Consolidated Statement of Comprehensive Income for the Half Year Ended 31 December 2014

Consolidated Statement of Financial Position as at 31 December 2014

Consolidated Statement of Cash Flows for the Half Year Ended 31 December 2014

Coal Projects

Exploration Activities for the half year ended 31 December 2014

Sechaba Project

The Sechaba Project is located, at its mine point, at Latitude 22°09'24" South, Longitude 26°58'48" East, situated north-north-west of the town of Palapye. The elevation of the Project area is some 1,000 metres above mean sea level.

The Sechaba project is located, at its centre point, at Latitude 22°09'24" South, Longitude 26°58'48" East, situated north-north-west of the town of Palapye. The elevation of the Project area is some 1,000 metres above mean sea level.

The Sechaba project is located, at its centre point, at Latitude 22°09'24" South, Longitude 26°58'48" East, situated north-north-west of the town of Palapye. The elevation of the Project area is some 1,000 metres above mean sea level.

Summary of Sechaba Updated JORC Resource Statement

Note on Resource Statement

- Submerged has 1,144 million tons of coal.
- 267 million tons of coal have been drilled to indicate and measured levels, it's the highest confidence level of exploration drilling and these are resources that are used to convert to mineral reserves for mining purposes.
- Submerged will mainly be used for generating power.

For and on behalf of the Board
International Furnace Services Limited
Corporate Secretary

Dated 12 February 2015

The unaudited financial statements for the half year ended 31 December 2014 are in compliance with International Financial Reporting Standards (IFRS) and are issued pursuant to IFRS 1.