Zoltav Resources Inc.

Annual Report and Audited Financial Statements
For the year ended 31 December 2012

Corporate information

Board of Directors
Symon Drake-Brockman - Executive Chairman
Stephen Lowden - Non Executive Director
David Francis - Non Executive Director

Audit Committee
Symon Drake-Brockman and Stephen Lowden

Remuneration Committee
Symon Drake-Brockman and Stephen Lowden

Nomination Committee
Symon Drake-Brockman and Stephen Lowden

Company Secretary
Ogier Corporate Services (Jersey) Limited
Ogier House, The Esplanade, St Helier,
Jersey, JE4 9WG, Channel Islands

Corporate Administrator
Ogier Corporate Services (Jersey) Limited
Ogier House, The Esplanade, St Helier,
Jersey, JE4 9WG, Channel Islands

Bankers
Barclays Private Clients International Limited
Barclays House, Victoria Street, Douglas,
IM99 1AJ, Isle of Man

Deutsche Bank International Limited
St Paul's Gate, New Street, St Helier,
Jersey, JE4 8ZB, Channel Islands

Nominated Adviser
Shore Capital & Corporate Limited
Bond Street House, 14 Clifford Street,
London, W1S 4JU, United Kingdom

Broker
Shore Capital Stockbrokers Limited
Bond Street House, 14 Clifford Street,
London, W1S 4JU, United Kingdom

Solicitors
Pinsent Mason
30 Crown Place, Earl Street, London,
EC2A 4ES, United Kingdom

Independent Auditor
Deloitte LLP
Lord Coutanche House, 66-68 The
Esplanade, St Helier, Jersey, JE4 8WA,
Channel Islands

Registrar
Computershare Investor Services (Jersey) Limited
Queensway House, Hilgrove Street, St Helier,
Jersey, JE1 1ES, Channel Islands

Registered Office
89 Nexus Way, Camana Bay, Grand Cayman
KY1-9007, Cayman Islands

Chairman's report for the year ended 31 December 2012

Major post balance sheet events

- Proposed acquisition of CenGeo Holdings Limited (**CenGeo**) for US$26 million (approximately £17.4 million) satisfied through the issue of 473,157,416 new Zoltav Resources Inc. (**Company**) shares announced on 20 March 2013 (**Acquisition**).
- CenGeo, through a wholly owned subsidiary, holds the Koltogor Blocks comprising a newly issued 25 year exploration and production licence (**Koltogor Licence**) containing the undeveloped Koltogor oil discovery.
- Agreement signed with ARA Capital Limited, the Company's largest shareholder, giving the Company the right to call US$20 million (approximately £13.4 million) of working capital to help fund the work programme on the Koltogor Licence by way of a subscription for new Company shares at 3.5 pence per share.
- Strengthening of the Board with appointments of Michael Lombardi and John Grimshaw as Non-Executive Directors.

2012 Highlights

- Considerable progress was made on the Company's acquisition strategy resulting in the proposed acquisition of CenGeo.
- ARA Capital Limited provided £500,000 of working capital by way of a convertible loan in support of acquisition strategy and has, post year-end, undertaken to convert this prior to the publication of the Admission Document (**Circular**) in respect of the proposed acquisition of CenGeo.

Summary financials

- Loss for the year ended 31 December 2012: US$3,528,000 (2011: US$2,340,000).
- Loss attributable to shareholders for the year ended 31 December 2012: US$3,528,000 (2011: US$2,340,000).
- Shareholders' equity as at 31 December 2012: US$130,000 (2011: US$1,425,000).
- Basic loss per share for the year ended 31 December 2012: US Cents 0.94 (2011: US Cents 0.63).

Chairman's statement

The strategy of the Company is to identify investment opportunities within the natural resources sector in the CIS, where the Board believes there are attractive opportunities to create value for shareholders through the acquisition of assets in various stages of development.

The Board was pleased to receive the support for this process from the Company's largest shareholder, ARA Capital Limited, which agreed to provide £500,000 of additional working capital during the year through an unsecured convertible loan. £250,000 of this convertible loan was drawn down by the Company during 2012, with the balance drawn down in February 2013. Access to such working capital has allowed the Board the flexibility to carry out detailed due diligence on target opportunities.

The Board has evaluated a small number of opportunities during the year and I am pleased to advise that this work, as announced post year-end on 20 March 2013, has resulted in the announcement of the Company's first major transaction: the proposed acquisition of the entire issued share capital and shareholder loans of CenGeo which, through its wholly owned subsidiary, holds the Koltogor Blocks containing the undeveloped Koltogor oil discovery. The consideration payable for CenGeo is US$26 million (approximately £17.4 million) to be satisfied entirely through the issue of 473,157,416 Company shares at 3.5 pence per share.

Completion of the transaction, which requires the announcement of and publication of the Circular in relation to the Company (as enlarged by the Acquisition) and the Acquisition agreement and the consent of shareholders being given at a General Meeting (**GM**), will mark the Company's transition from being an investment company to an oil and gas company.

Chairman's report for the year ended 31 December 2012 (continued)

Chairman's statement (continued)
The Koltogor Licence covers a contiguous area of 528 square kilometres in the Khantiy-Mansisk Autonomous Okrug, one of Russia's most prolific oil producing regions. It is in close proximity to a number of major producing fields including Samotlor, Russia's largest, underlining the prospectivity of the Koltogor area.

In parallel with the proposed acquisition of CenGeo, the Company also announced on 20 March 2013 that it has entered into a conditional agreement with its largest shareholder, ARA Capital Limited, to provide US$20 million (approximately £13.4 million) of working capital to fund the future work programme on the Koltogor Licence. ARA Capital Limited has also given an undertaking to convert its £500,000 convertible loan prior to publication of the Circular.

Following completion of the Acquisition, the full ARA Capital Limited investment of US$20 million and conversion of its loan, it is expected that ARA Capital Limited will own 45.0% of the enlarged issued share capital of the Company; and that Mr Bukhtoyarov, through his company Bandbear Limited (beneficial majority owner of CenGeo), will own 29.1% of the Company. The Company is delighted to receive Mr Bukhtoyarov's support for the Company's strategy and I look forward to welcoming him as a shareholder.

Further information on the CenGeo transaction and the Koltogor Blocks can be obtained from the Company's 20 March 2013 announcement (available on the Company's website www.zoltav.com) and in the Circular which will be published in due course.

Financial results
Throughout 2012, the Company continued to operate as an investing company. The Company made an operating loss of US$3,528,000 (2011: US$2,340,000). As announced at the half year, the Company chose to realise investment gains on the investments made in Rosneft, Gazprom and Lukoil. The Company sustained further losses on the investments made by the previous Board including in relation to Evergreen Energy following its filing for bankruptcy in January where the investment value has been written down. The value of the Company's shareholding in Paternoster Resources Plc (formerly Viridas PLC) has also declined significantly.

Board appointments
In line with Company's commitment to high standards of corporate governance, we announced, on 20 March 2013, the appointments of Michael Lombardi and John Grimshaw to the Board; they each bring a great deal of relevant legal and administrative experience to the Company.

Mr Lombardi is a highly experienced commercial lawyer. He is qualified as a Jersey solicitor and is a senior partner of Ogier, one of the world's largest offshore law firms, headquartered in Jersey; and which acts as Company Secretary to the Company.

Mr Grimshaw has considerable experience advising on trust, tax and investment planning. He is a member of the Society of Trust and Estate Practitioners and the Institute of Directors.

Outlook
Efforts over the past year to identify attractive acquisition opportunities have delivered an excellent first transaction for the Company. I believe the CenGeo acquisition represents extremely good value for shareholders and delivers a sizeable appraisal asset with near-term production potential. It marks a truly transformational moment for the Company.

Symon Drake-Brockman
Chairman
21 May 2013

The Board of Directors - Profiles

Symon Drake-Brockman - Executive Chairman

Symon Drake-Brockman, 51, has a wealth of experience from a long career in finance covering both debt and equity markets. He was formerly chief executive officer of RBS Global Banking and Markets in the Americas and chief executive officer of RBS Greenwich Capital, global head of RBS' Debt Markets division and board member of RBS Global Banking and Markets. Mr Drake-Brockman previously held senior positions with ING Barings and JP Morgan in London, New York, Tokyo and Hong Kong. He is currently a Non Executive on the board of Nexus Energy in Australia, and the Managing Partner of Pemberton, the London based Private Equity firm.

