LANDORE RESOURCES

Annual Report 2017

Contents

Company information

Directors	Charles Wilkinson	*(Non-Executive Chairman)*
	William Humphries	*(Chief Executive Officer)*
	Richard Prickett	*(Finance Director)*
	Helen Green	*(Non-Executive Director)*
Company Secretary	Rysaffe International Services Limited	
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Solicitors	Stephenson Harwood LLP 1 Finsbury Circus London EC2M 7SH	

Chief Executive Officer's statement

I am pleased to present the 2017 Annual Report for Landore Resources Limited ("Landore Resources" or the "Group").

During the year the Group concentrated exploration efforts on its highly prospective Junior Lake Property, Ontario, Canada ("Junior Lake" or "Junior Lake Property") with the further delineation and extension of the defined BAM East Gold Deposit successfully increasing the resource to 400,000 ounces of gold at 1.37 grams/tonne (g/t Au) of which 326,000 ounces gold is in the Indicated category.

Financial Results

In the year ended 31 December 2017, the Group incurred a loss, after tax, of £3,296,625 (2016: £1,724,629).

Operating expenses were in line with our budgets and expectations, financing details are set out below.

In March 2017, the Group raised approximately £2.1 million by the issuance of ordinary shares at a price of 2.7p followed by a further issue in October 2017 raising £1.0 million at a price of 2.0p per share.

Post year-end end, in March 2018, the Group has raised a further £3.15 million at a price of 1.5p per share. As a result, the Group is fully funded for its planned operational expenses for 2018.

The Group has no debt and will continue to raise further equity as needed to carry out its development plans. Shareholders have been very supportive of the Group's financing needs and the Directors are confident of raising further funds as required.

The Junior Lake Property:

The Junior Lake Property, 100 per cent. owned by Landore Resources, is located in the province of Ontario, Canada, approximately 235 kilometres north-northeast of Thunder Bay and is host to the **BAM East Gold Deposit**, the **B4-7 Nickel-Copper-Cobalt-PGEs deposit** and numerous other highly prospective mineral occurrences.

In October 2017, Landore Canada acquired 90.2% and control of the adjacent Lamaune Iron Inc. ("Lamaune"), in full satisfaction of a loan receivable from Lamaune.

The acquisition of Lamaune increased the size of Landore Resources' Junior Lake Property from 22,497 hectares to 26,593 hectares, extending the coverage of the highly prospective Archean greenstone belt traversing the property from east to west from 19 kilometres to approximately 31 kilometres in length.

Post year-end, in April 2018, Landore Resources published an updated Technical Report on the Mineral Resources Estimates on its Junior Lake Property for the BAM East Gold Deposit and the B4-7 Nickel-Copper-Cobalt-PGE Deposit. The Technical Report is compliant with the requirements of National Instrument 43-101 Standards of Disclosure for Mineral Projects (NI 43-101).

Chief Executive Officer's statement *continued*

In particular, the Board would highlight that drilling, together with exploration and studies completed in 2017, further demonstrated the considerable potential of the BAM East Gold Deposit.

Highlights of the successful programme include:

- **BAM East Gold Resource increased to 400,000 ounces gold at 1.37 (g/t Au) of which 326,000 ounces gold is in the Indicated category.**
- **The summer drill campaign successfully infilled much of the Inferred portion of the existing mineral Resource and has extended the defined resource length from 700 metres to approximately 1,100 metres and from surface to 350 metres depth. The BAM East Gold Deposit remains open along strike to the east, west, and down dip.**
- **Metallurgical testing completed to-date yields between 97 and 99 percent combined gold recovery by gravity concentration followed by cyanidation leach extraction of the gravity tail. Leach kinetics were rapid with most of the gold extraction completed within 2 to 6 hours.**

In relation to the B4-7 Deposit, the contained metals, being **Nickel-Copper-Cobalt-Platinum-Palladium and Gold**, have strong market fundamentals, and, together with the deposit's proximity to the BAM East Gold Deposit with obvious development synergies, has further highlighted the prospectivity of the Junior Lake Property.

Exploration works completed on the B4-7 Deposit from 2012 until the discovery of the BAM East Gold Deposit in late 2015 were included in the abovementioned updated Technical report.

Further details are set out in the Operations Report.

Planned works in 2018: Our work programme this year is aimed at advancing the BAM East Gold Deposit towards a + 1 million ounces gold resource, discovery of further gold deposits along the Junior Lake Shear and progression of the BAM East Gold Deposit towards development with the completion of a Preliminary Economic Assessment report.

The spring/summer drill programme of 12,000 metres has commenced aimed at infilling the 900 metre gap between the BAM Deposit and the BAM East Gold Deposit and extending both deposits to the west and east respectively. Results to date are highly promising, with wide near-surface intersections of up to 41.27 metres at 1.10 g/t Au in drill hole 0417-628, and high grade gold including 24.90 g/t Au in drill-hole 0418-631.

The current infill drill programme shows that the gold mineralisation continues between the two deposits, almost doubling the overall length of the combined deposits to approximately 2,000 metres with excellent potential to add considerable ounces to the resource.

The Board believes that the fact that the BAM gold mineralisation delineated to date remains open both to the East and West and down dip/plunge clearly demonstrates this discovery's huge potential.

Chief Executive Officer's statement *continued*

Social and Environmental Responsibility: The Group continues to enjoy solid working relationships with the local First Nations on whose traditional lands our Junior Lake Property is located. Landore Resources believes that a successful project is best achieved through maintaining close working relationships with First Nations and other local communities.

On behalf of my fellow directors I wish to thank our shareholders for their continued support together with Landore Resources Management and Exploration team for their dedication and perseverance in advancing the highly prospective Junior Lake Property.

William Humphries

Chief Executive Officer

31 May 2018

Operations report

INTRODUCTION:
Landore Resources Limited, through its 100 per cent owned subsidiary Landore Resources Canada Inc. ("Landore"), is actively engaged in mineral exploration in Eastern Canada. Landore owns or has the mineral rights to four properties in Eastern Canada. Landore also owns a 90.2 per cent controlling interest in the adjacent property Lamaune Iron Inc. and a 30% interest in the West Graham property located in the Sudbury Nickel Belt.

Landore through its 100 per cent owned subsidiary Brancote US, owns or has the mineral rights to a further eight properties for 99 claims in the State of Nevada.

Landore's primary operational focus during 2017 was on the growth of the BAM East Gold Deposit located on the 100 per cent owned highly prospective Junior Lake Property.

Full details of the Group's projects, including maps, Canadian National Instrument 43-101 (NI 43-101) resource reports, geophysical surveys etc. can be viewed on the Group's website, www.landore.com.

JUNIOR LAKE PROPERTY:
The Junior Lake Property, 100 per cent owned by Landore, is located in the province of Ontario, Canada, approximately 235 kilometres north-northeast of Thunder Bay and is host to the recently discovered **BAM East Gold Deposit**, the **B4-7 Nickel-Copper-Cobalt-PGEs deposit** and the adjacent Alpha PGEs zone. The Junior Lake Property also contains the VW Nickel deposit and numerous other highly prospective mineral occurrences including the BAM Gold zone.

In October 2017, Landore received 576,192,087 common shares in the capital of Lamaune Iron Inc. ("Lamaune"), in full satisfaction of a loan receivable from Lamaune. This acquisition of the contiguous Lamaune property (90.2 per cent owned by Landore Canada) has increased the size of Landore's Junior Lake property from 22,497 hectares to 26,593 hectares, extending the coverage of the highly prospective Archean greenstone belt traversing the property from east to west from 19 kilometres to approximately 31 kilometres in length. The recently expanded property now encompasses the Lamaune Gold deposit, located 10 kilometres west of the BAM East Gold Deposit.

BAM East Gold Deposit:
The BAM East Gold Deposit is located approximately 2 kilometres to the east of the B4-7 deposit and 1 kilometre north of the VW deposit and is situated midway along a 2.7 kilometre long, east-southeast to west-northwest trending MaxMin geophysical anomaly ("MM-7"), at the western end of which is located the historical BAM Gold zone discovered by Landore in 2003. MM-7 had not been drill tested prior to the discovery of the BAM East Gold deposit.

The BAM East Gold Deposit was discovered in December 2015 while drilling to test MM-7. The drilling intersected a wide zone of gold mineralisation close to surface. Mineralisation consisted of low grade gold with periodic intervals of higher grade gold. Follow up drilling in February/March 2016 validated the initial discovery and established the maiden resource (reported in Landore Resources' press release dated 17 February 2017), and further drilling in spring/summer 2017 extended the defined resource to approximately 1,100 metres and from surface to 350 metres depth. The BAM East Gold Deposit remains open to the east and west as well as at depth.

The BAM East Gold Deposit is interpreted as an Archean-aged mesothermal gold deposit. Findings from drilling to-date on the BAM East Gold Deposit revealed a lithological sequence consisting of leucogabbro and gabbro of the Grassy Pond Sill to the south, metasedimentary rocks of the BAM Sequence in the central portion, to mafic volcanics to the north. All lithological units have been subjected to variable shearing and deformation, markedly the metasedimentary unit.

Operations report *continued*

The deposit consists of gold mineralisation that is hosted by sheared and altered rocks of the Grassy Pond Sill and the BAM Sequence. The gold mineralisation is commonly observed in drill core to exist as visible gold that is hosted by very thin, foliation-parallel quartz-rich veinlets, hosted by highly fissile ultramafic sediments of the BAM Sequence, or by foliated rocks of the Grassy Pond Sill.

This significant new discovery has the potential for the initial development to be progressed as a low cost, bulk tonnage, open pit operation.

Summer Drill campaign: In April 2017, Landore re-commenced drilling focussed on further delineation and extension of the defined BAM East Gold resource, with a second drill targeting further potential deposits on the highly prospective MM-7, host to the BAM East Gold Deposit. The campaign, completed by mid July 2017, consisted of 65 HQ and NQ diamond drill holes (0417-561 to 0417-625), for 11,060 metres.

The drilling results reported wide zones of gold mineralisation including high grade intersections with drill hole 0417-574 reporting 18.79 metres (m) at 3.65 grams per tonne gold (g/t) including 2.99 metres at 12.25 g/t gold and 4.2 metres at 5.08 g/t gold.

Results received in the 2017 spring/summer campaign included:

Easting	Northing	Drill-hole	From	Interval*	Au
		No	Metres	Metres	g/t
2350E	10S	0416-561	206.75	27.60	1.39
2250E	50N	0416-563	165.25	21.50	1.09
		Incl.	178.58	0.72	12.45
2150E	75N	0417-566	167.53	8.17	1.42
		and	206.33	15.37	1.05
2000E	120N	0417-571	203.64	17.36	1.82
		including	214.00	1.00	22.20
2450E	10S	0417-574	106.74	5.76	1.25
		and	166.61	18.79	3.65
		including	168.60	1.00	23.80
2250E	180N	0417-616	57.28	11.28	2.14
		Incl.	60.74	2.32	8.85
2650E	50S	0417-579	40.50	7.00	1.99
		and	232.69	1.00	37.40
2700E	90N	0417-582	12.88	23.27	0.79
2350E	75N	0417-621	95.00	49.00	1.08
2350E	73N	0417-625	101.32	10.19	1.03
		and	118.50	19.78	1.24

Operations report *continued*

BAM East Gold-Eastern Extension: Exploration step out drilling has established gold mineralisation from the eastern limit of the defined BAM East Gold deposit at 2700E, a further 800 metres east to line 3500E.

Results included:

Easting	Northing	Drill-hole	From	Interval*	Au
		No	Metres	Metres	g/t
2850E	25S	0417-600	13.00	13.00	0.59
		and	89.70	7.87	2.48
2950E	100S	0417-615	125.00	13.00	1.02
3000E	100S	0417-611	132.40	8.45	0.68
3200E	200S	0417-591	112.50	8.80	0.81
3500E	260S	0417-596	86.00	5.00	1.13

BAM Zone: Exploration drilling approximately 150 metres south of the original BAM zone and located approximately 1,000 kilometres west of the BAM East Gold Resource has successfully identified a potential resource with similar lithology and grades to the BAM East Gold deposit. The Zone mineralisation remains open along strike to the east, west and down dip.

Results included:

Easting	Northing	Drill-hole	From	Interval*	Au
		No	Metres	Metres	g/t
1000E	400N	0416-551	111.40	2.40	2.65
1000E	450E	0417-573	52.80	4.01	1.16
1000E	550N	0417-580	75.62	10.02	0.65
1050E	450N	0417-581	31.60	1.00	3.26
		and	44.60	1.00	27.50
		and	51.50	12.93	0.73
1100E	400N	0417-585	95.35	21.15	0.91
1100E	350N	0417-586	162.60	0.57	9.43
		and	171.46	7.84	1.64

Since drilling commenced on the BAM East Gold Deposit in December 2015, 108 drill holes for approximately 19,492 metres have been drilled, successfully delineating a significant gold occurrence in the Central Zone and identifying other highly prospective areas with similar lithology along the 5 kilometre potential strike length of the favourable BAM Sequence. In addition, further geological review by Landore has identified favourable geological lithology and structure having the potential to

Operations report *continued*

continue along the full 31 kilometre east-west extent of the Archean greenstone belt traversing the Junior Lake Property.

Visible Gold: 45 of the 108 drill holes completed in the drill campaigns since the discovery of the BAM East Gold deposit in 2015 have reported multiple instances of visible gold (VG) up to 2 millimetres long occurring as singular pieces or in clusters contained in or adjacent to quartz veinlets. Accordingly, core samples of interest reporting VG or high grade gold were re-submitted for screen metallic gold analysis to check reproducibility of gold assays.

