

# MANAGEMENT REPORT



**Batla Minerals SA**  
**Limited Liability Company with capital of 5,350,000 €**  
**Immeuble le Solar 1**  
**ZAE Le Monestié – 3 Avenue de l'Occitanie**  
**34760 Boujan sur Libron**  
**Register of Business and Companies (RCS) Béziers No. B 493 056 162**

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**Report of the Board of Directors of 12 August 2011 to the Ordinary Annual  
General Meeting held on 29 September 2011**

Ladies and Gentlemen

We have invited you to attend the Annual General Meeting in accordance with the provisions of the law and of the statutes of our Company and, in particular, to ask you to approve the accounts of the financial year which ended on 31 March 2010.

The written notifications to attend required by the law have been duly sent out and all the documents and papers provided for by the current regulations have been made available to you within the statutory deadlines.

## I- REPORT ON THE MANAGEMENT OF THE CONSOLIDATED GROUP

### 1.1 Situation and activity of the Batla Minerals Group

#### 1.1.1 Significant events

At the Letseng operating site, the subsidiary company Alluvial Ventures has continued to extract diamonds through processing old stockpiles. The recovery rate for rough diamonds declined during the first six months of operation, prompting the management of the Group to initiate negotiations with the licensor, Letseng Diamonds, to allow it to process hard kimberlite on the main pipe.

After several months of negotiations and tests proving that Alluvial Ventures could process hard kimberlite from the main pipe without risk of losing rough diamonds, a new contract between Letseng Diamonds and Alluvial Ventures was drawn up, taking effect on 1 February 2011 to run for a period of three years.

The Group had taken an active role in obtaining the mining rights for the Stormberg site (formerly known as Kao) in Lesotho. The rights to this concession were scheduled to be acquired through a Joint Venture incorporating Batla Minerals, the Government of Lesotho, a number of local economic players and Namakwa Diamonds Ltd. Unfortunately, the latter, as “leader” of the joint venture, did not respect the contractual conditions which bound all the stakeholders within the legal and financial arrangements. Consequently, Batla Minerals decided to seek redress by taking legal action against it.

We recall to your attention that the mining site of Stormberg (formerly Kao) has the biggest Kimberlite pipe in Lesotho identified to date, and the fourth largest in the whole of southern Africa.

Batla Properties, a subsidiary of Batla Minerals, acquired offices situated in Stellenbosch in June 2010, occupied partly by El Nino Mining and partly let to another company.

In the context of the dispute between Batla Minerals and ABN AMRO (purchaser of the Dutch branch of Fortis bank), the Court of Appeal dismissed the suit in its ruling handed down in June 2010. Believing that it has been injured by the bank and anxious to assert its rights, Batla Minerals decided to take the matter to the Dutch courts.

## 1.1.2 Activities of the Group

### 1.1.2.1 “Diamond” Activity

#### ❖ *Letseng site (Lesotho)*

The Letseng site where Alluvial Ventures (Pty) Ltd is operating on behalf of Letseng Diamonds generated almost the entire Turnover for the financial year ended 31 March 2011.

Activity was severely affected by the low concentration of rough diamonds recovered in the processing of the old stockpiles of weathered kimberlite. During the first half of the year, the low concentration of diamonds extracted per hundred tonnes (less than 0.45 carats) prompted the management of the Group to seek to amend the terms of the contract with the licensor, Letseng Diamonds.

As a result of numerous negotiations designed to redefine the zone and area of extraction by Alluvial Ventures, conducted between the Group and Letseng Diamonds, the Group was given the opportunity to carry out tests on the main pipe of hard kimberlite, in order to demonstrate that it has the expertise to enable it to extract rough diamonds with very limited losses.

Between September and December 2010, Alluvial Ventures conducted a whole battery of tests to show the licensor that its process would make it possible to extract diamonds from the main pipe of hard kimberlite without any risk of the loss of diamonds. These tests greatly reduced the quantities of material to be processed from the stockpiles of weathered kimberlite, as shown by the data in the following table:

Period	Financial year ended 31 March 2010					Financial year ended 31 March 2011				
	T1	T2	T3	T4	Financial year	T1	T2	T3	T4	Financial year
Number of Tonnes	553,954	599,626	419,298	576,206	2,149,084	544,717	538,108	296,813	284,665	1,664,303
Carats	3,847	4,505	3,081	2,981	14,414	2,332	2,352	1,412	2,598	8,693
Content per 100 Tonnes	0.69	0.75	0.73	0.52	0.67	0.43	0.44	0.48	0.91	0.52

The activity generated by Alluvial Ventures led to the extraction of only **8,693 carats** in the financial year ended 31 March 2011, which is a drop of almost 40% in relation to the previous financial year.

The low quantity of material processed, as a result of the tests carried out in the second quarter to be able to demonstrate that Alluvial Ventures had the expertise to be able to work on the hard kimberlite, combined with a low concentration of diamonds per hundred tonnes present in the stockpiles of weathered kimberlite, led to the generation of only **4,748 K€** of Turnover, which represents a decline of 5.2% in relation to the previous financial year.

The tests conducted by Alluvial Ventures on the processing of the hard kimberlite were, however, conclusive, and therefore enabled the Group to sign a new contractual Memorandum of Understanding taking effect on 1 February 2011 and valid for a period of three years.

Alluvial Ventures was therefore able to begin to extract rough diamonds from the main pipe of hard kimberlite from February 2011, which led to an increase in the concentration of carats recovered per hundred tonnes to reach the level of 0.91 during the last quarter. This is a very significant result with important consequences because it relates to only one month of activity on the main pipe.

Therefore, it must be taken into account that although the tests conducted between September and December 2010 certainly had an impact on the drop in the quantities of material processed, they enabled the negotiation of a new contract with the licensor with respect to a part of the exploitation site with a richer concentration of rough diamonds.

#### ❖ ***Windsorton, Grootdrink and Brandvlei sites***

These sites, which combine the activities of extraction of alluvial diamonds, were mothballed between March and April 2009. The market conditions for this type of diamond not yet being suitable to make these operations profitable, it was decided not to revive activity at any of these sites.

#### ❖ ***Stormberg site (formerly known as Kao)***

As a result of the default on the part of the partner Namakwa Diamonds Ltd, Batla Minerals was not able to fulfil the activity to which it was contractually entitled. Consequently, Batla Minerals decided to take legal action.

### **1.1.2.2 “Uranium” Activity**

At the end of 2009, the Group commissioned Mintek, a leader in ore and metallurgical research, to conduct all the tests required to determine the amount of reserves of uranium present at the Mooinfontein site (South Africa). Throughout the financial year alkaline and acid lixiviation (heap leaching) tests continued to be conducted in columns of varying heights.

The purpose of the alkaline and acid lixiviation tests under different conditions is to determine the resulting reagent consumption.

The results of the stress tests revealed excellent levels of recovery of uranium of up to almost 80% for alkaline leachates and almost 70% for acidic leachates.

At the same time as these tests, in September 2010, the Group was granted the renewal of its prospecting rights by the South African Department of Mineral Resources.