Stephen Lowden - Non Executive director

Stephen Lowden, 53, has over 25 years experience in the international oil and gas industry across exploration, development, production and gas liquefaction. Throughout his career in the oil industry Mr Lowden has worked around the world but has spent a considerable time working on projects in the Former Soviet Union. Mr Lowden has previously held positions with Premier Oil plc, including chief petroleum engineer, general manager for development and production and an executive director of the board, and, more recently at Marathon Oil Company as president of Marathon International, head of corporate business development and an officer of the company. Mr Lowden has also been involved with two private energy businesses. He is currently on the board of Nexus Energy.

David Francis - Non Executive director

David Francis, 43, has had a successful 25 year career in the financial services sector. David spent 17 years within the RBS/Natwest Group, leaving in 2004 when he was Senior Vice President of Coutts Offshore. David bought into Horizon Group, and became Group CEO and major shareholder, overseeing expansion in Jersey and overseas. David has also been instrumental in establishing property ventures in CEE countries and was part of the consortium that acquired Handmade Films in 2010. David was President of the Chartered Institute of Bankers in Jersey from 2001 to 2003.

Directors' report for the year ended 31 December 2012

The Directors of the Company present their annual report together with the audited financial statements for the year ended 31 December 2012.

Principal activity

The principal activity of the Company is an investing company, seeking investment opportunities in the natural resources sector. The proposed acquisition of CenGeo will mark a transition of the Company from being an investing company into an operational oil and gas company. The acquisition constitutes a reverse takeover under the AIM Rules and will be conditional upon shareholder approval at a GM.

Business review

A review of the business for the year and of future developments is given in the Chairman's Report. The Company has not yet set any key performance indicators as it is still only an investing company. Following the successful acquisition of CenGeo and the development of the Company into an operational oil and gas company, the Directors are currently considering appropriate performance indicators as required by the AIM Admission Document of the enlarged Company. The criteria used by the Board to assess the Company's internal controls are disclosed under the corporate governance report.

Results

The results of the Company are as shown on page 13.

Dividends

The Directors do not recommend the payment of a final dividend and no interim dividend was paid during the year (2011: US$nil).

Share capital

Details of movements in the share capital of the Company during the year are set out in note 15 to the financial statements. The Company's policy in respect of capital and risk management is set out in note 20.

Reserves

Details of movements in the reserves of the Company during the year are set out in the statement of changes in equity.

Directors

The membership of the Board who served during the year is set out on page 4.

Going concern

The Directors have prepared cashflow forecasts through to 31 May 2014, which take account of the following:

- the running costs of the Company as an investing company;
- the continued support for its operating expenses provided by the Company's major shareholder, ARA Capital Limited;
- the proposed acquisition of CenGeo for US$26 million will be satisfied through the issue of new shares in the Company. The Company has also entered into an agreement with ARA Capital Limited to provide a further US$20 million working capital to fund the future work programme; and
- the acquisition constitutes a reverse takeover under the AIM Rules and therefore, trading in the Company's shares has automatically been suspended under Rule 14. This does not have any impact upon the going concern of the Company as it will be readmitted upon fulfilling specific requirements of the Aim Rules.

Directors' report for the year ended 31 December 2012 (continued)

Going concern (continued)
The forecasts indicate sufficient cash balances remain throughout the period to 31 May 2014. For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements.

Directors' interests
Certain Directors have owned shares of the Company during the year ended 31 December 2012. Interests in the ordinary shares of the Company are as follows:

	31 December 2012		31 December 2011	
	Number of ordinary shares	Percentage of existing share capital	Number of ordinary shares	Percentage of existing share capital
Symon Drake-Brockman	9,381,108	2.5%	9,381,108	2.5%
David Francis	3,754,244	1.0%	3,754,244	1.0%
Stephen Lowden	-	-	-	-
	13,135,352	3.5%	13,135,352	3.5%

	31 December 2012 Number of ordinary share options	31 December 2011 Number of ordinary share options
Symon Drake-Brockman	25,000,000	-
David Francis	5,000,000	-
Stephen Lowden	10,000,000	-
	40,000,000	-

Substantial shareholdings
The interests in excess of 3% of the issued share capital of the Company which have been notified to the Company as at 31 December 2012 were as follows:

	Number of ordinary shares	Percentage of existing share capital
ARA Capital Limited	168,860,154	45.0
Mark Nicholas Tompkins	45,100,000	12.0
	213,960,154	57.0

Statement of Directors' responsibilities
The Directors are responsible for preparing the annual report and financial statements in accordance with applicable law and regulations.

AIM Rules for Companies require the Directors to prepare financial statements for each financial year. Under those Rules the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (**IFRS**) as adopted by the European Union. The financial statements are required to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

Statement of Directors' responsibilities (continued)

International Accounting Standard 1 requires that financial statements present fairly for each financial year the Company's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the preparation and presentation of financial statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRS. However, Directors are also required to:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

Financial risk management objectives and policies

Details of the financial risk management objectives and policies are provided in note 20 to the financial statements.

Independent Auditor

Deloitte LLP were appointed as the Company's independent auditor on 2 April 2012 and have expressed their willingness to continue in office.

For and on behalf of the Board

Symon Drake-Brockman
Chairman
21 May 2013

Corporate governance report for the year ended 31 December 2012

The Board is committed to high standards of corporate governance and supports the Combined Code on Corporate Governance (**Code**). The Company's application of the principles of the Code takes into account the size of the Company, and the fact that the Company's shares are quoted on the AIM market of the London Stock Exchange and therefore, whilst the Company is not obliged to comply with the Code, it has chosen to adopt certain parts thereof.

The following statement explains our governance policies and practices, and provides an insight into how the management runs the business for the benefit of shareholders.

The Board
The Company supports the concept of an effective Board, which is collectively responsible for the success of the Company. The Board currently comprises of the Executive Chairman and two Independent Non-Executive Directors. Biographies of the Directors and details of their committee memberships appear on pages 1 and 9 respectively.

The principal role of the Board is to provide strategic leadership to the Company within a framework of prudent and effective controls, which enables risk to be assessed and managed. The Board's key objective is currently to identify suitable acquisition targets in the natural resources sector. The Board sets the Company's values and standards, and ensures that its obligations to shareholders and others are met and understood.

The Board is responsible for:

- approving the remuneration of the Directors (based on the recommendations of the Remuneration Committee);
- approving the Interim and Annual Reports (based on recommendations of the Audit Committee);
- approving potential investment opportunities;
- approving any decision to cease to operate all or any material part of the Company's business;
- approving any changes relating to the Company's capital structure, including the reduction of capital, share issues and share buy backs; and
- approval of dividend policy and declaration of interim and final dividends.

The Board meets at least quarterly to discuss opportunities available to the Company as a whole.

The Company maintains insurance for Directors and Officers of the Company.

The Chairman of the Board is an executive and is responsible for the leadership and effective running of the Board, including the interaction between executive and non-executive members, and for ensuring that the Board is kept appropriately informed about the business activities of the Company. The Chairman also seeks to ensure effective communication with shareholders and other stakeholders.

The Board has access to the Company's auditor to advise them on financial, governance and regulatory matters. Any Director wishing to do so in the furtherance of his duties may take independent professional advice at the Company's expense. This also applies to any Director in his capacity as a member of the Audit, Remuneration or Nomination committees. Through the Chairman the Directors also have access to the Company Secretary, Ogier Corporate Services (Jersey) Limited.

The Board considers that the Independent Non-Executive Directors are free from any relationship that could materially interfere with the exercise of their independent judgement, and ensured that they have sufficient time to carry out their duties. The Board contained at least one Independent Non-Executive Director throughout the year.

Corporate governance report for the year ended 31 December 2012 (continued)

The Board (continued)
As the Board currently has only two Non-Executive Directors (in addition to the Executive Chairman) it does not believe that it is necessary to appoint a Senior Independent Director at present as provided for by the Code.

