

Bisichi Mining PLC

Annual Report & Accounts 2000



Mining and mining finance

“The group’s objective is to seek capital growth from investment in mining activities around the world, underwritten by a solid income flow from its UK property investment portfolio.” Michael Heller, Chairman

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Bisichi Mining PLC is an equal opportunities employer



Michael Heller



Bob Mackilligin



Robert Corry



Andrew Heller



Robert Grobler



Siphos Dube



Willie De Bruin

Michael Heller
Group Chairman

Bob Mackilligin
Director of Mining

Robert Corry
LAP Group Finance Director and Chairman of Black Wattle Colliery

Andrew Heller
Managing Director of Bisichi and Black Wattle Colliery

Siphos Dube
Director of Black Wattle Colliery

Robert Grobler
General Manager of Black Wattle Colliery

Willie De Bruin
Chief Engineer of Black Wattle Colliery

Directors

Michael A Heller MA, FCA (Chairman)

Robert G W Mackilligin MC*, ACSM, FIMM, CEng

***† L C John Brown** FCA (Non-executive)

John Brown has been a Director since 1989. He practised as a Chartered Accountant for many years, both in the United Kingdom and United States of America.

Andrew R Heller MA, ACA (Managing Director)

*** C A Joll** MA FRSA (Non-executive)

Christopher Joll was appointed a Director on 1 February 2001. He is Deputy Chairman of GCI Financial (Holdings) Limited and a Director of The Room Limited

*** John A Sibbald** BA (Non-executive)

John Sibbald has been a Director since 1988. After qualifying as a Chartered Accountant, he spent over 20 years in stockbroking, specialising in mining and international investment.

Directors and advisors - Bisichi Mining PLC

Secretary

Michael C Stevens FCA

Registered office

8-10 New Fetter Lane, London EC4A 1AF

Director of property

Mike J Dignan FRICS

Auditors

PKF

Principal bankers

National Westminster Bank PLC

Corporate solicitors - UK

Clifford Chance, London

- South Africa

Moss Morris inc, Johannesburg

Stockbrokers

Credit Lyonnais Securities

Registrars and

transfer office

Capita IRG plc

Balfour House, 390/398 High Road, Ilford, Essex IG1 1NQ

Telephone: 020 8478 8241

Company

registration number

112155 (Incorporated in England and Wales)

Website

www.bisichi.co.uk

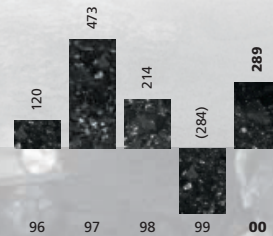
E-mail

Admin@bisichi.co.uk

† Senior independent director

* Member of the audit committee

Operating profit £000



Five year financial summary

	2000	1999	1998	1997	1996
	£000	£000	£000	£000	£000
Consolidated profit and loss account					
Turnover	3,695	3,132	3,053	3,754	3,341
Operating profit (loss)	289	(284)	214	473	120
Profit (loss) before tax	82	(530)	209	368	161
Consolidated balance sheet					
Intangible assets	301	386	412	590	674
Investment properties	7,775	7,350	6,425	6,275	5,895
Fixed asset investments	924	763	608	553	451
	9,000	8,499	7,445	7,418	7,020
Current asset investments	424	420	389	370	350
	9,424	8,919	7,834	7,788	7,370
Other assets less liabilities	(2,680)	(2,563)	(1,538)	(1,565)	(1,585)
Consolidated shareholders funds per balance sheet	6,744	6,356	6,296	6,223	5,785
Adjustments of current asset investments to market value	182	201	171	267	244
Consolidated shareholders funds	6,926	6,557	6,467	6,490	6,029
Net assets per ordinary share*	66.3p	62.7p	61.9p	62.1p	57.7p
Dividend per share	1.00p	1.00p	1.00p	0.90p	0.81p

*Based on net assets including the investment portfolio at market value.

Shareholders will by now have gathered that I believe that the prospects for Bisichi Mining are positive, real and deliverable. This situation has been brought about by the dedication of all of our employees.

Chairman's review



Financial review & dividend

Shareholders will be pleased to learn that Bisichi Mining's profit before tax and goodwill amortisation, but after minority interests for the year to 31 December 2000 was £218,000, compared to a loss in the previous year of £(179,000).

The mining division returned to profit during the year, before the write off of goodwill. This turnaround is due to the strong action taken by the management and this, coupled with the worldwide rising coal prices (which will benefit us in 2001), bodes well for the future.

Our direct mining activities continue to be underpinned by the strong performance of our UK retail property investment portfolio and our equity investment portfolio. Shareholders funds now stand at £6.74 million compared to £6.36 million in the previous year. As shareholders know, it is the Group's strategy to use surplus cash flow

generated from our investments in UK retail property to finance the development and management of direct mining assets.

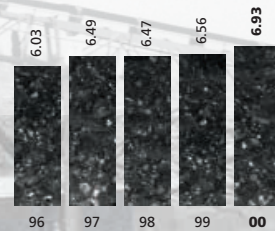
As a consequence of these results, your directors are recommending the maintenance of the final dividend of 1p per share.

Direct mining & mining investment

Shareholders will recall that, when I reported the Interim results in September 2000, I advised that the losses incurred at Black Wattle Colliery (Pty) Ltd, which had arisen from a major geological fault impeding the mining of coal, had been reversed as the result of prompt action by the company's management. The effect of this action is now becoming apparent.

The acquisition of high quality reserves on acceptable commercial terms, which has enabled us to mine away from the geological fault, combined with the appointment of a new mine manager, a greatly strengthened mine management

Consolidated shareholders funds
£m



team and significantly increased mining efficiency lies at the core of the restoration of the mine's profitability.

The new reserves that we have already acquired, combined with the prospect of being able to acquire significantly more in the immediate locality, mean that the outlook for Black Wattle has never been more positive. Our optimism must, of course, be tempered by the recognition that mining businesses are by their very nature always vulnerable to circumstances entirely beyond management's immediate control.

A fuller review of our direct mining activities follows in the Mining Report.

Mineral Products Limited, a wholly owned subsidiary of Bisichi Mining, continues to manage an equity portfolio with a weighting in mineral and natural resources stocks. This portfolio also provides us with an easily accessible cash reserve.

