ENRC Africa Holdings Limited

(Registered number: 4232247)

Financial Statements for the year ended 31 December 2013

ENRC Africa Holdings Limited

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ENRC Africa Holdings Limited

Strategic Report for the year ended 31 December 2013

The Director presents his strategic report of ENRC Africa Holdings Limited (the "Company") for the year ended 31 December 2013.

Review of the business

The principal activity of the Company is acting as an intermediate holding company of African investments for Eurasian Resources Group S.a' r.l ("ERG S.a' r.l"). The Director does not anticipate any significant changes to the Company's principal activities in the future.

The results of the Company show a loss of £1,028 million for the financial year ended 31 December 2013 and a profit of £41 million for the financial year ended 31 December 2012. The Company has shareholder's deficit of £440 million as at 31 December 2013 and shareholder's funds of £597 million as at 31 December 2012.

Principal risks and uncertainties

From the perspective of the Company, the principal risks, uncertainties and financial risk management are integrated with the principal risks of the Group and are not managed separately. For ERG S.a' r.l, these are discussed in the Group's annual report which does not form part of this report.

Key performance indicators

Given the nature of the Company's business, the Director is of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Environmental and employee matters

Given the nature of the Company's business the Director believes that there are no significant environmental matters that are likely to have an effect on the current or future performance of the Company. There are no employees in the Company.

On behalf of the Board

Leon Lombard
Director
ENRC Africa Holdings Limited
16 St James's Street
London
United Kingdom
SW1A 1ER

Date: 15/12/2014

ENRC Africa Holdings Limited

Director's Report for the year ended 31 December 2013

The Director presents his report and the audited financial statements of ENRC Africa Holdings Limited (the "Company") for the year ended 31 December 2013.

Called up share capital

The Company's authorised share capital consists of 3,000,000,000 ordinary shares of 0.10 pence par value each. At 31 December 2013 and 2012, the issued and fully paid share capital of the Company was £3 million.

Directors

The Directors of the company who were in office during the year and up to the date of signing the financial statements were:

James Cochrane (Resigned 11 April 2013)
Beat Ehrensberger (Resigned 15 October 2014)
Zaure Zaurbekova (Resigned 14 March 2014)
Leon Lombard (Appointed 15 October 2014)

Dividends

The Director of the Company does not recommend the payment of a dividend for the year ended 31 December 2013.

Qualifying third party indemnity provisions

The Company has entered into deeds of indemnity for the benefit of each Director of the Company in respect of liabilities to which they may become liable in their capacity as a Director of the Company. These indemnities are qualifying third party indemnity provisions within the meaning given to that term by Section 234 of the Companies Act 2006. These indemnity provisions remain in force at the time this report is approved.

Going Concern

Refer to the Principal accounting policies in Note 1 of the Financial Statements for going concern assessment.

ENRC Africa Holdings Limited

Director's Report for the year ended 31 December 2013 (continued)

Statement of Director's Responsibilities

The Director is responsible for preparing the Strategic Report, 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 prepared 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 they give 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

Disclosure of information to auditors

The Director in office at the date of approval of this report confirms that:

1) so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and

2) the Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 (1) to (4) of the Companies Act 2006.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

On behalf of the board

Leon Lombard
Director
ENRC Africa Holdings Limited
16 St James's Street
London
United Kingdom
SW1A 1ER

Date: 15/12/2014

ENRC Africa Holdings Limited

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF ENRC AFRICA HOLDINGS LIMITED

REPORT ON THE FINANCIAL STATEMENTS

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

Emphasis of matter

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in Note 1 in the financial statements which indicates that the Company is reliant on the ERG S.a r.l. Group (hereinafter referred to as the "ERG Group") as a source of funding. As described in Note 1, there are events and conditions relating to the ERG Group's ability to continue to provide funding to the Company that result in a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These financial statements do not include the adjustments that would result if the company were unable to continue as a going concern

We have audited

The financial statements, which are prepared by ENRC Africa Holdings Limited, comprise:

- Balance Sheet as at 31 December 2013;
- Profit and Loss Account for the year then ended;
- Statement of Total Recognised Gains and losses for the year ended; and
- The notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the director has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, he has made assumptions and considered future events.