The Board is supported by specialised committees ensuring that sound governance procedures are followed. The Corporate Governance section of the Company's website includes the terms of reference of the Audit, Remuneration and Nomination Committees at www.zoltav.com.

Board Committees

The Audit Committee
The Audit Committee currently comprises Symon Drake-Brockman (Chairman) and Stephen Lowden. The Board is satisfied that collectively the Audit Committee has sufficient, recent and relevant financial experience.

The duties of the Audit Committee are to review the financial information of the Company, to oversee the Company's financial reporting processes and internal control systems, and to manage the relationship with the Company's external auditor. The Audit Committee also has primary responsibility for making recommendations on the appointment, re-appointment and removal of the external auditor, and for approving any significant non-audit services provided by the external auditor to ensure that objectivity and integrity are safeguarded. The Audit Committee reports its work, findings and recommendations to the Board after each meeting.

The Remuneration Committee
The Remuneration Committee currently comprises Symon Drake-Brockman (Chairman) and Stephen Lowden. David Francis takes no part in setting his own remuneration and is not present when the Remuneration Committee discusses his remuneration.

The principal functions of the Remuneration Committee include recommending to the Board the policy and structure for the remuneration of the Chairman, Non-Executive Directors and (as determined by the Board) senior management, determining the remuneration packages of the Chairman, the Non-Executive Directors and senior management, reviewing and approving performance-based remuneration and compensation for loss or termination of office payable to Non-Executive Directors and senior management, ensuring that no Director is involved in deciding his own remuneration and approving the service contracts of Directors and senior management.

As the Company is an investing company and is seeking acquisition opportunities in the natural resources sector, it currently has no employees other than its Directors.

The report on remuneration is set out on pages 10 to 11.

The Nomination Committee

The Nomination Committee comprises Symon Drake-Brockman (Chairman) and Stephen Lowden. The principal function of the Nomination Committee is to lead the process for appointments to the Board and make recommendations to the Board based on their evaluation of the balance of skills, knowledge and experience on the Board.

Corporate governance report for the year ended 31 December 2012 (continued)

Attendance at Board and Committee Meetings

The table below sets out the number of meetings of the Board and its committees during the year and attendance by members at those meetings.

	Board meetings
Meetings held during the year	11
Meetings attended during the year	
Symon Drake-Brockman	11
Stephen Lowden	4
David Francis	11

Internal control

The Board is responsible for maintaining a strong system of internal control and risk management to safeguard shareholders' investments and the Company's assets. The system of internal control is designed, taking into account the Company's business objectives and strategy, to provide reasonable, but not absolute, assurance against material misstatement or loss.

The criteria the Board uses to assess the effectiveness of the system of internal control include:

- the nature and extent of the risks facing the Company;
- the extent and categories of risk that the Board regards as acceptable for the Company to bear;
- the likelihood of the risks materialising and the financial impact of the risks;
- the Company's ability to reduce the incidence and impact on the business of risks that do materialise; and
- the costs of operating particular controls relative to the benefit thereby obtained.

The Board has considered the need for an internal audit function but has decided, after taking into account the current status of the Company as an investing company, such a function is not at present justified. This decision will be kept under review once an acquisition is completed.

Relations with Shareholders

The Company believes that effective communication with shareholders is of utmost importance. It has an established cycle for communicating trading results at the interim and year end stages and, as appropriate, of providing business updates via the Regulatory News Service and press releases.

The Company makes information available through regulatory announcements and its interim and annual reports. Copies of all such communications can be found on the Company website, www.zoltav.com.

Report on remuneration

Introduction

The Board recognises that Directors' and employees' remuneration is of legitimate concern to shareholders, and is committed to following good practice and to ensuring that the interests of the Directors and employees are aligned with those of shareholders.

Corporate governance report for the year ended 31 December 2012 (continued)

Report on remuneration (continued)

Policy on remuneration

The Company aims to set levels of remuneration that are sufficient to attract, retain and motivate Directors and senior management of the quality required to run the Company successfully, whilst ensuring that the interests of Directors and employees are aligned with those of shareholders. The Company operates within a competitive environment in which the Company's performance depends on the individual contributions of the Directors.

When determining annual salaries and performance-based remuneration the Company takes into account the following factors:

- direct and indirect contribution towards the Company's current profitability;
- the development of businesses or transactions that may help achieve the Company's objective in future years;
- the quality of earnings, in the context of market conditions, as well as the quantity of earnings;
- vision and innovation;
- remuneration levels and practices in other firms engaged in similar activities; and
- incentive to continue to contribute to the Company's objectives

Directors' remuneration

The remuneration of the Directors for the year ended 31 December 2012 is shown in the table below.

	Symon Drake-Brockman *2	Stephen Lowden *2	David Francis *2	Robert Owen *1	Peter Moss *1	Johnny Chan *1	Total
	US$	**US$**	**US$**	**US$**	**US$**	**US$**	**US$**
Salary	236,759	132,882	132,882	-	-	-	502,523
Share based compensation	1,357,708	543,083	271,541	-	-	-	2,172,332
2012 Total	**1,594,467**	**675,965**	**404,423**	**-**	**-**	**-**	**2,674,855**
Salary	96,250	61,600	61,600	38,490	89,722	13,521	361,183
2011 Total	**96,250**	**61,600**	**61,600**	**38,490**	**89,722**	**13,521**	**361,183**

*1 Resigned 3 August 2011
*2 Appointed 3 August 2011

Share price

During the year, the share price of the Company traded in the range of 1.875 pence to 6.875 pence. At 31 December 2012, the share price of the Company stood at 3.525 pence.

Independent Auditor's report to the members of Zoltav Resources Inc.

We have audited the financial statements of Zoltav Resources Inc. (**Company**) for the year ended 31 December 2012 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and the related notes 1 to 24. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (**IFRS**) as adopted by the European Union.

This report is made solely to the Company's members, as a body, in accordance with our engagement letter dated 4 December 2012. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditor

As explained more fully in the 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 applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at 31 December 2012 and of its loss for the year then ended; and
- the financial statements have been properly prepared in accordance with IFRS as adopted by the European Union.

Deloitte LLP
Chartered Accountants
St Helier, Jersey
21 May 2013

Statement of comprehensive income for the year ended 31 December 2012

	Notes	2012 US$'000	2011 US$'000
Continuing operations			
Unrealised (loss)/gain on financial assets at fair value through profit or loss	12	(100)	51
Realised gain on disposal of financial assets at fair value through profit or loss	12	35	-
Other income	5	-	77
Administrative expenses		(3,462)	(2,417)
Other operating expenses		-	(51)
Loss from operations		(3,527)	(2,340)
Finance costs	6	(1)	-
Loss before taxation		(3,528)	(2,340)
Taxation	9	-	-
Loss for the year		(3,528)	(2,340)
Attributable to:			
Owners of the Company			
Loss for the year		(3,528)	(2,340)
Loss per share attributable to owners of the Company during the year	10	US cents	US cents (restated)
Basic - continuing operations		(0.94)	(0.63)
Diluted - continuing operations		(0.87)	(0.61)

All the items dealt with in arriving at the result for the period relate to continuing activities.

There were no components of 'other comprehensive income' which are required to be separately disclosed during the current and preceding year.

The accompanying notes form an integral part of these financial statements.

Statement of Financial Position as at 31 December 2012

	Notes	31 December 2012 US$'000	31 December 2011 (restated) US$'000	1 January 2011 US$'000
ASSETS				
Non-current assets				
Trade and other receivables		-	-	38
Current assets				
Trade and other receivables		44	50	17
Financial assets at fair value through	12	404	1,166	-
Cash and cash equivalents		108	339	73
		556	1,555	90
Total assets		556	1,555	128
LIABILITIES				
Current liabilities				
Trade and other payables	13	81	130	386
Non-current liabilities				
Borrowings	14	345	-	-
Total liabilities		426	130	386
EQUITY				
Share capital	15	3,752	3,752	3,098
Share premium		8,892	8,892	6,022
Other reserves		44,411	42,178	41,679
Accumulated deficit		(56,925)	(53,397)	(51,057)
Total equity attributable to owners of the Company		130	1,425	(258)
Total equity and liabilities		556	1,555	128

The accompanying notes form an integral part of these financial statements.

