

Commoditrade Inc.

Annual Report and Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2007

Results

- Gross revenue for the year increased by 9.6 per cent to £33.9 million (before deduction of clearing and administration fees, currently charged at 25% of total revenues generated by the trading team) (2006: £30.9 million).
- Net income from the associate, before amortisation of intangible assets, for the period increased by 11.4 per cent to £17.6 million (after direct trading costs and bonuses) (2006 as restated: £15.8m).
- Profit before tax (before amortisation of intangible asset, share based payments and sign-on bonuses) increased by 10.1 per cent to £16.7 million (2006 as restated: £15.2 million)
- As at 31 December 2007 the Company had no debt and its cash balances stood at £8.6 million (2006: £6.9 million).
- Final dividend of 1.5p per share proposed.

Operations

- During the period Commoditrade secured the services of the key members of the trading team for a minimum period of three years.
- Additionally, Commoditrade renegotiated its contract with Sucden (UK) Limited, securing this agreement in future for a fixed net annual fee of £7.5 million. The Board believes this represents an effective restructuring of the current fee arrangement, which is calculated as a percentage of revenues generated by the trading team.
- Commoditrade also acquired sufficient shares in the LME to bring its total holdings to 25,000 B shares, which now entitles the Company to apply for a Category 1 membership of the LME.

Board and Senior Operational Management

As part of the strategy to support the continued growth in the Company the following Board and operational changes and new appointments are announced today:

- Adrian Collins joins the Board as Non-executive Chairman
- Graham Porter joins the Board as Non-executive Director
- Chris Adams appointed Group Investment Director responsible for all group investment operations on an international and domestic basis.
- Andy Dobie, currently a non-executive director, appointed to an executive director role as Operations Director, responsible for day-to-day operations relating to the LME Team
- Senior operational management appointments with Christian Saunders, a head trader for the Team on the LME, appointed Head of Brokerage in the UK for the LME Team; and Dean Carr appointed Head of Strategic Trading

CMM Asset Management

- Launch of CMM Asset Management ("CMMAM"), a wholly owned subsidiary of Commoditrade to focus on strategic trading in base metals futures.

Current Trading and Outlook

Commenting, Graham Butt, Chief Executive of Commoditrade, said:

"Despite more challenging conditions in the latter part of 2007, Commoditrade has achieved strong levels of profits and cash generation for the year. Although difficult trading conditions continued into the current year, we are now beginning to see a return to more active trading with improved liquidity in the markets.

Chris Adams, commenting on the management changes said:

"We are expanding the roles of the management team as we pursue further growth. I will continue to oversee the overall investment activities of the Company that are now clearly delineated into brokerage and strategic trading, which will be headed by Christian Saunders and Dean Carr respectively. Concurrently, the Board changes will support the Company's strategic and operational requirements as it continues to move into the next growth phase".

Annual Report and Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2007

Page

2	Company Information
3	Chief Executive's and Chairman's Statement
5	Report of the Directors
8	Corporate Governance
9	Report on Remuneration
10	Report of the Independent Auditors
12	Income Statement
13	Statement of Changes in Equity
14	Balance Sheet
15	Cash Flow Statement
16	Notes to the Financial Statements
36	Notice of Annual General Meeting

Company Information

FOR THE YEAR ENDED 31 DECEMBER 2007

Directors	Adrian Collins (Non-Executive Chairman) Graham Butt (Chief Executive) Chris Adams (Group Investment Director) Andrew Dobie (Operations Director) Graham Porter (Non-Executive Director)
Registered office	Walkers SPV Limited Walker House Mary Street PO Box 908GT George Town Grand Cayman Cayman Islands
Company secretary	Kitwell Consultants Limited Kitwell House The Warren Radlett Hertfordshire WD7 7DU
Nominated adviser	Strand Partners Limited 26 Mount Row London W1K 3SQ
Nominated broker	W H Ireland Limited 5th Floor 85-89 Colmore Row Birmingham B3 2BB
Transfer agent	Capita Registrars The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Solicitors	Fladgate Fielder 25 North Row London W1K 6DJ
Auditors	Grant Thornton UK LLP Registered Auditors Chartered Accountants Enterprise House 115 Edmund Street Birmingham B3 2HJ

Chief Executive's and Chairman's Statement

FOR THE YEAR ENDED 31 DECEMBER 2007

Results

The Board is pleased to report Commoditrade's audited results for the year ended 31 December 2007.