Comparison of the original 50-gram Fire Assay results (ALS Minerals analytical package Au-AA26) with the gold screen metallic testing (ALS Minerals analytical package Au-SCR24) has indicated that the screen metallic assays correlate reasonably well with the original fire assays. These findings were reinforced by a 2016 study of Fire Assay and Gold Screen Metallics results by an independent consultant who concluded that overall, the gold distribution does not appear to be very “nuggety” since gold is in both the fine and coarse screen fractions.

Metallurgical Testing: Drill core material, in the form of two composites weighing a total of 74 kilograms, was submitted to ALS Metallurgy of Kamloops, British Columbia for Gravity Concentration and Cyanidation Bottle Roll leach testing on the gravity tails.

This assessment follows previous testing on Composites 1 and 2 (reported in Landore Resources’ press release dated 23 January 2017) designed to assess the metallurgical response of the mineralised samples from the BAM East Gold Deposit and to provide a determination of the gold feed grade.

The assessment results were as follows:

Two composites from Landore’s BAM East Gold Deposit were tested using gravity and cyanidation leach techniques. The composites were formed from half drill core segments and were designated Composite 3 and 4.

Measurement of the gold feed content was completed using duplicate screened metallic assays. Composites 3 and 4 measured about 0.5 and 1.0 g/tonne gold respectively.

Metallurgical performance was excellent for both tested composites. Composite 4 was tested at primary grind sizings between 82 and 164µm K80. Combined gravity gold recovery and cyanidation leach gold extractions for Composite 4 also measured about 97 to 99 percent of feed gold. A coarser primary grind sizing of 162µm K80 did not appear to have negative effects on overall gold extraction/recovery.

Combined gravity gold recovery and cyanidation leach gold extractions for Composite 3 was also very high, and measured between 97 to 99 percent of feed gold. Initial gravity separation testing with 34 kilograms recorded a recovery of the feed gold to a pan concentrate of about 30 percent, lower than that recorded for Composite 4 and Composites 1 and 2 in previous test work. A repeat gravity concentration test with 4 kilograms resulted in a gold gravity recovery of 67 percent, but at a mass recovery 5 times higher than the initial test. Gravity gold recovery appeared to be quite susceptible to mass recovery to the pan concentrate for this composite. Calculated gold feed grades were about 0.9 and 1.2 g/tonne for Composites 3 and 4, respectively, and would be considered a more representative feed grades than the screen metallic assays due to the much larger mass utilized.

Leach kinetics were rapid with most of the gold extraction completed within 2 to 6 hours. Both composites recorded very low reagent consumptions: sodium cyanide at less than 0.1 kg/tonne feed, with lime consumptions approximately 0.3 kg/tonne feed.

Operations report *continued*

These outstanding results, showing up to 99 per cent recovery of gold using a simple combined gravity/leaching process, further supports Landore's expectations that the exciting BAM East Gold Deposit has the strong potential of low capex/opex costs amongst the lowest quartile of gold mining producers.

Exploration: Three teams consisting of four geologists and technical support were engaged throughout the summer and fall 2017 in exploring the Junior Lake property around the BAM East Gold Deposit and the western extent to the Lamaune Gold deposit area (15 kilometres) to identify potential drill targets for the upcoming winter campaign. Geological mapping has identified favourable structures and lithology for further exploration works.

Petrographic Studies: Seven samples from the 2016 winter and summer drilling campaigns on the central zone were submitted for petrographic studies, two of which reported significant native gold in both the (+)100 micron and the (-)100 micron size (see full report on Landore's website). No sulphides were associated with the precious metals.

RESOURCE ESTIMATE:

Following the successful 2017 spring/summer drilling campaign, Landore retained consulting engineers Roscoe Postle Associates Inc. ("RPA") of Toronto, Canada, with the view of completing a revised Mineral Resource estimate and to prepare a supporting Technical Report on the BAM East Gold deposit. The Technical Report to be compliant with the requirements of National Instrument 43-101 Standards of Disclosure for Mineral Projects (NI 43-101).

Data compilation from the three drilling campaigns together with the results from the various studies was delivered to RPA by 22 September 2017 with the Revised Resource Estimate completed and announced on 11 December 2017, and the Technical Report being completed on 16 January 2018.

Highlights of the report are:

- **BAM East Gold Resource increased to 400,000 ounces gold at 1.37 grams/tonne (g/t) of which 326,000 ounces gold is in the Indicated category.**
- **The summer drill campaign successfully infilled much of the Inferred portion of the existing mineral Resource and has extended the defined resource length from 700 metres to approximately 1,100 metres and from surface to 350 metres depth. The BAM East Gold Deposit remains open along strike to the east, west, and down dip.**
- **Metallurgical testing completed to-date yields between 97 and 99 percent combined gold recovery by gravity concentration followed by cyanidation leach extraction of the gravity tail. Leach kinetics were rapid with most of the gold extraction completed within 2 to 6 hours.**
- **The BAM East Gold Deposit is located approximately mid-way along the 31 kilometre corridor traversing Landore Resource's Junior Lake Property from east to west of favourable greenstone belt hosting multiple known gold occurrences including the Lamaune Gold Prospect.**

The Mineral Resources for the BAM East Gold deposit were estimated by RPA based on drill hole and assay data available up to 22 September 2017 and are summarised in Table 1-1.

Operations report *continued*

Table 1 Mineral Resources as at 22 September 2017 - BAM East Gold Deposit

Landore Resources Canada Inc. – Junior Lake Property

Category	Tonnes (000 t)	Grade (g/t Au)	Contained Au (000 oz)
Indicated	7,413	1.37	326
Inferred	1,662	1.39	74

Notes:
1. CIM (2014) definitions were followed for Mineral Resources.
2. Mineral Resources are estimated at a block cut-off grade of 0.3 g/t Au.
3. Mineral Resources are estimated using a long-term gold price of US$1,500 per ounce, and a US$/C$ exchange rate of 0.80.
4. A minimum mining width of three metres was used.
5. Bulk densities for the main host rocks are 2.82 t/m^3, 2.84 t/m^3, and 2.90 t/m^3.
6. Mineral Resources are constrained by a preliminary pit shell generated in Whittle software.
7. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
8. Numbers may not add due to rounding.

Compilation activities by RPA have been successful in outlining the favourable BAM Sequence along a strike length of approximately five kilometres. The strike limits of the unit have not been defined. Additional work is clearly warranted. This work would include continued compilation of all available information, detailed geological mapping and geochemical sampling, stripping and trenching activities in areas of shallow overburden, and diamond drilling in areas of deeper overburden cover.

2018 Planned Works:

Drilling on the BAM East Gold Deposit re-commenced on 20 April 2018 with a total of 12,000 metres of NQ and HQ diamond core drilling planned during this spring and summer. One drill is currently focussed on infill drilling the approximately 1,000 metres between the BAM Gold zone and the BAM East Gold Deposit, with a second drill scheduled to commence further delineation of the BAM East Gold Deposit.

The drill programme is progressing on schedule with 20 NQ diamond drill holes (0416-626 to 0416-645), for 3,164 metres, completed to date. Results have been received for five drill holes with results pending for the remainder. Results will be reported when received and collated.

Operations report *continued*

Results received include the following:

Easting	Northing	Drill-hole	From	Interval*	**Au**
		No	Metres	Metres	g/t
1200E	400N	0418-628	22.53	**41.27**	1.10
		including	44.24	7.61	3.10
		and	62.80	1.00	**11.70**
1200E	350N	0418-629	120.21	**16.10**	1.16
1300E	350N	0418-631	13.12	0.72	**24.90**
		and	74.02	0.70	4.26
		and	83.00	**15.80**	1.01
		including	89.45	5.00	2.29

** Holes were drilled north at 45 degrees into a lithological package dipping approximately 80-70 degrees to the south. The actual true thickness of mineralisation is estimated to represent between 70-80% of the intervals shown in the above table.*

B4-7 NICKEL-COPPER-COBALT-PGEs DEPOSIT:

The B4-7 deposit is located in the centre of the lease area approximately 2 kilometres west of the BAM East Gold Deposit and 3 kilometres to the northwest of the VW deposit. The B4-7 deposit mineralisation is hosted within a sub-vertical massive sulphide vein with stringers, net-textured and disseminated sulphides in the immediate hanging wall. The deposit outcrops at surface with the upper 120 metres of the deposit being amenable to lower cost open pit mining. Below 120 metres, the grade improves sufficiently for underground mining.

The B4-7 deposit together with the Alpha zone and Exploration Target are hosted in a distinctive geophysical magnetic anomaly which extends 500 metres to the east of the 00 base line of the B4-7 deposit and extends 1,000 metres to the west of line 00 where it is truncated by the Junior Lake shear, and curls north and then to the east around a prominent 150 metre diameter magnetic low. Exploration drilling has established that this anomaly hosts a collective potential massive sulphide mineralisation strike length of 1.5 kilometres.

From late 2012 until the discovery of the BAM East Gold Deposit in December 2015, all of Landore's exploration efforts were targeted at advancing the Junior Lake Nickel deposits towards pre-feasibility studies and eventual production.

During that time, Landore completed a further 23,300 metres of diamond core drilling on the property, 16,910 metres predominantly on the B4-7 Deposit aimed at extending mineralisation down plunge and along strike to the east and west. The drilling was highly successful increasing the total resource by 43% to 3,292,000 tonnes at 1.20% Nickel equivalent (NiEq) in the Indicated category and 568,000 tonnes at 1.26% NiEq in the Inferred category for a total of 46,661 tonnes of contained metal. Additionally, the open pit component of the B4-7 Deposit has successfully been doubled to 1,772,000 tonnes at 1.20% NiEq in the Indicated category for 21,264 tonnes of contained metal.

In addition, several studies were completed including down-hole geophysical surveys to search for continuation of the mineralisation at depth, geotechnical studies for the B4-7 open pit optimisation and compilation of the extensive geophysics studies completed on the Junior Lake property aimed at identifying further polymetallic occurrences.

Operations report *continued*

B4-7 Nickel-Copper-Cobalt-PGEs Resource:

Table 1-2 Mineral Resources for the B4-7 Nickel-Copper-Cobalt-PGE Deposit and Alpha Zone – 1 December 2017

Landore Resources Canada Inc. – Junior Lake Property

	Deposit	Tonnes	Ni (%)	Cu (%)	Co (%)	Pt (g/t)	Pd (g/t)	Au (g/t)	Ni_Eq (%)
Open Pit									
Indicated	Alpha	132,000	0.23	0.09	0.02	0.18	0.99	0.01	0.63
	B4-7	1,640,000	0.62	0.41	0.05	0.14	0.55	0.03	1.20
Inferred		-	-	-	-	-	-	-	-
Underground									
Indicated	B4-7	1,520,000	0.65	0.45	0.06	0.12	0.48	0.03	1.25
Inferred	B4-7	568,000	0.61	0.52	0.05	0.08	0.50	0.03	1.26
Total									
Indicated		**3,292,000**	**0.62**	**0.42**	**0.05**	**0.13**	**0.53**	**0.03**	**1.20**
Inferred		**568,000**	**0.61**	**0.52**	**0.05**	**0.08**	**0.5**	**0.03**	**1.26**

Notes:
1. CIM (2014) definitions were followed for Mineral Resource estimation and classification.
2. Mineral Resources are estimated using average long-term metal prices (US$) of $8.00/lb nickel, $3.50/lb copper, $19.00/lb cobalt, $1,400/oz platinum, $1,000/oz palladium, and $1,400/oz gold and an exchange rate (C$/US$) of 1.25, and the NSR factors stated in the body of this report.
3. Open Pit Mineral Resources are reported within a resource pit shell at an NSR cut-off value of $22/t. Underground Mineral Resources are reported at an NSR cut-off value of $62/t.
4. Tonnage figures are rounded to three significant figures. Totals may not add correctly due to rounding.
5. The Mineral Resource estimate uses drill hole data available as of 16 December 2015.
6. The Mineral Resource estimate for the B4-7 Deposit is reported using densities calculated from estimated nickel + cobalt grades. The Mineral Resource estimate for the Alpha Zone is reported using densities calculated from estimated nickel grades.

The B4-7 resource estimate and report, completed by RPA independent engineers of Toronto, Canada in January 2018, is compliant with the requirements of NI 43-101. The resource, so far delineated over 900 metres of strike and a depth of 550 metres, remains open down plunge at depth and along strike to the west.

The report also identified a new Exploration Target located immediately west of the B4-7 deposit containing a potential 1.5 Mt to 2.0 Mt of sulphide mineralisation of similar grade range to that which has been outlined to-date (potential 18,000 to 24,000 tonnes of contained metal).

Infrastructure: The city of Thunder Bay is located on the northern shore of Lake Superior and is the main supply hub for the mining centres of northern Ontario including Red Lake, Pickle Lake, and the Musselwhite gold mine. It has extensive port facilities and an airport providing daily flights to major provincial cities, as well as a rail line that provides access to both eastern and western North American markets.

Operations report *continued*

Access to Junior Lake from Thunder Bay is via a sealed highway for 235 kilometres to the town of Armstrong and then via a well maintained forest products unsealed road for 105 kilometres that runs to the property.

The Canadian National Railway runs parallel to the Junior Lake property 13 kilometres to the south providing direct transport access to both the nickel smelting centre of Sudbury and the port facilities at Thunder Bay. In addition, the Junior Lake Property has abundant water resources nearby.

Environmental Baseline Studies: Golder Associates of Sudbury, Ontario, have continued with the Environmental Baseline Studies programme initiated on the mining leases containing the B4-7 and VW deposits in the winter of 2007. Water surface monitoring of lakes and drainage tributaries within the vicinity of the deposits have continued on at least a bi-annual basis since 2011. The area of influence has recently been expanded to include lakes and drainage further out from the leases. The environmental and baseline studies are all pre-requisite for permitting requirements for the development of the BAM East, B4-7 and VW deposits.

