



GOLDPLAT_{plc}

MARKET LEADERS IN GOLD RECOVERY IN AFRICA

ANNUAL REPORT 2013



GOLDPLAT MARKET LEADERS IN GOLD RECOVERY IN AFRICA

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COMPANY INFORMATION

DIRECTORS

Ian Visagie
Acting Chief Executive Officer, Chief Financial Officer

Brian Moritz
Non-Executive Chairman

Dr Robert Pitts Smith
Managing Director, recovery operations

Nigel Wyatt
Non-Executive Director

COMPANY SECRETARY

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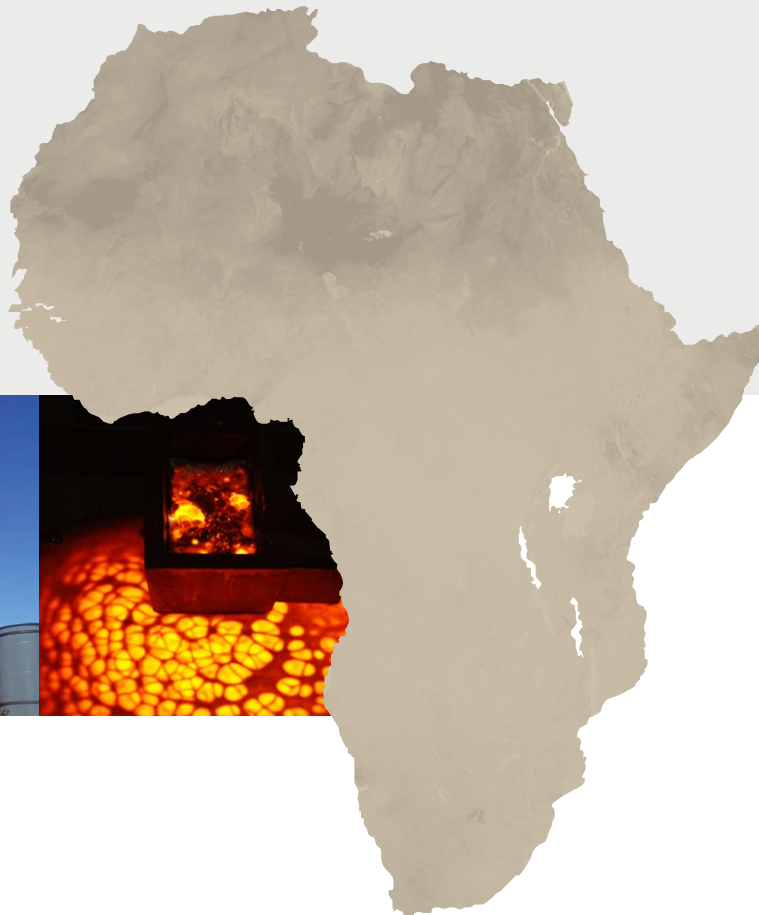
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OVERVIEW



OVERVIEW

- Market leaders in gold recovery in Africa – production from Ghana and South Africa totalled 35,099 ounces generating a gross profit of £5,308,892
- Undertaken a strategic review – refocus Goldplat's business model to concentrate on the growth of the core profitable gold recovery businesses
- Implemented plans to further improve processing and profitability of South African and Ghanaian gold recovery operations to maintain position as a profitable, dividend paying, debt free gold company
- Examining the potential to expand Goldplat's gold recovery business in Africa in order to generate new revenue streams and capitalise on this prospective industry
- Kilimapesa Gold mine in Kenya placed on care and maintenance to eliminate losses – production totalled to 789 ounces of gold for the year

- South African Gold Recovery BEE compliant – sold further 11% to BEE partner Amabubesi for approximately £2.1 million, giving a current see-through value for the 85% of GPL Goldplat owns of circa £16 million
- Strengthened management team – appointed Hansie van Vreden, a qualified Metallurgist, as Managing Director of South African and Ghanaian gold recovery operations

FINANCIALS

- Operating profits to £2.64 million (2012: £4.53 million)
- Profit before tax to £207,000 (2012: £5.24 million) – post a £2.373 million asset impairment charge for Kilimapesa Gold mine in Kenya
- Net cash position of £2.36 million as at 30 June 2013 (2012: £4.58 million)
- Gross dividend of 0.12 pence is proposed

CHAIRMAN'S STATEMENT

BRIAN MORITZ

This has been a challenging year for gold producing companies, with many seeing their profits decimated by the reduction in the price of gold. Given this background I am pleased to be able to report that the underlying profits of our gold recovery business in South Africa and Ghana have been maintained materially at the same level as in the previous year. At the same time, management has been implementing plans to improve processing and profitability at these gold recovery operations, allowing us to maintain our position as a profitable, dividend paying, debt free gold company.

Our two market leading gold recovery businesses remain at the core of our business, with our mature South African gold recovery operation performing particularly well, as the most cash-generative division of our Company during the period. In South Africa the recent rapid decline in the value of the South African Rand has also largely mitigated the reduction in the gold price. At our Ghanaian gold operation, whilst still cash generative, we sustained a difficult period with unlawful competition reducing the material available for processing. The Ghanaian Government has recognised this and has put in place stringent practices to curtail such activities. In both countries, therefore, Goldplat's operations are in a better competitive environment than was the case last year. Consequently, we see significant development potential for our gold recovery operations and we are examining the potential for expanding the gold recovery business across the continent in order to generate new revenue streams and capitalise on this prospective opportunity. While the first half of the current financial year remains a difficult trading period, we expect the improvements to show in the second half year.

The robustness of our gold recovery operations was further highlighted by a strategic review undertaken earlier in the year. The review, which focussed on maintaining strong revenue growth and stable margins in the uncertain gold price environment, confirmed gold recovery as the most profitable and core facet of our business. Accordingly, we de-prioritised our exploration and development portfolio in Kenya, Ghana and Burkina Faso during the period. As a result, in order to eliminate losses caused by continued operational constraints, we took the decision to write-down a portion of the pre-production expenses at the Kilimapesa Gold Mine in Kenya ('Kilimapesa') in H1 2013, and in June 2013 placed the mine on a care and maintenance programme until the project economics can justify the reopening. With regards to our smaller Burkina Faso and Ghanaian gold projects we are continuing to evaluate opportunities to best realise value from these exploration assets and will provide an update on this in due course.

"We intend to continue to pay dividends to shareholders, and propose a gross dividend of 0.12p per share"

The Company paid its first dividend in 2012. Notwithstanding the problems encountered in 2013, we intend to continue to pay dividends to shareholders, and propose a gross dividend of 0.12p per share for the year (2012: 0.6p per share). The reduced level is regrettable, however we feel that a long term commitment to dividend payments is reflective of the positive outlook we maintain for Goldplat's future and also in the best interests of our supportive shareholders.

In addition, we were pleased to announce that we successfully implemented a share buyback initiative, primarily to help crystallise Goldplat's value, as we believe that Goldplat's current share price does not fully reflect its assets and profit potential. This initiative was approved in March 2013, and in June 2013 we purchased 1,000,000 of our own ordinary shares of 1p each at an average price of 6.7775 pence per share, all to be held as treasury shares.

CHAIRMAN'S STATEMENT

(CONTINUED)

With the above developments in mind, whilst our operating profit has decreased due to the economic losses incurred during the period at our Kilimapesa mine in Kenya, I see a bright future for Goldplat as we concentrate on the development and growth of our profitable, core gold recovery businesses.

FINANCIALS

Operating profits for the year, the measure by which Goldplat should be judged, are £2,639,000, (2012: £4,527,000) a reduction of £1,888,000. Of this reduction £1,307,000 represents mining activities at Kilimapesa, where a profit of £319,000 in 2012 became a loss of £983,000 in 2013. The decision to put Kilimapesa on care and maintenance has stemmed such losses. The decline in profits at the gold recovery operations of £586,000 is partly explained by one off charges under IFRS 2 for the grant of options and by duplication of management during a change over period. Stripping out those items results in a reduction in operating profit from the core recovery business of well under 10%, which is less than might be expected from the reduction in the gold price. The headline profit of £207,000 is misleading, and does not truly represent the results of the period.

During the year the directors have re-evaluated the investment in subsidiaries in the light of the exploration results achieved and the reduction in the gold price, as well as the legal requirement to transfer part of the equity in certain subsidiaries to local ownership. This legal requirement applies in South Africa and in Kenya. We decided to bring forward the sale of 11% of our South African subsidiary, which was required by 1 May 2014, as part of this process. We achieved an excellent price for this stake, resulting in a profit of £1,657,000. It is noteworthy that this alone represents a value for our holding in the South African subsidiary of more than 10p per Goldplat share. At the same time the Kenyan Government is introducing legislation requiring 10% of mining companies to be ceded to the State without compensation, and provision has been made for that loss.

The results of exploration on our properties at Anumso Gold in Ghana and Nyieme in Burkina Faso have been published during the year. On the basis of such results, and the current gold price, we consider that the costs of

the properties plus the exploration costs, mainly incurred in previous periods, may not be justified, and we have written down the carrying value accordingly, as well as taking a prudent view of the value of Kilimapesa Gold generally.

Although it might be expected that all amounts should be dealt with in the same section of the Income Statement, IFRS requires that the actual realised profit on the disposal of the South African subsidiary be removed from the Income Statement and treated as a Change in Equity, while the provision for the loss on ceding 10% of Kilimapesa Gold is charged before arriving at the profit for the year. That results in the profit before tax being stated at £1,657,000 less than would otherwise be the case.

“I see a bright future for Goldplat as we concentrate on the development and growth of our profitable, core gold recovery businesses”

For these reasons, the profit before tax is reduced to £207,000 (2012: £5,244,000).

GOLD RECOVERY OPERATIONS

Our market leading gold recovery operations in South Africa and Ghana continue to operate profitably, recovering precious metals from by-products of the mining process, such as woodchips, mill liners, fine carbon, slags, sludges and waste grease. Goldplat's gold recovery services provide an economic method for mines to dispose of waste materials while at the same time adhering to a mine's environmental obligations. Goldplat boasts a substantial blue-chip supplier base, primarily at its South African operation, that includes AngloGold Ashanti, Goldfields and Harmony. We remain the leading company in the gold recovery arena in Africa through continuous investment in our operations and the implementation of initiatives to optimise our production capabilities.

In particular, our mature South African gold recovery operation has performed strongly during FY 2013, whilst our Ghanaian gold recovery operation, whilst still profitable,

South African gold recovery operation



has seen some operational difficulties which has impacted on its growth during the period. Consequently, we remain focussed on maintaining each plant's operational efficiency, with cash generation and stable margins remaining a key focus, and initiatives have been put in place with regards to improving the operational efficiency of our Ghanaian operation where the Board see great growth potential for the future.

