

**ANNUAL REPORT**  
**FACOR TURKKROM MINING**  
**(NETHERLANDS) B.V.**  
**ALKMAAR, THE NETHERLANDS**  
**PERIOD ENDED MARCH 31, 2013**

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**FACOR TURKKROM MINING (NETHERLANDS) B.V.**

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**REPORT OF THE BOARD OF DIRECTORS.**

The Board of Directors herewith submits the annual report of Facor Turkkrom Mining (Netherlands) B.V. ("the Company") for the financial year ended March 31, 2013.

By amendment of the articles of association as per March 1, 2013 the name of the Company has been changed from Dillenburg Bergen NH Realty B.V. to Facor Turkkrom Mining (Netherlands) B.V.

**ACTIVITIES**

The Company's main activity is holding of investments in other group companies.

**RESULT FOR THE PERIOD**

The Company incurred a loss of USD 22.993 (calendar year 2012: loss of USD 11.279 / EUR 8.836) for the period ended March 31, 2013.

General

The result of the Company is dependent on dividends received from investments and on group investment decisions. By amendment of the articles of association on March 1, 2013 the financial year of the Company ends on March 31, 2013. The future financial years are from April 1 up to and including March 31.

Personnel development

The average number of employees during the year was nil (2012: nil). The Company does not expect to employ any personnel in the forthcoming financial year.

Finance development

The Company does not expect that the method of finance will significantly change in the forthcoming financial year. As from January 1, 2013 the Company records its books in USD.

**BOARD OF DIRECTORS**

Mr. Ashim Saraf

Director A

\_\_\_\_\_, \_\_\_\_\_ 2013

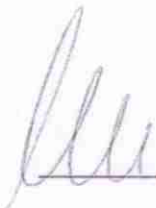
  
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BK Corporate International B.V.:

Director B

Represented by:

G.J. Kamp

  
\_\_\_\_\_

T. Sigircikoglu

Alkmaar, 2-5-, 2013

  
\_\_\_\_\_

**FACOR TURKKROM MINING (NETHERLANDS) B.V.**

**BALANCE SHEET AS AT MARCH 31, 2013**

| <b>ASSETS</b>   | <i>Note</i> | <b>March 31,<br/>2013<br/>USD</b> | <b>December 31,<br/>2012<br/>USD</b> |
|---|-------------|-----------------------------------|--------------------------------------|
| <b>FINANCIAL FIXED ASSETS</b>                         |             |                                   |                                      |
| Investment  | 3           | 174.289                           | 174.289                              |
| <b>CURRENT ASSETS</b>                                 |             |                                   |                                      |
| Receivable related parties                            | 4           | 110.823                           | -                                    |
| Other receivable                                      | 5           | 9.785                             | -                                    |
| <b>CASH AT BANK</b>                                   | 6           | 1.904.753                         | -                                    |
| <b>TOTAL ASSETS</b>                                   |             | <u>2.199.650</u>                  | <u>174.289</u>                       |
| <br><b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>       |             |                                   |                                      |
| <b>SHAREHOLDERS' EQUITY</b>                           |             |                                   |                                      |
| Share capital   | 7           | 200.000                           | 23.749                               |
| Translation reserve                                   | 7           | (557)                             | (306)                                |
| Deficit   | 7           | (34.755)                          | (11.762)                             |
|   |             | <u>164.688</u>                    | <u>11.681</u>                        |
| <b>CREDIT INSTITUTIONS</b>                            | 8           | -                                 | 136                                  |
| <b>CURRENT LIABILITIES</b>                            |             |                                   |                                      |
| Payable related parties                               | 9           | 2.000.970                         | 160.761                              |
| Accounts payable and accrued expenses                 | 10          | 33.992                            | 1.711                                |
| <b>TOTAL SHAREHOLDERS' EQUITY<br/>AND LIABILITIES</b> |             | <u>2.199.650</u>                  | <u>174.289</u>                       |

\* As per January 1, 2013 the books of the Company are kept in USD and therefore the balances as per balance sheet date of December 31, 2012 have been translated from EUR into USD at the exchange rate as per January 1, 2013 of 0,75792.

**FACOR TURKKROM MINING (NETHERLANDS) B.V.**

**PROFIT AND LOSS ACCOUNT FOR THE PERIOD JANUARY 1, 2013 UP TO AND INCLUDING MARCH 31, 2013**

|  |             | <b>2013</b>            | <b>2012</b>            |
|--|-------------|------------------------|------------------------|
|  |             | USD                    | USD                    |
|  | <i>Note</i> |                        |                        |
| <b>FINANCIAL INCOME &amp; EXPENSES</b> |             |                        |                        |
| Currency exchange result               |             | (1.780)                | 2.767                  |
| <b>EXPENSES</b>                        |             |                        |                        |
| General and administrative expenses    | <i>11</i>   | <u>(24.547)</u>        | <u>(14.046)</u>        |
| <b>RESULT BEFORE TAXATION</b>          |             | <b>(26.327)</b>        | <b>(11.279)</b>        |
| <b>Extraordinary profit</b>            | <i>12</i>   | 3.334                  | -                      |
| Corporate income tax                   | <i>13</i>   | -                      | -                      |
| <b>RESULT AFTER TAXATION</b>           |             | <u><b>(22.993)</b></u> | <u><b>(11.279)</b></u> |