The financial statements on pages 13 to 40 were approved by the Board of Directors and authorised for issue on 21 May 2013.

Symon Drake-Brockman
Chairman

Zoltav Resources Inc.

Statement of changes in equity for the year ended 31 December 2012

	Share capital	Share premium	Capital reserve	Employee share-based compensation reserve	Convertible loan note	Accumulated deficit	Total equity
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
At 1 January 2011	3,098	6,022	40,444	1,235	-	(51,057)	(258)
Employee share-based compensation (note 16)	-	-	-	499	-	-	499
Lapse of share options	-	-	-	(1,235)	-	1,235	-
Issue of shares	654	2,870	-	-	-	-	3,524
Transactions with owners	654	2,870	-	(736)	-	1,235	4,023
Loss for the year	-	-	-	-	-	(2,340)	(2,340)
At 31 December 2011	3,752	8,892	40,444	499	-	(52,162)	1,425
Prior period adjustment (note 16)	-	-	-	1,235	-	(1,235)	-
As restated	3,752	8,892	40,444	1,734	-	(53,397)	1,425
Convertible loan note-equity component (note 14)	-	-	-	-	61	-	61
Employee share-based compensation (note 16)	-	-	-	2,172	-	-	2,172
Transactions with owners	-	-	-	2,172	61	-	2,233
Loss for the year	-	-	-	-	-	(3,528)	(3,528)
At 31 December 2012	3,752	8,892	40,444	3,906	61	(56,925)	130

The accompanying notes form an integral part of these financial statements.

Zoltav Resources Inc.

Statement of cash flows for the year ended 31 December 2012

	2012 US$'000	2011 US$'000
Operating activities		
Loss before taxation	(3,528)	(2,340)
Adjustments for:		
Finance costs	1	-
Employee share-based compensation	2,172	499
Unrealised loss/(gain) on financial assets at fair value through profit or loss	100	(51)
Realised gain on disposal of financial assets at fair value through profit or loss	(35)	-
Depreciation of property, plant and equipment	-	40
Write off of property, plant and equipment	-	30
Operating cash outflow before working capital changes	(1,290)	(1,822)
Decrease/(increase) in trade and other receivables	6	(32)
Decrease in trade and other payables	(49)	(256)
Net cash outflow used in operating activities	(1,333)	(2,110)
Investing activities		
Purchase of property and equipment	-	(32)
Disposal/(purchase) of investment securities	697	(1,115)
Net cash inflow/(outflow) used in investing activities	697	(1,147)
Financing activities		
Issue of share capital	-	3,523
Issue of convertible Loan Note	405	-
Net cash inflow generated from financing activities	405	3,523
Net (decrease)/increase in cash and cash equivalents	(231)	266
Cash and cash equivalents as at 1 January	339	73
Cash and cash equivalents as at 31 December	108	339

The accompanying notes form an integral part of these financial statements.

Notes to the financial statements for the year ended 31 December 2012

1. General information

The Company was incorporated in the Cayman Islands, which does not prescribe the adoption of any particular accounting framework. The Board has therefore adopted International Financial Reporting Standards (**IFRS**) issued by the International Accounting Standards Board and as adopted by the European Union. The Company's shares are listed on the AIM of London Stock Exchange. The financial statements are prepared in United States Dollars.

The Company previously acted as the holding company of a group. Following the disposal of all the subsidiaries to its former holding company, Crosby Capital Limited on 4 October 2010, the Company became an investing company with no subsidiary undertakings.

The financial statements for the year ended 31 December 2012 (including the comparatives for the year ended 31 December 2011) were approved by the Board of Directors on 21 May 2013.

2. Adoption of new and revised standards

The accounting policies adopted are consistent with those of the previous financial year, except for the following new and amended IFRS and IFRIC interpretations effective as of 1 January 2012.

(a) Amendments early adopted by the Company:

There were no standards, amendments and interpretations adopted early by the Company.

(b) Standards, amendment to standards and interpretations effective and relevant to the Company's operations:

Amendments resulting from improvements to IFRS did not have any impact on the accounting policies, financial position or performance of the Company.

(c) New standards, amendment to standards and interpretations effective but not relevant:

- IFRS 1 Amendment: Severe hyperinflation & removal of fixed dates for first time adopters;
- IFRS 7 Amendment: Disclosures - transfers of financial assets;
- IAS 12: Deferred Tax - recovery of underlying assets.

(d) Standards, amendments and interpretations not yet effective:

- IAS 1 Amendment: Financial statement presentation - presentation of items of other comprehensive income;
- IAS 19 Revised: Employee benefits;
- IAS 27 Revised: Separate financial statements;
- IAS 28 Revised: Investments in associates and joint ventures;
- IAS 32 Amendment: Offsetting financial assets and financial liabilities;
- IFRS 1 Amendment: Government loans;
- IFRS 7 Amendment: Financial instruments: disclosures - enhanced derecognition disclosure requirements;
- IFRS 9: Financial instruments - classification and measurement;
- IFRS 10: Consolidated financial statements;
- IFRS 11: Joint arrangements;

2. Adoption of new and revised standards (continued)

(d) Standards, amendments and interpretations not yet effective (continued):

- IFRS 12: Disclosure of interests in other entities;
- IFRS 13: Fair value measurement;
- IFRIC 20: Stripping costs in the production phase of a surface mine;
- Annual improvements May 2012.

Except for IFRS 9 and IFRS 13, the Directors do not expect that the adoption of these accounting standards and interpretations in future periods will have a material impact on the operations of the Company.

3. Summary of significant accounting policies

(a) Basis of preparation

The significant accounting policies that have been used in the preparation of these financial statements are summarised below. These policies have been consistently applied to the years presented unless otherwise stated. The adoption of new or amended IFRS and the impacts on the financial statements, if any, are disclosed in note 2 to the financial statements.

The financial statements have been prepared under historical cost basis except for financial instruments classified as fair value through profit or loss, which are measured at fair value. The measurement bases are fully described in the accounting policies below.

The Directors have prepared cashflow forecasts through to 31 May 2014, which take account of the following:

- the running costs of the Company as an investing company;
- the continued support for its operating expenses provided by the Company's major shareholder, ARA Capital Limited;
- the proposed acquisition of CenGeo for US$26 million will be satisfied through the issue of new shares in the Company. The Company has also entered into an agreement with ARA Capital Limited to provide a further US$20 million working capital to fund the future work programme; and
- the acquisition constitutes a reverse takeover under the AIM Rules and therefore, trading in the Company's shares has automatically been suspended under Rule 14. This does not have any impact upon the going concern of the Company as it will be readmitted upon fulfilling specific requirements of the Aim Rules.

The forecasts indicate sufficient cash balances remain throughout the period to 31 May 2014. For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements.

It should be noted that accounting estimates and assumptions are used in preparation of the financial statements. Although these estimates are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are set out in note 4 to the financial statements.

3. Summary of significant accounting policies (continued)

(b) Property, plant and equipment

Measurement bases
Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to the working condition and location for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

All other costs, such as repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

The gain or loss arising from a retirement or disposal is determined as the difference between the sales proceeds and the carrying amount of the assets, and is recognised in the income statement.

Depreciation
Depreciation is provided to write off the cost of property, plant and equipment less their residual values over their estimated useful lives, using the straight-line method, at the following rates per annum:

Office equipment	33 1/3%

The assets' residual values, depreciation method and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

(c) Leases

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Company determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

Classification of assets leased to the Company
Assets that are held by the Company under leases which transfer to the Company substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Company are classified as operating leases.

Assets acquired under finance leases
Where the Company acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets, are included in property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases.

Subsequent accounting for assets held under finance lease corresponds to those applied to comparable acquired assets. The corresponding finance lease liability is reduced by lease payments less finance charges.

