

**Anglo Asian Mining PLC (formerly
Anglo Asian Gold Limited and Anglo
Asian Mining Limited)**

Registration Number 5227012

Report and Financial Statements

For the period from

9 September 2004 to 31 January 2005

Anglo Asian Mining PLC

Report and financial statements for the period from 9 September 2004 to 31 January 2005

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Anglo Asian Mining PLC

Report and financial statements for the period from 9 September 2004 to 31 January 2005

Officers and professional advisers

Directors

Mr Mohammed Reza Vaziri (Executive Chairman)	(Appointed 7 July 2005)
Mr Robert Jeffcock (Deputy Chairman)	(Appointed 14 September 2004)
Mr Charles Hancock (Chief Executive)	(Appointed 14 September 2004)
The Rt. Hon. Timothy Eggar (Non-executive)	(Appointed 7 July 2005)
Governor John Sununu (Non-executive)	(Appointed 7 July 2005)
Mr Richard Round (Finance Director)	(Appointed 19 September 2005)
Dr Ross Bhappu (Non-executive)	(Appointed 1 November 2005)

Secretary

Mr Richard Round	(Appointed 30 September 2005)
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Registered Office

2 Park Lane
Leeds LS3 1ES

Bankers

HSBC
79 Piccadilly
London W1J 8EU

Solicitors

Hammonds
2 Park Lane
Leeds LS3 1ES

Auditors

Deloitte & Touche LLP
Chartered Accountants
London

Anglo Asian Mining PLC

Directors' report

The directors present their annual report and the financial statements for the period 9 September 2004 to 31 January 2005.

The Company was incorporated on 9 September 2004 under the name Anglo Asian Gold Limited. The name of the Company was changed to Anglo Asian Mining Limited on 7 March 2005 and to Anglo Asian Mining PLC on 30 June 2005.

Activities

The Company did not trade in this period and no dividends have been declared or paid.

Directors and their interests

Hammonds Directors Limited

**Ordinary shares
of £1 each
31 January 2005
1**

The current directors and their dates of appointment are listed on page 1. Hammonds Directors Limited was a director from 9 September 2004 to 14 September 2004.

Approved by the Board of Directors
and signed on behalf of the Board

Secretary

8 December 2005

Anglo Asian Mining PLC

Statement of directors' responsibilities

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Anglo Asian Mining PLC

Balance sheet 31 January 2005

	Note	31 January 2005 £
Current assets		
Debtors and Net Assets		<u>1</u>
Shareholders' funds		
Share capital	2	<u>1</u>

The financial statements have not been audited because the Company is entitled to the exemption provided by section 249AA(1) of the Companies Act 1985 relating to dormant companies and its members have not required the company to obtain an audit of these financial statements in accordance with section 249B(2).

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records that comply with section 221 of the Companies Act 1985. The directors also acknowledge their responsibilities for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with section 226 of the Companies Act 1985 and which otherwise comply with the requirements of that Act relating to financial statements, so far as applicable to the company.

These financial statements were approved by the Board of Directors on 8 December 2005.

Signed on behalf of the Board of Directors

Director

Anglo Asian Mining PLC

Notes to the accounts

For the period 9 September 2004 to 31 January 2005

1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

2. Called up share capital

	31 January 2005
	£
Authorised:	
100 ordinary shares of £1 each	100
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Allotted called up and fully paid	
1 ordinary share of £1 each	1
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3. Post Balance Sheet Events

On 17 February 2005, a written resolution of the Company was passed whereby:

- (a) the one subscriber share referred to above constituting the entire issued share capital of the Company was sub-divided into 100 Ordinary shares of 1p each;
- (b) each of the 99 Ordinary Shares of £1 each constituting the authorised but unissued share capital of the Company was sub-divided into 100 Ordinary shares of 1p each;
- (c) the authorised share capital of the Company was increased to £6,000,000 by the creation of an additional 599,990,000 new Ordinary shares;
- (d) the Directors were generally and unconditionally authorised, in accordance with section 80 of the Companies Act 1985, to exercise all the powers of the Company to allot relevant securities; and
- (e) the Directors were further empowered, pursuant to section 95 of the Companies Act 1985, to allot equity securities (as defined in Section 94 of that Act) for cash pursuant to the authority described in paragraph (a) above if section 89(1) of that Act did not apply to the allotment.

On 24 June 2005 the Company allotted 61,533,100 Ordinary Shares to the shareholders of Anglo Asian Operations Limited (AA Operations) as consideration pursuant to a share for share exchange agreement entered into with each such shareholder whereby each ordinary share of 1p in AA Operations was exchanged for 200 Ordinary Shares of 1p each in the Company in order to acquire all of their respective shareholdings in AA Operations.

On 29 June 2005, the Company allotted 3,238,600 Ordinary Shares to Limelight Industrial Developments Limited pursuant to the acquisition of Anglo Asian Cayman Limited by AA Operations by a Deed of Variation dated 23 June 2005.

On 25 July 2005, the Company allotted 5,696,200, 1,903,800 and 800,000 Ordinary Shares to Reza Vaziri, John Sununu and Limelight Industrial Developments Limited respectively pursuant to an agreement between the Company and AA Operations dated 25 July 2005.

On 29 July 2005, the Company was admitted to AIM issuing 26,000,000 Ordinary Shares for £20,020,000 before costs of the issue.