

**ANNUAL REPORT**

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

**ALKMAAR, THE NETHERLANDS**

**YEAR ENDED MARCH 31, 2015**

**INDEX**

	<u>Page</u>
Report of the Board of Managing Directors	2
Balance Sheet as at March 31, 2015	4
Profit and loss account for the period ended March 31, 2015	5
Notes to the annual accounts as at March 31, 2015	6
Other information	10

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

---

### **REPORT OF THE BOARD OF DIRECTORS.**

The Board of Directors herewith submits the annual report of Facor Turkkrom Mining (Netherlands) B.V. ("the Company") for the financial year ended March 31, 2015.

### **ACTIVITIES**

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

### **RESULT FOR THE YEAR**

The Company incurred a loss of USD 46.924 (2013/2014: loss of USD 49.608) for the financial year ended March 31, 2015.

#### General

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

#### Personnel development

The average number of employees during the financial year was nil (2013/2014: nil). The Company does not expect to employ any personnel in the forthcoming financial year.

#### Finance development

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

FACOR TURKKROM MINING (NETHERLANDS) B.V.

---

BOARD OF DIRECTORS

A. Saraf  
Director A  
19<sup>th</sup> , MAY 2015



R. Saraf  
Director A  
19<sup>th</sup> , May 2015



B.W. de Sonnaville  
Director A  
19<sup>th</sup> , May 2015



BK Corporate International B.V.:  
Director B  
Represented by:

G.J. Kamp



T. Sigircikoglu  
Alkmaar, 19<sup>th</sup> May , 2015



**FACOR TURKKROM MINING (NETHERLANDS) B.V.****BALANCE SHEET AS AT MARCH 31, 2015**

<i>ASSETS</i>	<i>Note</i>	<b>March 31, 2015 USD</b>	<b>March 31, 2014 USD</b>
<b>FINANCIAL FIXED ASSETS</b>			
Investment	3	2.015.321	2.015.321
<b>CURRENT ASSETS</b>			
Receivable related parties	4	84.658	95.706
Other receivable	5	-	14.119
<b>CASH AT BANK</b>	6	44	4.115
<b>TOTAL ASSETS</b>		<u>2.100.023</u>	<u>2.129.261</u>
 <b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	7	2.200.000	2.200.000
Translation reserve	7	(557)	(557)
Deficit	7	(131.287)	(84.363)
		<u>2.068.156</u>	<u>2.115.080</u>
<b>CURRENT LIABILITIES</b>			
Accounts payable and accrued expenses	8	31.867	14.181
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<u>2.100.023</u>	<u>2.129.261</u>

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

---

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING ENDING  
MARCH 31, 2015**

		<b>April 1, 2014 up to and including - March 31, 2015</b>	<b>April 1, 2013 up to and including - March 31, 2014</b>
		USD	USD
<b>FINANCIAL INCOME &amp; EXPENSES</b>	<i>Note</i>		
Currency exchange result		(6.813)	3.002
<b>EXPENSES</b>			
General and administrative expenses	9	<u>(40.111)</u>	<u>(53.387)</u>
<b>RESULT BEFORE TAXATION</b>		<b>(46.924)</b>	<b>(50.385)</b>
Extraordinary profit	10	-	777
Corporate income tax	11	-	-
<b>RESULT AFTER TAXATION</b>		<b><u>(46.924)</u></b>	<b><u>(49.608)</u></b>

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

---

### **NOTES TO THE ANNUAL ACCOUNTS AS AT MARCH 31, 2015**

#### **1. General**

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

#### **2. Accounting principles**

##### Basis of preparation

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

The books of the Company are kept in US dollars.

##### Valuation

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

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

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

The exchange rates used at balance sheet date are:

March 31, 2015: USD 1 = EUR 0,92945

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

March 31, 2015: USD 1 = TRL 2,61465

March 31, 2014: USD 1 = TRL 2,18800

##### Consolidation

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

##### Taxation

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

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

---

### NOTES TO THE ANNUAL ACCOUNTS AS AT MARCH 31, 2015 (Cont.)

FINANCIAL FIXED ASSETS		March 31, 2015 USD	March 31, 2014 USD
<b>3. Investment</b>	<u>Ownership</u>		
Cati Madencilik Ithalat ve Ihracat A.S.	100,00%	<u>2.015.321</u>	<u>2.015.321</u>

The company has incorporated Cati Madencilik Ithalat Ve ihracat A.S., established in Istanbul, Turkey on June 25, 2012. On May 29, 2013 the share capital of Cati Madencilik Ithalat Ve ihracat A.S. is TL 3,700,000 (USD 2,015,321). The Company has an ownership of 100%.

