

30 April 2021

Papillon Holdings PLC
('Papillon' or 'the Company')

Results for the year ended 31 December 2020

Chief Executive's Report

As reported in the interim accounts, on 3 September 2020, the company announced that it had signed a binding Heads of Agreement (the 'Agreement') with Mayflower Capital Investments Pty Limited ('Mayflower') to acquire certain contractual gold production and exploration rights held by Mayflower in Republic of Kenya and in Congo Brazzaville. These rights are held by Mayflower through a special purpose vehicle, Mayflower Gold Limited which is incorporated in the United Kingdom.

Under the Agreement, the Company will acquire 100% of the share capital of Mayflower Gold and the options it holds to acquire: (a) 100% of the share capital of Kilimapesa Gold Pty Limited, which holds a 100% interest in the Kilimapesa Gold Mine in the Republic of Kenya; and (b) a 70% joint venture interest in Congo Gold SARL (which holds a 100% interest in the Kakamoeka Gold Project in Congo Brazzaville).

Kilimapesa is an established gold mine offering immediate value to the Company. Kilimapesa is located approximately 230km west of Nairobi in the historically productive Migori Archaean Greenstone Belt, Kenya. Kilimapesa has a current mineral resource of 8,715,291 tonnes at 2.40 g/t Au for 671,446 oz Au at a cut-off of 1 g/t. Production commenced in 2012 with the mine having an established infrastructure including a processing plant commissioned in 2016 with design capacity of 200 tonnes per day. Kilimapesa was put on care and maintenance in 2019, primarily due to insufficient funding.

Mayflower's technical management team is currently on site at Kilimapesa overseeing and implementing plans for the immediate recommencement of gold production using the established processing plant. Further mine and process plant optimisation studies are underway and are to be implemented upon completion of the Acquisitions to further increase annual gold production to an initial rate of 25,000 oz.

Mayflower successfully recommenced gold production during 2020, with the first gold pour taking place on Monday 14 September 2020 yielding a 3,377g (87oz) gold bar, gold production continues at Kilimapesa as at the date of this report.

Mayflower has over the period secured all necessary capital and working capital funding to recommence operations and to implement optimisation and expansion studies at Kilimapesa.

No on-site activities at Kakamoeka were completed during the period. Kakamoeka includes four exploration licences covering over 3,000 square kilometres of the Mayombe Greenstone Belt located in Congo Brazzaville and provides the Company with further gold exploration and development opportunities.

Contemporaneously with re-admission, the Company will exercise its newly acquired option to acquire a 100% interest in Kilimapesa and, immediately thereafter, the Company intends to devote substantially all of its resources to the exploration and development of gold in Kilimapesa.

The Company has submitted a full prospectus to the UK Listing Authority ('UKLA'), which is close to approval and expect this to be agreed in the relatively near future in order that the placing and re-admission of the shares of the company to trading on the standard segment of the LSE may take place. The Investment is subject, inter alia, to the completion of due diligence, documentation and compliance with all regulatory requirements.

Losses have increased to £1,074,000 for the year ended 31 December 2020 (2019: £582,000) due largely to the write off of the intercompany due from Odessa Ventures Limited of £547,000 (2019: £0), a company that has been set up to hold the residuary Pace Cloud assets and which is to be spun off upon completion of the RTO with no encumbrances. Administration costs have increased to £930,000 (2019: £477,000) which includes the write off of £547,000 described above. Without this write off, administration costs have fallen from £477,000 in 2019 to £383,000 in 2020, a decrease of 20% due to the writing back of certain provisions for the aborted Pace Cloud Limited RTO. Interest costs have increased to £176,000 (2019: £122,000). The loans upon which interest has been charged are now subject to standstill arrangements and will be zero from these loans in the ensuing period. Certain creditors in the balance sheet will be converted to equity upon re-listing.

I would personally like to thank very much our shareholders again for their patience during this process and the extended time in which the shares of your company have been suspended from trading and we look forward to a successful future post the completion of our investment in the Kilimapesa Gold mine and other interests.

Key performance indicators

There are no key performance indicators for this period as the Company has not completed its investment activity.

The Company operates in an uncertain environment and is subject to a number of risk factors. The Directors have carried out a robust assessment of the risks and consider the following risk factors are of particular relevant to the Company's activities, although it should be noted that this list is not exhaustive and that other risk factors not presently known or currently deemed immaterial may apply.