The trading team produced a strong trading performance over the prior year generating gross revenue of £33.9 million for Commoditrade. This gross revenue is reduced by the deduction of fees paid to Sudden (UK) Limited for clearing services, which are currently charged at 25% of revenues generated by the trading team.

After direct trading costs and trader bonuses and normal overheads, net trading profit for the Company was £16.7 million. After deduction of amortisation of intangible assets of £12.1 million and costs associated with the issue of share options and sign-on bonus payments to the trading team of £10.9 million, there was a loss for the period of £6.3 million.

The Company's adjusted profit per ordinary share, adjusted for amortisation of intangible assets and the costs associated with the share option issue and the cost of sign-on bonuses, was 4.44 pence. There was an unadjusted basic loss per ordinary share for the period of 1.66 pence.

The Company had cash and cash equivalents at 31 December 2007 of £8.6 million representing 2.52p per share.

The board is recommending a final dividend of 1.5p per share be paid to shareholders on the register as at 2 May 2008.

Operational review

The LME team experienced high volume of base metal trading on the LME over the first three quarters of the year with strong volumes and volatility, driven by trade and financial buyers. The key markets for the trading team are copper, aluminium, nickel and zinc, all of which enjoyed a strong performance during the first half, with aluminium and nickel in particular showing strong growth compared to the prior period.

During July and August the team experienced lower market activity, with a more active market returning in the third quarter. As international financial markets became more difficult in the final quarter, the team experienced lower levels of liquidity as financial buyers took more cautious approach to trading international markets, including base metals. The final two months of the year saw overall trading volumes become progressively thinner.

Earlier in the year the Company secured the services of the key traders in the trading team for a minimum period of three years. These traders have been further incentivised through granting of options in Commoditrade, which will vest over a three year period.

Commoditrade has renegotiated its contract with Sudden (UK) Limited, securing this agreement in future for a fixed net annual fee of £7.5m. The Board believes this represents an effective restructuring of the current fee arrangement, which is currently calculated as a percentage of revenues generated by the trading team. The new contract will be effective from 1 May 2008 and based on the group's current run-rate is expected to yield significant cost savings for Commoditrade going forward.

Additionally, during the period, Commoditrade acquired sufficient shares in the LME to bring its total holding to 25,000 shares, which now entitles the Company to a Category 1 membership of the LME.

On 26 November 2007 the Board announced that it had decided to exercise its authority to buy back its own shares, on an opportunistic basis and subject to market conditions. Since that date the Company has purchased 45,505,000 shares representing 11.9 per cent. of the Company's issued share capital immediately prior to the buy-back at a total cost of £11.22 million. The Company announced the cessation of the programme on 25 February 2008.

Chief Executive's and Chairman's Statement

CONTINUED

Board and operational management

As part of the strategy to support continued growth, the Company is pleased to announce a number of Board and senior management changes, all of which become effective today. Adrian Collins has joined the Board as Non-executive Chairman. Adrian has worked in the fund management sector for over thirty years, a large part of which was spent at Gartmore Investment Management, where latterly he was Managing Director. Adrian was one of the founders of Trustnet.com, a leading provider of Fund performance information on the Internet. He is currently on the board of a number of public and private companies in the United Kingdom and overseas. These include New City High Yield Trust plc, Hiscox Investment Management Limited and City Natural Resources High Yield Trust plc.