### CURRENT ASSETS

#### 4. Receivable related parties

Current account Cati Madencilik Ithalat ve Ihracat A.S.	<u>84.658</u>	<u>95.706</u>
---	---------------	---------------

As per balance sheet date, the Company has 2 current account positions with Cati Madencilik Ithalat ve Ihracat A.S. of TRL 148.140 (USD 56.658) and USD 28.000.

#### 5. Other receivable

Prepaid management fee	<u>-</u>	<u>14.119</u>
------------------------	----------	---------------

#### 6. CASH AT BANK

GarantiBank International N.V. - EUR	EUR 34	36	1.386
GarantiBank International N.V. - USD		8	2.729
		<u>44</u>	<u>4.115</u>

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

### NOTES TO THE ANNUAL ACCOUNTS AS AT MARCH 31, 2015 (Cont.)

#### 7. SHAREHOLDERS' EQUITY

The movement in shareholders' equity is specified as follows:

	<b>Share capital</b>	<b>Translation reserve</b>	<b>Deficit</b>	<b>Total</b>
Balance March 31, 2013	200.000	(557)	(34.755)	164.688
Issuance share capital	2.000.000	-	-	2.000.000
Result for the year	-	-	(49.608)	(49.608)
Balance March 31, 2014	2.200.000	(557)	(84.363)	2.115.080
Result for the year	-	-	(46.924)	(46.924)
Balance March 31, 2015	<u>2.200.000</u>	<u>(557)</u>	<u>(131.287)</u>	<u>2.068.156</u>

As per April 1, 2013 the Company had a share capital of 1.020 ordinary class A shares and 980 ordinary class B shares with a nominal value of USD 100 each which were issued and fully paid up. On April 2, 2013 a number of 10.200 class A shares and 9.800 class B shares with a nominal value of USD 100 each were issued and fully paid up. As per balance sheet date, the Company has a share capital of in total 11.220 class A shares and 10.780 class B shares with a nominal value of USD 100 each.

		<b>March 31, 2015</b>	<b>March 31, 2014</b>
<b>CURRENT LIABILITIES</b>		<b>USD</b>	<b>USD</b>
<b>8. Accounts payable and accrued expenses</b>			
Management fee	EUR 7.839	8.434	-
Tax advisory fee	EUR 9.075	9.764	5.422
Audit fee	EUR 12.705	13.669	8.759
		<u>31.867</u>	<u>14.181</u>

#### Contingent liabilities

On May 2, 2014 Cati Madencilik Ithalat ve Ihracat A.S. has entered into a Term Facility Agreement with the Bank of India for an amount of USD 1.500.000. As security for the fulfilment of this obligation the Company has established a first degree and first ranking pledge over the shares of Cati Madencilik Ithalat ve Ihracat A.S. and all proceeds distributed or otherwise receivable in respect of or in exchange or substitution for its shares.

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

---

**NOTES TO THE ANNUAL ACCOUNTS AS AT MARCH 31, 2015 (Cont.)**

**NOTES TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING  
MARCH 31, 2015**

	<b>2014/ 2015</b>	<b>2013/ 2014</b>
	USD	USD
<b>9. General and administrative expenses</b>		
Management fee	23.514	18.027
Tax advisory fee	7.205	9.185
Notarial fee	664	8.257
Audit fee	6.835	8.759
Other professional fee	-	5.713
Bank charges	1.000	2.578
Sundry expenses	893	868
	<u>40.111</u>	<u>53.387</u>
<b>10. Extraordinary profit</b>		
Waiver current account Dillenburg Domestic Realty B.V.	<u>-</u>	<u>777</u>

**11. Corporate income tax**

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

**OTHER INFORMATION**

**Appropriation of results**

In accordance with the Company's articles of association, results are at the disposal of the shareholders. Management proposes to add the result for the period ended March 31, 2015 to the general reserves of the Company.

**Audit**

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

**Subsequent events**

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



## INDEPENDENT AUDITOR'S REPORT

Facor Turkkrom Mining (Netherlands) B.V.

Oudegracht 202

1811 CR Alkmaar, The Netherlands

### Report on the financial statements

We have audited the accompanying financial statements 2014-2015 of Facor Turkkrom Mining (Netherlands) B.V., Alkmaar, which comprise the balance sheet as at March 31, 2015, the profit and loss account for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

#### Management's responsibility

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

#### Auditor's responsibility

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

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



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

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

#### **Opinion with respect to the financial statements**

In our opinion, the financial statements give a true and fair view of the financial position of Facor Turkkrom Mining (Netherlands) B.V. as at March 31, 2015 and of its result for the period commencing April 1<sup>st</sup>, 2014 up to March 31<sup>st</sup>, 2015 in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code.

Gemert, 19 May 2015.

Van den Boogaard & Smulders Accountancy LLP

A handwritten signature in blue ink, appearing to be 'P.M.H.J. van den Boogaard RA', written over a horizontal line.

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

Independent Auditor