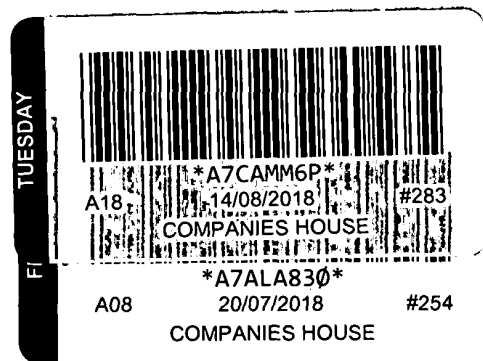


Directors' Report & Consolidated Financial Statements

For the year ended 31 January 2018

Itinerant Resources Plc

Registered Number: 3156769



ITINERANT RESOURCES Plc – 2018 Annual Report

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ITINERANT RESOURCES Plc – 2018 Annual Report

COMPANY INFORMATION

Directors	Peter R. Walsh Maurice O'Brien
Secretary/Registrar	Peter R. Walsh
Company Number	3156769
Registered Office	Kemp House, 160, City Road, London EC 1 V 2NX United Kingdom
Dublin Office	46A Upper Dorset Street Dublin 1 Ireland
Auditors	Mazars Chartered Accountants & Statutory Audit Firm Block 3 Harcourt Centre Harcourt Road Dublin 2 Ireland
Solicitors	Charles Russell Speechlys 5 Fleet Place London EC4M 7RD United Kingdom Chinawa Law Chambers 12th Floor Causeway Building Cnr Central Avenue & 3rd Street Harare Zimbabwe
Bankers	Bank of Ireland 6 Lower O'Connell Street Dublin 1 Ireland Bank of Ireland Global Markets Colvill House Talbot Street Dublin 1 Ireland
Consulting Geologist	Saint Barbara LLP 9 John Street London WC1N 2SE United Kingdom

ITINERANT RESOURCES Plc – 2018 Annual Report

DIRECTORS' REPORT

The Directors present their report and the audited financial statements of the Group and the Company for the year ended 31 January 2018.

The Company has not prepared a strategic report as it has taken advantage of the exemption afforded by Section 414B of the Companies Act 2006.

Principal Activities

The Group's gold interests in Zimbabwe are held by Tinker Mining (Private) Limited, a locally registered and 100% owned subsidiary company. Building shareholder value is best achieved through exploration, evaluation and development of our gold projects. Significant added value arises where resource estimates can be increased and/or the resource classification upgraded, in our case from inferred to indicated, to JORC standards. We continue to seek other resource opportunities within our operational and financial capacities..

Results and Dividends

The Group loss for the year after providing for depreciation amounted to (£24,827) (2017: loss £44,044). Shareholders' funds decreased by £24,827 (2017 decreased by £405) during the year. The Directors do not recommend the payment of a dividend. (2017: Nil)

Business Review

Review of performance and development during the year

The board's objectives during the year ended 31 January 2018 were to continue to identify and engage with potential joint venture partners in relation to our Montezuma gold property, together with meeting regulatory obligations including renewal of our mining licence.

The Murphy Geological Services GeoEye-1 structural study of the Montezuma licence area was completed in July 2017. This report is a comprehensive and independent assessment of Montezuma's geological features, historic exploration by Tinker Mining (PVT) Limited and artisanal activity. Key findings in the report include 7 vein systems, 40 exploration targets, of which 9 are priority 1 targets covering 51 hectares. Two of these targets have potential for open pit development. Four additional targets (priority 2 and 3) covering 34 hectares are banded iron formation locations.

The company continues to receive approaches to joint venture partner the Montezuma licence area, but with the wealth of information acquired from the Murphy report, your board have taken a view that additional work should be carried out on the project, to create shareholder value and upgrade our resource classification.

