



**Katoro Gold plc**  
(Incorporated in England and Wales)  
(Registration Number: 9306219)  
Share code on the AIM: KAT  
ISIN: GB00BSNBL022  
("Katoro" or "the Company")

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## Unaudited Interim results for the six months ended 30 June 2021

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**Dated 10 September 2021**

Katoro Gold plc ('Katoro' or the 'Company') (AIM: KAT), the AIM listed gold and nickel exploration and development company, is pleased to announce its unaudited results for the six months ended 30 June 2021. The interim results will also shortly be available on the Company's website: <https://www.katorogold.com/>

### Overview

- Drilling results from the RAB drill programme carried out at the Haneti project, confirmed the results from previous exploration work done, which was the primary objective. The latest results provided the confirmation desired, therefore subsequently refined planning and budgeting of the diamond drilling programme as well as the selection and engagement process for a suitable drilling contractor has been submitted for review and approval.
- Raised £960,000 (gross) through a placing and subscription of 48,000,000 new ordinary shares of 1.00p each in the capital of the Company at 2.00p per share.
- Katoro is currently in the processes of compiling a comprehensive funding package in accordance with the Blyvoor Joint Venture ("the JV") that will allow the construction, commissioning and operation of a mining and processing facility capable of processing 500,000 tonnes of tailings material per month, at an average Life of Mine ("LoM") gold grade of 0.29 g/t and confirmed recovery of 51%, before incorporating recovery gains from the latest metallurgical optimization tests.
- Furthermore, the JV's total project resource size of 1,410,000 oz gold consist of 500,000 oz gold in the measured category (35.5%), 368,000 oz gold in the indicated category (26.1%), and 542,000 oz gold in the inferred category (38.4%).
- Post period end:
  - A period of limited political unrest in South Africa temporarily delayed the funding process when some of the short-listed parties requested additional time to re-assess the country risk profile as a result of the unrest. However, the Company is pleased to announce that discussions with these potential funders have since resumed and the joint venture partners hope to conclude a final funding arrangement for Blyvoor during the latter part of 2021.

This announcement contains inside information as stipulated under the Market Abuse Regulations (EU) no. 596/2014.

**\*\*END\*\***

For further information please visit [www.katorogold.com](http://www.katorogold.com) or contact:

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## **Chairman's Statement**

### **Introduction**

Despite the ongoing challenges around the COVID-19 pandemic, the Company has continued to make significant progress across its project portfolio. As Chairman I would like to thank Katoro's Directors and our management team for their continued perseverance and hard work, and in particular our shareholders, for their patience during this difficult time. We are looking forward to accelerating on all fronts, despite ongoing and varying lockdown conditions in the second half of 2021.

Company successfully completed a maiden Rotary Air Blast Drill ("RAB") programme targeting the discovery of nickel and platinum group metals at the Haneti Joint Venture Project in Tanzania ("Haneti JV Project"), despite substantial challenges presented by COVID-19 and the extreme rainy conditions. Furthermore, the Company announced the results of a comprehensive Competent Person's Report ("CPR") on the results and findings technical and financial work that was conducted on the Blyvoor Gold Tailings Project, South Africa.

### **Haneti Nickel PGM Project**

The Haneti JV Project is a large-scale Polymetallic project covering a vast prospective area in central Tanzania, where the principal target zone is an 80km long ultra-mafic belt with grades from surface sampling of up to 13.6% nickel and 2.33g/t combined Platinum Group Metals (PGM's). Katoro holds a 65% ownership interest in Haneti with 35% held by Power Metal Resources plc (LON:POW).

During the reporting period, Katoro completed a 50 hole, 1,965 metres, maiden RAB drill programme at Mihanza Hill and Mwaka Hill and collected 1,965 samples. Following analysis of the assay results, an earlier decision to progress to a diamond core drilling programme in order to test for nickel sulphide mineralisation at depth, was confirmed. Subsequent refined planning and budgeting of the diamond drilling programme, as well as the selection and engagement process for a suitable drilling contractor has been submitted for review and approval.