Graham Porter joins the Board as a Non-executive Director. He has over 26 years' experience in the metal exchange markets. Graham worked as a metal broker in the City for 13 years, spending eight of these years with Billiton Enthoven Metal Brokers, before leaving the City in 1991 and moving overseas where he has been based ever since.

Heading up all investment operations is Chris Adams who is appointed Group Investment Director responsible for all group investment operations on an international basis.

Andy Dobie is appointed Operations Director, an executive role where he will be responsible for day-to-day operations relating to the LME Team. Andy was previously Non-Executive Director.

Senior operational management appointments are also made today with Christian Saunders, a head trader for the Team on the LME, appointed Head of Brokerage in the UK for the LME Team; and Dean Carr appointed Head of Strategic Trading.

Jo Barrett and Geoffrey Conway Henderson both step down from the board as today and we would like to thank them both for their contribution to the Board and the Company and we wish them both well.

CMM Asset Management

The Company has incorporated CMM Asset Management ("CMMAM"), a wholly owned subsidiary of Commoditytrade. CMMAM has been formed to focus specifically on strategic trading in base metals futures. The development of the new operation will be overseen by Chris Adams, Group Investment Director and Dean Carr, Head of Strategic Trading.

Current trading and outlook

Despite more challenging conditions in the latter part of 2007, Commoditytrade has achieved strong levels of profits and cash generation over the prior year. More testing trading conditions continued into the current year, although we are now seeing a return to more active levels of trading with improved liquidity levels.

The Board continues to remain alert to opportunities for developing the Commoditytrade business in line with its stated strategy of creating a group that combines commodities expertise with complementary trading areas.

Graham Butt
Chief Executive

Adrian Collins
Chairman

4 April 2008

Report of the Directors

FOR THE YEAR ENDED 31 DECEMBER 2007

The Directors present their report and audited financial statements for the year ended 31 December 2007.

Principal activities and review of the business

The principal activity of the Company is that of an investment company.

Results and dividends

The results for the Company are set out on page 12. The Directors recommend the payment of a final dividend for the year ended 31 December 2007 of 1.5 pence per share amounting to £5,051,000. As this dividend has not been declared prior to 31 December 2007 it is not accrued in these financial statements.

A review of the results for the year is provided in the Chief Executive's and Chairman's statement on pages 3 and 4.

The key performance indicators the Directors utilise to assess the performance of the Company is the return from the LME trading team. They target a net monthly return from the London Metals Exchange (LME) trading team of at least £1 million prior to the amortisation of the intangible asset. The net return of the LME trading team during the year has averaged £1.46 million per month.

Risk management policies and objectives

The Company's principal financial instruments comprise cash, investment in associate and available for sale assets. The Company has various other financial instruments such as trade and other receivables and trade and other payables, which arise directly from its operations. The Company does not enter into derivative transactions.

The Company is exposed to a variety of financial risks which result from both its operating and investing activities. The Company's risk management is closely monitored by the board of directors, and focuses on actively securing the Company's short to medium term cash flows by minimising the exposure to financial markets.

Other than the exposure to the trading of metals and metals futures on the LME carried out by the LME trading team through its associate, Commoditrade Inc. does not actively engage in the trading of financial assets for speculative purposes. The most significant financial risks to which the Company is exposed to are described below.

Credit risk

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown on the face of the balance sheet (or in the detailed analysis provided in the notes to the financial statements). Credit risk, therefore, is only disclosed in circumstances where the maximum potential loss differs significantly from the financial asset's carrying amount.

Cash flow risk

The Company seeks to manage financial risks to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short term flexibility is achieved by the raising of equity and the use of bank current and money market accounts.

Report of the Directors

CONTINUED

Market price risk

The Company's exposure to market price risk consists mainly of uncertainty concerning future movements in the level or volatility of market prices of metals traded on the LME in which the LME team hold a position. This risk arises due to the Company bearing the full losses, if incurred, of the LME trading team. This risk is managed by the use of various mechanisms which put limits on the level of losses that could be incurred. These mechanisms are put in place by Sucden (UK) Limited who control the LME trading team. The Company monitors the exposure via regular reports from Sucden (UK) Limited.

