

24 June 2011

## Ncondezi Coal Company Limited

("Ncondezi" or the "Company")

### Audited final results for the year ended 31 December 2010

Ncondezi Coal Company Limited (AIM: NCCL), a coal exploration and development company with coal assets in the Tete Province in Mozambique, announces its audited final results for the year ended 31 December 2010:

#### Highlights:

- Successful fundraising of £35.6m (US\$52m) and admission to AIM on 10 June 2010
- Maiden JORC coal resource of 1.8 billion tonnes ('bt') classified on licences 804L and 805L (the "Ncondezi Project") by SRK Consulting
- Scoping study on the Ncondezi Project completed in February 2010 by SRK Consulting:
  - Indicated economic viability of 10 million tonnes per annum ('Mtpa') export thermal coal operation with first production in H2 2014/H1 2015
  - Coking coal potential at Ncondezi Project
  - Total mine capital cost estimated at US\$376m with a life of mine of 37 years and average life of mine FOB cash costs of US\$48.6/t
- Over 16,500 meters of drilling completed during 2010 from 81 percussion holes.
- Mapping and Aeromagnetic Surveys completed in October 2010, providing better definition of surface geology and structural features at the Ncondezi Project
- Definitive Feasibility Study ("DFS") Work Programme commenced in August 2010 and scheduled for completion by July 2012.
- Equity placing in January 2011, raising £23.4m (US\$36.5m) from institutional investors and introduction of a Chinese strategic investor.
- Dos Santos call option exercised in January 2011 at an exercise price of 110.7 pence.

#### Financial Highlights

	<b>2010</b>	2009
	<b>US\$000s</b>	US\$000s
Loss after tax	<b>472</b>	807
Loss per share expressed in cents	<b>(0.004)</b>	(1.0)
Cash and cash equivalents	<b>38,068</b>	15
Net assets	<b>69,436</b>	2,531

Graham Mascal, Chief Executive Officer of Ncondezi commented:

"The Company has had a very successful 2010 including the completion of our Initial Public Offering and listing on London's AIM market together with the completion of the first phase of a fast track drilling programme at the end of the year.

During 2011, we plan to enhance shareholder value through greater definition of the scale and scope of the Ncondezi Project together with the identification of opportunities for rail and port infrastructure solutions. The Group's target and objectives for the next 12 months remain ambitious and I am confident these will be met by our experienced and dedicated team."

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## Chairman's Statement

The 2010 financial year has been a busy and transformational year for the Company as it listed on London's AIM market, announced an initial 1.8bt JORC coal resources on the Ncondezi Project, identified the potential for an economically viable 10Mtpa open pit mine, and raised the necessary funds required to complete a DFS on the Ncondezi Project.

The Company was admitted to trading on AIM on 10 June 2010 after a successful placing of 29m new shares at a price of 123p. This issue raised the equivalent of US\$52m pre costs and put 24% of the enlarged share capital into the hands of new institutional shareholders. The funding was required to undertake a 24 month work programme for the next phase of exploration on the Ncondezi Project in the Tete region of Mozambique, and the completion of a fast track DFS due for completion in mid-2012.

The listing followed an initial drilling programme of 122 boreholes that had identified a coal mineral resource estimated by consultants SRK Consulting (UK) Limited ("SRK") at 1.8bt. A scoping study completed by SRK in April 2010 identified the potential for a large scale open pit mining operation. The new exploration programme commenced in September 2010.

The Group also owns two more remote licences 1314L and 1315L on which initial exploration work will be conducted during the second half of 2011. In June 2011 both exploration licences were granted extensions until 28 February 2014.

Activity in the Tete region has gathered pace. A number of international mining, steel and energy companies are investing in the region. The recent US\$4bn bid by Rio Tinto for Riversdale Mining has underlined just how serious the major mining groups are in developing the potential of the Zambezi Coal Basin. Although many challenges remain, the presence of both Vale and Rio Tinto increases the probability that infrastructural solutions for large scale exploitation of the basin will be forthcoming.