With this in mind, the board appointed BRG Limited, a multi-disciplinary geological consulting company to carry out a review of our prime target area, M23 and to prepare a work programme. This report was completed in April 2018 and provides a comprehensive budget on storing of core, re-boring and re-logging of original core, overburden sampling and interpretation, geological mapping and geophysics and geochemistry work. The board are satisfied that it can carry out all this work, up to pre-drilling stage. To fund this work, the board intend to approach its shareholders and other connected parties to raise Stg£225,000. This sum will also include licence renewal. Once the work is completed, negotiations will commence with a view to appointing a joint venture partner.

Over the last few months, the board made a concerted effort to improve investor relations and investor communications. These efforts included the updating of the company's website (www.itinerantresources.com) as well as setting up social media accounts on Twitter (@itinerantgold) and LinkedIn.

ITINERANT RESOURCES Plc – 2018 Annual Report

DIRECTORS' REPORT (continued)

Zimbabwe

The Zimbabwean economy mounted a fragile recovery in 2017 on the back of improved crop production. Earlier in the year, the IMF expected growth of only 2%, but revised this figure to 2.8% in October 2017. Zimbabwe recently witnessed a change in its leadership and this development is expected to usher in new economic development and improve investors' sentiments towards the country. The change in the country's leadership before elections, which are due to be held in the third quarter of 2018, has brought new hope in the country for an economic turnaround.

Gold remains one of Zimbabwe's major exports. The country's full year gold production rose to 24.8 tonnes in 2017, due in large part, to high contribution from small scale miners.

Business Strategy

As outlined in previous years our business strategy has not changed and our focus is centred on:

1. Protecting the mining licence
2. Having sufficient working capital
3. Enhancing our gold interests through further development work
4. Securing an operating partner through a j/v or similar deal that could result in the sale of Montezuma.

As previously indicated, the board intends to approach its shareholders and other connected parties to raise Stg£225,000, to cover development work and licence renewal.

Directors of the Company

The following directors held office during the year:

Peter R. Walsh (Chairman)

Maurice O'Brien

Principal Risks and Uncertainties

The Group is exposed to resource risk, country and political risk, legislative and regulatory risk and financing risk.

There is a risk that estimates of mineral resources overstate their economic potential. The Group is especially vulnerable as it has no production or proven reserves. The board manages this risk by engaging independent geological consultants to review our database and technical materials. We rely on their expertise and credibility to advise us on a resource estimate in accordance with internationally accepted reporting standards. As the Group's mineral assets are in Zimbabwe they are subject to local legislation and regulation.

Indigenisation legislation in relation to gold and gold production has now been abolished and Tinker Mining (PVT) Limited is not exposed to this risk. The Mines and Minerals Amendment Act 2015 will be introduced when the draft Bill has been approved by the legislature and the President. Presently, the draft Bill is before the National Assembly for discussion and decision. The draft Bill sets out a "use or lose it" policy on all exploration and former mining properties. All companies must adhere to the new legislation. Failure to do so adequately could have serious implications for the retention of the Montezuma mining lease and related matters.

Montezuma is our flagship property that underwrites shareholder value. Financing has a critical impact on the going concern of the Group. As the Company is pre-revenue the board relies on shareholder support to meet regulatory obligations in Ireland, UK and Zimbabwe. Delays in meeting these obligations on due dates greatly increase the risk of fines or property forfeiture. Cash calls in the future are inevitable. Exploration expenditure can only be met from investor funds or through a j/v arrangement which the Group is actively seeking. In the past the board has successfully raised funds to meet essential corporate and regulatory costs. Future funding must come from a wider shareholder base and in a timely manner.

The board regularly monitors all of the above risks and appropriate actions are taken to lessen those risks or address their potential adverse consequences.

ITINERANT RESOURCES Plc – 2018 Annual Report

DIRECTORS' REPORT (continued)

Key Performance Indicators

Itinerant Resources Plc is an exploration and development group without production or proven reserves. Sector specific KPI's would not provide useful information for investors. However, for 2017/2018 the management will focus on:

- Protection of licences
- Stronger independent validation of resource
- Resource growth through work programmes and acquisition
- Develop higher technical capability
- "In country" corporate compliance
- Capital raising
- Exploration and operating cost management
- Interface with corporate finance and corporate advisory firms

The above action list is designed to meet the short term needs of the Group.

