

REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2017
FOR
EQUATOR GOLD HOLDINGS LIMITED

Numeric Accounting Limited
Chartered Certified Accountants
Statutory Auditors
18 New Canal
Salisbury
Wiltshire
SP1 2AQ

EQUATOR GOLD HOLDINGS LIMITED

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FOR THE YEAR ENDED 30 APRIL 2017

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EQUATOR GOLD HOLDINGS LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 30 APRIL 2017

DIRECTORS: Mr M E Parker
Mr W J G Bennett
Mr M P Egerton-Vernon
Mr J Carlile

SECRETARY: G.B. Secretaries Limited

REGISTERED OFFICE: CTV House
La Pouquelaye
St Helier
Channel Islands
JE2 3TP

REGISTERED NUMBER: 112743 (Jersey)

AUDITORS: Numeric Accounting Limited
Chartered Certified Accountants
Statutory Auditors
18 New Canal
Salisbury
Wiltshire
SP1 2AQ

EQUATOR GOLD HOLDINGS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 APRIL 2017

Report on Group Operations

Equator Gold Holdings Limited was incorporated in Jersey in 2013 to be the holding company for the Equator Gold group of companies, exploring for gold and other minerals in South Sudan.

Group companies had successfully conducted exploration in the Luri licence during the 2012 and 2013 field seasons, identifying two parallel north-trending linear zones of gold mineralisation extending over several kilometres, separated by about 10km. A programme of trenching was commenced and plans for drilling were in preparation.

At the end of 2013, however, civil conflict broke out and for safety reasons we were forced to put our operations on care and maintenance.

In March 2015, the government of South Sudan enacted the Mineral Title Regulations, implemented the Mining Cadastre and began granting licences under the new legislation. Equator renewed the Luri licence under the "grandfather" clause of the Regulations and acquired interests in two others of the first four licences to be awarded.

After two years of negotiations, an agreement to resolve the civil conflict was signed by all parties in August 2015, a transitional government of national unity was implemented and the opposition parties returned to Juba in April 2016.

In May 2016, Equator was approached by a UK-based group which wanted to investigate alluvial mining opportunities in South Sudan.

With peace apparently in sight, full new 5-year licences in hand and an alluvial mining partner, Equator returned to resume exploration in late June 2016. Unfortunately, in mid-July serious fighting again broke out and the team was forced to flee to Uganda. In November, a freelancer on retainer to Equator was killed in an over-reaction by the military and the two security guards on our field base in Kworijik Bunu fled. The base was looted by the military in early December. The value of the items stolen was not great, but the camping and field equipment will have to be replaced before we can resume exploration.

In consequence of these events, Equator made a declaration of Force Majeure to its partners and the Ministry on 18 November 2016. Formal requests to suspend the three licences for Force Majeure were submitted to the Ministry on 8 December and accepted by the Minister on 16 December. In mid-December, our field base was formally closed and the lease on our office at Logali Hotel was terminated.

In early 2017, Equator acquired a shareholding in a European zinc venture which may be very successful in the current market. This will help maintain the group as a going concern and may provide funds.

During a visit to Juba in September 2017, the Ministry confirmed that the forces majeure were still in place and that all obligations under the licences (including rent and reporting) were suspended until the forces majeure were lifted.

Corporate and Financial

Since the outbreak of civil conflict in 2013, the Company has been unable to raise new capital at a price considered fair to shareholders. The directors and a shareholder therefore agreed to provide the funds needed to finance the Company's continuing operations. As at 30 April 2016, the directors and shareholders had advanced £556,420.

In April 2016, Richmond Partners Master Ltd, a shareholder, agreed to subscribe \$50,000 for shares on condition that these loans were converted to shares at £5/share. In consideration of this, Richmond was granted 13,800 warrants to purchase Equator shares at £5 per share until 6 June 2019. The subscription was conditional on all previous loans being converted to shares at £5/share.

On 10 October 2016, Richmond also provided a letter agreeing to provide financial support necessary to maintain Equator as a going concern. As at 30 April 2017, Mark Parker had advanced the Company a further £112,474, being a combination of £19,500 direct loans and £92,974 expenses not repaid.

In October 2017, Richmond offered to help refinance the company through a discounted rights issue. The offer is being considered by the directors and is expected to be recommended to shareholders.