At the time of listing, Ncondezi entered into a put and call arrangement with the executor of the Dos Santos family which gave the Company the right to buy 12.2m shares at a 10% discount to the IPO listing price. On 19 January 2011, the Company successfully placed 12m new shares to raise US\$36.5m. After paying US\$21.3m for the Dos Santos shares and after expenses the Company was left with an additional US\$14m of cash and marginally fewer shares in issue. This placing broadened the institutional share base of the Company significantly upgrading the quality of the shareholder register. The issue also enabled the Company to introduce a strategic long-term investor in the form of Evergreen Resources Holding (HK) Limited ("Evergreen") with a 5% shareholding. Evergreen is a Shanghai based group with extensive experience in logistics and infrastructure development. Evergreen is keen to work together with Ncondezi in helping it develop infrastructural solutions in Mozambique and in helping Ncondezi broaden its resource base.

The additional cash in the Group provides the scope for exploring the potential of licences 1314L and 1315L, for studying and developing infrastructural solutions, and for pursuing M&A opportunities to add value for shareholders.

On 12 March 2011, the Provincial Governor of Tete officially opened the exploration camp at the flagship Ncondezi Project. The ceremony was also attended by the Mozambique Minister of Mineral Resources. All operations are being coordinated from this well-equipped facility which is on site.

Ncondezi now has a thoroughly professional and well balanced management team. The appointment of John Twidale as Exploration Manager in charge of all exploration activities in Mozambique was an important addition rounding out the skills set. The Group has an efficient operations team on the ground in Mozambique and a head office team with the necessary expertise to take advantage of opportunities in the region.

Events in Mozambique are moving ahead at an inexorable pace. The Company's ambitions have broadened since listing and it is now positioned as one of the few ways for investors to gain exposure to the development of a major new coal province.

Richard Stuart  
Chairman

## Operational Review

### Government Approvals

In February 2010, both exploration licences 804L and 805L were renewed for a further three years until 17 December 2012. These extensions provide sufficient time to complete the necessary detailed exploration work required to complete a DFS on the Ncondezi Project, and as appropriate to apply for a mining licence.

### Exploration Activities

During the financial period, SRK was mandated by the Group to undertake a JORC coal resource classification and a scoping study (preliminary economic assessment and geological study) on the Ncondezi Project. The work was based on the results from work programmes completed between 2007 and 2009, which included 122 boreholes drilled on the Ncondezi Project (totalling 16,737m), and coal quality analysis from samples sent to coal labs in Tete, Mozambique. A maiden JORC coal resource of 1,809Mt was classified by SRK in February 2010, and the scoping study was completed in April 2010 confirming the potential for a 10Mtpa open-pit mining operation producing a 6,000 kcal/kg GAR thermal grade coal for export.

Key highlights from the scoping study were:

- a total mine capital cost of US\$376m
- average stripping ratio of 1.3
- life of mine of 37 years
- average life of mine FOB cash costs of US\$48.6/t

The scoping study also highlighted results from a detailed set of coking coal tests performed by Ncondezi on three core hole composites in 2009 demonstrating that potential for coking coal exists on the Ncondezi Project. Further coal quality results were received in May 2011 from two large diameter holes drilled in Q4 2010. Results from LD hole 5001 have identified a coal with reasonable swells and rogas that can produce a coal with a swell greater than 7 and rogas of more than 60. The results justify further test work on the Ncondezi Project to determine the potential for a metallurgical coal product.

### Percussion Drilling

As part of the 2010 drill programme, which commenced in mid-August 2010, the Group began drilling new percussion holes on a grid across the whole Ncondezi Project licence areas. The objectives of the drill programme were to:

- Drill percussion boreholes in the licence areas on a 4km x 4km grid. This was followed by in-fill boreholes on a 2km x 2km grid where coal was intersected. All the boreholes were geophysically logged.
- Historical boreholes were re-opened and geophysically logged to facilitate correlations of coal zones between old and new holes.

A total of 50 percussion boreholes were drilled during the programme, with a total meterage of 12,099 meters. 68% of the new percussion boreholes intersected coal zones. In addition, 31 historical boreholes were re-opened with a total meterage of 4,478 meters.

Drilling chips from percussion boreholes were geologically logged and sampled, but not analysed. The majority of these boreholes were logged with down hole geophysical techniques by an independent contractor. Where possible, a full suite of sondes were utilised and these included natural gamma, density, neutron porosity, resistivity, dipmeter and calliper.