### **Blyvoor Joint Venture Project**

In early 2020 the Company entered into a strategic gold production opportunity in South Africa, focused on the reprocessing of an existing Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC) compliant 1.34-million-ounce gold tailings resource. Katoro entered into a binding conditional agreement to form a 50/50 incorporated joint venture to advance the project to near term production.

During the reporting period, Katoro and its joint venture partners announced the results of a comprehensive CPR on the gold resource, based on the results and findings of advanced technical and financial work conducted on the Project.

The CPR comprised an advanced Pre-Feasibility level study, a South African Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (SAMREC) compliant reserve and resource statement, and a South African Mineral Asset Valuation ("SAMVAL") report for Blyvoor TSF 1, 6 and 7 and Doornfontein TSF 1, 2 and 3 gold tailings storage facilities.

The findings of the CPR were subjected to the results of confirmatory, optimization metallurgical test work. Following receipt of all the outstanding metallurgical test results, the findings of the CPR was validated, and the Company could proceed to further engage with prospective funders to a juncture where several parties recently submitted initial funding offers / proposals that were within the broad funding requirements and expectations of the Company.

Post reporting period, the Company has continued to make significant progress on all aspects of the business. A period of limited political unrest in South Africa temporarily delayed the funding process when some of the short-listed parties requested additional time to re-assess the country risk profile as a result of the unrest. However, the Company is pleased to announce that discussions with these potential funders have since resumed and the joint venture partners hope to conclude a final funding arrangement for Blyvoor during the latter part of 2021. Finalization of future Engineering, Procurement and Construction (EPC), mining contractor and operator appointment will follow on conclusion of the funding.

In conclusion, I am optimistic about Katoro and its prospects and look forward to a productive and exciting second half of FY 2021.

**Louis Coetzee**

**Executive Chairman**

**Unaudited Interim Results for the six months ended 30 June 2021****Unaudited condensed consolidated interim Statement of Comprehensive Income  
For the six months ended 30 June 2021**

	Note	6 months to 30 June 2021 (Unaudited) £	6 months to 30 June 2020 (Unaudited) £	12 months to 31 December 2020 (Audited) £
Revenue		-	-	-
Cost of sales		-	-	-
<b>Gross Profit</b>		-	-	-
Administrative expenses		(341,987)	(432,928)	(894,872)
Profit from disposal of subsidiary	13	-	815,691	-
Foreign exchanges gain/(loss)		69	(293)	(76,889)
Share based payment transactions	7	(162,700)	-	(225,778)
Exploration expenditure		(279,092)	(26)	(1,394,715)
Finance costs		-	(17,701)	(22,303)
<b>Operating profit/loss</b>		<b>(783,710)</b>	<b>364,743</b>	<b>(2,614,557)</b>
Other Income	13	-	815,691	43,873
Finance Income		11,919	-	9,570
<b>Profit/(loss) before Tax</b>		<b>(771,791)</b>	<b>364,743</b>	<b>(2,561,114)</b>
Tax		-	-	-
<b>Profit/(loss) for the period</b>		<b>(771,791)</b>	<b>364,743</b>	<b>(2,561,114)</b>
<b>Other comprehensive Income/(loss):</b>				
Items that may be classified subsequently to profit or loss:				
Exchange differences on translating of foreign operations		(16,456)	(7,789)	(9,266)
Gain/loss reclassified to P&L on disposal of foreign operation		-	-	121,670
<b>Total Comprehensive Income/(loss)</b>		<b>(788,247)</b>	<b>356,954</b>	<b>(2,448,710)</b>
<b>Profit/(loss) for the period</b>		<b>(771,791)</b>	<b>364,743</b>	<b>(2,561,114)</b>
Attributable to owners of the parent		(770,161)	364,743	(2,437,234)
Attributable to non-controlling interest		(1,630)	-	(123,880)
<b>Total comprehensive Income/(loss)</b>		<b>(788,247)</b>	<b>356,954</b>	<b>(2,692,050)</b>
Attributable to owners of the parent		(786,617)	356,954	(2,324,830)
Attributable to non-controlling interest		(1,630)	-	(123,880)
<b>Earnings/(loss) Profit per share</b>				
Basic and diluted Earnings/(loss) per share (pence)	4	(0.21)	0.17	(0.91)