Property

Bisichi Mining's property portfolio, which consists of 5 fully let shopping centres managed by London & Associated Properties PLC, has been independently valued at the year end at £7.78 million, an increase of 5.8% over 1999. Bisichi Mining also owns, jointly with London & Associated Properties, Dragon Retail Properties Limited. In October 2000 Dragon Retail acquired four shops in Western Road, Brighton, the main shopping location in the town. This portfolio is strongly reversionary. Dragon Retail's property portfolio was independently valued at 31 December 2000 at £5.25 million, compared with £3.8 million in the previous year.

Retirement

John Brown, one of your non-executive directors, will be retiring from the board at the Annual General Meeting in June 2001. John has brought to the affairs of Bisichi Mining a store of wisdom and

common sense and I would like to take this opportunity to thank him on behalf of his colleagues and shareholders for the part he has played over the last 12 years in helping to bring about the transition of Bisichi to the company that it is today.

Prospects

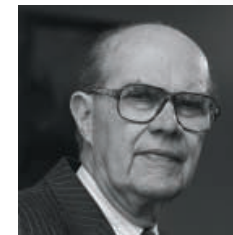
Shareholders will by now have gathered that I believe that the prospects for Bisichi Mining are positive, real and deliverable. This situation has been brought about by the dedication of all of our employees both in the UK and South Africa; the future relies to a considerable extent on their continued dedication. On behalf of all shareholders I would, therefore, like to thank them for their hard work.

I look forward to 2001 with confidence.

Michael Heller Chairman
12 March 2001

The strength of a new board & management structure, coal price, increased production and additional reserves, means real potential for a substantial increase in Black Wattle's contribution to the Group's profits.

Mining review



Bob Mackgilligan

Black Wattle Colliery

Mining is a business that constantly challenges the ability of management to deal with the unforeseen or the unexpected. Black Wattle Colliery is no exception to this rule and has had more than its fair share of management challenges over the past 18 months. The fact that it has returned to a profitable operation during the year is solely due to the very prompt and positive actions taken by management, as will be immediately apparent from this report.

Production

As soon as it became clear that the geological problem encountered last year could not be easily overcome economically, mining operations were switched to the newly acquired area adjacent, and to the west, of our original concession area. Two mining sections were deployed in this new area, working double shifts mining the lower seam. This new seam consists of excellent quality

coal with good mining conditions and a very low phosphorous content. Low phosphorous coal commands premium prices from the metallurgical industry.

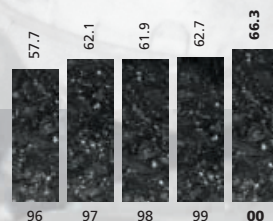
As reported at the half-year, mining in the west was not achieved without initial additional short-term losses at the beginning of the year. However these problems were overcome and production was increased to return the mine to profitability.

At the current levels of production, the mine is profitable. However, we recognise that, with improving coal prices for the first time in the last three years, there is an opportunity for a substantial improvement in profitability. To maximise the opportunity presented by the market, our principal initiative is to open a third underground section, for which the machinery has already been acquired. To support this initiative, we are increasing the capacity of the washing plant and we will, of course, keep a tight control over costs.



Andrew Heller

Net assets per ordinary share*
Pence



Management

During the year, Black Wattle's board was greatly strengthened by the appointment of Mr Sipho Dube, who is a 37.5% shareholder in the company. Mr Dube has considerable commercial skills and his input is proving to be of significant benefit to the mine.

The management of the company was further strengthened with the recruitment of Mr Robert Grobler as the General Mine Manager. Mr Grobler is a highly respected mine manager and has brought both skill and energy to his job. In addition, more highly qualified individuals have replaced the Underground Manager and the Chief Engineer. Financial incentive schemes for key senior staff and the labour force on the mine have been introduced. The benefits of these arrangements will become apparent during the current year.

Ore reserves

In order to safeguard the longer-term future of the mine, we continue to seek additional coal reserves in our general area.

As outlined in the previous report, we were able to obtain a new concession to the west of our original mining area during 2000 and we are now mining in it. The current audited reserves of the mine are a minimum of 5 years at current budgeted production levels.

We are continuing to negotiate the acquisition of known reserves in the locality, which will further extend the life of the mine. We will inform shareholders as and when these new reserves are acquired.

Environmental management

We are pleased to report that the Department of Minerals and Energy in South Africa have recently approved Black Wattle's Environmental Management Programme.

Prospects

The strength of our new board and operational management structure, the buoyant coal price, the measures taken to increase production and our prospect of obtaining additional reserves, when taken together, mean that there is real potential for a substantial increase in Black Wattle's contribution to the Group's profits.

Bob Mackilligin

Andrew Heller
12 March 2001

The company continues its mining finance and property investment activities. Income for the year was derived from holding and dealing in investments, from property rentals and the operation of a coal mine.

Directors' report The directors submit their report together

Activities and review of business

The company continues its mining finance and property investment activities. Income for the year was derived from holding and dealing in investments, from property rentals and the operation of a coal mine.

The company maintained its 62.5% holding in Black Wattle Colliery (pty) Limited throughout the year. Mining operations, before the write off of goowill, returned to profit.

The results for the year and state of affairs of the group and the company at 31 December 2000 are shown on pages 15 to 32.

Further information on the review of the business and future developments is given in the chairman's review and the mining report.

Dividend

The directors recommend the payment of a dividend of 1.00p per share on the ordinary share capital for the year under review and the balance of the retained loss will be carried to reserves. The dividend will be payable on Thursday 23 August 2001 to shareholders registered at the close of business on 3 August 2001.

Investment properties

The investment property portfolio is stated at its open market value of £7,775,000, at 31 December 2000, as valued by professional external valuers.

Directors

The directors of the company for the whole year were M A Heller, R G W Mackilligin, L C J Brown, A R Heller and J A Sibbald. C A Joll was appointed a director on 1 February 2001.

The director retiring by rotation is Mr R G W Mackilligin who offers himself for re-election. Mr C A Joll retires at

Directors' shareholdings

The interests of the directors in the shares of the company, including family and trustee holdings where appropriate, were as follows:-

	Beneficial		Non-Beneficial	
	31.12.2000	1.1.2000	31.12.2000	1.1.2000
M A Heller	146,666	146,666	181,334	181,334
L C J Brown	5,000	5,000	-	-
A R Heller	772,000	772,000	-	-
C A Joll*	-	-	-	-
R G W Mackilligin	60,000	60,000	-	-
J A Sibbald	-	-	-	-

* At date of appointment - 1 February 2001.

