COMPANY REGISTRATION NUMBER: 05714562

MetalNRG PLC

Financial Statements

28 February 2017

Contents	Page
Officers and professional advisers	1
Strategic report	2
Directors' report	4
Independent auditor's report to the members	7
Statement of comprehensive income	9
Statement of financial position	10
Statement of changes in equity	11
Statement of cash flows	12
Accounting policies	13
Notes to the financial statements	14

The board of directors	C.P. Latilla-Campbell
	C. Schaffalitzky de Muckadell
	P. Johnson
	G.R.J. Heddle
Company secretary	City Group Plc
Registered office	6 Middle Street
	London
	EC1A 7JA
Auditor	Edwards Veeder (UK) Limited

	Chartered accountant & statutory auditor
	4 Broadgate
	Broadway Business Park
	Chadderton
	Oldham
	OL9 9XA

Bankers	Lloyds TSB Bank plc
	39 Threadneedle Street
	London
	EC2R 8PT

Solicitors	Edwin Coe
	2 Stone Buildings
	Lincoln's Inn
	London
	WC2A 2TH

Business review

The principal activity of the company during the year was that of an investment holding company.

The results for the year are a reflection of the minimal cost of keeping your company administered whilst continuing searching for suitable opportunities. The actual costs were £45,730 (2016:36,862) adjusted for currency gains £16,147 (2016: £13,277). Your directors have maintained most funds in US dollars as that is the currency they anticipate any deal is likely to be conducted in.

During the year the Company continued to restructure the business and alongside this restructuring investigate potential investments in line with the Company's stated investing policy.

Paul Johnson, then CEO of Metal Tiger plc, became a Non-Executive Director of MetalNRG in March 2016 to assist with business development alongside Chairman Christopher Latilla Campbell and Non-Executive Director Christian Schaffalitzky. The board continues to waive their fees until a suitable investment opportunity is identified.

At the General Meeting in March 2016 shareholders approved a capital reorganisation and the implementation of a new Investing Policy. This Investing Policy includes the following:

'to invest in and/or acquire companies and/or projects within the natural resources and/or energy sector with potential for growth and value creation, over the medium to long term. The Company will also consider opportunities in other related sectors if the Board considers there is an opportunity to generate an attractive return for Shareholders. This will include natural resource technologies and fintech opportunities offering leverage to resource identification, processing, recording, storage and trading businesses'

Post year end events

Since 28 February 2017, the following post year end events have taken place.

- On March 6 2017 Paul Johnson became CEO of MetalNRG plc and on March 20 2017 Gervaise Heddle, CEO of Greatland Gold plc became a Non-Executive Director;

- Also on March 20 2017 the Company undertook a strategic financing raising £342,500 in which director contributions were £50,000;

- On March 31 2017 the Company appointed SI Capital as its corporate broker and on June 21 2017 Peterhouse Corporate Finance Limited as its NEX Exchange Corporate Adviser. The change of advisers was undertaken to ensure the Company has the correct advisory network necessary during the planned aggressive growth of the business;

- The work of the Company to identify suitable opportunities has accelerated in 2017 and it is anticipated that various market updates will be issued in the near term with further information. Of particular note the Company is actively involved with commercial discussions surrounding various cobalt copper/zinc and resource based fintech related opportunities.

Principal risks and uncertainties

The principal risks and uncertainties facing the company are general and economic risks, specifically currency exchange and liquidity risk. Currency exchange risk is managed by holding funds in US dollars, and monitoring closely exchange fluctuations which could affect those funds. Liquidity risk is managed by the control of expenditure, but is ultimately dependent on the success of any future viable investment projects.

This report was approved by the board of directors on 29 June 2017 and signed on behalf of the board by:

C. Schaffalitzky de Muckadell	City Group Plc
Director	Company Secretary

Registered office:
6 Middle Street
London
EC1A 7JA

The directors present their report and the financial statements of the company for the year ended 28 February 2017.