Corporate Governance

The board is committed to high standards of corporate governance. As the Group grows the board will review their compliance policies and practices and will adopt such governance practices insofar as they are appropriate given the Group's size and stage of development.

Supplier Payment Policy

It is the Group's normal practice to agree terms of transactions, including payment terms, with suppliers and provided suppliers perform in accordance with the agreed terms, it is the company's policy that payment is made accordingly.

Going Concern

The Directors believe that it is appropriate to adopt the going concern basis in preparing the financial statements. Having made appropriate enquiries, the Directors are of the opinion that the Company and Group have adequate resources to continue operations in the foreseeable future. The Directors note that Itinerant Resources plc has raised finance for exploration work, regulatory costs and provision of working capital as required.

Charitable and Political Donations

The Company or the Group has not made a charitable or political donation during the year.

Disclosure of Information to Auditors

The Directors who held office at the date of approval of this Directors' Report confirm that, as far as they are individually aware, there is no relevant audit information of which the Company's auditors are unaware. The Directors further confirm that they have taken all necessary steps as directors that they ought to have as directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

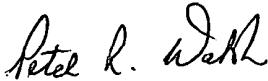
ITINERANT RESOURCES Plc – 2018 Annual Report

DIRECTORS' REPORT (continued)

Auditors

A resolution to reappoint Mazars, Chartered Accountants and Statutory Audit Firm, Dublin, Ireland will be proposed at the forthcoming Annual General Meeting.

By Order of the Board



Peter R. Walsh
Company Secretary

Date: 2nd July 2018

ITINERANT RESOURCES Plc – 2018 Annual Report

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group at the end of the financial year and of the profit or loss of the Group for that year. In preparing these the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements based 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 which disclose with reasonable accuracy at any time the financial position of the Company and of the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

By Order of the Board



Peter R. Walsh
Secretary



Maurice O'Brien
Director

ITINERANT RESOURCES Plc – 2018 Annual Report

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ITINERANT RESOURCES PLC

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Itinerant Resources Plc (the 'parent company') and its subsidiary (the 'group') for the year ended 31 January 2018, which comprise the Consolidated Income Statement, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Cash Flow Statement and related notes to the financial statements, including the summary of significant accounting policies set out in note 3. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 January 2018 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Material Uncertainty – valuation of assets

In forming our opinion, we have considered the adequacy of the disclosures made in note 17 of the financial statements concerning the carrying value of the mining interests and investments in Zimbabwe. There is currently political uncertainty about the future ability of foreign owned companies to attract finance in Zimbabwe. If the company is not able to trade in Zimbabwe, these assets, which are carried in the group balance sheet at £756,687 may be overstated. The directors are unable to estimate the value of these assets in these circumstances. Our opinion is not qualified in this respect.

Material Uncertainty – going concern

In forming our opinion, we have considered the adequacy of the disclosures made in note 17 of the financial statements concerning the uncertainty as to the continued support for the group and the parent company by their providers of funds. In view of the significance of this we consider that it should be drawn to your attention but our report is not qualified in this respect.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ITINERANT RESOURCES PLC

Other information

The directors are responsible for the other information. The other information comprises the information included in the directors' report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specific by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to claim the exemption from the requirement to prepare a strategic report.

We have nothing to report in this regard.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
ITINERANT RESOURCES PLC***Responsibilities of directors*

As explained more fully in the directors' responsibilities statement set out on page 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK). Those standards require us to comply with the Financial Reporting Council's Ethical Standard. This report is made solely to the group's and the parent 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 group's and the parent company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the group, the group's members, the parent company and the parent company's members as a body for our audit work, for this report, or for the opinions we have formed.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



Bernard Barron
Senior Statutory Auditor
For and on behalf of
Mazars
Chartered Accountants and Statutory Audit Firm
Dublin 2
Ireland

