

Ebullio Return Special Purpose Vehicle Limited

Financial Statements

For the year ended 30 April 2015



Ebullio Return Special Purpose Vehicle Limited

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Ebullio Return Special Purpose Vehicle Limited

Directors and General Information

Directors

Lars Steffensen

Registered Office

Ebullio House
33 Clarence Street
Southend-On-Sea
Essex
SS1 1BH
United Kingdom

Registered number

08010205

Ebullio Return Special Purpose Vehicle Limited

Strategic Report

Strategic Report

The Directors present their strategic report for Ebullio Return Special Purpose Vehicle Limited ("the Company") for the year ended 30 April 2015.

Principal activity and review of the business

The principal activity of the Company in the year under review was as an investment company. Its objective is to generate long-term positive capital appreciation for investors primarily through investments in entities directly or indirectly holding mining assets. The Company is invested in Ebullio Commodities Limited, a company incorporated in the United Kingdom where principal investment is in a Turkish mining company. The Company's investment strategy is speculative and entails substantial risks. There can be no assurance that the Company will achieve its investment objective.

The results for the year and the financial position at 30 April 2015 were considered satisfactory by the Directors.

Future developments


The Directors anticipate no significant change to the Company's activities except that in the future the Company will be managed by Lars Steffensen in his capacity as Director as the previous Investment Manager, Ebullio Capital Management LLP, is in a voluntary wind-down process.

Key performance indicators ("KPIs")

The key performance indicators are the level of capital appreciation of the investment in Ebullio Commodities Limited.

Principal risks and uncertainties

The principal risks affecting the Company are market (including potential lower prices for mining production), credit, liquidity and operational risks associated with the trading and investment activities of Ebullio Commodities Limited.



By order of the Board

Lars Steffensen
Managing Director
April 7th 2016.

Ebullio Return Special Purpose Vehicle Limited

For the year ended 30 April 2015

Directors' Report

The Directors present their report and the audited financial statements of Ebullio Return Special Purpose Vehicle Limited ("the Company") for the year ended 30 April 2015. The Company was incorporated on 28 March 2012, and the comparative information represents the period from 30 April 2013 until 30 April 2015.

Results and dividends

The profit for the year, after taxation, was £545,735 (2013: loss of £617,537). No dividends were proposed during the year.

Directors

The Directors during the year under review and up to the date of this report were:

Lars Steffensen

Mark Bayley (resigned 15 January 2016)

Alex Willson (resigned 15 January 2016)

Going concern

The Company's principal asset is in an investment in Ebullio Commodities Limited ("ECL"). ECL principal asset is its investment in Pera Maden AG in Starnberg, Germany, the holding company of Pera Maden AS, a mining company in Istanbul, Turkey. The Company's investment in ECL and ECL's investment in Pera Maden AG are level 3 and illiquid. The Company's exposure to liquidity risk is mitigated by a significant proportion of liabilities being due to ECL which has Directors in common with the Company and the Directors of the Company are confident that ECL will not demand settlement until the Company has sufficient funds. However, the Company has other liabilities and is dependent upon the availability of funding from the Directors and related parties to enable it to meet its liabilities as they fall due. Some of the other liabilities are overdue for payment but the Company has agreed payment terms with the suppliers.

It is indicated in the quarter 3 2015 newsletter to the Company's investors that cash will be available to the Company from related parties to meet liabilities arising from a pending sale of a stake in Turkish mining assets, from gold operations in Ghana and from a tailings project in Turkey. The Directors are committed to the continuation of the Company and have considered the ability of the Company to meet its liabilities as they fall due for a period of at least twelve months from the date of approval of these financial statements. The Directors are of the opinion that there is no significant doubt that the Company will be able to meet its liabilities as they fall due and that it is a going concern and that therefore the financial statements are appropriately prepared on the going concern basis.

