



Annual Report

Annual Report and Accounts

For the three years ended 31 January 2018

CORPORATE DIRECTORY

Registered office of CIC Fund	1100 - 570 Granville Street Vancouver, British Columbia V6C 3P1 , Canada
Luxembourg Office	22-24 Boulevard Royal L-2449 Luxembourg
UK Legal Adviser	Pitmans LLP 47 Castle Street Berkshire RG1 7SR, UK
German Legal Advisor	Ijh Rechtsanwälte Heimeranstr. 35 D-80339 München, Germany
Hong Kong Legal Adviser	Francis & Co. (Hong Kong) LLP 802-804 Citibank Tower, 3 Garden Road Central, Hong Kong
Chinese Legal Adviser	Beijing Zenwen Law Firm 418, Tower 1 China World Towers No.1 Jianguomenwai Dajie Beijing, PRC
Share Registrars	Capital Transfer Agency 390 Bay Street, Suite 920 Toronto, ON M5H 2Y2
Auditors	Sawin & Edwards 52 Kingsway Place, Sans Walk London EC1R 0LU, UK

Company History

Providence Diamond Corporation Ltd

2003
2004

A company Federally incorporated on 20 June 2003 under the Canada Business Corporations Act (Federal Company) trading on the Canadian Securities Exchange (formally CNSX). Stuart J. Bromley acquired the majority of the shares in May 2004.

CIC Mining Resources Ltd



2004
|
2009

The company renamed CIC Mining Resources Limited and acquired Chinese gold mineral asset located in Gansu, China discovered by Stuart J. Bromley whom is a seven-generation mining family. The asset was acquired for US\$4.2 Million and was sold several years later to one of the worlds leading gold producing companies Zijin Mining for US\$175 million. The Company focussed on providing mineral company corporate advisory services and to act as a public Fund.

CIC Capital Ltd



2010
|
2014

The company listed on the AIM Market of the London Stock Exchange on November 1, 2010 and delisted from Canadian Security Exchange on June 24, 2011. The company changed is name on November 23, 2013 to CIC Capital Limited ("CIC Capital"). During 2014 the Company resolved to undergo a complete re-organisation to establish a separate advisory business to that of the Fund business. On May 2, 2014 the Company delisted from AIM Market. On November 24, 2014, the company changed is name to CIC Capital Fund Ltd ("CIC Fund") and resolved to become primary a public close ended Canadian fund. The Company formally farmed out its advisory business to be conducted by a new company CIC Capital Limited (Seychelles) in July 2014.

CIC Capital Fund Ltd

2015
|
2017

During 2015 through to 2017 the Company provided over CAD\$9.5 million in convertible loans to CIC Capital and to CIC Gold Group Limited ("CIC Gold"). CIC Capital successfully listed CIC Gold on the highly regulated main market of the London Stock Exchange as a gold mineral acquisition company. CIC Fund converted part of the convertible loan outstanding in CIC Gold into 28 Million shares and issued all the shares as divided in specie to CIC Funds's shareholders (excluding directors).

CIC Fund seeks to provide convertible loans to entities operating at various stages of development, and the exclusive right to control the public listing process of any Client Company if the Client Company is an unlisted company. CIC Fund principally seeks equity interests in client companies in return for capital which is distributed to shareholders byway of a dividend.

The Directors are of the opinion that CIC Fund is classified as an investment entity.

Business Activities

CIC Fund's strategy is to provide clients convertible loans that are well advanced in a listing on a designated stock exchange, have strong board of management and track record.

CIC Fund has provided two clients convertible loans during the re-organization phase to prove up CIC Fund's business model.

CIC Gold Group Limited ("CIC Gold") – Listed on the Main Board London Stock Exchange June 2015

On 19 August 2014 and 13 January 2015, CIC Fund was granted two unsecured, interest free convertible loans of £300,000 and £1,425,000 respectively from CIC Fund, documented by way of a loan agreement dated 12 January 2015. On 13 January 2015 the loans were converted into 28,750,000 Common Shares (the "Conversion Shares") each with one Convertible Loan Warrant attached and CIC Fund distributed the Conversion Shares, but not the Convertible Loan Warrants, to its shareholders on the same date. On 3 April 2015 the balance of loan monies of £1,009,960 was transferred to Top Ten Services Company. CIC Fund is a related party by virtue of being a shareholder.

On the 1 February 2016 CIC Gold group passed a resolution to the effect that the convertible loan terms were adjusted to reflect its trading price from 6 UK pence to 3 UK pence. The 3 UK pence already paid was to be considered payment of the warrant also adjusted from 36 pence to 3 pence. The share issuance could only occur after CIC Gold completed a reverse takeover and/or recommenced trading. Therefore the shareholding is as follows:

Fiscal YE 31 Jan 2015	Equity shares (before re-organization)	5,280,000
13 January 2015	Equity Shares Loan Conversion	28,750,000
	Equity holding	34,030,000
15 January 2015	Dividend to shareholders	-28,750,000
	Total Yr. Balance	5,280,000
Fiscal YE31 Jan 2018	Total Yr. balance	5,280,000
	LSE Ave. share trading price £*	0.01425
	Fair value £	75,240

* Last trading price at November 3, 2016.

CIC Fund will recognize the CIC Gold shares on its readmission.

CIC Fund views CIC Gold as a five year holding stock which will increase in value as CIC Fund makes a number of acquisitions in the gold sector. The first acquisition of Gobi Minerals is strategic gold assets located adjacent to producing mines and also located in the area of the world leading producing gold copper mine Turquoise Hill. CIC Fund is seeking 10 to 15 pence per share stock before divesture.

CIC Capital Limited ("CIC Capital")

CIC Fund has agreed, under the Convertible Loan Agreement and deed of variation, to provide CIC Capital with an unsecured interest free loan to facility achieve a public listing on a regulated stock exchange of its common shares.

Business Activities and Services (continued)

The Convertible Loans are repayable, either in cash or in shares at the option of CIC Fund, no later than two years after the date of the deed of variation. On conversion, the Convertible Loans are convertible into Common Shares at a price of £0.06 per Common Share, each such Common Share having a Convertible Loan Warrant attaching.

CIC Fund views CIC Capital as a five year holding stock which will increase in value as CIC Capital expands its client base. CIC Fund is seeking 10 to 15 pence per share stock before divesture.

Sino Oil Group Limited

Shares owned post re-organization are 3,985,441. CIC Fund has placed no value on these shares and will do so once CIC Fund achieves a public listing.

CIC Brancepeth Coal Limited

Shares owned post re-organization are 970,882. CIC Fund has in place no value on these shares and will do so once CIC Fund achieves a public listing.

CIC Fuel Group Limited

Shares owned post re-organization are 2,485,441. CIC Fund has placed no value on these shares and will do so once CIC Fund achieves a public listing.

Transaction Pipeline

CIC Fund has a strong pipeline of other potential Client Companies that the Board believes will seek convertible loans in the near future. In some cases, the work in progress to de-risk potential Client Companies for a listing has been ongoing for a number of years.

CIC Fund has established an international team with highly experienced Directors and Officers who together have skills covering marketing, law, corporate finance, investment and mining operations with core staff who have served the business for eight years or more.

Competition

CIC Fund currently does not believe there is a single identifiable direct competitor, however the Directors are aware that over time potential competition may materialise for suitable acquisition targets.

Chairman's Statement

It is with pleasure that I present my Chairman's Statement to highlight the progress and achievements of CIC Fund.