GOLDPLAT RECOVERY (PTY) LIMITED – SOUTH AFRICA ('GPL')

Goldplat's South African gold recovery operation, GPL, continues to generate strong revenues for the Company, underlining the fundamental value and success of the recovery business and securing its position as a market leader. Indeed, for FY 2013 GPL produced 16,231 ounces of gold, generating a gross profit of £3,231,516.

This profitability has been achieved through our continued commitment to improving operations; this past year we have implemented new capital projects to increase gold production and reduce the stockpile inventory at GPL. Firstly we successfully commissioned a new tailings re-treatment carbon-in-leach ('CIL') plant in March 2013, on time and on budget, to help process five years of tailings that are currently on site. The plant is performing well within expectation.

Secondly, to capitalise on the substantial stockpile of high-grade woodchips (estimated to equate to seven years of current capacity), we recently installed a second rotary kiln in July 2013, again on budget and on time, to increase the available production capacity at GPL. The second rotary kiln has been performing well and will increase GPL's flexibility in processing various materials.

With these two new capital projects completed, ensuring more cost effective operations are in place, I believe we are well placed to continue and further increase GPL's profitability during the course of FY 2014.

In light of this a further important development is an agreement to purchase cyanide direct from local suppliers in liquid form rather than through intermediaries. While this will require capital expenditure to increase in our cyanide storage capability, it has the potential to reduce costs substantially.

We also remain focussed on developing our high margin, fine carbon processing service and as such we have successfully secured new supply contracts with major South African gold producers, which have significantly expanded our operations and strengthened revenue streams. As a result of these contracts, we believe our fine carbon processing section at GPL will continue to perform robustly during 2014. This constant investment in our recovery operations underpins our commitment to ensuring we maintain a competitive service offering and stronghold on gold recovery in the area.

“We also remain focussed on developing our high margin, fine carbon processing service and as such we have successfully secured new supply contracts with major South African gold producers”

In addition to these advancements at our main plant in Benoni, Johannesburg, the Company approved the development of Central Rand Gold's ('CRG') Crown East No 4 shaft earlier this year, to supply high-grade material to supplement the CIL plant at GPL. The operation has initially been designed to produce 200 tonnes per month of material grading approximately 15 g/t. This operation will be undertaken by a third party mining contractor and CRG will be paid a 5% net smelter return on all gold produced from the operation. To date, Goldplat has accessed the 3 Level area which has exposed the main reef resource initially targeted. Due to operational constraints, production levels have not yet been able to be optimised, however we are currently in the process of investigating a method to effectively remove the ore from lower levels and look forward providing an update on these developments in due course.

In terms of GPL's operational management, as part of continued succession planning, we appointed Hansie van Vreden, a qualified Metallurgist, as General Manager of GPL earlier this year and as from September 2013 he has been appointed as Managing Director of GPL and our

CHAIRMAN'S STATEMENT

(CONTINUED)

South African gold recovery processing plant



Ghanaian gold recovery operations also. Prior to joining Goldplat, Hansie was the Production Metallurgist at AngloGold Ashanti's Kopanang Gold Plant in South Africa and we believe his technical expertise and experience will be ideally suited to drive both the efficiency and profitability of our gold recovery operations going forward.

To ensure that GPL is 100% Black Economic Empowerment compliant well in advance of the 1 May 2014 deadline, we signed a binding agreement with our partners Amabubesi Property Holdings (Pty) Ltd ('Amabubesi') to sell a further 11% of GPL to Amabubesi increasing its interest from 15% to 26% ('the Transaction'). Amabubesi have been very supportive shareholders since their initial acquisition in 2008 and we look forward to continuing this relationship in the future.

Interestingly, the Transaction, which valued GPL at approximately £19 million, gives a current see-through value for the 85% of GPL we owned of circa £16 million or a Goldplat share price of 10p. Again this highlights the fundamental value of our South African operation.

GOLD RECOVERY GHANA LIMITED ('GRG') – GHANA

GRG's gold recovery operation, which enjoys a tax free status until 2016, is located in the free port of Tema in Ghana. Like our mature South African operation, GRG processes by-products from the primary mining process, but also processes artisanal tailings to capitalise on West Africa's active artisanal mining presence. During the period GRG produced 18,868 ounces of gold, generating a gross profit of £2,077,376.

GRG has three profit centres: a tolling agreement with Endeavour Resources where tailings purchased by GRG from artisanal and small scale miners are processed off-site, which accounts for approximately 56% of GRG's revenues; a carbon in leach ('CIL') section at Tema, processing artisanal tailings on site, which accounts for 31% of revenue generation at GRG; and an incinerator section, which recovers high grade gold from fine carbon and rubber mill liners procured from blue-chip mining clients such as Goldfield Limited, AngloGold Ashanti Limited and Golden Star Resources Limited, and accounts for approximately 13% of revenues at GRG.

During the period our GRG gold recovery operation sustained some operational difficulties, which saw our Ghanaian revenues for FY 2013 lower than that of FY 2012. In light of this, a strategic review was conducted at GRG with the aim of increasing our second gold recovery plant's operational efficiency and profitability.

“A strategic review was conducted at GRG with the aim of increasing our second gold recovery plant's operational efficiency and profitability”

With regard to this, our toll treatment contract with Endeavour Resources, our largest profit centre, has performed profitably during the period. As noted, during the year there were margin pressures as a result of the increase in procurement costs of artisanal tailings in the area, itself exacerbated by unlawful trading by some competitors, and an increase in transport and tolling costs. However we introduced measures to mitigate these factors, by sourcing higher grade material closer to Endeavour's Nzema plant to reduce the transport costs. The Government has also acted to curtail unlawful trading activities that have been sustained during the period. Our primary operational difficulties during the period were seen at our CIL section at Tema; margin pressures were sustained as a direct result of costs incurred from securing tailings from artisanal and small scale miners and again with the transportation of these. As a result of this we took the decision to stop the procurement of material and closed our CIL section at Tema to minimise further losses until longer term contracts and material that meets our margin criteria can be sourced on a sustainable basis. Subsequent to the year-end it has been decided to re-treat the stockpiled tailings on-site through the CIL circuit only, which to date has proved to be successful. We have also entered into a Memorandum of Agreement with the Small Miners Association in Ghana whereby they will assist in the procurement of legal sources of material at economic prices. We see this as a sustainable solution to the procurement of tailings.

Rotary kiln



The incinerator section at Tema, which comprises two fluidised bed incinerators, a spiral section and a static furnace which treats by products from the primary gold mining industry, performed well during the period. As highlighted by the strategic review undertaken during 2013, it is our intention to continue to grow this section, which has many similarities to our South African gold recovery operation.

“The Company has engaged with and continues to have strong relations with the Kenyan Government”

Furthermore, in order to increase the processing capacity of GRG and widen the range of the products that can be treated at the plant, we are planning to expand our gold recovery capabilities. An additional spiral circuit will be added to the fine carbon section, which will improve the quality of the feed to the incinerator. Furthermore, a rotary kiln has been purchased for installation at GRG to process high-grade woodchips in due course.

With these initiatives in place we remain confident of the growth potential of our second gold recovery operation and in turn generating important cashflow for the Company.

BURKINA FASO: MIDAS GOLD SARL (‘MIDAS’)

As previously highlighted, a longer-term aim for Goldplat is to expand our profitable gold recovery operations to take advantage of the favourable gold production environment throughout Africa.

With this in mind, we have been evaluating the potential of expanding our gold recovery reach to Burkina Faso in the near-term, where we believe significant opportunity exists to roll-out our recovery model in West Africa. The development of the new gold recovery operation, called ‘Midas’, has been delayed for a number of reasons including changes in local environmental and gold export legislation and the shift in Midas’ previously planned focus from an artisanal tailings operation similar to that at GRG, to one focussing on the recovery from products such as

high grade fine carbon and mill liners from the major gold producers. Midas re-commissioned the Environmental Study for the site in Dano, which was completed at the end of August 2013, and the operating licence is expected to be in place by the end of 2013. The Midas operation will initially be designed to treat high grade material with additional circuits to be added over time when additional recovery material is sourced and secured.

MINING AND EXPLORATION

As mentioned, a strategic review was undertaken during the year, which analysed Goldplat’s main value drivers, growth potential and centres of profitability. As a result of this the Company has made a move away from investing in greenfields exploration assets, in order to focus on our growing, cash generative, niche gold recovery business.

As a result, although the Company announced a 25% increase in JORC compliant Mineral Resources from 742,392 oz Au to 931,071 oz Au across its Kenyan, Ghanaian and Burkina Faso gold mining and development portfolio during 2012/2013 (the mining and exploration portfolio within the Goldplat group), the Company took the decision to reassess the exploration portfolio in terms of strategic direction. Accordingly, we remain focussed on ascertaining the best way to crystallise value for shareholders from these assets, without this division being of primary importance.

Our Kilimapesa gold project is located in the historically productive Migori Archaean Greenstone Belt in western Kenya. Kilimapesa has a mineral resource of 8,715,291 tonnes at 2.40 g/t Au for 671,446 oz Au at a cut-off of 1 g/t.

During the period, Kilimapesa, which first poured gold in January 2012, sustained operational difficulties due to a lack of processing capacity. Plans had been put in place to redesign the plant to ensure a 125 tonnes per day operation, targeting 5,000 ounces of gold per annum. A new adit, designed to access the reef at a lower level and permit lower cost mechanised mining, encountered unstable ground, and a decision was made to close it permanently for safety reasons. Due to continued operational difficulties at the mine as well as the current uncertain gold price environment, we took the prudent approach to eliminate further losses and placed

CHAIRMAN'S STATEMENT

(CONTINUED)

Mining by-products – mill liners



Kilimapesa on a care and maintenance programme until a time when the project economics can justify the reopening of the mine. In line with this, we retrenched a further 50 employees and are maintaining the mining operation on a skeleton staff. It should be noted that the processing plant continues to process stockpiles of ore at the plant to cover the costs of the care and maintenance programme.

The Company has engaged with and continues to have strong relations with the Kenyan Government and are confident of a favourable outcome for all stakeholders regarding the future of Kilimapesa.

In regards to our two greenfield gold exploration projects, which include the 29 sq km Anumso Gold Exploration licence located in the Amansie East and Asante Akim South Districts of the Ashanti Region in Ghana, and the 246 sq km Nyieme project in the prospective Birimian Greenstone Belt in southern Burkina Faso, we are continuing to evaluate opportunities to realise value or monetise these projects either through joint ventures or trade sales. We will update the market on these developments in due course.

CORPORATE

In terms of Board composition, post period end Russell Lamming stepped down from his position as CEO and Ian Visagie has taken over as interim CEO whilst we look for a permanent, South African based CEO. A South African positioning will geographically complement our operations, as we look to build on our market leading gold recovery position in Africa. Ian Visagie, in his capacity as Financial Director since the Company's admission to AIM in July 2006, has been instrumental in the growth of Goldplat and is well suited to lead the Company in the interim. Russell Lamming has entered into a six month Consulting Agreement to provide his services to the Company ensuring continuity and an orderly handover.