The objective was to finalize the laboratory tests and to reinforce them using field tests and to carry out the environmental feasibility study (including determining the installation schedule and the cost of building the processing factory) before proceeding to apply for the mining licence.

In addition, the Group is keeping a close watch on the spot prices of uranium, which fluctuated between \$40 per lb and \$72 per lb to achieve a little over \$60 per lb at 31 March 2011. The level of the uranium price can affect the value of the future mining site both positively and negatively.

The group has conducted a pre-feasibility study on its Uranium project during the year, which shows that the initial capital expenditure required for the project is about \$10 million and the operating costs could be as low as \$41 per pound of Uranium produced. The group has authorised further work to be performed to improve the confidence in these projections before it releases its final analysis.

As at the end of March 2011, the “Uranium” activity was not generating any Turnover.

### **1.1.2.3 “Tungsten” Activity**

The Group has a 49% shareholding in a company that owns a tungsten and molybdenum concession in the Western Cape region of South Africa. It also has a 25% purchase option which it can exercise within thirty days after obtaining the mining licence.

Having discovered that the site contained ores other than tungsten and molybdenum, in March 2010 the Group abandoned its prospecting rights to lodge a new application at the Department of Minerals and Energy that includes the above-mentioned ores but also the Rare Earth Elements (REE) of zinc, copper, gold and silver.

This strategy was designed to protect the Group against any possible application for prospecting rights that might be made by a third party on the same site but for ores other than tungsten and molybdenum; however, it was primarily the result of studies conducted by geologists and the metallurgical consultancy (CREO Design) which revealed the high presence of REEs (notably Lanthanum, Cerium, Praseodymium and

Neodymium). These “Light Rare Earth Elements” (LREE) are highly sought after as they are some of the essential components of electronic equipment.

Also, the extraction of the LREEs, tungsten and molybdenum can be carried out at the same time, which increases the value in situ of this site.

As at 31 March 2011, the Group had not received the new application for the prospecting licence and as a result this site had still not generated any Turnover.

### 1.1.3 Problems encountered

#### ❖ Concerning “Diamond” activity

Concerning the Letseng mining site, where the Company operates as a licensee of Letseng Diamonds, the main problems encountered arose from the very low concentration of diamonds recovered from the processing of the stockpiles of weathered kimberlite. The grade was under 0.45 carats per hundred tonnes for the first six months of activity, which put the operating site at financial risk, as the revenue was lower than the operating costs.

These results prompted the Group to initiate negotiations with the licensor to amend the contract, on the material to be processed and on the extraction zone.

Concerning the Stormberg mining site (formerly Kao) for which the Group had an undertaking with a private partner, Namakwa Diamonds Ltd, with the Government of Lesotho and with a number of local economic players, events took a very unexpected turn as Namakwa Diamonds (as the principal shareholder) regarded it as unnecessary to transfer to the Group the shares to which it was entitled and also did not allow it to be the mining operator for the processing of the weathered kimberlite.

These events led the Group, after several fruitless attempts to get this “partner” to acknowledge the need to respect the undertakings stipulated in a Memorandum of Understanding of November 2009, to take legal action against it in the competent courts of Maseru (Lesotho).

Naturally, this reversal of the situation has made it impossible for the Group, to generate, as scheduled, any activity on this mining site.

#### ❖ Concerning “Tungsten, Molybdenum and REE” activities

As previously mentioned, the Group lodged a new application for a prospecting licence in March 2010 for the following ores:

- Tungsten,
- Molybdenum,
- Rare Earth Elements (REE),
- Zinc,
- Copper,
- Silver,
- Gold

Although the Group has continued to conduct numerous studies, especially off site and on samples taken earlier, the long period taken for the issuance of the prospecting licence has delayed the fulfilment of all the terms and conditions required to obtain the mining licence (launch of the Environmental Impact Study on the ground, taking of new samples, negotiations with landowners to be able to enter their property, etc...).

As at 31 March 2011, the Group had still not received the prospecting licence issued by the Department of Minerals and Energy.

#### ❖ **Concerning the activities conducted by Batla Resources (Pty) Ltd**

Concerning the Coal Bed Methane (CBM) prospecting programme on the Aranos site in Namibia, the results of the tests conducted were not conclusive and as a result the Group decided not to pursue the exploitation of CBM on that site. However, the tests revealed the presence of considerable quantities of coal, which can be gasified to produce electricity. This process is relatively onerous and is not part of the Group's current development strategy.

Consequently, the Group, together with its partner SADC Minerals (a company operating under Namibian law, has taken the decision not to continue activity on this site and is remaining on the alert for the possibility of selling its prospecting licence to a third party.

Concerning Elsana Quarry (Pty) Ltd, a company operating a granite quarry at Malmesbury (Western Cape Province in South Africa), the Group obtained permission to appeal the decision of the Supreme Court rejecting the right to operate, by virtue of the application by the municipality of Malmesbury in terms of the Land Use Planning Ordinance of the province of the Western Cape. The Group awaits the decision of the Court.

At the same time as this legal action, the Group applied for the modification of the zoning of the operating site. As at 31 March, the Group was still waiting for the decision of the local authorities with respect to the modification of the zoning.

#### **1.1.4 Outlook**

On the Letseng mining site, the Group signed a contract with the licensor, Letseng Diamonds Ltd, enabling it to work on the main pipe of hard kimberlite, and on the satellite pipe. This contract began on 1 February 2011 and will run for a period of three years.

This negotiation was successfully concluded because the Group demonstrated in the second half of the financial year ended 31 March 2011 its capacity to be able to process hard kimberlite. The Group has invested in operating equipment for the purpose and has consequently added some facilities to its processing factory. The main items of expenditure related to the acquisition of primary and secondary crushers, equipment designed to crush the hard kimberlite in order to incorporate it into the processing circuit.

The terms of the agreement stipulate that the Group must process 100,000 tonnes of material per month. The interest lies in the fact that the tests have revealed a rate of 1.38 carats per 100 tonnes and in particular the higher probability of finding stones of an increased size.

Concerning the Stormberg mining site (formerly Kao) which represents the biggest kimberlite pipe identified in Lesotho and the fourth largest in southern Africa as a whole, the Group, which has not yet been able to begin operating as a result of the default of its partner Namakwa Diamonds Ltd, decided to take the case to the Courts to seek justice.

A decision handed down in July 2011 by the Court of Maseru (Lesotho) ordered the seizure of:

- The entirety of the shareholding held by Namakwa Diamonds Ltd in Storm Mountain (Pty) Ltd and;
- The entirety of the rights, stocks and shareholdings related to the credit account owned by Namakwa Diamonds Ltd in Storm Mountain (Pty) Ltd.

The objective is to pursue the procedure since the Group believes it is in the right, referring to the agreements signed between the parties. The Group remains confident of a favourable outcome.

The Group conducted studies to try to locate kimberlite pipes for exploitation in the Kingdom of Lesotho, by virtue of its proximity as a result of its presence on the Letseng site and of the likelihood of its presence on the Stormberg site, but also seeking one or a number of sites where the Group would be the “leader” of the mining operation.

