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Independent Auditors' Report

To the Members of Oorja Moçambique Minas, Limitada.

We have audited the financial statements of **Oorja Moçambique Minas, Limitada**. Which comprise the statement of financial position at **31 March, 2015**, statements of income and cash flow for the year then ended shown on pages 5 to 7 which have been prepared in accordance with the accounting policies set out on pages 8 to 13.

Owners' responsibility for the financial statements

The company's owners are responsible for the preparation and fair presentation of the financial statements in accordance with Generally Accepted Accounting Principles. This responsibility includes designing implementing and maintaining integral control relevant to the preparation and fair presentation of financial statements that is free from material misstatement, whether due to fraud or error – selecting and applying appropriate accounting policies – and – making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about amounts and disclosures in the financial statements. The procedures depend on the auditors' 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 the management, as well as evaluating the overall preparation 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.

C. W. Duckert & Associados, Lda.
Auditor e Consultores
Av. Guerra Popular, 1028, 1.º Andar - D.
Maputo



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Opinion

In our opinion, the financial statements present fairly the financial position of **Oorja Moçambique Minas, Limitada** at **31 March, 2015** and of its financial performance and its cash flows for the year then ended in accordance with Generally Accepted Accounting Principles in Mozambique.

CW Ducker & Associados
C. W. Ducker & Associados, Lda.
Auditors e Consultores
Av. Gusma Popular, 1028, 1.º Andar - D,
Maputo

CW. Ducker & Associados, Limitada

Maputo, 24 April, 2015

(Nuit number 400 174 512)

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH, 2015

(Amounts Expressed in Mozambican meticals)	Notes	31-Mar-15	31-Mar-14
ASSETS			
Non-Current Assets		7,947,335	5,554,523
Pre-Operating Costs	2.2(a,b);4	7,926,084	5,533,273
Investment		21,250	21,250
Current Assets		800,826	545,448
Trade and other receivables	5	784,561	529,183
Cash and cash equivalents		16,265	16,265
TOTAL ASSETS		8,748,161	6,099,972
LIABILITIES			
Capital and Reserves		25,000	25,000
Social Capital	6	25,000	25,000
Non-Current Liabilities		8,408,171	5,931,973
Loans	7	8,408,171	5,931,973
Current Liabilities		314,990	143,000
Trade and other payables	8	314,990	143,000
TOTAL LIABILITIES		8,748,161	6,099,972

OORJA MOÇAMBIQUE MINAS, LIMITADA

(Nuit number 400 174 512)

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH, 2015**

(Amounts Expressed in Mozambican meticaís)	Notes	31-Mar-15	31-Mar-14
ADMINISTRATIVE COSTS		2,392,811	394,941
Transferred to pre- operating costs	4	2,392,811	394,941

OORJA MOÇAMBIQUE MINAS, LIMITADA

(Nuit number 400 174 512)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH, 2015**

(Amounts Expressed in Mozambican meticaís)	31-Mar-15	31-Mar-14
Changes in working capital	(83,387)	(180,307)
Trade and other receivables	(255,378)	(90,450)
Trade and other payables	171,990	(89,856)
Cash generated from Operations	(83,387)	(180,307)
Investment Activities	(2,392,811)	(394,941)
Increase in Pre-operating costs	(2,392,811)	(394,941)
Financing Activities	2,476,198	575,248
Loans	2,476,198	575,248
Movement of Cash and Cash Equivalentents	-	-
Balance at 1 April, 2014	16,265	16,265
Cash and cash equivalentents at 31 March,2015	16,265	16,265

OORJA MOÇAMBIQUE MINAS, LIMITADA

(Nuit number 400 174 512)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2015

Significant accounting policies

1. Introduction

Oorja Moçambique Minas, Limitada, is a privately owned quota company with limited liability incorporated in 2007 with its head office in Maputo, Mozambique. Its main activity is geological and mining projects in the region of Tete, and its subsequent exploration and commercialization.

2. Basis of preparation and summary of significant accounting policies

2.1 Basis of preparation

2.1.1 Statement of compliance

The financial statements have been prepared in accordance with Mozambican Accounting Framework for small Entities, which require us to write off prior year exchanges difference in the year the occurred.

The financial statements were authorized for issue by the Board of Directors on 20 April, 2015.

2.2 Summary of significant accounting policies

The accounting policies set out below will be applied consistently to all periods in the financial statements, except where specifically stated.

a). Foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rate ruling at the balance sheet date. Foreign exchange differences arising on the translations are recognized in the income statement. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated at the foreign exchange rate ruling at the date of the transaction. In accordance with current Mozambican fiscal legislation, exchange differences on long-term assets and liabilities are treated as current assets or liabilities in the balance sheet.