In 2014 it became necessary to re-organize CIC Fund which at the time was a Canadian public closed ended fund and a corporate advisory business. CIC Fund directors had remained since 2004 and over 10 years developed i) an exceptional professional investor shareholder base; ii) secured funding from leading public funds who trusted CIC Fund with capital; and iii) a potential client base for deal flow that could sustain substantial growth principally from Asia and middle east.

CIC Fund embarked on a re-organisation of the business. The re-organization phases were focused on each phase completion and not time based.

Phase 1 Spinout the Advisory Services Business 100% Achieved

On 1 December 2014, it changed its name to CIC Capital Fund Ltd. as part of re-organization process and spun-out its advisory business to a newly incorporated company in Seychelles, CIC Capital Limited with a separate independent board (not a controlled company).

On 12 January 2015, CIC Fund distributed one share in CIC Fund to one share in CIC Capital by way of an *in specie* dividend to its shareholders on a pro-rata basis.

Phase 2 - Corporate Governance 100% Achieved

CIC Fund established that its client's home states would be predominantly European Union, Asia, Middle East and North America.

CIC Fund adopted in full the Corporate Governance Codes in of those jurisdictions. Golwings UK was engaged in 2014 to produce a detailed Corporate Governance Manual for the Companies Board to follow and is available on CIC Fund's website.

In addition CIC Fund has adopted in full all the principals of the UK Stewardship Code, and is a signatory to the code with the UK Financial Reporting Council. These principals strengthen the focus on managing risk to CIC Fund clients providing capital to CIC Fund.

Phase 3 – Create Client Shareholder Base 100% Achieved

CIC Fund has an exceptional shareholder base developed since 2004 by the directors. The shareholder base is exceptionally valuable to clients wishing to create a new company structure with a view to become a public issuer on a regulated stock exchange.

CIC Gold Group Limited ("CIC Gold") listed as a shell and then underwent an acquisition with assets owned by the client. The initial CIC Gold shell company shareholder base was created by a dividend *in Specie* to CIC Fund's shareholders whereby they received pro-rata approx. 14% of their holding in CIC Gold shares. This created the necessary 25% free float (excluding insiders) required for the listing on the Main Board of the London Stock Exchange.

Phase 4 – Prove Convertible Loan Business Model 100% Achieved

During the re-organization period CIC Fund committed to support convertible loans to CIC Capital Limited ("CIC Capital") (farm-out entity) and CIC Gold Group Limited ("CIC Gold").

CIC Fund has provided convertible loans of CAD\$4,589,643 to CIC Capital since 2014. CIC Capital used the funds for its own public listing on a regulated EU market and for working capital.

Chairman Statement (continued)

CIC Fund has provided convertible loans of CAD\$3,751,454 to CIC Gold since 2014. CIC Gold used the funds to successfully list on the highly regulated market of London Stock Exchange Main Board and for working capital.

The total convertible loans provided to date since 2014 is CAD\$8,341,097. CIC Fund raised the convertible loan capital solely and no commission or fees were paid.

Phase 5 – Prove Dividend in *Specie* by Client Company 100% Achieved

CIC Gold Group Limited converted the majority of CIC Funds convertible loan to 28M shares to which CIC Fund distributed all CIC Gold shares as a dividend to its shareholders (excluding directors) in April 2015. In June 2015 CIC Gold commenced trading on the Main Board of London Stock Exchange at an average price of 6.00 UK pence.

Phase 6 – Public list various securities of CIC Fund ongoing

CIC Fund engaged CIC Capital to provide advisory services for various securities listings.

CIC Fund is to re-admit its common shares on a Canadian exchange and a future dual list in the EU. CIC Fund also will seek a regulated listing of its Special Series B Class Non-Voting Shares (“B Class”), which will form the main capital-raising fund.

The re-organisation is now near complete and we can aggressively move forward to grow the business and the CIC brand.

I would like to take this opportunity to thank staff and shareholders for their continued support and belief in the Board’s strategy for CIC Fund’s direction.



Stuart J. Bromley

Non Executive Chairman

CIC Capital Fund Limited

19 March 2018

Financial Review

The purpose of this review is to provide a further analysis of the Group's consolidated results for the period 3 years to 31 December 2018 and the main factors that affected this financial performance. The Financial Review should be read in conjunction with the financial statements and associated notes.

	YE 31 Jan 2018	YE 31 Jan 2017	YE 31 Jan 2016
Gross Revenue	-	-	-
Profit/Loss before Tax	(1,456,371)	(56,398)	111,642
Earning per Share	(0.0026)	(0.0001)	0.0002

CIC Fund has raised the required funds to service its clients convertible loans only and not additional funds to be held in treasury to avoid diluting shareholders.

CIC Fund following in 2018 will not remain static but move forward on re-admission of its common shares, the admission of Special Series B Class non voting shares which will be the main source of funds for treasury and in the future bond or convertible loan stock. CIC Fund will seek repayment of existing convertible loans deployed or client equity.

The Directors have reviewed the Group's budgets for 2018, as well as longer-term financial cash flow projections and have considered a range of different scenarios together with their associated risks and uncertainties, and the impact of these scenarios on the Group's cash balances. Additionally, the Directors have assessed the likelihood of future funding requirements. Based on these activities, the Directors are satisfied that the Group maintains a healthy financial position from the date of the signing of these financial statements, enabling us to take a flexible approach to servicing existing and new potential clients.

As at 31 January 2018, the Group had a net position of cash and receivables of CAD\$6,282 convertible loans by CIC Fund to its clients outstanding of CAD\$3,551,973.

Directors

Stuart J. Bromley - Executive Chairman

Mr. Bromley is a Chief Executive Officer of CIC Fund. Mr. Bromley oversees the Group's strategy and investment portfolio. He is also responsible for financing and evaluation of investments and divestment opportunities. Mr. Bromley is a key member of the Board bringing in significant investment opportunities for CIC Fund through his international relationship base.

Mr. Bromley was born in South Africa (Witbank coal fields) and is the seventh generation of his family to be involved in the mining industry. Mr. Bromley, who is qualified in both Civil and Process Mechanical Engineering, worked in Australia as an engineer until 1982, following which he worked with major Japanese corporations during the rapid advancement of industrial electronics in the mid-1980s. In 1989, he established an advisory firm providing international expertise in the areas of international marketing, strategic management and corporate restructuring for organizations in Japan, Russia, Central Asia, Europe and North America. Mr. Bromley has been a negotiator and strategist for Fortune 500 corporations. Through many years of experience Mr. Bromley has gained experience in legal matters in numerous jurisdictions, public company listing and compliance in Canada, US, Asia and UK, company financings and complex merger transactions. Mr. Bromley is Chairman of CIC Fund, Tanshan Smelter Group and Co-Chairman of Sino Oil Group Limited and CIC Fuels Group Limited.

Mr. Bromley is the Secretariat for the PR China Investment Council, and was appointed as Investment Attaché by the Mongolian Government Cabinet between 2002 and 2004.

Special Note:

During the re-organization phase Stuart J. Bromley is sole director with Robert L. Rhodes and Li Hongguang to be re-appointed in early 2018.

Forward-looking Statements

Certain statements in this report are “Forward Looking statements”. These statements are not based on historical facts, but rather on the management’s expectations regarding CIC Fund’s future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such Forward Looking statements reflect management’s current beliefs and assumptions and are based on information currently available to management.

Forward-looking statements involve significant known and unknown risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including risks associated with vulnerability to general economic market and business conditions, competition, environmental and other regulatory changes, the financial performance of client companies, actions by governmental authorities, the availability of capital markets, reliance on key personnel, uninsured and underinsured losses and other factors, many of which are beyond the control of CIC Fund. Although the forward-looking statements contained in this Document are based upon what management believes to be reasonable assumptions CIC Fund cannot assure investors that actual results will be consistent with these forward-looking statements.