There have been no changes in the above shareholdings since 31 December 2000.

with the audited financial statements for the year ended 31 December 2000

the Annual General Meeting and offers himself for election. Mr L C J Brown is retiring at the AGM and will not be seeking re-election.

Mr R G W Mackilligin has been a director since 1975. He is a Chartered Mining Engineer and has spent his working life in the extraction industries. Special notice has been received as he is over 70. He has a contract of service determinable at three months notice.

Mr C A Joll being eligible, offers himself for election. He has been a director since 1 February 2001 and has a contract of service determinable at three months notice. He is Deputy Chairman of GCI Financial (Holdings) Limited and a Director of The Room Limited.

No director had any material interest in any contract or arrangement with the company during the year other than as shown in this report.

Substantial interests

The following have advised that they have an interest in 3 per cent or more of the issued share capital of the company as at 9 March 2001:

London & Associated Properties PLC (LAP) - 4,355,752 shares representing 41.68 per cent of the issued capital.

M A Heller and L C J Brown are directors and shareholders of London & Associated Properties PLC.

M A Heller - 328,000 shares representing 3.14 per cent of the issued capital.

A R Heller - 772,000 share representing 7.39 per cent of the issued capital.

S J Talboys - 330,000 shares representing 3.16 per cent of the issued capital.

So far as the board is aware no other person is beneficially interested in 3 per cent or more of the issued capital of the company.

Corporate governance

The company has adopted the principles of Good Governance and Code of Best Practice contained in The Combined Code published 1 June 1998 by the Committee on Corporate Governance, as far as practicable possible.

The company has adopted the City Group for Smaller Companies recommendations that smaller companies have at least two non-executive directors. The directors believe that this is appropriate and cost effective. The company has otherwise complied with the provisions of the combined code throughout the year.

Internal control

The Combined Code introduced a requirement that directors review the effectiveness of the group's system of internal controls. This requirement extends the directors' review to cover all controls covering operations and risks, as well as financial controls. The Turnbull report "Internal Control

Guidance for Directors on the Combined Code" was published in September 1999. The Board have reviewed control procedures in accordance with the Turnbull guidance, and have fully complied with that guidance for the accounting period ending on 31 December 2000.

The board is responsible for the effectiveness of the group's system of internal controls. The board approves financial budgets and cash flow forecasts annually for the forthcoming year, and performance is closely monitored against such budgets and forecasts by means of weekly cash reports and monthly management accounts which are reviewed at board meetings. The board have made arrangements for regular inspections of the company's tangible assets, and for insurance of those assets. The company's investments and other intangible assets are regularly

reviewed by the board. The board and audit committee have considered reports from the executive directors on internal control, and observations by the external auditors and other professional advisors are invited and would be carefully considered. No system of internal control can provide absolute assurance against material misstatement or loss. However the directors, having reviewed the systems of internal control, believe these systems provide reasonable assurance that the assets are safeguarded, transactions are authorised and recorded properly and that material errors and irregularities are either prevented or would be detected within a timely period.

Remuneration

The board of directors is responsible for reviewing the remuneration of the directors and senior employees.

The remuneration policy adopted is designed to ensure that directors and senior executives are fairly rewarded for their services.

The full time executive director has a contract of service with the company. Other directors have contracts of service. No director's contract of employment or contract of service exceeds twelve months. Accordingly none of the directors offering themselves for re-election at the forthcoming Annual General Meeting has a service contract with a notice period of more than a year. Given the size of your company, it is not considered appropriate to form a separate remuneration committee of the board. With this exception the company has complied with section A of the best practice provisions annexed to the Listing Rules of the London Stock Exchange and given full consideration

Directors' remuneration

	Salaries and fees £000	Benefits £000	2000 Total £000	1999 Total £000
<i>Chairman</i>				
M A Heller	1	-	1	1
<i>Executive directors</i>				
R G W Mackilligin	10	1	11	11
A R Heller	80	10	90	76*
	91	11	102	88
<i>Non-executive directors</i>				
L C J Brown	4	-	4	4
J A Sibbald	2	-	2	2
	6	-	6	6
Total remuneration for directors' services during the year			108	94

*From date of appointment 24 February 1999.
There have been no performance related payments to directors during the year.

to section B of such best practices.
There are no pension arrangements for directors, neither are they entitled to any bonus or incentive schemes.

Payment of suppliers

The company agrees terms of contracts when orders are placed. It is company policy that payments to suppliers are made in accordance with those terms, provided that suppliers also comply with all relevant terms and conditions. Trade creditors outstanding at the year end represented 3 days trade purchases (1999 - 3 days).

Going concern

The directors, after making enquiries, have a reasonable expectation that the group and the company have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the going concern basis

has been adopted in the preparation of the financial statements.

Other matters

- (a) The company is not a close company as defined by the Income & Corporation Taxes Act 1988.
- (b) Pannell Kerr Forster changed their name to PKF on 1 November 2000. They have expressed their willingness to continue in office as auditors. A proposal will be made at the Annual General Meeting for their re-appointment and for their remuneration to be determined by the directors.

By order of the board

M C Stevens Secretary
8-10 New Fetter Lane
London EC4A 1AF
12 March 2001

Directors' responsibility statement

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy at any time the financial position of the company and the group to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial Calendar

5 June 2001	Annual General Meeting
23 August 2001	Payment of final dividend for 2000 (if approved)
September 2001	Announcement of interim results to 30 June 2001
March 2002	Announcement of results for the year ending 31 December 2001

Valuers' certificates

To the directors of Bisichi Mining PLC

In accordance with your instructions we have carried out a valuation of the freehold and leasehold property interests held as at 31 December 2000 by the company as detailed in our Valuation Report dated 5 March 2001.

Having regard to the foregoing, we are of the opinion that the open market value as at 31 December 2000 of the interests owned by the Company was £5,400,000, being made up as follows:

	£000
Freehold	4,100
Leasehold	1,300
	<u>5,400</u>

London
5 March 2001

Allsop & Co.
Chartered Surveyors

To the directors of Bisichi Mining PLC

In accordance with your instructions we have carried out a valuation of the freehold and leasehold property interests held as at 31 December 2000 by the company as detailed in our Valuation Report dated 19 February 2001.