To this end, negotiations were conducted with a company in possession of a mining licence on the Kolo site (Lesotho) to purchase all or part of the licence. Following much negotiation, the Group created a company in which it will hold a 60% shareholding and will also be the mining operator. This project is a mining site which has two kimberlite pipes a few kilometres apart. The first, named Kolo, covers an area of 1.2 ha while the second, named Sekameng, covers an area in excess of 6 ha. Earlier results revealed the presence of diamonds in a concentration of 8.5 carats

per hundred tonnes for the Kolo site. At the Sekameng site, diamonds were found but no test was carried out in situ. This means that more extensive tests will need to be carried out to determine the estimated potential of this pipe.

In addition, the Group is continuing to develop all the studies required at the technical, geological, environmental, financial, legal, and logistical levels for the assets for which it possesses prospecting rights and hopes to obtain mining rights. This concerns the following sites:

- Riviera (in the Western Cape in South Africa) whose resources are tungsten, molybdenum and REEs (Rare Earth Elements) ;
- Mooinfontein (in the Free State in South Africa) of which the chief mineral resource is uranium.

Once the mining licence has been obtained, the Group will then be able to envisage starting operations on the site, or the sale of the asset as its economic value will exceed the simple resale of prospecting rights.

Finally, the Group is awaiting the decision of the Courts with respect to the Elsana granite quarry (Western Cape Province in South Africa), as to whether or not it will be able to resume operating and to sell the aggregates.

#### **1.1.5 Major events since the end of the financial year**

##### **❖ Stormberg Project (formerly Kao)**

The Joint Venture project with Namakwa Diamonds Ltd was unsuccessful during this financial year as a result of the default of the latter. Namakwa Diamonds Ltd did not respect the terms of the undertakings made upon the signature of a Memorandum of Understanding (MOU) dating from November 2009, and which consisted of defining the rules for sharing the co-venture as well as the rules for the division of the mining operators' contracts (weathered kimberlite for Toro Diamonds (Pty) Ltd, a subsidiary of Batla Minerals and hard kimberlite for Namakwa Diamonds Ltd).

Considering that it has been injured at every level, Batla Minerals took the decision to take legal action against Namakwa Diamonds Ltd in the High Court of Lesotho. In **July 2011**, Batla Minerals, via its subsidiary Toro Diamonds (Pty) Ltd, obtained a court order from the Maseru Court in Lesotho and a warrant of seizure of:

- The entirety of the shareholding held by Namakwa Diamonds Ltd in Storm Mountain (Pty) Ltd and;
- The entirety of the rights, its stocks and shareholdings related to credit account held by Namakwa Diamonds Ltd in Storm Mountain (Pty) Ltd.

The Group is continuing its proceedings against Namakwa Diamonds Ltd to have its rights upheld. A new hearing is scheduled to take place before the end of the current calendar year to rule on the substance of the case.

##### **❖ Riviera Project (Tungsten, Molybdenum and REE)**

The Group had abandoned its prospecting right for tungsten and molybdenum in March 2010 to lodge a new application for prospecting rights to include not only those two ores but also the “Rare Earth Elements” (REE), zinc, copper, silver and gold. The purpose of this procedure was to avoid the possibility of a third party making an application for prospecting rights for one of the latter ores and being granted it by the Department of Minerals and Energy. In such a case, it would be necessary to cohabit on the mining operations site. But above all, it is because the tests have revealed the very considerable presence of REEs on this site, which gives it a much greater in situ value.

The Group was awarded prospecting rights by the Department of Minerals and Energy on **1 July 2011**.

#### ❖ **Kolo Project**

On **15 July 2011**, the Group was awarded a mining licence on the Kolo site by the Department of Minerals and Energy of Lesotho.

This project, named “Kolo”, is a mining site with two kimberlite pipes, one covering an area of 1.2 ha, and the other covering an area in excess of 6 ha. Historical data reveals the presence of diamonds in a concentration of 8.5 carats per hundred tonnes for the first pipe. For the second, tests have proved the presence of diamonds but new and more extensive tests will be needed to determine the estimated potential of this pipe.

### **1.1.6 New Projects**

#### ❖ **Richtersveld Mining Company Project (RMC) – Alexcor Dumps**

There is a location in the Northern Cape (South Africa) which has tailings dumps (mounds of residue from the processing of rough diamonds). The Group made contact with Richtersveld Mining Company (RMC), a company formed by a Richtersveld community, in a joint venture with Alexcor Ltd. This company is seeking an experienced mining operator to process two dumps with a volume of 3.6 million tonnes of tailings. This operator would take the place of Alexcor Ltd.

The interest lies in the fact that the tests show that these dumps possess a concentration of two carats per hundred tonnes, which would mean that 72,000 carats could potentially be extracted.

The Group is negotiating with this joint venture to obtain from them the processing concession for these two dumps. By establishing a factory which can process 100,000 tonnes per month, these two dumps would be processed in three years.

The Group’s objective is quite clearly to obtain this contract since it would make it possible to put a processing factory into operation very quickly and

therefore to release positive cash-flows, but also to be able to obtain in the future new contracts to process other tailings dumps existing in this region.

### **1.1.7 Research and development**

In the context of the development of its assets and in particular to successfully fulfil the terms and conditions required for the extraction of ores such as uranium, tungsten, molybdenum and also the REEs (Rare Earth Elements), the Group is having all these tests conducted by specialist geological and metallurgical consultancies.

To this end, the Group commissioned Mintek, a world leader in mineral and metallurgical analysis, to carry out all the heap leaching tests for the Mooinfontein mining site, containing the mineral resource of uranium.

For the Riviera project, the Group commissioned feasibility studies, office tests, 3D modelling of drilling programmes, 3D definition of the establishment of mineral resources in situ and the environmental impact study, etc, from Creo Design, a company located in Stellenbosch near the offices of El Nino Mining (Pty) Ltd.

## **1.2 Analysis of business and of the situation**

The financial year shows that the Group's **income** stood at 31 March 2011 at **4,939 K€** as compared with **5,477 K€** for the previous financial year, i.e. a drop of **9.8%**.

This decline is attributable to the fact that the Group worked on a stockpile and on the residue of weathered kimberlite where the concentration of rough diamonds was extremely low. For the first half of the year, the yield amounted to less than 0.45 carats per 100 tonnes.

This realisation prompted the management of the Group to negotiate an alternative to the current contract with the licensor, Letseng Diamonds Ltd. The Group requested to be allowed by Letseng Diamonds Ltd to process the hard kimberlite of the main pipe and its satellite. In response, the licensor asked the Group, via its subsidiary Alluvial Ventures (Pty) Ltd, to carry out tests demonstrating its capacity to extract rough diamonds from hard kimberlite, without excessive loss. The Group then conducted the tests between September and December 2011, which led to a decrease in the quantity of material processed but incurred costs and other **operating costs** which rose from **6,018 K€** to **7,145 K€**, i.e. an increase of **18.7 %** at the date of closing of the financial year.

**EBITDA** (Earnings Before Interest Taxes and Depreciation) amounts to **-1,048 K€** at 31 March as compared with **1,307 K€** for the previous financial year.