Interest rate risk

The Company is exposed to interest rate risk as it has significant cash deposits. Exposures are managed by depositing funds in short term bank accounts and on the money market. Interest rates are regularly reviewed in order to ensure that the most favourable rate of return is being achieved.

Directors

The Directors who served during the year are set out below. All Directors served throughout the year.

Graham Butt
Joanna Barrett
Chris Adams
Geoffrey Conway-Henderson
Andrew Dobie

On 4 April 2008 Joanna Barrett and Geoffrey Conway-Henderson resigned from the Board and Adrian Collins and Graham Porter were appointed to the Board.

Substantial shareholdings

The only interests in excess of 3% of the issued share capital of the Company which has been notified at 2 April 2008, were as follows:

	Ordinary shares of 0.1p each Number	Percentage of capital %
Brewin Nominees (Channel Islands)	80,557,706	23.92
Corvus Capital Inc.	76,000,000	22.57
Credit Agricole Cheuvreux	18,095,000	5.37
Morstan Nominees Limited	17,196,330	5.11
Nutraco Nominees Limited	16,556,437	4.92
James Capel Nominees Limited	14,619,920	4.34
Mineworkers Pension Scheme	13,784,228	4.09
British Coal Staff Superannuation	12,284,229	3.65
OMX Securities Nominees Limited	11,361,164	3.37

Payments to suppliers

It is the Company's policy to agree appropriate terms and conditions for its transactions with suppliers by means ranging from standard terms and conditions to individually negotiated contracts and pay suppliers according to agreed terms and conditions, provided that the supplier meets those terms and conditions. The Company does not have a standard or code for dealing with the payment of suppliers. Trade creditors at the year end amount to 30 days of average supplies for the year (2006: 41 days).

Report of the Directors

CONTINUED

Statement of Directors' responsibilities

The Company was incorporated as a corporation in the Cayman Islands, which does not prescribe the adoption of any particular accounting framework. Accordingly, the Board have resolved that the Company will follow International Financial Reporting Standards, as adopted by the European Union, when preparing its annual financial statements.

The Directors prepare financial statements for each financial period, which give a true and fair view of the state of affairs of the Company and of the profit or loss for 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, 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company. 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.

In so far as the Directors are aware:

- there is no relevant audit information of which the Company's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Directors are responsible for the maintenance and integrity of the corporate and financial information held on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Annual General Meeting

The Annual General Meeting of the Company will be held at 30 Quai Gustave-Ador, 1207, Geneva 3, Switzerland on 2 May 2008 at 10.00am.

Auditors

Grant Thornton UK LLP offer themselves for reappointment as auditors.

By order of the Board

Kitwell Consultants Limited

Secretary

4 April 2008

Corporate Governance

FOR THE YEAR ENDED 31 DECEMBER 2007

Directors

The Company supports the concept of an effective board leading and controlling the Company. The Board is responsible for approving Company policy and strategy. It meets on a regular basis and has a schedule of matters specifically reserved to it for decision. Consultants supply the Board with appropriate and timely information and the Directors are free to seek any further information they consider necessary. All Directors have access to advice from the Company Secretary and independent professional advice at the Company's expense.

The Board consisted of the Chief Executive, who holds a key operational position in the Company and four non-executive directors, who bring a breadth of experience and knowledge. With effect from 4 April 2008, the composition of the Board has changed and now comprises three executive and two non-executive directors.

Relations with shareholders

The Company values the views of its shareholders and recognises their interest in the Company's strategy and performance. The Annual General Meeting will be used to communicate with private investors and they are encouraged to participate. The Directors will be available to answer questions. Separate resolutions will be proposed on each issue so that they can be given proper consideration and there will be a resolution to approve the annual report and accounts.