\* As per January 1, 2013 the books of the Company are kept in USD and therefore the profit and loss account for the year 2012 has been translated from EUR into USD at the average exchange rate during 2012 of 0,77833

NOTES TO THE ANNUAL ACCOUNTS AS AT MARCH 31, 2013

**1. General**

Facor Turkkrom Mining (Netherlands) B.V. ("the Company") was incorporated on February 16, 2011. The Company has its statutory seat in Alkmaar and has its office address at Oudegracht 202, Alkmaar, the Netherlands.

**2. Accounting principles**

Basis of preparation

The accounts have been prepared in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code.

The books of the Company are kept in US Dollars as from January 1, 2013 (up to and including December 31, 2012 the Company kept its books in EUR).

On January 1, 2013 all balance sheet items are converted from EUR into USD at the exchange rate as per January 1, 2013 of 0,75792 and the profit & loss items at the average exchange rate during 2012 of 0,77833.

By amendment of the articles of association on March 1, 2013 the financial year of the Company ends on March 31, 2013. The future financial years are from April 1 up to and including March 31.

Valuation

Assets and liabilities are shown at the amounts at which they were acquired or incurred, unless otherwise stated.

Financial fixed assets comprise of investments in companies. Investments in companies are valued at cost and are written down only where there is a permanent impairment in value.

Balances in foreign currencies are translated into USD at exchange rates prevailing at that date.

The exchange rates used at balance sheet date are:

December 31, 2012: USD 1 = EUR 0,75792

March 31, 2013: USD 1 = EUR 0,78093

Consolidation

The financial information of the company has been recorded in the consolidated financial statements of Facor Minerals (Netherlands) B.V. Copies are available at the Trade Register of the Chamber of Commerce in Breda. No consolidation is performed at the level of the company is allowed according to article 2:408 of the Dutch Civil Code.

Taxation

Domestic corporation tax is determined by applying Dutch fiscal practice rules and taking into account allowable deductions, charges and exemptions.



**FACOR TURKKROM MINING (NETHERLANDS) B.V.**

**NOTES TO THE ANNUAL ACCOUNTS AS AT MARCH 31, 2013 (Cont.)**

|  | March 31,<br>2013<br>USD | December 31,<br>2012<br>USD |
|--|--------------------------|-----------------------------|
|--|--------------------------|-----------------------------|

**FINANCIAL FIXED ASSETS**

| <b>3. Investment</b>                    | <u>Ownership</u> |                |                |
|---|------------------|----------------|----------------|
| Cati Madencilik Ithalat ve Ihracat A.S. | 100,00%          | <u>174.289</u> | <u>174.289</u> |

The Company has incorporated Cati Madencilik Ithalat ve Ihracat A.S., established in Istanbul, Turkey on June 25, 2012 with a total share capital of TL 300.000 (USD 174.289). On January 7, 2013 the Company has acquired the remaining 4 shares. The Company has an ownership of 100,00%.

**CURRENT ASSETS**

**4. Receivable related parties**

|   |                |          |
|---|----------------|----------|
| Current account Cati Madencilik Ithalat ve Ihracat A.S. | <u>110.823</u> | <u>-</u> |
|---|----------------|----------|

**5. Other receivable**

|                             |           |              |          |
|-----------------------------|-----------|--------------|----------|
| Pre-invoiced management fee | EUR 8.725 | <u>9.785</u> | <u>-</u> |
|-----------------------------|-----------|--------------|----------|

**6. CASH AT BANK**

|                                      |            |                  |          |
|--------------------------------------|------------|------------------|----------|
| GarantiBank International N.V. - EUR | EUR 11.957 | 15.311           | -        |
| GarantiBank International N.V. - USD |            | <u>1.889.442</u> | <u>-</u> |
|                                      |            | <u>1.904.753</u> | <u>-</u> |

**7. SHAREHOLDERS' EQUITY**

The movement in shareholders' equity is specified as follows:

|  | <u>Share<br/>capital</u> | <u>Translation<br/>reserve</u> | <u>Deficit</u>  | <u>Total</u>   |
|--|--------------------------|--------------------------------|-----------------|----------------|
| Balance December 31, 2012                                    | 23.749                   | (306)                          | (11.762)        | 11.681         |
| Revaluation share capital                                    | 251                      | (251)                          | -               | -              |
| Issuance share capital                                       | 176.000                  | -                              | -               | 176.000        |
| Result January 1, 2013 up to<br>and including March 31, 2013 | -                        | -                              | (22.993)        | (22.993)       |
| Balance March 31, 2013                                       | <u>200.000</u>           | <u>(557)</u>                   | <u>(34.755)</u> | <u>164.688</u> |

The Company had an authorized share capital of 900 ordinary shares of EUR 100 each. As at balance sheet date 180 shares have been issued and fully paid up. By amendment of the articles of association as per February 21, 2013 the 180 ordinary shares EUR 100 have been converted into 240 class B shares with a nominal value of USD 100 each. On February 22, 2013 the Company has issued 1.020 ordinary class A shares and 740 ordinary class B shares with a nominal value of USD 100 each.