Group Annual Financial Statements

For the 3 year period ended 31 January 2018.

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Directors' Report

The Directors are pleased to present this Annual Report together with the group financial statements for the 12-month periods ended 31 December 2016, 31 January 2017 and 31 January 2018.

Principal Activity

The principal activity of the Group is that of a closed ended public investment company. Together with its subsidiaries, it is involved in providing convertible loans.

Business Review and Future Developments

A review of the current and future development of the Group's business is given in the Chairman's Statement, Investment update and Finance Review.

Results and Dividends

Profit/Loss on ordinary activities of the Group after taxation amounted to:

- 12-month period 31 January 2016 CAD\$ 111,642
- 12-month period 31 January 2017 CAD\$ (56,398)
- 12-month period 31 January 2018 CAD\$(1,456,731)

Dividends and Policy

CIC Fund intends to issue up to 60% of shares issued to CIC Fund as a result of convertible's loan being converted to equity to Special Series B Class Non Voting Shares, holders pro-rata of their shareholding. This is a departure on previous dividends issued and forms a new long-term policy.

Any decision to declare and pay dividends will be made at the discretion of the Board and will depend on, among other things, CIC Fund's results of operations, financial condition and solvency and distributable reserves tests imposed by corporate law and such other factors that the Board may consider relevant.

CIC Fund issued 28,750,000 shares owned in CIC Gold Group Limited following conversion of its convertible loan into shares. These shares were distributed to CIC Fund shareholders as a Dividend in Specie. Stuart J. Bromley waived his right to this share distribution.

On 19 August 2014 and 13 January 2015, CIC Fund was granted two unsecured, interest free convertible loans of £300,000 and £1,425,000 respectively from CIC Fund, documented by way of a loan agreement dated 12 January 2015. In April 2015 the CIC Gold Group Limited convertible loan were converted into 28,750,000 Common Shares (the "Conversion Shares") each with one Convertible Loan Warrant attached and CIC Fund distributed the Conversion Shares, but not the Convertible Loan Warrants, to its shareholders on the same date.

CIC Fund will continue to provide its shareholder Dividend in *Specie* in shares earned from future convertible loans in part only.

Key Performance Indicators

Given the nature of the business the Directors are of the opinion that analysis using KPIs is not appropriate for an understanding of the development, performance or position of the business at this time.

Events after the end of the reporting period

At the date these financial statements were approved, being March 9, 2018, the Directors were not aware of any significant events after the end of the reporting period, other than those set out in the note 17 to the financial statements.

Investment Policy

CIC Fund intends to achieve its investment objective by investing byway of convertible loans in a range of companies that in the near future will become public companies trading on a designated stock exchange with highly experienced board of management.

Geography – CIC Fund will seek investments in a broad range of jurisdictions in order to build a global portfolio of loan assets to spread in specific country risks.

Valuation of the Portfolio

Share held in Client Companies will be valued only when the Client Company is listed on a stock exchange with the share having a tradable value.

Convertible Loan - The convertible loan will be for two years, each share converted will come with a full warrant and be subject to a quarterly company interest of 8.5%. CIC Fund can elect to received full repayment of the loan or convert to shares.

A formula for calculating the future value of a value generating compound interest is as follows:

$$F = P \left(1 + \frac{i}{n} \right)^{nt}$$

F = future value
P = present value
i = nominal interest rate
n = compounding frequency
t = time

Duration - The term of the loan will be two years. CIC Fund's loan portfolio is to be weighted towards short-term convertible loan financing of two years to ensure an adequate degree of liquidity. This is intended to provide CIC Fund with both a liquid pool of assets ready for realisation, as well as a reliable stream of longer-term income.

Risk – CIC Fund will conduct high degree of due diligence on each convertible loan and the Board you will always act with Prudent Risk Management with a degree of skill and care.

Investment Objective

CIC Fund's investment objective is to provide Shareholders with stable and growing income returns byway of distributing dividend in Specie of in part shares earned by converting loans to equity from portfolio of investments. The dividend in Specie of shares will be made available to holders of Special Series B Class Shares Non Voting on a pro-rata basis based on their shareholding.

CIC Fund, intends to grow the capital value of the investment portfolio by exposure predominantly to private company's undergoing a public listing on a designated exchange and convert loans to equity whereby the shares earned will be freely tradable.

Investment Strategy

CIC Fund will target pre IPO companies to provide convertible loans to company's requiring working capital for at least 18 months and to fund their public listing. CIC Fund will focus predominantly three sectors:

- mineral and energy company's
- technology company's
- entertainment company's
- multimedia and software company's

The Client Companies must has a board of management that has a extensive expertise in each sector the Client Company operates in.

Directors' Report (continued)

Directors

The names of the Directors of CIC Fund are set out below:

Name	Age	Position	Appointment
Stuart J. Bromley	57	Executive Director/Chief Executive Officer	2004

Following the farm-out of the services business (CIC Capital Limited Seychelles) in year ending 31 January 2015, the following directors resigned and were appointed Directors of CIC Capital Limited.

Name	Age	Position	Appointment
Robert Leslie Rhodes	60	Executive Director/Chief Executive Officer	2007
Li Hongguang (Kevin)	50	Independent Non-Executive Director	2005

Directors' Remuneration Report

CIC Fund remunerates the Directors at a level commensurate with the size of CIC Fund and the experience of its Directors. The Remuneration Committee has reviewed the Directors' remuneration and believes it upholds the objectives of CIC Fund with regard to this issue.

Details of the Directors' emoluments and payments made for professional services rendered are set out in Note 5 to the financial statements.

Directors' Interests

The total beneficial interests of the serving Directors in the shares and options of CIC Fund were as follows:

Director	31 January 2018		31 January 2017		31 January 2016	
	Shares	Options	Shares	Options	Shares	Options
Stuart J. Bromley	169,812,408	-	169,812,408	-	169,812,408	-

Significant Share Holdings

As at 31 January 2018 the Directors were aware that the following persons were, or are likely to be, interested, directly or indirectly, in 3 per cent. or more of the issued share capital of CIC Fund as at that date:

Name	Number of Common Shares held as at the date of this document	Percentage of Common Shares as at the date of this document
Stuart J. Bromley	169,812,408	33.3%
Beaufort Nominees Limited	141,759,875	27.8%
Peel Hunt Holdings Limited	38,766,211	7.6%
Dell Balfour	34,345,061	6.7%
Forest Nominees Limited (Canaccord)	27,598,537	5.4%
Total	412,282,092	80.8%

CIC Fund carried out a share re-organization of 10:1 in February 2018.

Corporate Governance

A statement on Corporate Governance is set out on pages 17 to 19.

Environmental Responsibility

CIC Fund is aware of the potential impact that activities conducted by it and some of its client companies may have on the environment. CIC Fund ensures that it, and its subsidiaries at a minimum, comply with the local regulatory requirements and the revised Equator Principles with regard to the environment.

Employment Policies

The Group is committed to promoting policies which ensure that high calibre employees and consultants are attracted, retained and motivated to ensure the ongoing success for the business. Employees and those who seek to work within the Group are treated equally regardless of sex, marital status, creed, colour, race or ethnic origin.

Health and Safety

The Group aims to achieve and maintain a high standard of workplace safety. In order to achieve this objective, the Group provides ongoing training and support to employees and set demanding standards for workplace safety.