Principal risks and uncertainties

i. Business strategy

The Company is a relatively new entity, with only a brief operating history, and therefore, investors have no basis on which to evaluate the Company's ability to achieve its objective of identifying, acquiring and operating one or more companies or businesses.

Whilst the company has executed a Share Purchase Agreement to acquire Mayflower Gold, the directors are unable to offer assurance that the relisting of Papillon Holdings PLC will complete and /or that we will be able to raise the necessary funds via a placing upon re-listing to enable Mayflower Gold to fulfil its short-term plans.

ii. Liquidity Risk

The Directors have reviewed the working capital requirements and believe that there is sufficient working capital to fund the business and agreed to fund the shortfall if required.

Environmental Responsibility

The Company and its management believe that any matters related to environmental responsibility are not currently applicable as there are no trading activities. Nevertheless, the Company and its management acknowledge the importance of environmental responsibility and minimum compliance with local regulatory environmental requirements in the event where future trading and operational activities occur.

Social, community and human rights responsibility

The Company and its management recognise and acknowledge the responsibility under English law to promote success of the Company for the benefits of its stakeholders. The Company and its management also acknowledge and recognise the responsibility towards partners, suppliers, contractors, investors, lenders and local community in which future operational activities will take place. The Company has four employees, being the directors. At the end of the financial year there were four directors, all male.

Anti-corruption and anti-bribery policy

The Company is aware of the UK Bribery Act 2010 and any related guidelines and regulations. The Company and its management have conducted a review into its operational procedures to consider the impact of the Bribery Act 2010 and the Board has adopted anti-corruption and anti-bribery policy.

Acts of God and contagious diseases

Acts of God such as seismic activity, flooding, inclement weather and natural disasters more generally, together with outbreaks of highly contagious diseases, are beyond the control of the Group and may adversely affect the economy, infrastructure and livelihood of people in the countries in which the Group is operating or proposing to operate. The Group's business and profitability may be adversely affected should such acts of God and/or outbreaks occur and/or continue.

With respect to the coronavirus pandemic in particular, the recent outbreak of a novel coronavirus (SARS-CoV-2) and related respiratory disease (coronavirus disease (COVID-19) ("COVID-19")) has begun to negatively impact economic conditions globally, including in Kenya, and there are concerns for a prolonged tightening of global financial conditions, which could result in a global recession or depression. For instance, in March 2020 the COVID-19 outbreak caused stock markets worldwide to lose significant value and impacted economic activity worldwide. The company has taken the necessary measures to mitigate the broader public health risks associated with COVID-19 to its business and employees, including through self-isolation of employees where possible in line with the recommendations of relevant health authorities,

Going Concern

As stated in note 2 to the financial statements, the Directors James Longley and Charles Tatnall, have offered letters of support confirming that they will provide such additional working capital as necessary to enable the Company to meet all of its debts as and when they fall due for a period of at least twelve months from the date of approval of the financial statements. This support is not considered relevant once the Company completes the planned acquisition of Mayflower. On this basis the Directors are satisfied that the Company has sufficient resources to continue in operation for the foreseeable future, a period of not less than 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Section 172 Statement

The Directors acknowledge their duty under s.172 of the Companies Act 2006 and consider that they have, both individually and together, acted in the way that, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. In doing so, they have had regard (amongst other matters) to:

- the likely consequences of any decision in the long term: The Company's long-term strategic objectives, including progress made during the year and principal risks to these objectives, are shown on above.
- the interests of the Company's employees: Our employees are fundamental to us achieving our long-term strategic objectives.
- the need to foster the Company's business relationships with suppliers, customer and others A consideration of our relationship with wider stakeholders and their impact on our long-term strategic objectives is also disclosed above.
- the impact of the Company's operations on the community and the environment The Group operates honestly and transparently. We consider the impact on the environment on our day-to-day operations and how we can minimise this.
- the desirability of the Company maintaining a reputation for high standards of business conduct Our intention is to behave in a responsible manner, operating within the high standard of business conduct and good corporate governance.
- the need to act fairly as between members of the Company: Our intention is to behave responsibly towards our shareholders and treat them fairly and equally, so that they too may benefit from the successful delivery of our strategic objectives.