### **Core Drilling**

The 2010 core drill programme focused on drilling parts of license 805L. Core drilling objectives were to:

- Drill two large diameter scout boreholes for the purpose of acquiring a full complement of coking properties and washability data for the previously identified Coal Zone 'A'.
- Drill slim core ("HQ") boreholes on a 1km x 1km grid, focusing the drilling on the known coal resource areas. All the boreholes were geophysically logged.

Core drilling commenced in September 2010 with the drilling of two large diameter boreholes with a total meterage of 53 meters. A further 24 HQ cored boreholes were drilled with a total meterage of 4,023 meters. 95% of core boreholes intersected coal zones. All cored boreholes were geophysically logged, utilising a full suite of sondes.

Geotechnical logging of the core was conducted to an internationally recognised standard, with core samples removed for Uniaxial Compressive Strength and Triaxial Strength testing.

### **Coal Sampling**

The Company conducted a coal sampling programme for the 24 HQ cored and two large diameter boreholes drilled during the 2010 drill programme.

After core was logged at the drill rig, it was transported back to the exploration camp and coal intersections placed in the refrigeration unit to await sampling. The geological logs were corrected using the downhole geophysical logs and from this coal picks for sampling were identified. The coal zones were then sampled and couriered via airfreight to the ALS Laboratory Group ("ALS") in Witbank, South Africa, for full washability and coking tests. In addition to the coal zones, sections of the roof and floor strata of each sampled coal zone were also sampled and analysed.

### **Mapping and Aeromagnetic Survey**

Between July and October 2010, a detailed regional field mapping campaign and airborne magnetic and radiometric survey were successfully completed over both licences 804L and 805L. The completed work provided a clearer definition of surface geology, geological structures, and the location and orientation of dykes.

### **Road Access**

During the 2010 financial year a total of 40km of existing road was upgraded in the licence areas for the 2010 exploration programme.

An additional 84 borehole sites with connecting access roads were constructed across the licence areas. These borehole sites provided drilling access for the three coring and two percussion drill rigs during the drill programme. Maintenance of the exploration roads and access to borehole sites proved problematic during the latter part of the November and December due to intermittent rainfall in the licence areas and surrounds.

### **Exploration Camp**

Construction of the Ncondezi Project exploration camp began during 2010, to provide accommodation and necessary infrastructure for the majority of the Group's field team to be permanently based on site. The construction was completed at the end of January 2011.

**Other Exploration Licences 1314L and 1315L**

Due to remote location of both exploration licences 1314L and 1315L, the poor access and the unavailability of suitable drill rigs, it was considered unfeasible to undertake the proposed exploration work on the licence areas that had been originally envisaged during the second half of 2010. However, some geological mapping of the concessions was completed during the 2010 financial year which has been useful in establishing potential target drilling and sampling sites for the 2011 exploration programme.

In June 2011 both exploration licences were granted extensions until 28 February 2014. Accordingly the Group intends to commence an initial exploration programme for both licences during the second half of 2011.

**Results from Operations**

The Group generated a loss for the year of US\$472,000 (2009: US\$807,000). The loss per share for the year was 0.004 cents compared with a loss per share of 1 cent for 2009.

The Group spent US\$5m (2009: US\$2m) on exploration activities during the year.

**Outlook**

Over the next 12 months, Ncondezi will continue with the necessary work required to complete a DFS on the Ncondezi Project. On 1 February 2011, the Company recommenced drilling on Ncondezi Project following the end of the wet season in Tete, Mozambique. Drilling for the DFS Work Programme is expected to include 180 to 220 new boreholes to be completed by July/August 2011. This drilling programme and subsequent coal test work will provide information for a revised resource model expected in the second half of 2011, which will include good potential for new resources from previous undrilled areas. The revised resource model will be important for the next phase of mine, plant and cost optimisation analysis for the DFS.

The Company is also undertaking a detailed review of its rail and port options, as well as a review of power plant and coal gasification options for non-export grade coals that will be produced at the Ncondezi Project. Detailed studies have already been commissioned and initial results are expected during the 2011 financial year.

Nigel Walls  
Chief Operations Officer

## **Independent audit report to the members of Ncondezi Coal Company Limited**

We have audited the financial statements of Ncondezi Coal Company Limited for the year ended 31 December 2010 which comprise the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity, consolidated statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is International Financial Reporting Standards ("IFRS") as adopted by the European Union.