Internal control

The Board is responsible for maintaining a strong system of internal control to safeguard shareholders' investment and the Company's assets and for reviewing its effectiveness. The system of internal financial control is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

An audit committee has been established, and comprised Geoffrey Conway-Henderson, Joanna Barrett and Chris Adams who meet at least twice a year and are responsible for ensuring that the financial performance of the Company is properly monitored and reported on, as well as meeting the auditors and reviewing any reports from the auditors regarding accounts and internal control systems. The Chair of the audit committee was Geoffrey Conway-Henderson. Following the Board reorganisation on 4 April 2008 the audit committee composition will be considered.

The Board has considered the need for an internal audit function but has decided the size of the Company does not justify it at present. However, it will keep the decision under annual review.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Report on Remuneration

FOR THE YEAR ENDED 31 DECEMBER 2007

Directors' remuneration

The Company operates within a competitive environment, performance depends on the individual contributions of the Directors and employees and it believes in rewarding vision and innovation.

Policy on executive directors' remuneration

The policy of the Board is to provide executive remuneration packages designed to attract, motivate and retain Directors of the calibre necessary to maintain the Company's position and to reward them for enhancing shareholder value and return. It aims to provide sufficient levels of remuneration to do this, but to avoid paying more than is necessary. The remuneration will also reflect the Directors' responsibilities and contain incentives to deliver the Company's objectives. A separate remuneration committee has been established comprising Joanna Barrett, Geoffrey Conway-Henderson and Chris Adams and is chaired by Joanna Barrett. Following the Board reorganisation on 4 April 2008 the remuneration committee composition will be considered.

The remuneration of the Directors, for their employment with the Company, was as follows:

	Graham Butt £	Jo Barrett £	Terence Bartlett £	Chris Adams £	Geoffrey Conway- Henderson £	Andrew Dobie £	Total £
Year to 31.12.07							
Salary and fees	180,000	12,000	–	12,000	12,000	75,000	291,000
Bonus	230,000	–	–	–	–	45,000	275,000
	410,000	12,000	–	12,000	12,000	120,000	566,000
Year to 31.12.06							
Salary and fees	68,000	12,000	4,000	8,000	8,000	9,375	109,375

Pensions

There are no pension schemes in operation.

Benefits in kind

The Directors do not receive any benefits in kind.

Bonuses

Bonuses amounting to £275,000 have been paid in respect of the year ended 31 December 2007 (2006: £nil) in recognition of the performance of the Company during the year.

Notice periods

The Directors have letters of appointment which are terminable on three months notice on either side.

Share option incentives

At 31 December 2007 the following options were held by Directors.

Name	At 1 January 2007	Granted in year	At 31 December 2007
G Butt	–	12,500,000	12,500,000
A Dobie	–	500,000	500,000
C Adams	–	7,500,000	7,500,000

All share options are exercisable at 0.1p per share at any time between 3 years and 10 years from the date of grant of 1 May 2007. There are no performance conditions attached to the share options.

Report of the Independent Auditors

TO THE MEMBERS OF COMMODITRADE INC.

We have audited the financial statements of Commoditrade Inc. for the year ended 31 December 2007 which comprise the income statement, the statement of changes in equity, the balance sheet, the cash flow statement and notes 1 to 18. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditors

The Directors' responsibilities for preparing the annual report and the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view. We also report to you whether, in our opinion, the information given in the Report of the Directors is consistent with the financial statements. The information given in the Report of the Directors includes that specific information in the Chief Executive's and Chairman's statement that is cross referenced from the business review section of the Report of the Directors.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and transactions with the Company is not disclosed.

We read other information contained in the annual report and consider whether it is consistent with the audited financial statements. This other information comprises only the Chief Executive's and Chairman's Statement, the Report of the Directors, the Corporate Governance Statement and the Report on Remuneration. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Report of the Independent Auditors

CONTINUED

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with IFRSs, of the state of the Company's affairs as at 31 December 2007 and of the loss of the Company for the year then ended; and
- the information given in the Report of the Directors is consistent with the financial statements for the year ended 31 December 2007.