WHAT AN AUDIT OF FINANCIAL STATEMENTS INVOLVES

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 company's circumstances and have been consistently applied and adequately disclosed;
- The reasonableness of significant accounting estimates made by the director; and
- The overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Strategic Report and the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

ENRC Africa Holdings Limited

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF ENRC AFRICA HOLDINGS LIMITED (continued)

OTHER MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- We have not received all the information and explanations we required for our audit; or
- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Our responsibilities and those of the director

As explained more fully in the Statement of Director's Responsibilities set out on page 4, the director is 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 ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's member as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Nicholas Blackwood

Nicholas Blackwood (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

Date:
15 December 2014

ENRC Africa Holdings Limited

Profit and Loss Account for the year ended 31 December 2013

In millions of £	Note	Year ended 31 December 2013	Year ended 31 December 2012
Continuing operations			
Impairment	3	(1,029)	(3)
Administrative expenses		-	(3)
Loss on ordinary activities before interest and taxation		(1,029)	(6)
Interest receivable and similar income	5	26	26
Interest payable and similar charges	6	(25)	(29)
Dividend income		-	50
(Loss)/Profit on ordinary activities before taxation		(1,028)	41
Tax on (loss)/profit on ordinary activities	7	-	-
(Loss)/profit for the financial year	13	(1,028)	41

There is no difference between the result as reported and its historical cost equivalent.

ENRC Africa Holdings Limited

Statement of Total Recognised Gains and Losses for the year ended 31 December 2013

In millions of £	Note	Year ended 31 December 2013	Year ended 31 December 2012
(Loss)/Profit for the financial year	13	(1,028)	41
Foreign currency translation differences	13	(9)	(3)
Total recognised gains and losses relating to the year		**(1,037)**	**38**

There is no difference between the result as reported and its historical cost equivalent.

ENRC Africa Holdings Limited

Balance sheet as at 31 December 2013

In millions of £	Note	At 31 December 2013	At 31 December 2012
Fixed assets			
Tangible assets		**2**	2
Investments	*8*	**1**	515
Total fixed assets		**3**	517
Current assets			
Debtors		**1**	1
Amounts owed by group undertakings	*9*	**104**	891
Cash at bank and in hand		**1**	10
Total current assets		**106**	902
Creditors' amounts falling due within one year:			
Amounts owed to group undertakings	*10*	**(524)**	(811)
Other creditors	*11*	**-**	(3)
Total creditors - amounts falling due within one year		**(524)**	(814)
Net current (liabilities)/assets		**(418)**	88
Total assets less current liabilities		**(415)**	605
Creditors' amounts falling due after more than one year:			
Amounts owed to group undertakings	*10*	**(25)**	(8)
Net (liabilities)/assets		**(440)**	597
Capital and reserves			
Called up share capital	*12*	**3**	3
Share premium account	*13*	**905**	905
Foreign currency translation reserve	*13*	**(12)**	(3)
Profit and loss account	*13*	**(1,336)**	(308)
Total shareholder's (deficit)/funds	*13*	**(440)**	597

The financial statements on pages 7 to 17 were approved by the Board of Directors on 15/12/2014 and were signed on its behalf by:

Leon Lombard
Director

ENRC Africa Holdings Limited Registered number 04232247

ENRC Africa Holdings Limited

Notes to the Financial Statements for the year ended 31 December 2013

1. **Principal Accounting Policies**

   a) **Basis of accounting**

These financial statements are for the year from 1 January 2013 to 31 December 2013. The prior year is for the year 1 January 2012 to 31 December 2012.

These financial statements are prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The Director has reviewed the Company's existing accounting policies and consider that they are consistent with the previous year. The principal accounting policies are set out below.

Eurasian Resources Group S.à.r.l., the Company's ultimate parent company, has provided a letter of support for the Company, confirming their commitment to provide financial support to enable the Company to meet its liabilities as they fall due and to carry on its business without significant curtailment of operations for the foreseeable future and not less than 12 months from the date of the approval of the Company's statutory accounts, as long as the entity remains part of the ERG Group. The Director has relied on this letter in forming a conclusion on going concern.