**Unaudited condensed consolidated interim Statement of Financial Position**  
**As at 30 June 2021**

	Note	6 months to 30 June 2021 (Unaudited) £	6 months to 30 June 2020 (Unaudited) £	12 months to 31 December 2020 (Audited) £
<b>Assets</b>				
<b>Non-current assets</b>				
Intangible assets	8	209,500	209,500	209,500
Other financial assets	13	-	405,700	-
Investments		-	37,661	-
		<b>209,500</b>	<b>652,861</b>	<b>209,500</b>
<b>Current assets</b>				
Cash and cash equivalents		420,860	61,769	97,777
Other receivables		23,104	13,020	46,405
Other financial assets	13	-	1,159,200	-
<b>Total current assets</b>		<b>443,964</b>	<b>1,233,989</b>	<b>144,182</b>
<b>Total Assets</b>		<b>653,464</b>	<b>1,886,850</b>	<b>353,682</b>
<b>Equity</b>				
Called up share capital	6	3,789,125	2,503,650	3,286,982
Share premium		2,823,382	2,505,634	2,472,725
Capital contribution reserve		10,528	10,528	10,528
Translation reserve		(355,300)	(459,039)	(338,844)
Merger reserve		1,271,715	1,271,715	1,271,715
Warrant and share-based payment reserve	7	985,612	141,055	750,912
Retained deficit		(8,032,868)	(4,439,559)	(7,262,707)
<b>Reserves attributable to owners</b>		<b>492,194</b>	<b>1,533,984</b>	<b>191,311</b>
Minority interest		(71,065)	33,272	(69,435)
<b>Total Equity</b>		<b>421,129</b>	<b>1,567,256</b>	<b>121,876</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Trade and other payables	3	232,335	236,704	214,806
Other financial liabilities		-	82,890	17,000
<b>Total current liabilities</b>		<b>232,335</b>	<b>319,594</b>	<b>231,806</b>
<b>Total Equity and Liabilities</b>		<b>653,464</b>	<b>1,886,850</b>	<b>353,682</b>

