

Company Registration No. 05291439 (England and Wales)

ANGLO TANZANIA GOLD LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016



ANGLO TANZANIA GOLD LIMITED

COMPANY INFORMATION

Director	Dr B Olivier
Secretary	York Place Company Secretaries Limited
Company number	05291439
Registered office	Quadrant House 4 Thomas More Square London E1W 1YW
Auditor	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW

ANGLO TANZANIA GOLD LIMITED

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ANGLO TANZANIA GOLD LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 30 JUNE 2016

The director presents his annual report and financial statements for the year ended 30 June 2016.

Principal activities

The principal activity of the company continued to be that of holding investments in mineral exploration operations established in Tanzania and Argentina.

Director

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

Dr B Olivier

Results and dividends

The results for the year are set out on page 5.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

Auditor

The auditor, UHY Hacker Young, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of director's responsibilities

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

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

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

ANGLO TANZANIA GOLD LIMITED

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

Statement of disclosure to auditor

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

On behalf of the board



.....
Dr B Olivier

Director
9 March 2017

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ANGLO TANZANIA GOLD LIMITED**

We have audited the financial statements of Anglo Tanzania Gold Limited for the year ended 30 June 2016 set out on pages 5 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

Respective responsibilities of director and auditor

As explained more fully in the Director's Responsibilities Statement set out on pages 1 - 2, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF ANGLO TANZANIA GOLD LIMITED

Matters on which we are required to report by exception

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

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



Colin Wright (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young

28/3/17
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Chartered Accountants
Statutory Auditor

ANGLO TANZANIA GOLD LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2016

		2016	2015
	Notes	£	£
Administrative expenses		(302,509)	(91,997)
Interest receivable and similar income	5	<u>1</u>	<u>6</u>
Loss before taxation		(302,508)	(91,991)
Taxation	6	<u>-</u>	<u>-</u>
Loss for the financial year		<u><u>(302,508)</u></u>	<u><u>(91,991)</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

ANGLO TANZANIA GOLD LIMITED

BALANCE SHEET

AS AT 30 JUNE 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Investments	7		1,528,821		1,459,185
Current assets					
Cash at bank and in hand			7,466		2,314
Creditors: amounts falling due within one year	10				
		(2,442,448)		(2,065,152)	
Net current liabilities			(2,434,982)		(2,062,838)
Total assets less current liabilities			(906,161)		(603,653)
Capital and reserves					
Called up share capital	11		1		1
Profit and loss reserves			(906,162)		(603,654)
Total equity			(906,161)		(603,653)

The financial statements were approved and signed by the director and authorised for issue on 9 March 2017



Dr B Olivier
Director

Company Registration No. 05291439

ANGLO TANZANIA GOLD LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 July 2014		1	(511,663)	(511,662)
Year ended 30 June 2015:				
Loss and total comprehensive income for the year		-	(91,991)	(91,991)
Balance at 30 June 2015		1	(603,654)	(603,653)
Year ended 30 June 2016:				
Loss and total comprehensive income for the year		-	(302,508)	(302,508)
Balance at 30 June 2016		1	(906,162)	(906,161)

ANGLO TANZANIA GOLD LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2016

	Notes	2016 £	£	2015 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	14		74,787		(21,223)
Investing activities					
Proceeds on disposal of subsidiaries		(69,636)		(14,564)	
Interest received		1		6	
Net cash used in investing activities			(69,635)		(14,558)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			5,152		(35,781)
Cash and cash equivalents at beginning of year			2,314		38,095
Cash and cash equivalents at end of year			7,466		2,314

ANGLO TANZANIA GOLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies

Company information

Anglo Tanzania Gold Limited is a company limited by shares incorporated in England and Wales. The registered office is Quadrant House, 4 Thomas More Square, London, E1W 1YW.

1.1 Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Fixed asset investments

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

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.3 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.4 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

ANGLO TANZANIA GOLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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 company after deducting all of its liabilities.