However, as a result of the transaction whereby ERG acquired the ENRC Group, the debt burden on the Group increased substantially due to the additional capital cost of financing the acquisition and the consequential increase in debt service cost (details of which are set out in the Group's 2013 Annual Report and Accounts). In addition, the Group requires on-going access to capital to refinance debt maturities and support its sustaining and expansionary business plans. The Group has continuously monitored its financial position subsequent to 31 December 2013 to ensure sufficient liquidity headroom is in place to support its business needs and to ensure compliance with loan covenants or to obtain waiver where appropriate.

Due to this additional debt burden, both liquidity and compliance with certain loan covenants have become more sensitive to market changes, in particular those which impact the Group's underlying cash flows, such as commodity prices.

In order to mitigate this risk, the Group has taken a number of actions to ensure that there is sufficient resilience to such movements and provide additional headroom in both liquidity and loan covenant compliance. Discussions are also ongoing with other existing and potential lenders to increase the weighted average maturity profile of the Group's debt profile to provide greater liquidity headroom.

The Group also continues negotiations regarding the disposal of the certain Group companies. The proceeds from any disposal transactions will reduce leverage and increase covenant headroom and also have the potential to allow the Group to increase liquidity.

The Board has entered into negotiations to dispose of the Group's Other Non-ferrous division and the Group's Brazilian Iron Ore assets to the Founder Shareholders. However, market conditions currently have resulted in the postponement of this transaction and therefore the Board continues to review its strategic options for these assets and are actively pursuing the potential disposal of certain assets which may generate additional liquidity.

The Group has reviewed the liquidity available to it for the period until 31 December 2015. There are periods of forecast negative liquidity in December 2015 as a result of the requirements to repay or refinance existing facilities. In addition, the Group is expecting to breach certain covenants at 30 June 2015 and 31 December 2015 and has not yet approached its banks for waivers. The Board also notes that macro-economic factors such as the reduced liquidity in its primary debt market as a result of EU and US sanctions against Russian financial institutions may also increase uncertainty in respect of the Group's ability to refinance its debt.

The Directors of the Group continue to believe that their strong relationships with existing banking partners and the Kazakhstan government will ensure continued support for the Group's business plans.

The Director notes the uncertainties of the ERG Group above in reaching the conclusion regarding the preparation of these financial statements under the going concern basis. However the directors of the Group have an ongoing dialogue with the Group's lenders and are confident, despite the macro-economic uncertainties, of the receipt of necessary covenant waivers and satisfactory renegotiation of debt maturity to maintain adequate liquidity. In addition, the Group's Directors continue

ENRC Africa Holdings Limited

Notes to the Financial Statements for the year ended 31 December 2013 (continued)

1. **Principal Accounting Policies** continued

a) **Basis of accounting** continued

to review and optimize its business plans in respect of operations and working capital management and are confident that additional liquidity improvements can be achieved.

The directors of the company note the uncertainties regarding matters relating to the Group's ability to continue providing financial support to the Company, however, based on the Group's conclusion on its ability to continue as a going concern the Directors of the Company consider that the Company has access to adequate resources to continue its operations in its current capacity for the foreseeable future and that the preparation of these financial statements under the going concern basis is appropriate.

The Company is a subsidiary of ERG S.a' r.l and is included in the consolidated financial statements of ERG S.a' r.l, which are publicly available. Consequently, the Company has taken advantage of the exemption provided by Section 400 of the Companies Act 2006 not to prepare group financial statements. Therefore, these financial statements include financial information about the Company as an individual undertaking rather than as a group.