3. Summary of significant accounting policies (continued)

(c) Leases (continued)

Assets acquired under finance leases (continued)
Finance charges implicit in the lease payments are charged to the statement of comprehensive income over the period of the lease so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals are charged to the statement of comprehensive income in the accounting period in which they are incurred.

Operating lease charges as the lessee
Where the Company has the rights to use of assets held under operating leases, payments made under the leases are charged to the income statement on a straight-line basis over the lease terms except where an alternative basis is more representative of the time pattern of benefits to be derived from the leased assets. Lease incentives received are recognised in the income statement as an integral part of the aggregate net lease payments made. Contingent rentals are charged to the statement of comprehensive income in the accounting period in which they are incurred.

(d) Foreign currencies

The financial statements are presented in United States Dollars, which is also the functional currency of the Company.

Foreign currency transactions are translated into the functional currency of the individual entity using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the statement of comprehensive income.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined and are reported as part of the fair value gain or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

(e) Financial instruments

Financial assets and financial liabilities are recognised when and only when, the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of comprehensive income.

Financial assets
The Company classifies its financial assets into one of the following categories: financial assets at fair value through profit or loss and receivables.

(e) Financial instruments (continued)

Financial assets (continued)
Regular purchases of financial assets are recognised on the trade date. Management determines the classification of its financial assets at initial recognition depending on the purpose for which the financial assets were acquired and where allowed and appropriate, re-evaluates this designation at every reporting date. The accounting policies adopted for each category are:

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term, or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent pattern of short-term profit-taking.

Financial assets may be designated at initial recognition as at fair value through profit or loss if the following criteria are met:

- the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or recognising gains or losses on them on a different basis; or
- the assets are part of a group of financial assets which are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management strategy and information about the Company of financial assets is provided internally on that basis to the key management personnel.

Subsequent to initial recognition, the financial assets included in this category are measured at fair value with changes in fair value recognised in the income statement. Fair value is determined by reference to active market transactions or using a valuation technique where no active market exists. Fair value gains or losses do not include any dividend or interest earned on these financial assets. Dividend and interest income is recognised in accordance with the Company's policies in note 3 to the financial statements.

Trade and other receivables
Trade and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are subsequently measured at amortised cost using the effective interest method, less any impairment losses. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction cost.

Impairment losses on loans and receivables are provided for when objective evidence is received that the Company will not be able to collect amounts due to it in accordance with the original terms of the receivables. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, excluding future credit losses that have not been incurred, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The amount of the loss is recognised in the income statement for the period in which the impairment occurs.

Objective evidence of impairment of individual financial assets includes observable data that comes to the attention of the Company about one or more of the following loss events:

3. Summary of significant accounting policies (continued)

(e) Financial instruments (continued)

Trade and other receivables (continued)

- significant financial difficulty of the debtor;
- a breach of contract, such as default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor.

Loss events in respect of a Company of financial assets include observable data indicating that there is a measurable decrease in the estimated future cash flows from the Company of financial assets. Such observable data includes but not limited to adverse changes in the payment status of debtors in the Company and, national or local economic conditions that correlate with defaults on the assets in the Company.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that it does not result in a carrying amount of the financial asset exceeding what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed.

The amount of the reversal is recognised in the statement of comprehensive income in the period in which the reversal occurs.

Financial liabilities and equity
Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

Other financial liabilities
Other financial liabilities include other payables and are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method.

Equity instruments
Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Convertible debt
The fair value of the liability portion of a convertible loan note is determined using a market interest rate for an equivalent non-convertible loan note. This amount is recorded as a liability on an amortised cost basis until it is extinguished on conversion or maturity of the bonds. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in shareholders' equity, net of income tax effects and is not subsequently remeasured.

Debt for equity swaps
Where debt is settled by the issue of equity the equity issued is treated as issued at the value of the amount payable where the creditor is a shareholder.

3. Summary of significant accounting policies (continued)

(e) Financial instruments (continued)

Derecognition
Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised directly in equity is recognised in the statement of comprehensive income.

For financial liabilities, they are removed from the balance sheet when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the statement of comprehensive income.

Cash and cash equivalents
Cash and cash equivalents comprise cash in hand and amounts repayable on demand with banks and short-term highly liquid investments which are readily convertible into known amounts of cash without notice and are subject to an insignificant risk of changes in value and which were within three months of maturity when acquired, less advances from banks repayable within three months from the date of the advance if the advances form part of the Company's cash management.

(f) Income tax

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the reporting date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in the statement of comprehensive income.

Deferred tax is calculated using the liability method on temporary differences at the reporting date between the carrying amounts of assets and liabilities in the financial statements and their respective tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, tax losses available to be carried forward as well as other unused tax credits, to the extent that it is probable that taxable profits, including existing taxable temporary differences, will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither taxable nor accounting profit or loss.

Deferred tax liabilities are recognised for taxable temporary differences arising on interests in associates and jointly controlled entities, except where the Company is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax is calculated, without discounting, at tax rates that are expected to apply in the period the liability is settled or the asset realised, provided they are enacted or substantively enacted at the reporting date.

3. Summary of significant accounting policies (continued)

(f) Income tax (continued)

Changes in deferred tax assets or liabilities are recognised in the income statement or in other comprehensive income or directly in equity if they relate to items that are charged or credited to other comprehensive income or directly to equity.

Current tax assets and liabilities are presented net if the Company has the legally enforceable right to set off those recognised amounts; and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

(g) Share capital, share premium and capital reserve

Ordinary shares are classified as equity. Share capital is determined using the nominal value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share premium (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction. Any discount on the issue of ordinary shares is deducted from the share premium account.

The capital reserve arose in prior periods on the application of the reverse acquisition accounting when the Company made its first acquisition.

(h) Revenue recognition

Revenue, which is the fair value of consideration received or receivable, is recognised when it is probable that economic benefits will flow to the Company, when the revenue can be measured reliably, and the stage of completion of the transaction and the costs incurred for the transaction as well as the costs to complete the transaction can be measured reliably, and on the following bases:

- management fee income, included in other income, is recognised as the services are provided;
- interest income is recognised as it accrues, taking into account the effective yield on the asset;
- dividend income is recognised when the right to receive payment is established.

The policies on financial assets at fair value through profit or loss are dealt with in note 3(e) to the financial statements.

(i) Employee benefits

Employee leave entitlements
Employee entitlements to long service payment and annual leave are recognised when they accrue to employees. Provision is made for the estimated liabilities for long service payment and annual leave as a result of services rendered by employees up to the reporting date.

Non-accumulating compensated absences are not recognised until the time of leave.

3. Summary of significant accounting policies (continued)

(i) Employee benefits (continued)

Retirement benefit schemes
No pension contributions were payable in the year. In 2010, the Company participated only in defined contribution pension schemes and paid contributions to independently administered funds on a mandatory or contractual basis. The assets of these schemes are held separately from those of the Company in independently administered funds. The retirement benefit schemes are generally funded by payments from employees and by the relevant Company. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense on an accruals basis.

Share-based employee compensation
The Company operates equity-settled share-based compensation plans to remunerate its Directors and key management.

All services received in exchange for the grant of any share-based compensation are measured at their fair values. These are indirectly determined by reference to the fair value of the share options and warrants awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions.

All share-based compensation is ultimately recognised as an expense in the statement of comprehensive income unless it qualifies for recognition as an asset, with a corresponding credit to employee share-based compensation reserve in equity. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options expected to vest differs from previous estimates. No adjustment to expense recognised in prior periods is made if fewer share options ultimately are exercised than vested.

Upon exercise of share options or warrants the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to share capital and the amount previously recognised in employee share-based compensation reserve will be transferred out with any excess being recorded as share premium.

When the share options or warrants have vested and then lapsed, the amount previously recognised in the employee share-based compensation reserve is transferred to the retained profits or accumulated losses.

Bonus plans
The Company recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

(j) Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Notes to the financial statements for the year ended 31 December 2012 (continued)

3. Summary of significant accounting policies (continued)

(j) Provisions and contingent liabilities (continued)

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within control of the Company are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(k) Related parties

Parties are considered to be related to the Company if:

- the party has the ability, directly, or indirectly through one or more intermediaries, to control the Company or exercise significant influence over the Company in making financial and operating policy decisions, or has joint control over the Company;
- the Company and the party are subject to common control;
- the party is an associate of the Company or a joint venture in which the Company is a venturer;
- the party is a member of the key management personnel of the Company or its parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
- the party is a close family member of such a party referred to in the first bullet point or is an entity under the control, joint control or significant influence of such individuals.