2 July 2018
2 July 2018

ITINERANT RESOURCES Plc – 2018 Annual Report

CONSOLIDATED INCOME STATEMENT for the year ended 31 January 2018

	Notes	2018 £	2017 £
Turnover		-	-
Administrative expenses		(24,827)	(44,044)
Operating loss	6	(24,827)	(44,044)
Interest receivable		-	-
Loss on ordinary activities before taxation		(24,827)	(44,044)
Tax on loss from ordinary activities	9	-	-
Loss on ordinary activities after taxation		(24,827)	(44,044)

The Group and the Company's turnover and expenses all relate to continuing operations. A statement of other comprehensive income has not been prepared as the group had no recognised gains and losses other than its reported loss for the current and prior year.

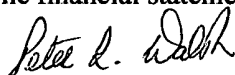
ITINERANT RESOURCES Plc – 2018 Annual Report

CONSOLIDATED AND COMPANY BALANCE SHEETS

As at 31 January 2018

	Notes	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Fixed assets					
Intangible assets	10	756,687	733,654	-	-
Investments	11	-	-	418,341	418,341
		<u>756,687</u>	<u>733,654</u>	<u>418,341</u>	<u>418,341</u>
Current assets					
Other debtors	12	-	-	756,687	733,654
Bank and Cash		6,235	19,641	6,235	19,641
		<u>6,235</u>	<u>19,641</u>	<u>762,922</u>	<u>753,295</u>
Creditors: amounts falling due within one year	13	<u>(351,923)</u>	<u>(249,573)</u>	<u>(351,923)</u>	<u>(249,573)</u>
Net current (liabilities) /assets		<u>(345,688)</u>	<u>(229,932)</u>	<u>410,999</u>	<u>503,722</u>
Creditors: amounts falling due after one year	13	<u>(186,521)</u>	<u>(254,417)</u>	<u>(186,521)</u>	<u>(254,417)</u>
Net assets		<u><u>224,478</u></u>	<u><u>249,305</u></u>	<u><u>642,819</u></u>	<u><u>667,646</u></u>
Capital and reserves					
Called up share capital	14	706,092	706,092	706,092	706,092
Share premium account		727,796	727,796	727,796	727,796
Income statement		(1,209,410)	(1,184,583)	(791,069)	(766,242)
Equity shareholders' funds		<u><u>224,478</u></u>	<u><u>249,305</u></u>	<u><u>642,819</u></u>	<u><u>667,646</u></u>

The financial statements were approved by the Board on 2nd July 2018 and signed on its behalf by:



Peter R. Walsh
Secretary



Maurice O'Brien
Director

ITINERANT RESOURCES Plc – 2018 Annual Report

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

As at 31 January 2018

	Called up share capital £	Share premium £	Income statement £	Total £
At 1 February 2017	706,092	727,796	(1,184,583)	249,305
Loss for the year	-	-	(24,827)	(24,827)
At 31 January 2018	<u>706,092</u>	<u>727,796</u>	<u>(1,209,410)</u>	<u>224,478</u>

COMPANY STATEMENT OF CHANGES IN EQUITY

As at 31 January 2018

	Called up share capital £	Share premium £	Income statement £	Total £
At 1 February 2017	706,092	727,796	(766,242)	667,646
Loss for the year	-	-	(24,827)	(24,827)
At 31 January 2018	<u>706,092</u>	<u>727,796</u>	<u>(791,069)</u>	<u>642,819</u>

ITINERANT RESOURCES Plc – 2018 Annual Report

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31 January 2018

	Notes	2018 £	2017 £
Net cash flow from operating activities	16	<u>9,627</u>	<u>(1,584)</u>
Cash flow from investing activities			
Capitalisation of intangible assets		<u>(23,033)</u>	<u>(23,218)</u>
Net cash outflow from investing activities		<u>(13,406)</u>	<u>(23,218)</u>
Cash flow from financing activities			
Issue of Share Capital		-	43,646
Share Premium		<u>-</u>	<u>(7)</u>
Net cash inflow from financing activities		<u>-</u>	<u>43,639</u>
(Decrease) / increase in cash in the year		(13,406)	18,837
Cash and cash equivalents at the start of the year		<u>19,641</u>	<u>804</u>
Cash and cash equivalents at the end of the year		<u>6,235</u>	<u>19,641</u>

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 January 2018

1. General Information

Itinerant Resources Plc is incorporated in England and Wales as a public company for the purpose of acquiring, defining and developing quality mineral projects in Zimbabwe. It is unlisted and has 276 shareholders. The Group's gold interests in Zimbabwe are held by Tinker Mining (Private) Limited, a locally registered and 100% owned subsidiary company.