Grant Thornton UK LLP

Chartered Accountants
and Registered Auditors
Birmingham

4 April 2008

Income Statement

FOR THE YEAR ENDED 31 DECEMBER 2007

		2007	2007	2007	(As restated) 2006	(As restated) 2006	(As restated) 2006
	Note	Prior to non cash and sign on bonus costs £'000	Non cash and sign on bonus costs £'000	Total £'000	Prior to non cash and sign on bonus costs £'000	Non cash and sign on bonus costs £'000	Total £'000
LME trading revenues		33,880	–	33,880	30,900	–	30,900
Clearing and related costs		(8,470)	–	(8,470)	(7,700)	–	(7,700)
Direct costs, financing charges and trader bonuses		(7,834)	–	(7,834)	(7,426)	–	(7,426)
Amortisation of intangible asset		–	(12,063)	(12,063)	–	(7,494)	(7,494)
Net income from associate	8	17,576	(12,063)	5,513	15,774	(7,494)	8,280
Other income	3	416	–	416	–	–	–
Administrative expenses – share based payment		–	(5,459)	(5,459)	–	–	–
Administrative expenses – sign-on bonus payments		–	(5,487)	(5,487)	–	(1,795)	(1,795)
Administrative expenses – other		(1,888)	–	(1,888)	(663)	–	(663)
Total administrative expenses		(1,888)	(10,946)	(12,834)	(663)	(1,795)	(2,458)
Operating profit/(loss)	5	16,104	(23,009)	(6,905)	15,111	(9,289)	5,822
Finance income	4	644	–	644	94	–	94
Profit/(loss) for the year before tax		16,748	(23,009)	(6,261)	15,205	(9,289)	5,916
Tax charge	6	–	–	–	–	–	–
Net profit/(loss) for the year		16,748	(23,009)	(6,261)	15,205	(9,289)	5,916
Basic (loss)/profit per share (pence)	7			(1.66p)			2.05p
Diluted (loss)/profit per share (pence)	7			(1.66p)			2.02p

All operations are continuing.

The 2006 income statement has been restated to present separately the sign-on bonus payments, to move bonuses beyond the contractual amounts to administrative expenses, amounting to £1,795,000, and also to show a detailed analysis of the net income from associate on the face of the income statement.

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Equity

FOR THE YEAR ENDED 31 DECEMBER 2007

	Share capital £'000	Capital redemption reserve £'000	Share premium £'000	Shares to be issued £'000	Translation reserve £'000	Retained earnings £'000	Total equity £'000
At 31 December 2005	103	–	339	–	–	(160)	282
Currency translation	–	–	–	–	(459)	–	(459)
Net expense recognised in equity	–	–	–	–	(459)	–	(459)
Net profit for the year	–	–	–	–	–	5,916	5,916
Total recognised income and expenses for year	–	–	–	–	(459)	5,916	5,457
Issue of new shares	273	–	34,123	1,800	–	–	36,196
Share issue costs	–	–	(1,010)	–	–	–	(1,010)
At 31 December 2006	376	–	33,452	1,800	(459)	5,756	40,925
Currency translation	–	–	–	–	(470)	–	(470)
Available for sale assets	–	–	–	–	–	(119)	(119)
Net expense recognised in equity	–	–	–	–	(470)	(119)	(589)
Net loss for the year	–	–	–	–	–	(6,261)	(6,261)
Total recognised income and expenses for year	–	–	–	–	(470)	(6,380)	(6,850)
Issue of new shares	6	–	3,279	(1,800)	–	–	1,485
Shares cancelled	(40)	40	–	–	–	(10,225)	(10,225)
Share based payment	–	–	–	–	–	5,459	5,459
At 31 December 2007	342	40	36,731	–	(929)	(5,390)	30,794

The shares to be issued related to the estimated value of shares to be issued in respect of the acquisition of the associated undertaking which have now been issued.

The accompanying notes form an integral part of these financial statements.