Furthermore, we were delighted to welcome Nigel Wyatt to the Board in September 2013, and believe his expertise in the southern African mining arena as well as his experience as an AIM company director will be invaluable to Goldplat.

Bob Pitts Smith, who has managed the recovery operations for many years, reduced his time commitment to half time from July 2013 and will be stepping down from the Board at the end of 2013 in accordance with his planned retirement. I would like to thank him for all he has done over the years and wish him all the best for the future.

OUTLOOK

As stated, the year under review has been a tough economic trading environment for all gold companies due to the reduction in gold price, however our market leading gold recovery operations in South Africa and Ghana continued to operate profitably, allowing us to maintain our position as a dividend paying, debt free gold company.

It is from these two gold recovery operations where I see substantial growth potential for the year ahead as we continue to implement programmes to increase gold recovery, and optimise operational efficiencies at both our South African and Ghanaian sites.

We are also pleased to maintain a dividend paying policy, despite a difficult trading year and I would like to emphasise that the Board will continue to work diligently to create value uplift and in turn enhance shareholder value for the year ahead and beyond.

Finally, on behalf of the Directors I would like thank our management and employees for their hard work and our shareholders for their continued support and I look forward to updating you on our developments.

B Moritz
Chairman
6 November 2013

THE BOARD

BRIAN MORITZ

Chairman

Brian is a Chartered Accountant and former Senior Partner of Grant Thornton, London. He formed Grant Thornton's Capital Markets Team, which floated over 100 companies on AIM under his chairmanship. In 1995 he retired to concentrate on bringing new companies to the market as a director. He focuses on mining companies, primarily in Africa, and was formerly Chairman of African Platinum PLC and Metal Bulletin PLC as well as currently being Chairman of several junior mining companies. Brian is a member of the audit and remuneration committees of the Company and is responsible for corporate governance issues and compliance with AIM.

IAN VISAGIE

Acting Chief Executive and Finance Director

Ian is a Chartered Accountant who has worked in senior positions in the mining industry since 1990. A South African citizen he trained as a Chartered Accountant with KPMG in its Pretoria office. Having gained post-qualifying experience with KPMG he moved into a mining environment in 1990 when he joined Consolidated Modderfontein Mines Limited as Financial Manager and Goldplat Recovery in March 1997 as Financial Director. He took over management control of Goldplat Recovery in November 2000.

DR ROBERT PITTS SMITH

Executive Director

With a PhD in Chemical Engineering and a Masters in business administration, Robert has been active in the precious metals recovery industry since 1979 when he originally joined Golden Dumps Research Limited in charge of metallurgical processes and began working on Goldplat Recovery matters in 2000 before formally joining Goldplat Recovery in September 2003. He is currently responsible for marketing and technical matters.

NIGEL WYATT

Non-Executive Director

Nigel is a graduate of the Camborne School of Mines. He has held senior positions in a number of mining and engineering companies, primarily in Southern Africa. Nigel was the group marketing director of a De Beers group subsidiary supplying specialised materials, engineering and technology to the industrial and mining sectors, and commercial director of Dunlop Industrial Products (Pty) Limited, South Africa. In 2006, he was appointed as CEO of Chromex Mining Plc, an AIM company mining chrome in South Africa. After listing the company and bringing the company to early production, he resigned in order to seek and develop other early stage mining projects.

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2013

The Directors present their report together with the audited financial statements and auditor's report of the Group for the year ended 30 June 2013.

PRINCIPAL ACTIVITY

Goldplat plc is incorporated in England and Wales as a public limited company.

The principal activity of the Company continues to be the management of a Group which produces and explores precious metals on the African continent.

The Group has two main business areas:

- the production of precious metals, primarily gold from metallurgically challenging materials acquired from primary produces. This activity takes place in South Africa and Ghana. To satisfy BEE rules, 26% of the share capital of the South African subsidiary is now held by a qualifying entity, 11% having been sold during the year; and
- the mining of and exploration for gold. The Group's Kenyan subsidiary, Kilimapesa Gold (Pty) Limited, commenced commercial mining with effect from 1 January 2012. Exploration activities take place in Kenya, Ghana and Burkina Faso.

REVIEW OF BUSINESS AND FINANCIAL PERFORMANCE

Further details on the financial position and development of the Group are set out in the Chairman's Statement on pages 3 to 9.

RESULTS

The Group reports a pre-tax profit of £207,000 (2012: £5,244,000) and an after tax loss of £399,000 (2012: profit: £4,644,000).

Factors affecting these results are set-out in the Chairman's Statement.

MAJOR EVENTS AFTER THE BALANCE SHEET DATE

The following events occurred after the balance sheet date and are further discussed in note 36 to these financial statements:

- R Lamming resigned from the Board as Chief Executive Officer on 13 September 2013;
- R Pitts Smith advised his intention to resign from the Board on 31 December 2013.
- N Wyatt was appointed as a Non-Executive Director on 17 September 2013.

DIVIDENDS

A dividend of 0.12p per ordinary share is proposed in respect of the year ended 30 June 2013 (2012: 0.6p). If approved, this dividend is expected to be paid on 19 December 2013 to shareholders on the register on 29 November 2013. The ex-dividend date is 27 November 2013.

FINANCIAL RISK MANAGEMENT

The Group's operations are exposed to a variety of financial risks and are detailed in note 31 to these financial statements.

POLITICAL AND CHARITABLE DONATIONS

There were no political donations during the year (2012: £Nil).

Group subsidiaries made donations towards community projects as follows:

- Goldplat Recovery (Pty) Limited £455 (2012: £15,768);
- Gold Recovery Ghana Limited £655 (2012: £1,321); and
- Kilimapesa Gold (Pty) Limited £3,004 (2012: £10,536).

CORPORATE GOVERNANCE STATEMENT

The Board has established an audit committee and a remuneration committee with formally delegated duties and responsibilities.

During the year the audit committee consisted of B M Moritz. The audit committee has responsibility for ensuring that the financial performance, position and prospects of the Company are properly monitored and reported on, for meeting with the auditor and discussing their reports on the accounts and the Company's financial controls and for recommending the appointment of auditors.

The remuneration and terms and conditions of appointment of non-executive directors are set by the Board. No Director may participate in any discussions or decisions regarding his own remuneration.

BRIBERY LEGISLATION

The Directors have adopted appropriate procedures to ensure compliance with the Bribery Act 2010.

DIRECTORS

The following Directors served during the period:

B M Moritz	(Non-executive Chairman)
D A Manolis	(Chief Executive Officer) – resigned 1 September 2012
R Lamming	(Chief Executive Officer) – appointed 1 September 2012, resigned 13 September 2013
I Visagie	(Acting Chief Executive Officer and Chief Financial Officer)
Dr R Pitts Smith	(Managing Director – recovery operations)

DIRECTORS' INTERESTS

The beneficial interests of the Directors holding office on 30 June 2013 in the issued share capital of the Company were as follows:

	30 June 2013		30 June 2012	
	Number of ordinary shares of 1p each	Percentage of issued share capital	Number of ordinary shares of 1p each	Percentage of issued share capital
B M Moritz	1,800,000	1.08%	1,800,000	1.08%
R Lamming	200,000	0.2%	–	–

Of the shares held by R Lamming 100,000 are held personally and 100,000 are held by Clearwater Investments Group Ltd on behalf of a family trust of which R Lamming is a beneficiary.

Since 30 June 2013 there has been no change in these interests.

No other Director had a beneficial interest in the share capital of the Company.

Directors holding office on 30 June 2013 had the following interests in the options in the Company:

	Number of options
B M Moritz	1,000,000
R P Smith	1,000,000
I Visagie	2,000,000
R Lamming	4,500,000
	<u>8,500,000</u>

These options are exercisable at 10p per ordinary share at any time up to 31 December 2013, except the options granted to R Lamming (all granted on 13 August 2012) which are exercisable at 12.825p at any time up to 1 September 2018. Since 1 July 2012, no options except for those granted to R Lamming have been granted to or exercised by Directors holding office at 30 June 2013.

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

DIRECTORS' REMUNERATION AND SERVICE CONTRACTS

Details of directors' emoluments including share based payments are disclosed in note 10 to these financial statements.

	Salaries £'000	Fees £'000	Other £'000	Total £ '000
D A Manolis	33	–	3	36
B M Moritz	–	40	–	40
R Pitts Smith	181	–	13	194
I Visagie	106	–	10	116
R Lamming	308	–	–	308
	628	40	26	694

Note: the amount disclosed for R Lamming comprises £167,000 of salary payments and £141,000 in respect of the valuation of his options in accordance with IFRS 2.

DIRECTORS' INDEMNITIES

The Company maintains Directors' and officers' liability insurance providing appropriate cover for any legal action brought against its Directors and/or officers.

GOING CONCERN

The Directors adopt the going concern basis in preparing these financial statements. This is further explained in note 2 to the financial statements.

CREDITORS PAYMENT POLICY

The Company's policy is to ensure that, in the absence of dispute, all suppliers are dealt with in accordance with its standard payment practice whereby all outstanding trade accounts are settled within the term agreed with the supplier at the time of supplying or otherwise 30 days from the month end of receipt of the relevant invoice.

EMPLOYEES

The Directors have a participative management style with frequent direct contact between junior and senior employees. A two-way flow of information and feedback is maintained through formal and informal meetings covering Group performance. The Group is an Equal Employment Opportunity employer.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union. The financial statements are required by law to give a true and fair view of the state of affairs of the Company and the Group of the Group's profit or loss for that year.

In preparing these 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 the financial statements comply with IFRS as adopted by the European Union; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT OF DISCLOSURE TO AUDITOR

So far as the Directors are aware:

- there is no relevant audit information of which the Group's and Company's auditor is unaware; and
- all the Directors have taken steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITOR

A resolution to re-appoint Chantrey Vellacott DFK LLP as auditors of the Group and Company will be proposed at the Annual General Meeting.