The company's functional currency is US dollars and the presentation currency is GBP.

b) **Tangible assets**

Tangible assets include land which is stated at cost and is not depreciated. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

c) **Investments**

Investments are stated in the balance sheet at cost less provisions for impairment. Investments are tested for impairment when events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. An impairment loss is recognised to the extent that the carrying amount of the investment exceeds the higher of fair value less cost to sell and value in use.

d) **Foreign currencies**

Transactions denominated in foreign currencies are translated at the rate of exchange ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date. Exchange differences are charged or credited to the profit and loss account in the period in which they arise.

e) **Financial assets and liabilities**

Debtors, including amounts owed by group undertakings, are stated at fair value with appropriate allowances for estimated recoverable amounts. When the time value of money is material, receivables are carried at amortised cost using the effective interest method. Provision is made when there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Creditors, including amounts owed to group undertakings, are initially recorded at fair value, net of transaction costs incurred, and subsequently remeasured at amortised cost using the effective interest method.

Finance income and expenses are accounted for on an accruals basis using the effective interest method.

1. **Principal Accounting Policies (continued)**

f) **Taxation including deferred tax**

Current tax in respect of the taxable profit or loss for a year is provided using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except where it is otherwise prescribed by the financial reporting standards. Deferred tax liabilities are generally recognised in respect of all timing differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured using the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is recognised on an undiscounted basis.

Current and deferred tax are recognised in the profit and loss account for the year except to the extent that it is attributable to a gain or a loss recognised directly in the statement of total recognised gains and losses, in which case tax attributable to that gain or loss is also recognised directly in the statement of total recognised gains and losses.

g) **Dividends**

Dividends payable are recognised as a liability and deducted from equity at the balance sheet date only if they have been approved before or on the balance sheet date. Dividends are disclosed when they have been proposed before the balance sheet date or when declared after the balance sheet date but before the financial statements are authorised for issue.

2. **Cash flow statement, related party and financial instruments disclosures**

The Company is a subsidiary of ERG S.a' r.l and is included in the consolidated financial statements of ERG S.a' r.l, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (Revised 1996) and presenting financial instruments disclosure under the terms of FRS 29. In accordance with exemptions under FRS 8 "Related Party Disclosures", the Company has not disclosed transactions with entities that are wholly owned subsidiaries or investees of the Group.

3. **Impairment**

In millions of £	*Note*	Year ended 31 December 2013	Year ended 31 December 2012
Impairment of investment	*8*	(514)	-
Impairment of amounts owed by group companies	*9*	(515)	(3)
Impairment		**(1,029)**	**(3)**

The impairments of investments and amounts owed by group undertakings relates to investments in, and amounts owed by various group entities. A review of all investments and loans receivable was undertaken as at 31 December 2013 and based on the financial position of the investee or counterparty as at 31 December 2013 there was evidence to suggest that it is probable that the assets may not be fully recovered. The Company has impaired these balances down to the amount which is considered to be recoverable based on the evidence available as at 31 December 2013. This evidence included an analysis of the financial position and future outlook of the investee or counterparty. The financial position as at 31 December 2013 represented the fair values of the assets and liabilities held by these companies as at 31 December 2013, therefore based on the evidence available to the Company, the amount after impairment charges is considered to be recoverable.

ENRC Africa Holdings Limited

Notes to the Financial Statements for the year ended 31 December 2013 (continued)

4. Directors' remuneration, employee costs and auditors' remuneration

The Directors are employed by ENRC Management (UK) Limited and are remunerated by that company in respect of their services as group employees. They received no emoluments from the Company in respect of qualifying services for ENRC Africa Holdings Limited. There were no employees employed by the Company during 2013 and 2012.

The auditors' remuneration for the year ended 31 December 2013 amounted to £20 thousand (2012: £10 thousand).

5. Interest receivable and similar income

In millions of £	Year ended 31 December 2013	Year ended 31 December 2012
Interest income – Camec Finance Limited	26	19
Interest income – Congo Cobalt Corporation Sprl	-	7
Interest receivable and similar income	**26**	26

6. Interest payable and similar charges

In millions of £	Year ended 31 December 2013	Year ended 31 December 2012
Interest expense – ENRC Africa 1 Limited	(25)	(29)
Interest payable and similar charges	**(25)**	(29)

7. Tax on (loss)/profit on ordinary activities

The tax assessed for the year differs from the (loss)/profit on ordinary activities before tax multiplied by the applicable rate of corporation tax in the UK of 23.25% pro rata (2012: 24.5%).