(l) Segment reporting

The Company operated in the year in one segment, investment in equity instruments of mining operations based in the former Soviet Union. The management information received by the Board is prepared on this basis.

4. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions
The Company makes estimates and assumptions when preparing financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next accounting year are:

Going concern
The financial statements have been prepared on going concern basis, the details of which are provided in note 3(a) to the financial statements.

Notes to the financial statements for the year ended 31 December 2012 (continued)

4. Critical accounting estimates and judgements (continued)

Valuations of share options or warrants granted
The fair value of share options or warrants granted was calculated using the Black-Scholes Pricing Model which requires the input of highly subjective assumptions, including the volatility of the share price. Because changes in subjective input assumptions can materially affect the fair value estimate, in the opinion of the Directors of the Company, the existing model will not always necessarily provide a reliable single measure of the fair value of the share options. Details of the inputs are set out in note 16 to the financial statements.

Valuation of financial assets categorised as at fair-value through profit or loss:
The fair-value of listed investments classified as at fair-value through profit or loss is based on the listed share prices of the respective investments and translated to United States Dollars using the exchange rate ruling at the balance sheet date.

Valuation of liability and equity components of convertible debt:
The fair value of the liability component, included in non-current borrowings, was calculated using a market interest rate for an equivalent non-convertible loan note. The residual amount, representing the value of the equity conversion option, is included in shareholders' equity in other reserves.

5. Other income

	2012 US$'000	2011 US$'000
Foreign exchange gain, net	-	65
Management fee income	-	12
	-	77

6. Finance costs

	2012 US$'000	2011 US$'000
Interest payable	1	-

7. Employee benefit expenses (including directors' remuneration)

	2012 US$'000	2011 US$'000
Salaries, allowances and benefits in kind	503	575
Share-based compensation	2,172	499
National insurance costs	-	14
	2,675	1,088

Three Directors served during the current year. The remuneration of the highest paid Director was US$1,594,467 (2011: US$96,250). Details of Directors' benefit expense are disclosed in the report on remuneration on pages 10 to 11.

Notes to the financial statements for the year ended 31 December 2012 (continued)

8. Loss before taxation

	2012 US$'000	2011 US$'000
Loss before taxation is arrived at after charging/(crediting):		
Auditors' remuneration:		
Fee payable to the Company's auditor for the audit of the Company's financial statements	45	37
Depreciation	-	40
Employee benefits expenses (including Directors' remuneration)	2,675	1,088
Foreign exchange (loss)/gain	(2)	65
Operating lease charges in respect of rental premises	-	147

9. Taxation

The Company is subject to Jersey income tax at the rate of 0% (2011 0%).

The Company has significant unrelieved tax losses, the utilisation of which is uncertain and consequently no deferred tax asset has been recognised.

10. Loss per share attributable to owners of the Company

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has two categories of dilutive potential ordinary shares: convertible loans and share options/warrants.

	2012 US$'000	2011 US$'000
Loss attributable to owners of the Company - Basic	(3,528)	(2,340)
Loss attributable to owners of the Company - Diluted	(3,527)	(2,340)
	Number of Shares	Number of shares
Weighted average number of shares for calculating basic loss per share	375,244,344	369,188,858
Effect of dilutive potential ordinary shares - warrants	10,550,000	10,550,000
Effect of dilutive potential ordinary shares - share options	14,016,667	7,350,000
Effect of dilutive potential ordinary shares - convertible loan	3,623,188	-
Weighted average number of shares for calculating diluted loss per share	403,434,199	387,088,858
	US cents	US cents
Basic loss per share	(0.94)	(0.63)
Diluted loss per share	(0.87)	(0.61)

Notes to the financial statements for the year ended 31 December 2012 (continued)

10. Loss per share attributable to owners of the Company (continued)

The diluted loss per share for 2012 is US Cents 0.87 taking into account the existing warrants, share options and the convertible Loan Note (2011: US Cents 0.61).

11. Property, plant and equipment

	Office equipment US$'000
Cost	
At 1 January 2011	61
Additions during 2011	32
Disposals during 2011	(93)
At 31 December 2012 and 31 December 2011	-
Depreciation and impairment	
At 1 January 2011	23
Charge for 2011	40
Impairment during 2011	30
Disposals during 2011	(93)
At 31 December 2012 and 31 December 2011	-
Net book value at 31 December 2012 and 31 December 2011	-

12. Financial assets at fair value through profit or loss

	2012 US$'000	2011 US$'000
Listed securities:		
Equity securities - USA	1	665
Equity securities - United Kingdom	403	501
Fair value of listed securities	404	1,166

The movement in financial assets at fair value through profit or loss during the period is as follows:

	2012 US$'000	2011 US$'000
At 1 January	1,166	-
Additions during the year	-	1,115
Disposals during the year	(697)	-
Unrealised (loss)/gain on financial assets at fair value through profit or loss	(100)	51
Realised gain on disposal of financial assets at fair value through profit or loss	35	-
At 31 December	404	1,166

Fair value measurements recognised in the statement of financial position
The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into level 1 to 3 based on the degree to which the fair value is observable:

Notes to the financial statements for the year ended 31 December 2012 (continued)

12. Financial assets at fair value through profit or loss (continued)

Fair value measurements recognised in the statement of financial position (continued)

- level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets and liabilities;
- level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For the year ended 31 December 2012	Level 1	Level 2	Level 3	Total
	US$'000	US$'000	US$'000	US$'000
Financial assets at FVPL				
Investments (FVTPL)	404	-	-	404

For the year ended 31 December 2011	Level 1	Level 2	Level 3	Total
	US$'000	US$'000	US$'000	US$'000
Financial assets at FVPL				
Investments (FVTPL)	1,166	-	-	1,166

There were no transfers between level 1, 2 and 3 during the year (2011: none).

Notes to the financial statements for the year ended 31 December 2012 (continued)

12. Financial assets at fair value through profit or loss (continued)

Particulars and valuation basis of principal financial assets held at fair value through profit or loss are as follows:

	Number of shares 2012	Percentage held 2012	Number of shares 2011	Percentage held 2011	Fair value 2012 US$'000	Fair value 2011 US$'000	Valuation basis
Rosneft Oil Company ordinary shares	-	-	38,400	-	-	250	Not applicable
Lukoil Holding ordinary shares	-	-	3,050	-	-	162	Not applicable
Gazprom OAO ordinary shares	-	-	23,500	-	-	250	Not applicable
Evergreen Energy Inc. ordinary shares	57,692	0.21	57,692	0.21	1	3	Quoted market price at 31 December 2012 of US$0.0122 per share, listed on NYSE Arca USA
Paternoster Resources Plc ordinary shares	44,000,000	7.61	44,000,000	7.61	221	345	Quoted market price at 31 December 2012 of £0.0031, listed on London AIM UK
Aurum Mining Plc ordinary shares	3,333,333	2.82	3,333,333	2.82	182	156	Quoted market price at 31 December 2012 of £0.0337, listed on London AIM UK
					404	1,166	

Notes to the financial statements for the year ended 31 December 2012 (continued)

13. Trade and other payables

	2012 US$'000	2011 US$'000
Accrued expenses	81	130

14. Borrowings

	2012 US$'000	2011 US$'000
Convertible Loan Note	345	-

The Company issued an unsecured 1.0% interest bearing convertible loan note (**Loan Note**), at the par amount of £500,000 on 15 September 2012 (**Issue Date**) to be drawn down in two tranches of £250,000 each. The Loan Note matures three years from the issue date at the nominal value of £500,000 or at any time during the life of the Loan Note, can be converted into shares at the holder's option at the rate of 1 share per £0.023. The values of the liability component and the equity conversion component were determined at the issuance of the Loan Note.