The Strategic Report forms part of the Company's annual accounts and reports. The full set of accounts can be found at the registered office as stated in the Company information or in the London Stock Exchange website.

The Auditor's Report on the annual accounts was unqualified and states that the Strategic Report and Director's Report are consistent with the financial statements. This report can be found in pages 15-19.

James Longley

Director

30 April 2021

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

		Year ended 31 December 2020 £'000	Year ended 31 December 2019 £'000
	Notes		
Continuing operations			
Listing costs	5	(68)	(33)
Administrative expenses	5	(862)	(443)
Finance costs		(176)	(122)
Interest income		32	16
Loss before taxation		<u>(1,074)</u>	<u>(582)</u>
Taxation	7	<u>-</u>	<u>-</u>

Loss and comprehensive loss for the period		(1,074)	(582)
		<hr/>	<hr/>
Basic and diluted loss per share	8	(0.811p)	(0.440p)

The notes on pages 24 to 34 form part of these financial statements.

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020**

		As at 31 December	
		2020	2019
	Notes	£'000	£'000
Assets			
Current assets			
Other receivables	10	12	23
Cash and cash equivalents	12	-	-
Non-current asset			
Other receivables	11	-	457
		<hr/>	<hr/>
Total Assets		12	480
Equity and liabilities			
Current liabilities			

Trade and other payables	13	1,423	789
Convertible loan notes	14	450	478
Total Liabilities		<u>1,873</u>	<u>1,267</u>
Equity attributable to equity holders of the company			
Share Capital - Ordinary shares	15	132	132
Share Premium account	15	602	602
Loan Notes Equity Reserve	14	-	22
Accumulated Deficit	16	(2,595)	(1,543)
Total Equity		<u>(1,861)</u>	<u>(787)</u>
Total Equity and liabilities		<u>12</u>	<u>480</u>

The notes on pages 24 to 34 form part of these financial statements.

Approved by the Board and authorised for issue on 30 April 2021

James Longley
 Director
 Company Registration No. 09829720

**STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 31 DECEMBER 2020**

**31
 December**

**31
 December**

		2020	2019
	Notes		
		£'000	£'000
Cash flows from operating activities			
Operating loss		(1,074)	(582)
Add interest payable		176	122
Less interest receivable		(32)	(16)
(Increase)/decrease in receivables		468	(311)
Increase/(decrease) in payables		631	562
Cash flow from operating activities		<u>169</u>	<u>(225)</u>
Cash flows from investing activities			
Interest received		32	16
Interest paid		(176)	(122)
Net cash flows from investment activities		<u>(144)</u>	<u>(106)</u>
Cash flows from financing activities			
10% Convertible Loan Notes cash receipts	14	-	300
10% Convertible Loan Notes cash repayments		(25)	-
Net cash from/(used in) financing activities		<u>(25)</u>	<u>300</u>
Net increase/decrease in cash and cash equivalents		-	(31)
Cash and cash equivalents at the beginning of the period		-	31
Cash and cash equivalents at end of period		<u>-</u>	<u>-</u>
Represented by: Bank balances and cash		<u>-</u>	<u>-</u>

The notes on pages 24 to 34 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	Share capital	Share premium	Loan Note Equity reserve	Accumulated deficit	Total equity
		£'000	£'000		£'000	£'000
As at 31 December 2018		132	602	6	(961)	(221)
Equity element of the issue of 10% convertible loan notes		-	-	16	-	16
Loss for the year		-	-	-	(582)	(582)
As at 31 December 2019		132	602	22	(1,543)	(787)
Equity element of the issue of 10% convertible loan notes		-	-	(22)	22	-
Comprehensive Loss for the year		-	-	-	(1,074)	(1,074)
As at 31 December 2020		132	602	-	(2,595)	(1,861)

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

a) Going concern

These financial statements have been prepared on the assumption that the Company is a going concern. When assessing the foreseeable future, the Directors have looked at a period of at least twelve months from the date of approval of this report and the working capital requirements of the Company.