Mining Leases: A pre-requisite for the development of the BAM East, B4-7 and VW deposits is to secure tenure over an area of land sufficiently large to provide for development, mining, processing, infrastructure and buffer zones around the mining areas and for future expansion. Landore has been granted three mining leases ("Mining Leases"), which include mining and surface rights, over an area encompassing the B4-7 and VW deposits. The mining leases cover 23 existing exploration claims for a total area of 3,676 hectares and have been granted for 21 years renewable for further terms of 21 years.

Within the Mining Leases, Landore has the right, subject to provisions of certain Acts and reservations, to:

- Sink shafts, excavations etc., for mining purposes.
- Construct dams, reservoirs, railways, etc., as needed.
- Erect buildings, machinery, furnaces, etc., as required and to treat ores.

OTHER PROPERTIES:

Landore has other non-core exploration properties which include grass roots exploration and defined drill targets.

SOCIAL AND ENVIRONMENTAL RESPONSIBILITY:

Landore believes that a successful project is best achieved through maintaining close working relationships with First Nations and other local communities. This social ideology is at the forefront of all of Landore's exploration initiatives by establishing and maintaining co-operative relationships with First Nations communities, hiring local personnel and using local contractors and suppliers.

Careful attention is given to ensure that all exploration activity is performed in an environmentally responsible manner and abides by all relevant mining and environmental acts. Landore takes a conscientious role in all of its operations, and is aware of its social responsibility and its environmental duty.

Michele Tuomi, P.Geo.

Director/VP Exploration, Landore Resources Canada Inc.

31 May 2018

Board of Directors

William Humphries (aged 77) – Chief Executive Officer

William Humphries has over 45 years' experience in the mining and civil engineering industries. From 1996 to 1998 he was General Manager of Sardinia Gold Mining SpA. From January 1999 to July 2002 he was Managing Director of Brancote Holdings Plc until its merger with Meridian Gold Inc. and was Managing Director of Patagonia Gold Plc since its inception in November 2000 until February 2015.

Richard Prickett (aged 66) – Finance Director

Richard Prickett is a Chartered Accountant and has many years' experience in corporate finance. He was Chairman of Brancote Holdings Plc from 1995 until its merger with Meridian Gold Inc. in July 2002. He is the Non-Executive Chairman of City Natural Resources High Yield Trust Plc and a Non-Executive Director of The City Pub Group Plc.

Charles Wilkinson (aged 74) – Non-Executive Chairman

Charles Wilkinson is a solicitor who retired from Lawrence Graham LLP in March 2005. At Lawrence Graham he specialised in corporate finance and commercial law and advised mining companies. He is Chairman of Doric Nimrod Air One Limited and Doric Nimrod Air Three Limited, Non-Executive Director of Doric Nimrod Air Two Limited.

Helen Green (aged 55) – Non-Executive Director

Helen Green is a Chartered Accountant and has been employed by Saffery Champness, a UK top 20 firm of Chartered Accountants, since 1984. She qualified as a Chartered Accountant in 1988, and became a partner in the London office in 1997. Since 2000 she has been based in the Guernsey office where she is the client liaison director responsible for trust and company administration.

She is a Non-Executive Director of Acorn Income Fund Limited (of which she is Chairman), John Laing Infrastructure Fund Limited, City Natural Resources High Yield Trust Plc, UK Mortgages Limited and Aberdeen Emerging Markets Investment Company Limited.

Strategic report

The Directors submit their Strategic Report for Landore Resources Limited (the "Company") and its subsidiaries (together the "Group") for the year ended 31 December 2017.

Principal activity

The Group's principal activity, mainly in Canada, is mineral exploration including the identification, acquisition and development of technically and economically sound mineral projects either alone or with joint venture partners. The main focus, in the year under review, has been on the Junior Lake Property in North Eastern Ontario.

A detailed review of the Group's activities, the development of its business and an indication of likely future developments may be found in the Chief Executive Officer's statement on pages 3 and 5.

Principal risks and uncertainties

The Group operates in an uncertain environment that may result in increased risk, costs pressures and schedule delays. The risks that face the Group are common to all of the Group's mining activities. The following are some of the key risks that face the Group:

Exploration and development risk

There is no assurance that the Group's exploration activities will be successful, and statistically few properties that are explored are ultimately developed into producing mines. Accordingly, the Group is seeking to balance this risk by building a portfolio of projects and prospects that carry a range of differing technical and commercial risks and keeping under careful review the amount invested in any one project.

The Group's operations may also be curtailed, delayed or cancelled as a result of economic, environmental and political conditions in the area of operation.

Competition

There is strong competition within the mining industry for the identification and acquisition of suitable properties. The Group competes with other exploration and production companies, some of which have greater financial resources than the Group, for the acquisition of properties, leases and other interests as well as for the recruitment and retention of skilled personnel. The challenge to management is to secure transactions without having to over-pay.

Fiscal regimes

Significant estimates include the provision for income taxes which is included in the consolidated statement of loss and comprehensive loss and the composition of deferred income tax assets and liabilities included in the consolidated statement of financial position or notes which have not yet been confirmed by the taxation authorities.

Financing

The development of the Group's properties will depend upon the Group's ability to obtain financing primarily through the raising of new equity capital, but also by means of joint-venture of projects, debt financing, or other means. There is no assurance that the Group will be successful in obtaining the required financing. If the Company is unable to obtain additional financing as needed, some interests may be relinquished and/or the scope of the operations reduced.

Strategic report *continued*

Environmental and other regulatory requirements

Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the activities of the Group, the extent of which cannot be predicted. Before exploration and production can commence on any properties, the Group must obtain regulatory approval and there is no assurance that such approvals will be obtained. No assurance can be given that new rules and regulations will not be enacted or existing rules and regulations will not be applied in a manner which could limit or curtail the Group's operations.

Key Performance Indicators

The legislation requires the Board to lay down relevant Key Performance Indicators (KPIs) which, for a company at Landore's stage of development, are focused on managing the activities inherent in exploration and appraisal operations. The KPIs for the Group are as follows:

Non-financial KPIs		Financial KPIs	
Health and safety management	Lost time injury frequency rate medical treatment injury frequency rate	Shareholder return	Share price performance
Environment management	Strict environmental policies are in place	Exploration expenditure	Funding and development costs measured as per anticipated ounce of metals
Operational success	The number of successful exploration drilling ventures Resources added	Exploration development	Results of scoping and feasibility studies
Human resource management	Employee retention rate		

Directors and employees

At 31 December 2017 there were four Directors, three male and one female.

At 31 December 2017 there was one female senior manager.

The total number of employees at 31 December 2017 was one, female.

Social and environmental responsibility

Landore believes that a successful project is best achieved through maintaining close working relationships with First Nations and local communities. Landore has a Memorandum of Understanding with Whitesand and AZA First Nations with respect to the Junior Lake Property. This agreement formalises the desire and commitment to develop a positive, mutually beneficial relationship amongst all parties and establishes the process by which this is to be accomplished while Landore is conducting exploration and advanced exploration activities in the area.

Careful attention is given to ensure that all exploration activity is performed in an environmentally responsible manner and abides by all the relevant mining and environmental acts. Landore takes a conscientious role in all of its operations, and is aware of its social responsibility and environmental duty.

Directors' report

The Directors submit their report and the audited consolidated financial statements of Landore Resources Limited (the "Company") and its subsidiaries (together the "Group") for the year ended 31 December 2017 which comprise the Consolidated Statement of Comprehensive Income, Company Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows, Company Statement of Cash Flows and Notes to the Financial Statements.

Principal activity

The Group's principal activity, mainly in Canada, is mineral exploration including the identification, acquisition and development of technically and economically sound mineral projects either alone or with joint venture partners.

Regulation

The Company was registered in Guernsey, Channel Islands on 16 February 2005 with registered number 42821 under the Companies (Guernsey) Law, 2008 (the "New Law").

Review of the year

A detailed review of the Group's activities, the development of its business and an indication of likely future developments may be found in the Chief Executive Officer's statement on page 3 and 5.

Results and dividends

The loss of the Group for the year, after taxation was £3,296,625 (2016: £1,724,629). The Directors do not recommend payment of a dividend.

Going concern and management plans

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chief Executive Officer's statement on pages 3 and 5 and the below principal risks and uncertainties. In addition, note 23 to the consolidated financial statements includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposures to credit risk and liquidity risk.

The consolidated financial statements are prepared on a going concern basis with a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group's loss after tax for the year as at 31 December 2017 amounted to £3,296,625.

According to the cash flow forecast, the Group's total projected net expenditure for the period to 30 June 2019 is approximately £2.95 million. As of year end the Group's bank balance amount was approximately £0.37 million. Since the year end the Group has raised £3.15 million. However, continuing expenditure of approximately £750,000 per annum will need to be funded. As part of the recent fundraising, 210,000,000 warrants were issued at an exercise price of 2p which, subject to market conditions, could raise a further £4.2 million. The Directors are confident that these funds can be raised from existing and new investors.

These conditions indicate the existence of a material uncertainty which may cast a significant doubt about the Group's ability to continue as a going concern. The consolidated financial statements do not include adjustments that would result if the Group was unable to continue as a going concern.

Directors' report *continued*

Exploration costs

The Group continues to devote considerable resources to exploration costs.

Directors

The Directors who have held office since 1 January 2017 are as follows:

Executive

William Humphries *(Chief Executive Officer)*

Richard Prickett *(Finance Director)*

Non-Executive

Charles Wilkinson *(Non-Executive Chairman)*

Helen Green *(Non-Executive Director)*

The Directors in office as at 31 December 2017 had the following beneficial interest in the shares of the Company:

	Ordinary shares of 1 penny each		Share options	
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
Executive Directors:				
William Humphries	70,644,119	64,314,119	30,000,000	17,500,000
Richard Prickett	13,394,876	11,144,876	18,500,000	16,000,000
Non-Executive Directors:				
Charles Wilkinson	2,154,047	2,154,047	2,000,000	1,750,000
Helen Green	2,857,583	1,617,583	1,500,000	1,250,000

Directors' report *continued*

Share options

As at 31 December 2017 the following share options were outstanding to Directors:

Name	Date granted	Number	Price	Expiry date
William Humphries	28 October 2009	1,000,000	£0.1400	28 October 2019
William Humphries	5 July 2017	10,000,000	£0.0319	5 July 2022
William Humphries	22 December 2017	5,000,000	£0.022	22 December 2022
William Humphries	1 July 2013	4,500,000	£0.0500	1 July 2018
William Humphries	25 November 2013	5,000,000	£0.0250	25 November 2018
William Humphries	21 July 2014	4,500,000	£0.03525	21 July 2019
Richard Prickett	22 June 2016	6,000,000	£0.018	22 June 2021
Richard Prickett	5 July 2017	5,000,000	£0.0319	5 July 2022
Richard Prickett	1 July 2013	2,000,000	£0.0500	1 July 2018
Richard Prickett	25 November 2013	3,000,000	£0.0250	25 November 2018
Richard Prickett	21 July 2014	2,500,000	£0.03525	21 July 2019
Charles Wilkinson	22 June 2016	500,000	£0.018	22 June 2021
Charles Wilkinson	5 July 2017	500,000	£0.0319	5 July 2022
Charles Wilkinson	1 July 2013	500,000	£0.0500	1 July 2018
Charles Wilkinson	25 November 2013	250,000	£0.0250	25 November 2018
Charles Wilkinson	21 July 2014	250,000	£0.03525	21 July 2019
Helen Green	22 June 2016	500,000	£0.018	22 June 2021
Helen Green	5 July 2017	500,000	£0.0319	5 July 2022
Helen Green	25 November 2013	250,000	£0.0250	25 November 2018
Helen Green	21 July 2014	250,000	£0.03525	21 July 2019

Directors

Details in respect of the experience of the Executive and Non-Executive Directors are given on page 15.

Related party transactions

Details regarding transactions with related parties and details of Directors' interests in contracts are given in note 21 to the consolidated financial statements.

Share issues

Details of shares issued in the year are given in note 15 to the consolidated financial statements.

Subsequent events

Details of subsequent events are given in note 27 to the consolidated financial statements.

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Directors' report *continued*

Substantial shareholdings

The Company is aware of the following holdings of more than 3% of the share capital of the Company as at 11 April 2018:

Shareholder name	Percentage of share capital
Cannacord Genuity Group Inc	13.79%
Taheh International Limited	11.90%
Arconas International Limited	10.60%
William Humphries	6.80%
Vidacos Nominees Limited – a/c FGN	4.00%
Luna Nominees Limited	3.70%

Payment policy

The Group applies a policy of agreeing payment terms with each of their main suppliers and the Group aims to abide by these terms, subject to satisfactory performance by suppliers.

Auditors

The Directors review the terms of reference for the auditors and obtain written confirmation that the firm has complied with its ethical guidance on ensuring its independence. Grant Thornton Limited provides audit services to the Company. The level of fees charged is reviewed by the Board to ensure they remain competitive and to ensure no conflicts of interest arise.

A resolution to re-appoint Grant Thornton Limited will be put to the members at the Annual General Meeting.

By Order of the Board

Director of Rysaffe International Services Limited

as Secretary to Landore Resources Limited

31 May 2018

Corporate governance report

Financial aspects of corporate governance

The Group has adopted a framework for corporate governance which it believes is suitable for a company of its size and which aims to ensure it complies with the Financial Reporting Council's *UK Corporate Governance Code*, in so far as is appropriate having regard to the size and nature of the Group.