Our report has been prepared pursuant to our engagement letter dated 4 January 2011 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of our engagement letter dated 4 January 2011 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

### **Respective responsibilities of directors and auditors**

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's ("APB's") Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of, in all material respects of the state of the Group's affairs as at 31 December 2010 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union.

### **Opinion on other matters**

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

BDO LLP  
Chartered Accountants  
London  
United Kingdom  
Date 23 June 2011

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

## Consolidated income statement

for the year ended 31 December 2010

	Note	2010 \$'000	2009 \$'000
Other administrative expenses		(5,328)	(807)
Share-based payments charge		(5,865)	-
<b>Total administrative expenses and loss from operations</b>		<b>(11,193)</b>	<b>(807)</b>
Finance income		32	-
Gain on derivative financial asset		10,813	-
Finance expense		(19)	-
<b>Loss for the period before taxation</b>		<b>(367)</b>	<b>(807)</b>
Taxation		(105)	-
<b>Loss for the period attributable to equity shareholders of the parent company</b>		<b>(472)</b>	<b>(807)</b>
Loss per share expressed in cents			
Basic and diluted	2	(0.004)	(1.0)

## Consolidated statement of comprehensive income

for the year ended 31 December 2010

	2010 \$'000	2009 \$'000
<b>Loss after taxation</b>	<b>(472)</b>	<b>(807)</b>
Other comprehensive income:		
Exchange differences on translating foreign operations	5	-
<b>Total comprehensive income for the period</b>	<b>(467)</b>	<b>(807)</b>

## Consolidated statement of financial position

as at 31 December 2010

	Note	2010 \$'000	2009 \$'000
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	3	13,586	8,415
Property, plant and equipment	4	1,942	81
<b>Total non-current assets</b>		<b>15,528</b>	<b>8,496</b>
<b>Current assets</b>			
Trade and other receivables		1,272	17
Derivative financial asset		17,104	-
Cash and cash equivalents		38,068	15
<b>Total current assets</b>		<b>56,444</b>	<b>32</b>
<b>Total assets</b>		<b>71,972</b>	<b>8,528</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Current tax payable		106	-
Loans and borrowings		-	5,042
Trade and other payables		2,430	955
<b>Total current liabilities</b>		<b>2,536</b>	<b>5,997</b>
<b>Total liabilities</b>		<b>2,536</b>	<b>5,997</b>
<b>Capital and reserves attributable to shareholders</b>			
Share capital		59,245	1
Share premium		-	3,528
Foreign currency translation reserve		5	-
Other reserves		5,791	-
Retained earnings		4,395	(998)
<b>Total capital and reserves</b>		<b>69,436</b>	<b>2,531</b>
<b>Total equity and liabilities</b>		<b>71,972</b>	<b>8,528</b>

## Consolidated statement of changes in equity

for the year ended 31 December 2010

	Share capital \$'000	Share premium \$'000	Other reserves \$'000	Foreign Currency Translation reserve \$'000	Retained earnings \$'000	Total \$'000
<b>At 1 January 2010</b>	<b>1</b>	<b>3,528</b>	-	-	<b>(998)</b>	<b>2,531</b>
Reclassification of shares	<b>3,528</b>	<b>(3,528)</b>	-	-	-	-
Loss for the period	-	-	-	-	<b>(472)</b>	<b>(472)</b>
Comprehensive income for the period	-	-	-	<b>5</b>	-	<b>5</b>
Capitalisation of shareholder loans	<b>7,204</b>	-	-	-	-	<b>7,204</b>
Issue of shares	<b>52,000</b>	-	-	-	-	<b>52,000</b>
Costs associated with issue of shares	<b>(3,488)</b>	-	-	-	-	<b>(3,488)</b>
Derivative financial asset	-	-	<b>5,791</b>	-	-	<b>5,791</b>
Equity settled share based payments	-	-	-	-	<b>5,865</b>	<b>5,865</b>
<b>At 31 December 2010</b>	<b>59,245</b>	-	<b>5,791</b>	<b>5</b>	<b>4,395</b>	<b>69,436</b>