Payment to Suppliers

The Group's policy is to agree terms and conditions with suppliers in advance; payment is then made in accordance with the agreement provided the supplier has met the terms and conditions. Suppliers are typically paid within 90 days of issue of invoice.

Political Contributions and Charitable Donations

During the year the Group did not make any political contributions or charitable donations.

Annual General Meeting ("AGM")

This report and financial statements will be presented to shareholders for their approval at the AGM. The Notice of the AGM will be distributed to shareholders.

Statement of Disclosure of Information to Auditors

As at the date of this report the serving Directors confirm that:

- So far as each Director is aware, there is no relevant audit information of which CIC Fund's auditors are unaware, and
- they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that CIC Fund's auditors are aware of that information.

Auditors

A resolution to appoint Sawin & Edwards and to authorise the Directors to fix their remuneration will be proposed at the next Annual General Meeting. Sawin & Edwards were appointed Auditors in July 2016 to replace Crowe Clark Whitehill LLP.

Going Concern

The Directors note the losses that the Group and Company have made for the Group for the 12-month periods ended 31 December 2016, 31 January 2017 and 31 January 2018.

The cost structure of the Group comprises a high proportion of discretionary spend and therefore in the event that cash flows become constrained, costs can be quickly reduced to enable the Group to operate within its available funding.

These forecasts demonstrate that the Group and Company have sufficient cash funds available to allow it to continue in business for a period of at least twelve months from the date of approval of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

Statement of Directors' Responsibilities

The Directors prepare financial statements for each financial year which give a true and fair view of the state of affairs of CIC Fund and the Group and of the profit or loss of the Group for that year. In preparing those financial statements, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's transactions and disclose with reasonable accuracy at any time the financial position of the group. They are also responsible for the safe guarding of the assets of the group hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. They are also responsible for ensuring that the Annual Report includes information required by the London Stock Exchange.

Electronic Communication

The maintenance and integrity of CIC Fund's website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Regulations and legislation in the Canada governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Directors' Responsibilities

The Directors confirm to the best of their knowledge:

- the Group and Company financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and Article 4 of the IAS Regulations and give a true and fair view of the assets, liabilities, financial position and profit and loss of the Group; and
- the Annual Report includes a fair review of the development and performance of the business and the financial position of the Group and the parent company, together with a description of the principal risks and uncertainties that they face.

By order of Board:



Stuart J. Bromley
Executive Director

March 19, 2018

Corporate Governance Statement

The Board is committed to maintaining high standards of corporate governance and adopts specific corporate governance codes in full in the jurisdictions to which CIC Fund operates in. CIC Fund Corporate Governance Manual is available on its website.

Board of Directors

The Board of Directors currently comprises one (1) executive director and two independent non executive directors. There are four (3) new directors in the process of being appointed following the re-organization. The Directors are of the opinion that the Board currently comprises a suitable balance. The Board maintains regular contact with its advisers and public relations consultants in order to ensure that the Board develops an understanding of the views of major shareholders about CIC Fund.

Board Meetings

The Board whilst undergoing re-organization and public listing of its services business which was farmed-out in 2015 will formally conduct quarterly meetings. The Board is responsible for formulating, reviewing and approving CIC Fund's strategy, financial activities and operating performance. Day to day management is devolved to the Executive Directors who are charged with consulting the Board on all significant financial and operational matters.

All Directors have access to the advice of CIC Fund's solicitors and other professional advisers as necessary and information is supplied to the Directors on a timely basis to enable them to discharge their duties effectively. All Directors have access to independent professional advice, at CIC Fund's expense, as and when required.

Board Committees

The Board has established the following committees, each of which has its own terms of reference:

Audit Committee

The Audit Committee considers the Group's financial reporting (including accounting policies) and internal financial controls. The Audit Committee will following the re-organization of CIC Fund will comprises two new independent directors and they are responsible for ensuring that the financial performance of the Group is properly monitored and reported on.

Remuneration Committee

The Remuneration Committee is responsible for making recommendations to the Board in respect of Directors' and senior executives' remuneration. Following re-organization of CIC Fund will comprises two new independent directors . Financial packages for Executive Directors are established by reference to those prevailing in the employment market for executives of equivalent status both in terms of level of responsibility of the position and their achievements and of recognised job qualifications and skills. The Committee will also have regard to the terms which may be required to attract an equivalent experienced executive to join the Board from another company.

Internal Controls

The Directors acknowledge their responsibility for the Group's systems of internal controls and for reviewing their effectiveness. These internal controls are designed to safeguard the assets of CIC Fund and to ensure the reliability of financial information for both internal use and external publication. The Directors are aware that no system can provide absolute assurance against material misstatement or loss. However, in the interest of the further development of CIC Fund, continuing reviews of internal controls will be undertaken to ensure that they are adequate and effective.

Risk Management

The Board considers risk assessment to be important in achieving its strategic objectives. There is a process of evaluation of performance targets through regular reviews by senior management to budgets and forecasts.

Risks and Uncertainties

The principal risks facing CIC Fund are set out below. Risk assessment and evaluation is an essential part of the Group's planning and an important aspect of the Group's internal control system.

General and Economic Risks

- contractions in the world's major economies or increases in the rate of inflation resulting from international conditions;
- movements in the equity and share markets in the United Kingdom and throughout the world;
- weakness in global equity and share markets in particular, in the United Kingdom, and adverse changes in market sentiment towards the natural resource industry;
- currency exchange rate fluctuations;
- exposure to interest rate fluctuations; and
- adverse changes in factors affecting the success of exploration and development operations, such as increases in expenses, changes in government policy and further regulation of the industry, unforeseen major failure, breakdowns or repairs required to key items of plant and equipment resulting in significant delays, notwithstanding regular programmes of repair, maintenance and upkeep; variations in grades and unforeseen adverse geological factors or prolonged weather conditions.

Funding Risk

- The Group or the companies in which it has invested may not be able to raise, either by debt or further equity, sufficient funds to enable completion of planned exploration, investment and/or development projects.

Commodity Risk

- Commodities are subject to high levels of volatility in price and demand. The price of commodities depends on a wide range of factors, most of which are outside the control of CIC Fund. Mining, processing and transportation costs also depend on many factors, including commodity prices, capital and operating costs in relation to any operational site.

Market Risk

- The ability of the Group (and the companies it invests in) to continue to secure sufficient and profitable sales contracts to support its operations is a key business risk.

Corporate Governance (continued)

Insurance

The Group does not maintain insurance in respect of its Directors and Officers against liabilities in relation to CIC Fund.

Treasury Policy

The Group finances its operations through equity and holds its cash as a liquid resource to fund the obligations of the Group and take advantage of opportunities as they arise. Decisions regarding the management of these assets are approved by the Board.

Securities Trading

The Board has adopted a EU Market Abuse Regulation that applies to Directors, senior management and any employee who may be in possession of 'inside information'. All such persons are prohibited from trading in CIC Fund's securities if they are in possession of 'inside information'. Subject to this condition and trading prohibitions applying to certain periods, trading can occur provided the relevant individual has received the appropriate prescribed clearance.

Relations with Shareholders

The Board is committed to providing effective communication with the shareholders of CIC Fund. Significant developments are disseminated through stock exchange announcements and regular updates of CIC Fund website. The Board views the AGM as a forum for communication between CIC Fund and its shareholders and encourages their participation in its agenda.

Independent Auditor's Report

We have audited the consolidated accounts of CIC Capital Fund Limited for 3 year period ended 31 January 2018 set out on pages 21 to 38. These consolidated accounts, which are non-statutory, have been prepared for the reasons set out in the basis of preparation statement in the consolidated accounts and on the basis of the financial reporting framework of International Financial Reporting Standards ("IFRS").