Balance Sheet

AT 31 DECEMBER 2007

	Note	2007 £'000	2006 £'000
Assets			
Non-current assets			
Investment in associate	8	15,653	26,231
Other receivable	10	1,022	1,052
		16,675	27,283
Current			
Available for sale financial assets	9	3,503	2,064
Trade and other receivables	10	4,934	4,772
Cash and cash equivalents		8,636	6,928
Total current assets		17,073	13,764
Total assets		33,748	41,047
Liabilities			
Current			
Trade and other payables	11	2,954	122
Total liabilities		2,954	122
Equity			
Share capital	13	342	376
Capital redemption reserve		40	–
Share premium		36,731	33,452
Shares to be issued		–	1,800
Translation reserve		(929)	(459)
Retained earnings		(5,390)	5,756
Total equity		30,794	40,925
Total equity and liabilities		33,748	41,047

The financial statements were approved by the Board of directors on 4 April 2008.

G Butt
Director

The accompanying notes form an integral part of these financial statements.

Cash Flow Statement

FOR THE YEAR ENDED 31 DECEMBER 2007

	2007 £'000	2006 £'000
Operating activities		
(Loss)/profit after tax	(6,261)	5,916
Amortisation of intangible asset in associate	12,063	7,494
Share based payment	5,459	–
Change in trade and other receivables	(132)	(4,737)
Change in trade and other payables	25	(862)
Foreign exchange	(451)	(459)
Net cash inflow from operating activities	10,703	7,352
Investing activities		
Purchase of associate	–	(16,416)
Purchase of available for sale financial assets	(1,577)	(1,177)
	(1,577)	(17,593)
Financing activities		
Purchase of own shares	(7,418)	–
Issue of shares	–	18,000
Share issue costs	–	(1,010)
Net cash inflow from financing activities	(7,418)	16,990
Net increase in cash and cash equivalents	1,708	6,749
Cash and cash equivalents at beginning of year	6,928	179
Cash and cash equivalents at end of year	8,636	6,928

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2007

1 Accounting policies

Basis of preparation

The Company was incorporated as a Corporation in the Cayman Islands which does not prescribe the adoption of any particular accounting framework. The Board has therefore adopted and complied with International Financial Reporting Standards as adopted by the European Union (IFRS).

The Company's shares are listed on the AIM market of the London Stock Exchange.

The principal accounting policies of the Company, which have been applied consistently are set out below.

Associates

Associates are those entities over which the Company is able to exert significant influence but which are neither subsidiaries nor interests in a joint venture. Investments in associates are initially recognised at cost and subsequently accounted for using the equity method.

On initial acquisition of an associate, the investor's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities is accounted for using the purchase method. Any goodwill arising, which represents the excess of the cost of acquisition over fair value of the identifiable assets and liabilities acquired, is treated in accordance with IFRS 3 and is not amortised but instead is subject to an annual impairment review. Included in the identifiable assets are intangible assets which meet the relevant recognition criteria. The underlying intangible assets are thereafter amortised over their useful life.

All subsequent changes to the share of interest in the equity of the associate are recognised in the Company's carrying amount of the investment. Changes resulting from the profit or loss generated by the associate are charged against "net income from associates" in the income statement and therefore affect net results of the Company. These changes include impairment or the fair value adjustments of assets and liabilities.

However, when the Company's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. Once the associate then becomes profit making, profits are not recognised until they exceed the share of the loss that had not previously been recognised.

Unrealised gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Intangible assets

Expenditure on intangible assets, including those in the Company's associates, is capitalised at cost, which represents fair value at the acquisition date, and amortised over its estimated useful economic life. After initial recognition intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Dividends

Dividend distributions to shareholders are included in 'other short term financial liabilities' when the dividends are approved by the shareholders' meeting.