The directors and their interests in the shares of the company

The directors who served the company during the year were as follows:

	Ordinary shares	
	of £0.0001 each	**of £0.005 each**
	28 February 2017	**29 February 2016**
C.P. Latilla-Campbell	5,290,442	5,290,442
C. Schaffalitzky de Muckadell	100,000	100,000
P. Johnson (appointed 11 March 2016)	9,513,634	
J.C.W. De Thierry (resigned 22 March 2016)		2,300,000

Dividends

The loss for the year amounted to £37,893 (2016: £23,585). The directors have not recommended a dividend.

Substantial interests

At the date of the report the Company had been notified that, other than directors, the following were interested in 3% or more of the issued share capital of the Company:

	No of Ordinary shares of £0.0001 each	**%age**
Somers Investments Limited	21,250,000	15.64
Credit Suisse Client Nominees (UK) Limited	7,500,000	5.52

Somers Investments Limited is controlled by a discretionary trust, of which C.P. Latilla-Campbell is a potential beneficiary.

Disclosure of information in the strategic report

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 the information required by Schedule 7 of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 has been included in the company's Strategic Report.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, 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. 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board of directors on 29 June 2017 and signed on behalf of the board by:

C. Schaffalitzky de Muckadell	City Group Plc
Director	Company Secretary

Registered office:
6 Middle Street
London
EC1A 7JA

We have audited the financial statements of MetalNRG PLC for the year ended 28 February 2017 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The

Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

Respective responsibilities of directors and auditor

As explained more fully in the directors' responsibilities statement, 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 strategic report and the directors' report 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 28 February 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and the directors' report 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 Act 2006 requires us to report to you if, in our opinion:

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

Mr Lee Lederberg (Senior Statutory Auditor)

For and on behalf of

Edwards Veeder (UK) Limited
Chartered accountant & statutory auditor
4 Broadgate
Broadway Business Park
Chadderton
Oldham
OL9 9XA

29 June 2017

	Note	2017 £	2016 £
Administrative expenses		**37,983**	23,585
Operating loss	3	**(37,983)**	(23,585)
Loss before taxation		**(37,983)**	(23,585)
Tax on loss	5	**–**	–
Loss for the financial year and total comprehensive income		**(37,983)**	(23,585)

Earnings per share

	Note	2017	2016
Basic earnings/(loss) per share (pence per share)	6	**(0.06p)**	(0.05p)
Diluted earnings/(loss) per share (pence per share)	6	**(0.05p)**	(0.05p)

All the activities of the company are from continuing operations.

	Note	2017 £	2017 £	2016 £
Current assets				
Debtors	7	**23,181**		18,750
Cash at bank and in hand		**128,526**		123,127
		151,707		141,877
Creditors: amounts falling due within one year	8	**8,308**		10,499
Net current assets			**143,399**	131,378
Total assets less current liabilities			**143,399**	131,378
Net assets			**143,399**	131,378
Capital and reserves				
Called up share capital	9		**243,563**	241,660
Share premium account	10		**715,361**	667,260
Profit and loss account	10		**(815,525)**	(777,542)
Members funds			**143,399**	131,378

These financial statements were approved by the board of directors and authorised for issue on 29 June 2017, and are signed on behalf of the board by:

C. Schaffalitzky de Muckadell	
Director	

Company registration number: 05714562

	Called up share capital	Share premium account	Profit and loss account	**Total**
	£	£	£	**£**
At 1 March 2015	241,660	667,260	(753,957)	154,963
Loss for the year			(23,585)	(23,585)
Total comprehensive income for the year	–	–	(23,585)	(23,585)
At 29 February 2016	241,660	667,260	(777,542)	**131,378**
Loss for the year			(37,983)	**(37,983)**
Total comprehensive income for the year	–	–	(37,983)	**(37,983)**
Issue of shares	1,903	48,101	–	**50,004**
Total investments by and distributions to owners	1,903	48,101	–	**50,004**
At 28 February 2017	243,563	715,361	(815,525)	**143,399**

