Golden Ivoire SARL
Interim Financial Report

CI-ABJ-2016-B-00830
For the half year ended 30 June 2018

Contents

Statement of Profit or Loss and Other Comprehensive Income

For the half year ended 30 June 2018

	Notes	30 June 2018 $	30 June 2017 $
Revenues		-	-
Expenses			
Accounting & audit		(4,971)	-
Consultants & contractors		(1,442)	-
Employee benefits expense		(1,076)	(960)
Exploration expenditure		(35,343)	(8,843)
Other expenses		(2)	(379)
Loss before income tax		**(42,834)**	**(10,181)**
Income tax expense		-	-
Loss for the half year		**(42,834)**	**(10,181)**
Other comprehensive income for the half year, net of tax		203	324
Total comprehensive loss for the half year		**(42,625)**	**(9,857)**

Note: This statement should be read in conjunction with the notes to the financial statements.

Statement of Financial Position

As at 30 June 2018

	Notes	30 June 2018 $	31 December 2017 $
Assets			
Current			
Cash and cash equivalents	5	63,923	24,545
Current assets		63,923	24,545
Total assets		**63,923**	**24,545**
Liabilities			
Current			
Trade and other payables	6	15,001	10,945
Current liabilities		15,001	10,945
Non-current liabilities			
Borrowings from African Gold Limited	9	92,426	-
Non-current liabilities		92,426	-
Total liabilities		**107,427**	**-**
Net assets		**(43,504)**	**13,600**
Equity			
Share capital	7	30,072	44,550
Foreign currency reserve		1,606	1,396
Accumulated losses		(75,181)	(32,346)
Total equity		**(43,504)**	**13,600**

Note: This statement should be read in conjunction with the notes to the financial statements.

Statement of Changes in Equity

For the half year ended to 30 June 2018

	Notes	Share capital $	Foreign currency reserve $	Accumulated Losses $	Total equity $
Balance at 1 January 2017		**44,550**	**56**	**(3,064)**	**41,542**
Loss for the half year		-	-	(10,181)	(10,181)
Other comprehensive income		-	324	-	324
Total comprehensive loss		-	**324**	**(10,181)**	**(9,857)**
Transactions with owners and options					
Issue of share capital	7	-	-	-	-
Balance at 30 June 2017		**44,550**	**380**	**(13,246)**	**31,685**
Balance at 1 January 2018		**44,550**	**1,396**	**(32,346)**	**13,600**
Loss for the half year		-	-	(42,834)	(42,834)
Other comprehensive income		-	209	-	209
Total comprehensive loss		-	**209**	**(42,834)**	**(42,625)**
Transactions with owners and options					
Issue of share capital	7	-	-	-	-
Return of capital	7	(14,478)	-	-	(14,478)
Balance at 30 June 2018		**30,072**	**1,605**	**(75,180)**	**(43,504)**

Note: This statement should be read in conjunction with the notes to the financial statements.

Statement of Cash Flows

For the half year ended 30 June 2018

	Notes	30 June 2018 $	30 June 2017 $
Operating activities			
Payments to suppliers for administration		(3,467)	(10,181)
Payments for exploration expenditure		(6,217)	-
Net cash used in operating activities	8	**(9,684)**	**(10,181)**
Financing activities			
Proceeds from share issuances		-	-
Return of capital	7	(14,478)	-
Borrowings from African Gold Limited		63,330	-
Net cash provided by financing activities		**48,852**	**-**
Net change in cash and cash equivalents		39,168	(10,181)
Exchange rate adjustment to cash		210	324
Cash and cash equivalents, beginning of half year		24,545	41,542
Cash and cash equivalents, end of half year	5	**63,923**	**31,685**

Note: This statement should be read in conjunction with the notes to the financial statements.

Notes to the Interim Financial Statements

1 Nature of operations

Golden Ivoire SARL ('the Company') principal activities include the acquisition of tenements for the exploration of gold in Cote d'Ivoire.

