082,833	172,500

On 5 May 2017, the Company announced that it had agreed to acquire the entire issued and to be issued share capital of Kibo Gold from Kibo Mining plc. The consideration for the Acquisition was the issue on 23 May 2017, credited as fully paid, of 61,000,000 Katoro shares to Kibo Mining plc (see Note 2a).

The Acquisition, resulted in Katoro Gold becoming an operating company instead of an investing company, and constituted a reverse takeover under the UKLA's Listing Rules.

On the same date, the Company issued a further 5,033,322 Ordinary Shares at 6 pence per share to satisfy the payment of certain fees in connection with the Acquisition and AIM admission. Also, the Company placed 25,000,000 Ordinary Shares at 6 pence per share with new and existing shareholders to raise the necessary funds for the Company to advance its assets.

A summary of the shares issued is as follows:

	Number of shares	Share Capital £	Share Premium £	Total £
Consideration shares	61,000,000	610,000	2,072,405	2,682,405
Fee shares	5,033,332	50,333	251,667	302,000
Placing shares	25,000,000	250,000	1,250,000	1,500,000
Share issue costs	-	-	(328,072)	(328,072)
	91,033,332	**910,333**	**3,246,000**	**4,156,333**

A reconciliation of share capital is set out below:

	Number of shares	Allotted, called-up and fully paid £
At 1 January 2016	17,250,000	172,500
Shares issued during the period	91,033,332	910,333
At 31 December 2017	**108,283,332**	**1,082,833**

Warrants

Following the Company's listing on the AIM market of London Stock Exchange, the Company issued warrants over 1,208,333 Ordinary Shares as follows:

- As part of Beaufort's (Beaufort Securities Limited, the former broker to the Group) fees in respect of the Placing, the Company issued 1,208,333 warrants in respect of 1,208,333 Ordinary Shares, exercisable at the issue price. Each warrant shall entitle Beaufort to subscribe for one new Ordinary Share and shall be exercisable at the Placing Price for up to five years

The fair value of the warrants issued have been determined using the Black-Scholes option pricing model. The fair value at the date of grant per warrant was £0.06. The fair value of the warrants issued has been charged to the share premium account, as the warrants were issued for services directly related to the issue of shares, the resulting charge is £41,808.

The inputs to the Black-Scholes model were as follows:

Warrants granted	1,208,333
Stock price	6p
Exercise price	6p
Risk free rate	0.01%
Volatility	70%
Time to maturity	5 years

The Company has recently listed on the AIM market the London Stock Exchange. Management have therefore considered volatility of listed entities in similar operating environments to calculate the expected volatility.

The fair value of the warrants is £41,808 and this has been recognised in the warrant reserve.

	Number	Weighted average exercise price
Warrants at beginning of the period	-	-
Issued during the year	1,208,333	6p
Warrants at the end of the period	1,208,333	6p

Note 14 Reserves

Share premium

The share premium account includes any premium on the initial issuing of share capital. Any transaction costs associated with the issue of shares are deducted from the share premium account.

Translation reserve

The translation reserve relates to the foreign exchange effect of the retranslation of the Group's overseas subsidiaries on consolidation into the Group Financial Information.

Capital contribution reserve

During the year ended 31 December 2014, Kibo Gold converted a balance of £7,226 owed to Kibo Mining plc into equity as there were no repayment terms. During the year ended 31 December 2015 an additional amount of £3,302 was converted to equity.

Merger reserve

The introduction of the new holding company has been accounted for as a capital reorganisation using the merger accounting principles as detailed in note 2 (a). The use of merger accounting principles has resulted in a balance on Group capital and reserves that have been classified as a merger reserve and included in the Group's shareholders' funds.

Note 15 Related Parties

Included on the statement of financial position are amounts owed to companies that are wholly owned by the previous owner, Kibo Mining, prior to the Acquisition, these are:

	31 Dec 2017 £	**31 Dec 2016 £**
Loans from related parties:		
Amounts owed to Kibo Mining (Cyprus) Limited	-	2,004,727

The ultimate controlling party is Kibo Mining plc, no single party controls Kibo Mining plc.

On 5 May 2017, the Company announced that it had agreed to acquire the entire issued and to be issued share capital of Kibo Gold from Kibo Mining plc. The consideration for the Acquisition was the issue on 23 May 2017, credited as fully paid, of 61,000,000 Katoro shares to Kibo Mining plc (see Note 2a) together with the assignment of a loan with the value of £2,072,405 from Kibo Mining Plc to Katoro Gold plc.

Amount included in cash flow statement	
Amounts owed to Kibo Mining (Cyprus) Limited brought forward	(2,004,727)
Loan transferred to Katoro Gold Plc	2,072,405
Non-cash movement in intercompany loan	67,678

Included within trade and other payables is an amount of £14,127 in respect of a management fee and £70,954 due to Mzuri Exploration Services Ltd, a party under common control.

Note 16 Risk management

The Katoro Gold Group activities expose it to a variety of financial risks: credit risk, liquidity risk and foreign currency risk. These risks are limited by the Company's financial management policies and practices described below.

Credit risk

As the Group had no revenue during the period, there is no significant concentration of credit risk. The Group does not currently have written credit risk management policies or guidelines.

The Groups cash is held in a reputable bank. The carrying amount of these financial assets represent the maximum credit exposure.

Capital risk management

The Groups objectives when managing capital are to safeguard the Groups ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group manages its capital structure and makes adjustments to it, in the light of changes in economic conditions.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Liquidity risks

The Group currently has no operational revenue streams other than the recovery of certain deal costs. Operational cash flow represents the ongoing administrative costs net of such recoveries. The Group manages its liquidity requirements by the use of long and short term cash flow forecasts. The Group's policy is to ensure facilities are available as required and to issue share capital in accordance with long and short term cash flow forecasts. As at 31 December 2017 the Group has no undrawn facilities (2016: £nil). The Group actively manages its working finance to ensure it has sufficient funds for operations and planned expansion. The Group's financial liabilities are primarily trade payables and accruals. All amounts are due for payment in accordance with agreed settlement terms.

Foreign currency risk

The Kibo Gold Group undertakes certain transactions denominated in foreign currencies and exposures to exchange rate fluctuations therefore arise. Exchange rate exposures are managed by continuously reviewing exchange rate movements in the relevant foreign currencies. The exposure to exchange rate fluctuations is limited as the Katoro Gold Group's subsidiaries operate mainly with Sterling, Euros, South African Rand, US Dollar and Tanzanian Shillings.

At the period ended 31 December 2017, the Katoro Gold Group had no outstanding forward exchange contracts.

For the year ended 31 December 2017 exchange rates used for conversion of foreign subsidiaries Undertakings were:

Spot rate at reporting date

CAD to EUR (1)	0.66491
CAD to GBP (1)	0.59034
USD to EUR (1)	0.83470
USD to GBP (1)	0.74108
EURO to GBP (1)	0.88773
ZAR to GBP (1)	0.05985

Average rate for the reporting period

	Average
CAD to EUR (1)	0.68291
CAD to GBP (1)	0.59839

USD to EUR (1)	0.88667
USD to GBP (1)	0.77649
EURO to GBP (1)	0.87638
ZAR to GBP (1)	0.05835

The executive management of the Kibo Gold Group monitor the Kibo Gold Group's exposure to the concentration of fair value estimation risk on a monthly basis.

Fair values

The carrying amount of Katoro Gold and its Group financial assets and financial liabilities recognised at amortised cost in the financial information approximate their fair value.