Having regard to the foregoing, we are of the opinion that the open market value as at 31 December 2000 of the interests owned by the Company was £2,375,000, being made up as follows:

	£000
Freehold	275
Leasehold	2,100
	<u>2,375</u>

Leeds
19 February 2001

B P Towler & Son
Chartered Surveyors

Auditors' report

Auditors report to the shareholders of Bisichi Mining PLC

We have audited the financial statements on pages 15 to 32 which have been prepared under the accounting policies set out on page 19 and 20.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report, including as described on page 12 the financial statements. Our responsibilities, as independent auditors, are established by statute, the Auditing Practices Board, the Listing Rules and by our professional ethical guide.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper records, if we have not received all the information and explanations we require for our audit, or if information specified by law or the Listing Rules regarding directors' remuneration and transactions with the company is not disclosed.

We review whether the statement on page 10 reflects the company's compliance with those provisions of the Combined Code specified for our review by the UK Listing Authority, and we report if it does not. We are not required to form an opinion on the effectiveness of the company's corporate governance procedures or its internal controls. We read other information contained in the Annual Report, including the corporate governance statement, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's and group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and the Group as at 31 December 2000 and of the Group's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

London
12 March 2001

PKF
Registered Auditors

Consolidated profit and loss account

for the year ended 31 December 2000

	Notes	2000 £000	1999 £000
Turnover	1	3,695	3,132
Operating costs	2	(3,406)	(3,416)
Operating profit (loss)	1	289	(284)
Income from interests in joint venture	14	37	19
Exceptional items in respect of fixed assets	5	(14)	(65)
Interest receivable		4	7
Interest payable	6	(234)	(207)
Profit (loss) on ordinary activities before taxation		82	(530)
Taxation on profit (loss) on ordinary activities	7	(69)	(63)
Profit (loss) after taxation		13	(593)
Minority interest		51	267
Profit (loss) for the financial year		64	(326)
Dividend	9	(105)	(105)
Retained (loss) for the financial year	24	(41)	(431)
Earnings per share	10	0.61p	(3.12)p

All amounts derive from continuing operations.

Balance sheets

as at 31 December 2000

	Notes	Group		Company	
		2000 £000	1999 £000	2000 £000	1999 £000
Fixed assets					
Intangible assets	11	301	386	—	—
Tangible assets	12	8,714	8,409	7,813	7,361
Investments	13 & 14	924	763	1,322	1,311
		<u>9,939</u>	<u>9,558</u>	<u>9,135</u>	<u>8,672</u>
Current assets					
Stocks – goods for resale		31	111	—	—
Debtors	16	492	328	1,001	778
Investments					
(Market value £606,000 (1999 – £621,000))	17	424	420	—	—
Bank balances		88	48	26	17
		<u>1,035</u>	<u>907</u>	<u>1,027</u>	<u>795</u>
Creditors					
Amounts falling due within one year	18	(2,249)	(2,071)	(1,694)	(1,279)
Net current liabilities		<u>(1,214)</u>	<u>(1,164)</u>	<u>(667)</u>	<u>(484)</u>
Total assets less current liabilities		8,725	8,394	8,468	8,188
Creditors					
Amounts falling due after one year	19	(2,131)	(2,155)	(1,969)	(2,000)
Provisions for liabilities and charges	21	(12)	(12)	—	—
Minority interest	22	162	129	—	—
		<u>6,744</u>	<u>6,356</u>	<u>6,499</u>	<u>6,188</u>
Capital and reserves					
Called up share capital	23	1,045	1,045	1,045	1,045
Revaluation reserve	24	5,100	4,601	4,819	4,401
Other reserve	24	86	101	—	—
Retained earnings	24	513	609	635	742
Shareholders' funds		<u>6,744</u>	<u>6,356</u>	<u>6,499</u>	<u>6,188</u>

These financial statements were approved by the board of directors on 12 March 2001 and signed on its behalf by:

M A HELLER
R G W MACKILLIGIN
Directors

Statement of total recognised gains and losses

for the year ended 31 December 2000

	Group	
	2000	1999
	£'000	£'000
Profit (loss) for the year	64	(326)
Revaluation of investment properties - company	418	295
- joint venture	95	200
Exchange adjustments	(84)	(4)
Total net gains recognised in the year	493	165

Reconciliation of movement in shareholders' funds

for the year ended 31 December 2000

	Group	
	2000	1999
	£'000	£'000
Profit (loss) for the financial year	64	(326)
Dividend	(105)	(105)
	(41)	(431)
Other movements in shareholders' funds:		
Exchange adjustments	(84)	(4)
Revaluation of investment properties	418	295
Revaluation of investment properties in joint venture	95	200
Net addition to shareholders' funds	388	60
Opening shareholders' funds	6,356	6,296
Closing shareholders' funds	6,744	6,356

Group cashflow statement

for the year ended 31 December 2000

	Notes	2000 £'000	1999 £'000
Net cash inflow from operating activities	25	631	270
Returns on investments and servicing of finance			
Interest received		4	7
Interest paid		(234)	(207)
		(230)	(200)
Taxation			
Corporation tax paid		(59)	(6)
Capital investment and financial investment			
Payments to acquire fixed assets		(329)	(1,077)
Payments to acquire current asset investments		(48)	(173)
Receipts from sale of fixed assets		17	106
Receipts from sale of current asset investments		56	251
		(304)	(893)
Equity dividends paid		(105)	(105)
Cash outflow before financing		(67)	(934)
Financing			
Loans drawn		10	788
(Decrease) in cash in the year	26	(57)	(146)
Reconciliation of net cash flow to movement in net debt			
(Decrease) in cash in the year		(57)	(146)
Net cash flow from changes in debt		(10)	(788)
Movement in net debt in the year		(67)	(934)
Net debt at 1 January 2000		(2,887)	(1,953)
Net debt at 31 December 2000	26	(2,954)	(2,887)

Group accounting policies

for the year ended 31 December 2000

The following are the main accounting policies of the group:

Accounting convention

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, and in accordance with applicable accounting standards.

Basis of consolidation

The consolidated financial statements comprise:

- (a) The financial statements of the company and its subsidiaries made up to 31 December.
- (b) The group's share of the results of Dragon Retail Properties Limited for the year ended 31 December.