By order of the Board

B Moritz
Director
6 November 2013

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GOLDPLAT PLC

We have audited the financial statements of Goldplat plc for the year ended 30 June 2013 which comprise the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of financial position, the consolidated statements of changes in equity, the consolidated statement of cash flows, the company statement of financial position, the company statement of changes in equity, the company statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2013 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following where, under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

GARETH JONES FCA (Senior Statutory Auditor)
for and on behalf of CHANTREY VELLACOTT DFK LLP
Chartered Accountants and Statutory Auditor
London
6 November 2013

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2013

	Notes	2013 £'000	2012 £'000
CONTINUING OPERATIONS			
REVENUE	7	28,904	26,225
Cost of sales		(24,338)	(20,178)
GROSS PROFIT			
Administrative expenses		(1,927)	(1,520)
RESULTS FROM OPERATING ACTIVITIES			
Finance income		300	925
Finance costs		(359)	(208)
NET FINANCE COSTS			
	11	(59)	717
RESULTS FROM OPERATING ACTIVITIES AFTER FINANCE COSTS			
Impairment of assets	15,16	(2,373)	–
PROFIT BEFORE TAX			
Taxation	13	(606)	(600)
(LOSS)/PROFIT FOR THE YEAR			
		(399)	4,644
(LOSS)/PROFIT ATTRIBUTABLE TO:			
Owners of the Company		(795)	4,467
Non-controlling interests		396	177
(LOSS)/PROFIT FOR THE YEAR			
		(399)	4,644
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified subsequently to profit or loss:			
Exchange translation		(792)	(1,625)
Other comprehensive loss for the year, net of tax		(792)	(1,625)
TOTAL COMPREHENSIVE (EXPENSE)/INCOME FOR THE PERIOD			
		(1,191)	3,019
TOTAL COMPREHENSIVE (EXPENSE)/INCOME ATTRIBUTABLE TO:			
Owners of the Company		(1,587)	2,842
Non-controlling interests		396	177
Total comprehensive (expense)/income for the year			
		(1,191)	3,019
EARNINGS PER SHARE – CONTINUING OPERATIONS			
Basic (loss)/earnings per share (pence)	24	(0.24)	2.77
Diluted (loss)/earnings per share (pence)	24	(0.21)	2.53

The notes on page 24 to 59 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2013

	Notes	2013 £'000	2012 £'000
ASSETS			
Property, plant and equipment	14	4,917	4,112
Intangible assets	15	8,738	8,909
Pre-production expenditure	16	1,613	3,205
Proceeds from sale of shares in subsidiary	17	1,960	219
NON-CURRENT ASSETS		17,228	16,445
Inventories	20	4,437	4,524
Trade and other receivables	21	4,759	5,863
Taxation		297	–
Cash and cash equivalents	22	2,362	4,575
CURRENT ASSETS		11,855	14,962
TOTAL ASSETS		29,083	31,407
EQUITY			
Share capital	23	1,684	1,679
Share premium		11,494	11,449
Exchange reserve	23	(2,234)	(1,442)
Retained earnings		11,711	12,035
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		22,655	23,721
Non-controlling interests		1,525	742
TOTAL EQUITY		24,180	24,463
LIABILITIES			
Obligations under finance leases	25	140	39
Provisions	27	134	181
Deferred tax liabilities	28	459	418
NON-CURRENT LIABILITIES		733	638
Loans and borrowings	25	–	2
Obligations under finance leases	25	151	109
Taxation		–	16
Trade and other payables	29	4,019	6,179
CURRENT LIABILITIES		4,170	6,306
TOTAL LIABILITIES		4,903	6,944
TOTAL EQUITY AND LIABILITIES		29,083	31,407

The financial statements of Goldplat plc, company number 05340664, were approved by the Board of Directors and authorised for issue on 6 November 2013. They were signed on its behalf by:

Ian Visagie, Director

The notes on page 24 to 59 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

AS AT 30 JUNE 2012

	Attributable to owners of the Company				Total £ '000	Non- controlling interests £'000	Total equity £'000
	Share capital £'000	Share premium £'000	Exchange reserve £'000	Retained earnings £'000			
Balance at 1 July 2011	1,671	11,401	183	7,568	20,823	676	21,499
TOTAL COMPREHENSIVE INCOME FOR THE YEAR							
Profit	–	–	–	4,467	4,467	177	4,644
Total other comprehensive income	–	–	(1,625)	–	(1,625)	–	(1,625)
Total comprehensive income for the year	–	–	(1,625)	4,467	2,842	177	3,019
TRANSACTIONS WITH OWNERS OF THE COMPANY RECOGNISED DIRECTLY IN EQUITY							
CONTRIBUTIONS BY AND DISTRIBUTIONS TO OWNERS OF THE COMPANY							
Issue of ordinary shares	8	48	–	–	56	–	56
TOTAL CONTRIBUTIONS BY AND DISTRIBUTIONS TO OWNERS OF THE COMPANY	8	48	–	–	56	–	56
CHANGES IN OWNERSHIP INTERESTS IN SUBSIDIARIES							
Non-controlling interests in subsidiary dividend	–	–	–	–	–	(111)	(111)
Total transactions with owners of the Company	8	48	–	–	56	(111)	(55)
BALANCE AT 30 JUNE 2012	1,679	11,449	(1,442)	12,035	23,721	742	24,463

The notes on page 24 to 59 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

AS AT 30 JUNE 2013

	Attributable to owners of the Company					Non-controlling interests £'000	Total equity £'000
	Share capital £'000	Share premium £'000	Exchange reserve £'000	Retained earnings £'000	Total £'000		
Balance at 1 July 2012	1,679	11,449	(1,442)	12,035	23,721	742	24,463
TOTAL COMPREHENSIVE INCOME FOR THE YEAR							
Loss	-	-	-	(795)	(795)	396	(399)
Total other comprehensive income	-	-	(792)	-	(792)	-	(792)
Total comprehensive income for the year	-	-	(792)	(795)	(1,587)	396	(1,191)
TRANSACTIONS WITH OWNERS OF THE COMPANY RECOGNISED DIRECTLY IN EQUITY							
CONTRIBUTIONS BY AND DISTRIBUTIONS TO OWNERS OF THE COMPANY							
Issue of ordinary shares	5	45	-	-	50	-	50
Investment by non controlling interests	-	-	-	-	-	627	627
Dividends	-	-	-	(1,010)	(1,010)	-	(1,010)
Own shares acquired	-	-	-	(68)	(68)	-	(68)
Share based payment transactions	-	-	-	141	141	-	141
TOTAL CONTRIBUTIONS BY AND DISTRIBUTIONS TO OWNERS OF THE COMPANY	5	45	-	(937)	(887)	627	(260)
CHANGES IN OWNERSHIP INTERESTS IN SUBSIDIARIES							
Disposal of interest in subsidiary with no change in control	-	-	-	1,408	1,408	-	1,408
Non-controlling interests in subsidiary dividend	-	-	-	-	-	(240)	(240)
Total transactions with owners of the Company	5	45	-	471	521	387	908
BALANCE AT 30 JUNE 2013	1,684	11,494	(2,234)	11,711	22,655	1,525	24,180

The notes on page 24 to 59 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2013

	Notes	2013 £'000	2012 £'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period		2,639	4,527
Adjustments for:			
Depreciation		361	401
Amortisation		43	111
Loss on sale of property, plant and equipment		29	–
Equity-settled share-based payment transactions		141	–
Reversal of gold inventory		–	201
Foreign exchange differences		(253)	(1,035)
		2,960	4,205
Changes in:			
– inventories		87	(1,157)
– trade and other receivables		1,104	721
– trade and other payables		(2,170)	1,688
– provisions		(47)	(39)
		1,934	5,418
CASH GENERATED FROM OPERATING ACTIVITIES			
Interest received		300	925
Interest paid	30.1	(349)	(194)
Taxes paid		(878)	(666)
		1,007	5,483
NET CASH FROM OPERATING ACTIVITIES			
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		83	38
Acquisition of mining rights		(247)	(2,085)
Acquisition of property, plant and equipment	30.2	(1,329)	(1,164)
Pre-production expenditure		(583)	(627)
		(2,076)	(3,838)
NET CASH USED IN INVESTING ACTIVITIES			
Cash flows from financing activities			
Proceeds from issue of share capital		50	56
Own shares purchased		(68)	–
Dividends paid		(1,010)	–
Payment of finance lease liabilities		(114)	(138)
		(1,142)	(82)
NET CASH FLOWS FROM FINANCING ACTIVITIES			
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at 1 July		4,573	3,010
		2,362	4,573
CASH AND CASH EQUIVALENTS AT 30 JUNE			
	22	2,362	4,573

The notes on page 24 to 59 are an integral part of these consolidated financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2013

	Notes	2013 £'000	2012 £'000
ASSETS			
Loans to subsidiary companies	18	7,926	7,422
Investments	19	6,425	6,425
NON-CURRENT ASSETS		14,351	13,847
Trade and other receivables	21	50	22
Cash and cash equivalents	22	341	501
CURRENT ASSETS		391	523
TOTAL ASSETS		14,742	14,370
EQUITY			
Share capital	23	1,684	1,679
Share premium		11,494	11,449
Retained surplus/(deficit)		1,479	1,180
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		14,657	14,308
Non-controlling interests		-	-
TOTAL EQUITY		14,657	14,308
LIABILITIES			
Trade and other payables	29	85	62
CURRENT LIABILITIES		85	62
TOTAL LIABILITIES		85	62
TOTAL EQUITY AND LIABILITIES		14,742	14,370

These financial statements of Goldplat plc, company number 05340664, were approved by the Board of Directors and authorised for issue on 6 November 2013. They were signed on its behalf by:

Ian Visagie, Director

The notes on page 24 to 59 are an integral part of these consolidated financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2013

	Attributable to owners of the Company			
	Share capital £'000	Share premium £'000	Retained deficit £'000	Total equity £ '000
Balance at 1 July 2011	1,671	11,401	(507)	12,565
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD				
Profit	–	–	1,687	1,687
Total other comprehensive income	–	–	–	–
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	–	–	1,687	1,687
TRANSACTIONS WITH OWNERS OF THE COMPANY RECOGNISED DIRECTLY IN EQUITY				
CONTRIBUTIONS BY AND DISTRIBUTIONS TO OWNERS OF THE COMPANY				
Issue of ordinary shares	8	48	–	56
TOTAL CONTRIBUTIONS BY AND DISTRIBUTIONS TO OWNERS OF THE COMPANY	8	48	–	56
BALANCE AT 30 JUNE 2012	1,679	11,449	1,180	14,308
Balance at 1 July 2012	1,679	11,449	1,180	14,308
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD				
Profit	–	–	1,236	1,236
Total other comprehensive income	–	–	–	–
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	–	–	1,236	1,236
TRANSACTIONS WITH OWNERS OF THE COMPANY RECOGNISED DIRECTLY IN EQUITY				
CONTRIBUTIONS BY AND DISTRIBUTIONS TO OWNERS OF THE COMPANY				
Issue of ordinary shares	5	45	–	50
Dividends	–	–	(1,010)	(1,010)
Own shares acquired	–	–	(68)	(68)
Share based payment transactions	–	–	141	141
TOTAL CONTRIBUTIONS BY AND DISTRIBUTIONS TO OWNERS OF THE COMPANY	5	45	(937)	(887)
BALANCE AT 30 JUNE 2013	1,684	11,494	1,479	14,657

The notes on page 24 to 59 are an integral part of these consolidated financial statements.