**Unaudited Condensed Consolidated Statement of Changes in Equity**

	Share Capital	Share Premium	Warrant reserve and share based payment reserve	Merger Reserve	Capital Contribution Reserve	Foreign currency translation reserve	Retained deficit	Minority interest	Total
	£	£	£	£	£	£	£		£
<b>Balance at 31 December 2020 (audited)</b>	<b>3,286,982</b>	<b>2,472,725</b>	<b>750,912</b>	<b>1,271,715</b>	<b>10,528</b>	<b>(338,844)</b>	<b>(7,262,707)</b>	<b>(69,435)</b>	<b>121,876</b>
Loss for the period	-	-	-	-	-	-	(770,161)	(1,630)	(771,791)
Other comprehensive loss - exchange differences	-	-	-	-	-	(16,456)	-	-	(16,456)
Proceeds of share issue of share capital	502,143	350,657	-	-	-	-	-	-	852,800
Issue of share options and share warrants	-	-	234,700	-	-	-	-	-	234,700
<b>Balance as at 30 June 2021 (unaudited)</b>	<b>3,789,125</b>	<b>2,823,382</b>	<b>985,612</b>	<b>1,271,715</b>	<b>10,528</b>	<b>(355,300)</b>	<b>(8,032,868)</b>	<b>(71,065)</b>	<b>421,129</b>
<b>Balance at 1 January 2020 (audited)</b>	<b>1,795,555</b>	<b>2,216,729</b>	<b>105,467</b>	<b>1,271,715</b>	<b>10,528</b>	<b>(451,250)</b>	<b>(4,804,302)</b>	<b>33,272</b>	<b>177,714</b>
Loss for the period	-	-	-	-	-	-	364,743	-	364,743
Other comprehensive income - exchange differences	-	-	-	-	-	(7,789)	-	-	(7,789)
Proceeds of share issue of share capital	708,095	288,905	-	-	-	-	-	-	997,000
Issue of share options and share warrants	-	-	35,588	-	-	-	-	-	35,588
<b>Balance at 30 June 2020 (unaudited)</b>	<b>2,503,650</b>	<b>2,505,634</b>	<b>141,055</b>	<b>1,271,715</b>	<b>10,528</b>	<b>(459,039)</b>	<b>(4,439,559)</b>	<b>33,272</b>	<b>1,567,256</b>
<b>Balance at 1 January 2020 (audited)</b>	<b>1,795,555</b>	<b>2,216,729</b>	<b>105,467</b>	<b>1,271,715</b>	<b>10,528</b>	<b>(451,250)</b>	<b>(4,804,302)</b>	<b>33,272</b>	<b>177,714</b>
Loss for the period	-	-	-	-	-	-	(2,437,232)	(123,880)	(2,561,112)
Other comprehensive loss	-	-	-	-	-	(9,264)	-	-	(9,264)
Issue of share capital	1,491,427	255,996	-	-	-	-	-	-	1,747,423
Issue of share warrants and options	-	-	645,445	-	-	-	-	-	645,445
Disposal of interest in subsidiary without losing control	-	-	-	-	-	121,670	(21,173)	21,173	121,670
<b>Balance at 31 December 2020 (audited)</b>	<b>3,286,982</b>	<b>2,472,725</b>	<b>750,912</b>	<b>1,271,715</b>	<b>10,528</b>	<b>(338,844)</b>	<b>(7,262,707)</b>	<b>(69,435)</b>	<b>121,876</b>

**Unaudited condensed consolidated interim statement of cash flow**  
**For the six months ended 30 June 2021**

	6 months to 30 June 2021 (Unaudited) £	6 months to 30 June 2020 (Unaudited) £	12 months to 31 December 2020 (Audited) £
<b>Profit/(loss) for the period before taxation</b>	(771,791)	364,743	(2,561,114)
<b>Adjusted for:</b>			
Foreign exchange (gain)/ loss	(69)	(7,789)	99,828
Share based payment transactions	162,700	-	225,778
Directors shares issued as part of capital placing	-	-	50,090
Warrants issued for facilitation fees	-	35,588	-
Profit on disposal of subsidiaries	-	(815,691)	(43,873)
Impairments of other financial assets	83,532	-	1,160,337
Non trade expenses not settled	-	-	(4,200)
<b>Operating income before working capital changes</b>	<b>(525,628)</b>	<b>(423,149)</b>	<b>(1,073,154)</b>
Decrease/ (Increase) in trade and other receivables	23,301	85	(33,387)
(Decrease)/ Increase in trade and other payables	17,529	130,561	67,506
<b>Net cash outflows from operating activities</b>	<b>(484,798)</b>	<b>(292,503)</b>	<b>(1,039,035)</b>
<b>Cash flows from investing activities</b>			
Cash and cash equivalents disposed of due to sale of Subsidiary	-	(6,966)	(6,966)
Advances of other financial assets	(83,532)	(753,500)	(1,122,676)
Proceed received from sale of Subsidiary	-	-	76,717
Advances to subsidiaries	(9,597)	-	-
Advances to Reef Miners	(6,790)	-	-
Proceeds from sale of subsidiary without loss of control	-	-	25,000
<b>Net cash outflow from investing activities</b>	<b>(99,919)</b>	<b>(760,466)</b>	<b>(1,027,925)</b>
<b>Cash flows from financing activities</b>			
Issue of shares (net of share issue costs)	907,800	287,000	1,337,000
Proceeds from convertible loan note	-	792,800	792,800
<b>Net cash proceeds from financing activities</b>	<b>907,800</b>	<b>1,079,800</b>	<b>2,129,800</b>
<b>Net increase in cash and cash equivalents</b>	<b>323,083</b>	<b>26,831</b>	<b>62,839</b>
Cash and cash equivalents at beginning of period	97,777	34,938	34,938
<b>Cash and Cash equivalents at End of Period</b>	<b>420,860</b>	<b>61,769</b>	<b>97,777</b>