	Share capital \$'000	Share premium \$'000	Foreign Currency Translation reserve \$'000	Retained earnings \$'000	Total \$'000
At 1 January 2009		1	3,528	(191)	3,338
Total comprehensive income for the period		-	-	(807)	(807)
At 31 December 2009		1	3,528	(998)	2,531

## Consolidated statement of cash flows

for the year ended 31 December 2010

	Notes	2010 \$'000	2009 \$'000
<b>Cash flow from operating activities</b>			
(Loss) before taxation		(366)	(807)
Adjustments for:			
Finance income		(32)	-
Finance expense		19	-
Share based payments charge		5,865	-
Derivative financial asset		(10,813)	-
Unrealised foreign exchange movements		(68)	-
Expenditure recharged from parent company		-	637
Disposal of property plant and equipment		16	-
Depreciation		92	20
<b>Net cash flow from operating activities before changes in working capital</b>		<b>(5,287)</b>	<b>(150)</b>
Increase in payables		1,195	150
(Increase) in receivables		(1,399)	-
<b>Net cash flow from operating activities before tax</b>		<b>(5,491)</b>	-
<b>Net cash flow from operating activities after tax</b>		<b>(5,491)</b>	-
<b>Investing activities</b>			
Payments for property, plant and equipment	4	(1,962)	-
Payments for other intangibles	3	(103)	-
Interest received		32	-
Exploration costs capitalised	3	(5,078)	-
<b>Net cash flow from investing activities</b>		<b>(7,111)</b>	-
<b>Financing activities</b>			
Issue of ordinary shares		52,000	-
Bank charges		(19)	-
Cost of share issue		(3,488)	-
Shareholder loans received		2,162	-
<b>Net cash flow from financing activities</b>		<b>50,655</b>	-
<b>Net increase/(decrease) in cash and cash equivalents in the period</b>		<b>38,053</b>	-
Cash and cash equivalents at the beginning of the period		15	15
Effect of foreign exchange rate changes on cash and cash equivalents		-	-
<b>Cash and cash equivalents at the end of the period</b>		<b>38,068</b>	15

The Group had no significant cash transactions in 2009. All significant additions in 2009 were financed through shareholder loans.

## Notes

1. The financial information for the year ended 31 December 2010 is audited and was approved by the Board of Directors on 23 June 2011. The audited group financial information incorporates the audited financial information of the Company and all its subsidiaries for the financial year ended 31 December 2010. The financial information does not constitute the statutory accounts of the Group.

The financial information has been prepared using policies based on International Financial Reporting Standards (IFRS and IFRIC interpretations) issued by the International Accounting Standards Board ("IASB") as adopted for use in the EU. The financial information has been prepared using the accounting policies which have been applied in the Group's financial information for the year ended 31 December 2010.

In the opinion of the Directors the financial information for the year represents fairly the financial position, results from operation and cash flows for the year in conformity with the generally accepted accounting principles consistently applied. The financial information incorporates comparative figures for the audited financial year to 31 December 2009.

### 2. Loss per share

Basic loss per share is calculated by dividing the loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

The weighted average number of ordinary shares outstanding during the period and for the prior periods presented has been adjusted in accordance with IAS 33. The adjustment reflects the share division that took place on 25 May 2010 where each issued ordinary share of \$1 each was divided into 80,000 ordinary shares of no par value. The adjustment is made retrospectively as if the share division took place at the start of the comparative period.

Due to the losses incurred during the period a diluted loss per share has not been calculated as this would serve to reduce the basic loss per share.

There were share incentives and warrants outstanding at the end of the period that could potentially dilute basic earnings per share in the future. Potential ordinary shares of 1,447,822 (2009: nil) have therefore been excluded from the calculations below.

All potential Ordinary Shares have been issued post year end (note 5).