Ebullio Return Special Purpose Vehicle Limited

For the year ended 30 April 2015

Directors' Report (continued)

Statement of Directors' responsibilities

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

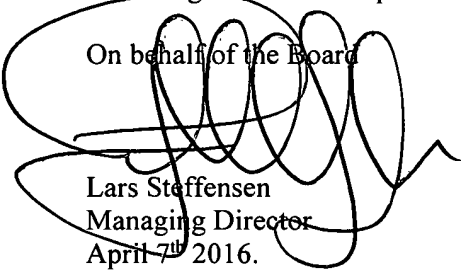
Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). 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 of the company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable 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 Directors confirm that they have complied with the above requirements in preparing the financial statements.

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.

On behalf of the Board



Lars Steffensen
Managing Director
April 7th 2016.

Ebullio Return Special Purpose Vehicle Limited
For the year ended 30 April 2015

Registered number: 08010205

Statement of Comprehensive Income

	2014	2015
	£	£
Gain in financial asset at fair value through profit or loss	1,528,077	3,640,015
Expenses	(910,540)	(3,094,289)
Operating profit	617,537	545,735
Taxation	-	-
Retained profit for the period	617,537	545,735

The activities of the Company relate entirely to continuing operations.

Ebullio Return Special Purpose Vehicle Limited
Statement of Financial Position
As at 30 April 2015

Registered number: 08010205

	2014	2015
	£	£
Assets		
Financial assets at fair value through profit or loss	38,664,557	42,320,066
Cash and cash equivalents	1,851	996
Amount receivable/(payable to) from related parties	9,333	(1,936,319)
Total assets	38,675,741	40,384,743
Equity and liabilities		
<i>Capital and Reserves</i>		
Issued capital	(31,125,000)	(31,125,000)
Retained earnings	(6,425,215)	(6,971,440)
Total equity	(37,550,215)	(38,096,440)
<i>Liabilities</i>		
Trade and other payables	(1,123,526)	(2,288,303)
Total liabilities	(1,123,526)	(2,288,303)
Total equity and liabilities	(38,675,741)	(40,384,743)

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue in accordance with a resolution of the Directors on 7th April 2016.

On behalf of the Board

Lars Steffensen
Managing Director

Ebullio Return Special Purpose Vehicle Limited

Statement of Changes in Equity

For the year ended 30 April 2015

Registered number: 08010205

	Share capital £	Retained earnings £	Total £
On incorporation	-	-	-
Issue of ordinary shares	31,125,000	5,809,678	36,934,678
Profit for the period	-	617,537	617,537
As at 30 April 2014	31,125,000	6,427,215	37,552,215
Profit for the year	-	545,735	545,735
As at 30 April 2015	31,125,000	6,972,950	38,096,440

Ebullio Return Special Purpose Vehicle Limited

Statement of Cash Flows

For the year ended 30 April 2015

Registered number: 08010205

	Notes	2014	2015
		£	£
Cash flows from operating activities			
Cash (used in) / generated from operations	14	(8,140)	855
Net cash (used in) / from operating activities		(8,140)	855
Net cash (decrease) / increase during the period		(8,140)	855
Cash and cash equivalents at beginning of the period		9,991	1851
Cash and cash equivalents as at end of the period		1,851	996

Ebullio Return Special Purpose Vehicle Limited

Notes to the Financial Statements

For the year ended 30 April 2015

1. General information

Ebullio Return Special Purpose Vehicle Limited (the “Company”) is a private company limited by shares incorporated under the Companies Act 2006 on 28 March 2012.

2. Significant accounting policies

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union, as they apply to the financial statements of the Company for the year ended 30 April 2015.

The significant accounting policies adopted in the preparation of these financial statements are set out below.

(a) Basis of preparation

The financial statements are presented in GBP (“the functional currency”) and are rounded to the nearest pound. These financial statements are prepared on a fair value basis with financial assets and financial liabilities held for trading (including derivative financial instruments) at fair value through profit or loss. Other financial assets and financial liabilities are stated at amortised cost.