The fair value of the liability component, included in non-current borrowings, was calculated using a market interest rate for an equivalent non-convertible loan note. The residual amount, representing the value of the equity conversion option, is included in shareholders' equity in other reserves.

During the year ended 31 December 2012, only the first tranche of £250,000 was drawn down by the Company.

The Loan Note is recognised in the statement of financial position as follows:

	2012 US$'000	2011 US$'000
Face value of Loan Note	405	-
Equity component	(61)	-
Liability component on initial recognition	344	-
Interest expense	1	-
Liability component	345	-

The fair value of the liability component of the Loan Note at 31 December 2012 amounted to US$345,583 (2011: US$nil). The fair value was calculated using cash flows discounted at a rate based on the borrowings rate of 6.64%.

Notes to the financial statements for the year ended 31 December 2012 (continued)

15. Share capital

	Number of ordinary shares	Value US$'000
Authorised		
(par value of US$0.01 each)		
At 31 December 2012 and 31 December 2011	5,000,000,000	50,000
Issued and fully paid		
(par value of US$0.01 each)		
At 31 December 2012 and 31 December 2011	375,244,344	3,752

16. Share-based payments

Share options
The Company may only grant options up to a maximum of 25% of the Company's issued share capital. All shares issued in respect of the share options rank pari-passu in all respects with the ordinary shares.

At 31 December 2012, the Company had a total of 47,350,000 outstanding share options (2011: restated 7,350,000). Options which lapse or are cancelled prior to their exercise date are deleted from the register of outstanding options and are available for re-use.

	2012		2011 (restated)	
Date of grant	Number	Option exercise price (pence)	Number	Option exercise price (pence)
11 January 2005	2,350,000	21.15	2,350,000	21.15
23 March 2006	200,000	95.20	200,000	95.20
23 February 2007	150,000	32.65	150,000	32.65
11 January 2008	4,650,000	22.25	4,650,000	22.25
31 October 2012	40,000,000	1.00	-	-
	47,350,000		7,350,000	

During the year ended 31 December 2012 a total of 40,000,000 share options were issued to the current Directors of the Company. No share options were granted during the year ended 31 December 2011.

Initial Share Options
The Company adopted an employee Share Option Scheme on 4 March 2005 (**Share Option Scheme**) in order to incentivise key management and staff. Pursuant to the Share Option Scheme, a duly authorised committee of the Board of Directors of the Company, at its discretion, granted options to eligible employees, including Directors, of the Company or any of its subsidiaries to subscribe for shares in the Company.

The following share options were granted to the former employees and directors of the Company under the Initial Share Option Scheme adopted on 4 March 2005 (**Initial Share Options**) and are still in existence:

16. Share-based payments (continued)

Initial Share Options (continued)

	2012		2011 (restated)	
	Number	Weighted average exercise price (pence)	Number	Weighted average exercise price (pence)
Outstanding at 1 January and 31 December	7,350,000	24.11	7,350,000	24.11

The 7,350,000 Initial Share Options which were granted to then employees and directors of the Company between 2005 and 2008 were erroneously accounted for as lapsed in the year ended 31 December 2011 following change of ownership of the Company and departure of those employees and directors. Based on additional information obtained and confirmation from former directors, it has been determined these options are still in existence and as such have been re-instated in the statement of changes in equity. Correction of this error has not affected the statement of comprehensive income or statement of financial position as the full fair value had been spread over the three years to 31 December 2010 from the respective grant dates.

Share options granted under the Initial Share Option scheme were exercisable as follows:

- the first 30% of the options between the first and tenth anniversary of the date of grant;
- the next 30% of the options between the second and tenth anniversary of the date of grant; and
- the remaining options between the third and tenth anniversary of the date of grant.

Equity-settled share-based payments are measured at fair value (excluding the effect of non-market-based vesting conditions) as determined through use of the binomial option pricing model, at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest.

The binomial option pricing model applied to the grant of share options in respect of calculating the fair values. Key inputs to the model are as follows:

	Share options			
	11 January 2005	23 March 2006	23 February 2007	11 January 2008
Share price at grant	20.75p	93.25p	36.25p	22.25p
Option exercise price	21.15p	95.20p	32.65p	22.25p
Expected life of option	10 years	10 years	10 years	10 years
Expected volatility	60 - 65%	60 - 65%	60 - 65%	60 - 65%
Expected dividend yield	5.0%	5.0%	5.0%	5.0%

Volatility has been based on the historical trading performance of the Company and comparable companies. The risk free rate has been determined based on 10 year government bonds.

Total fair value as considered in the employee share-based compensation reserve for Initial Share Options was US$1,235,000 (2011: restated US$1,235,000).

Notes to the financial statements for the year ended 31 December 2012 (continued)

16. Share-based payments (continued)

Directors Share Options
Share options granted to the current Directors of the Company on 31 October 2012 (**Directors Share Options**) were exercisable at any time between the commencement of the option period and third anniversary of the date of grant. Share options granted under this scheme were as follows:

	2012 Number	2012 Weighted average exercise price (pence)	2011 Number	2011 Weighted average exercise price (pence)
Outstanding at 1 January	-	-	-	-
Issued in the period	40,000,000	1.00	-	-
Outstanding at 31 December	40,000,000	1.00	-	-

Equity-settled share-based payments are measured at fair value (excluding the effect of non-market-based vesting conditions) as determined through use of the Black-Scholes technique, at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest.

The Black-Scholes formula is the option pricing model applied to the grant of share options in respect of calculating the fair values. Key inputs to the model are as follows:

	Share options 31 October 2012
Share price at grant	3.45p
Option exercise price	1.00p
Expected life of option	3 years
Expected volatility	216.1%
Expected dividend yield	0.0%
Risk free rate	0.49%
Fair value per share option	3.342p
Exchange rate used (USD:GBP)	1.61529

Volatility has been based on the Company's trading performance from 1 January 2011. The risk free rate has been determined based on 5 year government bonds.

Total fair value as considered in the employee share-based compensation reserve for Directors Share Options was US$2,172,332 (2011: US$nil).

Warrants
In August 2011, the Company granted 10,550,000 warrants with an exercise price of 5.0 pence, vesting from 2 August 2011 to 2 August 2014. These were issued to the following:

16. Share-based payments (continued)

Warrants (continued)

	Number
Peter Bayard Moss	250,000
Robert John Richard Owen	300,000
ECK Partners Holdings Limited	5,000,000
Old Church Street Holdings Limited	5,000,000
	10,550,000

All shares issued in respect of the warrants rank pari-passu in all respects with the ordinary shares.

Equity-settled share-based payments are measured at fair value (excluding the effect of non-market-based vesting conditions) as determined through use of the Black-Scholes technique, at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest.

The Black-Scholes formula is the option pricing model applied to the grant of warrants in respect of calculating the fair values. Key inputs to the model are as follows:

	Share warrants 2 August 2011
Share price at grant	3.85p
Warrant exercise price	5.00p
Expected life of warrants	3 years
Expected volatility	217.5%
Expected dividend yield	0%
Risk free rate	5.3%
Fair value per share warrant	3.075p
Exchange rate used (USD:GBP)	1.54

Volatility has been based on the Company's trading performance from 1 January 2011. The risk free rate has been determined based on 5 year government bonds.

Total fair value as considered in the employee share-based compensation reserve for warrants was US$498,943 (2011: US$498,943).

Total share options and warrants
Total fair value for both share options and warrants as considered in the employee share-based compensation reserve was US$3,906,275 (2011: restated US$1,733,943).

US$2,172,332 of the employee share-based compensation is included in the statement of comprehensive income for 2012 (2011: US$498,943).

No liabilities were recognised due to share-based payment transactions.

17. Operating leases

The Company had no operating lease commitments at 31 December 2012 (2011: none).

Notes to the financial statements for the year ended 31 December 2012 (continued)

18. Capital commitments

The Company had no material capital commitments at 31 December 2012 (2011: none).

19. Contingencies

The Company had no material contingencies at 31 December 2012 (2011: none).

20. Financial risk management, objectives and policies

In common with other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

The significant accounting policies regarding financial instruments are disclosed in note 3 and the critical accounting estimates and judgements are set out in note 4.

