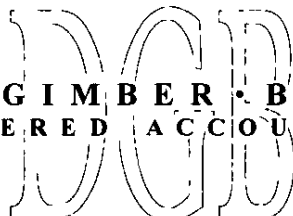


Company Registration No. 3040758 (England and Wales)

**SANTON PUTNEY LIMITED**  
**DIRECTOR'S REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2010**



**DAVIES • GIMBER • BROWN LLP**  
**CHARTERED ACCOUNTANTS**



# **SANTON PUTNEY LIMITED**

## **COMPANY INFORMATION**

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<b>Director</b>	G Bilton
<b>Secretary</b>	Alan Pereira
<b>Company number</b>	3040758
<b>Registered office</b>	1st Floor 21 Knightsbridge London SW1X 7LY
<b>Accountants</b>	Davies Gimber Brown LLP Ryebrook Studios Woodcote Side Epsom Surrey KT18 7HD

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# **SANTON PUTNEY LIMITED**

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# SANTON PUTNEY LIMITED

## DIRECTOR'S REPORT

### FOR THE YEAR ENDED 30 APRIL 2010

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The Director presents his report and financial statements for the year ended 30 April 2010

#### Principal activities

The principal activity of the Company continued to be that of investment

#### Director

The following Director has held office since 1 May 2009

G Bilton

#### Statement of Director's responsibilities

The Director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations

Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Director must not approve the financial statements unless he is satisfied that he gives a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

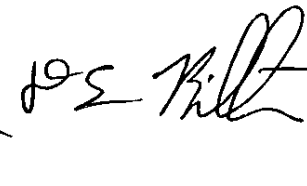

The Director is responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board

G Bilton  
Director

27 January 2011



# **SANTON PUTNEY LIMITED**

## **CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF SANTON PUTNEY LIMITED**

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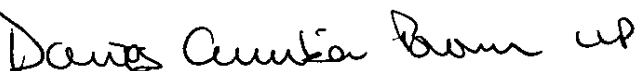
In accordance with the engagement letter dated 29 April 2010, and in order to assist you to fulfil your duties under the Companies Act 2006, we have compiled the financial statements of Santon Putney Limited for the year ended 30 April 2010, set out on pages 3 to 8 from the accounting records and information and explanations you have given to us

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters we have agreed to state to them in this 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 Board of Directors as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 30 April 2010 your duty to ensure that the Company has kept adequate accounting records and to prepare financial statements that give a true and fair view under the Companies Act 2006. You consider that the Company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



**Davies Gimber Brown LLP**

**Chartered Accountants**

*28th January 2011*

Ryebrook Studios  
Woodcote Side  
Epsom  
Surrey  
KT18 7HD

**DAVIES • GIMBER • BROWN LLP**  
**CHARTERED ACCOUNTANTS**

# SANTON PUTNEY LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2010

	Notes	2010 £	2009 £
Administrative expenses		(107,725)	(6,725)
<b>Operating loss</b>	<b>2</b>	(107,725)	(6,725)
Exceptional loan provision	<b>11</b>	(31,000)	(10,502,186)
<b>Loss on ordinary activities before interest</b>		(138,725)	(10,508,911)
Other interest receivable and similar income	<b>3</b>	-	327
Interest payable and similar charges		(3)	-
<b>Loss on ordinary activities before taxation</b>		(138,728)	(10,508,584)
Tax on loss on ordinary activities	<b>4</b>	-	-
<b>Loss for the year</b>	<b>9</b>	(£138,728)	(£10,508,584)

# SANTON PUTNEY LIMITED

## BALANCE SHEET

AS AT 30 APRIL 2010

	Notes	2010 £	£	2009 £	£
<b>Fixed assets</b>					
Investments	5		8,491		-
<b>Current assets</b>					
Debtors	6	4,784		-	
Cash at bank and in hand		8,400		5,655	
		<u>13,184</u>		<u>5,655</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(10,667,822)</u>		<u>(10,513,074)</u>	
<b>Net current liabilities</b>			<u>(10,654,638)</u>		<u>(10,507,419)</u>
<b>Total assets less current liabilities</b>			<u>(£10,646,147)</u>		<u>(£10,507,419)</u>
<b>Capital and reserves</b>					
Called up share capital	8		2		2
Profit and loss account	9		<u>(10,646,149)</u>		<u>(10,507,421)</u>
<b>Shareholders' funds</b>			<u>(£10,646,147)</u>		<u>(£10,507,419)</u>