**Notes to the unaudited condensed consolidated interim financial statements**  
**For the six months ended 30 June 2021**

**Note 1 General information**

Katoro Gold plc (“Katoro” or the “Company”) is incorporated in England & Wales as a public Ltd company. The Company’s registered office is located at 60 Gracechurch Street, London EC3V OHR.

The principal activity of Katoro, through its subsidiaries (together the ‘Group’), is to carry out evaluation and exploration studies within a licenced portfolio area with a view to generating commercially viable Mineral Resources, namely gold and nickel mines. In Haneti, the Group has one nickel mining project, which has mineral exploration licences currently held by Eagle Exploration Ltd. In addition, in South Africa the Group has entered into binding conditional agreement to form a 50/50 unincorporated joint venture pertaining to gold tailing project.

The condensed interim consolidated financial statements do not represent statutory accounts within the meaning of section 435 of the Companies Act 2016.

The condensed interim financial information is unaudited and has been prepared on the basis of the accounting policies as set out in the audited financial statements for the period ended 31 December 2020.

Accounting policies applied are consistent with those of the previous financial period.

The seasonality or cyclicity of operations does not impact on the interim financial statements.

**Note 2 Going concern**

The Company currently generates no revenue and had net assets of £421,129 as at 30 June 2021.

Following the recent successful placing and subscription of new ordinary shares, where the Group raised in cash the amount of £892,800, the Group has adequate cash and cash equivalents (financial resources) to ensure the Group is able to continue as a going concern for the foreseeable future.

Furthermore, after reviewing the Group’s financial projections, the directors of the Company (the “Directors”) have a reasonable expectation that the Group will have adequate resources to continue in operational existence for the foreseeable future.

For this reason, they adopted the going concern basis in preparing the Group Financial Information.

The effective implementation of COVID-19 vaccination protocol within the key areas the Group operations has led to an increase in operational activity for the Group. As at the time of preparing these results, the Group does not anticipate any further significant foreseeable disruption from the COVID-19 pandemic, and expects operational activities to normalise in the coming months.

Post period end there has been a period of limited political unrest in South Africa, however the impact on the groups operations have been temporary and limited in this regard.

**Note 3 Trade and other payables**

	<b>30 June 2021</b>	<b>30 June 2020</b>	<b>31 Dec 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Trade payables	122,897	123,424	62,892
Cash received on unlisted placing	-	45,000	-
Accruals	109,438	68,280	151,914
	<b>232,335</b>	<b>236,704</b>	<b>214,806</b>



**Note 4 Earnings per share**

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

	30 June 2021	30 June 2020	31 Dec 2020
	£	£	£
<b>Profit/(loss) for the period from continuing operations</b>	<b>(770,161)</b>	<b>364,743</b>	<b>(2,437,234)</b>
Weighted Average basic and diluted number of shares	373,931,716	214,713,873	268 475 455
Basic and diluted Earnings/(loss) per share (pence)	(0.21)	0.17	(0.91)

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

The Company had in issue warrants and options at 30 June 2021, the inclusion of such warrants and options in the weighted average number of shares in issue would be anti-dilutive and therefore they have not been included for the purpose of calculating the loss per share.

**Note 5 Unaudited results**

These condensed consolidated interim financial results have not been audited or reviewed by the Group's auditors.