On acquisition, the book value of tangible assets acquired is adjusted to bring the accounting policies of businesses acquired into alignment with those of the group. Goodwill, being the difference between the purchase price and the fair value of net assets acquired, is written off over its useful life.

Turnover

Turnover comprises the invoiced value of sales in respect of mining, trading operations and rental income and excludes investment and other non-operating income and value added tax.

Dividends

Dividends are credited to the profit and loss account when received.

Depreciation

Provision for depreciation on tangible fixed assets is made in equal annual instalments to write each item off over its useful life. The rates generally used are:

Plant and machinery	10 - 20 per cent
Motor vehicles	20 per cent
Office equipment	10 -20 per cent

Foreign currencies

Monetary assets and liabilities expressed in foreign currencies have been translated at the rates of exchange ruling at the balance sheet date. Revenue transactions completed during the year are stated at the rates obtained on conversion into sterling. In the consolidated accounts, translation differences arising on consolidation of the net investments in overseas subsidiaries are taken to reserves. All other exchange differences are taken to the profit and loss account.

Investment properties

The investment property portfolio is included in the financial statements at open market valuation. An external professional valuation is carried out at least every five years, but is generally done every year. Surpluses and deficits arising on valuations are taken direct to the revaluation reserve. No depreciation or amortisation is provided in respect of freehold and leasehold investment properties. The directors consider that this accounting policy, which is not in accordance with the Companies Act 1985, results in the accounts giving a true and fair view. Depreciation or amortisation is only one of many factors reflected in the valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Group accounting policies (continued)

Investments

- (a) Listed investments of the company are stated in the balance sheet as fixed assets at cost less provisions for impairment. Profits or losses on the disposal of these investments and provisions for impairment are treated as exceptional.
- (b) Listed investments of the dealing subsidiary are stated in the balance sheet as current assets at the lower of cost and net realisable value, on a portfolio basis. The directors consider this policy to be appropriate given the readily marketable nature of the assets concerned. Net profits and losses on the realisation of these investments are included in the Consolidated Profit and Loss Account as part of the profit on ordinary activities before taxation.

Stocks

Stock is valued at the lower of cost and estimated net realisable value. Cost includes attributable overheads where appropriate.

Deferred taxation

Provision is made for the potential liability which would arise if the investments held as current assets were realised at their balance sheet values. No provision is made for deferred taxation which might arise if investment properties were realised at their balance sheet valuations as the properties of the group are held as long-term investments. The potential liability is set out in the note relating to provisions for liabilities and charges.

Notes to the financial statements

for the year ended 31 December 2000

1. Turnover, operating profit (loss) and net operating assets

	Turnover		Operating profit (loss)		Net operating assets	
	2000	1999	2000	1999	2000	1999
	£'000	£'000	£'000	£'000	£'000	£'000
Mining	2,900	2,190	28	(583)	850	610
Goodwill	—	—	(85)	(84)	301	386
	2,900	2,190	(57)	(667)	1,151	996
Property	716	665	331	267	7,486	7,172
Share dealing	72	268	12	110	445	416
Other investments	7	9	3	6	—	—
Group	3,695	3,132	289	(284)	9,082	8,584
Joint venture					759	636
Net non-operating liabilities					(3,097)	(2,864)
					6,744	6,356
Analysis by origin:						
United Kingdom	795	942	346	384	7,914	7,573
North America	—	—	—	—	29	50
Southern Africa	2,900	2,190	(57)	(668)	1,087	909
Australia	—	—	—	—	52	52
Group	3,695	3,132	289	(284)	9,082	8,584
Joint venture					759	636
Net Non-Operating Liabilities					(3,097)	(2,864)
					6,744	6,356

The analysis of turnover by destination is not materially different to the analysis of turnover by origin.

Net non-operating liabilities represent cash, overdrafts and creditors not specifically allocated against the groups' operations and geographical markets.

2. Operating costs

	2000	1999
	£'000	£'000
Mining	2,298	2,248
Royalties	41	147
Decrease/(increase) in inventories	75	(26)
Other operating income	(2)	(4)
Property expenses	355	344
Share dealing expenses	60	157
Cost of sales	2,827	2,866
Administrative expenses	579	550
Net operating costs	3,406	3,416

Share dealing includes the cost of investments sold and other attributable expenses.

Notes to the financial statements (continued)

3. Administrative expenses

	2000	1999
	£'000	£'000
Administrative expenses include:		
Directors' emoluments	108	94
Remuneration of auditors for audit services – UK	23	17
– South Africa	4	4

4. Directors' emoluments

The emoluments of the directors are shown in the Directors Report. There were no pension costs in respect of directors.

5. Exceptional items

Arising in respect of fixed asset investments		
– losses from disposals	(14)	15
– write down	—	(80)
	(14)	(65)

No taxation has been provided on the surplus on the sale of fixed asset investments as it is covered by capital losses brought forward.

6. Interest payable

Overdrafts	54	53
Bank loans not wholly repayable within 5 years	163	142
Other loans	17	12
	234	207

7. Taxation

Based on the results for the year:

Corporation tax at 30% (1999 : 30.25%)	72	67
Prior year adjustment	(12)	(3)
Deferred taxation	—	(7)
Attributable to franked investment income	—	2
	60	59
Joint venture	9	4
	69	63

The effective rate of corporation tax is based on taxable profits of Bisichi Mining PLC and Mineral Products Limited only. No tax charge arises on the overseas subsidiaries due to losses.

Notes to the financial statements (continued)

8. Attribution of result to Bisichi Mining PLC

	2000 £000	1999 £000
Dealt with in the financial statements of Bisichi Mining PLC	<u>80</u>	<u>6</u>

In accordance with the exemption permitted by Section 230 of the Companies Act 1985, the parent company has not presented its own profit and loss account.

9. Dividend

	2000 Per share £000	1999 Per share £000
Proposed final dividend	<u>1.00p</u> <u>105</u>	<u>1.00 p</u> <u>105</u>

10. Earnings per share

These have been calculated on 10,451,506 (1999: 10,451,506) Ordinary shares being the number of shares in issue during the year and the profit for the financial year attributable to holders of ordinary shares of £64,000 (1999 : Loss £326,000).