	2017	2016
	£	£
Cash flows from operating activities		
Loss for the financial year	**(37,983)**	(23,585)
Adjustments for:		
Accrued income	**(113)**	(588)
Changes in:		
Trade and other debtors	**(4,431)**	(1,707)
Trade and other creditors	**(2,078)**	1,879
Cash generated from operations	**(44,605)**	(24,001)
Net cash used in operating activities	**(44,605)**	(24,001)
Cash flows from financing activities		
Proceeds from issue of ordinary shares	**50,004**	–
Net cash from financing activities	**50,004**	–
Net increase/(decrease) in cash and cash equivalents	**5,399**	(24,001)
Cash and cash equivalents at beginning of year	**123,127**	147,128
Cash and cash equivalents at end of year	**128,526**	123,127

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. There are no key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

1. General information

MetalNRG plc is a public company limited by shares which is incorporated in England.

The registered office is 6 Middle Street, London EC1A 7JA.

The registered number is 05714562.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

The financial statements are presented in Sterling (£).

3. Operating profit

Operating profit or loss is stated after crediting:

	2017	2016
	£	£
Foreign exchange gains	**16,147**	13,277

4. Auditor's remuneration

	2017	2016
	£	£
Fees payable for the audit of the financial statements	**5,900**	5,400
Fees payable in respect of previous year audit	**580**	–

5. Tax on loss

Reconciliation of tax income

The tax assessed on the loss on ordinary activities for the year is higher than (2016: higher than) the standard rate of corporation tax in the UK of 20% (2016: 20%).

	2017	2016

	£	£
Loss on ordinary activities before taxation	**(37,983)**	(23,585)
Loss on ordinary activities by rate of tax	**(7,597)**	(4,717)
Unused tax losses	**7,597**	4,717
Tax on loss	**–**	–

6. Earnings per share

Basic earnings per share

	2017	2016
Basic earnings/(loss) per share from continuing operations (pence per share)	**(0.06p)**	(0.05p)

The earnings and weighted average number of shares used in the calculation of basic earnings per share are as follows:

	2017	2016
	£	£
Earnings used in the calculation of basic earnings per share from continuing operations	**(37,983)**	(23,585)

	2017	2016
	No.	No.
Weighted average number of ordinary shares in issue	**(67,359,271)**	(48,332,003)

Diluted earnings per share

	2017	2016
Diluted earnings/(loss) per share from continuing operations (pence per share)	**(0.05p)**	(0.05p)

The earnings and weighted average number of shares used in the calculation of the diluted earnings per share are as follows:

	2017	2016
	£	£
Earnings used in the calculation of diluted earnings per share from continuing operations	**(37,983)**	(23,585)

	2017	2016
	No.	No.
Weighted average number of ordinary shares in issue used in the calculation of basic earnings per share	**(67,359,271)**	(48,332,003)
Share options granted	**(10,000,000)**	(4,000,000)
Weighted average number of ordinary shares in issue used in the calculation of diluted earnings per share	**(77,359,271)**	(52,332,003)

Since the year end there have been a placing of 59,000,000 ordinary shares. In addition to this Directors exercised options on 9,500,000 shares.

This brings the total ordinary 0.01p shares in issue at the date of this report to 135,859,271.

Under the terms of the options this early exercise triggered a further issue of options of 9,500,000. A further 3,000,000 share options were issued in March 2017 bringing the total number of options now in issue to 13,000,000.

In calculating Earnings per Share, only ordinary shares and options are included. Deferred shares are excluded on the basis they have no dividend or voting rights.