STRATEGIC REPORT
FOR THE YEAR ENDED 30 APRIL 2017

Under the Mining (Mineral Title) Regulations 2015, exploration expenditure for work done under a grandfather licence is credited against the minimum expenditure obligation for the first five years of the new Licence Term. The qualifying expenditure on the Luri Project to 30 April 2015 was £1,317,507, (then about US\$ 1,976,000), or about 80% of the total expenditure obligation over the 5-year licence.

In South Sudan, Equator maintained its branch office registration and its Investor Certificate, settled all tax due on wages and rent paid and obtained a tax clearance certificate dated 5 May 2016.

Equator received an approach in mid-2016 from Amvale, a UK-based group wishing to undertake alluvial gold mining on a production-sharing basis. We asked the government to provide legal guidance on this and we are working out the best way to structure such a venture. However, a site visit to Luri and Wudabi with Amvale was cut short by the resurgence of fighting in July 2016.

In February 2017, Equator acquired a 5% shareholding in a European zinc venture. This metal is enjoying a period of favour in the current market and the holding will help maintain the group as a going concern.

Civil conflict

The resurgence of civil conflict in July 2016 was a considerable blow to Equator and other investors in South Sudan. The latest fighting spread southwest from Juba into Central Equatoria, where Equator's licences are located. This area had been largely peaceful before, except for the Wonderuba area within Equator's Luri licence.

The latest fighting has been bitter and destructive, with extra-judicial killings by the military, extensive looting and destruction of property and large scale displacement of rural populations either into towns or across the borders into Uganda and DR Congo.

Licences

The Luri licence is held under a binding Memorandum of Understanding (MoU) signed in July 2013 with CMERIC, replacing an earlier Heads of Agreement. The MoU takes account of the Mining Act 2012 and the Mining (Mineral Title) Regulations 2015, which were in a fairly stable draft at the time of the MoU. Under the MoU:

- Equator's exploration expenditure of more than \$1 million in fulfilment of the first earn-in to 65% is acknowledged by both parties, subject to payment of a final \$50,000 by Equator to CMERIC.

- The joint venture was to be incorporated immediately instead of remaining unincorporated until a decision to mine. This will limit the risk of asset transfer taxes and give Equator a shareholding in the JV company from the "First Earn-in", rather than just a participating interest in a licence held by CMERIC.

- The "Second Earn-in" was redefined from a technical hurdle (completion of a feasibility study) to a straightforward financial one (expenditure of US\$10M), to take account of the fact that exploration has identified more than one target.

- The funds invested in exploration by Equator are to be accounted as interest-bearing loans, ensuring that Equator has greater seniority on calls on revenues and perhaps reducing future tax liabilities.

A Deed of Assignment was prepared under which the rights to the earn-in on the Luri licence are transferred from Equator Gold Resources Limited to EGHL and ELL. This was signed for EGR and ELL in April 2014, but not signed by CMERIC until October 2017. CMERIC also agreed to write off the final \$50,000 which finalises the 65% earn-in.

In June 2015, the Luri licence was renewed under the Mining Act 2012 and Mining (Mineral Title) Regulations 2015.

At the same time, an agreement was signed with Spear Mining under which Equator could earn a 75% equity interest in Spear by expending \$500,000 on exploration of Spear's Wudabi licence. Another agreement was signed with New Kush Exploration and Mining under which Equator holds a 49% equity interest in the Ketokeji licence.

In early 2016, the Ministry of Petroleum and Mining was split into separate new ministries for petroleum and mining.

EQUATOR GOLD HOLDINGS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 APRIL 2017

Following the killing of a freelancer on retainer to Equator and the looting of our Bungu field base in November 2016, Equator made a declaration of Force Majeure to its partners and the Ministry on 18 November 2016. Formal requests to suspend the three licences for Force Majeure were submitted to the Ministry on 8 December and were approved by the Minister on 16 December.

Projects

Exploration of the Luri licence in 2012 and 2013 revealed two parallel north-trending zones of gold mineralisation, the Confluence Zone and the GT/Togolo zone. A total of 3,247 soil geochemical samples were collected and analysed for gold and a suite of 50 other elements.

A total of 1136 additional soil samples collected from the southern Confluence Target Area (580), the Togolo catchment (409) and the Kaguada area (147) remain in storage, ready to be analysed when work resumes. The GT-Togolo area will be the first priority for exploration when conditions permit.

