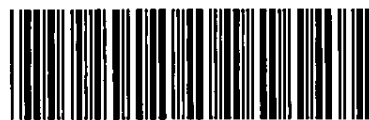


ENRC Management (UK) Limited

(Registered Number 5965190)

Financial Statements for the year ended 31 December 2009

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ENRC Management (UK) Limited

Directors' Report for the year ended 31 December 2009

The Directors present their report and the audited financial statements of the Company for the year ended 31 December 2009

Business review and principal activities

The Company provides management services for the headquarters of Eurasian Natural Resources Corporation PLC ("ENRC PLC") and its subsidiaries (the "Group") and is reimbursed for this through a sister company, ENRC Finance Limited and other Group companies

The results of the Company show a retained profit of £2 million for the year ended 31 December 2009 (2008 £1 million) The Company has shareholders' funds of £10 million as at 31 December 2009 (2008 £3 million)

Share capital

The Company's authorised, issued and fully paid share capital is £1,000 divided into 1,000 shares of £1 nominal value each

Key performance indicators

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

Principal risks, uncertainties and financial risk management

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 ENRC PLC, these are discussed in the Group's annual report which does not form part of this report

Directors

The Directors of the Company who served during the year were

Felix Vulis - appointed 20 August 2009
Zaure Zaurbekova – appointed 30 September 2009
Jim Cochrane
Beat Ehrensberger
Dr Johannes Sittard – resigned 20 August 2009
Miguel Perry – resigned 30 June 2009

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 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

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss for the year then ended

ENRC Management (UK) Limited

Directors' Report for the year ended 31 December 2009

In preparing these financial statements, the Directors are required to

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

The Directors are 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 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.

Disclosure of information to auditors

Each of the Directors 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

Auditors

The auditors are deemed to be reappointed under section 487(2) of the Companies Act 2006

By order of the Board

Zaure Zaurbekova
ENRC Management (UK) Limited
16 St James's Street
London SW1A 1ER



05 May 2010

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ENRC MANAGEMENT (UK) LIMITED

We have audited the financial statements of ENRC Management (UK) Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 2-3, 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 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.

This report, including the opinions, has been prepared for and only for the Company's members 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.

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 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.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2009 and of its profit 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.

Opinion on other matter 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 matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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, 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.

Charles Joseland (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
05 May 2010

ENRC Management (UK) Limited

Profit and Loss Account for the year ended 31 December 2009

In millions of £	Notes	2009	Year ended 2008
Continuing operations			
Turnover – management fee and recharges		50	56
Administrative expenses	4	(48)	(54)
Profit on ordinary activities before interest and taxation		2	2
Interest payable and similar charges payable to group companies		-	(1)
Profit on ordinary activities before taxation		2	1
Tax on profit on ordinary activities	5	-	-
Profit and retained profit for the financial year		2	1

The Company had no recognised gains or losses during the year other than those reflected in the Profit and Loss Account above and therefore, no separate statement of total recognised gains and losses has been presented

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

ENRC Management (UK) Limited

Balance Sheet at 31 December 2009

In millions of £	Notes	As at 31 December	
		2009	2008
Fixed assets			
Intangible assets		1	-
Tangible assets		1	1
Investment		-	-
Total fixed assets		2	1
Current assets			
Debtors (including £1 million in 2009 and 2008 due after one year)	7	8	13
Amounts owed by group companies	8	49	18
Cash at bank and in hand		-	1
Total current assets		57	32
Creditors – amounts falling due within one year			
Trade creditors		(1)	-
Other creditors	9	(14)	(20)
Amounts owed to group companies	10	(34)	(10)
Total creditors – amounts falling due within one year		(49)	(30)
Net current assets		8	2
Total assets less current liabilities		10	3
Capital and reserves			
Called up share capital	11	-	-
Capital contribution reserve	13	6	1
Profit and loss account	13	4	2
Total capital employed		10	3

The financial statements on pages 5 to 12 were approved by the Board of Directors on 05 May 2010 and were signed on its behalf by

Zaure Zaurbekova



ENRC Management (UK) Limited

Notes to the Financial Statements for the year ended 31 December 2009

1 Principal Accounting Policies

a) Basis of accounting

These financial statements are for the year ended 31 December 2009

The financial statements are prepared on the 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 principal accounting policies are set out below.

The Company is a wholly owned subsidiary of ENRC PLC and is included in the consolidated financial statements of ENRC PLC 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 accounts. Therefore, these accounts include financial information about the Company as an individual undertaking rather than as a group.

b) Intangible Assets

Intangible assets are stated at historic cost less provision for amortisation. Acquired intangible assets are amortised over the estimated useful lives on a straight-line basis.

c) Tangible Assets

Tangible assets are stated at cost and are depreciated over their estimated useful economic lives on a straight line basis. The principal rates used are as follows:

Fixtures, fittings and equipment	20% per annum
Motor vehicles	20% per annum
Computer equipment	33.3% per annum

d) Turnover recognition

Turnover (management fee and recharges) is recognised when the services are rendered and the right to receive payment is established.

e) Leases

Operating lease rental is charged to the profit and loss account on a straight-line basis over the lease term.

f) 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 year in which they arise.

g) Financial assets and liabilities

Debtors, including amounts owed by group companies, which are non-interest bearing are stated at their fair value, with appropriate allowances for estimated recoverable amounts.