11. Intangible fixed assets

	2000 £000
Group	£000
Goodwill on acquisition of subsidiary:	
Cost at 1 January and 31 December 2000	675
Accumulated amortisation at 1 January 2000	<u>289</u>
Amortised in year	<u>85</u>
Accumulated amortisation at 31 December 2000	374
Net Book value as at 31 December 2000	301
Net book value as at 31 December 1999	<u>386</u>

Goodwill is being written off over the estimated life of the mine as the coal is extracted.

Notes to the financial statements (continued)

12. Tangible fixed assets

Group	Investment properties					
	Total £000	Freehold £000	Long leasehold £000	Plant and machinery £000	Motor vehicles £000	Office equipment £000
Cost or valuation at 1 January 2000	8,913	4,300	3,050	1,338	193	32
Currency translation adjustment	(185)	—	—	(162)	(21)	(2)
Additions	260	—	7	205	44	4
Revaluation	418	75	343	—	—	—
Cost or valuation at 31 December 2000	9,406	4,375	3,400	1,381	216	34
At valuation	7,775	4,375	3,400	—	—	—
At cost	1,631	—	—	1,381	216	34
	<u>9,406</u>	<u>4,375</u>	<u>3,400</u>	<u>1,381</u>	<u>216</u>	<u>34</u>
Accumulated depreciation at						
1 January 2000	504	—	—	404	77	23
Currency translation adjustment	(58)	—	—	(49)	(8)	(1)
Charge for the year	246	—	—	208	35	3
Accumulated depreciation at						
31 December 2000	692	—	—	563	104	25
Net book value at 31 December 2000	8,714	4,375	3,400	818	112	9
Net book value at 31 December 1999	8,409	4,300	3,050	934	116	9

Company

	Investment properties				
	Total £000	Freehold £000	Long leasehold £000	Motor vehicles £000	Office equipment £000
Cost or valuation at 1 January 2000	7,393	4,300	3,050	23	20
Additions	44	—	7	37	—
Revaluation	418	75	343	—	—
Cost or valuation at 31 December 2000	7,855	4,375	3,400	60	20
At valuation	7,775	4,375	3,400	—	—
At cost	80	—	—	60	20
	<u>7,855</u>	<u>4,375</u>	<u>3,400</u>	<u>60</u>	<u>20</u>
Accumulated depreciation at 1 January 2000	32	—	—	15	17
Charge for the year	10	—	—	10	—
Accumulated depreciation at 31 December 2000	42	—	—	25	17
Net book value at 31 December 2000	7,813	4,375	3,400	35	3
Net book value at 31 December 1999	<u>7,361</u>	<u>4,300</u>	<u>3,050</u>	<u>8</u>	<u>3</u>

Notes to the financial statements (continued)

12. Tangible fixed assets (continued)

Freehold and Long Leasehold properties were externally professionally valued at 31 December, 2000 on an open market basis by:

	£000
Allsop & Co, Chartered Surveyors	5,400
B P Towler & Son, Chartered Surveyors	2,375
	<u>7,775</u>

The valuations were carried out in accordance with the Statements of Asset Valuation and Guidance Notes published by the Royal Institution of Chartered Surveyors.

The historical cost of freehold investment properties is £1,856,000 (1999: £1,856,000) and long leasehold investment properties is £1,100,000 (1999: £1,093,000). Long leasehold properties are those for which the unexpired term at the balance sheet date is not less than 50 years.

13. Investments held as fixed assets

Group	Total £000	Joint venture Assets £000	Other £000
At 1 January 2000	976	635	341
Additions	69	—	69
Disposals	(31)	—	(31)
Share of revaluation reserve of joint venture	95	95	—
Share of profit of joint venture	28	28	—
At 31 December 2000	1,137	758	379
Provision for diminution in value	(213)	—	(213)
As at 1 January and 31 December 2000	(213)	—	(213)
Net book value at 31 December 2000	924	758	166
Net book value at 31 December 1999	763	635	128

Notes to the financial statements (continued)

13. Investments held as fixed assets (continued)

Company	Total £000	Shares £000	Subsidiaries Loans £000	Joint venture Shares £000	Other £000
Cost at 1 January 2000	1,815	1,024	295	164	332
Additions	127	—	127	—	—
Disposals	(31)	—	—	—	(31)
Cost at 31 December 2000	1,911	1,024	422	164	301
Provision for impairment	(504)	(291)	—	—	(213)
As at 1 January 2000	(85)	(85)	—	—	—
Charge in year	(589)	(376)	—	—	(213)
As at 31 December 2000	(589)	(376)	—	—	(213)
Net book value at 31 December 2000	1,322	648	422	164	88
Net book value at 31 December 1999	1,311	733	295	164	119

Other investments comprise £88,000 (1999: £110,000) shares and £Nil (1999: £9,000) loans.

Group and company

	2000 £000	1999 £000
Net book value of investments listed on overseas Stock Exchanges	154	176
Market value of the overseas listed investments	<u>42</u>	<u>57</u>

The directors, having conducted a detailed review of the investments held, do not consider that there has been a permanent diminution in their value.

14. Joint venture

The company owns 50% of the issued share capital of Dragon Retail Properties Limited, an unlisted property investment company. The remaining 50% is held by London & Associated Properties PLC. Dragon Retail Properties Limited is incorporated in Great Britain and operates in England. It has issued share capital of £500,000 (1999: £500,000) ordinary shares of £1 each.

These figures reflect the Company's share in the joint venture:

	2000 £000	1999 £000
Turnover	169	140
Profit and loss		
Profit before tax	37	19
Taxation	(9)	(4)
Profit after taxation	<u>28</u>	<u>15</u>
Balance sheet		
Fixed assets	2,625	1,901
Current assets	223	88
Liabilities due within one year	(146)	(104)
Liabilities due after more than one year	(1,943)	(1,250)
Share of net assets at 31 December	<u>759</u>	<u>635</u>

Notes to the financial statements (continued)

15. Subsidiary companies

The company owns the following ordinary share capital of the subsidiaries:

	Activity	Percentage of share capital	Country of incorporation and principal country of operation
Mineral Products Limited	Share dealing	100.0%	England and Wales
Black Wattle Colliery (pty) Limited	Coal mining	62.5%	South Africa
Bisichi Coal Mining (pty) Limited	Coal mining	100.0%	South Africa
Bisichi Mining (Exploration) Limited	Dormant	100.0%	England and Wales

In the opinion of the directors the aggregate value of the investment in subsidiaries is not less than the amount shown in these financial statements.