Little new field work could be conducted on the Luri project after January 2014, initially because of the unrest around Wudabi caused by a renegade group and then because of the renewed fighting since July 2016. During a brief site visit to the Confluence Target Area in June 2016 it was noted that neither artisanal mining nor cattle-herding had been carried out for many months, presumably for security reasons.

Equator and Amvale, a potential alluvial gold partner, made a site visit to Wudabi in early July 2016. The local communities were very welcoming and keen for work to begin. Visits to alluvial gold mining operations at Aloto showed that high-grade deposits exist in the gravels of the upper Yei River. The gold is relatively coarse grained and the gravels appear to grade around 3g/t. A small sluice was fabricated locally to conduct tests along the 35km of the Yei River which lies within the Wudabi licence area, but unfortunately the team had to flee in to Uganda to avoid the approaching conflict before these tests could be conducted.

The alluvial opportunities in the Wudabi licence are very promising and Amvale is very keen to resume work as soon as conditions permit. A preliminary costing and DCF forecast by Amvale shows that small-scale mining would be likely to be very profitable.

It has not yet been possible to visit the Ketokeji licence area.

Equator submitted technical reports in June 2016 for all three licences (Luri, Wudabi and Ketokeji) on behalf of its partners. The minimum expenditure obligations were fulfilled for all three licences up to June 2016. As noted above, the qualifying expenditure on the Luri Project to 30 April 2015 was £1,317,507, (then about US\$ 1,976,000), or about 80% of the total expenditure obligation over the 5-year licence.

Future projects

We commissioned a remote sensing study of the Precambrian basement areas of South Sudan, with a view to identifying the areas likely to have mineral potential. To date, we have completed about half of the area, with some promising results.

Around 40 exploration licences have now been granted in South Sudan, many of them to local speculators with no capital or expertise to undertake exploration. There are opportunities to farm in to these licences.

Equator is also in discussion with other stakeholders to help design a Basement Geoscientific Mapping Project and seek international donor funding for it. A similar project recently completed in Uganda under World Bank funding included airborne geophysics, rock dating and extensive new geological mapping. The results offer many insights into geological terranes which extend into South Sudan.

Proposed work programme

Provided security conditions are conducive to fieldwork and funds can be raised, our objectives for the next field season are (1) to work with Amvale to develop alluvial gold mining at Wudabi; (2) to advance the Luri project towards drilling and (3) to conduct reconnaissance work at Ketokeji.

STRATEGIC REPORT
FOR THE YEAR ENDED 30 APRIL 2017

At Luri, efforts will be directed towards planning drill programmes at the three Luri targets: Confluence, GT and Togolo. To help design the drill programme, we will first assay the 1136 soil geochemical samples collected but not yet analysed and some larger samples taken to investigate gold grain sizes. The data from the Togolo catchment will be supplemented by new geological work to locate the source of the prolific alluvial gold in that river system. We also expect to conduct further trenching at the GT/Togolo structure before drilling.

The new geochemical data from the southern Confluence Target and follow-up trenches south of T6 will allow us to complete the design of our drill programme in this area.

We anticipate that a drill programme of around 3000m will be required to investigate the three targets. We hope to be in a position, technically and financially, to drill in the following dry season.

At Wudabi, we will work with Amvale to conduct pilot-scale testing of the alluvial gold potential of the upper Yei River. If successful, we will try to raise finance to participate as partners with Amvale in the development of alluvial gold mining operations. Once established in the area, we will begin a programme of geology and geochemistry to investigate the bedrock source of the alluvial gold.

The work programme at Katokeji will be determined in consultation with our partner New Kush. It is expected to include mapping of artisanal workings, followed by geological and geochemical reconnaissance surveys.

We also intend to complete our remote sensing study of the Precambrian basement areas of South Sudan and to investigate potential farm-in deals with other licence holders.

Risk review

In the company's Information Memorandum I reviewed in detail the risks and potential risks which Equator faces. At present, however, there are three particular risks of which shareholders and potential investors should be aware.

The security situation in our field areas has deteriorated considerably and there is no sign of a political resolution of the civil conflict. The government faction appears intent on total victory. Whether it can achieve this will depend mainly on its ability to finance the military, which is not certain as the economy is in a very parlous condition. Moreover, the extremely heavy-handed activities of the military will stoke up resentment and probably, resistance, which is likely to make for difficult security conditions.