2. Statement of Compliance

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

3. Principal Accounting Policies

The significant accounting policies adopted by the company are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(a) Basis of Preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" ("FRS 102") and Company Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

(b) Basis of Consolidation

The Group consolidates the financial statements of the Company and its subsidiary undertaking made up to 31 January 2018. The subsidiary undertaking is accounted for using the acquisition method of accounting.

No income statement is presented for the Company as permitted by Section 408 of the Companies Act 2006. The loss for the company for the year was £ 24,827 (2017: £ 44,044).

(c) Intangible Assets – Mining Interest

The Company accounts for mineral expenditure as follows:

Capitalisation

Certain costs (other than payments to acquire the legal rights to explore) incurred prior to acquiring the rights to explore are charged directly to the income statement. Exploration, appraisal and development expenditure incurred on exploring and testing exploration prospects are accumulated and capitalised as intangible exploration and evaluation (E&E) assets. Capitalised costs include geological and geophysical costs and other direct costs of exploration (drilling, trenching, sampling and technical feasibility and commercial viability activities.) In addition, capitalised costs includes an allocation from operating expenses including directors remuneration and consultancy fees, all such costs which are deemed by management to be directly related to exploration and evaluation activities.

E&E costs are not amortised prior to the conclusion of appraisal activities. At completion of appraisal activities if technical feasibility is demonstrated and commercial reserves are discovered, then the carrying amount of the relevant E&E asset will be reclassified as a development and production asset, once the carrying value of the asset has been assessed for impairment.

If following completion of appraisal activities in an area, it is not possible to determine technical feasibility and commercial viability, or the right to explore expires, then the costs of such unsuccessful exploration and evaluation are written off to the income statement in the period in which the event occurred.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 January 2018

3. Principal Accounting Policies (continued)

(c) Intangible Fixed Assets (continued)

Impairment

If facts and circumstances indicate that the carrying value of an E&E asset may exceed its recoverable amount, an impairment review is performed. The following are indicators of impairment.

- The right to explore in an area has expired, or will expire in the near future, without renewal.
- No further exploration or evaluation is planned or budgeted for.
- A decision has been made to discontinue exploration and evaluation in an area, because of the absence of commercial reserves.
- Sufficient data exists to indicate that the carrying amount will not be fully recovered from future development and production.

(d) Foreign Currencies

Assets and liabilities in foreign currencies are translated at the rate ruling at the balance sheet date. Transactions are translated at the rate ruling at the date of the transactions. Exchange differences are dealt with in the income statement.

For the purposes of consolidation the income statement and balance sheet of the foreign subsidiary are translated at the closing rate and any translation gain or loss is transferred directly to reserves.

(e) Deferred Taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date.

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on a non-discounted basis at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

4. Critical Accounting Estimates and Judgements

(a) Critical judgements in applying the company's accounting policies

In the process of applying the company's accounting policies above, management has identified the judgemental areas that have the most significant effect on the amounts recognised in the financial statements (apart from those involving estimations, which are dealt with below):

(b) Exploration and evaluation

The assessment of whether operating expenses and directors emoluments are capitalised or expensed involves judgement. Management consider the nature of each cost incurred and whether it is deemed appropriate to capitalise it within exploration and evaluation assets. Given the activity of the directors and resultant operating costs are primarily focused on the company's mining prospects, the directors consider it appropriate to capitalise a portion of directors emoluments and operating expenses.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 January 2018

4. Critical Accounting Estimates and Judgements (continued)

(c) Going concern

The preparation of the financial statements requires an assessment on the validity of the going concern assumption. The validity of the going concern assumption is dependent on the successful further development and ultimate production of the mineral reserves and the availability of sufficient finance to bring the reserves to economic maturity and profitability. The realisation of the intangible assets depends on the successful discovery and development of economic reserves. The directors have reviewed the proposed programme for exploration and evaluation assets and on the basis of the capital funding achieved to date and the cash requirements of the company for the forthcoming year, consider it appropriate to prepare financial statements on the going concern basis.