Creditors, including amounts owed to group companies, which are non-interest bearing are stated at their fair value.

Amounts owed to group companies, which are interest bearing are initially recorded at fair value, net of transaction costs incurred, and subsequently remeasured at amortised cost using the effective interest method.

ENRC Management (UK) Limited

Notes to the Financial Statements for the year ended 31 December 2009

h) Retirement benefits

The Company operates a voluntary defined contribution scheme for all employees. The company contributions are charged as an expense as they fall due.

i) Taxation including deferred tax

Full provision is made for deferred taxation on all timing differences that have arisen but not reversed at the balance sheet date, except that deferred tax assets are only recognised to the extent that it is more likely than not that they will be recovered. Deferred tax is recognised on an undiscounted basis.

j) 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.

k) Share-based payments

The Company's ultimate parent company, ENRC PLC, has adopted a Long Term Incentive Plan ('LTIP') designed to reward the senior management employees of the Company for achieving the Group's strategic objectives and provide an appropriate level of long term performance related pay. Each year, participants will receive conditional awards of shares in ENRC PLC which will normally vest three years after they are awarded, subject to the satisfaction of performance conditions, measured over a three-year performance period and continued service.

The share-based compensation is accounted for as equity-settled in the consolidated financial statements of ENRC PLC and is measured at fair value of the equity instruments at the date of grant. The fair value was calculated by applying a Monte Carlo model.

In accordance with FRS 20, the Company is required to record an expense for such compensation in the profit and loss account, with a corresponding increase recognised in equity as a contribution from the parent company.

The total amount recognised in the profit and loss account as an expense is adjusted to reflect the actual number of awards that vest.

2 Cash flow statement, related party and financial instruments disclosures

The Company is a wholly-owned subsidiary of ENRC PLC and is included in the consolidated financial statements of ENRC PLC, 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) and presenting financial instruments disclosures under the terms of FRS 29.

The Company is also exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the ENRC PLC Group or investees of the ENRC PLC Group.

ENRC Management (UK) Limited

Notes to the Financial Statements for the year ended 31 December 2009

3 Directors' emoluments

The Directors are remunerated by the Company, in respect of their services as Group employees. The following represents the Directors' emoluments paid by the Company.

In thousands of £	2009	2008
Aggregate emoluments	6,728	6,759
Aggregate amounts receivable under long-term incentive schemes	1,395	980
Aggregate amounts receivable under pension schemes	256	304
Aggregate amounts of compensation for loss of office	2,042	-
Highest paid director		
Total amount of emoluments and amounts receivable under long-term incentive schemes	2,905	3,410
Total pension contributions	100	150

The Directors' emoluments are borne by the Company and subsequently recharged to ENRC group companies. The Directors received no emoluments from the Company in respect of qualifying services.

Retirement benefits are accruing to four Directors under a defined contribution scheme. Four Directors, including the highest paid Director, have received conditional awards of shares in ENRC PLC under the LTIP in 2009 and 2008.

The amounts receivable under the long-term incentive scheme include a cash payment made partially in lieu of LTIP shares.

4 Administrative expenses

Administrative expenses include:

In millions of £	2009	2008
Wages and salaries (including share based payments)	20	14
Social security costs	1	1
Other pension costs	1	1
Staff costs	22	16
Consultancy and advisory costs	19	21
Other general and administrative expenses	7	5
Operating lease charges	1	1
Foreign exchange loss	3	12
Foreign exchange gain	(4)	(1)
Total administrative expenses	48	54

The group audit fee of ENRC PLC, ENRC Finance Limited and ENRC Management (UK) Limited for 2009 amounting to £1 million (2008: £1 million) has been borne by the Company with an appropriate portion subsequently recharged to ENRC Finance Limited and ENRC PLC. This fee includes £15,000 payable for the statutory accounts audit of the Company for 2009 (2008: £15,000).