The report has been released to CIC Fund on the basis that our report shall not be copied, referred to or disclosed, in whole (save for CIC Fund's own internal purposes) or in part, without our prior written consent.

Our report was designed to meet the agreed requirements of CIC Fund determined by CIC Fund's needs at the time. Our report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than CIC Fund for any purpose or in any context. Any party other than CIC Fund who obtains access to our report or a copy and chooses to rely on our report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, Sawin & Edwards will accept no responsibility or liability in respect of our report to any other party.

Respective responsibilities of Directors and auditor

As explained more fully in the Directors' responsibilities statement the Directors are responsible for the preparation of the consolidated accounts, which are intended by them to give a true and fair view. Our responsibility is to audit, and express an opinion on, the consolidated accounts in accordance with the terms of our engagement letter dated July 27, 2016 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 non-statutory accounts

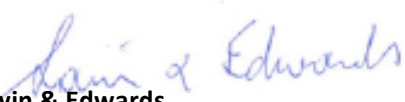
An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group'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 consolidated accounts.

In addition we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited consolidated accounts 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 non-statutory accounts

In our opinion the non-statutory accounts:

- give a true and fair view of the state of the Group's affairs for the 12 month periods ended January 2016, January 2017 and January 2018 and of its (loss)/Profit for the year then ended; and
- have been properly prepared in accordance with IFRS.


Sawin & Edwards
52 Kingsway Place
Sans Walk
London EC1R 0LU

19 March 2018

Statement of Comprehensive Income

The audited consolidated statements of comprehensive income of the Group for the 12-month periods ended 31 January 2016, 31 January 2017 and 31 January 2018:

	Note	YE 31 Jan 2018 CAD\$	YE 31 Jan 2017 CAD\$	YE 31 Jan 2016 CAD\$
Revenue				
Administration costs		(1,456,731)	(56,398)	111,642
Profit/(loss) before taxation		(1,456,731)	(56,398)	111,642
Income tax	6	-	-	-
Net profit/(loss) for the period		(1,456,731)	(56,398)	111,642
Other comprehensive income				
Total comprehensive income/(loss) attributable to the shareholders		(1,456,731)	(56,398)	111,642
 <i>Earnings per share:</i>				
Basic per share		(0.0026)	(0.0001)	0.0002

Statement of Changes in Equity

The audited consolidated Statement of Changes in Equity of the Group for the 12-month periods ended 31 January 2016, 31 January 2017 and 31 January 2018: are set out below:

	Share Capital	Contributed surplus	Accumulated profit/(deficit)	Warrant Reserve	Total
	CAD\$	CAD\$	CAD\$	CAD\$	CAD\$
Balance at 31 January 2015	31,924,095	3,856,089	(34,705,072)	1,582	1,076,694
<i>Comprehensive income</i>					
Loss for the period	-	-	111,642	-	111,642
Other comprehensive income	-	-	-	-	-
Foreign exchange translation	-	-	-	-	-
Prior year adjustment	-	-	-	-	-
Total comprehensive loss for the period	-	-	111,642	-	111,642
<i>Transaction with owners</i>					
Advance received for shares	4,587,890	-	-	-	4,587,890
CIC Gold shares issued as dividend in specie	(3,372,394)	-	-	-	(3,372,394)
Total transaction with owners	-	-	-	-	-
Balance at 31 January 2016	33,139,591	3,856,089	(34,593,430)	1,582	2,403,832
<i>Comprehensive income</i>					
Loss for the period	-	-	(56,398)	-	(56,398)
Other comprehensive income	-	-	-	-	-
Foreign exchange translation	-	-	-	-	-
Prior year adjustment	-	-	-	-	-
Total comprehensive loss for the period	-	-	(56,398)	-	(56,398)
<i>Transaction with owners</i>					
Advance received for shares	923,664	-	-	-	923,664
Issued for Stuart Bromley loan conversion	-	-	-	-	-
Total transaction with owners	-	-	-	-	-
Balance at 31 January 2017	34,063,255	3,856,089	(34,649,828)	1,582	3,271,098
<i>Comprehensive income</i>					
Loss for the period	-	-	(1,456,731)	-	(1,456,731)
Other comprehensive income	-	-	-	-	-
Foreign exchange translation	-	-	-	-	-
Prior year adjustment	-	-	-	-	-
Total comprehensive loss for the period	-	-	(1,456,731)	-	(1,456,731)
<i>Transaction with owners</i>					
Advance received for shares	-	-	-	-	-
Total transaction with owners	-	-	-	-	-
Balance at 31 January 2018	34,063,255	3,856,089	(36,106,559)	1,582	1,814,367

Statement of Financial Position

The audited consolidated Statement of Financial Position of the Group for the 12-month periods ended 31 January 2016, 31 January 2017 and 31 January 2018: are set out below are set out below:

	Note	YE 31 Jan 2018 CAD\$	YE 31 Jan 2017 CAD\$	YE 31 Jan 2016 CAD\$
Assets				
<i>Current assets</i>				
Cash and cash equivalents		6,282	6,282	4,549
Trade and other receivables	9	49,740	49,740	49,740
Amounts due from CIC Capital		3,172,913	4,589,644	3,909,893
Amounts due from CIC Gold		379,061	379,060	193,278
Total current assets		3,607,996	5,024,726	4,157,460
	TOTAL ASSETS	3,607,996	5,024,726	4,157,460
Equity and Liabilities				
<i>Current liabilities</i>				
Short term loan	12	481,475	481,474	481,475
Trade and other payables	10	1,312,154	1,272,154	1,272,153
Total current liabilities		1,793,629	1,753,628	1,753,628
<i>Capital and reserves</i>				
Share capital	11	34,063,255	34,063,255	33,139,591
Contributed surplus		3,856,089	3,856,089	3,856,089
Accumulated profit/(deficit)		(36,106,559)	(34,649,828)	(34,593,430)
Warrant reserve		1,582	1,582	1,582
Total equity attributable to equity holders		1,814,367	3,271,098	2,403,832
	TOTAL EQUITY & LIABILITIES	3,607,996	5,024,726	4,157,460

For and behalf of the board:



Statement of Cash Flows

The audited consolidated of the Statements of Cash Flow of the Group for the 12-month periods ended 31 January 2016, 31 January 2017 and 31 January 2018: are set out below are set out below:

	YE 31 Jan 2018 CAD\$	YE 31 Jan 2017 CAD\$	YE 31 Jan 2016 CAD\$
Cash flow from operating activities			
Profit/(loss) before tax	(1,456,731)	(56,398)	111,642
	(1,456,731)	(56,398)	111,642
Operating cash flows before movements in working capital			
Loans to CIC Capital	1,416,731	(679,749)	(1,338,367)
Loans to CIC Gold	-	(185,784)	13,474
Trade payables and accruals	40,000	-	-
Cash from/(used in) operating activities	-	(921,931)	(1,213,251)
Cash flow from financing activities			
Issuance of share capital	-	923,664	1,215,496
Net cash used in financing activities	-	923,664	1,215,496
Net Increase in cash & cash equivalents	-	1,733	2,245
	-	-	
Cash and equivalent at beginning of period	6,282	4,549	2,304
Cash and equivalent at end of period	6,282	6,282	4,549

Notes to the Financial Statements

for the period for the 12-month periods ended 31 December 2016, 31 January 2017 and 31 January 2018

1 General Information

CIC Fund is a public company incorporated on 20 June 2003 under the Canada Business Corporations Act. CIC Fund subsequently de-listed its shares from trading on the Canadian CNSX on 24 June 2011 following listing on the AIM Market of the London Stock Exchange but remains a reporting issuer in Canada.