	2010			2009		
	Loss \$'000 (thousands)	Weighted average number of shares	Per share amount (cents)	Loss \$'000 (thousands)	Weighted average number of shares	Per share amount (cents)
<b>Basic and diluted LPS</b>	<b>(472)</b>	<b>99,950</b>	<b>(0.004)</b>	(807)	80,000	(1.0)

### 3. Intangible assets

	Exploration and evaluation costs \$'000	Other intangible assets \$'000	Total \$'000
<b>Cost</b>			
<b>At 1 January 2010</b>	<b>8,415</b>	-	<b>8,415</b>
Additions	5,078	103	5,181
<b>At 31 December 2010</b>	<b>13,493</b>	<b>103</b>	<b>13,596</b>
<b>At 1 January 2009</b>			
	6,138	-	6,138
Additions	2,277	-	2,277
<b>At 31 December 2009</b>	<b>8,415</b>	-	<b>8,415</b>
<b>Amortisation</b>			
At 1 January 2010	-	-	-
Amortisation charge	-	10	10
<b>At 31 December 2010</b>	-	<b>10</b>	<b>10</b>
<b>Net Book value 2010</b>	<b>13,493</b>	<b>93</b>	<b>13,586</b>
Net book value 2009	8,415	-	8,415
Net book value 2008	6,138	-	6,138

Exploration costs relate to the initial acquisition of the licences and subsequent exploration expenditure incurred in evaluating the Ncondezi project, which consists of the 804L, 805L, 1314L and 1315L licence areas situated in the Tete, Mozambique.

### 4. Property, plant and equipment

	Assets in the course of construction \$'000	Plant and equipment \$'000	Office and computer equipment \$'000	Furniture and fixtures \$'000	Motor vehicles \$'000	Total \$'000
<b>Cost</b>						
At 1 January 2009	-	79	-	9	30	118
Additions	-	-	33	1	-	34
Disposals	-	-	-	-	-	-
<b>At 1 January 2010</b>	-	<b>79</b>	<b>33</b>	<b>10</b>	<b>30</b>	<b>152</b>
Additions	1,358	317	16	23	248	1,962
Disposals	-	(79)	-	-	(12)	(91)
Exchange adjustment	-	-	(3)	-	-	(3)
<b>At 31 December 2010</b>	<b>1,358</b>	<b>317</b>	<b>46</b>	<b>33</b>	<b>266</b>	<b>2,020</b>
<b>Depreciation</b>						
At 1 January 2009	-	33	-	2	8	43
Depreciation charge	-	20	-	1	7	28
Disposals	-	-	-	-	-	-
At 1 January 2010	-	53	-	3	15	71
Depreciation charge	-	31	12	4	35	82
Disposals	-	(63)	-	-	(12)	(75)
<b>At 31 December 2010</b>	-	<b>21</b>	<b>12</b>	<b>7</b>	<b>38</b>	<b>78</b>
<b>Net Book value 2010</b>	<b>1,358</b>	<b>296</b>	<b>34</b>	<b>26</b>	<b>228</b>	<b>1,942</b>
Net book value 2009	-	26	33	7	15	81
Net book value 2008	-	46	-	7	22	75

## 5. Events after the reporting date

### ***Share issue***

On 13<sup>th</sup> January 2010 the Company issued 12m new ordinary shares of no par value. The shares were placed with investors at a price of 195 pence each. The placing price is equivalent to a 4.4% discount to the closing mid-market price on the AIM market on 12 January 2011. The gross proceeds received were \$36.5m (£23.4m).

### ***Dos Santos Put/Call option***

Prior to its IPO in June 2010, the Company entered into an option agreement to repurchase 12,189,474 shares held by the Dos Santos family at a 10% discount to the IPO price within one year of the IPO. The IPO was undertaken at a price per share of 123 pence thereby setting the option exercise price at 110.7 pence, which represents a 46% discount to the closing mid-market price of 204 pence on AIM on 12 January 2011.

The Company used approximately \$21.3m of the funds raised in January 2011 to repurchase the 12,189,474 Dos Santos family shares. The Company subsequently cancelled the repurchased shares.

### ***Exercise of warrants***

In June 2011 the Company announced it had issued 1,447,822 new Ordinary Shares of no par value in the Company, to Liberum Capital Limited and Renaissance Capital Limited, of 723,911 new Ordinary Shares each, following their election to exercise warrants granted to them pursuant to a warrant deed dated 8 June 2010. The warrants had an exercise price of 123 pence per new Ordinary Share.

Following the issue and allotment, the Company's issued share capital will comprise 121,115,683 Ordinary Shares of no par value each.

6. The published accounts will be available on the Company's website from 24 June 2011 and will be sent to all shareholders on 30 June 2011. Copies of the published accounts will also be available from 30 June 2011 during normal business hours from the Group's London offices at 3 Grafton Street, London, W1S 4EE.