The Board

The Board meets throughout the year and all major decisions are taken by the full Board. The Group's day-to-day operations are managed by the Executive Directors. All Directors have access to the Company Secretary and any Director needing independent professional advice in the furtherance of his duties may obtain this advice at the expense of the Group.

Corporate Governance Committees

The Board has established two committees comprising Non-Executive Directors and Executive Directors.

The composition of the committees is as follows:

Audit	Remuneration
Helen Green *(Chairman)*	Helen Green *(Chairman)*
William Humphries	Charles Wilkinson
Charles Wilkinson	William Humphries

The Audit Committee

The Audit Committee has met twice during the year to review the published financial information, the effectiveness of external audit and internal financial controls including the specific matters set out below.

The terms of reference of the Audit Committee are to assist all the Directors in discharging their individual and collective legal responsibilities and during the meetings the following were considered to ensure that:

- The Group's financial and accounting systems provide accurate and up-to-date information on its current financial position, including all significant issues and going concern;
- The integrity of the Group's financial statements and any formal announcements relating to the Group's financial performance and reviewing significant financial reporting judgments contained therein are monitored;
- The Group's published financial statements represent a true and fair reflection of this position; and taken as a whole are balanced and understandable, providing the information necessary for shareholders to assess the Group's performance, business model and strategy;
- The external audit is conducted in an independent, objective thorough, efficient and effective manner, through discussions with management and the external auditor; and
- A recommendation is made to the Board for it to put to shareholders in general meeting, in relation to the reappointment, appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor.

Corporate governance report *continued*

The audit committee does not consider there is a need for an internal audit function given the size and nature of the Group.

Significant issues considered by the Audit Committee during the year have been the Principal Risks and Uncertainties and their effect on the financial statements. The Audit Committee tracked the Principal Risks and Uncertainties through the year and kept in contact with the Group's Management, External Service Providers and Advisors and received regular updates. The Audit Committee is satisfied that there has been appropriate focus and challenge on the high risk areas.

Grant Thornton, the current external auditors, have been in office since 2006 which was the last time a tender for the audit took place.

The external auditors are invited to attend the Audit Committee meeting to present their findings and this provides them with a direct line of communication to the Directors.

Remuneration Committee

The terms of reference of the Remuneration Committee are to:

- recommend to the Board a framework for rewarding senior management, including Executive Directors, bearing in mind the need to attract and retain individuals of the highest calibre and with the appropriate experience to make a significant contribution to the Group; and
- ensure that the elements of the remuneration package are competitive and help in underpinning the performance-driven culture of the Group.

Internal control

The Directors acknowledge their responsibility for the Group's system of internal control, which is designed to ensure adherence to the Group's policies whilst safeguarding the assets of the Group, in addition to ensuring the completeness and accuracy of the accounting records. Responsibility for implementing a system of internal financial control is delegated to the Finance Director. The essential elements of the Group's internal financial control procedures involve:

- *Strategic business planning*

  Detailed financial projections for the current financial year are prepared and subject to formal review at Board meetings.
- *Performance review*

  The Directors aim to monitor the Group's performance through the preparation of quarterly management accounts and regular reviews of expenditure and projections.

Going concern

The Directors confirm that it is suitable for the financial statements to be drawn up on the going concern basis.

A full explanation of the Directors' reasoning behind this assumption is given on page 18.

Statement of Directors' responsibilities

The Directors are responsible for the preparation of the Directors' report and the consolidated financial statements for each financial period which give a true and fair view of the state of affairs of the Company and the Group and of the profit and loss of the Group for that year. In preparing those consolidated financial statements, the Directors are required to:

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

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company and Group and to enable them to ensure that the financial statements comply with the Companies (Guernsey) Law, 2008. The Directors have reviewed during the current year the effectiveness of the Group's risk management and internal control systems, including financial, operational and compliance controls. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors take responsibility for ensuring that the Group's published consolidated financial statements represent a true and fair reflection of its current financial position, and taken as a whole are balanced, understandable and providing the information necessary for Shareholders to assess the Group's performance, business model and strategy.

In accordance with the Companies (Guernsey) Law, 2008 each Director confirms that so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware. The Directors also confirm that they have taken all steps they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Independent auditors' report

To the shareholders of Landore Resources Limited

Opinion

Our opinion on the financial statements is unmodified

We have audited the financial statements of Landore Resources Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2017 which comprise the Consolidated and Company Statement of Comprehensive Income, the Consolidated and Company Statement of Financial Position, the Consolidated and Company Statement of Changes in Equity, the Consolidated and Company Statement of Cash Flows and notes to the consolidated financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and as applied in accordance with the provisions of The Companies (Guernsey) Law, 2008.

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 and the Parent Company's loss for the year then ended;
- are in accordance with IFRSs as adopted by the European Union; and
- comply with The Companies (Guernsey) Law, 2008.

Basis for opinion

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

Who we are reporting to

This report is made solely to the Parent Company's members, as a body, in accordance with Section 262 of The Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Material uncertainly related to going concern

We draw attention to note 3 in the financial statements, which indicates that The Group incurred net losses after taxation of £3,296,625 for the year ended 31 December 2017. This condition, along with the other matters as set out in note 3, indicate that a material uncertainty exists that may cast significant doubt in the Group's ability to continue as a going concern. The financial statements do not include adjustments that would result if the Group was unable to continue as a going concern. Our opinion is not modified in respect of this matter.

Conclusions relating to principal risks, going concern and viability statement

We have nothing to report in respect of the following information in the annual report, in relation to which the ISAs (UK) require us to report to you whether we have anything material to add or draw attention to:

- the disclosures in the strategic report set out on page 16 that describe the principal risks and explain how they are being managed or mitigated;
- the directors' confirmation, set out on page 23 of the annual report that they have carried out a robust assessment of the principal risks facing the group, including those that would threaten its business model, future performance, solvency or liquidity;
- the directors' statement, set out on page 18 of the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements and the directors' identification of any material uncertainties to the Group and the Parent Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- whether the directors' statement relating to going concern required under the Listing Rules in accordance with Listing Rule 9.8.6R(3) is materially inconsistent with our knowledge obtained in the audit; or
- the directors' explanation, set out on page 18 of the annual report as to how they have assessed the prospects of the group, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Key audit matters

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

Key Audit Matter - Group	**How the matter was addressed in the audit - Group**
Valuation of Share-based payments The Group issued equity-settled share-based payments to certain employees during the year. The equity-settled share-based payments are measured at fair value at the date of grant. The fair value is measured by use of the Black-Scholes model and involves significant judgement and estimates. The new share-based payments valuation is therefore the risk that requires particular audit attention.	Our audit work included, but was not restricted to: • obtaining an understanding of management's process to recognise and measure share-based payments, reviewing the movements in share-based payments during the year and ensuring that all share options have been correctly recorded; • reviewing the assumptions used in computing the fair value of the share-based payments using the Black-Scholes model and assessing whether such method and assumptions were reasonable. The Group's accounting policy and the disclosure of share options are included in Note 3 and Note 16, respectively. **Key observations** We determined that the assumptions used in the valuations were supportable in light of the available market evidence.
Management override of internal controls Under the ISAs (UK), for all our audits we are required to consider the risk of management override of financial controls. Due to the unpredictable nature of this risk we are required to assess it as a significant risk requiring special audit consideration.	Our audit work included, but was not restricted to, specific procedures relating to this risk that are required by ISA (UK) 240, "The Auditors Responsibilities relating to Fraud in an Audit of the Financial Statements". This includes: • tests of journal entries; • evaluation of judgments and assumptions in management's estimates; and • tests of significant transactions outside the normal course of business. **Key observations** We determined that there were no indication of the existence of any management override of internal controls.

Key Audit Matter - Group	Key Audit Matter - Group
Going Concern assumption not applicable The Group's liquidity is strongly dependent on the capital contributions from shareholders. Since incorporation, the Group has not generated income to be able to sustain its operations without external financing.	Our audit work included, but was not restricted to: • evaluation of management's assessment of the Group's ability to continue as a going concern by assessing reasonableness of the underlying assumptions used and reviewing of subsequent events. The Group's accounting policy on Going Concern is shown in note 3. The Board identified Going Concern as a significant issue in their report on page 18, where the Board also described the action that it has taken to address this issue. **Key observations** The Group has not been able to generate income to sustain its operations it has been successful in its fundraising activities post year end. Application of the going concern assumption is still appropriate.
Occurrence and completeness of Exploration costs The Board is required to lay down relevant Key Performance Indicators (KPIs) which, for a Company at development stage, are focused on managing the activities inherent in exploration. Exploration costs are one of the significant financial KPIs. Until the Board determines that a particular project is viable based on a positive feasibility study and decides to move it into production, exploration costs are not capitalized. The occurrence and completeness of exploration costs are therefore risks that require particular audit attention.	Our audit work included, but was not restricted to: • Occurrence - ensuring validity by verifying the exploration costs recorded to the supporting invoices and determining that the expenses were appropriately allocated to mineral properties expense. • Completeness - performing cut-off tests and searching for unrecorded liabilities. The Group's accounting policy and the disclosure of exploration costs are included in Note 3 and Note 9, respectively. **Key observations** No material exceptions were noted that were indicative of fraud or error.

Independent auditor's report

To the shareholders of Landore Resources Limited (continued)

Key Audit Matter - Group	Key Audit Matter - Group
Rights and obligation and completeness of Shares issued The Group finances its operations through issuance of shares. Issuance of shares is a significant transaction requiring specific documentation to be prepared, and appropriately approved. The rights and obligations and completeness with regard to shares issued are therefore risks that require particular audit attention.	Our audit work included, but was not restricted to: • checking the approval for issuance by the Board of Directors; • reviewing supporting documentation; • checking cash collections; and • determining whether the issuance costs were appropriately recorded in accordance with accounting policies. The Group's accounting policy and the disclosure of share capital are included in Note 3 and Note 15, respectively. **Key observations** No material exceptions were noted that were indicative of fraud or error.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature, timing and extent of our audit work and in evaluating the results of that work.

Materiality was determined as follows:

Materiality measure	Group	Parent
Financial statements as a whole	£64,000 which is 3% of total exploration costs. This benchmark is considered the most appropriate because Group exploration costs is the primary performance measure. The Group has no material assets as it is in the development stage and does not capitalize the exploration costs. Materiality for the current year is lower than the level that we determined for the year ended 31 December 2016 due to the changes in the Group structure which impact the control environment.	£58,000 which is 90% of Group materiality. Materiality for the current year is lower than the level that we determined for the year ended 31 December 2017 due to the decrease in Group materiality.
Performance materiality used to drive the extent of our testing	75% of financial statement materiality	75% of financial statement materiality

Independent auditor's report

To the shareholders of Landore Resources Limited (continued)

Specific materiality	We also determine a lower level of specific materiality for certain areas such as directors' remuneration and related party transactions.	We also determine a lower level of specific materiality for certain areas such as directors' remuneration and related party transactions.
Communication of misstatements to the audit committee	£3,200 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.	£3,000 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

The graph below illustrates how performance materiality interacts with our overall materiality and the tolerance for potential uncorrected misstatements.

An overview of the scope of our audit

Our audit approach was based on a thorough understanding of the group's business and is risk based, and in particular included:

- evaluation by the Group audit team of identified components to assess the significance of that component and to determine the planned audit response based on a measure of materiality;
- understanding and evaluation of the Group's internal controls environment including its IT systems and controls;
- for components determined to be significant, a full scope or targeted approach was taken based on their relative materiality to the group and assessment of audit risk. Significant components audited using a full scope by the Group and component audit teams included Landore Resources Limited and Landore Resources Canada Inc. representing 100% of the Group's total assets. Landore Resources Canada Inc. was audited by Grant Thornton LLP;
- analytical procedures were performed over remaining group components;
- communication between the Group audit team and Grant Thornton LLP was continuous via e-mails and regular conference calls throughout the planning, substantive and completion stages of the Group audit; and
- substantive testing on significant transaction, balances and disclosures, the extent of which was based on various factors such as our overall assessment of the Group control environment and the management of specific risks

Other information

The directors are responsible for the other information. The other information comprises the information included in the Operations report, Strategic report, Directors' report, Corporate Governance report, Statement of Directors' Responsibilities set out on pages 6 to 23 and the Notice of Annual General Meeting set out on pages 66 to 68, 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 of 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.

In this context, we also have nothing to report in regard to our responsibility to specifically address the following items in the other information and to report as uncorrected material misstatements of the other information where we conclude that those items meet the following conditions:

1. Fair, balanced and understandable set out on page 18 –the statement given by the directors that they consider the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's performance, business model and strategy, is materially inconsistent with our knowledge obtained in the audit; or
2. Audit committee reporting set out on page 22 – the section describing the work of the audit committee does not appropriately address matters communicated by us to the audit committee; or
3. Directors' statement of compliance with the UK Corporate Governance Code set out on page 21 – the parts of the directors' statement required under the Listing Rules relating to the Parent Company's compliance with the UK Corporate Governance Code containing provisions specified for review by the auditor in accordance with Listing Rule 9.8.10R(2) do not properly disclose a departure from a relevant provision of the UK Corporate Governance Code.

Matter on which we are required to report under The Listing Rules

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in:

- the Directors' statement in relation to going concern and longer-term viability; and
- the part of the Corporate Governance Statement relating to the Parent Company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which The Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Parent Company; or
- the financial statements are not in agreement with the accounting records; or
- we have not obtained all the information and explanations, which to the best of our knowledge and belief, are necessary for the purposes of our audit.

Responsibilities of directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities set out on page 24, the directors are responsible for the preparation of the financial statements which give a true and fair view in accordance with IFRSs as adopted by the EU, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Other matters which we are required to address

Following the recommendation of the audit committee, we were appointed by the shareholders and the board of directors on 3 July 2017 to audit the financial statements for the year ending 31 December 2017 and subsequent financial periods.