CIC Fund is a consulting and advisory company, operating primarily in the mining and energy infrastructure sectors. CIC Fund seeks to provide convertible loans to entities operating at various stages of resource development, and the exclusive right to control the public listing process of any Client Company if the Client Company is an unlisted company. CIC Fund principally seeks equity interests in client companies in return for its capital.

On 2 May 2014, CIC Fund was delisted on the AIM Market of the London Stock Exchange. On 1 December 2014, it changed its name to CIC Capital Fund Ltd. as part of re-organization process to move its advisory business to a regulated market.

On 12 January 2015, CIC Fund distributed by way of an in specie dividend to its shareholders the same number of shares in CIC Fund, a newly incorporated company in Seychelles, as they then held in CIC Fund. To affect this, CIC Fund issued 494,353,526 shares to CIC Fund, which in turn issued them to its shareholders on a pro-rata basis.

The Directors are of the opinion that CIC Fund is classified as an investment entity. The consolidated financial information is presented in Canadian Dollars (CAD\$) and rounded to the dollar, unless otherwise stated.

CIC Fund's registered office is located at 1100 - 570 Granville Street, Vancouver, British Columbia V6C 3P1, Canada

2 Summary of Significant Accounting Policies

(a) Authorisation of financial statements

The Group financial statements of CIC Capital Limited for the period from the three years ended 31 January 2018 were authorised for issue by the Board on March 6, 2018 and the balance sheets signed on the Board's behalf by Mr. Stuart J. Bromley.

(b) Statement of compliance with IFRS

The Group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). CIC Fund's financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board (IASB).

Future changes in accounting policies

IASB (International Accounting Standards Board) and IFRIC (International Financial Reporting Interpretations Committee) have issued the following standards and interpretations with an effective date after the date of these financial statements. Their adoption is not expected to have a material effect on the financial statements.

New standards, amendments and interpretations adopted by CIC Fund

No new and/or revised Standards and Interpretations have been required to be adopted, and/or are applicable in the current year by/to CIC Fund, as standards, amendments and interpretations which are effective for the financial year beginning on 1 February 2015 are not material to CIC Fund.

New standards, amendments and interpretations not yet adopted

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements, were in issue but not yet effective for the year presented:

- IFRS 9 in respect of Financial Instruments which will be effective for the accounting period beginning on or after 1 January 2018.
- IFRS 15 in respect of revenue from contracts with clients which will be effective for the accounting period beginning on or after 1 January 2018.

(c) Basis of preparation

The principal accounting policies adopted by CIC Fund in the preparation of the consolidated financial information are set out below.

The consolidated financial information has been presented in CAD\$ as this is the functional currency of CIC Fund while the functional currency of the subsidiary is Chinese Renminbi (“RMB”).

The consolidated financial information has been prepared in accordance with International Financial Reporting Standards, including interpretations made by the International Financial Reporting Interpretations Committee (IFRIC) issued by the International Accounting Standards Board (IASB) - together “IFRS”.

The Directors have prepared financial forecasts which cover a period of at least 12 months from date that these financial statements are approved. These forecasts show that the Group expects to have sufficient financial resources to continue to operate as a going concern.

The Directors anticipate that the Group will have a controlled level of operating costs for the next 12 months, principally the costs of maintaining the listing and of pursuing investment opportunities for the Group.

Therefore they are confident that existing cash balances are adequate to ensure that costs can be covered.

Consequently, the Directors have a reasonable expectation that the Group has adequate resources to continue to operate for the foreseeable future and that it remains appropriate for the financial statements to be prepared on a going concern basis.

(d) Basis of consolidation

The consolidated financial information incorporates the results of CIC Fund and its subsidiaries CIC Beijing Ltd.

The financial information of the subsidiary are prepared for the same reporting year as CIC Fund using consistent accounting policies. Control is achieved where CIC Fund is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. CIC Fund only consolidates subsidiaries in the financial statements if they do not meet the definition of an investment entity, which is detailed below.

The results of subsidiary acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full on consolidation. Unrealised losses are also eliminated when the transaction provides evidence of an impairment of the asset transferred.

No non-controlling interests exist as the subsidiary are entirely owned by CIC Fund.

Acquisitions of subsidiary and equity in businesses are accounted for using the purchase method. The acquirer's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under 'IFRS 3 Business Combinations' are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations', which are recognised and measured at fair value less costs to sell.

The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. Acquisition related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the CIC Fund recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquirer's net assets.

The excess of the cost of acquisition over the fair value of the CIC Fund's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the statement of comprehensive income.

Where necessary, adjustments are made to the non-statutory financial information of subsidiary to bring the accounting policies used in line with those used by CIC Fund.

(e) Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into CAD\$ at the rates of exchange ruling at the reporting date. Transactions in foreign currencies are recorded at the rate ruling at the date of transaction. All differences are taken to the profit and loss.

For the purpose of presenting consolidated financial information, the assets and liabilities of CIC Fund's foreign operations are expressed in CAD\$ using exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used.

Exchange differences arising, if any, are classified as equity and recognised in CIC Fund's foreign currency translation reserve.

Such exchange differences are recognised in profit or loss in the year in which the foreign operation is disposed of. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(f) Financing costs and interest income

Financing costs comprise interest payable on borrowings and finance lease payments and interest income which is calculated using the effective interest rate method. All borrowing costs are charged to the income statement as expenses in the period in which they are incurred.

(g) Financial instruments

Financial assets and financial liabilities are recognised when CIC Fund becomes a party to the contractual provisions of the instruments and on a trade date basis. A financial asset is derecognised when CIC Fund's contractual rights to future cash flows from the financial asset expire or when CIC Fund transfers the contractual rights to future cash flows to a third party. A financial liability is derecognised only when the liability is extinguished.

(h) Trade and receivables and other receivables

Trade and other receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognized in the statement of comprehensive income when there is objective evidence that the asset is impaired.

(i) Cash and cash equivalents

The CIC Fund considers all highly liquid investments which are readily convertible into known amounts of cash and have a maturity of three months or less when acquired to be cash equivalents. At the reporting date management believes that the carrying amount of cash equivalents approximates fair value because of the short maturity of these financial instruments. Cash and cash equivalents comprise cash at bank and in hand and short term deposits with an original maturity of three months or less, all of which are available for use by the CIC Fund unless otherwise stated. Cash and cash equivalents are measured at fair value, based on the relevant exchange rates at the reporting date.

(j) Financial liabilities and equity

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 CIC Fund after deducting all of its liabilities. CIC Fund's financial liabilities include trade and other payables and loans. All financial liabilities, except for derivatives, are recognised initially at their fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial liability and subsequently measured at amortised cost using the effective interest rate method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

(k) Other financial liabilities

Other financial liabilities, including trade and other payables and loans are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost, using the effective interest rate method.

Interest-bearing bank loans and overdrafts are recorded at the proceeds received net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accrual basis to the profit and loss account using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

(l) Impairment of financial assets

At each balance sheet date, an assessment is made whether there is objective evidence that an available-for-sale equity instrument is impaired. A significant or prolonged decline in the fair value of the security below its cost is considered objective evidence of impairment.

(m) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

(n) Stated capital

Ordinary shares are without par value. When new shares are issued they are recognised within share capital at their issue price. Proceeds received after the initial issue, in connection with exchanges, are accounted for as share premium. Both ordinary shares and share premium are classified as equity. Costs incurred directly to the issue of shares are accounted for as a deduction from share capital, otherwise they are charged to the income statement.