The operating activity generated by the Group consumed a lot of cash flow, in excess of **2.5 M€**. Cash flow at the beginning of the financial year was close to **1 M€** and at the end of the financial year it amounted to **-1.6 M€**.

As the Group's other assets are still in the development phase, they have not been able to contribute to the Turnover generated by the Group.

The Group has just had its worst financial year since it was created. The crisis which affected the luxury industry and consequently the demand for diamonds, had impacted on the Group between 2008 and 2010 but during this last financial year, the purchase value of rough diamonds has returned to levels comparable with those of previous times and indeed higher in the case of a number of tenders for rough diamonds; what must be recognised above all is that the Group has worked in Letseng at a loss for almost the entire financial year as a result of the poor content in diamonds recovered from the stockpiles and the residue of weathered kimberlite.

In addition, the Group continues to engage in a social policy designed to improve the training and qualification and well-being of its employees. To that end, the employees take internal training courses certified by an approved organisation. Similarly, and mainly on its Lesotho site, the employees are benefiting from conditions enabling them to work under good conditions. Consequently, these employees are properly remunerated, housed, fed and benefit from a certain level of material comfort and have medical care. Finally, profit-sharing in the results of their operating site is paid back to them, demonstrating the desire of the Group to conduct a company policy designed to improve the living conditions of its workforce, which constitutes its chief resource.

### **1.3 Chief risks and uncertainties**

#### **1.3.1 Concerning Elsana Quarry (Pty) Ltd**

Elsana Quarry (Pty) Ltd (a subsidiary of Batla Resources (Pty) Ltd), which is operating granite quarries, is subject to a decision to modify zoning which had not been obtained before the closure of the accounts on 31 March 2011. As a result, the share of the net balance using the equity method at the close of the financial year takes this risk into account. The Group has maintained a provision covering all the assets of Batla Resources (Pty) Ltd (and its subsidiaries) in view of the related risk, given that the partners cannot assume their share of loss.

#### **1.3.2 Concerning the Stormberg site (formerly Kao)**

Given the default of its partner, Namakwa Diamonds Ltd, which did not respect the undertakings made in an agreement signed in November 2009, the Group decided to bring legal action against that company to enforce its rights.

In **July 2011**, Batla Minerals, via its subsidiary Toro Diamonds (Pty) Ltd obtained a court order from the Maseru Court in Lesotho and a warrant of seizure of:

- The entirety of the shareholding held by Namakwa Diamonds Ltd in Storm Mountain (Pty) Ltd and;
- The entirety of the rights, stocks and shareholdings related to the credit account held by Namakwa Diamonds Ltd in Storm Mountain (Pty) Ltd.

The Group is continuing its proceedings against Namakwa Diamonds Ltd to have its rights upheld. A new hearing is scheduled to take place before the end of the current calendar year to rule on the substance of the case. However, even though the Group envisages a favourable outcome, uncertainty about the judgment cannot be completely eliminated.

#### **1.4 Presentation of the economic and financial results**

The overall total of the balance sheet amounts to **15,047 K€** as compared with **17,519 K€** in the previous financial year.

During the financial year ending 31 March 2011, the **turnover** of the consolidated whole of the Company amounts to **4,748 K€** as compared with **5,008 K€** as shown in the accounts of the financial year ending in the previous year, which represents a decline of 5.2% in Euros.

This decline is due to the low quantity of diamonds extracted, amounting to 8,693 carats for the financial year ended 31 March 2011 as compared with 14,414 over the previous financial year, i.e. a drop of almost 40%. This fall is the result of a very low concentration of diamonds per 100 tonnes, in the region of 0.5 over the whole financial year.

The **operating income** of the financial year amounted to **4,939 K€** as compared with **5,477 K€** in the previous financial year, which represents a decline of **9.8%**.

The **operating charges** of the financial year rose from **6,018** to **K€ 7,145 K€**, an increase of 18.7%.

The **EBITDA** (Earnings Before Interest, Taxes, Depreciation and Amortization) of the financial year amounted to **-1,048 K€** at 31 March 2011 compared with **1,307 K€** in the previous financial year.

The **Operating Result** or **EBIT** (Earnings Before Interest and Taxes) of the financial year amounted to **-2,206 K€** compared with **-541 K€**.

The **Financial Profit or Loss** of the financial year amounts to **-1.619 K** compared with **-1,209 K€** in the previous financial year.

The **Net Operating Income before Tax** of the financial year amounts to **-3,825 K€** as compared with **-1,750 K€** as shown in the accounts at the end of the previous financial year.

The financial year ended 31 March 2011 of the consolidated whole of the Group shows a **loss** of **5,660 K€**.

This amount is affected by the depreciation of the goodwill in the amount of **1,563 K€**.

(\*It was agreed to depreciate the goodwill over a period of 5 years.)

The Group had a **negative** cash flow of **1,632 K€**.

Operations generated a cash flow “consumption” of 2,588 K€.

*This is shown in the summary table below:*

Items in K€	Financial year ended 31 March 2009 (12 months)	Financial year ended 31 March 2010 (12 months)	Financial year ended 31 March 2011 (12 months)
<b>Turnover</b>	6,660	5,008	4,748
<b>Operating Income</b>	6,664	5,477	4,939
<b>Operating Costs</b>	7,572	6,018	7,145
<b>EBITDA</b>	522	1,307	- 1,048
<b>Earnings from Operations before Interest and Tax (EBIT)</b>	- 908	- 541	- 2.206
<b>Financial Result</b>	334	- 1,209	- 1.619
<b>Net Operating Income with Tax</b>	- 574	- 1,750	- 3.825
<b>Exceptional Earnings</b>	36	14	- 71
<b>Tax</b>	347	76	- 92
<b>Amortization of Goodwill</b>	1,289	1,916	1.563
<b>Equity-Accounted Companies Earnings</b>	- 155	- 104	- 293
<b>Net consolidated earnings</b>	- 2,329	- 3,832	- 5,660

## 1.5 Presentation of the Consolidated Accounts

Although the Group has no legal obligation to do so, the consolidated accounts, certified by the auditors, are presented to you here to enable you to get a global overview of the activity and the situation of the Group constituted by the Company, its subsidiaries and controlled companies.