16. Debtors

	Group		Company	
	2000	1999	2000	1999
	£000	£000	£000	£000
Amounts falling due within one year:				
Trade debtors	253	57	–	–
Amounts due from subsidiary undertakings	–	–	765	522
Amounts due from joint venture	38	38	38	38
Other debtors	184	215	184	203
Prepayments and accrued income	15	18	14	15
Corporation tax recoverable	2	–	–	–
	<u>492</u>	<u>328</u>	<u>1,001</u>	<u>778</u>

Other debtors includes a loan of £10,000 (1999: £10,000) to the Trustees of the Employee Benefit Trust which was used to purchase shares in the Company.

17. Investments held as current assets

	Group	
	2000	1999
	£000	£000
Market value of Listed Investments:		
Listed in Great Britain	568	578
Listed outside Great Britain	38	43
	<u>606</u>	<u>621</u>
Original cost of Listed Investments	424	420
Unrealised surplus of market value over cost	<u>182</u>	<u>201</u>

Notes to the financial statements (continued)

18. Creditors

	Group		Company	
	2000	1999	2000	1999
	£000	£000	£000	£000
Amounts falling due within one year:				
Bank overdraft (secured)	838	735	792	707
Bank loan (secured)	73	45	31	–
Trade creditors	191	219	–	–
Joint venture	170	–	170	–
Corporation tax	71	68	71	34
Other taxation and social security	25	23	25	23
Proposed dividend	105	105	105	105
Other creditors	265	173	264	171
Accruals and deferred income	511	703	236	239
	<u>2,249</u>	<u>2,071</u>	<u>1,694</u>	<u>1,279</u>

The bank overdraft of the Company is secured by a charge over a long leasehold property. The Black Wattle Colliery (pty) Limited overdraft is secured against that company's debtors.

19. Creditors

	Group		Company	
	2000	1999	2000	1999
	£000	£000	£000	£000
Amounts falling due after more than one year:				
Medium term bank loans	2,060	2,074	1,969	2,000
Other loan	71	81	–	–
	<u>2,131</u>	<u>2,155</u>	<u>1,969</u>	<u>2,000</u>

20. Bank loans and financial instruments

Bank loans instalments by reference to the balance sheet date:

	Group		Company	
	2000	1999	2000	1999
	£000	£000	£000	£000
Within one year	73	45	31	–
From one to two years	144	77	125	31
From two to five years	447	403	375	375
Over five years	1,469	1,594	1,469	1,594
	<u>2,133</u>	<u>2,119</u>	<u>2,000</u>	<u>2,000</u>
Bank loans analysis by origin:				
United Kingdom	2,000	2,000	2,000	2,000
Southern Africa	133	119	–	–
	<u>2,133</u>	<u>2,119</u>	<u>2,000</u>	<u>2,000</u>

Notes to the financial statements (continued)

20. Bank loans and financial instruments (continued)

Treasury

Treasury activities take place under procedures and policies approved and monitored by the Board to minimise the financial risk faced by the Group. The bank loans are secured by way of a first charge on certain fixed assets. The rates of interest vary based on LIBOR in the UK and PRIME in South Africa. The other loan is repayable from Black Wattle Colliery (pty) Limited profits and interest is payable at PRIME in South Africa.

Borrowings facilities

At 31 December 2000 the Group was within its bank borrowing facilities. Overdrafts are renewable annually. Term loan repayments are as set out above.

Foreign currency

All trading is undertaken in the local currencies. Funding is also in local currencies other than inter-company investments and loans and it is not the Group's policy to cover these amounts as the date of repayment is uncertain.

Fair value

The directors estimate the fair value of the net borrowings at 31 December is not significantly different from their book value.

21. Provision for liabilities and charges

	Group £'000
Deferred Taxation	
Balance at 1 January 2000	12
Transfer to profit and loss account	—
Timing difference following the revaluation of current asset investments for taxation purposes	12

No provision has been made for the approximate taxation liability at 30% (1999 : 30%) of £969,000 (1999 : £909,000) which would arise if the investment properties were sold at the stated valuation.

22. Minority interest

The minority interest represents the share of the losses in Black Wattle Colliery (pty) Limited attributable to the minority shareholder less the nominal value of shares held by that shareholder. The Directors are confident that the losses will be recovered in future years.

23. Share capital

	2000 £'000	1999 £'000
Authorised: 13,000,000 ordinary shares of 10p each	1,300	1,300
Allotted and fully paid: 10,451,506 ordinary shares	1,045	1,045

Notes to the financial statements (continued)

24. Reserves

	Revaluation reserve £'000	Capital reserve on consolidation £'000	Retained earnings £'000
Company			
Balance at 1 January 2000	4,401	—	742
Exchange adjustment	—	—	(82)
Revaluation of investment property	418	—	—
Retained (loss) for the year	—	—	(25)
Balance at 31 December 2000	4,819	—	635
Share in subsidiary and joint venture			
Balance at 1 January 2000	200	101	(133)
Exchange adjustment	—	—	(2)
Revaluation of investment property	95	—	—
Retained (loss) for the year	—	—	(16)
Transfer of realised revaluation gains	(14)	(15)	29
Balance at 31 December 2000	281	86	(122)
Group at 31 December 2000	5,100	86	513
Group at 1 January 2000	4,601	101	609

25. Reconciliation of operating profit to net cash inflow from operating activities

	2000 £'000	1999 £'000
Operating profit (loss)	289	(284)
Depreciation charges	246	188
Goodwill amortised	85	84
Provision against current asset investment	4	—
Profit on sale of current asset investments	(16)	(109)
Decrease (increase) in stocks	71	(26)
(Increase) in debtors	(183)	(112)
Increase in creditors	135	529
Net cash inflow from operating activities	631	270

Notes to the financial statements (continued)

26. Analysis of changes in net debt

	At 1 January 2000 £000	Cash flows £000	Exchange adjustment £000	At 31 December 2000 £000
Bank balances	48	45	(5)	88
Overdrafts	(735)	(102)	(1)	(838)
	(687)	(57)	(6)	(750)
Debt due within one year	(45)	(34)	6	(73)
Debt due in after one year	(2,155)	24	—	(2,131)
	(2,887)	(67)	—	(2,954)

27. Related Party Transactions

	At 31 December 2000 Amounts owed to related party £000	At 31 December 2000 Amounts owed by related party £000	During the year Costs recharged by related party £000	Cash (received) from related party £000
Related party:				
London & Associated Properties PLC (note (a))	195	—	259	—
Dragon Retail Properties Limited (note (b))	170	38	—	—
	<u>365</u>	<u>38</u>	<u>259</u>	<u>—</u>
As at 31 December 1999	<u>125</u>	<u>38</u>	<u>252</u>	<u>—</u>

London & Associated Properties PLC is a substantial shareholder.