(o) Taxation

Tax on profit or loss for the period comprises current and deferred tax. Tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The following temporary differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiary to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

(p) Share-based payments

CIC Fund operates a share option scheme for granting share options, for the purpose of providing incentives and rewards to eligible employees of the CIC Fund. The cost of share options granted is measured by reference to the fair value at the date at which they are granted. It is recognised together with a corresponding increase in equity, over the vesting period. The cumulative expense recognized at each reporting date until the end of the vesting period reflects the extent to which the vesting period has expired and the number of shares that in the opinion of the CIC Fund's directors at that date will ultimately vest.

(q) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the CIC Fund. It can also be a present obligation arising from past events that is not recognised as it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the CIC Fund. Contingent assets are not recognised but are disclosed in the notes to the accounts when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

(r) Events after balance sheet date

Post year-end events that provide additional information about the CIC Fund's position are reflected in the consolidated financial information. Post year-end events that are not adjusting events are disclosed in the notes when material.

(s) Capital management policy

CIC Fund's capital consists wholly of ordinary shares (voting), Special Series B class Shares Non-Voting and shares in client companies (convertible loans converted to equity). CIC Fund's objectives when managing capital are to safeguard the CIC Fund'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. The capital structure of the CIC Fund consists of borrowings and equity attributable to equity holders of the CIC Fund, comprising issued share capital and reserves.

(t) Earnings per share

Basic earnings per share is calculated as net profit/loss attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of Ordinary Shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends);
- the after tax effect of dividends and interest associated with dilutive potential Ordinary Shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential Ordinary Shares; divided by the weighted average number of Ordinary Shares and dilutive potential of Ordinary Shares, adjusted for any bonus element.

3 Business segments

For the purpose of IFRS 8, the Chief Operating Decision Maker “CODM” takes the form of the board of directors. The CIC Fund Group directors are of the opinion that the business of the CIC Fund Group comprises a single activity being investments and advice within emerging markets.

The analysis of the CIC Fund Group’s operating loss, assets and liabilities by the component used by the CODM to make decisions about operating matters is as follows:

	Audited YE 31 Jan 2018 CAD\$	Audited YE 31 Jan 2017 CAD\$	Audited YE 31 Jan 2016 CAD\$
Revenue	-	-	-
Operating profit/(loss)	(1,456,731)	(56,398)	111,642
Carrying amount of assets	4,157,460	5,024,726	3,607,995
Liabilities	1,272,153	1,272,154	1,312,154

4 Loss from operation

Profit/(loss) from operations has been arrived at after charging:

	Audited YE 31 Jan 2018 CAD\$	Audited YE 31 Jan 2017 CAD\$	Audited YE 31 Jan 2016 CAD\$
Professional fees	1,416,731	-	58,989
Exchange Loss/(Gain)	-	6,358	(185,690)

5 Directors’ emoluments

Stuart J. Bromley as CEO elected not to receive director’s salary for past three years during the final re-organization phase. No other director payments were made.

Notes to Financial Statements (continued)

6 Income Tax Expense

	Audited YE 31 Jan 2018 CAD\$	Audited YE 31 Jan 2017 CAD\$	Audited YE 31 Jan 2016 CAD\$
Corporation Tax expense			
Current year expense	-	-	-
Current year deferred tax assets not recognized	-	-	-
Corporation tax expense in income statement	-	-	-
Numerical reconciliation between income tax expense and pre tax net loss			
Profit/(Loss) before tax	(1,456,731)	(56,398)	111,642
Income tax expense using the domestic corporation tax rate of 28% (2014: 28%). Effects of:			
Overseas loss China	-	101	(28,233)
Offset against brought forward losses	-	-	(83,409)
Increase in potential tax credit	1,456,731	56,297	-
Corporation tax expense on pre-tax net result	-	-	-

CIC Fund is a Canadian Federal Corporation subject to a corporate tax rate of 28% as at 31 January 2018 (2017:28%, 2016: 28%).

No recognition has been made of the deferred tax asset in respect of losses made as the directors are in the opinion that this may not be realizable in the foreseeable future.

7 Loss per common share

Basic/(loss) earnings per share is calculated by dividing the profit attributable to equity holders of CIC Fund Group by the weighted average number of common shares in issue during the period:

(Loss)/profit attributable to equity holders of CIC Fund 2018: CAD\$(1,456,731), 2017: CAD\$(56,398) 2016: CAD\$111,642

Weighted average number of common shares in issue 2018: 554,218,639, 2017: 553,385,214, 2016: 514,265,646.

Basic loss per share 2018 CAD\$(0.0026), 2017: CAD\$(0.0001), 2016 0.0002.

	Audited YE 31 Jan 2018 CAD\$	Audited YE 31 Jan 2017 CAD\$	Audited YE 31 Jan 2016 CAD\$
Profit/(loss) attributable to the equity holders of CIC Fund Group	(1,456,731)	(56,398)	111,642
Weighted average number of ordinary shares in issue ('000):	554,219	553,385	514,266
Basic EPS (CAD\$)	0.0002	(0.0001)	(0.0026)

8 Dividends & Share Distributions

No dividends were issued to shareholders in the 3 years ended 31 January 2018

Prior dividends issued to reporting period

On 6 June 2014, CIC Fund distributed 3,029,118 Common Shares in specie in CIC Gold Group Limited to certain of its shareholders to give effect to the distribution announced by CIC Fund of shares in CIC Gold Ltd (on the basis the business of CIC Gold Ltd then resided within CIC Gold Group Limited). On the 5 January 2015, CIC Fund completed the distribution by way of an in specie dividend to all Shareholders on its register the same number of shares in CIC Capital as they currently hold in CIC Fund. CIC Capital was created to as a result of the spinout of the advisory business of CIC Fund as part of the re-organization. On 13 January 2015, CIC Fund distributed 28,750,000 Common Shares in specie in CIC Gold Group Limited to all of its shareholders.

9 Trade and other receivables

	Audited YE 31 Jan 2018 CAD\$	Audited YE 31 Jan 2017 CAD\$	Audited YE 31 Jan 2016 CAD\$
Trade and other receivables	49,740	49,740	49,740

10 Trade and other payables

	Audited YE 31 Jan 2018 CAD\$	Audited YE 31 Jan 2017 CAD\$	Audited YE 31 Jan 2016 CAD\$
Trade and other payables	40,000	-	-
Due to related parties	1,272,154	1,272,154	1,272,153
	<u>1,312,154</u>	<u>1,272,154</u>	<u>1,272,153</u>

11 Share capital and reserves

Authorized

Unlimited common shares without par value.

Issued and allotted shares outstanding

	Number of shares	Amount CAD\$
Balance, January 31, 2015	494,533,526	31,924,095
CIC Gold shares issued as dividend in <i>specie</i>		(3,372,394)
Issued for cash	-	-
Pursuant to private placements of shares and units	42,785,113	4,587,890
Balance, January 31, 2016	537,318,639	33,139,591
Issued for cash	-	-
Pursuant to private placements of shares and units	16,900,000	923,664
Balance, January 31, 2017	554,218,639	34,063,255
Issued for cash	-	-
Pursuant to private placements of shares and units	-	-
Balance, January 31, 2018	554,218,639	34,063,255

Common shares

No common shares were issued during the year ended 31 Jan 2018: 0, 2017: 16,900,000; 2016: 42,735,113.

Special Series B Shares Non-Voting ("B Shares")

During the year ended 31 January 2018, there were no B shares in issue following re-organization.