The period of total uninterrupted engagement is 9 years, covering the years ending 31 December 2009 to 31 December 2017.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the Parent Company and we remain independent of the Group and the Parent Company in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee.

Cyril Swale
For and on behalf of Grant Thornton Limited
Chartered Accountants
St Peter Port
Guernsey

31 May 2018

Consolidated statement of comprehensive income

For the year ended 31 December 2017

	Notes	Group 31 December 2017 £	Group 31 December 2016 £
Exploration costs	9	(2,145,212)	(1,128,345)
Administrative expenses	25	(1,153,064)	(791,182)
Other income		—	194,756
Operating loss		(3,298,276)	(1,724,771)
Finance income	5	1,651	142
Loss before income tax		(3,296,625)	(1,724,629)
Income tax	8	—	—
Loss for the year		(3,296,625)	(1,724,629)
Other comprehensive income:			
Exchange difference on translating foreign operations	18	30,192	39,025
Other comprehensive income for the year net of tax		30,192	39,025
Total comprehensive loss for year		(3,266,433)	(1,685,604)
Loss attributable to:			
Equity holders of the Company		(3,295,653)	(1,724,629)
Non-controlling interests		(972)	—
Total comprehensive loss attributable to:			
Equity holders of the Company		(3,265,461)	(1,685,604)
Non-controlling interests		(972)	—
Loss per share for losses attributable to the equity holders of the Company during the year			
– basic	10	(0.004)	(0.003)
– diluted	10	(0.004)	(0.003)

The Group's operating loss relates to continuing operations.

The accounting policies and notes on pages 42 to 65 form an integral part of these consolidated financial statements.

Company statement of comprehensive income

For the year ended 31 December 2017

	Notes	Company 31 December 2017 £	Company 31 December 2016 £
Administrative expenses	25	(860,620)	(634,144)
Operating loss		(860,620)	(634,144)
Interest receivable		1,651	142
Foreign exchange (loss)/profit		(865,377)	4,948,110
(Loss)/profit before income tax		(1,724,346)	4,314,108
Income tax expense		—	—
Total comprehensive (loss)/profit for the year		(1,724,346)	4,314,108

The Company's operating loss relates to continuing operations.

The accounting policies and notes on pages 42 to 65 form an integral part of these consolidated financial statements.

Consolidated statement of financial position

As at 31 December 2017

	Notes	Group At 31 December 2017 £	Group At 31 December 2016 £
Assets			
Non-current assets			
Property, plant and equipment	11	61,600	30,480
		61,600	30,480
Current assets			
Trade and other receivables	13	48,535	65,799
Cash and cash equivalents	26	369,604	148,532
		418,139	214,331
Total assets		479,739	244,811
Equity			
Capital and reserves attributable to the Company's equity holders			
Share capital – nil par value	15	38,322,307	35,264,858
Share-based payment reserve	16	855,453	748,231
Accumulated deficit	17	(38,778,911)	(35,710,215)
Translation reserve	18	(314,303)	(344,495)
Total equity shareholders' funds		84,546	(41,621)
Non-controlling interests	22	(1,551)	—
Total equity		82,995	(41,621)
Liabilities			
Current liabilities			
Trade and other payables	14	361,433	250,248
Current income tax liabilities	14	35,311	36,184
		396,744	286,432
Total liabilities		396,744	286,432
Total equity and liabilities		479,739	244,811

These consolidated financial statements were approved and authorised for issue by the Board of Directors on 31 May 2018.

William Humphries
Director

Richard Prickett
Director

The accounting policies and notes on pages 42 to 65 form an integral part of these consolidated financial statements.

Company statement of financial position

As at 31 December 2017

	Notes	Company At 31 December 2017 £	Company At 31 December 2016 £
Assets			
Non current assets			
Investment in subsidiaries	12	94,888	94,888
		94,888	94,888
Current assets			
Trade and other receivables	13	27,990,695	26,587,376
Cash and cash equivalents	26	341,756	84,347
		28,332,451	26,671,723
Total assets		28,427,339	26,766,611
Equity			
Capital and reserves attributable to the Company's equity holders			
Share capital – nil par value	15	38,322,307	35,264,858
Share-based payment reserve	16	855,453	748,231
Accumulated deficit	17	(10,805,833)	(9,313,646)
Total equity shareholders' funds		28,371,927	26,699,443
Liabilities			
Current liabilities			
Trade and other payables	14	55,412	67,168
Total liabilities		55,412	67,168
Total equity and liabilities		28,427,339	26,766,611

These financial statements were approved and authorised for issue by the Board of Directors on 31 May 2018.

William Humphries
Director

Richard Prickett
Director

The accounting policies and notes on pages 42 to 65 form an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

For the year ended 31 December 2017

	Equity shareholders' funds							
	Share capital £	Share premium £	Share capital nil par value £	Share-based payment £	Accumulated deficit £	Translation reserve £	Non-controlling Interest £	Total £
Balance as at 1 January 2016	6,282,038	27,627,990	—	891,709	(34,374,928)	(305,470)	—	121,339
Share option reserve adjustment for lapsed options (note 16)	—	—	—	(306,400)	306,400	—	—	—
Issue of options and warrants (note 16)	—	—	—	245,864	—	—	—	245,864
Exercise of options and warrants (note 16)	—	—	—	(82,942)	82,942	—	—	—
Issue of ordinary share capital (note 15)	718,429	502,901	—	—	—	—	—	1,221,330
Re-denominate share capital (note 15)	(7,000,467)	(28,130,891)	35,131,358	—	—	—	—	—
Issue of ordinary share capital - nil par (note 15)	—	—	133,500	—	—	—	—	133,500
Total transactions with owners	(6,282,038)	(27,627,990)	35,264,858	(143,478)	389,342	—	—	1,600,694
Loss for the year	—	—	—	—	(1,724,629)	—	—	(1,724,629)
Exchange difference from translating foreign operations	—	—	—	—	—	(39,025)	—	(39,025)
Total comprehensive loss for the year	—	—	—	—	(1,724,629)	(39,025)	—	(1,763,654)
Balance as at 31 December 2016	—	—	35,264,858	748,231	(35,710,215)	(344,495)	—	(41,621)
Balance as at 1 January 2017	—	—	35,264,858	748,231	(35,710,215)	(344,495)	—	(41,621)
Share option reserve adjustment for lapsed options and warrants (note 16)	—	—	—	(232,159)	232,159	—	—	—
Issue of options and warrants (note 16)	—	—	—	339,381	—	—	—	339,381
Issue of ordinary share capital - nil par (note 15)	—	—	3,114,925	—	—	—	—	3,114,925
Issue cost (note 15)	—	—	(57,476)	—	—	—	—	(57,476)
Non-controlling interests on acquisition of Lamaune	—	—	—	—	(5,202)	—	(578)	(5,780)
Total transactions with owners	—	—	3,057,449	107,222	226,957	—	(578)	3,391,050
Loss for the year	—	—	—	—	(3,295,653)	—	(973)	(3,296,626)
Exchange difference from translating foreign operations	—	—	—	—	—	30,192	—	30,192
Total comprehensive loss for the year	—	—	—	—	(3,295,653)	30,192	(973)	(3,266,434)
Balance as at 31 December 2017	—	—	38,322,307	855,453	(38,778,911)	(314,303)	(1,551)	82,995

The accounting policies and notes on pages 42 to 65 form an integral part of these consolidated financial statements.

Company statement of changes in equity

For the year ended 31 December 2017

	Share capital £	Share premium £	Share capital nil par value £	Share-based payment £	Accumulated deficit £	Total £
Balance as at 1 January 2016	6,282,038	27,627,990	—	891,709	(14,017,096)	20,784,641
Lapsed options (note 16)	—	—	—	(306,400)	306,400	—
Issue of options (note 16)	—	—	—	245,864	—	245,864
Exercise of options (note 16)	—	—	—	(82,942)	82,942	—
Issue of ordinary share capital (note 15)	718,429	502,901	—	—	—	1,221,331
Re-denominate share capital (note 15)	(7,000,467)	(28,130,891)	35,131,358	—	—	—
Issue of ordinary share capital - nil par (note 15)	—	—	133,500	—	—	133,500
Total transactions with owners	(6,282,038)	(27,627,990)	35,264,858	(143,478)	389,342	1,600,695
Profit for the year	—	—	—	—	4,314,108	4,314,108
Total comprehensive loss for the year	—	—	—	—	4,314,108	4,314,108
Balance as at 31 December 2016	—	—	35,264,858	748,231	(9,313,646)	26,699,443
Balance as at 1 January 2017	—	—	35,264,858	748,231	(9,313,646)	26,699,443
Lapsed options (note 16)	—	—	—	(198,469)	198,469	—
Lapsed warrants (note 16)	—	—	—	(33,690)	33,690	—
Issue of options (note 16)	—	—	—	339,381	—	339,381
Issue of ordinary share capital - nil par (note 15)	—	—	3,114,925	—	—	3,114,925
Issue cost (note 15)	—	—	(57,426)	—	—	(57,426)
Total transactions with owners	—	—	3,057,449	107,222	232,159	3,396,830
Loss for the year	—	—	—	—	(1,724,346)	(1,724,346)
Total comprehensive loss for the year	—	—	—	—	(1,724,346)	(1,724,346)
Balance as at 31 December 2017	—	—	38,322,307	855,453	(10,805,833)	28,371,927

The accounting policies and notes on pages 42 to 65 form an integral part of these consolidated financial statements.

Consolidated statement of cash flows

For the year ended 31 December 2017

	Notes	Group 31 December 2017 £	Group 31 December 2016 £
Cash flows from operating activities			
Operating loss		(3,298,276)	(1,724,771)
Finance income	5	1,651	142
Depreciation of tangible fixed assets	11	10,235	12,751
Share options issued		339,381	245,864
Foreign exchange gain/(loss) on non-cash items		26,252	(21,488)
(Profit) on disposal of non-current assets		(5,983)	—
Decrease/(increase) in trade and other receivables		16,032	(18,927)
Increase/(decrease) in trade and other payables		132,717	(76,010)
Net cash used in operating activities		(2,777,991)	(1,582,439)
Cash flows from investing activities			
Purchase of property and equipment		(36,637)	—
Net cash acquired from business combinations		(5,780)	—
Net cash outflow from investing activities		(42,417)	—
Cash flows from financing activities			
Proceeds from issue of ordinary shares	15	3,099,925	1,347,330
Issue costs	15	(57,476)	—
Net cash generated by financing activities		3,042,449	1,347,330
Net increase/(decrease) in cash and cash equivalents		222,041	(235,109)
Cash and cash equivalents at beginning of the year		148,532	368,475
Exchange (loss)/gain on cash and cash equivalents		(969)	15,166
Cash and cash equivalents at end of the year		369,604	148,532

The accounting policies and notes on pages 42 to 65 form an integral part of these consolidated financial statements.

Company statement of cash flows

For the year ended 31 December 2017

	Notes	Company 31 December 2017 £	Company 31 December 2016 £
Cash flows from operating activities			
Operating loss		(860,620)	(634,144)
Finance income		1,651	142
Foreign exchange (loss)/gain on non-cash items		(865,377)	4,948,110
Share options issued	16	339,381	245,864
(Increase) in trade and other receivables		(1,403,319)	(6,104,072)
Increase/(decrease) in trade and other payables		3,244	(15,661)
Net cash used in operating activities		(2,785,040)	(1,559,761)
Cash flows from financing activities			
Proceeds from issue of ordinary shares	15	3,099,925	1,347,330
Issue costs	15	(57,476)	—
Net cash generated by financing activity		3,042,449	1,347,330
Net increase/(decrease) in cash and cash equivalents		257,409	(212,431)
Cash and cash equivalents at beginning of year		84,347	296,778
Cash and cash equivalents at end of year		341,756	84,347

The accounting policies and notes on pages 42 to 65 form an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1 General information

The Company was registered in Guernsey, Channel Islands on 16 February 2005 with registered number 42821 under the Companies (Guernsey) Law, 2008 (the "New Law"). The Company is listed on AIM with the trading symbol LND.L. The principal activity, mainly in Canada, is mineral exploration including the identification, acquisition and development of technically and economically sound mineral projects either alone or with joint venture partners.

2 Statement of compliance

The consolidated financial statements have been prepared in accordance with EU-Adopted International Financial Reporting Standards ("EU IFRS"), which comprise standards and interpretations approved by the International Accounting Standards Board ("IASB"), the International Financial Reporting Interpretations Committee ("IFRIC"), the International Accounting Standards and Standards Interpretations Committee Interpretations approved by the International Accounting Standards Committee ("IASC") that remain in effect and to the extent that they have been adopted by the European Union.

3 Significant accounting policies

Basis of accounting

The consolidated and Company financial statements have been prepared on the historical cost basis. The functional currency for the Company is considered to be GBP Sterling. The principal accounting policies adopted are set out below.

The Directors have a reasonable expectation and with continued support from the shareholders, that the Company will have adequate resources to continue trading for a period of at least twelve months following the date of approval of these accounts. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Landore Resources Limited is domiciled in Guernsey. Its registered office is shown on page 2.

Changes in Accounting Policies

During the financial year, the Group has adopted the following new IFRSs (including amendments thereto) and IFRIC interpretations which were endorsed by the EU, which became effective for the first time.

Standard	Effective date, annual period beginning on or after
Amendments to IAS 7 – *Disclosure Initiative*	1 January 2017
Amendments to IAS 12 – *Recognition of Deferred Tax for Unrealised Losses*	1 January 2017
Annual Improvements 2014-2016 cycle	1 January 2017

Their adoption has not had any material impact on the disclosures or amounts reported in the financial statements.