As at 31 March 2011, the area of consolidation of the Batla Minerals Group included the following companies:

Companies	Information	% Interests	Method of consolidation
<b>BATLA MINERALS</b>	Limited company registered under French law with capital of 5,350 000 euros registered with the Register of Business and Companies of BEZIERS as no. 493056162, head office at Immeuble le Solar 1, ZAE Le Monestié, 3 Avenue de l'Occitanie 34760 BOUJAN sur LIBRON.	N/A	Parent
<b>EL NINO MINING</b>	Company registered under South African law, constituted as a "private company", with capital of 1,600 rand registered with the South African "Registrar of Companies" as no. 2001/019313/07 with its head office at Tygerforum B, 2nd floor, 53 Willie Van Schoor Avenue Bellville 7530, PO BOX 3347, TYGERVALLEY.	100%	Subsidiary
<b>ALLUVIAL VENTURES</b>	Company registered under LESOTHO law, registered as no. 2002/394 with its head office c/o Moors Rowland, 15 United Nations Road, Maseru LESOTHO.	100%	Subsidiary
<b>DRUID EXPLORATION</b>	Company registered under South African law, constituted as a "closed corporation", registered with the South African "Registrar of Companies" as no. 1995/005983/07 with its head office at 44 Constantia Road, 7800 WYNBERG.	100%	Subsidiary
<b>SKIP FAST FOODS</b>	Company registered under South African law, constituted as a "private corporation", registered with the South African "Registrar of Companies" as no. n° 2001/048323/23 with its head office at NBS Building, Jones Street, 8301 KIMBERLEY.	100%	Subsidiary
<b>ASAPI 1058</b>	Company registered under South African law, constituted as a "private company", with capital of 1,000 rand, registered with the South African "Registrar of Companies" as no. 2006/00388/07 with its head office at 130 Miller Street, 7140 WESTERN BAY.	49%	Subsidiary *
<b>BOESMANLAND DIAMENTE</b>	Company registered under South African law, constituted as a "private company", with capital of 120 rand registered with the South African "Registrar of Companies" as no. 2003/010023/07 with its head office at Tygerforum B, 2nd floor, 53 Willie Van Schoor Avenue Bellville 7530, PO BOX3347, TYGERVALLEY.	74%	Subsidiary
<b>FIZKA DIAMONDS</b>	Company registered under South African law, constituted as a "private company", with capital of 120 rand registered with the South African "Registrar of Companies" as no. 2003/010023/07 with its head office at Tygerforum B, 2nd floor, 53 Willie Van Schoor Avenue Bellville 7530, PO BOX 3347, TYGERVALLEY	49%	Subsidiary *
<b>BATLA RESOURCES</b>	Company registered under South African law, constituted as a "private company", with capital of 120 rand registered with the South African "Registrar of Companies" as no. 2007/010446/07 with its head office at Tygerforum B, 2nd floor, 53 Willie Van Schoor Avenue Bellville 7530, PO BOX3347, TYGERVALLEY.	49% **	MEE (equity method of accounting)
<b>HANHEKA SA</b>	Company registered under South African law, constituted as a "private company", with capital of 120 rand registered with the South African "Registrar of Companies" as no. 2007/015422/07 with its head office at Tygerforum B, 2nd floor, 53 Willie Van Schoor Avenue Bellville 7530, PO BOX 3347, TYGERVALLEY.	100%	Subsidiary

<b>GREAT FORCE INVESTMENTS 120</b>	Company registered under South African law, constituted as a "private company", with capital of 120 rand registered with the South African "Registrar of Companies" as no. 2007/016502/07 with its head office at Tygerforum B, 2nd floor, 53 Willie Van Schoor Avenue Bellville 7530, PO BOX 3347, TYGERVALLEY.	49%	MEE
<b>BATLA PROPERTIES</b>	Company registered under South African law, constituted as a "private company", with capital of 120 rand registered with the South African "Registrar of Companies" as no. 2007/015637/0 7 with its head office at Tygerforum B, 2nd floor, 53 Willie Van Schoor Avenue Bellville 7530, PO BOX 3347, TYGERVALLEY.	100%	Subsidiary
<b>RIVIERA TUNGSTEN</b>	Company registered under South African law, constituted as a "private company", with capital of 100 rand registered with the South African "Registrar of Companies" as no. 2008/004239/0 7 with its head office at Tygerforum B, 2nd floor, 53 Willie Van Schoor avenue Bellville 7530, PO BOX 3347, TYGERVALLEY.	100%	Subsidiary
<b>PADDY'S PAD 1183</b>	Company registered under South African law, constituted as a "private company", with capital of 1000 rand, registered with the South African "Registrar of Companies" as no. 2006/035522/0 7 with its head office at Tygerforum B, 2nd floor, 53 Willie Van Schoor Avenue Bellville 7530, PO BOX 3347, TYGERVALLEY.	74%	Subsidiary *
<b>AUSTIN'S POST</b>	Company registered under South African law, constituted as a "private company", with capital of 1000 rand registered with the South African "Registrar of Companies" as no. 2007/006501/0 7 with its head office at Tygerforum B, 2nd floor, 53 Willie Van Schoor Avenue Bellville 7530, PO BOX 3347, TYGERVALLEY.	100%	Subsidiary
<b>BUCHUBERG GRAVELS</b>	Company registered under South African law, constituted as a "private company", with capital of 1000 rand, registered with the South African "Registrar of Companies" as no. 2006/035310/07 with its head office at Tygerforum B, 2nd floor, 53 Willie Van Schoor Avenue Bellville 7530, PO BOX 3347, TYGERVALLEY.	100%	Subsidiary
<b>BONGANI MINERALS</b>	Company registered under South African law, constituted as a "private company", with capital of 11,764 rand, registered with the South African "Registrar of Companies" as no. 2002/030414/0 7 with its head office at Tygerforum B, 2nd floor, 53 Willie Van Schoor Avenue Bellville 7530, PO BOX 3347, TYGERVALLEY.	49%	Subsidiary *
<b>BATLAVAAL PROJECTS</b>	Company registered under South African law, constituted as a "private company", with capital of 120 rand, registered with the South African "Registrar of Companies" as no. 2008/016067/0 7 with its head office at Tygerforum B, 2nd floor, 53 Willie Van Schoor Avenue Bellville 7530, PO BOX 3347, TYGERVALLEY.	100%	Subsidiary
<b>BECHINI INVESTMENTS 60</b>	Company registered under South African law, constituted as a "private company", with capital of 120 rand, registered with the South African "Registrar of Companies" as no.2007/016394/0 7 with its head office at Tygerforum B, 2nd floor, 53 Willie Van Schoor Avenue Bellville 7530, PO BOX 3347, TYGERVALLEY.	100%	Subsidiary
<b>CEDAR CREEK PROPERTIES</b>	Company registered under South African law, constituted as a "private company", with capital of 120 rand, registered with the South African "Registrar of Companies" as no.2 007/032914/0 7 with its head office at Tygerforum B, 2nd floor, 53 Willie Van Schoor Avenue Bellville 7530, PO BOX 3347, TYGERVALLEY.	100%	Subsidiary