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2013

	Notes	2013 £'000	2012 £'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(Loss) for the period		1,272	(324)
Adjustments for:			
Equity-settled share-based payment transactions		141	–
		1,413	(324)
Changes in:			
– trade and other receivables		(28)	10
– trade and other payables		23	(15)
CASH USED IN OPERATING ACTIVITIES		1,408	(329)
Interest received		–	11
Interest paid		(36)	–
NET CASH USED IN OPERATING ACTIVITIES		1,372	(318)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends received		–	2,000
NET CASH FLOWS FROM INVESTING ACTIVITIES		–	2,000
CASH FLOWS FROM FINANCING ACTIVITIES			
Equity dividends paid		(1,010)	–
Own shares purchased		(68)	–
Proceeds from issue of share capital		50	56
Loans to subsidiary		(504)	(3,298)
NET CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES		(1,532)	(3,242)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(160)	(1,560)
Cash and cash equivalents at 1 July		501	2,061
CASH AND CASH EQUIVALENTS AT 30 JUNE	22	341	501

The notes on page 24 to 59 are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

1. REPORTING ENTITY

Goldplat plc (the 'Company') is a company domiciled in England and Wales. The address of the Company's registered office is 55 Gower Street, London, WC1E 6HQ. The Group primarily operates as a producer of precious metals on the African continent.

2. GOING CONCERN

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chairman's Statement. The financial position of the Company, its cash flows, liquidity position and borrowing facilities are described in these financial statements. The financial statements include the Company's objectives, policies and processes for managing its capital; its financial risk management objectives, details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk.

The Company has sufficient reserves of raw materials and ongoing contracts with its current suppliers. The Company has a secure market for its precious metal products which are sold at market related prices which are above production costs.

The Directors believe that this performance will be sustainable for the ensuing year and therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements.

3. BASIS OF PREPARATION

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRSs') as issued by the International Accounting Standards Board ('IASB') and as adopted by the European Union.

The Company's individual profit and loss account has been omitted from the Group's annual financial statements having taken advantage of the exemption not to disclose under Section 408(3) of the Companies Act 2006. The Company's comprehensive profit for the year ended 30 June 2013 was £1,236,000 (2012: £1,687,000).

The consolidated financial statements were authorised for issue by the Board of Directors on 6 November 2013.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency

These consolidated financial statements are presented in Pounds Sterling ('GBP'), which is considered by the Directors to be the most appropriate presentation currency to assist the users of the financial statements. All financial information presented in GBP has been rounded to the nearest thousand, except when otherwise indicated.

The Company's functional currencies are considered to be the US Dollar ("USD") and South African Rand ("ZAR") as these currencies mainly influence sales prices and expenses respectively.

(d) Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods of the revision if it affects both current and future periods.

Critical estimates and assumptions that have the most significant effect on the amounts recognised in the consolidated financial statements and/or have a significant risk of resulting in a material adjustment within the next financial year are as follows:

- Carrying value of goodwill – Notes 4(a)(i) and 15
- Capitalisation of pre-production expenditure – Notes 4(e)(iii) and 15
- Valuation of share options issued – Notes 4(i) and 26

Accounting entries are made in accordance with the accounting policies detailed below.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by Group entities.

(a) Basis of consolidation

(i) Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of consolidation (continued)

(i) Business combinations (continued)

When the excess is negative, a bargain purchase price is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts generally are recognised in profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

When share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards) and relate to past services, then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to past and/or future service.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(iii) Loss of control

On the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(b) Foreign currency

(i) Foreign currency transactions

Assets and liabilities denominated in foreign currencies are translated at the closing rate at the balance sheet date. Income and expense items are translated at an average rate for the year.

All differences are charged to the statement of profit or loss and other comprehensive income.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and the fair value adjustments arising on acquisition, are translated to GBP at exchange rates at the reporting date. The income and expenses of foreign operations, are translated to GBP at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income, and presented in the exchange reserve in equity. However, if the foreign operation is a non-wholly owned subsidiary, then the relevant proportion of the translation difference is allocated to non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign currency gains and losses arising from such item are considered to form part of a net investment in the foreign operation and are recognised in other comprehensive income, and presented in the exchange reserve in equity.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operation and translated at the closing rates.

(c) Financial instruments**(i) Non-derivative financial assets**

The Group initially recognises loans and receivables on the date that they are originated. All other financial assets are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group's non-derivative financial assets comprise loans and receivables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Financial instruments (continued)

(i) Non-derivative financial assets (continued)

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses. A provision is established when there is objective evidence that the Group will not be able to collect all amounts due. The amount of any provision is recognised in the consolidated statement of profit or loss and other comprehensive income.

Loans and receivables comprise trade and other receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less. Bank overdrafts that are repayable on demand and form part of the Group's cash management are included as a component of cash and cash equivalents for the purposes of the statement of cash flows.

(ii) Non-derivative financial liabilities

The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise loans and borrowings, finance lease obligations, and trade and other payables.

Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(iii) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Repurchase and reissue of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in share premium.

(d) Property, plant and equipment**(i) Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

The cost of the mining asset includes the costs of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

(ii) Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance is expensed as incurred.

(iii) Depreciation

Items of property, plant and equipment are depreciated on a straight-line basis in profit or loss over the estimated useful lives of each component. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land is not depreciated.

Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

- | | |
|------------------------------|--|
| • leasehold land | lease period |
| • buildings | 20 years |
| • plant and equipment | 10 years |
| • motor vehicles | 5 years |
| • office equipment | 6 years |
| • insurance spares | 10 years |
| • environmental assets | life of mine |
| • pre-production expenditure | 10 years from date of commencement of production |

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Intangible assets

(i) Goodwill

Goodwill that arises on the acquisition of subsidiaries is presented with intangible assets. For the measurement of goodwill at initial recognition, see note 4(a)(i).

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses.

(ii) Mining rights, exploration and development

Mining rights, exploration and development includes rights in production, development and exploration phase properties. The amount capitalised represents fair value at the time acquired, plus enhancement expenditure at cost.

Mining rights comprise production phase properties and are amortised over the estimated life of the mine.

Impairment of mining rights in production phase properties is considered based on expected future cash flows and estimates of recoverable minerals.

Rights associated with development and exploration phase properties are not amortised until such time as the underlying property is converted to the production phase.

Rights associated with exploration and development properties are individually evaluated for impairment based on exploration results.

(iii) Pre-production expenditure

Pre-production expenditure, including evaluation costs, incurred on mines to establish or expand productive capacity, or to support and maintain that productive capacity are capitalised. Capitalisation ceases when the mine is in a condition necessary to operate as intended by management.

(iv) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

(v) Amortisation

Except for goodwill, intangible assets are amortised on a straight-line basis in profit or loss over their estimated useful lives, from the date that they are available for use.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. Amortisation is included within administrative expenses in the statement of profit or loss and other comprehensive income.

(f) Leased assets

Leases in terms of which the Group assumes substantially all of the risks and rewards of ownership are classified as finance leases. On initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments.

Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and are not recognised in the Group's statement of financial position.

(g) Inventories

Consumable stores and raw materials are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average basis and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Bullion on hand, gold and platinum represents production on hand after the smelting process, gold contained in the elution process, gold loaded carbon in the carbon-in-leach ("CIL") and carbon-in-pulp ("CIP") processes, gravity concentrates, platinum group metals ("PGM") concentrates and any form of precious metal in process where the quantum of the contained metal can be accurately determined. It is valued at the average production cost for the year, including amortisation and depreciation.

(h) Impairment

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit ("CGU") exceeds its recoverable amount. Impairment losses are recognised in the Group statement of profit or loss and other comprehensive income.

Goodwill is assessed annually for possible impairment. Impairment losses relating to goodwill are not reversed.

(i) Employee benefits**Share-based payment transactions**

Equity-settled share-based payments are measured at fair value (excluding the impact of any non-market vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions. Fair value is measured by use of the Black Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercised restrictions and behavioural considerations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Provisions

A provision is recognised in the statement of financial position if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Environmental obligation

In accordance with the Group's environmental policy and applicable legal requirements, a provision for site restoration in respect of contaminated land is recognised when the land is contaminated.

The estimated long-term environmental obligations, comprising rehabilitation and mine closure, are based on the Group's environmental management plans in compliance with current environmental and regulatory requirements. The amounts disclosed in the financial statements as environmental assets and obligations include rehabilitation.

The cost of rehabilitation projects undertaken, which has been included in the provision estimate, are charged to the provision as incurred. The cost of current programs to prevent and control future liabilities are charged to the Group statement of profit or loss and other comprehensive income as incurred.

(k) Revenue

Revenue from the sale of precious metals is recognised in the statement of profit or loss and other comprehensive income when the significant risks and rewards of ownership have been transferred to the buyer excluding sales taxes.

(l) Finance income and finance costs

Interest income is accrued on a time basis, by reference to the principal outstanding and the applicable effective interest rate.

Finance costs comprise interest payable on borrowings calculated using the effective interest rate method, interest receivable on funds invested and foreign exchange gains and losses that are recognised in the Group statement of profit or loss and other comprehensive income.

The finance expense component of finance lease payments is recognised in the Group statement of profit or loss and other comprehensive income using the effective interest rate method.

(m) Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the Group statement of profit or loss and other comprehensive income except to the extent that it relates to item recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

(n) Segment reporting

Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

5. NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

Standards, Amendments to published Standards and Interpretations issued but not yet effective

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after 1 January 2013 or later periods, but which the Group has not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

Amendment to IAS1 Presentation of financial statements – Presentation of items of other comprehensive income

IFRS 9 Financial Instruments

IAS 19 Employee Benefits (Revised 2011)

IAS 27 Separate Financial Statements

IAS 28 Investments in Associates and Joint Ventures (Revised 2011)

IFRS 10 Consolidated Financial Statements

IFRS 11 Joint Arrangements

IFRS 12 Disclosure of Interests in Other Entities

IFRS 13 Fair Value Measurement

IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine

Amendments to IFRS 7 Financial Instrument Disclosures – Offsetting Financial Assets and Financial Liabilities

Amendments to IAS 32 Offsetting Financial Assets and Financial Liabilities

Amendment to IFRS 1 (Government Loans)

Annual Improvements to IFRSs 2009-2011 Cycle

Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance

Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)

Where relevant, the Group is still evaluating the effect of these Standards, amendments to published Standards and Interpretations issued but not yet effective, on the presentation of its financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

6. OPERATING SEGMENTS

For each segment, the Group's CEO (the chief operating decision maker) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segment.

- Recovery operations. Includes the recovery of precious metals from metallurgical challenging materials and the processing of ore, sourced from other mining operations. These products often represent an environmental challenge to the primary producer and are processed in a responsible manner by the company.
- Mining and exploration. Includes assets held for commercial exploitation of precious metals and exploration assets held where the commercial viability of the ore resource has not yet been evaluated or is in the process of evaluation.
- Administration. Includes activities conducted by holding companies in relation to the group and its subsidiaries.

