

ANNUAL REPORT

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

ALKMAAR, THE NETHERLANDS

PERIOD ENDED MARCH 31, 2014

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FACOR TURKKROM MINING (NETHERLANDS) B.V.

REPORT OF THE BOARD OF DIRECTORS.

The Board of Directors herewith submits the annual report of Facor Turkkrom Mining (Netherlands) B.V. ("the Company") for the financial year ended March 31, 2014.

ACTIVITIES

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

RESULT FOR THE PERIOD

The Company incurred a loss of USD 49.608 (2012/2013: loss of USD 22.993) for the financial year ended March 31, 2014.

General

The result of the Company is dependent on dividends received from investments and on group investment decisions.

Personnel development

The average number of employees during the financial year was nil (2012/2013: nil). The Company does not expect to employ any personnel in the forthcoming financial year.

Finance development

The Company does not expect that the method of finance will significantly change in the forthcoming financial year.

BOARD OF DIRECTORS

Mr. Ashim Saraf

Director A

India, 15th May, 2014



BK Corporate International B.V.:

Director B

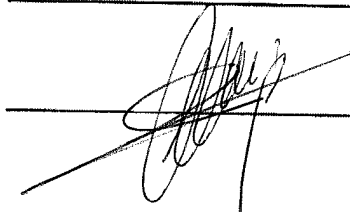
Represented by:

G.J. Kamp



T. Sigircikoglu

Alkmaar, May 19th, 2014



FACOR TURKKROM MINING (NETHERLANDS) B.V.

BALANCE SHEET AS AT MARCH 31, 2014

<i>ASSETS</i>	<i>Note</i>	March 31, 2014 USD	March 31, 2013 USD
FINANCIAL FIXED ASSETS			
Investment	3	2.015.321	174.289
CURRENT ASSETS			
Receivable related parties	4	95.706	110.823
Other receivable	5	14.119	9.785
CASH AT BANK	6	4.115	1.904.753
TOTAL ASSETS		<u>2.129.261</u>	<u>2.199.650</u>
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Share capital	7	2.200.000	200.000
Translation reserve	7	(557)	(557)
Deficit	7	<u>(84.363)</u>	<u>(34.755)</u>
		2.115.080	164.688
CURRENT LIABILITIES			
Payable related parties	8	-	2.000.970
Accounts payable and accrued expenses	9	14.181	33.992
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		<u>2.129.261</u>	<u>2.199.650</u>

FACOR TURKKROM MINING (NETHERLANDS) B.V.

PROFIT AND LOSS ACCOUNT FOR THE PERIOD APRIL 1, 2013 UP TO AND INCLUDING MARCH 31, 2014

		April 1, 2013 up to and including - March 31, 2014 USD	January 1, 2013 up to and including - March 31, 2013 USD
FINANCIAL INCOME & EXPENSES	<i>Note</i>		
Currency exchange result		3.002	(1.780)
EXPENSES			
General and administrative expenses	10	<u>(53.387)</u>	<u>(24.547)</u>
RESULT BEFORE TAXATION		(50.385)	(26.327)
Extraordinary profit	11	777	3.334
Corporate income tax	12	-	-
RESULT AFTER TAXATION		<u><u>(49.608)</u></u>	<u><u>(22.993)</u></u>

FACOR TURKKROM MINING (NETHERLANDS) B.V.

NOTES TO THE ANNUAL ACCOUNTS AS AT MARCH 31, 2014

1. General

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

2. Accounting principles

Basis of preparation

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

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

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

By amendment of the articles of association on March 1, 2013 the financial year of the Company ends on March 31.

Valuation

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

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

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

The exchange rates used at balance sheet date are:

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

March 31, 2014: USD 1 = EUR 0,72526

March 31, 2014: USD 1 = TRL 2,188

Consolidation

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

Taxation

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

FACOR TURKKROM MINING (NETHERLANDS) B.V.

NOTES TO THE ANNUAL ACCOUNTS AS AT MARCH 31, 2014 (Cont.)

FINANCIAL FIXED ASSETS	March 31, 2014 USD	March 31, 2013 USD
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3. Investment

	<u>Ownership</u>		
Cati Madencilik Ithalat ve Ihracat A.S.	100,00%	<u>2.015.321</u>	<u>174.289</u>

The Company has incorporated Cati Madencilik Ithalat ve Ihracat A.S., established in Istanbul, Turkey on June 25, 2012 with a total share capital of TL 300.000 (USD 174.289). On January 7, 2013 the Company has acquired the remaining 4 shares. The Company has an ownership of 100,00%. On May 29, 2013 the share capital of Cati Madencilik Ithalat ve Ihracat A.S. has been increased with TL 3.400.000 (USD 1.841.032).

CURRENT ASSETS

4. Receivable related parties

Current account Cati Madencilik Ithalat ve Ihracat A.S.	<u>95.706</u>	<u>110.823</u>
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As per balance sheet date, the Company has 2 current account positions with Cati Madencilik Ithalat ve Ihracat A.S. of TRL 148.140 (USD 67.706) and USD 28.000.