ANGLO TANZANIA GOLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.5 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.6 Foreign exchange

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

ANGLO TANZANIA GOLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2016 £	2015 £
Other significant revenue		
Interest income	1	6

4 Operating loss

	2016 £	2015 £
Operating loss for the year is stated after charging/(crediting):		
Exchange losses	298,223	47,375
Fees payable to the company's auditor for the audit of the company's financial statements	(2,800)	2,400
	<u> </u>	<u> </u>

5 Interest receivable and similar income

	2016 £	2015 £
Interest income		
Interest on bank deposits	1	6
	<u> </u>	<u> </u>

ANGLO TANZANIA GOLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

(Continued)

5 Interest receivable and similar income

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss

1	6
<u>1</u>	<u>6</u>

6 Taxation

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2016 £	2015 £
Loss before taxation	(302,508)	(91,991)
	<u>(302,508)</u>	<u>(91,991)</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.75%)	(60,502)	(19,088)
	60,502	19,088
	<u>60,502</u>	<u>19,088</u>
Tax expense for the year	-	-
	<u>-</u>	<u>-</u>

7 Fixed asset investments

	Notes	2016 £	2015 £
Investments in subsidiaries	8	1,528,821	1,432,806
Loans to subsidiaries	8	-	26,379
		<u>1,528,821</u>	<u>1,459,185</u>

ANGLO TANZANIA GOLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

7 Fixed asset investments (Continued)

Movements in fixed asset investments

	Shares in group undertakings £	Loans to group undertakings £	Total £
Cost or valuation			
At 1 July 2015	1,432,806	26,379	1,459,185
Movement	96,015	(26,379)	69,636
At 30 June 2016	1,528,821	-	1,528,821
Carrying amount			
At 30 June 2016	1,528,821	-	1,528,821
At 30 June 2015	1,432,806	26,379	1,459,185

8 Subsidiaries

Details of the company's subsidiaries at 30 June 2016 are as follows:

Name of undertaking and country of incorporation or residency		Nature of business	Class of shareholding	% Held Direct Indirect
Eureka Mining & Exploration SA	Argentina	Gold and copper exploration	Ordinary	70.00
Puna Metals SA	Argentina	Gold and copper exploration	Ordinary	70.00

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
Eureka Mining & Exploration SA	(23,164)	87,332
Puna Metals SA	(15,140)	103,543

ANGLO TANZANIA GOLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

9 Financial instruments

	2016	2015
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	-	26,379
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at amortised cost	2,442,448	2,065,152
	<u> </u>	<u> </u>

10 Creditors: amounts falling due within one year

	2016	2015
	£	£
Amounts due to group undertakings	2,438,955	2,039,797
Accruals and deferred income	3,493	25,355
	<u> </u>	<u> </u>
	2,442,448	2,065,152
	<u> </u>	<u> </u>

11 Share capital

	2016	2015
	£	£
Ordinary share capital		
Authorised		
1,000,000 Ordinary shares of £1 each	1,000,000	1,000,000
	<u> </u>	<u> </u>
Issued and fully paid		
1 Ordinary shares of £1 each	1	1
	<u> </u>	<u> </u>

12 Related party transactions

Amounts owed to parent and fellow subsidiary undertakings consist of £2,373,520 (2015: £1,989,953) due to Bezant Resources plc, the ultimate parent company, which was interest free and had no fixed repayment terms. Amounts owed to subsidiary undertakings consists of £34,522 (2015: £49,844) due to Eureka Mining and Exploration and £30,913 (2015: -£26,379) due to Puna Metals SA, both of which were interest free and had no fixed repayment terms.

13 Controlling party

The immediate parent company is Tanzania Gold Limited, a company registered in the Republic of Ireland. The ultimate parent company is Bezant Resources plc, a company registered in England and Wales.

Bezant Resources plc prepares group financial statements and copies can be obtained from the registered office.

ANGLO TANZANIA GOLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

14 Cash generated from operations

	2016	2015
	£	£
Loss for the year after tax	(302,508)	(91,991)
Adjustments for:		
Investment income	(1)	(6)
Movements in working capital:		
Increase in creditors	377,296	70,774
Cash generated from/(absorbed by) operations	<u>74,787</u>	<u>(21,223)</u>