OORJA MOÇAMBIQUE MINAS, LIMITADA

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FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2015

Significant accounting policies-continued

b). Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation.

Depreciation is calculated on the straight-line method to write off the cost of each asset, or the revalued amounts, at the pre-determined rates in accordance with Mozambican fiscal laws. The annual depreciation rates in respect of the major categories of property, plant and equipment are as follows:

▪ Plant and machinery	10.00%
▪ Buildings	2.00%
▪ Motor vehicles	20.00%
▪ Office equipment	12.50%
▪ Intangible assets	33.33%

Depreciation methods, useful lives and residual values are re-assessed at each reporting date.

Gains or losses on the disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating results.

c). Impairment of non-financial assets

The carrying amounts of the company's non financial assets are reviewed at each balance sheet date to determine whether there is an indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in the income statement.

d). Revenue recognition

Sales are recognized upon delivery of products and customer acceptance, if any, or performance of services, net of trade discounts and added value tax.

OORJA MOÇAMBIQUE MINAS, LIMITADA

(Nuit number 400 174 512)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2015

Significant accounting policies – Continued

e). Taxation

Income tax on the profits of an accounting period comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date and any adjustment to tax payable in respect of prior years.

f). Provisions

A provision is recognized in the balance sheet when the company has a legal or constructive obligation as a result of past events and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

g). Customer receivables

Customer receivables are carried at anticipated realizable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year end.

h). Cash and cash equivalents

For the purposes of the statement of cash flow, cash and cash equivalents comprise cash in hand, bank balances and deposits held with bankers. Bank overdrafts are shown as current liabilities.

3. DEPRECIATION

During the year under review, the company did not trade and was in the phase of exploration. As a result, the management decided to take no account for amortization on pre-operating costs.

LOORJA MOÇAMBIQUE MINAS, LIMITADA

(Nuit number 400 174 512)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2015

Notes to the Financial Statements

4. PRE-OPERATING COSTS

Administrative costs incurred during the year under review have been considered as pre-operating costs and shown as such in the statement of financial position.

Pre-operating costs	31-Mar-15	31-Mar-14
Balance at 1 April, 2014	5,533,273	5,138,332
Additions during the year	2,392,811	394,941
Balance at 31 March, 2014	7,926,084	5,533,273

INVESTMENT

The investment relates to the company's participation of 85% of the social capital of Broadtec Moçambique Minas, Limitada.

5. TRADE AND OTHER RECEIVABLES

(Amounts expressed in Mozambican meticals)	31-Mar-15	31-Mar-14
Due from State (VAT Recoverable)	260,759	176,747
Broadtec Moçambique Minas, Limitada	261,812	262,436
Due from State (VAT Deductible)	90,000	90,000
Aries Consultings, Limitada	171,990	-
Total	784,560	529,183

ORJA MOÇAMBIQUE MINAS, LIMITADA

(Nuit number 400 174 512)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2015

Notes to the Financial Statements - continued

6. SOCIAL CAPITAL

(Amounts expressed in Mozambican meticaais)	31-Mar-15	31-Mar-14
Oorja Holdings Singapore,Pte	24,500	24,500
Shalabh Mittal	500	500
Total	25,000	25,000

7. NON-CURRENT LIABILITIES

SHAREHOLDER LOAN

(Amounts expressed in Mozambican meticaais)	31-Mar-14	31-Mar-14 USD	31-Mar-15 USD	Balance MTS
Quota-holder loan				
Balance at 1 April,2014	8,408,171	176,849	191,973	5,356,725
Funds received during the year	974,580	15,125	30,819	1,523,552
Unrealized difference exchange loss	-			1,527,894
Balance at 31 March, 2014	9,382,751	191,973	222,792	8,408,171

The above loan does not have a fixed date for repayment and during the period under review, did not attract any interest

8. TRADE AND OTHER PAYABLES

(Amounts expressed in Mozambican meticaais)	31-Mar-15	31-Mar-14
Aries Consulting,Limitada	184,990	13,000
Audit fee	130,000	130,000
Total	314,990	143,000

OORJA MOÇAMBIQUE MINAS, LIMITADA

(Nuit number 400 174 512)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2015

Notes to the Financial Statements - continued

RELATED PARTY TRANSACTIONS

There were related party transactions during the period under review as described in note 8 above.

9. CAPITAL COMMITMENTS

At balance sheet date, there were no capital commitments.

10. CONTINGENT LIABILITIES

At balance sheet date, there were no contingent liabilities.