The principal financial instruments used by the Company from which financial instrument risk arises, are as follows:

	2012 US$'000	2011 US$'000
Trade and other receivables	24	50
Financial assets at fair value through profit and loss	404	1,166
Cash and cash equivalents	108	339
Trade and other payables	(81)	(130)
Borrowings	(345)	-

Details of financial assets at fair-value through profit and loss are set out in note 12. These financial assets are valued using market rates quoted on the relevant stock exchange.

General objectives, policies and processes
The Board has overall responsibility for the determination of the Company's risk management objectives and policies and, while retaining ultimate responsibility for them, it has delegated part of the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function.

The Board receives reports from financial personnel through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. The risks to which the Company is exposed and the policies adopted by the Board have not changed significantly in the year. The overall objective of the Board is to set policies that seek to reduce on-going risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below:

Credit risk
Credit risk arises principally from the Company's financial investments, trade and other receivables and cash and cash equivalents. It is the risk that the value of the Company's investments will not be recovered and the risk that the counterparty fails to discharge its obligation in respect of the Company's trade and other receivables and cash balances. The maximum exposure to credit risk equals the carrying value of these items in the financial statements.

Notes to the financial statements for the year ended 31 December 2012 (continued)

20. Financial risk management, objectives and policies (continued)

Credit risk (continued)
Credit risk with cash and cash equivalents is reduced by placing funds with banks with acceptable credit ratings and indicated government support where applicable.

Liquidity risk
Liquidity risk arises from the Company's management of working capital and the amount of funding committed to its investment programme. It is the risk that the Company will encounter difficulties in meeting its financial obligations as they fall due.

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. The principal liabilities of the Company arise in respect of the on-going administration. Trade and other payables are all payable within six months. The convertible Loan Note matures three years from the issue date at its full nominal value of £500,000 or at any time during the life of the Loan Note, can be converted into shares at the holder's option at the rate of 1 share per £0.023.

The Board receives cash flow projections on a regular basis as well as information on cash balances.

Interest rate risk
The Company is not currently exposed to material interest rate risk on borrowings as the interest rate on the Loan Notes is fixed; however, it is exposed to interest rate risk in respect of surplus funds held on deposit.

Market and price risk
The Company is exposed to equity securities price risk because investments are held by the Company and classified on the statement of financial position as investments at fair value through profit or loss.

Price risk, is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market.

The Company is exposed to market price risk arising from its investments in listed securities. The Company's Investment Advisors provide the Company with investment recommendations that are consistent with the Company's objectives. The Company's market risk exposure is managed through a series of investment restrictions, including limitations on the proportion of individual investment to the company's net assets (or total investments, jurisdiction of investment and liquidity of the investments.

The basis of the valuation is set out in notes 3 and 4. A 5% movement in the listed prices of the investments held would result in a change in fair value of US$20,000. Management considers 5% to represent a significant movement for the purposes of monitoring performance.

Currency risk
The Company does not currently enter into forward exchange contracts or otherwise hedge its potential foreign exchange exposure.

20. Financial risk management, objectives and policies (continued)

Currency risk (continued)
The Company is exposed to currency risks in respect of its investments (see note 12) which are at risk from movements in the US Dollar and Sterling. A 5% fall in the value of the Company's investments arising from currency movements would impact the carrying value of those investments by approximately $20,000. 5% represents management's assessment of a substantial movement in a given period.

Capital
The Company considers its capital and reserves attributable to equity shareholders to be the Company's capital. In managing its capital, the Company's primary long-term objective is to provide a return for its equity shareholders through capital growth. Going forward the Company may seek additional investment funds and also maintain a gearing ratio that balances risks and returns at an acceptable level and also to maintain a sufficient funding base to enable the Company to meet its working capital needs. Details of the Company's capital is disclosed in the statement of changes in equity.

There have been no other significant changes to the Company's management objectives, policies and processes in the year nor has there been any change in what the Company considers to be capital.

The Company is not subject to externally imposed capital requirements.

21. Material related party transactions

Remuneration for key management personnel of the Company, including amounts paid to the Company's Directors are disclosed in note 7. Details of the significant transactions between the Company and other related parties during the year ended 31 December 2012 are as follows:

	2012 US$'000	2011 US$'000
Management services fee paid to fellow subsidiaries	-	72
Other fees paid to fellow subsidiaries and related parties	179	96

22. Post-balance sheet events

On 9 January 2013, Zoltav Resources Holdings (Jersey) Limited (**ZRH**) was established in Jersey as the principal investment holding company for the Group.

On 10 January 2013, as a consequence of the appointment of Ogier Corporate Services (Jersey) Ltd as Company Secretary, announced on 12 October 2012, the address of its registered office has changed to 89 Nexus Way, Camana Bay, Grand Cayman, Cayman Islands, KY1-9007.

On 29 January 2013, ZRI Services (UK) Ltd (**ZRI**) was established in the United Kingdom as a platform to research, identify, analyse and arrange investments for ZRH and ZRI and to provide certain office and administrative support services for London-based staff and consultants for ZRH and ZRI in connection with their present and future investments.

On 5 February 2013, the second and final tranche of £250,000 of the £500,000 unsecured convertible loan to the Company provided by its largest shareholder, ARA Capital Limited, was drawn down and received by the Company.

Notes to the financial statements for the year ended 31 December 2012 (continued)

22. Post-balance sheet events (continued)

On 13 February 2013 the deposit of £23,413 on the Company's former office at 4 Old Park Lane was released and payment of additional £3,630 was made in full settlement of lease obligations.

On 19 March 2013, John Grimshaw and Michael Lombardi were appointed as additional independent Non-Executive Directors of the Company.

On 20 March 2013, the Company announced the proposed acquisition of a private company CenGeo for US$26 million, satisfied through the issue of approximately 473,157,416 new Company shares. CenGeo, through its wholly owned subsidiary ZAO Siberian Geologicheskaya Kompanya (**SibGeCo**), holds the Koltogor Licence located in the Khantiy-Mansisk region of western Siberia. The Koltogor Licence contains the undeveloped Koltogor oil field. SibGeCo has also successfully obtained a 25 year exploration and production licence covering the Koltogor oil field. The Koltogor Licence was issued by the Russian Federal Agency for Subsoil Use (Rosnedra) on 15 February 2013. The Company has commissioned a competent person's report to assess the volume of contingent resources, the results of which will be included in the Circular.

The Company has also entered into a conditional agreement with its largest shareholder, ARA Capital Limited, to provide US$20 million of working capital to fund the future work programme on the Koltogor Licence. Under the terms of the agreement, ARA Capital Limited will subscribe for new ordinary shares in the Company at a price of 3.5 pence per share (**ARA Subscription**). ARA Capital Limited has also given an undertaking to convert its £500,000 convertible loan prior to publication of the Circular and to vote in favour of the resolutions at the GM. Further details will be set out in the Circular which will be sent to shareholders in due course.

Following completion of the Acquisition and the full ARA Subscription and conversion of its loan it is expected that ARA Capital Limited will own 45.0% of the enlarged issued share capital of the Company and Mr Bukhtoyarov, through his company Bandbear Limited (beneficial majority owner of CenGeo), will own 29.1%.

On 9 April 2013, the Company entered into an unsecured loan agreement in the amount of £250,000 with ARA Capital Limited (**Additional Loan Note**) to provide additional working capital to the Company prior to the proposed acquisition of CenGeo. The Additional Loan Note bears interest at an annual rate of 50 basis points over LIBOR. The Additional Loan Note can be repaid by the Company at any time in cash or in shares but is expected to be repaid out of the proceeds of the ARA Subscription. The Additional Loan Note was drawn down in full on 12 April 2013.

23. Date of approval of financial statements

The financial statements were approved by the Board of Directors on 21 May 2013.

24. Availability of annual report and financial statements and GM

Copies of the Company's annual report and financial statements will be sent to Registered Shareholders but will not be sent to holders of Depository Interests. The annual report and financial statements will be available for inspection at the Company's registered office and may also be viewed at the Company's website at: www.zoltav.com. A notice of a GM will be sent to shareholders in due course.