**Note 6 Share Capital**

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

	30 June 2021	30 June 2020	31 Dec 2020
	£	£	£
Allotted, called-up and fully paid:	3,789,125	2,503,650	3,286,982

**A reconciliation of share capital is set out below:**

	Number of shares	Allotted, called-up and fully paid £
<b>At 1 January 2021</b>	<b>328,698,305</b>	<b>3,286,982</b>
Shares issued on cash placing	48,000,000	480,000
Conversion of convertible loans	1,214,285	12,143
Warrants exercised	1,000,000	10,000
<b>At 30 June 2021</b>	<b>378,912,590</b>	<b>3,789,125</b>

## Note 7 Warrant and Share based payment reserve

### Warrants

The following reconciliation serves to summarise the composition of the warrant reserve as at period end:

	<b>30 June 2021</b>	<b>30 June 2020</b>	<b>31 December 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Opening balance of warrant reserve	494,597	74,930	74,930
Issue of warrants	72,000	35,588	419,667
Exercise of warrants	-	-	-
	<b>566,597</b>	<b>110,518</b>	<b>494,597</b>

Reconciliation of the quantity of warrants in issue:

	<b>30 June 2021</b>	<b>30 June 2020</b>	<b>31 December 2020</b>
Opening balance	70,274,999	21,208,333	21,208,333
Warrants exercised	(1,000,000)	(4,800,000)	(4,800,000)
Warrants issued	48,000,000	17,200,000	53,866,666
	<b>117,274,999</b>	<b>33,608,333</b>	<b>70,274,999</b>

During the current year the following warrants have been issued over the Company's Ordinary Shares:

48,000,000 warrants to various funders in respect of placing and subscription of 48,000,000 ordinary shares of 1.0p each issued on 15 January 2021. Each Financing Share has an attaching warrant to subscribe for a further new Ordinary Share at a price of 3p, with a life to expiry of 3 years from the Financing Shares admission to trading on AIM ('Admission'), creating 48,000,000 new warrants.

### Share Options

The following reconciliation serves to summarise the composition of the share based payment reserve as at period end:

	<b>30 June 2021</b>	<b>30 June 2020</b>	<b>31 December 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Opening balance of share based payment reserve	256,315	30,537	30,537
Vesting of share options	162,700	-	225,778
	<b>419,015</b>	<b>30,537</b>	<b>256,315</b>

Reconciliation of the quantity of Share options in issue:

	<b>30 June 2021</b>	<b>30 June 2020</b>	<b>31 December 2020</b>
Opening balance	32,244,781	14,944,783	14,944,783
Share options issued	-	-	17,300,000
	<b>32,244,781</b>	<b>14,944,783</b>	<b>32,244,781</b>

During the current year the remaining 50% of the share options issued in August 2020 has vested.

**Note 8 Exploration and evaluation assets**

Exploration and evaluation assets consist solely of separately identifiable prospecting assets held by Kibo Nickel and its subsidiaries.

The following reconciliation serves to summarise the composition of intangible prospecting assets as at period end:

**Reconciliation of exploration and evaluation assets**

<b>Carrying value as at 1 January 2020</b>	<b>209,500</b>
Acquisition of prospecting licences	-
Impairment of licences	-
<b>Carrying value as at 30 June 2020</b>	<b>209,500</b>
Acquisition of prospecting licences	-
Impairment of licences	-
<b>Carrying value as at 31 December 2020</b>	<b>209,500</b>
Acquisition of prospecting licences	-
Impairment of licences	-
<b>Carrying value as at 30 June 2021</b>	<b>209,500</b>

Haneti comprises tenements (prospecting licences, offers and applications) prospective for nickel, platinum-group-elements and gold. It covers an area of approximately 5,000 sq. km in central Tanzania and forms a near contiguous project block. The project area straddles the Dodoma, Kondoia and Manyoni districts all within the Dodoma (Administrative) Region. The main prospective belt of rocks within the project, the Haneti-Itiso Ultramafic Complex (HIUC), is centred on the small town of Haneti, located 88 kilometres north of Tanzania's capital city Dodoma. The HIUC sporadically crops out over a strike length of 80 kilometres with most outcrop exposure occurring 15 kilometres east of Haneti village where artisanal mining of the semi-precious mineral chrysoprase (nickel stained chalcedonic quartz) is being carried out at a few localities.