All exploration is subject to geological risk, that there are no mineral deposits to be found; that deposits are present but hard to find; or that any deposits which exist cannot be profitably developed. Equator has chosen its target areas carefully and our results to date are encouraging, but no exploration venture is immune from these risks.

The low commodity prices of recent years have improved in the last few months and investment is returning to the minerals sector, but Equator still faces financing risk if the company is unable to raise the capital needed to pay its bills and fulfil the minimum expenditure obligations on its licences. The Company will have to conserve its resources carefully and keep watch on future market and political developments. Revenue from small-scale gold mining under the Amvale partnership should reduce financing risk.

Concluding remarks

A company's annual operations report normally includes a discussion of its performance against objectives and key performance indicators. As Equator has been largely dormant for the last four years, this would not be a meaningful exercise.

Instead, I am delighted to report that we have kept the company going, maintained our presence in South Sudan, fulfilled its obligations on its exploration licence interests at Luri, Wudabi and Katokeji and raised sufficient capital and support to continue for at least another year, no small achievements in view of the challenges we have faced.

EQUATOR GOLD HOLDINGS LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 APRIL 2017

The directors present their report with the financial statements of the company for the year ended 30 April 2017.

INCORPORATION AND PRINCIPLE ACTIVITY

The company is incorporated in Jersey under the Companies (Jersey) Law 1991 and it is a public company with company number 112743. Its principle activity is that of investment holding.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 May 2016 to the date of this report.

- Mr M E Parker
- Mr W J G Bennett
- Mr M P Egerton-Vernon
- Mr J Carlile

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RESULTS AND DIVIDENDS

The results for the financial year are set out in the profit and loss account on page 8.

The directors do not recommend a dividend for the year ended 30 April 2017.

AUDITORS

"The Auditors" have indicated their willingness to continue in office as the company's auditors.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

BY ORDER OF THE BOARD:

.....
G.B. Secretaries Limited - Secretary

Date:

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
EQUATOR GOLD HOLDINGS LIMITED

We have audited the financial statements of Equator Gold Holdings Limited for the period ended 30 April 2017 on pages 8 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standard (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. 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 a Report of the Auditors 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 directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 April 2017 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

Opinion on other matter

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- proper 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; or
- we have not received all the information and explanations we require for our audit.

Mr Jonathan Paul Baggot (Senior Statutory Auditor)
for and on behalf of Numeric Accounting Limited
Chartered Certified Accountants
Statutory Auditors
18 New Canal
Salisbury
Wiltshire
SP1 2AQ

Date:

EQUATOR GOLD HOLDINGS LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2017

	Notes	30.4.17 £	30.4.16 £
TURNOVER		-	-
Administrative expenses		<u>36,285</u>	<u>334,347</u>
OPERATING LOSS and LOSS BEFORE TAXATION		(36,285)	(334,347)
Tax on loss		<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		(36,285)	(334,347)
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<u><u>(36,285)</u></u>	<u><u>(334,347)</u></u>

The notes form part of these financial statements

EQUATOR GOLD HOLDINGS LIMITED

BALANCE SHEET
30 APRIL 2017

	Notes	30.4.17 £	£	30.4.16 £	£
FIXED ASSETS					
Investments	5		3		3
CURRENT ASSETS					
Debtors	6	232,002		225,274	
CREDITORS					
Amounts falling due within one year	7	<u>107,283</u>		<u>660,638</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>124,719</u>		<u>(435,364)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>124,722</u></u>		<u><u>(435,361)</u></u>
CAPITAL AND RESERVES					
Called up share capital	8		3		2
Share premium	9		596,367		-
Retained earnings	9		<u>(471,648)</u>		<u>(435,363)</u>
SHAREHOLDERS' FUNDS			<u><u>124,722</u></u>		<u><u>(435,361)</u></u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on and were signed on its behalf by:

.....
Mr W J G Bennett - Director

EQUATOR GOLD HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2017

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 May 2015	2	(101,016)	-	(101,014)
Changes in equity				
Total comprehensive loss	-	(334,347)	-	(334,347)
Balance at 30 April 2016	<u>2</u>	<u>(435,363)</u>	<u>-</u>	<u>(435,361)</u>
Changes in equity				
Issue of share capital	1	-	596,367	596,368
Total comprehensive loss	-	(36,285)	-	(36,285)
Balance at 30 April 2017	<u><u>3</u></u>	<u><u>(471,648)</u></u>	<u><u>596,367</u></u>	<u><u>124,722</u></u>