<b>MOONSTONE MINING</b>	Company registered under South African law, constituted as a “private company”, with capital of 120 rand, registered with the South African “Registrar of Companies” as no. 2008/015728/07 with its head office at Tygerforum B, 2nd floor, 53 Willie Van Schoor Avenue Bellville 7530, PO BOX 3347, TYGERVALLEY.	100%	Subsidiary
<b>JUST JASMINE INVESTMENTS 136</b>	Company registered under South African law, constituted as a “private company”, with capital of 120 rand, registered with the South African “Registrar of Companies” as no. 2007/011885/07 with its head office at Tygerforum B, 2nd floor, 53 Willie Van Schoor Avenue Bellville 7530, PO BOX 3347, TYGERVALLEY.	100%	Subsidiary
<b>BATLA INVESTMENTS HOLDING</b>	Company registered under Mauritian law, with capital of 100 euros, registered as no.090977 C1/GBL with its head office at 5 President John Kennedy Street, Port Louis, Mauritius.	100%	Subsidiary
<b>TORO DIAMONDS</b>	Company registered under LESOTHO law, registered as no. 2009/1044 with its head office at PO Box 12508 Maseru 100 LESOTHO	100%	Subsidiary
<b>ELSANA QUARRY</b>	Company registered under South African law, constituted as a “private company”, with capital of 240 rand, registered with the South African “Registrar of Companies” as no. 2006/022382/07 with its head office at PO Box 298, Porteville 6810.	24.5%	MEE (equity accounting)
<b>DAYSTAR ELEC</b>	Company registered under Lesotho law with capital of 1,000 M, registered as number 2009/1239, with its head office at Suite 211, Block B, Victoria Hotel Offices, Maseru, LESOTHO.	39.96%	Subsidiary *
<b>BATLA KAO INVESTMENT</b>	Company registered under Mauritian law, with capital of 100 euros, registered as no.096179 C1/GBL with its head office at 5 President John Kennedy Street, Port Louis, Mauritius.	100.00%	Subsidiary
<b>ASS INVESTMENTS 38</b>	Company registered under Namibian law with capital of N\$100, registered as number 2008/0189, with its head office at 78 Sam Nujoma Drive, Windhoek, Namibia.	100.00%	Subsidiary

#### Exclusion of the Area of Consolidation:

Hanheka SARL, situated in the Democratic Republic of Congo, of which a 70% shareholding was acquired in November 2006 and which is currently put up for sale by the Group, has not been consolidated since the Group has not been able, within a reasonable period of time, to obtain the financial reports of the company as at 31 March 2011.

The Consolidated Accounts as at 31 March 2011 show a net result share for the Group amounting to –5,735 K€.

### **1.6 Table of the results of the Group**

The table of the Group’s results for the financial years ended since this one was constituted are to be found in Annexe 2.

## II- REPORT ON THE SITUATION AND ACTIVITY OF THE COMPANY

### 2.1 Activity and situation of the Company

The Company has continued its holding activity, endeavouring to follow the development of the Group's companies with the greatest vigilance and precision.

The Company has attempted to keep abreast of the litigation in which it is involved with the ABN AMRO Nederland Bank (formerly FORTIS), working together with its French legal advisers to obtain damages for the prejudice that it considers it has suffered.

### 2.2 Outlook

Although the Company has postponed its proposed transfer to another market it is closely monitoring this possibility. However, it appears that in the immediate and perhaps close future, it will be more beneficial for it to begin to communicate about the Group's projects currently in development. With that in mind, contacts have been established with various companies specialising in financial communication, but which also have direct contacts with potential investors, interested in the development of its Group's assets.

### 2.3 2.3 Chief risks and uncertainties

The Company has not identified any specific risks or uncertainties.

### 2.4 Major events which have taken place since the close of the financial year

No major event has taken place since the end of the financial year.

### 2.5 Research and development

None

### 2.6 Company capital and shareholdings

The company capital of Batla Minerals as at 31 March 2011 stands at 5,350,000€ consisting of 5,350,000 shares with a nominal value of 1€.

In view of declarations received by the Company that statutory shareholding thresholds have been exceeded, and in application of the provisions of Article L. 233-7 of the Code of Commerce and of Article 13 of the Company Statutes, you will find below, in accordance with Article L. 233-13 du Code of Commerce the identity of the natural persons or legal entities directly or indirectly holding, on 31 March 2010, the percentages of the company capital and of the voting rights in the general meetings referred to in the said article:

<b>Name of account</b>	<b>% of capital</b>	<b>% of voting rights</b>
Vesuvius Investments Ltd	20,32 %	23,90 %
JLP SAS	13,73 %	16,13 %
V5 Ltd Liability company	12,80 %	15,05 %
Lauviah non-trading company	11,40 %	13,40 %
Juvela Investments Ltd	9,34 %	10,99 %
M2V2	2,32 %	2,73 %

The shares held directly or indirectly by Batla Minerals in other companies are presented in the chart attached in annexe 1.

## **2.7 Presentation of the annual accounts**

The annual accounts of the financial year ended 31 March 2011 that we submit for your approval have been drawn up in accordance with the rules of presentation and evaluation methods provided for by the regulations in force.

The rules of presentation and the methods of evaluation selected are identical to those of the previous financial year.

The overall total of the balance sheet amounts to 22,798,706 € as at 31 March 2011 compared with 22, 723, 459 € as at 31 March 2010.

As the Company has to date only financial holding activities, it has no Turnover. Its resources derive from the invoicing of loan interests made to its subsidiary company, El Nino Mining. As this loan is designed to be “long term”, its purpose is not to be repaid.

The sum of the Financial Income amounted to 578,922 €.

The sum of the Operating Charges of the financial year amounts to 417,098 € compared with 416,774 € in the previous financial year.

The annual accounts of the company show a profit of 69,326 €.

## **2.8 Allocation of the result of the financial year ended 31 March 2011**

The accounts of the financial year ended 31 March 2011 show a profit of 69,326 € that we are proposing to allocate to the balance carried forward which, because of the negative balance carried forward of 458,799 € on 31 March 2010, creates a balance of -389,473 €.

## 2.9 Payment schedule

In compliance with article L 444-6-1 of the Code of Commerce, we present to you in the following table the breakdown as at 31 March 2011 of the balance of the supplier accounts payable by due date for payment.

	Financial year ended 31 March 2010			Financial year ended 31 March 2011		
	Due	Not due < 60 days	Not due > 60 days	Due	Not due < 60 days	Not due > 60 days
Accounts payable	30,925 € (excl, tax)	-	-	11,825 € (excl, tax)	-	-
<b>TOTAL</b>	<b>30,925 €</b> (excl, tax)	-	-	<b>11,825 €</b> (excl, tax)	-	-

## 2.10 Agreements referred to in Article L 225-38 of the Code of Commerce

We request that you approve the agreements referred to in article L. 225-38 of the Code of Commerce duly authorised by your Board of Directors during the past financial year. In this regard, during the financial year the following regulated agreement was made:

❖ In accordance with the minutes of 31 March 2011, the Board of Directors of Batla Minerals S.A. authorized the recovery, in the framework of debt redemption, of expenditure conducted on behalf of Batla Minerals S.A. for overdrafts to Hanheka SPRL, registered under Congolese law, as follows:

- 33.476,33 € were spend by Hanheka SA (Pty) Ltd on behalf of Batla Minerals S.A.

In addition, it should be recalled that the following agreement, although concluded during a previous financial year, continued to be effective during the financial year ended 31 March 2011.

❖ in accordance with the minutes of 25 May 2007, the Board of Directors of Batla Minerals S.A. authorized the conclusion of a loan contract between Batla and El Nino Mining (Pty) Ltd, changed by an amendment validated by a Board Meeting of 28 September 2007, changed by an amendment validated by a Board Meeting of 19 May 2008 and changed by an amendment validated by a Board Meeting which defines the terms of the contract as follows:

- loan amount: 17,730,000 €
- interests: Euribor 1 year + 1% with an upper limit of 3% payable half yearly
- duration: Indeterminate

## **2.11 Agreement referred to in Article L. 225-39 of the Code of Commerce**

No agreement as provided for in Article L. 225-39 was made during the financial year.