Standards issued but not yet effective:
At the date of authorisation of these financial statements, the following standards and interpretations relevant to the Group and which have not been applied in these financial

Notes to the consolidated financial statements *continued*

statements, were in issue but were not yet effective. In some cases these standards and guidance have not been endorsed yet for use in the European Union.

Standard	Effective date, annual period beginning on or after
Annual Improvements 2014-2016 cycle	1 January 2018
IFRS 9 *Financial instruments*	1 January 2018
IFRS 15 *Revenue from contracts with Customers* including amendments to IFRS 15: *Effective date of IFRS 15*.	1 January 2018
Clarifications to IFRS 15 -*Revenue from contracts with Customers*	1 January 2018
IFRS 2 (amendments) - *Classification and Measurement of Share-based Payment Transactions*	1 January 2018
IFRS 4 (amendments) - *Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts*	1 January 2018
IFRIC Interpretation 22 - *Foreign Currency Transactions and Advance Consideration*	1 January 2018
Amendments to IAS 40 - *Transfers of Investment Property*	1 January 2018
IFRS 16 *Leases*	1 January 2019
IFRIC 23 – *Uncertainty over Income Tax Treatments*	1 January 2019
Amendments to IFRS 9 – *Prepayment Features with Negative Compensation*	1 January 2019
Amendments to IAS 28 – *Long-term Interests in Associates and Joint Ventures*	1 January 2019
Annual improvements 2015-2017 cycle	1 January 2019
IFRS 17 - *Insurance Contracts*	1 January 2021

The directors are evaluating the impact that these standards will have on the financial statements of the Group.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries and collectively the "Group") made up to 31 December 2017. Control is achieved where the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until control ceases.

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired (i.e. discount on acquisition) is credited to the statement of comprehensive income in the period of acquisition.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Notes to the consolidated financial statements *continued*

The Directors consider that the Company exerts control over its subsidiaries listed in Note 12 by virtue of its majority ownership of the share capital in each of those companies and therefore a majority of the voting rights and rights to variable returns from its involvement with those companies. The Directors therefore consider that the Company has control over the companies it identifies as its subsidiaries in accordance with IFRS 10.

Separate financial statements

Under Section 244(5) of The Companies (Guernsey) Law, 2008, the Directors are not required to present the separate financial statements of the Company but have elected to present separate financial statements for the purposes of investor information.

In accordance with IAS 27, the Company accounts for investments in subsidiaries at cost. All other accounting policies applied by the Company are consistent with those stated for the Group.

The separate financial statements of the Company are presented in accordance with IFRS 10 and the names, principal place of business and proportion of the ownership interest held in the Company's subsidiaries are disclosed in Note 12.

Deferred exploration expenditure

When the Group has incurred expenditure on mining properties that have not reached the stage of commercial production, the costs of acquiring the rights to such properties, and related exploration and development costs, are capitalised deferred where the expected recovery of costs is considered probable by the successful exploitation or sale of the asset. Full provision is made in respect of deferred costs on properties in the case that insufficient exploration has taken place to ascertain future recoverability. Where mining properties are abandoned, the deferred expenditure is written off in full.

Option income

Option income is recognised based upon amounts contractually due pursuant to the underlying option agreement. Specifically, income is recognised in accordance with the terms of the underlying option agreements subject to (i) the pervasive evidence of the existence of arrangements; (ii) the risks and rewards having been transferred; (iii) the option income being fixed or determinable; and (iv) the collectability of the option income being reasonably assured.

Joint operations

Operations that are jointly controlled by the Company and other ventures independent of the Company (joint ventures) are accounted for by recognising the Company's share of the assets, liabilities, income and expenses is included line by line in the consolidated financial statements.

Amounts reported in the financial statements of jointly controlled entities have been adjusted where necessary to ensure consistency with the accounting policies of the Company.

The Company participates in co-ownership agreements with other parties which are labelled "joint venture agreements." These agreements do not constitute joint arrangements for purposes of applying IFRS 11 in that the percentage ownership in the jointly held property is such that

Notes to the consolidated financial statements *continued*

control resides with the majority ownership interest. In this case, the Company records their share of the assets, liabilities, income and expenses related to the venture.

Foreign currencies

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in GBP Sterling, which is the Company's functional and the Group's presentational currency.

(b) Transactions and balances

Transactions in currencies other than GBP Sterling are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in the statement of comprehensive income for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised directly in equity.

On consolidation, the assets and liabilities of the Group's overseas operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period unless exchange rates fluctuate significantly. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve.

Profit/loss from operations

Loss from operations is stated before investment income and finance costs.

Interest income

Interest income is recognised as the interest accrues and is credited to the statement of comprehensive income in the period to which it relates.

Property, plant and equipment

Property, plant and equipment are stated at cost less provision for depreciation. Depreciation is provided on all property, plant and equipment at rates calculated to write off the cost of each asset less its estimated residual value evenly over its estimated useful life, as follows:

Computer hardware	–	30% declining balance
Office equipment	–	20% declining balance
Automotive equipment	–	30% declining balance
Machinery and equipment	–	20% declining balance

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period.

Notes to the consolidated financial statements *continued*

Non-current investments

Non-current investments relate to the Company's investments in subsidiaries and are stated at cost less provision for any diminution in value.

Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible.

The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

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

Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Finance leases – lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset. This liability is not discounted. Any contingent rents are expensed in the period they are incurred.

Share-based payments

The Group issues equity-settled payments to certain employees and Directors. Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is recognised immediately in the Statement of Comprehensive Income, where options have been granted with no conditions attached. Options granted with vesting period conditions are recognised over the vesting period.

Fair value is measured by use of the Black-Scholes model, see note 16. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

Upon exercise of share options, the proceeds received net of any directly attributable transaction cost up to the nominal value of the shares issues are allocated to share capital with any excess being recorded as share premium.

Financial instruments

Financial assets and financial liabilities are recognised on the Group's Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires. Financial assets and financial liabilities are measured initially at fair value adjusted by transaction costs, and subsequently accounted for at amortised cost, except for financial assets and financial liabilities carried at fair value through profit or loss, which are measured initially at fair value.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest rate method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics.

The impairment assessment includes estimating the expected future cash flows from the asset or group of assets, which are then discounted using the original effective interest rate calculated

Notes to the consolidated financial statements *continued*

for the asset. If this is lower than the carrying value of the asset, an impairment allowance is raised and a provision for impairment is recognised in the Statement of Comprehensive Income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in the Statement of Comprehensive Income.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. See note 26.

Trade payables

Trade payables are not interest bearing and are stated at their nominal value.

Financial liability and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Financial liabilities are measured subsequently at the amortised cost using the effective interest rate method, except for financial liabilities held for trading or designated at fair value through profit or loss, that are carried subsequently at fair value with gains or losses recognised in profit or loss.

Equity instruments

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

In 2016, the par value of ordinary shares was redenominated from £0.01 per share to nil. Following the redenomination, all amounts received upon the issue of shares, net of issue expenses or commissions, have been recognised as share capital in accordance with applicable law in Guernsey.

Equity

Equity comprises the following:

- "Share capital" represents the nominal value of the Company's ordinary shares.
- "Share premium" represents the excess over nominal value of the fair value of consideration received for ordinary shares, net of expenses of the share issue.
- "Share capital – nil par value" represents the gross proceeds upon the issue of shares net of issue costs.
- "Cumulative translation reserve" represents the differences arising from the translation of the financial statements of the Group's foreign entities to the presentational currency.

Notes to the consolidated financial statements *continued*

- "Share based payments reserve" represents equity-settled share-based employee remuneration until such share options are exercised, together with the fair value of equity-settled warrants issued to third parties.

- "Accumulated deficit" includes all current and prior period profits and losses.

Employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted. The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The expected cost of surplus sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance. Pension contributions are agreed with employees in their employment contracts and accounted for on a cost basis.

Operating segments

The Group has only one reportable segment as the Directors are of the opinion that the Group is engaged in a single segment of business being mineral exploration.

The entity-wide disclosures are not applicable to the Group at this stage because the Group has no major customers or revenues and is at an exploration stage.

For disclosures regarding geographical areas, please see note 9.

Critical accounting estimates and judgments

In the application of the Group's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Information about the estimates and judgments made by the Group to reach their conclusions are contained in the accounting policies and/or the notes to the financial statements, and the key areas are summarised below:

- Classification of mining and exploration interests (note 9).

- Exploration expenditure relating to a particular project will be written off until such time as the Board has determined that the project is viable based on a positive feasibility study and a decision to move into production.

Notes to the consolidated financial statements *continued*

In addition, the Directors also make judgements in assessing the recoverability of the Company's financial assets which consist of investments in subsidiaries and trade and other receivables. This assessment involves a review of the underlying exogenous factors which might impact the recoverability of the Company's financial assets. Where this review demonstrates evidence of potential impairment, an appropriate provision for impairment is made until such time that the financial asset is recovered, the Company no longer has the right to recover the economic benefits of an identified financial asset or a future assessment of the recoverability of financial assets determines that the factors causing impairment no longer apply and the provision for impairment is reversed. Further detail is given in the Group's accounting policy for loans and receivables.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chief Executive Officer's statement on pages 3 to 5 and the principal risks and uncertainties set out in the strategic report. In addition, note 23 to the consolidated financial statements includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposures to credit risk and liquidity risk.

The consolidated financial statements are prepared on a going concern basis with a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group's loss after tax for the year as at 31 December 2017 amounted to £3,296,625.

According to the cash flow forecast, the Group's total projected net expenditure for the period to 30 June 2019 is approximately £2.95 million. As of year-end, the Group's bank balance amount was approximately £0.37 million. Since the year-end, the Group has raised £3.15 million. However, continuing expenditure of approximately £750,000 per annum will need to be funded. As part of the recent fundraising, 210,000,000 warrants were issued at an exercise price of 2p which, subject to market conditions, could raise a further £4 million. The Directors are confident that these funds can be raised from existing and new investors.

These conditions indicate the existence of a material uncertainty which may cast a significant doubt about the Group's ability to continue as a going concern. The consolidated financial statements do not include adjustments that would result if the Group was unable to continue as a going concern.

Notes to the consolidated financial statements *continued*

4. Loss from operations

	Notes	2017 £	2016 £
Loss from operations is stated after charging/(crediting):			
Group			
Depreciation of property, plant and equipment	11	10,235	12,751
Auditors' remuneration – audit services		25,068	18,288
Income from sale of mineral property	9	—	(194,756)
Loss on disposal of investments	9	—	8,856
(Profit) on disposal of property and equipment		(5,983)	—
Share-based payment charge	16	339,381	245,864
Foreign exchange loss/(gain)		40,417	(43,368)
Company			
Auditors' remuneration – audit services		14,000	11,950
Share-based payment charge	16	339,381	245,864
Foreign exchange loss/(gain)		865,377	(4,948,110)

5. Finance income – Group

	2017 £	2016 £
Interest receivable on bank account	1,651	142
	1,651	142

6. Employees

	2017 Number	2016 Number
The average monthly number of persons (excluding Directors) employed by the Group during the period was:		
Management and administration and operations	1	2
	£	£
Staff costs (for the above persons):		
Wages and salaries	191,774	228,473
Social security costs	8,413	7,161
Pension costs	9,749	9,749
	209,936	245,383

Notes to the consolidated financial statements *continued*

7. Key management compensation

	2017	2016
	£	£
Executive Directors:		
William Humphries	160,000	80,000
Richard Prickett	40,000	40,000
	200,000	120,000
Non-Executive Directors:		
Helen Green	7,500	7,500
Charles Wilkinson	10,000	10,000
	17,500	17,500
Total	217,500	137,500

The highest paid Director received aggregate remuneration of £160,000 (2016: £80,000).

Share options in issue to Directors are disclosed on page 19.

8. Taxation

The Company is taxed at the company standard rate of 0%.

The Company's subsidiary, Landore Resources Canada Inc., is subject to Canadian Federal tax. No tax has been provided in the accounts of Landore Resources Canada Inc. since there were no taxable profits generated by the Company during the year.

Landore Resources Canada Inc. has potential deferred tax assets of CA$12,530,000 (2016: CA$11,730,000), which are not recognised at the end of the year. These deferred tax assets are in relation to exploration expenditures which are carried forward to be utilised against future profits.

Landore Resources Canada Inc. also has a subsidiary, Brancote US Inc., which is subject to taxation in the United States. This subsidiary has estimated non-capital losses of US$522,159 (2016: US$522,159), which will expire between 2018 and 2020.

	2017	2016
	£	£
Loss for the year	(1,112,648)	(834,549)
Loss for the year multiplied by standard rate of Canadian corporation tax 26.5% (2016: 26.5%)	(294,852)	(221,156)
Effect of:		
Losses not utilised in the current year	294,852	221,156
Income tax expense	—	—

Notes to the consolidated financial statements *continued*

9. Mineral properties – Group

	1 January 2017 £	Net expense in the period £	Accumulated expenditure at 31 December 2017 £	Option income in the period £	Accumulated expenditure at 31 December 2017 £
Junior Lake	17,416,905	2,131,987	19,548,892	—	19,548,892
Miminiska Lake	1,522,288	5,248	1,527,536	—	1,527,536
Frond Lake	81,735	1,562	83,297	—	83,297
Wottam	61,558	—	61,558	—	61,558
Lessard	697,191	3,166	700,357	—	700,357
Other, including Swole Lake, West Graham and Root Lake	69,660	3,249	72,909	—	72,909
	19,849,337	2,145,212	21,994,549	—	21,994,549

Mineral properties – Company

	1 January 2017 £	Net expense in the period £	Accumulated expenditure at 31 December 2017 £
Junior Lake	97,314	—	97,314
	97,314	—	97,314

9.1 Junior Lake

Junior Lake is a nickel, copper, platinum group metals, iron, gold, and lithium property located approximately 230 kilometres north of Thunder Bay in Northern Ontario, Canada. The property consists of 5 leased claims and 123 staked mining claims, wholly-owned by the Company. A total of 8 claims in the original property block are subject to a 2% net smelter return ("NSR"). The Junior Lake property encompasses the Lamaune property block consisting of 23 mining claims. A total of 8 claims in the Lamaune property block are subject to a 2% NSR. The Junior Lake property also encompasses the Swole property block.