5. Taxation on profit on ordinary activities

In millions of £	2009	2008
Reconciliation of current tax charge		
Profit on ordinary activities before taxation	2	1
Notional tax on profit on ordinary activities at the standard tax rate of 28% (2008: 28.5%)	-	-
Group tax relief	-	-
Tax on profit on ordinary activities	-	-

ENRC Management (UK) Limited

Notes to the Financial Statements for the year ended 31 December 2009

6 Employee information

The monthly average number of persons (including executive directors) employed by the Company during the year was

	2009	2008
By activity		
Selling and distribution	1	1
Administration	67	44
Monthly average number of employees	68	45

The wages and salaries of the employee in selling and distribution are partially recharged to ENRC Marketing AG, another group company

7 Debtors

In millions of £	2009	At 31 December 2008
Debtors due after more than one year		
Rent deposit due from Alferon Limited, related party	1	1
Debtors due within one year		
Amount owed by Eurasian Capital AG, a related party	-	4
Amount owed by CIM Global Investment NV, a related party	3	-
Receivable from employees	-	3
Other debtors and prepayments	4	5
Total debtors	8	13

The amount owed by Eurasian Capital AG was interest free and repayable on demand. This amount was assigned to CIM Global Investment NV in December 2009. The debtors due after more than one year relate to the rent security deposit for the lease of office space.

8 Amounts owed by group companies

In millions of £	2009	At 31 December 2008
ENRC PLC	27	15
ENRC Finance Limited	19	-
ENRC Marketing AG	2	2
ENRC NV	1	1
TNC Kazchrome	-	-
Asek Reinsurance AG	-	-
Total amounts owed by group companies	49	18

The amounts owed by group companies relate to management recharges and are repayable on demand.

9 Other creditors

In millions of £	2009	At 31 December 2008
Accruals	12	14
Taxation and social security	2	6
Total other creditors	14	20

ENRC Management (UK) Limited

Notes to the Financial Statements for the year ended 31 December 2009

10 Amounts owed to group companies

In millions of £	2009	As at 31 December 2008
ENRC Finance Limited	34	10
Total amounts owed to group companies	34	10

The balance owed to ENRC Finance Limited as at 31 December 2009 and 2008 relates to cash advances for working capital requirements. It is interest free and repayable on demand.

The total amount of interest payable to group companies recognised in the profit and loss in 2009 was £Nil million (2008: £1 million).

11 Share capital

As at 31 December 2009 and 2008, the authorised, issued, allotted and fully paid share capital of the Company consists of 1,000 ordinary shares of £1 par value each.

12 Share-based payments

Under the parent company LTIP, the Company has recognised an employee benefit expense of £5 million during 2009 with a corresponding increase in the capital contribution reserve (2008: £1 million).

The assumptions used are as follows:

	LTIP 2	LTIP 1
Grant date	20 Apr 2009	7 May 2008
Fair value per conditional award of shares granted	£3.97	£8.47
Share price at grant date	£5.49	£12.10
Estimated average volatility	70%	42%
Estimated dividend yield	3.82%	1.01%
Risk free interest rate at grant date	1.27%	2.55%
Vesting Period	3 years	3 years

As the Company only came into existence on 12 October 2006, the expected volatility was calculated based on the average annual volatility of comparable peer group companies over a period similar to the life of the awards. The expected dividend yield was based on the average dividend yield of comparable peer group companies. The risk free interest rate at grant date is based on the US benchmark for 3 year government bonds.

ENRC PLC paid a full year dividend for 2008 of US\$0.31 per share. This was used to calculate the dividend yield for LTIP 2.

The following shows a reconciliation of the conditional awards of shares movement during 2009 and 2008:

	LTIP 2	LTIP 1
Outstanding at 1 January 2008	-	-
Awarded	-	463,325
Forfeited	-	(9,179)
Settled	-	(1,480)
Outstanding at 31 December 2008	-	452,666
Awarded (including transferred during the year)	1,397,611	70,570
Forfeited	(595,913)	(202,789)
Settled	(60,728)	(127,147)
Outstanding at 31 December 2009	740,970	193,300

No outstanding shares are exercisable at 31 December 2009.

ENRC Management (UK) Limited

Notes to the Financial Statements for the year ended 31 December 2009

13 Reserves

In millions of £	Capital contribution reserve	Profit and loss account
At 31 December 2007	-	1
Retained profit for the financial year	-	1
Share based payments (note 12)	1	-
At 31 December 2008	1	2
Retained profit for the financial year	-	2
Share based payments (note 12)	5	-
At 31 December 2009	6	4

14. Operating lease

Total operating lease rentals charged as an expense during the year ended 31 December 2009 amounted to £1 million (2008 £1 million)

At 31 December 2009, the Company has annual commitments of £1 million (2008 £1 million) under the property leases which will expire after 5 years

15 Retirement benefits

The cost of Company contributions for the year ended 31 December 2009 amounted to £1 million (2008 £1 million)

16 Other related party transactions

The amount payable to Alferon Limited in December 2008 was fully paid in 2009

During 2009, the Company has recognised a total of £1 million payable in relation to consultancy services provided by IMR Management Services Limited, a related party, which remains outstanding at year end

17 Ultimate parent company

The Company's ultimate parent company and controlling party is ENRC PLC which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of that company's consolidated financial statements are available from its registered office at 16 St James's Street, London SW1A 1ER