The differences are explained below:

In millions of £	Year ended 31 December 2013	Year ended 31 December 2012
Tax on (loss)/profit on ordinary activities	-	-
Reconciliation of current tax charge		
(Loss)/profit on ordinary activities before taxation	(1,028)	41
Notional tax on (loss)/profit on ordinary activities before tax at the applicable rate of UK corporation tax of 23.25% (2012: 24.5%)	(239)	10
Effects of:		
Items not deductible for tax purposes	239	-
Non-taxable income	-	(12)
Other	-	2
Tax on (loss)/profit on ordinary activities	-	-

As at 31 December 2013, the Company has not recognised deferred tax assets in respect of tax losses of £23 million (2012: £25 million) and other deductible timing differences of £1 million (2012: £68 million) on the basis of insufficient evidence of taxable profits being available against which the deferred tax asset may be utilised. The unrecognised deferred tax asset will be recognised in periods in which losses are utilised against taxable profits.

Factors affecting future tax charges

The main UK corporation tax rate was reduced from 24% to 23% with effect from 1 April 2013. Further reductions in the applicable rate of corporation tax to 21% with effect from 1 April 2014 and to 20% with effect from 1 April 2015 were enacted on 17 July 2013. On the basis the Company does not have any recognised deferred tax assets or liabilities at the balance sheet date, no re-measurement of these balances are necessary.

Notes to the Financial Statements for the year ended 31 December 2013 (continued)

8. Investments

In millions of £	Shares in group companies	Unlisted investments	Total investments
Cost			
At 31 December 2012	752	8	760
Foreign currency translation difference*	(8)	-	(8)
At 31 December 2013	**744**	**8**	**752**
Provision for diminution in value			
At 31 December 2012	229	8	237
Impairment of investments	514	-	514
At 31 December 2013	**743**	**8**	**751**
Net book value			
At 31 December 2012	515	-	515
Impairment of investments	(514)	-	(514)
At 31 December 2013	**1**	-	**1**

*The foreign currency translation difference represent the currency differences which arose as a result of translating the financial statements of the Company's functional currency of US Dollars ($) to pound sterling (£).

The investments were impaired during the year as the carrying values of the investments were not supported by their underlying net assets.

Impairment by investee

In millions of £	Year ended 31 December 2013
Sabot Management Holdings Limited	2
SA Fluorite (Pty) Ltd	5
Boss Mining sprl	315
Société Minière de Kabolela et Kipese Sprl	7
Lefever Finance Limited	46
Mali Mineral Resources SA	1
Southern Palace (Pty) Ltd	6
Camec Finance Limited	132

Principal investments

At 31 December 2013, the Company held the following principal investments:

	Proportion of ordinary shares held	Country of incorporation	Nature of business
Boss Mining sprl	70%	DR Congo	Mining and exploration
Camec Finance Limited	100%	United Kingdom	Financing company
Sabot Management Holdings Limited	100%	British Virgin Islands	Holding company
SA Fluorite (Pty) Limited	51%	South Africa	Mineral exploration
Mali Mineral Resources SA	80%	Mali	Mineral exploration
Société Minière de Kabolela et Kipese Sprl	50%	DR Congo	Mining and exploration
Southern Palace (Pty) Ltd	74%	South Africa	Exploration

ENRC Africa Holdings Limited

Notes to the Financial Statements for the year ended 31 December 2013 (continued)

9. Amounts owed by group undertakings

In millions of £	At 31 December 2013	At 31 December 2012
Camec Finance Limited	523	569
South East African Coal Holding	-	64
Sabot Transport (Pty) Limited	33	60
Frontier Sprl	-	54
Congo Cobalt Corporation Sprl	-	39
Boss Mining Sprl	31	32
Lefever Finance Limited	-	21
Gough Aviation (Pty) Limited	13	13
Sofdlex Investments (Pvt) Limited	-	9
ENRC Marketing Limited	8	8
Camec Kenya Limited	8	8
Mali Mineral Resources SA	9	8
Carvao De Maravia Limitada	5	5
Exploracoes Mineiras de Mocambique Limitada	4	4
Amari Manganese (Pty) Limited	3	3
ENRC Congo BV	-	1
Other	25	36
Total amounts owed by group undertakings	**662**	934
Provision against amounts owed by group undertakings	**(558)**	(43)
Net amount owed by group undertakings	**104**	891
The amounts owed by group undertakings are repayable as follows:		
Due within one year	104	891
Net amount owed by group undertakings	**104**	891

The amount due from Camec Finance Limited bears interest at 4.2% plus 1 month US$ LIBOR.