5. Segmental Information

The elements of loss before taxation and net current assets relating to Zimbabwe were £nil (2017: £nil) and £nil (2017: £nil) respectively.

6. Operating Loss

	2018 £	2017 £
Operating loss is stated after charging:		
Auditors' Remuneration - Parent Company element of Group	3,444	3,444
	<u> </u>	<u> </u>

7. Employee Information

The average monthly numbers of persons, including executive directors, employed by the Group during the year were:

	2018 No	2017 No
Management	2	2
	<u> </u>	<u> </u>

8. Directors' Emoluments

	2018 £	2017 £
Emoluments	=	=

ITINERANT RESOURCES Plc – 2018 Annual Report

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 January 2018

9. Taxation

(a) Analysis of charge in year

There has been no tax charged for the current or prior year as the Company has not made taxable profits in either of these periods.

(b) Factors affecting tax charge for year

The differences between the tax assessment for the year and the standard rate of corporation tax in the UK 19% (2016: 20%) are explained below:

	2018	2017
	£	£
Loss on ordinary activities before tax	(24,827)	(44,044)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017: 20%)	(4,717)	(8,809)
Effects of:		
Creation of tax losses	4,717	8,809
Current tax charge for the year (see (a) above)	-	-

(c) Deferred taxation (not recognised)

A deferred tax asset in respect of trading losses has not been recognised on the grounds that there is insufficient evidence that the amounts can be utilised in the future.

ITINERANT RESOURCES Plc – 2018 Annual Report

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 January 2018

10. Intangible Assets

Group	Exploration & Evaluation Assets	Total
	£	£
Cost		
At 1 February 2017	733,654	733,654
Expenditure During the year		
- Consultancy Fees	7,500	7,500
- License Renewals	8,252	8,252
- Other Costs and Expenses	7,281	7,281
	<u>756,687</u>	<u>756,687</u>
At 31 January 2018	<u>756,687</u>	<u>756,687</u>
Amortisation		
At 1 February 2017	-	-
Charge for the year	-	-
	<u>-</u>	<u>-</u>
At 31 January 2018	<u>-</u>	<u>-</u>
Net Book Value		
At 31 January 2018	<u>756,687</u>	<u>756,687</u>
	<u>733,654</u>	<u>733,654</u>
At 31 January 2017	<u>733,654</u>	<u>733,654</u>

11. Investments

Company	2018	2017
	£	£
Subsidiary at Cost (Shares and Loans)		
At 1 February 2017 and 31 January 2018	<u>418,341</u>	<u>418,341</u>

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NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 January 2018

11. Investments (continued)

Subsidiary Undertakings

The wholly owned subsidiary of the Company at 31 January 2018 which has been consolidated is:

Company	Total Allocated Capital	Percentage held	Country of Incorporation & Operations	Nature of Business
Tinker Mining (Pvt) Limited	50 Ordinary Shares of US\$1	100%	Zimbabwe	Mineral Exploration

12. Other Debtors

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Intercompany	-	-	756,687	733,654
	-	-	756,687	733,654

The intercompany balance relates to funding provided to Tinker Mining (Pvt) Ltd to engage in exploration and evaluation activities.