(b) Going concern

The Company’s principal asset is in an investment in Ebullio Commodities Limited (“ECL”). ECL principal asset is its investment in Pera Maden AG in Munich, Germany, the holding company of Pera Maden AS, a mining company in Istanbul, Turkey. The Company’s investment in ECL and ECL’s investment in Pera Maden AG are level 3 and illiquid. The Company’s exposure to liquidity risk is mitigated by a significant proportion of liabilities being due to ECL which has Directors in common with the Company and the Directors of the Company are confident that ECL will not demand settlement until the Company has sufficient funds. However, the Company has other liabilities and is dependent upon the availability of funding from the Directors and related parties to enable it to meet its liabilities as they fall due. Some of the other liabilities are overdue for payment but the Company has agreed payment terms with the suppliers.

It is indicated in the quarter 3 2015 newsletter to investors of Ebullio Return SPV Limited, a shareholder of the Company, that cash will be available to the Company from related parties to meet liabilities arising from a pending sale of a stake in Turkish mining assets, from gold operations in Ghana and from a tailings project in Turkey. The Directors are committed to the continuation of the Company and have considered the ability of the Company to meet its liabilities as they fall due for a period of at least twelve months from the date of approval of these financial statements. The Directors are of the opinion that there is no significant doubt that the Company will be able to meet its liabilities as they fall due and that it is a going concern and that therefore the financial statements are appropriately prepared on the going concern basis.

Ebullio Return Special Purpose Vehicle Limited

Notes to the Financial Statements

For the year ended 30 April 2015

2. Significant accounting policies (continued)

(c) Use of estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and 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 judgments about carrying values of assets and liabilities that are not readily apparent from independent sources. Actual results may differ from these estimates. The principal area that estimates have been used is in relation to the valuation of the investment in a UK private company.

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

(d) Adoption of new and revised standards

Standards and amendments to existing standards effective or early adopted during the financial reporting period.

The Company has adopted the following new and amended IFRS relevant to the Company during the year:

IFRS 13, 'Fair Value Measurement', effective for annual periods beginning on or after 1 January 2013, has been adopted. The standard improves consistency and reduces complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRS. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRS. If an asset or a liability measured at fair value has a bid price and an ask price, the standard requires valuation to be based on a price within the bid-ask spread that is most representative of fair value and allows the use of mid-market pricing or other pricing conventions that are used by market participants as a practical expedient for fair value measurement within a bid-ask spread.

IFRS 7 'Offsetting Financial Assets and Financial Liabilities' – Amendments to IFRS 7: These amendments require an entity to disclose information about rights to set-off and related arrangements (e.g., collateral agreements). The disclosures would provide users with information that is useful in evaluating the effect of netting arrangements on an entity's financial position. The new disclosures are required for all recognised financial instruments that are set off in accordance with IAS 32 'Financial Instruments: Presentation'. The disclosures also apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement, irrespective of whether they are set off in accordance with IAS 32. The amendment is effective for annual periods beginning on or after 1 January 2013. These amendments do not impact the Company's financial position or performance.

Ebullio Return Special Purpose Vehicle Limited

Notes to the Financial Statements

For the year ended 30 April 2015

2. Significant accounting policies (continued)

(d) Adoption of new and revised standards (continued)

New standards, amendments and interpretations not yet effective nor early adopted

A number of standards, amendments to standards and interpretations are effective for future accounting periods, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company.

(e) Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the statement of financial position date.

Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the statement of comprehensive income within "net foreign exchange gains or losses".

Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the statement of comprehensive income within 'other net changes in financial assets and financial liabilities at fair value through profit or loss'.