2 General information and statement of compliance

These condensed interim financial statements have been prepared in accordance with AASB 134 Interim Financial Reporting and IAS 34 Interim Financial Reporting.

The accounting policies used in the preparation of this interim financial report are as described below. The interim financial report has been prepared under the historical cost basis.

Golden Ivoire SARL is a Company incorporated and domiciled in Cote d'Ivoire. The address of its registered office and its principal place of business is Cocody les 2 Plateaux 7eme tranche, 06 BP 461 Abidjan, Cote d'Ivoire.

The interim financial statements for the half year ended 30 June 2018 were approved and authorised for issue by the Board of Directors on 9 November 2018.

3 Changes in accounting policies

3.1 New and revised standards that are effective for these interim financial statements

The Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting half years beginning on or after 1 July 2016.

It has been determined by the Company that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business.

3.2 Accounting Standards issued but not yet effective and not being adopted early by the Company

A number of Accounting Standards (and Interpretations) have been issued by the AASB and IASB as at the date of authorisation of the interim financial report that are not yet effective until future half years. None of these standards are expected to impact the interim financial statements.

4 Summary of accounting policies

4.1 Overall considerations

The financial statements are presented in Australian Dollars, which is not the functional currency of the Company being West African CFA franc.

4.2 Foreign currency transactions

Foreign currency transactions are translated into Australian Dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of financial half year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in other comprehensive income and through the foreign exchange reserve.

4.3 Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin. Expenditure for warranties is recognised and charged against the associated provision when the related revenue is recognised.

4.4 Financial instruments

Recognition, Initial Measurement and Derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and Subsequent Measurement of Financial Assets

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- loans and receivables
- financial assets at Fair Value Through Profit or Loss ('FVTPL')
- Held-To-Maturity ('HTM') investments; or
- Available-For-Sale ('AFS') financial assets

The only category that is relevant to this set of financial statements are loans and receivables.

All financial assets are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a Company of financial assets is impaired.

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 method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Company's trade and most other receivables fall into this category of financial instruments.

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 individually impaired are reviewed for impairment in companies, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified Company.

Classification and subsequent measurement of financial liabilities

The Company's financial liabilities include trade and other payables. Financial liabilities are measured subsequently at amortised cost using the effective interest method.

4.5 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

4.6 Equity and reserves

Share capital represents the fair value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share capital, net of any related income tax benefits.

Retained earnings include all current and prior half year retained profits.

4.7 Provisions, contingent liabilities and contingent assets

Provisions for product warranties, legal disputes, onerous contracts or other claims are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Restructuring provisions are recognised only if a detailed formal plan for the restructuring has been developed and implemented, or management has at least announced the plan's main features to those affected by it. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligation is not probable. Such situations are disclosed as contingent liabilities, unless the outflow of resources is remote in which case no liability is recognised.

4.8 Exploration and Development expenditure

Exploration, evaluation and development expenditures incurred are capitalised only to the extent that they are deemed to be recoverable through future development of the tenement areas to which they pertain and those tenement areas are current, with right of tenure belonging to the Company. Given that recoverability of the expenditures on exploration, evaluation and development are in question until future funding of the company's projects can be secured, the company has expensed all amounts.

4.9 Significant management judgement in applying accounting policies

When preparing the financial statements, there were no significant judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

4.10 Going Concern

The Company has incurred a net loss of $42,834 during the half year ended 30 June 2018 (2017: $10,181) and the cash outflows from operating activities equates to $9,684 (2017: $10,181).

The financial statements have been prepared on the basis of going concern which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The Directors consider this to be appropriate with the impending purchase of Golden Ivoire S.A.R.L by a company that is pursuing an initial public offering to raise $4,500,000, although this creates significant uncertainty with respect to whether the company will continue as a going concern.

Going forward, as part of a Group structure, the Company will have an ability to manage its cost structure dependent on the success of the initial public offering. In turn, the Company will be able to control its levels of cash outflow dependent on timing of its exploration activities and discretionary spend.