**Note 9 Board of Directors**

There were no changes to the board of directors during the interim period, or any other committee's composition.

**Note 10 Subsequent events*****Blyvoor Joint Venture Project***

A period of limited political unrest in South Africa temporarily delayed the funding process when some of the short-listed parties requested additional time to re-assess the country risk profile as a result of the unrest. However, the Company is pleased to announce that discussions with these potential funders have since resumed and the joint venture partners hope to conclude a final funding arrangement for Blyvoor during the latter part of 2021.

**Note 11 Commitments and contingencies**

There are no material contingent assets or liabilities as at 30 June 2021.

**Note 12 Segment report***Segmental disclosure per category*

	<b>Mining</b>	<b>Corporate</b>	<b>Total</b>
	£	£	£
<b>30 June 2020</b>			
Loss after tax	(516)	365,259	<b>364,743</b>
Segmental assets	211,768	1,675,082	<b>1,886,650</b>
Segmental liabilities	10,051	309,543	<b>319,594</b>
<b>30 June 2021</b>			
Loss after tax	(369,842)	(401,949)	<b>(771,791)</b>
Segmental assets	217,519	435,945	<b>653,464</b>
Segmental liabilities	113,169	119,166	<b>232,335</b>

*Segmental disclosure per geographical location*

	<b>Tanzania</b>	<b>Cyprus</b>	<b>UK</b>	<b>South Africa</b>	<b>Total</b>
	£	£	£	£	£
<b>30 June 2020</b>					
Loss after tax	(516)	(138,339)	503,598	-	<b>364,743</b>
Segmental assets	211,768	1,495	1,673,587	-	<b>1,886,650</b>
Segmental liabilities	10,051	85,776	223,767	-	<b>319,594</b>
<b>30 June 2021</b>					
Loss after tax	(120,438)	(131,894)	(401,949)	(117,509)	<b>(771,791)</b>
Segmental assets	214,705	996	435,945	1,818	<b>653,464</b>
Segmental liabilities	9,553	102,117	119,166	1,499	<b>232,335</b>

Notable changes from the prior interim report has been the addition of a new geographical location in which the Group prospecting operation has been initiated which is South Africa where the Group has entered into binding conditional agreement to form a 50/50 unincorporated joint venture pertaining to gold tailing project.

**Note 13 Other financial assets**

	<b>30 June 2021</b>	<b>30 June 2020</b>	<b>31 December 2020</b>
	£	£	£
Other financial assets consists of:			
Lake Victoria Gold	-	811,400	640,821
Impairment	-	-	(640,821)
	-	<b>811,400</b>	-

On 30 June 2020, the last condition precedent related to the disposal of Reef Miners Ltd ("Reef") as per the SPA, comprising the Imweru gold project and the Lubando gold project in northern Tanzania, was met resulting in the effective disposal of the subsidiary to Lake Victoria Gold Ltd ("LVG").

The following profit on disposal of the subsidiary was recognised in the audited annual report at 31 December 2020:

	<b>Group (£)</b>
Cash and cash equivalents	(336)
Trade and other payables	9,136
<b>Net liability value disposed of at 31 December 2020</b>	<b>8,800</b>
Foreign currency translation reserve reclassified through profit or loss	(121,670)
Proceeds from disposal	<b>797,564</b>
Profit on disposal for group	<b>684,694</b>
Impairment	(640,821)
<b>Net profit on disposal for group at 31 December 2020</b>	<b>43,873</b>

The amount receivable from Lake Victoria Gold will be due and payable on the following dates:

1. US\$100,000 upon the satisfaction of the Condition Precedent;
2. US\$100,000 upon registration of Reef in the name of LVG;
3. US\$100,000 four months from the date of the SPA;
4. US\$200,000 nine months from the date of the SPA; and
5. US\$500,000 upon the earlier of the commissioning of the first producing mine of LVG in the Tanzania or the date 24 months from the date of the SPA.