There are varying levels of integration between the three reportable segments. This integration includes the sale of precious metals from the Ghana recovery operation to the South African recovery operation, and the supply of goods and services by the South African subsidiary to all group operations. Inter-segment pricing is determined on an arm's length basis.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are viewed by the Group's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Information about reportable segments:

FOR THE YEAR ENDED 30 JUNE 2013

	Recovery Operations £'000	Mining and exploration £'000	Administration £'000	Reconciliation to Group figures £'000	Group £'000
External revenues	28,105	799	-	-	28,904
Inter-segment revenues	462	-	-	(462)	-
TOTAL REVENUES	28,567	799	-	(462)	28,904
Interest expense	(13)	-	-	-	(13)
Depreciation and amortisation	279	126	-	-	405
Reportable segment profit/(loss) before tax	4,716	(3,493)	(1,016)	-	207
Taxation	(403)	-	(203)	-	(606)
Reportable segment assets	14,179	6,906	7,998	-	29,083
Capital expenditure	1,637	779	-	-	2,416
Reportable segment liabilities	4,582	236	85	-	4,903
Impairment loss on mining operations	-	2,373	-	-	2,373

FOR THE YEAR ENDED 30 JUNE 2012

	Recovery Operations £'000	Mining and exploration £'000	Administration £'000	Reconciliation to Group figures £'000	Group £'000
External revenues	24,800	1,425	–	–	26,225
Inter-segment revenues	168	–	–	(168)	–
TOTAL REVENUES	24,968	1,425	–	(168)	26,225
Interest expense	(22)	–	–	–	(22)
Depreciation and amortisation	320	192	–	–	512
Reportable segment profit/(loss) before tax	5,208	583	(547)	–	5,244
Taxation	(600)	–	–	–	(600)
Other material non-cash items:					
– Revaluation of environmental assets	20	–	–	–	20
Reportable segment assets	16,236	8,629	6,542	–	31,407
Capital expenditure	704	3,239	–	–	3,943
Reportable segment liabilities	6,688	163	93	–	6,944

Geographical information

The Recovery Operations, Mining and Exploration and Administration segments are managed on a worldwide basis, but operate mines on the African continent.

In presenting information on the basis of geography, segment revenue is based on the geographical location of customers and segment assets are based on the geographical location of the assets.

Revenue

Revenues are primarily derived from dore bars and product delivered in concentrate form to the Rand Refinery in South Africa.

Non-current assets

Non-current assets are primarily based on the African continent.

Major customer

The major customer to the group is Rand Refinery Limited in South Africa. Revenues from this customer presents 98% (2012: 97%) of the recovery operations revenues and 100% (2012: 100%) of the mining and exploration revenues.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

7. REVENUE

	2013	2012
	£'000	£'000
Sales of precious metals – Recovery operations	27,895	24,672
Sales of precious metals – Mining and exploration	799	1,425
Processing fees charged to customers	210	128
	28,904	26,225

8. EXPENSES BY NATURE

	Notes	2013	2012
		£'000	£'000
Employee benefit expense	9	3,735	2,984
Depreciation and amortisation expense	14, 15, 16	404	512
Equity-settled share-based payment transactions		141	–
Auditor's remuneration			
– Audit fee		68	50
Directors' remuneration	10	694	504
Loss on disposal of property, plant and equipment		29	–

Auditor's remuneration in respect of the Company amounted to £34,000 (2012: £26,000). Of this amount, £34,000 (2012: £25,000) was in relation to audit services and £nil (2012: 1,000) for tax advice.

9. PERSONNEL EXPENSES

	2013	2012
	£'000	£'000
Wages and salaries	3,228	2,813
Performance based payments	257	–
National insurance and unemployment fund	65	27
Skills development levy	37	28
Medical aid contributions	39	3
Group life contributions	49	45
Provident funds	60	68
	3,735	2,984

The average number of employees (including directors) during the period was:

	2013	2012
Directors	3	4
Administrative personnel	18	18
Production personnel	359	351
	380	373

10. DIRECTORS' EMOLUMENTS

2013

	Executive £'000	Non- executive £'000	Total £'000
Wages and salaries	628	–	628
Fees	–	40	40
Other benefits	26	–	26
	654	40	694

2012

	Executive £'000	Non- executive £'000	Total £'000
Wages and salaries	421	–	421
Fees	–	40	40
Other benefits	43	–	43
	464	40	504

Emoluments disclosed above include the following amounts paid to the highest director:

	2013 £'000	2012 £'000
Emoluments for qualifying services	308	219

The Directors also hold options to acquire 4 million ordinary shares (2012: 11 million ordinary shares) at 10p per share and R Lamming holds options to acquire 4.5 million ordinary shares at 12.825p as set out in note 26.

Key management

Apart from the Directors, the emoluments paid to key management personnel amounted to £375,000 (2012: £280,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

11. FINANCE INCOME AND FINANCE COSTS

RECOGNISED IN PROFIT OR LOSS

	2013	2012
	£'000	£'000
Interest income on cash balances held	2	3
Foreign exchange gains	298	922
Finance income	300	925
Interest expense on utilisation of overdraft facility	(2)	(4)
Interest on finance leases	(9)	(17)
Interest on environmental liability	(10)	(14)
Foreign exchange loss	(337)	(172)
Other	(1)	(1)
Finance costs	(359)	(208)
Net finance costs recognised in profit or loss	(59)	717
The above finance income and finance costs include the following interest income and expense in respect of assets (liabilities) not measured at fair value through profit or loss:		
– Total interest income on financial assets	2	3
– Total interest expense on financial liabilities	(11)	(21)

12. PROFIT ON SALE OF INTEREST IN SUBSIDIARY

	2013	2012
	£'000	£'000
Profit on part disposal of interest in subsidiary	1,657	–

On 24 April 2013, the Company's subsidiary, Gold Mineral Resources Limited sold 11% of its shareholding in its South African subsidiary, Goldplat Recovery (Pty) Limited, to its Black Economic Empowerment ('BEE') partner, Amabubesi Property Holdings (Pty) Ltd, in compliance with South African legislation. This reduction has not resulted in any change in control and hence Goldplat Recovery (Pty) Limited continues to be consolidated. This reduction has been accounted for in Goldplat's consolidated financial statements as an equity transaction. The carrying amount of the non controlling interest has been adjusted to reflect the change in Gold Mineral Resources interest in Goldplat Recovery (Pty) Limited's net assets.

13. TAXATION

CURRENT TAX EXPENSE

	2013	2012
	£'000	£'000
TAX RECOGNISED IN PROFIT OR LOSS		
CURRENT TAX EXPENSE		
Current period	416	495
Adjustment for prior years	(122)	–
Secondary tax on dividends paid from South Africa	203	74
	497	569
DEFERRED TAX EXPENSE		
Origination and reversal of temporary differences	192	18
(Reduction)/Increase in tax rate	(83)	13
	109	31
TOTAL TAX EXPENSE	606	600

RECONCILIATION OF EFFECTIVE TAX RATE

	2013	2012
	£'000	£'000
(Loss)/Profit for the year	(399)	4,644
Total tax expense	606	600
Profit excluding tax	207	5,244
Tax using the Company's domestic tax rate of 23.75% (2012: 25.5%)	49	1,337
Effects of:		
Expenses not deductible for tax purposes	329	25
Effect of lower tax levied on overseas subsidiaries	(482)	(836)
Tax losses carried forward not recognised as a deferred tax asset	507	–
Secondary tax on dividends paid from South Africa	203	74
	606	600

None of the components of other comprehensive income have a tax impact.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

14. PROPERTY, PLANT AND EQUIPMENT

	Freehold/ leasehold land £'000	Buildings £'000	Plant and equipment £'000	Motor vehicles £'000	Office equipment £'000	Environ- mental asset £'000	Total £'000
COST							
Balance at 1 July 2011	238	546	3,556	1,023	82	160	5,605
Additions	–	55	948	214	14	–	1,231
Disposals	–	(1)	(10)	(83)	(2)	(20)	(116)
Transfers to intangible assets	–	–	(139)	–	–	–	(139)
Effect of movements in exchange rates	(46)	(75)	(417)	(139)	(10)	(25)	(712)
BALANCE AT 30 JUNE 2012	192	525	3,938	1,015	84	115	5,869
Balance at 1 July 2012	192	525	3,938	1,015	84	115	5,869
Additions	139	57	985	378	27	–	1,586
Disposals	–	–	(29)	(107)	(25)	(8)	(169)
Transfers to intangible assets	–	–	(3)	–	–	–	(3)
Effect of movements in exchange rates	(8)	(53)	(333)	(99)	(9)	(16)	(518)
BALANCE AT 30 JUNE 2013	323	529	4,558	1,187	77	91	6,765
Depreciation							
Balance at 1 July 2011	8	111	1,097	355	27	104	1,702
Depreciation charge for the year	1	17	158	206	9	10	401
Disposals	–	–	(3)	(73)	(2)	–	(78)
Effect of movements in exchange rates	(1)	(18)	(173)	(56)	(4)	(16)	(268)
BALANCE AT 30 JUNE 2012	8	110	1,079	432	30	98	1,757
Balance at 1 July 2012	8	110	1,079	432	30	98	1,757
Depreciation charge for the year	1	17	217	111	9	6	361
Disposals	–	–	(2)	(55)	–	–	(57)
Effect of movements in exchange rates	(1)	(13)	(129)	(53)	(4)	(13)	(213)
BALANCE AT 30 JUNE 2013	8	114	1,165	435	35	91	1,848
CARRYING AMOUNTS							
At 1 July 2011	230	435	2,459	668	55	56	3,903
At 30 June 2012	184	415	2,859	583	54	17	4,112
AT 30 JUNE 2013	315	415	3,393	752	42	–	4,917

LEASED PLANT AND EQUIPMENT

The Group leases plant and equipment under a number of finance lease agreements. The leased equipment secures lease obligations. At 30 June 2013 the net carrying amount of leased plant and equipment was £321,000 (2012: £269,000). During the year, the Group acquired leased assets of £257,000 (2012: £67,000) (see note 25).

15. INTANGIBLE ASSETS

	Goodwill £'000	Mining rights £'000	Exploration and development £'000	Total £'000
COST				
Balance at 1 July 2011	5,780	1,140	–	6,920
Additions	–	–	2,085	2,085
Transfers from property, plant and equipment	–	–	139	139
Effect of movements in exchange rates	–	(215)	14	(201)
BALANCE AT 30 JUNE 2012	5,780	925	2,238	8,943
COST				
Balance at 1 July 2012	5,780	925	2,238	8,943
Additions	–	–	247	247
Transfers from property, plant and equipment	–	–	3	3
Transfer from pre-production expenses	–	–	5	5
Part disposal of subsidiary company	(149)	–	–	(149)
Effect of movements in exchange rates	–	(7)	(34)	(41)
BALANCE AT 30 JUNE 2013	5,631	918	2,459	9,008
AMORTISATION AND IMPAIRMENT LOSSES				
Balance at 1 July 2011	–	–	–	–
Amortisation for the year	–	–	34	34
BALANCE AT 30 JUNE 2012	–	–	34	34
AMORTISATION AND IMPAIRMENT LOSSES				
Balance at 1 July 2012	–	–	34	34
Amortisation for the year	–	–	43	43
Amortisation reversed	–	–	(18)	(18)
Impairment for the year	–	–	211	211
BALANCE AT 30 JUNE 2013	–	–	270	270
CARRYING AMOUNTS				
Balance at 1 July 2011	5,780	1,140	–	6,920
Balance at 30 June 2012	5,780	925	2,204	8,909
BALANCE AT 30 JUNE 2013	5,631	918	2,189	8,738

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

15. INTANGIBLE ASSETS (CONTINUED)

Goodwill relates to the investment held in Gold Mineral Resources Limited and is supported by the ongoing gold recovery operations in South Africa and Ghana and the Kilimapesa mine in Kenya.