5. Other receivable

Prepaid management fee	<u>14.119</u>	<u>9.785</u>
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6. CASH AT BANK

GarantiBank International N.V. - EUR	EUR 1.005	1.386	15.311
GarantiBank International N.V. - USD		<u>2.729</u>	<u>1.889.442</u>
		<u>4.115</u>	<u>1.904.753</u>

7. SHAREHOLDERS' EQUITY

The movement in shareholders' equity is specified as follows:

	<u>Share capital</u>	<u>Translation reserve</u>	<u>Deficit</u>	<u>Total</u>
Balance Dec 31, 2012	23.749	(306)	(11.762)	11.681
Revaluation share capital	251	(251)	-	-
Issuance share capital	176.000	-	-	176.000
Result Jan 1, 2013 up to and including March 31, 2013	-	-	(22.993)	(22.993)
Balance March 31, 2013	<u>200.000</u>	<u>(557)</u>	<u>(34.755)</u>	<u>164.688</u>
Issuance share capital	2.000.000	-	-	2.000.000
Result Apr 1, 2013 up to and including March 31, 2014	-	-	(49.608)	(49.608)
Balance March 31, 2014	<u>2.200.000</u>	<u>(557)</u>	<u>(84.363)</u>	<u>2.115.080</u>

As per balance sheet date, the Company has a share capital of in total 11.220 class A shares and 10.780 class B shares with a nominal value of USD 100 each.

FACOR TURKKROM MINING (NETHERLANDS) B.V.

NOTES TO THE ANNUAL ACCOUNTS AS AT MARCH 31, 2014 (Cont.)

7. SHAREHOLDERS' EQUITY (Cont.)

As per April 1, 2013 the Company had a share capital of 1.020 ordinary class A shares and 980 ordinary class B shares with a nominal value of USD 100 each which were issued and fully paid up. On April 22, 2013 a number of 10.200 class A shares and 9.800 class B shares with a nominal value of USD 100 each. These issued shares were issued and fully paid up.

CURRENT LIABILITIES	March 31, 2014 USD	March 31, 2013 USD
8. Payable related parties		
Current account Dillenburg Domestic Realty B.V.	-	979.970
Current account Facor Minerals (Netherlands) B.V.	-	1.021.000
	<u>-</u>	<u>2.000.970</u>
9. Accounts payable and accrued expenses		
Management fee	-	12.986
Tax advisory fee EUR 3.933	5.422	2.117
Notarial fee	-	10.628
Audit fee EUR 6.353	8.759	8.134
Sundry expenses	-	127
	<u>14.181</u>	<u>33.992</u>

**NOTES TO THE PROFIT AND LOSS ACCOUNT FOR THE PERIOD APRIL 1, 2013
UP TO AND INCLUDING MARCH 31, 2014**

	2013/ 2014 USD	2013 USD
10. General and administrative expenses		
Management fee	18.027	3.276
Tax advisory fee	9.185	605
Notarial fee	8.257	11.061
Audit fee	8.759	8.134
Other professional fee	5.713	-
Bank charges	2.578	1.471
Sundry expenses	868	-
	<u>53.387</u>	<u>24.547</u>
11. Extraordinary profit		
Waiver current account Dillenburg Domestic Realty B.V.	<u>777</u>	<u>3.334</u>

12. Corporate income tax

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

FACOR TURKKROM MINING (NETHERLANDS) B.V.

OTHER INFORMATION

Appropriation of results

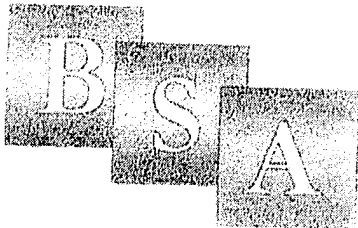
In accordance with the Company's articles of association, results are at the disposal of the shareholders. Management proposes to add the result for the period ended March 31, 2014 to the general reserves of the Company.

Audit

The report of the independent auditors' is included on the next page.

Subsequent events

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



Van den Boogaard & Smulders
accountancy

INDEPENDENT AUDITOR'S REPORT

Facor Turkkrom Mining (Netherlands) B.V.

Oudegracht 202

1811 CR Alkmaar, The Netherlands

Report on the financial statements

We have audited the accompanying financial statements 2014 of Facor Turkkrom Mining (Netherlands) B.V., Breda, which comprise the balance sheet as at March 31, 2014, the profit and loss account for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

Management's responsibility

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

Auditor's responsibility

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

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

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WTA vergunning

Van den Boogaard & Smulders Accountancy is een handelsnaam van Van den Boogaard & Smulders Accountancy LLP.



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

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

Opinion with respect to the financial statements

In our opinion, the financial statements give a true and fair view of the financial position of Facor Turkkrom Mining (Netherlands) B.V. as at March 31, 2014 and of its result for the period commencing April 1st, 2013 up to March 31st, 2014 in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code.

Gemert, 14 mei 2014.

Van den Boogaard & Simulders Accountancy LLP

P.M.H.J. van den Boogaard RA

Independent Auditor