As at 31 December 2020, funds of \$100,000 have been received from Lake Victoria Gold in respect of the sale of Reef Miners Ltd ("Reef")

The receivable in Lake Victoria Gold has been fully impaired at 31 December 2020 due to the significant increase in credit risk, which is as a result of payments 1, 3 and 4 not being received as they become due and is still outstanding at the date of this interim report.

### **Blyvoor Joint Venture**

On 30 January 2020, the Group entered into a Joint Venture Agreement with Blyvoor Gold Mines (Pty) Ltd, whereby Katoro Gold plc and Blyvoor Gold Mines (Pty) Ltd would become 50/50 participants in an unincorporated Joint Venture.

In accordance with the requirements of the Joint Venture Agreement, the Katoro Group was to provide a ZAR15.0 million loan (approximately £790,000) to the JV ('the Katoro Loan Facility'), which will fund ongoing development work on the Project.

As at 31 December 2020, the Group has advanced funding in the amount of £1,201,767 of which 100% relate to expenditure allocated to the Joint Venture operations, carried by the Katoro Gold plc Group.

Furthermore, the Group has continued to advance funding in the amount of £97,207 of which 100% relate to expenditure allocated to the Joint Venture operations, carried out by the Katoro Gold plc Group.

The Katoro Loan Facility shall form part of the development capital project financing that Katoro shall procure in accordance with its obligations contained in the Agreement, as detailed below, provided that:

- the balance of the Katoro Loan Facility then outstanding shall be subordinated to third party creditors participating in the development capital project financing;
- the Katoro Loan Facility will bear interest at the 12-month London Inter Bank Offered Rate, or its successor; and
- the Katoro Loan Facility will be repayable within 12 months after:
  - the last third-party creditor participating in the project financing shall have been paid; or
  - any earlier date on which the Parties may agree.

**Note 14 Related parties****Relationships**

<b>Name</b>	<b>Relationship</b>
Kibo Energy plc	Significant shareholder and controlling parent
Power Metal Resources plc	Common shareholding

<b>Related party balances trade receivables/(trade payables)</b>	<b>30 June 2021</b>	<b>30 June 2020</b>	<b>31 December 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Kibo Energy plc	-	-	23,024
Power Metal Resources plc	(77,080)	-	(41,155)
	<b>(77,080)</b>	-	<b>(18,131)</b>

Related parties of the Group comprise subsidiaries, significant shareholders, and the Directors.

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation.

Transactions with related parties are effected on a commercial basis and related party debts are repayable on a commercial basis.

The transactions during the period between the Company and its subsidiaries included the settlement of expenditure to/from subsidiaries, working capital funding, and settlement of the Company's liabilities through the issue of equity in subsidiaries. The loans to/from Group companies do not have fixed repayment terms and are unsecured.

**Note 15 Principal risks**

The principal risks and uncertainties identified in the last Annual Report of Katoro Gold plc, issued in May 2021, have not materially changed/alterd in the interim period.

**Note 16 Use of Estimates and Judgements**

The preparation of these condensed interim consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

In particular, there are significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements.

- Valuation of share options and warrants;
- Credit loss allowance for other financial assets; and
- Valuation of mining licence in Kibo Nickel Ltd.

**Note 17      Financial instruments - Fair value and Risk Management**

The carrying amount of all financial assets and liabilities approximates the fair value. Directors consider the carrying value of financial instruments of a short-term nature, that mature in 12 months or less, to approximate the fair value of such assets or liability classes.

The carrying values of longer-term assets are considered to approximate their fair value as these instruments bear interest at interest rates appropriate to the risk profile of the asset or liability class.

The Group does carry any unlisted financial instruments measured in the statement of financial position at fair value at 30 June 2021.