9.2 Miminiska Lake

Miminiska Lake is a gold exploration project located approximately 115 kilometres east of Pickle Lake in Northern Ontario, Canada. The property consists of a southern block of 28 patented and 2 staked claims ("Miminiska Lake"), and a northern block consisting of 43 staked claims ("Keezhik Lake"). Both blocks are wholly-owned by the Company.

9.3 Frond Lake

Frond Lake is a gold property located approximately 125 kilometres east of Pickle Lake in Northern Ontario, Canada. The property is comprised of 24 patented claims contiguous to the east of the Wottam Property. The Frond Lake property claims are wholly-owned by the Company, subject to a 2% NSR to the original owners of the property.

Notes to the consolidated financial statements *continued*

9.4 Wottam

Wottam is a gold property located approximately 120 kilometres east of Pickle Lake in Northern Ontario, Canada. The property is wholly-owned by the Company and includes 20 claims contiguous between the Miminiska and Frond properties.

9.5 Lessard

Lessard is a zinc and copper property comprised of 57 mining claims located approximately 107 kilometres north of Chibougamau in Quebec, Canada. The property is wholly-owned by the Company.

9.6 Swole Lake

Swole Lake is host to nickel, copper, platinum group metals, and lithium occurrences. The Swole Lake mining claim, wholly-owned by the Company, is consolidated into the greater Junior Lake property. The Swole Lake claim is subject to a 2% NSR to the original holder of the claim.

9.7 West Graham

West Graham is a nickel, copper, and platinum group metals property comprised of one patented claim wholly-owned by the Company. The property is located 25 kilometres southwest of Sudbury and 1.5 kilometres east of the Lockerby nickel mine. On 21 November 2005, First Nickel Inc. optioned the property from the Company. In 2010, First Nickel Inc. earned a 70% interest in the property, with a possibility of earning a further 15% interest subject to certain conditions. In 2015, First Nickel Inc. went into Administration and in January 2016 their interest in the West Graham property was acquired by Transition Metals Corp, and later sold to Sudbury Platinum Corporation.

9.8 Root Lake

Root Lake is a lithium property located approximately 300 kilometres northwest of Thunder Bay in Northern Ontario, Canada. The property consists of 33 patented and 3 staked claims. In 2016, Landore sold the Root Lake property to Ardiden Limited (“Ardiden”).

10. Loss per share

The calculation of the basic loss per share is based on the loss attributable to the equity holders of the parent for the financial year divided by the weighted average number of shares being 782,699,462 (2016: 668,889,030) in issue during the year.

The potential ordinary shares which arise as a result of the options in issue are not dilutive under the terms of IAS 33 because they would reduce the loss per share. Accordingly, there is no difference between the basic and dilutive loss per share. At the year end, there were 68,650,000 (2016: 50,850,000) share options and no (2016: 1,830,000) warrants in issue. Further details are shown in Note 16.

Notes to the consolidated financial statements *continued*

11. Property, plant and equipment – Group

	Automotive equipment £	Computer hardware £	Machinery and equipment £	Office equipment £	Total £
Cost					
At 1 January 2017	130,628	29,295	124,750	19,029	303,702
Additions	37,852	4,768	—	—	42,620
Disposals	(31,567)	—	—	—	(31,567)
Foreign exchange movements	(3,253)	(785)	(3,010)	(459)	(7,507)
At 31 December 2017	133,660	33,278	121,740	18,570	307,248
Depreciation					
At 1 January 2017	122,981	28,161	104,109	17,971	273,222
Charge for the year	4,095	1,768	4,162	210	10,235
Disposals	(31,567)	—	—	—	(31,567)
Foreign exchange movements	(2,519)	(708)	(2,580)	(435)	(6,244)
At 31 December 2017	92,990	29,221	105,691	17,746	245,646
Net book value					
At 31 December 2017	40,670	4,057	16,049	824	61,600
At 31 December 2016	7,647	1,134	20,641	1,058	30,480

	Automotive equipment £	Computer hardware £	Machinery and equipment £	Office equipment £	Total £
Cost					
At 1 January 2016	105,512	23,664	100,764	15,370	245,310
Additions	—	—	—	—	—
Disposals	—	—	—	—	—
Foreign exchange movements	25,116	5,631	23,986	3,659	58,392
At 31 December 2016	130,628	29,295	124,750	19,029	303,702
Depreciation					
At 1 January 2016	94,702	22,060	78,535	14,231	209,528
Charge for the year	5,292	785	6,348	326	12,751
Disposals	—	—	—	—	—
Foreign exchange movements	22,987	5,316	19,226	3,414	50,944
At 31 December 2016	122,981	28,161	104,109	17,971	273,222
Net book value					
At 31 December 2016	7,647	1,134	20,641	1,058	30,480
At 31 December 2015	10,810	1,604	22,229	1,139	35,782

Notes to the consolidated financial statements *continued*

12. Non-current asset investments – Company

	Investment in subsidiaries £
Cost	
At 1 January 2016	4,111,190
At 31 December 2016	4,111,190
At 31 December 2017	4,111,190
Provision for diminution in value	
At 1 January 2016	4,016,302
At 31 December 2016	4,016,302
At 31 December 2017	4,106,302
Net book value	
At 1 January 2016	94,888
At 31 December 2016	94,888
At 31 December 2017	94,888

At 31 December 2017, the Company held the issued share capital of the following subsidiary undertakings:

Subsidiary	*Nature of business*	*Country of incorporation*
Landore Resources Canada Inc. (100%)	Exploration of precious metals	Canada
Brancote US Inc.* (100%)	Exploration of precious metals	United States
Lamaune Iron Inc.** (90.2%)	Exploration of precious metals	Canada

*The entire share capital of Brancote US Inc. is held by Landore Resources Canada Inc.

**90.2% of the share capital of Lamaune Iron Inc. is held by Landore Resources Canada Inc.

All subsidiaries have been included in the consolidated financial statements.

13. Trade and other receivables

	Group 2017 £	Company 2017 £	Group 2016 £	Company 2016 £
Due within one year:				
Loans receivable	—	—	3,739,030	—
Allowance for impairment	—	—	(3,739,030)	—
Trade receivables	48,535	3,796	65,799	4,046
Amount due from subsidiary	—	27,986,899	—	26,583,330
	48,535	27,990,695	65,799	26,587,376

On 12 October 2017, Landore Resources Canada Inc. received a total of 576,192,087 common shares at a price of $0.010689699 per share of Lamaune Iron Inc. as full settlement of a $6,159,320 loan receivable. As a result, Landore Resources Canada Inc. now holds 90.2% of Lamaune Iron Inc's share capital. Refer to note 22 for further details.

Notes to the consolidated financial statements *continued*

14. Trade and other payables: amounts falling due within one year

	Group 2017 £	Company 2017 £	Group 2016 £	Company 2016 £
Trade payables	361,433	55,412	250,248	67,168
Current tax liabilities	35,311	—	36,184	—
	396,744	55,412	286,432	67,168

15. Share capital

	Company 2017 £	Company 2016 £
Issued and fully paid:		
835,915,779 (2016: 707,488,001) ordinary shares of nil par value each ranking *pari passu*	38,322,307	35,264,858

	Ordinary Shares of 0p 2017 £
Issued:	
At 1 January 2017	35,264,858
Issued in the year	3,114,925
Issue costs	(57,476)
At 31 December 2017	38,322,307

The Company made allotments of no par value ordinary shares with an aggregate nominal value of £nil during the period as follows:

	Number of shares	Nominal value £	Share capital £
3 March 2017 – Subscription at 2.7p	74,075,000	—	2,000,025
3 March 2017 – Further subscription at 2.7p	3,700,000	—	99,900
16 March 2017 – Settle advisor fees at 1.7p	277,778	—	7,500
19 October 2017 – Subscription at 2.0p	50,000,000	—	1,000,000
19 October 2017 – Settle advisor fees at 2.0p	375,000	—	7,500
	128,427,778	—	3,114,925

Notes to the consolidated financial statements *continued*

Issue costs of £57,476 (2016: £16,500) were incurred when issuing shares.

The total gross cash proceeds received from the shares issued in the year under review amounted to £3,099,925.

Under the Companies (Guernsey) Law, 2008 there is no longer a requirement for a company to have a specific authorised share capital. The Company adopted new style Articles of Incorporation on 20 June 2013, clause 4.1 of the Articles refers to the unlimited share capital.

16. Share-based payment reserve – Group and Company

	2017 £	2016 £
Share options reserve	855,453	714,541
Share options reserve – warrants	—	33,690
Total	855,453	748,231

16.1 Share options reserve

Grant date	Expiry date	Exercise price £	Number of options at 1 January 2017	(Lapsed)/ Granted	(Exercised)	Number of options at 31 Dec 2017	Fair value £
28 October 2009	28 October 2019	0.1400	1,000,000	—	—	1,000,000	53,616
20 March 2012	20 March 2017	0.0788	3,500,000	(3,500,000)	—	—	—
4 July 2012	4 July 2017	0.0650	500,000	(500,000)	—	—	—
26 September 2012	26 September 2017	0.0738	4,700,000	(4,700,000)	—	—	—
1 July 2013	1 July 2018	0.0500	7,000,000	—	—	7,000,000	54,846
25 November 2013	25 November 2018	0.0250	10,200,000	—	—	10,200,000	74,154
21 March 2014	21 March 2019	0.0217	900,000	—	—	900,000	9,029
21 July 2014	21 July 2019	0.03525	9,300,000	—	—	9,300,000	161,505
22 June 2016	22 June 2021	0.018	13,750,000	—	—	13,750,000	162,922
5 July 2017	5 July 2022	0.0319	—	21,500,000	—	21,500,000	295,562
22 December 2017	22 December 2022	0.022	—	5,000,000	—	5,000,000	43,819
			50,850,000	17,800,000	—	68,650,000	855,453

During the year, the Company granted 26,500,000 options (2016: 20,750,000).

No options were exercised during the year (2016: 7,000,000).

8,700,000 share options lapsed in the year (2016: 8,000,000).

All of the above options vest in full on the grant date and all 68,650,000 options were therefore exercisable at the year-end.

Notes to the consolidated financial statements *continued*

The weighted average exercise prices relating to the above movements in the number of share options are as follows:

	2017 £	2016 £
Outstanding at beginning of the period	0.039	0.13
Granted during the period	0.03	0.018
Exercised during the period	—	0.018
Lapsed during the period	0.075	0.16
Outstanding at end of the period	0.031	0.039
Exercisable at end of the period	0.031	0.039
Weighted average share price of share options exercised in year	—	0.018
Weighted average remaining contractual life of share options outstanding at end of the period (years)	2.91	2.45

During the year ended 31 December 2017, 26,500,000 share options were issued to various Directors and employees.

The estimated fair value of the above options was calculated by applying the Black-Scholes pricing model.

The model inputs were:

Options granted	**4 July 2017**	**22 December 2017**
Share price at grant date	£0.029	£0.021
Expected volatility	59.62%	49.97%
Risk-free interest rate	0.25%	0.5%
Exercise price	£0.0319	£0.022
Option life	5 years	5 years

The expected volatility is wholly based on the historic volatility of share prices (calculated based on the average life of the share options).

The movements on the share options reserve are detailed below:

	2017 £	2016 £
Share options reserve as at 1 January	714,541	858,019
Charge in statement of comprehensive income – options issued	339,381	245,864
Transfer to retained earnings – options exercised	—	(82,942)
Transfer to retained earnings – lapsed options	(198,469)	(306,400)
Share options reserve at 31 December	855,453	714,541

Notes to the consolidated financial statements *continued*

16.2 Share options reserve – warrants

Grant date	Expiry date	Exercise price (£)	Number of options at 1 January 2017	(Lapsed)/ Granted	Number of options at 31 December 2017	Fair value (£)
14 July 2014	14 July 2017	0.0363	1,830,000	(1,830,000)	—	—
			1,830,000	(1,830,000)	—	—

The Company granted no warrants during the year (2016: nil). Warrants were issued after the year-end as described in Note 27.

During the year ended 31 December 2017, 1,830,000 warrants lapsed (2016: nil). No warrants were in issue at the year-end.