The notes form part of these financial statements

EQUATOR GOLD HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

1. STATUTORY INFORMATION

Equator Gold Holdings Limited is a private company, limited by shares, registered in Jersey. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The group meets its day to day working capital requirements through the continued support of the group's directors and shareholders. Major shareholders 'Richmond Partners Master Limited' and others have pledged their continued financial support to cover liabilities of the group as they fall due, and to ensure the company continues as a going concern.

The directors have prepared cash flow and income projections for a period of not less than twelve months from today and on the basis of this information consider that it is appropriate to prepare the financial statements on a going concern basis. Therefore the financial statements do not include any adjustments that would result from a withdrawal of the above support.

Preparation of consolidated financial statements

The financial statements contain information about Equator Gold Holdings Limited as an individual company and do not contain consolidated financial information as referred to in Financial Reporting Standard 2, as the group of which Equator Gold Holdings Limited is the parent, is a small group as defined therein.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Cash flow statement

The financial statements do not contain a cash flow statement as referred to in Financial Reporting Standard 1 as the company is a small company as defined therein.

Fixed asset investments

Investments held as fixed assets, other than investment properties, are stated at cost less provision for any permanent diminution in value.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 4.

4. INTER COMPANY LOAN PROVISION

	30.4.17	30.4.16
	£	£
Inter company loan provision	-	(294,645)
	<u> </u>	<u> </u>

The inter company loan of £519,919 due from Equator Gold Limited as at 30 April 2016 was written down to an expected amount recoverable of £225,274 in that year. No such provision has been made in the current financial year..

EQUATOR GOLD HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2017

5. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 May 2016	3
and 30 April 2017	<u>3</u>
NET BOOK VALUE	
At 30 April 2017	<u>3</u>
At 30 April 2016	<u>3</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.4.17 £	30.4.16 £
Amounts owed by group undertakings	232,002	225,274
	<u>232,002</u>	<u>225,274</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.4.17 £	30.4.16 £
Amounts owed to group undertakings	1	1
Other creditors	2,000	11,447
Directors' current accounts	-	551,420
Accruals and deferred income	105,282	97,770
	<u>107,283</u>	<u>660,638</u>

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			30.4.17	30.4.16
Number:	Class:	Nominal value:	£	£
319,274	Ordinary	£0.00001	3	2
			<u>3</u>	<u>2</u>

119,273 Ordinary shares of £0.00001 each were allotted as fully paid at a premium of £4.99999 per share during the year.

9. RESERVES

	Retained earnings £	Share premium £	Totals £
At 1 May 2016	(435,363)	-	(435,363)
Deficit for the year	(36,285)		(36,285)
Cash share issue	-	596,367	596,367
	<u>(471,648)</u>	<u>596,367</u>	<u>124,719</u>
At 30 April 2017	<u>(471,648)</u>	<u>596,367</u>	<u>124,719</u>

EQUATOR GOLD HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2017

10. RELATED PARTY DISCLOSURES

On 20th June 2016 directors loans within the group amounting to £556,420 were converted to shares. This amount included balances for Mr M Parker of £215,082 and for Ms H Proffitt of £296,566.

11. FIRST YEAR ADOPTION

The Company has transitioned to FRS 102 from previously being prepared under the historical cost convention and in accordance with the Financial Reporting Standards for Smaller Entities (effective from 1st January 2015) as at 1st May 2016.

Reconciliation of equity

No transitional adjustments were required.

Reconciliation of profit or loss for the year

No transitional adjustments were required.

EQUATOR GOLD HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 APRIL 2017

	30.4.17		30.4.16	
	£	£	£	£
Income		-		-
Expenditure				
General insurance	10,673		10,565	
Sundry expenses	500		-	
Accountancy	745		725	
Legal and professional fees	22,822		27,312	
Auditors' remuneration	1,545		1,100	
Inter company loan provision	-		294,645	
	<u> </u>	36,285	<u> </u>	334,347
NET LOSS		<u><u>(36,285)</u></u>		<u><u>(334,347)</u></u>

This page does not form part of the statutory financial statements