After making enquiries, the Directors firmly believe that, together with their support, the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. The Reverse take-over by Mayflower Gold with regard to the ultimate acquisition of the Kilimapesa gold mine in Kenya and other gold interests have been taken into account for going concern purposes and substantial funds have been and intend to be raised to fund this acquisition and its ongoing operations. The working capital statements have been reviewed as disclosed in the prospectus together with other financial information supplied by the management and directors of Mayflower

b) Standards, interpretations and amendments to published standards

There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning that would be expected to have a material impact on the Company. The new IFRSs adopted during the year are as follows:

- IFRS 16 - Leases (amendments)
- IFRS 3 - Employee Benefits (amendment)

The following new standards, amendments to standards and interpretations have been issued, but are not effective for the financial period beginning 1 September 2019 and have not been early adopted. The Directors anticipate that the adoption of these standard and the interpretations in future periods will have no material impact on the financial statements of the Company.

The new standards include:

IFRS 16	Leases (amendment) ¹
IFRS 17	Insurance Contracts ³
IAS 16	Property, plant and equipment (amendment) ²
IAS 37	Provisions, Contingent Liabilities and Contingent Assets (amendment) ²

1 Effective for annual periods beginning on or after 1 January 2021

2 Effective for annual periods beginning on or after 1 January 2022

2 Effective for annual periods beginning on or after 1 January 2023

2.2 Financial assets and liabilities

The Company classifies its financial assets at fair value through profit or loss or as loans and receivables and classifies its financial liabilities and other financial liabilities. Management determines the classification of it's investments at initial recognition, A financial asset or liability is measured initially at fair value. At inception transaction costs that are directly attributable to the acquisition or issue, for an item not at fair value through profit or loss, is added to the fair value of the financial asset and deducted from the fair value of the financial liabilities.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determined payments that are not quoted on an active market. They arise when the Company provides money, goods or services directly to a debtor with no intention of trading the receivable. Loans are recognised when funds are advanced to the recipient. Loans and receivables are carried at amortised cost using the effective interest method (see below).

Other financial liabilities

Are non-derivative financial liabilities with fixed or determined payments. Other financial liabilities are recognised when cash is received from a depositor. Other financial liabilities are carried at amortised cost using the effective interest method. The fair value of the other liabilities repayable on demand is assumed to be the amount payable on demand at the statement of financial position date.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the Company has transferred substantially all the risks and rewards of ownership. In transactions in which the Company neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset and retains control over the asset, the Company continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset. There have not been any instances where assets have only been partly derecognised. The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

Amortised cost measurement

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal payments, plus or minus the cumulative amortisation using the effective interest method of any differences between the initial amount recognised and maturity amount, minus any reduction to impairment.

Fair value measurement

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date. The fair value of assets and liabilities in active markets are based on current bid and offer prices respectively. If the market is not active the Company establishes fair value by using other financial liabilities appropriate valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same for which market observable prices exist, net of present value and discounted cash flow analysis.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, and other short-term highly liquid investments with original maturities of three months or less.

2.3 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.4 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

There is no tax payable as the Company has made a taxable loss for the year. Taxable loss differs from net loss as reported in the statement of comprehensive income because it excludes items of income and expense that are taxable or deductible in other years, and it further excludes items that are never taxable or deductible. The

Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit or loss. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised. The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

2.5 Investments held for sale

Investments are considered Held for sale (HFS) if there is intention and means to sell the investment off within a 12 month period from that date of the accounts. These investments are valued at recoverable amounts, and any impairment being recognised in the profit and loss.

2.6 Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions. In the opinion of the director, the Company has one class of business, being that of an investment company. The Company's primary reporting format is determined by the geographical segment according to the location of its establishments. There is currently only one geographic reporting segment, which is the UK. All costs are derived from the single segment.

3 Critical accounting estimates and judgments

The Company makes certain judgements and estimates which affect the reported amount of assets and liabilities. Critical judgements and the assumptions used in calculating estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Impairment of receivables - The company's management reviews receivables on a regular basis to determine if any provision for impairment is necessary. The policy for the impairment of receivables of the company is based on, where appropriate, the evaluation of collectability and ageing analysis of the receivables and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these outstanding amounts, including the current creditworthiness and the past collection history of each debtor. If the financial conditions of debtors of the company were to deteriorate, resulting in an impairment of their ability to make payments, provision for impairment may be required.

In the process of applying the Company's accounting policies, which are described above, the Directors do not believe that they have had to make any assumptions or judgements that would have a material effect on the amounts recognised in the financial information.