For the financial year ended 30 April 2010 the Company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the Company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The Director acknowledges his responsibilities for ensuring that the Company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the Company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board for issue on 27 August 2011

G Bilton  
Director

Company Registration No 3040758

# SANTON PUTNEY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 APRIL 2010

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#### 1 Accounting policies

##### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

As set out in Note 11 the Company has provided in full for irrecoverable loans of £31,000. At 30 April 2010 the Company has net liabilities of £10,606,147 and in the opinion of the Directors is not a going concern. Accordingly the financial statements are not prepared on a going concern basis. The Company is in a holding situation pending resolution of the ownership and operation of assets owned by Morrinho Mineracao Ltda, the Company to which Santon Putney Limited has lent substantial funds. Further debts, other than the cost of maintaining the Company which will be met by the Director/shareholder, are not being incurred.

##### 1.2 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

##### 1.3 Group accounts

The financial statements present information about the Company as an individual undertaking and not about its group. The Company and its subsidiary undertaking comprise a small-sized group. The Company has therefore taken advantage of the exemptions provided by section 399 of the Companies Act 2006 not to prepare group accounts.

#### 2 Operating loss

	2010 £	2009 £
Operating loss is stated after charging		
Auditors' remuneration	-	2,750

#### 3 Investment income

	2010 £	2009 £
Bank interest	-	327
	-	£327

#### 4 Taxation

The Company has excess management expenses of £110,000 and schedule DVI losses of £10,500,000 to carry forward.



# SANTON PUTNEY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2010

### 5 Fixed asset investments

	Shares in group undertakings and participating interests £
<b>Cost</b>	
At 1 May 2009	-
Additions	8,491
	<hr/>
At 30 April 2010	8,491
	<hr/>
<b>Net book value</b>	
At 30 April 2010	8,491
	<hr/>
At 30 April 2009	-
	<hr/>

#### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held %
<b>Subsidiary undertakings</b>			
Advent Brasil Mineracao Ltda	Brasil	Ordinary	98.60
Morrinho Mineracao Ltda	Brasil	Ordinary	98.60

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

		Capital and reserves 2010 £	Profit/(loss) for the year 2010 £
	<b>Principal activity</b>		
Advent Brasil Mineracao Ltda	Holding Company	(3,701,406)	1,770,538
Morrinho Mineracao Ltda	Mining	(7,500,000)	-

Morrinho Mineracao Ltda is in "Judicial Recuperation" or administration, in Brasil. The Director does not have access to recent year end accounts, but has estimated the capital and reserves position at 31 December 2009 from management accounts. The Company is making losses from its mining operation, but the Director does not have access to financial information allowing him to put a reasonable estimate on these losses.

# SANTON PUTNEY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 APRIL 2010

6 Debtors	2010 £	2009 £
Other debtors	<u>£4,784</u>	<u>-</u>

7 Creditors amounts falling due within one year	2010 £	2009 £
Taxation and social security	-	292
Other creditors	<u>10,667,822</u>	<u>10,512,782</u>
	<u>£10,667,822</u>	<u>£10,513,074</u>

Included within other creditors is £7,549,605 due to Santon Capital Limited who have a debenture over the assets of the Company

8 Share capital	2010	2009
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>£2</u>	<u>£2</u>

9 Statement of movements on profit and loss account	Profit and loss account £
Balance at 1 May 2009	(10,507,421)
Loss for the year	<u>(138,728)</u>
Balance at 30 April 2010	<u>(£10,646,149)</u>

#### 10 Control

The Company is controlled by the Director G Bilton

# **SANTON PUTNEY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 30 APRIL 2010**

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#### **11 Related party transactions**

The Company has made net loans of £Nil (2009 £343,186) and £31,000 (2009 £10,159,000) to Advent Brasil Mineracao Ltda and Morrinho Mineracao Ltda respectively. These amounts have been provided for in full in the financial statements as an exceptional cost.

Included in other creditors is £230,000 (2009 £230,000) due to the Director G Bilton.