## **2.12 Information concerning authorised agents of the company**

In accordance with the provisions of Article L 225-102-1, below is a list of all of the Authorised agents and the functions performed throughout the company by each of the company agents authorised to act on behalf of the Company during the past financial year.

Mr Johannes VAN DER WALT holds the position of C.E.O. at “El Niño Mining” and of Director at:

- Asapi (Pty) Ltd
- Batla Properties (Pty) Ltd
- Batla Resources (Pty) Ltd
- Bechini Investments 60 (Pty) Ltd
- Bongani Minerals (Pty) Ltd
- Cedar Creek Properties 74 (Pty) Ltd
- Druid Exploration (Pty) Ltd
- Fikza Diamonds (Pty) Ltd
- Great Force Investments 120 (Pty) Ltd
- Hanheka SA (Pty) Ltd
- Itakane Trading (Pty) Ltd
- Just Jasmine Investments (Pty) Ltd
- Market Demand Trading 561 (Pty) Ltd
- Skip Fast Foods (Pty) Ltd

Mr Patrick MORIN, Chairman of the Board of Directors of Batla Minerals Ltd. also holds the following positions:

- Chairman of JLP SAS, a company with capital of 40,000 €;  
Member of the Supervisory Board of Marseille Rugby SASP, a company with capital of 1,132,769 €;
- Managing director of Le Mail, a non-trading property company with capital of 3,000 €.

Mr Arnaud VERCRUYSSSE, Chief Executive Officer of Batla Minerals SA also holds the following positions:

- Director of Batla Investments Holding, a company registered under Mauritian law;
- Managing director of V5 SARL, a limited liability company with capital of 774,000 €;
- Chairman of IKSUN, a simplified limited company (under the French system of “actions simplifiées) with capital of 50,000 €;
- Director of Batla Kao Investments, a company registered under Mauritian law.

Mr Henri MIOCH, Deputy Chief Executive Officer of Batla Minerals Ltd., also holds the following positions:

- Member of the Board of Marseille Rugby SASP, a company with capital of 1,132,769€;
- Managing Director of Lauviah, a non-trading company with capital of 774,000€.

Mr Jean David Retief, Financial Director of El Nino Mining (Pty) Ltd, also holds the following positions:

- Director of Batla Investments Holding, a company registered under Mauritian law;
- Director of Toro Diamonds, a company registered under Lesotho law;
- Director of Batla Kao Investments, a company registered under Mauritian law.
- Director of Elsana Quarry, a company registered under South African law.

### **2.13 Modalities of general management**

We recall to your attention that the Board of Directors at its meeting of 23 May 2007 appointed Mr Arnaud Vercruysse Chief Executive Officer, replacing Mr Johannes Van der Walt for the duration of his term of office as administrator, and that the Chairman of the Company, Mr Patrick, chairs the Board of Directors and takes no part in the general management.

We inform you that Mr Henri Mioch has been appointed Deputy Chief Executive Officer of the Company, and took up his responsibilities on 1 November 2008.

We inform you that during the Joint Ordinary and Extraordinary General Meeting which was held on 18 January 2010, the terms of office of Messrs Vercruysse, Van der Walt, Mioch and of the company JLP, as administrators which had expired were renewed for a period of three years.

During the same Meeting, Mr Jean David Retief, Financial Director of El Nino Mining, was appointed as the new administrator for a period of three years.

We also inform you that during the Annual General Meeting of 29 September 2010, as the term of office as administrator of Mr Patrick Morin was due to expire, it was renewed for a period of three years.

#### **2.1.4 Dispute with ABN AMRO Nederland Bank (formerly FORTIS Nederland NV)**

In the financial year of 2008, the Company initiated legal action seeking summary judgement against the bank Fortis Nederland, depository of the funds related to the increase of capital conducted in May 2007. The certificate of deposit as drawn up by Fortis Nederland attested to the subscription in cash of 1,350,000 shares in the amount of 20,250,000 €; however, it appears that at the unilateral request of the company Europe Finance et Industrie and without the prior authorization of the Company, EFI withdrew as fees the sum of 1,235,169 € which were paid to it by Fortis Nederland in violation, according to Batla Minerals, of the applicable legal provisions, and in particular, of Article L.225-144, paragraph 2 of the Code of Commerce which, in the view of the Company, made it incumbent upon Fortis Nederland, in its capacity as depository of the funds, to

pay the whole amount of these funds to the Company without deduction of any kind.

With respect to this dispute, the Court of Appeal of Aix-en-Provence having declared itself incompetent to make a summary judgement in March 2009, Batla Minerals SA, decided to appeal, considering itself to be the injured party in every respect in this dispute.

The Court of Appeal, during its session of 8 June 2010, ruled and rejected the appeal of Batla Minerals S.A. and sentenced it to pay the sum of 2,500€ to Fortis Nederland NV Bank in terms of Article 700 of the Code of Civil Procedure.

In view of this decision, Batla Minerals S.A. determined to take legal action in the Dutch courts.

In agreement with Maître Sanier, its legal adviser, Batla Minerals S.A. instructed Eversheds, an international legal firm based in Amsterdam, to handle its defence. The procedure is currently in progress.

## **2.15 Employee shareholding in company capital**

A Joint Ordinary and Extraordinary General Meeting was held on 18 January 2010 to rule on a possible increase of capital reserved for employees. This resolution was not adopted by the shareholders.

## **2.16 Free share issue**

In an effort to promote loyalty and create incentives for its employees in general and its management in particular, the Company put to the vote the matter of the issue of free shares during its Annual General Meeting which was held on 29 September 2010.

The resolution was adopted by shareholders' vote and the AGM imparted to the Board of Directors the deadline for implementation at 38 months to carry out the increase in capital and the free share issue.

The total number of free shares issued in terms of the present authorization cannot exceed 10% of the capital of the Company at the date of the decision to allocate them by the Board of Directors.

At the date of the end of the financial year, no free issue of shares had been made by the Company.

## **2.17 Non tax-deductible expenditure**

In accordance with the provisions of Article 223 (iv) and 223 (v) of the General Tax Code, we inform you that the accounts of the past financial year do not provide for any sum corresponding to non-tax-deductible expenditure as provided for in article 39-4 of the General Tax Code.

**2.18 Table of Company results**

The table of company results since the formation of the Company is attached in Annexe 2.