4 Financial risk management

The Company's activities may expose it to some financial risks. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

a) Liquidity risk

Liquidity risk is the risk that Company will encounter difficulty in meeting obligations associated with financial liabilities. The responsibility for liquidity risks management rest with the Board of Directors, which has established appropriate liquidity risk management framework for the management of the Company's short term and long-term funding risks management requirements. During the period under review, the Company has not utilised any borrowing facilities. The Company manages liquidity risks by maintaining adequate reserves by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

b) Capital risk

The Company takes great care to protect its capital investments. Significant due diligence is undertaken prior to making any investment. The investment is closely monitored.

c) Credit risk

The Company has provided loans to companies. The Company assesses the creditworthiness, prior to providing the loans to limit the risk of default.

Financial Risk Management Financial instruments by category

	31 December 2020	31 December 2019
	£'000	£'000
Other receivables	12	457
Prepayments and Accrued interest	-	23
Cash and cash equivalents	-	-

Total current financial assets	12	480
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	31 December 2020	31 December 2019
	£'000	£'000
Trade and other payables	1,423	789
Convertible Loan notes	450	478
<u>Total current financial liabilities</u>	1,873	1,267

Fair value hierarchy - All the financial assets and financial liabilities recognised in the financial statements which are short-term in nature are shown at the carrying value which also approximates the fair values of those financial instruments. Therefore, no separate disclosure for fair value hierarchy is required.

The Company's activities expose it to a variety of financial risks, mainly credit risk and liquidity risk.

Market risk - Market risk is defined as the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Company's market risks arise from open positions in (a) interest bearing assets and liabilities, and (b) foreign currencies; to the extent that these are exposed to general and specific market movements (see details below).

- (i) Interest rate risk - The Company's interest-bearing assets and liabilities have fixed interest rates and so changes in market interest rates do not have any significant direct effect on its income. All loans to the company are now subject to standstill arrangements and no further interest is being accrued.
- (ii) Currency risk - The Company is exposed to movement in foreign currency exchange rates arising from normal trading transactions that are denominated in currencies other than the respective functional currencies of the entity, primarily with respect to GBP. The Company does not have a policy to hedge its exposure to foreign currency exchange risk as the Company has both revenue and exposures denominated in GBP such that the net exposure is declining as the Company moves towards being naturally hedged.
- (iii) Credit risk - Risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from cash balances (including bank deposits, cash and cash equivalents) and credit exposures to trade receivables. The Company's maximum exposure to credit risk is represented by the carrying value of cash and cash equivalents and trade receivables.
- (iv) Liquidity risk - Trade and other payables are monitored as part of normal management routine.

Borrowings and other liabilities mature according to the following schedule:

	2020	2019
	£'000	£'000
Within 1 year		
Trade and other payables	1,423	789
Convertible Loan notes	450	478

5 Operating loss, expenses by nature and personnel

	Year to 31 December 2020	Year to 31 December 2019
	£'000	£'000
Operating loss is stated after charging:		
Directors Remuneration	-	-
Consulting fees, including directors	265	272
Bad debt provision	547	-
Premises	-	18
Legal and professional fees	5	111
Listing costs	68	33
Audit fees	18	10
Non -audit fees	17	10
Other administrative expenses	10	34
Total administrative expenses	930	487

Non - audit fees relate to fees of £14,000 plus VAT payable to the auditors for acting a reporting accountant for the planned reverse takeover of Pace Cloud.

The bad debt provision is with regard to the write off of the loan to Odessa Ventures which is being spun out at the conclusion of the reverse take-over. It has been agreed that no liabilities will accrue to Odessa Ventures which has as its sole asset the Pace Cloud Limited interests.

6 Personnel

The average monthly number of employees during the period was four, being the directors.

There were no benefits, emoluments or remuneration payable during the period for key management personnel including the four directors other than the information disclosed in note 21.

7 Taxation

	Year ended 31 December 2020 £'000	Year to 31 December 2019 £'000
Total current tax	-	-

Factors affecting the tax charge for the period

Loss on ordinary activities before taxation	(1,074)	(582)
Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19% (2019: 19%)	(204)	(110)
Effects of:		
Non-deductible expenses	103	46
Tax losses carried forward	101	64
Current tax charge for the period	-	-

No liability to UK corporation tax arose on ordinary activities for the current period.