Dragon Retail Properties Limited is a joint venture and is treated as a fixed asset investment. Both London & Associated Properties PLC and the company have provided a guarantee in respect of a bank loan up to a maximum of £250,000 each.

(a) London & Associated Properties PLC

Property management, office premises, general management, accounting and administration services are provided for Bisichi Mining PLC and its subsidiaries.

(b) Dragon Retail Properties Limited

Dragon Retail Properties Limited is owned equally by the company and London & Associated Properties PLC.

Notes to the financial statements (continued)

28. Employees

	2000 Number	1999 Number
The average weekly number of employees of the group during the year were as follows:		
Production	159	170
Administration	14	15
	<u>173</u>	<u>185</u>
	£000	£000
Staff costs during the year were as follows:		
Salaries	615	725
Social security costs	66	98
	<u>681</u>	<u>823</u>

29. Capital commitments

Commitments for capital expenditure contracted for at the year end	—	3
--	---	---

30. Contingent Liabilities

The company has provided a guarantee in respect of a bank loan up to maximum of £250,000 to Dragon Retail Properties Limited, a joint venture.

Notice of Annual General Meeting

NOTICE is hereby given that the ninetieth annual general meeting of the company will be held at 8-10 New Fetter Lane, London EC4A 1AF on Tuesday 5 June 2001 at 10.30 am for the transaction of the following business:

- | | |
|---|----------------|
| 1 To receive and adopt the directors' report, annual accounts and auditors report for the year ended 31 December 2000 | (Resolution 1) |
| 2 To declare and approve a dividend of 1.0p per share. | (Resolution 2) |
| 3 To re-elect as a director Mr R G W Mackilligin | (Resolution 3) |
| 4 To elect as a director Mr C A Joll | (Resolution 4) |
| 5 To reappoint PKF as auditors. | (Resolution 5) |
| 6 To authorise the directors to determine the remuneration of the auditors. | (Resolution 6) |

8-10 New Fetter Lane
London EC4A 1AF
Registered in England and Wales - Number 112155
9 March 2001

By order of the board
M C STEVENS
Secretary

Notes:

- 1 A member entitled to vote at the meeting may appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the company.
- 2 To be valid, the instrument appointing a proxy, together with the power of attorney or other authority, if any, under which it is signed (or a notarially certified copy of such power of authority) must be deposited at the company's registrars, Centra IRG plc, Balfour House, 390/398 High Road, Ilford, Essex IG1 1NQ not later than 48 hours before the time fixed for the meeting or if the meeting is adjourned not later than 48 hours before the time fixed for the adjourned meeting.
- 3 Completion of a proxy form will not preclude shareholders from attending and voting at the meeting if they wish. A form of proxy is enclosed for use by shareholders.
- 4 The following document will be available for inspection at the registered office of the company on any weekday during normal business hours and will also be available from 10.15 am on the day of the meeting until the close of the meeting:
 - A register in which are recorded all the transactions of each director and their family interests in the share capital of the company.

Form of Proxy

I/We the undersigned, being the holder(s) of ordinary shares of the company, hereby appoint

.....
or, failing him/her, the chairman of the meeting as my/our proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the company to be held on Tuesday 5 June 2001 at 10.30 am at 8-10 New Fetter Lane, London EC4A 1AF and at any adjournment thereof. I/We direct that my/our vote(s) be cast on the resolutions as indicated by an X in the appropriate spaces below.

RESOLUTIONS	FOR	AGAINST
Ordinary Business		
1 To receive and adopt the directors' report, annual accounts and auditors' report for the year ended 31 December 2000.		
2 To declare a dividend and approve a dividend of 1.0 p per share.		
3 To re-elect as a director Mr R. G. W. Mackilligin.		
4 To elect as a director Mr C. A. Joll.		
5 To reappoint PKF as auditors.		
6 To authorise the directors to determine the remuneration of the auditors.		

Notes:

- Shareholders may appoint one or more proxies of his/her/their own choice. A proxy need not be a member of the company. The chairman of the meeting will act as your proxy if you do not insert the name of a proxy of your choice.
- Please indicate with an X how you wish your votes to be cast. Any alterations made to this form should be initialled.
- Unless otherwise instructed the proxy will abstain or vote as he/she thinks fit. On any motion to amend any resolution, to propose a new resolution, to adjourn the meeting or any other motion put to the meeting the proxy will act at his/her discretion.
- If the appointee is a corporation this proxy should be executed under the common seal of such corporation in accordance with Section 36A of the Companies Act 1985 or be signed by its attorney or by an authorised officer on behalf of the Corporation. In the case of an individual this proxy should be signed by the appointee or his attorney.
- To be valid, the instrument appointing a proxy, together with the power of attorney or other authority, if any, under which it is signed (or a notarially certified copy of such power or authority) must be deposited at the company's registrars, Centra IRG plc, Balfour House, 390/398 High Road, Ilford, Essex IG1 1NQ not later than 48 hours before the time fixed for the meeting, or if the meeting is adjourned not later than 48 hours before the time fixed for the adjourned meeting.
- In the case of joint registered holders the signature of any holder is sufficient but the vote of the senior holder who tenders a vote shall be accepted to the exclusion of the other joint holders. For this purpose seniority shall be determined by the order in which the names stand in the register of members.
- Completion of this form will not preclude a shareholder from attending and voting in person.

Full Name (block capitals please)

Address

Signed this.....day of.....2001 (Signature)

Second Fold

BUSINESS REPLY SERVICE
Licence No. ANG 1468

2

**The Registrar, Bisichi Mining PLC,
Capita IRG plc,
Balfour House,
390/398 High Road,
Ilford,
Essex IG1 1NQ**

Third Fold

Tuck inside facing flap

First Fold