It is for these reasons that the Directors are confident the Company will continue as a going concern despite the uncertainty. The financial statements have therefore been presented on a Going Concern basis.

5 Cash and cash equivalents

The amount of cash and cash equivalents accessible to the Company as at 30 June 2018 is as follows:

	30 June 2018	**31 December 2017**
	$	**$**
Cash at bank and in hand	63,923	24,545
Cash and cash equivalents	**63,923**	**24,545**

6 Trade and other payables

Trade and other payables consist of the following:

Trade and other payables	**30 June 2018**	**31 December 2017**
	$	**$**
Trade and other payables	15,001	10,945
Total trade and other payables	**15,001**	**10,945**

All amounts are short-term. The carrying values of trade and other payables are considered to be a reasonable approximation of fair value.

7 Equity

7.1 Share capital

The share capital of Golden Ivoire SARL consists only of fully paid ordinary shares; the shares do not have a par value. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting.

	30 June 2018	31 December 2017	30 June 2018	31 December 2017
	Shares	Shares	$	$
Shares issued and fully paid	2,000	2,000	44,550	44,550
Return of capital	-	-	(14,478)	-
Total contributed equity at 30 June	**2,000**	**2,000**	**30,072**	**44,550**

Each share has the same right to receive dividend and the repayment of capital and represents one vote at the shareholders' meeting of Golden Ivoire SARL.

8 Operating segments

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The company operates in one segment being Exploration and Evaluation of Minerals in Cote d'Ivoire.

9 Borrowings from African Gold Limited

The Company has signed a share sale agreement with African Gold Limited, which will reach completion upon the listing of African Gold Limited on the ASX. During the period, the Company incurred a debt to African Gold Limited through a combination of cash calls and re-charged amounts from that company.

	30 June 2018	31 December 2017
	$	$
Loan from African Gold Limited	92,426	-

The loan is interest free, not secured and settlement is to be made in cash. There have been no guarantees provided or received for any related party balance.

Directors' Declaration

In accordance with a resolution of the Directors of Golden Ivoire SARL, I state that:

In the opinion of the Directors:

(a) the interim condensed financial statements and notes of Golden Ivoire SARL for the half year ended30 June 2018:

(i) presents fairly the Company's financial position as at 30 June 2018 and of its performance for the period ended on that date;

(ii) comply with Accounting Standard AASB 134 *Interim Financial Reporting;* and

(iii) comply with International Accounting Standard IAS 34 *Interim Financial Reporting*.

(b) subject to the achievement of the matters set out in note 4.10, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:

Director
Mohamed Niare

Dated the 9th day of November 2018

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Independent Auditor's Review Report

To the Members of Golden Ivoire SARL

Report on the review of the half year financial report

Conclusion

We have reviewed the accompanying half year financial report of Golden Ivoire SARL (the Company), which comprises the statement of financial position as at 30 June 2018, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half year ended on that date, a description of accounting policies, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half year financial report of Golden Ivoire SARL does not give a true and fair view of the financial position of the Group as at 30 June 2018, and of its financial performance and its cash flows for the half year ended on that date, in accordance with Accounting Standard AASB 134 *Interim Financial Reporting*.

Material uncertainty related to going concern

We draw attention to Note 4.10 in the financial report, which indicates that the Company incurred a net loss of $42,834 and had cash outflows from operating activities of $48,570 during the half year ended 30 June 2018. As stated in Note 4.10, these events or conditions, along with other matters as set forth in Note 4.10, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' responsibility for the half year financial report

The Directors of the Company are responsible for the preparation of the half year financial report that gives a true and fair view in accordance with Australian Accounting Standards and for such internal control as the Directors determine is necessary to enable the preparation of the half year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with Australian Accounting Standards including giving a true and fair view of the Company's financial position as at 30 June 2018 and its performance for the half year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting*. As the auditor of Golden Ivoire SARL, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001.*

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

M P Hingeley
Partner – Audit & Assurance

Perth, 9 November 2018