The amounts due from the remaining entities are interest free.

Repayment of the amounts owed by group companies is not anticipated within a year from the balance sheet date.

Impairment by counterparty

In millions of £	
Camec Kenya	8
Gough Aviation (Pty) Ltd	9
Exploracoes Mineiras de Mocambique Limitada	4
Carvao De Maravia Limitada	5
Mali Mineral Resources SA	1
Camec Finance Limited	469
Boss Mining sprl	31
Sabot Transport (Pty) Limited	10
Other	21

ENRC Africa Holdings Limited

Notes to the Financial Statements for the year ended 31 December 2013 (continued)

10. Amounts owed to group undertakings

In millions of £	At 31 December 2013	At 31 December 2012
ENRC Africa 1 Limited	502	810
ENRC Treasury Africa	21	-
ENRC Marketing Limited	1	1
International Metal Factors Limited	19	6
Majestic Metals Trading Limited	6	2
Total amounts owed to group undertakings	549	819
The amounts owed to group undertakings repayable as follows:		
Due within one year	524	811
Due after more than one year	25	8
Total amounts owed to group undertakings	549	819

The amount owed to ENRC Africa 1 Limited bears interest at US$ LIBOR plus 4.2%. The amount owed to ENRC Treasury Africa bears interest at US$ LIBOR plus 4.8%.

The amounts owed to International Metal Factors Limited, Majestic Metals Trading Limited and Camec Marketing Limited are interest free.

11. Other creditors

In millions of £	At 31 December 2013	At 31 December 2012
Other creditors including taxation and social security	-	3
Total other creditors	-	3

12. Called up share capital

The Company's authorised share capital consists of 3,000,000,000 (2012: 3,000,000,000) ordinary shares of 0.10 pence each nominal value. At 31 December 2013 and 2012, the issued and fully paid share capital of the Company was £3 million.

13. Reconciliation of reserves and movements in shareholder's funds

In millions of £	Called up share capital	Share premium account	Foreign currency translation reserve	Profit and loss Account	Total shareholder's deficit
At 31 December 2012	3	905	(3)	(308)	597
Loss for the financial year	-	-	-	(1,028)	(1,028)
Foreign currency translation differences*	-	-	(9)	-	(9)
At 31 December 2013	3	905	(12)	(1,336)	(440)

**The foreign currency translation differences represent the currency differences which arose as a result of translating the financial statements from the Company's functional currency of US dollars ($) to pound sterling (£).*

ENRC Africa Holdings Limited

Notes to the Financial Statements for the year ended 31 December 2013 (continued)

14. Other related party transactions

During the years ended 31 December 2013 and the year ended 31 December 2012 the Company entered into the following transactions in the ordinary course of business with other related parties:

In millions of £	**Year ended 31 December 2013**	Year ended 31 December 2012
Consultancy fees – ENRC Management UK Limited	-	3
Dividends received – Camec Marketing Limited	-	50

15. Ultimate parent company

The Company's ultimate parent company and controlling party is ERG S.a' r.l. The smallest group to consolidate these financial statements is Eurasian Natural Resources Corporation Limited ('ENRC Ltd') and the largest group to consolidate these financial statements is ERG S.a' r.l. ERG S.a' r.l is incorporated in Luxembourg. Copies of ERG S.a' r.l's consolidated financial statements are available from the Luxembourg Registre de Commerce et des Societes, L-2961 Luxembourg.

During 2013, the Company's ultimate parent company changed from ENRC Plc to ERG S.a' r.l as a result of the change in ownership of ENRC Ltd.