The exploration and development rights relate to exploration and mining licenses in Burkina Faso and Ghana, and the mining rights to the Kilimapesa mine in Kenya.

16. PRE-PRODUCTION EXPENDITURE

	2013 £'000	2012 £'000
COST		
Balance at beginning of year	3,282	2,748
Expenditure incurred	583	627
Reversal of gold inventory costs	–	(201)
Transfers to intangible assets	(5)	–
Effect of movement in exchange rates	70	108
Balance at end of year	3,930	3,282
AMORTISATION AND IMPAIRMENT LOSSES		
Balance at 1 July	77	–
Amortisation for the year	–	77
Amortisation reversed	(77)	–
Impairment	2,257	–
Effect of movement in exchange rates	60	–
Balance at end of year	2,317	77
CARRYING AMOUNTS		
At beginning of year	3,205	2,748
At end of year	1,613	3,205

The Group has capitalised all expenditure incurred on the Kilimapesa Hill gold mining project, the Nyieme gold mining project and the Anumso gold mining project whilst the mines are in the development phase.

17. PROCEEDS FROM SALE OF SHARES IN SUBSIDIARY

Consideration due on sale of 15% and 11% of the issued share capital of Goldplat Recovery (Pty) Limited:

	2013	2012
	£'000	£'000
Balance at beginning of year	219	383
Consideration due on 11% share capital	2,184	–
Received from dividends	(240)	(111)
Effect of movement in exchange rates	(203)	(53)
Balance at end of year	1,960	219

18. LOANS TO SUBSIDIARY COMPANIES

	2013	2012
	£'000	£'000
Funds advanced to Gold Mineral Resources Limited	7,926	7,422

Interest is charged at 2% above LIBOR on the monthly outstanding balances. This interest was waived for the year ended 30 June 2013 (2012: £Nil as waived).

Loans to subsidiary companies are unsecured.

19. INVESTMENTS

	2013	2012
	£'000	£'000
Investment in Gold Mineral Resources Limited	6,425	6,425

Details of the Company's significant subsidiaries are outlined in note 35.

20. INVENTORIES

	2013	2012
	£'000	£'000
Consumable stores	1,725	843
Raw materials	957	2,762
Precious metals on hand and in process	1,755	919
	4,437	4,524

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

21. TRADE AND OTHER RECEIVABLES

GROUP

	2013	2012
	£'000	£'000
Trade receivables	2,653	4,425
Other receivables	2,106	1,438
	4,759	5,863

COMPANY

	2013	2012
	£'000	£'000
Other receivables	50	22

The Group and Company's exposure to credit and currency risk is disclosed in note 31.

22. CASH AND CASH EQUIVALENTS

GROUP

	2013	2012
	£'000	£'000
Bank balances	2,322	4,528
Short term bank deposits	40	47
	2,362	4,575
Bank overdrafts used for cash management purposes	–	(2)
Cash and cash equivalents in the statement of cash flows	2,362	4,573

COMPANY

	2013	2012
	£'000	£'000
Bank balances	341	498
Short term bank deposits	–	3
Cash and cash equivalents in the statement of cash flows	341	501

23. CAPITAL AND RESERVES**SHARE CAPITAL AND SHARE PREMIUM**

	Number of ordinary shares	
	2013	2012
On issue at 1 July	167,870,000	167,120,000
Issued for cash	500,000	750,000
On issue at 30 June – fully paid	168,370,000	167,870,000
Authorised – par value £0.01	1,000,000,000	1,000,000,000

Issued share capital includes 1,000,000 (2012 : nil) ordinary shares of £0.01 each held in treasury.

	Ordinary share capital	
	2013 £'000	2012 £'000
Balance at 1 July	1,679	1,671
Share issues	5	8
BALANCE AT 30 JUNE	1,684	1,679

ORDINARY SHARES

All shares rank equally with regard to the Company's residual assets.

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In respect of the Company's shares that are held by the Group, all rights are suspended until those shares are reissued.

DIVIDENDS

A dividend of 0.12p per ordinary share is proposed in respect of the year ended 30 June 2013 (2012: 0.6p).

ISSUE OF ORDINARY SHARES

On 18 September 2012 500,000 ordinary shares were issued at an exercise price of £0.10 per share relating to share options exercised in the year (2012: 750,000 ordinary shares issued at £0.075 per share).

EXCHANGE RESERVE

The exchange reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

24. EARNINGS PER SHARE

BASIC EARNINGS PER SHARE

The calculation of basic earnings per share at 30 June 2013 was based on the loss attributable to ordinary shareholders of £399,000 (2012: profit: £4,644,000), and a weighted average number of ordinary shares outstanding of 168,253,562 (2012: 167,440,547), calculated as follows:

(LOSS)/PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS

	2013	2012
	Continuing operations	Continuing operations
	£'000	£'000
(Loss)/Profit attributable to ordinary shareholders	(399)	4,644

WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES

	2013	2012
Issued ordinary shares at 1 July	167,870,000	167,120,000
Effect of shares issued	383,562	320,547
Weighted average number of ordinary shares at 30 June	168,253,562	167,440,547

DILUTED EARNINGS PER SHARE

The calculation of diluted earnings per share at 30 June 2013 was based on the loss attributable to ordinary shareholders of £399,000 (2012: profit: £4,644,000), and a weighted average number of ordinary shares outstanding after adjustment for the effect of all dilutive potential ordinary shares of 186,558,491 (2012: 183,350,000), calculated as follows:

(LOSS)/PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS (DILUTED)

	2013	2012
	Continuing operations	Continuing operations
	£'000	£'000
(Loss)/Profit attributable to ordinary shareholders (diluted)	(399)	4,644

WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES (DILUTED)

	2013	2012
Weighted average number of ordinary shares (basic)	168,253,563	167,440,547
Effect of share options on issue	18,304,928	15,909,453
Weighted average number of ordinary shares (diluted) at 30 June	186,558,491	183,350,000

25. LOANS AND BORROWINGS

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost. For more information about the Group's and Company's exposure to interest rate, foreign currency and liquidity risk (see note 31).

	2013	2012
	£'000	£'000
NON-CURRENT LIABILITIES		
Finance lease liabilities	140	39
CURRENT LIABILITIES		
Bank overdrafts	–	2
Current portion of finance lease liabilities	151	109
	151	111

Terms and conditions of outstanding loans were as follows:

2013

	Currency	Nominal interest rate	Year of maturity	Face value £'000	Carrying amount £'000
Unsecured bank facility	ZAR	9%	2013	–	–
Finance lease liabilities	ZAR	9%	2014	291	291
Total interest-bearing liabilities				291	291

2012

	Currency	Nominal interest rate	Year of maturity	Face value £'000	Carrying amount £'000
Unsecured bank facility	ZAR	9%	2013	2	2
Finance lease liabilities	ZAR	9%	2014	148	148
Total interest-bearing liabilities				150	150

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

25. LOANS AND BORROWINGS (CONTINUED)

FINANCE LEASE LIABILITIES

Finance lease liabilities are payable as follows:

2013

	Future minimum lease payments £'000	Interest £'000	Present value of minimum lease payments £'000
Less than one year	169	18	151
Between one and five years	146	6	140
	315	24	291

2012

	Future minimum lease payments £'000	Interest £'000	Present value of minimum lease payments £'000
Less than one year	117	(8)	109
Between one and five years	40	(1)	39
	157	(9)	148

The average lease term is 2 years. For the year ended 30 June 2013, the average effective borrowing rate was 9% (2012: 9%). Interest rates are variable over the lease term and vary according to the South African prime interest rate.

The Group's obligations under finance leases are secured over the leased assets.

26. SHARE OPTIONS AND WARRANTS

RECONCILIATION OF OUTSTANDING SHARE OPTIONS

	2013		2012	
	Number of options	Exercise price	Number of options	Exercise price
Outstanding at 1 July	17,200,000	10p	17,200,000	10p
Granted during the year	13,500,000	12.825p	–	–
Lapsed – will not vest	(9,000,000)	12.825p	–	–
Exercised during the year	(500,000)	10p	–	–
Outstanding and exercisable at 30 June	21,200,000		17,200,000	

In addition to the above, on 26 January 2012, 750,000 share options which had been outstanding throughout 2011 were exercised at £0.075 per share.

The weighted average exercise price of the exercisable options is £0.11 (2012: £0.10).

The Company issued 13,500,000 share options to R Lamming. Following his resignation from the board, 9,000,000 of these options will not vest. The fair value of the remaining options issued to R Lamming has been independently calculated using the Black Scholes model using the following assumptions:

Risk free interest rate	– 0.81%
Expected volatility	– 50.50%
Expected dividend yield	– 0%
Life of the option	– 6 years

The weighted average remaining contractual life of the options outstanding at the balance sheet date is 1 year 181 days.

RECONCILIATION OF OUTSTANDING SHARE WARRANTS

	2013		2012	
	Number of warrants	Exercise price	Number of warrants	Exercise price
Outstanding and exercisable at 30 June	1,671,200		1,671,200	

The weighted average remaining contractual life of the warrants outstanding at the balance sheet date is 184 days.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

27. PROVISIONS

ENVIRONMENTAL OBLIGATION

	2013	2012
	£'000	£'000
Balance at 1 July	181	220
Provisions made during the year	(32)	(20)
Unwind of discount	10	14
Effect of foreign exchange movements	(25)	(33)
	134	181
Non-current	134	181
Current	–	–
	134	181

The provision relates to a requirement to rehabilitate the land owned in South Africa upon cessation of the mining lease.

28. DEFERRED TAXATION

	2013	2012
	£'000	£'000
Balance at 1 July	418	457
Current charge		
– temporary difference	177	18
– change in tax rate	(77)	13
Effect of foreign exchange movements	(59)	(70)
	459	418
Comprising:		
Capital allowances	(526)	(514)
Prepayments	67	96
	(459)	(418)

29. TRADE AND OTHER PAYABLES

GROUP

	2013	2012
	£'000	£'000
Trade payables	2,039	3,051
Accrued expenses	1,980	3,128
	4,019	6,179

COMPANY

	2013	2012
	£'000	£'000
Trade payables	50	19
Accrued expenses	35	43
	85	62

The Group's and Company's exposure to currency and liquidity risk related to trade and other payables is disclosed in note 31.