13. Creditors

Amounts falling due within one year

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Accruals and other creditors	17,178	10,261	17,178	10,261
Trade creditors	19,425	19,425	19,425	19,425
Amounts owed to shareholders (other than directors)	216,622	216,622	216,622	216,622
Amounts due to directors	<u>98,698</u>	<u>3,265</u>	<u>98,698</u>	<u>3,265</u>
	351,923	249,573	351,923	249,573

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NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 January 2018

13. Creditors (continued)

Amount falling due after one year

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Amounts due to related parties	186,521	175,071	186,521	175,071
Amounts due to shareholder	<u>-</u>	<u>79,346</u>	<u>-</u>	<u>79,346</u>
	<u>186,521</u>	<u>254,417</u>	<u>186,521</u>	<u>254,417</u>

Related Party creditors are repayable in a period greater than 12 months.

Amounts due to Shareholder relates to an outstanding loan. Interest accrues at 16.5% per annum compound. The loan is repayable in a period great than 12 months.

14. Share Capital Presented as Equity

	2018 £	2017 £
Authorised equity		
500,000,000 (2017: 500,000,000) Ordinary shares of £0.01p each	<u>5,000,000</u>	<u>5,000,000</u>
Allotted, called up and fully paid equity		
70,609,150 (2017: 70,609,150) Ordinary shares of £0.01p each	<u>706,092</u>	<u>706,092</u>

15. Related Party Transactions

During the year £2,500 (2017: £2,500) was charged by Derivan & Co. Chartered Accountants, for professional fees and out of pocket expenses incurred on behalf of the Company. Peter R. Walsh, a director of the Company, is also a principal of Derivan & Co. At the year-end an amount of £65,065 (2017: £62,565) was included within creditors for the Group and Company.

During the year, £6,593 (2017: £9,588) was charged by Flagstone Consultants Ltd, for business advisory service fees. Maurice O'Brien, a director and shareholder of the Company, is also a director of Flagstone Consultants Ltd. At the year-end an amount of £121,456 (2017: £112,506) was included within creditors for the Group and Company.

A related party made payments on behalf of the Group in the year totalling £nil (2017: £nil). The company accrues interest at a rate of 16.5% per annum on certain amounts owed to this party. The current year interest of £14,407 (2017: £11,996) is included in administration expenses. This related party has a charge over the intellectual property, files, records and geographical studies relating to the intangible assets of the group as security over these payments.

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NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 January 2018

16. Cash Flow Statement

Reconciliation of operating loss to operating cash flows	2018 £	2017 £
Operating loss	(24,827)	(44,044)
Increase in creditors	34,454	42,460
	<u>9,627</u>	<u>(1,584)</u>
 Reconciliation of Net Cash Flow Movement to Movement in Net Funds		
	2018 £	2017 £
Movement in cash in the year		
Change in net funds resulting from cash flows	(13,406)	18,837
Net funds at 1 February	19,641	804
Net funds at 31 January	<u><u>6,235</u></u>	<u><u>19,641</u></u>

Analysis of changes in net funds

	Opening balance £	Cash flows £	Closing balance £
Cash at bank and in hand	19,641	(13,406)	6,235
Net funds	<u><u>19,641</u></u>	<u><u>(13,406)</u></u>	<u><u>6,235</u></u>

17. Material Uncertainties

There is currently considerable political uncertainty about the future ability of foreign owned companies to attract finance in Zimbabwe. This uncertainty gives rise to the following fundamental uncertainties regarding:

1. the carrying value of mining interests and investments in Zimbabwe. If the Group is not able to trade in Zimbabwe, these assets, which are carried in the Group balance sheet at £756,687 may be overstated. The Directors are unable to estimate the value of these assets in these circumstances; and
2. whether the Group, and the Company, will remain a going concern: The Company and the Group are dependent upon their providers of funds to enable them to continue to trade. The political uncertainty referred to above could lead to those providers being unwilling to continue their support. We note that during the 2018 financial year shareholders contributed £nil in new capital.

The Directors believe that the political uncertainty in Zimbabwe will reduce in the future and thus the Group will be able to continue to trade. The financial statements do not include any adjustments that would result from the Group not being able to trade in Zimbabwe in the future.

18. Approval of the Financial Statements

The board approved the financial statements

2nd July 2018