The company has estimated tax losses of £1,375,000 (2019: 848,000) available for carry forward against future trading profits.

The tax losses have resulted in a deferred tax asset of approximately £261,000 (2019: £161,000) which has not been recognised in the financial statements due to the uncertainty of the recoverability of the amount.

8 Earnings per share

	Year to 31 December 2020	Year to 31 December 2019
Basic loss per share is calculated by dividing the loss attributable to equity shareholders by the weighted average number of ordinary shares in issue during the period:		
Loss after tax attributable to equity holders of the company	(£1,074,311)	(£582,404)
Weighted average number of ordinary shares	132,400,000	132,400,000
Basic and diluted loss per share	<u>(0.811p)</u>	<u>(0.440p)</u>

There were CLNs in issue in the period (see Note 14) as well as warrants outstanding as at the year end (see Note 15). These would be potential dilutive, however as the Company is loss making, they are instead considered anti-dilutive, and so not included in the calculations for diluted loss per shares.

9 Capital risk management

The Directors' objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. At the date of this financial information, the Company had been financed by the introduction of capital. In the future, the capital structure of the Company is expected to consist of borrowings and equity attributable to equity holders of the Company, comprising issued share capital and reserves.

10 Trade and other receivables

	2020	2019
	£'000	£'000
Other receivables	12	-
Prepayments and accrued interest	-	23
	<u>12</u>	<u>23</u>
	<u><u>12</u></u>	<u><u>23</u></u>

11 Receivables due after one year

	2020	2019
	£'000	£'000
Other receivables	-	457
	<u>-</u>	<u>457</u>
	<u><u>-</u></u>	<u><u>457</u></u>

12 Cash and cash equivalents

	2020	2019
	£'000	£'000
Cash at bank	-	-
	<u>-</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>

13 Trade and other payables

	2020	2019
	£'000	£'000
Trade payables	918	457
Accruals	505	332
	<u>1,423</u>	<u>789</u>
	<u><u>1,423</u></u>	<u><u>789</u></u>

14 Borrowings**Convertible loans**

On 26 October 2018 the Company issued £100,000 convertible loan notes, repayable on 25 October 2019 if not converted into shares prior to that date, and bearing interest at 10% p.a. payable quarterly in arrears. On 28 November 2018 the Company also issued £100,000 convertible loan notes, due for repayment on 27 November 2019 if not converted into shares prior to that date, and bearing interest at 10% p.a. payable quarterly in arrears. Neither of the loan notes issued were converted on or by the due dates and both continued to attract interest on the same terms at 10% pa payable quarterly in arrears, and become repayable on demand.

On 16 May 2019 the Company issued £300,000 convertible loan notes, repayable on 15 May 2020 if not converted into shares prior to that date, and bearing interest at 10% p.a. payable quarterly in arrears. The loan notes issued were not converted on or by the due dates and continued to attract interest on the same terms at 10% pa payable quarterly in arrears and become repayable on demand.

During the year the company repaid £50,000 of the loan notes issued and on 5 January 2021 entered into individual standalone agreements with the holders of the remaining £450,000 of convertible loan notes. The combined outstanding interest payable was agreed at a fixed £62,500 and the holders agreed to convert their combined loan and accrued interest totalling £512,500 into 51,250,000 new ordinary shares of 1 pence each in the company which will take place on or before 30 June 2021 when the company's enlarged share capital will be admitted to trading on the standard segment of the London Stock Exchange.

15 Share capital and premium

	2020	2019
	£'000	£'000
Allotted, called up and fully paid		
132,400,000 Ordinary shares of £0.001 each	132	132
Total share capital	<u>132</u>	<u>132</u>
Share premium	602	602
Total share premium	<u>602</u>	<u>602</u>

The ordinary shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

The Company has issued Placing warrants to the Placees to subscribe at 1.5 pence per Ordinary share for up to 41,200,000 Ordinary shares each on the basis of one Placing warrant for every two Placing shares subscribed for by each Placee. The Placing warrants are unlisted and are exercisable up to the second anniversary of Admission in whole or in a minimum aggregate amount of 50,000 Placing warrants.