30. NOTES TO THE CASH FLOW STATEMENT

30.1 FINANCING COST

	2013	2012
	£'000	£'000
As per statement of profit or loss and other comprehensive income	(359)	(208)
Adjust for: Interest on environmental liability (note 27)	10	14
	(349)	(194)

30.2 ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

	2013	2012
	£'000	£'000
Additions for the year	(1,586)	(1,231)
Adjust for: Additions to environmental assets	-	-
Adjust for: Additions acquired on hire purchase	257	67
	(1,329)	(1,164)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

31. FINANCIAL INSTRUMENTS

FINANCIAL RISK MANAGEMENT

The Group's and Company's operations expose it to a variety of financial risks. Exposure to credit, interest rate and currency risks arises in the normal course of the Group's and Company's business. The Group and Company has in place a risk management programme that seeks to limit the adverse effect of such risks on its financial performance which is provided below.

CREDIT RISK

Credit risk is the risk of financial loss to the Group or Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Management has a credit policy in place of and the exposure to credit risk is monitored on an ongoing basis. The Group primarily deals with reputable mining houses and is unlikely to suffer any losses from this risk.

EXPOSURE TO CREDIT RISK

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows.

GROUP

	Carrying amount	
	2013	2012
	£'000	£'000
Trade and other receivables	4,759	5,863
Cash and cash equivalents	2,362	4,575
	7,121	10,438

COMPANY

	Carrying amount	
	2013	2012
	£'000	£'000
Cash and cash equivalents	341	501

LIQUIDITY RISK

Liquidity risk is the risk that the Group or Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group reviews its facilities regularly to ensure it has adequate funds for operations and expansion plans.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

GROUP**2013**

	Contractual						
	Carrying	cash	2 months	2-12	1-2 years	2-5 years	More than
	amount	flows	or less	months	1-2 years	2-5 years	5 years
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
NON-DERIVATIVE FINANCIAL LIABILITIES							
Finance lease liabilities	291	(314)	(28)	(140)	(146)	-	-
Trade payables	4,019	(4,019)	(4,019)	-	-	-	-
Bank overdraft	-	-	-	-	-	-	-
	4,310	(4,333)	(4,047)	(140)	(146)	-	-

2012

	Contractual						
	Carrying	cash	2 months	2-12	1-2 years	2-5 years	More than
	amount	flows	or less	months	1-2 years	2-5 years	5 years
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
NON-DERIVATIVE FINANCIAL LIABILITIES							
Finance lease liabilities	148	(157)	(20)	(97)	(40)	-	-
Trade payables	6,179	(6,179)	(6,179)	-	-	-	-
Bank overdraft	2	(2)	(2)	-	-	-	-
	6,329	(6,338)	(6,201)	(97)	(40)	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

31. FINANCIAL INSTRUMENTS (CONTINUED)

LIQUIDITY RISK (CONTINUED)

COMPANY

2013

	Contractual Carrying amount £'000	cash flows £'000	2 months or less £'000	2-12 months £'000	1-2 years £'000	2-5 years £'000	More than 5 years £'000
NON-DERIVATIVE FINANCIAL LIABILITIES							
Trade payables	50	(50)	(50)	-	-	-	-
	50	(50)	(50)	-	-	-	-

2012

	Contractual Carrying amount £'000	cash flows £'000	2 months or less £'000	2-12 months £'000	1-2 years £'000	2-5 years £'000	More than 5 years £'000
NON-DERIVATIVE FINANCIAL LIABILITIES							
Trade payables	62	(62)	(62)	-	-	-	-
	62	(62)	(62)	-	-	-	-

MARKET RISK

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's and Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Due to the nature of the Group's operations, it is mainly exposed to the following risks:

- fluctuations in the price of gold; and
- exchange rate risk at its operations

The following applied to the financial years presented in these financial statements:

2013

	High	Low	Average
Gold price – USD/oz	1,792	1,192	1,605
Rand/USD exchange rate	8.07	10.23	8.85
GBP/USD exchange rate	1.64	1.48	1.57
GHC/USD exchange rate	2.04	1.50	1.95
Kshs/USD exchange rate	87.68	81.24	86.65

2012

	High	Low	Average
Gold price – USD/oz	1,895	1,488	1,673
Rand/USD exchange rate	6.61	8.70	7.79
GBP/USD exchange rate	1.66	1.52	1.59
GHC/USD exchange rate	1.48	1.94	1.70
Kshs/USD exchange rate	73.90	105.85	89.98

SENSITIVITY ANALYSIS

The Group has applied the following assumptions in its sensitivity analysis:

2013

	High case scenario	Low case scenario
Gold price – USD/oz	1,500	1,300
Rand/USD exchange rate	11.00	9.50
GBP/USD exchange rate	1.55	1.47
GHC/USD exchange rate	2.30	1.70
Kshs/USD exchange rate	95.00	82.00
Equivalent Rand price per kilogram	530,487	397,061
Equivalent GBP price per kilogram	31,114	28,433
Equivalent GHC price per kilogram	110,920	71,053
Equivalent Kshs price per kilogram	4,581,475	3,427,265

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

31. FINANCIAL INSTRUMENTS (CONTINUED)

SENSITIVITY ANALYSIS (CONTINUED)

2012

	High case scenario	Low case scenario
Gold price – USD/oz	1,700	1,500
Rand/USD exchange rate	9.00	7.50
GBP/USD exchange rate	1.65	1.50
GHC/USD exchange rate	2.30	1.70
Kshs/USD exchange rate	110.00	75.00
Equivalent Rand price per kilogram	491,906	361,695
Equivalent GBP price per kilogram	33,125	32,151
Equivalent GHC price per kilogram	125,709	81,984
Equivalent Kshs price per kilogram	6,012,181	3,616,954

THE GROUP'S SENSITIVITY TO MARKET RISK

The following tables illustrate the Group's sensitivity to these risks based on the above assumptions:

2013

	High case scenario £'000	Low case scenario £'000
Effect on the results and equity for the year based on these assumptions would have been:		
– Gold Recovery Ghana Limited	1,309	(3,811)
– Goldplat Recovery (Pty) Limited	2,404	(1,963)
– Kilimapesa Gold (Pty) Limited	10	(194)

2012

	High case scenario £'000	Low case scenario £'000
Effect on the results and equity for the year based on these assumptions would have been:		
– Gold Recovery Ghana Limited	4,803	(1,345)
– Goldplat Recovery (Pty) Limited	2,066	(1,649)
– Kilimapesa Gold (Pty) Limited	345	(360)

CURRENCY RISK

The Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than GBP. The currencies giving rise to this risk are primarily the US Dollar ("USD"), South African Rand ("RAND"), Ghanaian Cedi ("GHC"), CFA Franc and the Kenyan Shilling.

INTEREST RATE RISK

The Group generally adopts a policy of ensuring that its exposure to changes in interest rates is on a floating rate basis.

FAIR VALUES

The fair values of financial instruments such as interest-bearing loans and borrowings, finance lease liabilities, trade and other receivables/payables are substantially identical to carrying amounts reflected in the statement of financial position.

CAPITAL MANAGEMENT

The Group's objective when managing capital is to safeguard its accumulated capital in order to provide an adequate return to shareholders by maintaining a sufficient level of funds, in order to support continued production and maintenance at the processing plants and to acquire, explore and develop other precious and base metal deposits in Africa.

The Group considers its capital to be shareholders' equity which comprises share capital and retained earnings, which at 30 June 2013 totalled £24,889,000 (2012: £25,163,000).

32. CAPITAL COMMITMENTS

There were no capital commitments as at 30 June 2013 (2012: £nil).

33. CONTINGENCIES

There were no contingent liabilities as at 30 June 2013 (2012: £nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2013

34. RELATED PARTIES

Transactions with related parties take place on terms no more favourable than transactions with unrelated parties.

OTHER RELATED PARTY TRANSACTIONS

Transactions with Group companies

The Group's subsidiary Gold Mineral Resources Limited had the following related party transactions and balances:

	2013	2012
	£'000	£'000
GOLDPLAT PLC		
– Loans and borrowings	(7,926)	(7,422)
KILIMAPESA GOLD (PTY) LIMITED		
– Loans and borrowings	1,642	2,907
NYIEME GOLD SARL		
– Loans and borrowings	1,026	910
ANUMSO GOLD		
– Loans and borrowings	2,633	2,310
MIDAS GOLD		
– Loans and borrowings	307	47

The Group's subsidiary Goldplat Recovery (Pty) Limited had the following related party transactions and balances:

	2013	2012
	£'000	£'000
KILIMAPESA GOLD (PTY) LIMITED		
– Trade and other receivables	394	3
– Goods, equipment and services supplied	366	787
GOLD RECOVERY GHANA LIMITED		
– Trade and other receivables	34	9
– Goods, equipment and services supplied	319	161
– Purchase of precious metals	462	168
– Trade and other payables	(413)	–
MIDAS GOLD		
– Trade and other receivables	4	–
NYIEME GOLD SARL		
– Trade and other receivables	15	–

The carrying value of these assets approximates to their fair value and require no impairment.

The Group's subsidiary Anumso Gold Limited had the following related party transactions and balances in addition to those already noted:

	2013	2012
	£'000	£'000
GOLD RECOVERY GHANA LIMITED		
– Trade and other receivables	19	–
– Trade and other payables	(37)	–

The Group's subsidiary Midas Gold had the following related party transactions and balances in addition to those already noted:

	2013	2012
	£'000	£'000
NYIEME GOLD SARL		
– Trade and other receivables	–	1
– Trade and other payables	–	(1)
GOLD RECOVERY GHANA LIMITED		
– Trade and other payableseceivables	(5)	–

35. GROUP ENTITIES

SIGNIFICANT SUBSIDIARIES

	Activity	Country of incorporation	Ownership interest	
			2013	2012
DIRECTLY				
Gold Mineral Resources Limited	Holding company	Guernsey	100%	100%
INDIRECTLY				
Gold Recovery Ghana Limited	Gold recovery	Ghana	100%	100%
Kilimapesa Gold (Pty) Limited	Mining minerals	Kenya	100%	100%
Anumso Gold Limited (formerly Banka Gold Limited)	Mining minerals	Ghana	100%	100%
Nyieme Gold SARL	Mining minerals	Burkina Faso	100%	100%
Goldplat Recovery (Pty) Limited	Gold recovery	South Africa	74%	85%
Midas Gold	Gold recovery	Burkina Faso	100%	100%

36. SUBSEQUENT EVENTS

R Lamming resigned from the Board as Chief Executive Officer on 13 September 2013.

R Pitts Smith advised his intention to resign from the Board on 31 December 2013.

N Wyatt was appointed as a Non-Executive Director on 17 September 2013.



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