CIC Fund will in next fiscal year public list on a regulated market the B Shares to create cash fund to fund future client convertible loans.

Warrants

As at 31 January 2018, there were no warrants outstanding (2017 nil, 2016: nil).

Warrant reserve

Proceeds from the issuance of warrants, net of issue costs, are credited to warrant reserve. The warrant reserve is non-distributable and will be transferred to share premium account upon the exercise of warrants. The balance of the warrant reserve in relation to the unexercised warrants at the expiry of the warrants period will be transferred to accumulated profits.

Share Purchase Options (CAD\$)

CIC Fund has a stock option plan which authorizes the board of directors to grant incentive stock options to directors, officers and employees. The exercise price and vesting provisions of the options are determined by the board based on the market values of the shares using the closing price on the date prior to date of the grant. The continuity of options outstanding is as follows:

Stock options

As at 31 January 2018, there were no employee, CIC Fund director and consultant options outstanding (2017 nil, 2016: nil).

12 Interest Bearing Loans And Borrowings

	Audited YE 31 Jan 2018 CAD\$	Audited YE 31 Jan 2017 CAD\$	Audited YE 31 Jan 2016 CAD\$
Financial liabilities loans	481,475	481,474	481,475

CIC Fund entered a short-term loan facility agreement with Yorkville on 2 January 2014 for a maximum aggregate amount of US\$2,000,000 subject to and upon a number of terms and conditions. US\$500,000 of this loan had been drawn by the year ended 31 January 2015 with interest charged at 12% per annum (2014: US\$500,000, 2013: US\$nil). The total loan facility was collateral against Stuart Bromley's shareholding of 50,418,560 common shares. In proportion, the first advance of US\$500,000 loan was collateral against Stuart Bromley's shareholding of 12,604,640 common shares. Stuart J. Bromley has assumed full liability to the loan whereby CIC Fund will in fiscal year ending 31 Jan 2019 will convert this loan to a loan from Stuart J. Bromley in an amount that will be finalized by independent directors of CIC Fund.

13 Operating Lease Commitments

As at 31 January 2018, the Group had no material operating lease commitments.

14 Commitments & Contingent Liabilities

As at 31 January 2018, the Group had no material commitments and contingent liabilities other than Group's trade payables and short term loan facility.

15 Financial Instruments and Risk Management

CIC Fund Group's activities expose it to a variety of financial risks: currency risk, credit risk, liquidity risk and cash flow interest-rate risk. These risks are limited by CIC Fund Group's financial management policies and practices as described below:

Credit risks

Credit risk is the risk of financial loss to CIC Fund if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from CIC Fund Group's receivables from customers and investment securities.

Financial instruments that potentially subject CIC Fund to concentrations of credit risk consist of cash and amounts receivable. To minimize its credit risk, CIC Fund deposits its cash in bank accounts with financial institutions. Transaction costs are expensed as incurred.

Financial assets past due

At 31 January 2018, financial assets past due of CAD\$3,607,995. Convertible loans to CIC Capital of CAD\$3,172,912 and CIC Gold CAD\$379,060.

At 31 January 2018, CIC Fund had no provision for doubtful accounts.

Liquidity risks analysis

All of CIC Fund Group's financial liabilities have contractual maturities of 30 days or are due on demand. During the year ended 31 January 2018, CIC Fund generated sufficient cash to meet current liabilities and providing client convertible loans.

	Audited YE 31 Jan 2018 CAD\$	Audited YE 31 Jan 2017 CAD\$	Audited YE 31 Jan 2016 CAD\$
Held for sale (i)	-	-	-
Receivables (ii)	49,740	49,740	49,740
Other financial liabilities (iii)	1,753,628	1,753,628	1,753,628

(iii) significant liability to Stuart J. Bromley of CAD\$1,272,153

Market risk

Market risk is the risk to CIC Fund that the fair value or future cash flows of financial instruments will fluctuate due to changes in interest rates and foreign currency exchange rates. Market risk arises as a result of CIC Fund generating revenues and incurring expenses in foreign currencies, holding cash and cash equivalents which earn interest, and having operations based in countries using currencies other than CAD\$.

Capital management

CIC Fund Group's objectives when managing capital are to safeguard CIC Fund Group'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.

In order to maintain or adjust the capital structure, CIC Fund Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts.

Fair value

Fair value is used as a certainty of the market value of an asset (or liability) for which a market price can be determined (usually because there is no established market for the asset). Fair value is the amount at which the asset could be bought or sold in a current transaction between willing parties, or transferred to an equivalent party, other than in a liquidation sale. This is used for assets whose carrying value is based on mark-to-market valuations.

CIC Fund's financial instruments consist of cash, available for sale financial assets, accounts payable, and amounts due to related parties. The carrying amounts of these financial instruments are a reasonable estimate of their fair values because of their current nature. The available for sale financial assets are carried at fair values based on quoted market prices.

CIC Fund classifies its fair value measurements in accordance with an established hierarchy that prioritizes the inputs in valuation techniques used to measure fair value as follows:

- Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 Inputs other than quoted prices that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 Inputs that are not based on observable market data.

Unquoted equity instruments and debt instruments are measured in accordance with the International Private Equity and Venture Capital valuation guidelines with reference to the most appropriate information available at the time of measurement.

Interest Rate Risk

CIC Fund does not currently have financial instruments that expose CIC Fund Group to interest rate risk.

Foreign Exchange Risk

CIC Fund Group's financial instruments are substantially all denominated in RMB and CAD\$. Fluctuations in the exchange rates between RMB and CAD\$ could have a material effect on CIC Fund Group's business and on the reported amounts of various financial instruments. CIC Fund Group does not utilise any financial instruments or cash management policies to mitigate the risks arising from changes in foreign currency rates.

16 Related party transactions

Stuart J. Bromley, Chief Executive Officer, was remuneration is CAD\$280,000 per year plus expenses. In addition, he paid RMB 25,000 per month (total CAD\$22,000 per year) in the PRC to comply with employment and residency permits. Stuart J. Bromley, during the past three fiscal years during the re-organization of CIC Fund, has voluntarily negated a salary. In addition any dividends in *specie* issued by CIC Fund, Stuart J. Bromley has voluntarily recused himself as a major shareholder. Stuart J. Bromley payments as follows:

	YE 31 Jan 2018 CAD\$	YE 31 Jan 2017 CAD\$	YE 31 Jan 2016 CAD\$
Previous Yr	1,272,153	1,272,153	1,272,153
Salary	-	-	-
Paid Salary	-	-	-
Convert to shares	-	-	-
Total Outstanding	1,272,153	1,272,153	1,272,153

CIC Fund engaged CIC Capital to provide advisory services for public listing of its Common shares, B Class share and bond issue. On 3 Feb 2017, CIC Fund paid CIC Capital fixed advisory fee of CAD\$1,416,731 (GBP850,000). Fees paid are fixed and any additional advisory services by CIC Capital until actual public listing of CIC Funds securities will not be charged to CIC Fund.

CIC Fund provided convertible loans to CIC Gold and CIC Capital as follows:

	Total Loans Advanced CAD\$	Repayment to YE 31 Jan 2018 CAD\$	Balance YE 31 Jan 2018 CAD\$
CIC Capital	4,589,643	1,416,731	3,172,912
CIC Gold	3,751,454	3,372,394	379,060

17 Events after the reporting date

i) CIC Fund re-appointed Li Hongguang (Kevin) as Independent Non-Executive Director and Robert I. Rhodes as Independent Non-Executive Chairman.

ii) CIC Fund carried out a share re-organization of 10:1 in February 2018 and appointed Capital Transfer Agency as share registrars.