The Company has issued Founder warrants to James Longley and Charles Tatnall, to subscribe at 1.25 pence per Ordinary share for up to 10 million Ordinary shares each, they also hold placee warrants of 10 million each. The Founder warrants are unlisted and are exercisable up to the third anniversary of Admission in whole or in a minimum aggregate amount of 50,000 Founder warrants.

The Company has issued Broker warrants to JIM Nominees Limited to subscribe at the Placing Price for up to 10,300,000 Ordinary Shares. The Broker warrants are unlisted and are exercisable up to the fifth anniversary of Admission in whole or in a minimum aggregate amount of 50,000 Broker warrants.

16	Accumulated deficit		
		2020	2019
		£'000	£'000
	At start of period	(1,543)	(961)
	Unwinding of Loan Note Equity Reserve	22	-
	Loss for the period	(1,074)	(582)
	As at 31 December	<u>(2,595)</u>	<u>(1,543)</u>

17 Contingent liabilities

The company has no contingent liabilities in respect of legal claims arising from the ordinary course of business.

18 Capital commitments

There was no capital expenditure contracted for at the end of the reporting period but not yet incurred.

19 Ultimate controlling party

As at 31 December 2020 there is no ultimate controlling party.

20 Events after the reporting period

As reported in the interim accounts, on 3 September 2020, the company announced that it had signed a binding Heads of Agreement (the 'Agreement') with Mayflower Capital Investments Pty Limited ('Mayflower') to acquire certain contractual gold production and exploration rights held by Mayflower in Republic of Kenya and in Congo Brazzaville. These rights are held by Mayflower through a special purpose vehicle, Mayflower Gold Limited which is incorporated in the United Kingdom.

Under the Agreement, the Company will acquire 100% of the share capital of Mayflower Gold and the options it holds to acquire: (a) 100% of the share capital of Kilimapesa Gold Pty Limited, which holds a 100% interest in the Kilimapesa Gold Mine in the Republic of Kenya; and (b) a 70% joint venture interest in Congo Gold SARL (which holds a 100% interest in the Kakamoeka Gold Project in Congo Brazzaville).

21 Related party transactions

During the year ended 31 December 2020 the Directors received consultancy fees through the following companies:

Director	Company	2020 Fees paid	2019 Fees paid
		£	£
James Longley	James Longley Limited	79,858	57,600
Charles Tatnall	Tatbels Limited	79,858	57,600
		<u>159,716</u>	<u>115,200</u>

During the year ended 31 December 2020 the Company received loans of £112,365 (2019: £8,915) from Fandango Holdings PLC at a rate of 5% per month payable upon demand. The amount of interest accrued at the year ended amounted to £24,792. Charles Tatnall is a director of Fandango Holdings PLC.

During the year ended 31 December 2020 the Company received loans totalling of £150,879 (2019: £57,000) from Stranger Holdings PLC at an interest rate of 5% per month. The amount of interest accrued at the year ended amounted to £ 70,384. Both Charles Tatnall and James Longley are directors of Stranger Holdings PLC.

On 5 January 2021 as part of a standstill agreement between Fandango Holdings PLC, Stranger Holdings PLC and Papillon Holdings PLC it was agreed that no further interest would accrue on any of the borrowings from the two companies, that the total amount of capital and interest due to Stranger Holdings PLC would be assigned to Fandango Holdings PLC and that the revised total amount due to Fandango Holdings PLC of £381,332 comprising capital and accrued interest would be converted into 38,133,261 new ordinary shares of 1 pence each in the company. This allotment of new shares will take place on or before 30 June 2021 as part of a reverse takeover when the company's enlarged share capital will be admitted to trading on the standard segment of the London Stock Exchange.

During the year ended 31 December 2020 the Company received an interest free loan of £65,000 from Plutus Energy Limited payable upon demand. James Longley and Charles Tatnall are also the directors of Plutus Energy Limited.

Odessa Ventures has been set up to hold the residual interests in Pace Cloud Limited. All the previous loans to Pace Cloud Limited together with accrued interest have been assigned from the Company to Odessa, where it was converted into equity in Pace Cloud Limited equivalent to approximately 17% of its current share capital. It is intended that Odessa Ventures will be spun out of the Company, and is therefore an asset held for sale, at the completion of the reverse takeover of Papillon by Mayflower. All balances in respect of Odessa have been fully impaired in the year due to uncertainty of recoverability.