The weighted average exercise prices relating to the movements in the number of warrants are as follows:

	2017 £	2016 £
Outstanding at beginning of the period	0.0363	0.0363
Granted during the period	—	—
Exercised during the period	—	—
Lapsed during the period	0.0363	—
Outstanding at end of the period	—	0.0363
Exercisable at end of the period	—	0.0363
Weighted average remaining contractual life of warrants outstanding at end of the period (years)	—	0.53
Weighted average share price of warrants exercised in year	—	—

The movements on the warrant reserve are detailed below:

	2017 £	2016 £
Warrant reserve as at 1 January	33,690	33,690
Charge in statement of comprehensive income	—	—
Transfer to retained earnings - lapsed warrants	(33,690)	—
Warrant reserve at 31 December	—	33,690

Notes to the consolidated financial statements *continued*

17. Accumulated deficit

	2017 £	2016 £
Group		
At 1 January	(35,710,215)	(34,374,928)
Loss for the year	(3,295,653)	(1,724,629)
Exercise of options	—	82,942
Transfer in respect of lapsed options	198,469	306,400
Transfer in respect of lapsed warrants	33,690	—
Non-controlling interests on acquisition of Lamaune Iron Inc.	(5,202)	—
At 31 December	(38,778,911)	(35,710,215)
Company		
At 1 January	(9,313,646)	(14,017,096)
(Loss)/profit for the year	(1,724,346)	4,314,108
Exercise of options	—	82,942
Transfer in respect of lapsed options	198,469	306,400
Transfer in respect of lapsed warrants	33,690	—
At 31 December	(10,805,833)	(9,313,646)

18. Cumulative translation reserve

	Translation reserve £
Group	
At 1 January 2017	(344,495)
Exchange differences on translation of overseas operations	30,192
At 31 December 2017	(314,303)

The translation reserve records exchange differences arising from the translation of the accounts of the foreign currency denominated subsidiaries, Landore Resources Canada Inc., Brancote US Inc. and Lamaune Iron Inc.

19. Reconciliation of net cash flow to movement in net funds – Group

	2017 £	2016 £
Opening net funds	148,532	368,475
Increase/(decrease) in cash and cash equivalents	222,041	(235,109)
Net funds before foreign exchange	370,573	133,366
Foreign exchange (loss)/gain	(969)	15,166
Closing net funds	369,604	148,532

Notes to the consolidated financial statements *continued*

20. Analysis of net funds – Group

	At 1 January 2017 £	Cash flow £	Exchange Loss £	At 31 December 2017 £
Cash and cash equivalents	148,532	222,041	(969)	369,604
Total	148,532	222,041	(969)	369,604

21. Related party transactions

Advances were received by Landore Resources Canada Inc. from Landore Resources Limited. These were unsecured, non-interest bearing and repayable on demand. Amounts due from subsidiary undertakings are presented in Note 13.

Helen Green, a Director of the Company, is also a Director of Saffery Champness Management International Limited ("SCMIL") and Rysaffe International Services Limited ("Rysaffe"). SCMIL were paid £83,575 (2016: £71,395) in the period in respect of its role as administrators for the Company and Rysaffe was paid £10,000 (2016: £10,000) in respect of its role as Company Secretary. An amount of £24,615 (2016: £9,392) was owing to SCMIL at the year-end and the amount owing to Rysaffe was £nil (2016: £nil). All transactions are at market value.

In October 2017, the Company acquired a 90.2% interest in Lamaune Iron Inc., a company under common control prior to the transaction, in settlement of a note receivable of $6,159,320. Further details are presented in Note 22.

For key management compensation see Note 7. The Group does not have any single ultimate controlling party.

22. Acquisition of Lamaune Iron Inc.

On 12 October 2017, Landore Resources Canada Inc. received a total of 576,192,087 common shares at a price of $0.010689699 per share of Lamaune Iron Inc. as full settlement of a $6,159,320 note receivable, as presented in Note 13. As a result of this transaction, Landore Resources Canada Inc. holds 90.2% of the issued share capital of Lamaune Iron Inc., a development stage entity. The Company was considered to have acquired control of Lamaune Iron Inc. for accounting purposes.

No goodwill was recorded as a result of the acquisition.

The Group recognises non-controlling interests in an acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis. For the non-controlling interests in Lamaune Iron Inc., the Group elected to recognise the non-controlling interests in at its proportionate share of the acquired net identifiable assets. The non-controlling interest recorded at year end was £(1,551) (2016: £nil).

The acquired business contributed revenues of £nil and a net loss of £8,757 to the Group for the period from 12 October to 31 December 2017.

23. Financial instruments/Financial risk management

In the course of its business, the Group is exposed primarily to liquidity risk. As the Company grows, it is expected that capital management risk, foreign exchange risk, credit risk and interest rate risk will also become focuses of the Group's financial risk management policies.

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, to provide adequate resources to fund its exploration activities with a view to providing returns to its investors and to maintain sufficient financial resources to mitigate against risk and unforeseen events.

The Company meets its capital needs by equity financing. The Group sets the amount of capital it requires in proportion to risk. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

The objectives will be achieved by maintaining and adding value to existing extraction projects and identifying new exploration projects, adding value to these projects and ultimately taking them through to production and cash flow, either with partners or by the Group's means.

The Group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents, as presented on the face of the statement of financial position. Capital for the reporting periods under review is summarised in the consolidated statement of changes in equity.

The Group sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders in the future, return capital to shareholders or issue new shares.

Liquidity risk

The Group attempts to accurately forecast the cash flow requirements of its ongoing operations and ensures that it has sufficient funding in place to meet these needs. The Group currently uses equity finance as its main source of funding.

Foreign currency risk

The Group primarily operates in Canada but reports its financial results in GBP Sterling. It manages the potential exposure to fluctuations in the GBP Sterling to Canadian Dollar exchange rate by holding its main asset, being its cash reserves, in GBP Sterling. Cash is converted to Canadian Dollars to meet the expenditure requirements of its Canadian business only when required. Currently, the Group's net asset position is not significantly impacted by movements in the exchange rate.

As the Group remains a development phase entity it only has small and infrequent foreign currency transaction exposures.

In addition, the market for metals is principally denominated in United States dollars. As the Group has not reached production stage it does not currently engage in active hedging to minimise exchange rate risk, although this will remain under review.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Group does not have trade receivables and does not hold collateral as security.

Notes to the consolidated financial statements *continued*

Credit risk from balances with banks and financial institutions is managed by the Board. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

Counterparty credit limits are reviewed by the Board on a regular basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty failure.

No material exposure is considered to exist by virtue of the possible non-performance of the counterparties to financial instruments.

The on-going global financial situation is being monitored by the Board but is not affecting the Company at present.

Interest rate risk

As the Group does not currently have any borrowings it is not exposed to interest rate fluctuations.

The Group and Company held the following financial assets and liabilities:

	Group 2017 £	Company 2017 £	Group 2016 £	Company 2016 £
Financial assets				
Trade and other receivables	48,535	27,990,695	65,799	26,587,376
Investment in subsidiaries	—	94,888	—	94,888
Financial liabilities				
Trade and other payables	396,744	55,412	286,432	67,168

24. Commitments

Operating lease commitments

As at 31 December 2017, the Group had no significant contractual obligations (2016: none).

Contractual commitments

As at 31 December 2017, the Group had no significant contractual obligations (2016: none).

25. Administrative expenses

	Group 2017 £	Company 2017 £	Group 2016 £	Company 2016 £
Administrative expenses	449,721	229,249	321,442	185,843
Directors fees	217,500	217,500	137,500	137,500
Legal, accountancy and audit expenses	146,462	74,490	86,376	64,937
Share-based payments expense	339,381	339,381	245,864	245,864
	1,153,064	860,620	791,182	634,144

Notes to the consolidated financial statements *continued*

26. Cash and cash equivalents

	Group 2017 £	Company 2017 £	Group 2016 £	Company 2016 £
Cash at bank	369,604	341,756	148,532	84,347
Short term deposits	—	—	—	—
	369,604	341,756	148,532	84,347

27. Subsequent events

On 4 April 2018, the Company issued 210,000,000 ordinary shares at 1.5 pence per share, raising gross proceeds of £3.15m. The issue price of 1.5p represented a discount of 13.29% to the closing mid-market price on 15 March 2018.

In addition, 210,000,000 warrants were issued to the subscribers of the new ordinary shares. Warrants entitle the holder to subscribe for one ordinary share and have an exercise price of 2p.

The proceeds are being used to complete a 12,000 metre drilling programme aimed at advancing the existing BAM East Gold deposit to a 1 million ounce gold resource.

The new ordinary shares represent approximately 20.1% of the enlarged share capital of the Company.

The fundraising was approved by the shareholders at an Extraordinary General Meeting held on 3 April 2018.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Landore Resources Limited (the "**Company**") will be held at La Tonnelle House, Les Banques, St Sampson, Guernsey, GY1 3HS on 19 July 2018 at 11.30 am at which the following resolutions will be proposed, in the case of resolutions 1 to 5 as Ordinary Resolutions and in the case of resolution 6 as a Special Resolution:

Ordinary Business

1. to receive and adopt the statement of accounts and the statement of financial position of the Company with the report of the Directors and the auditor's report for the year ended 31 December 2017;
2. to re-elect Charles Wilkinson who retires in accordance with Article 19.12 of the Articles of Incorporation of the Company (the "**Articles**");
3. to re-elect Helen Green who retires in accordance with Article 19.12 of the Articles;
4. to re-appoint Grant Thornton Limited as auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to determine their remuneration;
5. that in substitution for all previous authorities which are hereby revoked, the Directors be and they are hereby generally and unconditionally authorised for the purposes of Article 5.1 of the Articles to exercise all the powers of the Company to allot up to a maximum amount of 200,000,000 relevant securities provided that this authority shall expire five years from the date of this resolution and that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offer or agreement notwithstanding that the authority conferred hereby has expired and in this resolution the expression "relevant securities" and references to the allotment of relevant securities shall bear the same respective meanings as in the Articles;

Special Business

6. that in substitution for all previous authorities which are hereby revoked, the Directors be and they are hereby empowered pursuant to Article 6.8 of the Articles to allot equity securities for cash pursuant to the authority conferred by the previous resolution as if Article 6.1 of the Articles did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:
   (a) in connection with an offer of such securities by way of rights to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings of such shares, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or any legal or practical problems under the laws of any territory, or the requirements of any regulatory body or stock exchange; and
   (b) otherwise than pursuant to subparagraph (a) above, up to a maximum aggregate amount of 200,000,000 shares;

provided that this authority shall expire five years from the date of this resolution and that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement notwithstanding that the authority conferred hereby has expired and in this resolution the expression "equity securities" and references to the allotment of equity securities shall bear the same respective meanings as in the Articles.

By Order of the Board

Director of Rysaffe International Services Limited

as Secretary to Landore Resources Limited

31 May 2018

Notes

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy (or more than one proxy) to attend, speak and vote in his stead. A proxy may demand, or join in demanding, a poll. A proxy need not be a member of the Company.
2. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. Members may not appoint more than one proxy to exercise rights attached to any one share. Members should contact the Company's Registrar Agents, Computershare Investor Services (Guernsey) Limited, if they wish to appoint more than one proxy or they should photocopy the Form of Proxy.
3. For the convenience of members who may be unable to attend the meeting, a Form of Proxy is enclosed which should be completed and returned to the Company's Registrar Agents, Computershare Investor Services (Guernsey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY by no later than close of business on 16 July 2018. The fact that members have completed Forms of Proxy will not prevent them from attending and voting in person should they afterwards decide to do so.
4. The Company specifies that only those members registered in the Company's Register of Members as at close of business on 16 July 2018 shall be entitled to attend and vote at the meeting. Such members may only vote at the Meeting in respect of ordinary shares in the Company held at that time. Changes to entries on the register of members after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) of it by using the procedures described in the CREST Manual. CREST personal members, sponsored CREST members and CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action for them.

   To appoint one or more proxies, or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system CREST messages (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must in order to be valid, be transmitted and received by Company's Registrar Agents, Computershare Investor Services (Guernsey) Limited (ID number 3RA50) by close of business on 16 July 2018. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which Computershare Investor Services (Guernsey) Limited is able to retrieve the message. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Article 34 of the Uncertificated Securities (Guernsey) Regulations 2009.

Form of Proxy

Landore Resources Limited

Annual General Meeting

I/We ....

of ....

....

being (a) member(s) of Landore Resources Limited (the "Company") hereby appoint

....

failing whom, the Chairman of the Meeting, as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Shareholders of the Company to be held at La Tonnelle House, Les Banques, St. Sampson, Guernsey GY1 3HS on 19 July 2018 at 11.30 am and at any adjournment thereof and to vote thereat as indicated below.

Please indicate with an "X" in the appropriate space how you wish your votes to be cast:

Ordinary Business	For	Against
1. Ordinary Resolution to receive and adopt the accounts for the year ended 31 December 2017		
2. Ordinary Resolution to re-elect Charles Wilkinson		
3. Ordinary Resolution to re-elect Helen Green		
4. Ordinary Resolution to re-appoint Grant Thornton Limited as Auditor and to authorise the Directors to determine the remuneration of the Auditor		
5. Special Resolution to authorise the Directors to allot relevant securities		
Special Business		
6. Special Resolution to authorise the Directors to disapply pre-emption rights in relation to the allotments of equity securities		

Date: .... Signature(s) or common seal: ....

Notes:

1. A proxy need not be a member of the Company.
2 If you do not indicate how you wish your proxy to use your vote in a particular matter, the proxy will exercise his/her discretion as to how he/she votes and as to whether or not he/she abstains from voting.
3. In the case of a corporation this Form of Proxy must be executed under seal or under the hand of an officer or attorney duly authorised in writing.
4. Forms of Proxy, to be valid, must be signed and must be lodged, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, to the Company's Registrar Agents, Computershare Investor Services (Guernsey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY by close of business on 16 July 2018.
5. In the case of joint holders, the signature of any one of them will suffice, but if a holder other than the first-named holder signs, it will help the Registrars if the name of the first-named holder is given.
6. Any alteration to this Form of Proxy must be initialled.
7. Completion and return of this Form of Proxy does not preclude a member subsequently attending and voting at the meeting.
8. CREST members should use the CREST electronic proxy appointment service and refer to Note 5 of the Notice of Annual General Meeting in relation to the submission of a proxy appointment via CREST. CREST voting cut off will be close of business on 16 July 2018.
9. Pursuant to Regulation 48 of the Uncertificated Securities (Guernsey) Regulations 2009, entitlement to attend and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the Register of Members of the Company at close of business on 16 July 2018. Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.