CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2013

GROUP – Six months ended COMPANY – Six months ended 
USD USD USD USD USD USD USD USD
Revenue 
Operating expenses (427,619) (215,852) (45,569) (9,875) - - - -
Depreciation and amortisation of property, plant and equipment (53,975) (46,460) (66,820) (96,315) - - - -
Depreciation, amortisation and impairment expenses of mining and exploration projects (648) - - (3,915) - - - -
Total operating expenses (447,262) (262,312) (71,439) (96,320) - - - -
Operating income 22,364 62,741 7,036 (8,725) - - - -
Loss for the period (427,619) (215,852) (45,569) (9,875) (427,224) (223,712) - -
Loss from continuing operations (427,619) (215,852) (45,569) (9,875) (427,224) (223,712) - -
Other comprehensive income: 
Exchange difference on translating foreign operations 216,379 10,684 - - - - - -
Total comprehensive loss for the period (211,240) (205,168) (35,885) (8,961) (427,224) (223,712) - -
net attributable to: 
Owners of the parent (430,649) (210,170) (42,915) (8,961) (430,205) (213,703) - -
Non-controlling interests 3,649 13,201 - - (1,020) - - -
Basic earnings per share (in m) (0.0524) (0.0375) (0.0033) (0.0063) (0.0525) (0.0363) - -
Diluted earnings per share (in m) (0.0524) (0.0375) (0.0033) (0.0063) (0.0525) (0.0363) - -
Number of Shares 103,205,763 1 103,205,763 1 103,205,763 1 103,205,763 1 103,205,763

CONSOLIDATED STATEMENT OF EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2013 (Figures in $000)

HSB Code: 512031

SHARES

31 Dec’13 31 Dec’12
Net loss for the six months ended December 31, 2013: 3,394,773 3,394,773
Other comprehensive income for the six months ended December 31, 2013: (3,394,773) (3,394,773)
Total comprehensive income for the six months ended December 31, 2013: (3,394,773) (3,394,773)
Balance as at 31 December 2013: 3,394,773 3,394,773

CONSOLIDATED STATEMENT OF CASH-FLOW FOR THE SIX MONTHS ENDED 31 DECEMBER 2013

GROUP – Six months ended COMPANY – Six months ended Audited – Group for the year ended Audited – Company for the year ended
31 Dec’13 31 Dec’12 30 Jun’13 30 Jun’12
USD USD USD USD
Cash flows from operating activities
Net cash generated from operations (419,264) (414,445) (419,264) (414,445)
Cash paid for operating activities (215,759) (215,759) (215,759) (215,759)
Net cash from investing activities 190,044 184,910 190,044 184,910
Net cash from financing activities (125,000) (125,000) (125,000) (125,000)
Net increase (decrease) in cash and cash equivalents 58,044 728,362 58,044 728,362
Cash and cash equivalents at beginning of the year 123,946 - 123,946 -
Cash and cash equivalents at end of the year 182,061 728,362 182,061 728,362

Chairman’s Report

Herman Helft, as chairman of the Board, is pleased to present for your consideration the unaudited results of Shumba Coal Ltd ("Shumba") and the results of our investment operations for the 6 months ended 20 February 2014.

Key aspects

- No further funds were raised during the period from financing activities.
- Total capital expenditure on critical project studies during the period was $571,054.
- The Company's net asset value as at the end of the period was $2,527,391.
- The capitalisation of property, plant and equipment of the Company at the end of the period was $197,409.
- The Group has not been able to meet current capital expenditure requirements during the current financial year.
- Total capital expenditure on critical project studies during the period was $571,054.
- The Group has not been able to meet current capital expenditure requirements during the current financial year.
- The Group has not been able to meet current capital expenditure requirements during the current financial year.

Strategic Overview

The Group continues to maintain a strong cash position within the Company and focus an investment for project value growth towards early stage projects.

Further to the above, the Board has engaged consultants to complete the Strategic Master Source Studies required to understand the project value to determine the risk and to complete the capital investment studies for the same, as well as the first phase of the IPP studies required for the coal handling infrastructure and wash plant facilities.

The Group is targeting completion of the project for the Shamba Mine building and commissioning by 30th June 2014 and will attend the supporting operating studies of the PFS with completion of the Strategic Master Source Studies and IPP by November 2014.

Junior Mining Environment

The Group continues to pursue the transfer from Shumba to Shamba of the four additional licenses announced in May 2013 and for which the purchase was agreed in the successful renewal of the Proposed Rights. Weekly updates as at monthly intervals indicate that if the position is not forthcoming before year end.

Strategic Developments

Shumba continues to pursue the transfer from Shamba of the four additional licenses announced in May 2013 and for which the purchase was agreed in the successful renewal of the Proposed Rights. Weekly updates as at monthly intervals indicate that if the position is not forthcoming before year end.

Share Price

The share price of the Group has declined in the interim period as a result of the Group's lack of visibility on the progress of the transfer of the project and the significant delays in the implementation of Project Shumba.

Board of Directors

Herman Helft, Chairman

Director: Alan Gregg (Chairman), Mudzur Pichipiti (CEO), Tshapelo Mathabula, Delray Jeyo, Sipho Ziphe

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