(f) Financial instruments

(i) Classification

The Company has classified financial assets and financial liabilities into the following categories:

Financial assets and financial liabilities at fair value through profit or loss:

- Financial instruments designated at fair value through profit or loss upon initial recognition
 - these are financial instruments that are not classified as held for trading but are managed, and their performance is evaluated on a fair value basis in accordance with the Company's investment strategy. They comprise investments in private entities and unquoted investment funds. The Company's policy requires the Investment Manager and the Board of Directors to evaluate the information about these financial assets and liabilities on a fair value basis together with other related financial information.

Ebullio Return Special Purpose Vehicle Limited

Notes to the Financial Statements

For the year ended 30 April 2015

2. Significant accounting policies (continued)

(f) Financial instruments (continued)

(i) Classification (continued)

Financial assets and financial liabilities at amortised cost (as a close approximation of fair value):

- Loans and receivables
 - these include amount receivable from related parties.
- Other liabilities
 - these include amount payable to related parties and other accrued expenses.

(ii) Recognition

The Company recognises financial assets and financial liabilities when it becomes party to the contractual provisions of the instrument.

The Company accounts for the regular purchases and sales of investments using trade date accounting. From this date, any gains and losses arising from changes in fair value of the investments are recognised in the statement of comprehensive income.

(iii) Measurement

Financial assets and financial liabilities are initially measured at fair value and, in the case of financial assets and financial liabilities not measured at fair value through profit or loss, including transaction costs. Transaction costs on financial assets and financial liabilities that are measured at fair value through profit or loss are expensed as incurred in the statement of comprehensive income.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in fair value of the investments are recognised in the statement of comprehensive income in the period in which they arise.

Financial assets and financial liabilities, other than those at fair value through profit or loss, are valued at amortised cost, which the Directors and Investment Manager believe to be a fair approximation of fair value given their short-term nature and no overall indication of impairment.

Ebullio Return Special Purpose Vehicle Limited

Notes to the Financial Statements

For the year ended 30 April 2015

2. Significant accounting policies (continued)

(f) Financial instruments (continued)

(iv) Fair value measurement principles

Fair value is the price that would be received in selling an asset, or paid in transferring a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date.

Investments in private corporations are recorded at fair value as reported by the their respective administrators after consultation with the Investment Manager.

(v) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition in accordance with IAS 39, 'Financial Instruments: Recognition and Measurement'.

Financial assets at fair value through profit or loss that are sold are derecognised and the corresponding receivables from the counterparty for the payment are recognised as of the date the Company commits to the sale of the asset. The Company uses the "first in-first-out" basis to determine the gains or losses on derecognition.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(vi) Impairment

Financial assets which are stated at amortised cost are reviewed at each reporting date to determine whether there is objective evidence of impairment. If any such indication exists, an impairment loss is recognised in the statement of comprehensive income as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

(vi) Impairment (continued)

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the write-down, the write-down is reversed through the statement of comprehensive income. An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

Ebullio Return Special Purpose Vehicle Limited

Notes to the Financial Statements

For the year ended 30 April 2015

2. Significant accounting policies (continued)

(f) Financial instruments (continued)

(vii) Specific instruments

Cash and cash equivalents

Cash comprises current deposits with bank. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(g) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(h) Expenses

All expenses are recognised in the statement of comprehensive income on an accruals basis.

(i) Taxation

Provision is made for corporation tax at the current rates on the excess of taxable income over allowable expenses. Deferred taxation is provided on all timing differences that have originated but not reversed by the balance sheet date other than those differences regarded as permanent. Deferred tax is not provided on taxable temporary differences associated with investments in subsidiaries and associates where the investor is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

An asset is not recognised to the extent that the transfer of economic benefits in the future is uncertain. Any deferred tax assets and liabilities recognised are provided at the rate of tax expected to apply when the asset or liability crystallise and are not discounted.

3. Immediate and ultimate parent undertaking

As no single shareholder owns more than 50% of share capital of the Company, the Directors consider that the Company has no immediate parent undertaking.

The ultimate controlling party of the Company is Lars Steffensen.