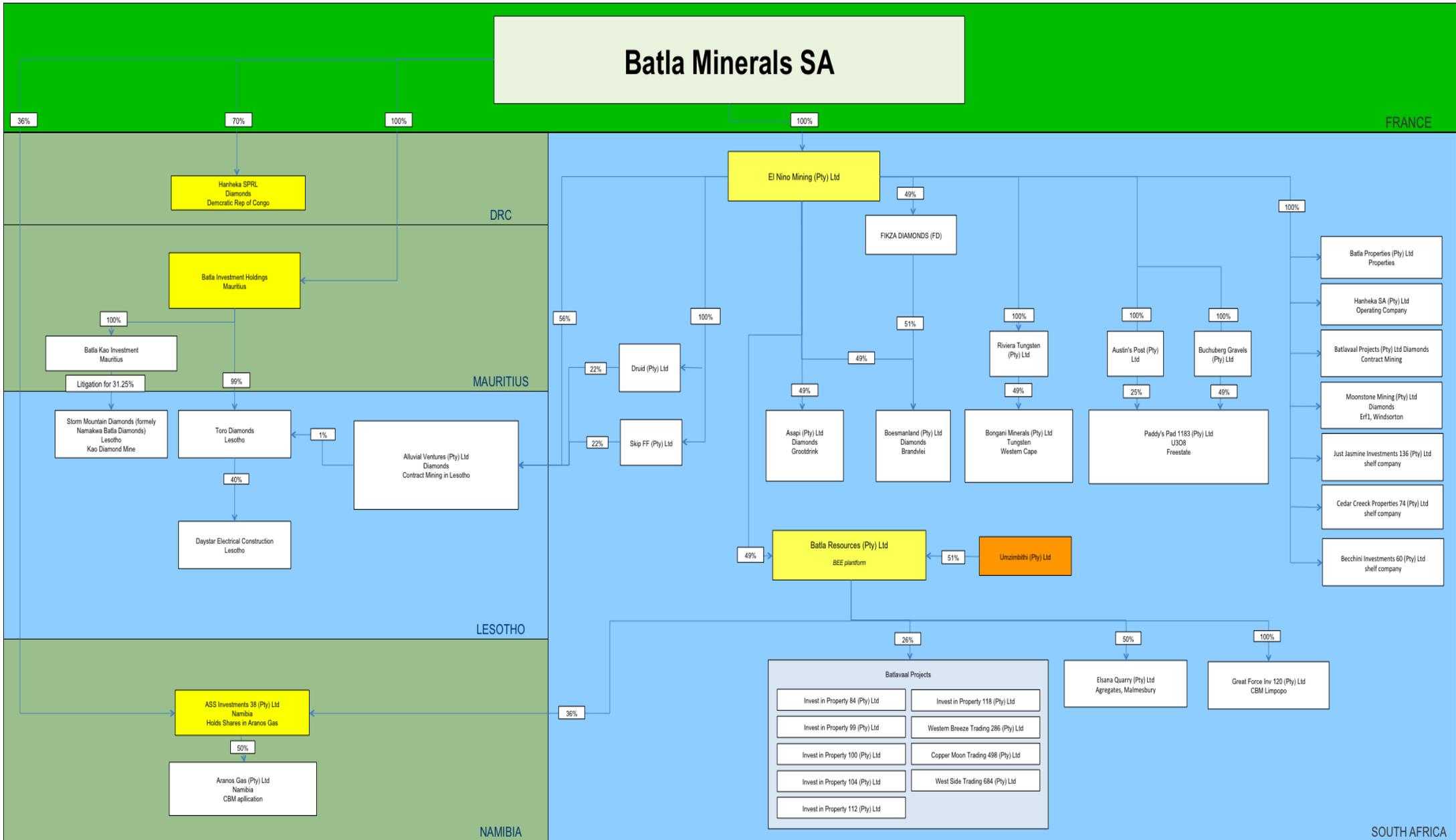
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We call upon you to adopt the resolutions that we hereby submit for your approval.

Done at Boujan sur Libron  
12 August 2011  
Board of Directors

# Batla Minerals SA



FRANCE

SOUTH AFRICA

**BATLA MINERALS**  
**Société Anonyme au Capital de 5.350.000 €**  
**Immeuble le Solar 1**  
**ZAE Le Monestié – 3 Avenue de l’Occitanie**  
**34760 Boujan sur Libron**

**RCS Béziers B 493 056 162**

**CONSOLIDATED TABLE OF THE LAST FIVE YEARS**

**I- Financial situation at the end of the financial year (in K€)**

	31/03/2011	31/03/2010	31/03/2009	31/03/2008	31/03/2007 (4 months)
--	------------	------------	------------	------------	--------------------------

a) Company capital	5 350	5 350	5 350	5 350	4 000
b) Number of shares issued	5 350 000	5 350 000	5 350 000	5 350 000	4 000 000
c) Number of bonds convertible into shares	-	-	-	-	-

**II- Overall result of effective operations (in K€)**

a) Turnover excl. tax	4 748	5 008	6 660	7 270	1 122
b) Pre-tax profit, depreciation and provisions	- 1 608	1 417	737	3 850	100
c) Tax	- 92	76	347	966	45
d) Profit after tax, but before Depreciations and provisions	- 1 516	1 341	390	2 884	55
e) Profit after tax, depreciation and provisions	- 5 735	- 3 832	- 2 329	53	- 596
f) Amount of profits distributed	0	0	0	0	0
g) Employee profit-sharing	0	0	0	0	0

**III- Result of the Operations reduced to a single share (in €)**

a) Profit after tax but before depreciations and provisions	-0,28	0,25	0,07	0,54	0,01
b) Profit after tax, depreciation and provisions	- 1,07	- 0,72	- 0,43	0,01	- 0,15
c) Dividend paid on each share	0	0	0	0	0

**IV- Staff (in K€)**

a) Number of employees	123	112	122	108	97
b) Amount of total wage bill	2 209	1 697	1 571	746	253
c) Amount of sums paid for welfare benefits	68	52	45	22	1

**RESULTS OF THE LAST FIVE FINANCIAL YEARS**

**Period from 01/04/2010 to 31/03/2011**

**Presented in Euros**

Nature of the indications/Periods Length of the financial year	31/03/2011 12 months	31/03/2010 12 months	31/03/2009 12 months	31/03/2008 12 months	31/03/2007 4 months
<b>I – Financial situation at the end of the financial year</b>					
a) Company capital	5,350,000	5,350,000	5,350,000	5,350,000	4,000,000
b) Number of shares issued					
c) Number of bonds convertible into shares					
<b>II – Overall result of effective operations</b>					
a) Business turnover excl. Tax					
b) Pre-tax profit, depreciation and provisions	28,977	391,287	101,723	295,207	-186,161
c) Tax on profits					
d) Profit after tax, but before depreciation and provisions					
e) Profit after tax, depreciation and provisions	28,977	372,577	101,723	295,207	-186,161
f) Amounts of the profits distributed	69,326	-537,490	84,122	180,730	-186,161
g) Employee profit-sharing					
<b>III – Result of operations reduced to a single share</b>					
a) Profit after tax, but before depreciations and provisions					
b) Profit after tax, depreciation and provisions					
c) Dividend paid to each share					
<b>IV – Staff</b>					
a) Number of employees	2	2	2	1	
b) Amount of total wage bill	162,540	124,072	133,320	62,700	
c) Amount of sums paid for social benefits (Social Security, company benefit schemes, etc.)	60,636	51,541	44,843	22,231	
<b>Additional remarks</b>					