7. Debtors

	2017	2016
	£	£
Prepayments and accrued income	**1,749**	1,230
Other debtors	**21,432**	17,520
	23,181	18,750

8. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	**1,239**	3,317
Accruals and deferred income	**7,069**	7,182
	8,308	10,499

9. Called up share capital

Authorised share capital

	2017		2016	
	No.	£	No.	£
Ordinary 0.5p shares shares of £0.005 each	**–**	**–**	150,000,000	750,000
Ordinary 0.01p shares shares of £0.0001 each	**150,000,000**	**15,000**	–	–
Deferred Ordinary shares of £0.0049 each	**150,000,000**	**735,000**	–	–
	300,000,000	**750,000**	150,000,000	750,000

Issued, called up and fully paid

	2017		2016	
	No.	£	No.	£
Ordinary shares of 0. 5p each	**–**	**–**	48,332,003	241,660
Ordinary shares of 0. 01p each	**67,359,271**	**6,736**	–	–
Deferred Ordinary shares of 0. 49p each	**48,332,003**	**236,827**	–	–
	115,691,274	**243,563**	48,332,003	241,660

Share movements

	No.	£
Ordinary 0.5p shares		
At 1 March 2016	**48,332,003**	**241,660**
Shares cancelled	**(48,332,003)**	**(241,660)**
At 28 February 2017	**–**	**–**

	No.	£
Ordinary 0.01p shares		
At 1 March 2016	**–**	**–**
Issue of shares	**67,359,271**	**6,736**
At 28 February 2017	**67,359,271**	**6,736**

	No.	£
Deferred Ordinary		
At 1 March 2016	**–**	**–**
Issue of shares	**48,332,003**	**236,827**

At 28 February 2017	**48,332,003**	**236,827**

At the year end there were 10,000,000 exercisable share options held by directors on ordinary 0.01p shares at an exercise price of 0.5p. These options can be exercuised up to 19 November 2019. For each share option exercised before 19 November 2017 a further option of a share is triggered at £0.75. For each share option exercised between 20 November 2017 and 20 November 2018 a further option of half a share is triggered at £0.75. These further options also expire on 19 November 2019.

At 29 February 2016 there were 4,000,000 exercisable share options held by directors on ordinary £.005 shares at £0.02

Each ordinary share is entitled to one vote in any circumstances. Each ordinary share is entitled pari passu to dividend payments or any other distribution and to participate in a distribution arising from a winding up of the company.

Each deferred share has no voting rights, and is not entitled to receive a dividend or oither distribution. Deferred shares are only entitled to receive the amount paid up after the holders of ordinary shares have received the sum of £1 million for each ordinary share, and have no other rights to participate in the assets of the company.

10. Reserves

Share premium account - This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Profit and loss account - This reserve records retained earnings and accumulated losses.

11. Events after the end of the reporting period

Since 28 February 2017, the following post year end events have taken place.

- On March 6 2017 Paul Johnson became CEO of MetalNRG plc and on March 20 2017 Gervaise Heddle, CEO of Greatland Gold plc became a Non-Executive Director;

- Also on March 20 2017 the Company undertook a strategic financing raising £342,500 in which director contributions were £50,000;

- On March 31 2017 the Company appointed SI Capital as its corporate broker and on June 21 2017 Peterhouse Corporate Finance Limited as its NEX Exchange Corporate Adviser. The change of advisers was undertaken to ensure the Company has the correct advisory network necessary during the planned aggressive growth of the business;

- The work of the Company to identify suitable opportunities has accelerated in 2017 and it is anticipated that various market updates will be issued in the near term with further information. Of particular note the Company is actively involved with commercial discussions surrounding various cobalt copper/zinc and resource based fintech related opportunities.

12. Related party transactions

There is no individual with ultimate overall control of the company.

C.P. Latilla-Campbell is a director and shareholder of this company and also a director and sole shareholder of London Finance & Investment Corporation Limited (LFIC). Accountancy charges incurred by this company amounting to £3,000 (2016: £3,500) represent proportional recharges in respect of the time spent on company business by the LFIC company accountant. At the year end trade creditors included an amount of £250 (2016: £nil) outstanding to LFIC.