**FACOR TURKKROM MINING (NETHERLANDS) B.V.**

**NOTES TO THE ANNUAL ACCOUNTS AS AT MARCH 31, 2013 (Cont.)**

|                               | March 31,<br>2013<br>USD | December 31,<br>2012<br>USD |
|-------------------------------|--------------------------|-----------------------------|
| <b>CURRENT LIABILITIES</b>    |                          |                             |
| <b>8. CREDIT INSTITUTIONS</b> |                          |                             |
| Valartis Bank account - EUR   | -                        | 131                         |
| Valartis Bank account - USD   | -                        | 5                           |
|                               | <u>-</u>                 | <u>136</u>                  |

The accounts with Valartis Bank have been closed on March 12, 2013.

**9. Payable related parties**

|   |                  |                |
|---|------------------|----------------|
| Current account Dillenburg Domestic Realty B.V.   | 979.970          | 160.761        |
| Current account Facor Minerals (Netherlands) B.V. | 1.021.000        | -              |
|   | <u>2.000.970</u> | <u>160.761</u> |

**10. Accounts payable and accrued expenses**

|                  |            |               |              |
|------------------|------------|---------------|--------------|
| Management fee   | EUR 10.142 | 12.986        | -            |
| Tax advisory fee | EUR 1.654  | 2.117         | 1.583        |
| Notarial fee     | EUR 8.301  | 10.628        | -            |
| Audit fee        | EUR 6.353  | 8.134         | -            |
| Sundry expenses  | EUR 97     | 127           | 128          |
|                  |            | <u>33.992</u> | <u>1.711</u> |

**NOTES TO THE PROFIT AND LOSS ACCOUNT FOR THE PERIOD JANUARY 1, 2013  
UP TO AND INCLUDING MARCH 31, 2013**

|  | 2013<br>USD   | 2012<br>USD   |
|--|---------------|---------------|
| <b>11. General and administrative expenses</b> |               |               |
| Management fee                                 | 3.276         | 7.135         |
| Tax advisory fee                               | 605           | 1.542         |
| Notarial fee                                   | 11.061        | 1.820         |
| Audit fee                                      | 8.134         | -             |
| Other professional fee                         | -             | 2.332         |
| Bank charges                                   | 1.471         | 1.013         |
| Sundry expenses                                | -             | 204           |
|  | <u>24.547</u> | <u>14.046</u> |

**12. Extraordinary profit**

|  |              |          |
|--|--------------|----------|
| Waiver current account Dillenburg Domestic Realty B.V. | <u>3.334</u> | <u>-</u> |
|--|--------------|----------|

As part of the issuance of shares on February 22, 2013 the remaining balance on the current account payable to Dillenburg Domestic Realty B.V. has been waived.

**13. Corporate income tax**

The corporate income tax is based on the results of the Company, taking into account that certain income and expenses as reported in the profit and loss account are exempt from taxation.



**OTHER INFORMATION**

**Appropriation of results**

In accordance with the Company's articles of association, results are at the disposal of the shareholders. Management proposes to add the result for the period ended March 31, 2013 to the general reserves of the Company.

**Audit**

The Company qualifies as a "small sized company" and in accordance with Article 396 par. 6 of the Civil Code of The Netherlands, Book 2, Title 9, no audit is required.

**Subsequent events**

No events have occurred since balance sheet date, which would change the financial position of the Company and which would require adjustment or disclosure in the annual accounts as presented.



# Van den Boogaard & Smulders

accountancy

## INDEPENDENT AUDITOR'S REPORT

Facor Turkkrom Mining (Netherlands) B.V.

Burgemeester de Manlaan 2

4837 BN Breda, The Netherlands

### Report on the financial statements

We have audited the accompanying financial statements 2013 of Facor Turkkrom Mining (Netherlands) B.V., Breda, which comprise the balance sheet as at March 31, 2013, the profit and loss account for the period commencing January 1<sup>st</sup>, 2013 up to March 31<sup>st</sup>, 2013 and the notes, comprising a summary of the accounting policies and other explanatory information.

### Management's responsibility

Management is responsible for the preparation and fair presentation of these financial statements and for the preparation of the annual account, both in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code. Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

*Kunoor Heese*

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*Banque*

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K.v.K. Eindhoven 55083893

WTA vergoeding

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In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion with respect to the financial statements

In our opinion, the financial statements give a true and fair view of the financial position of Facor Turkrom Mining (Netherlands) B.V. as at March 31, 2013 and of its result for the the period commencing January 1<sup>st</sup>, 2013 up to March 31<sup>st</sup>, 2013 in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code.

Gemert, 25 April 2013.

Van den Boogaard & Smulders Accountancy LLP

A handwritten signature in black ink, appearing to be 'P.M.H. van den Boogaard', written over a horizontal line.

P.M.H. van den Boogaard RA

Independent Auditor