Notes to the Financial Statements

CONTINUED

1 Accounting policies continued

Impairment reviews

The Company's assets are subject to impairment testing.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Individual assets or cash-generating units that include intangible assets with an indefinite useful life or those not yet available for use are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised in the income statement for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value in use, based on an internal discounted cash flow evaluation. Any impairment loss is charged pro rata to the assets in the cash generating unit. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the assets recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortisation, if no impairment loss had been recognised.

Financial assets

The Company's financial assets include available for sale financial assets, cash and cash equivalents, amounts due from associate and other receivables.

All financial assets are recognised on entering into contractual arrangements. All financial assets are initially recognised at fair value, plus transaction costs.

Derecognition of financial assets occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred. An assessment for impairment is undertaken at least at each balance sheet date whether or not there is objective evidence that a financial asset or a group of financial assets is impaired.

Amounts due from associate and other receivables are subsequently measured at amortised cost using the effective interest method. They are provided against when objective evidence is received that the Company will not be able to collect all amounts due to it in accordance with the original terms of the receivables. The amount of the write-down is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows.

Available for sale financial assets include non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any other categories of financial assets. All financial assets of the category are subsequently measured at fair value, unless otherwise disclosed, with changes in value recognised in equity, net of any effects arising from income taxes. Gains and losses arising from securities classified as available for sale financial are recognised in the income statement when they are sold or when the investment is impaired. In the case of impairment any loss previously recognised in equity is transferred to the income statement. Gains on equity instruments are not then recycled through the income statement as these are dealt with in reserves.

Notes to the Financial Statements

CONTINUED

1 Accounting policies continued

When a decline in the fair value of an available for sale investment has been recognised directly in equity, and there is objective evidence that the asset is impaired, the cumulative loss that has been recognised directly in equity is removed from equity and recognised in the income statement even though the financial asset has not been derecognised. Impairment losses previously recognised on equity instruments will not be reversed to the income statement in subsequent periods. Impairment losses previously recognised in the income statement on debt securities are subsequently reversed if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Available for sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, are measured at cost less any identified impairment losses at each balance sheet date subsequent to initial recognition. An impairment loss is recognised in the income statement when there is objective evidence that the asset is impaired. The amount of the impairment loss is measured as the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not reverse in subsequent periods.

Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand and amounts repayable on demand with banks and short-term highly liquid investments which are readily convertible into known amounts of cash without notice, are subject to the insignificant risk of changes in value and which were within three months of maturity when acquired.

Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Share capital is determined using the nominal value of shares that have been issued.

The capital redemption reserve represents the nominal value of shares cancelled on the purchase of own shares in order to maintain the capital base of the Company.

The share premium account represents premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Shares to be issued represent future shares to be issued under arrangements in place at the balance sheet date.

Foreign currency translation differences recognised directly in equity are included in the translation reserve.

Retained earnings includes all current and prior period results as disclosed in the income statement together with the cumulative amount of share based expenses and movements in available for sale financial assets which are both transferred to equity.

Notes to the Financial Statements

CONTINUED

1 Accounting policies continued

Share based payments

All share based payment arrangements, granted after 7 November 2002 and not vested on 6 January 2005, are recognised in the financial statements. The Company operates equity settled share based remuneration plans for the remuneration of its employees and has issued a share warrant.

All services received in exchange for the grant of any share based remuneration are measured at their fair values. These are indirectly determined by reference to the fair value of the share options/warrants awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

Share based payments are ultimately recognised as an expense in the income statement with a corresponding credit to retained earnings in equity, net of deferred tax where applicable. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options/warrants expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options/warrants expected to vest differs from previous estimates. No adjustment is made to the expense or share issue cost recognised in prior periods if fewer share options/warrants ultimately are exercised than originally estimated.

Upon exercise of share options/warrants, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as share premium.

Financial liabilities

Financial liabilities represent obligations to deliver cash or another financial asset to another entity. The Company's financial liabilities include trade and other payables.

Financial liabilities are recognised when the Company becomes a party to the contractual agreements of the instrument. All financial liabilities are recognised initially at fair value, net of direct issue costs, and are subsequently recorded at amortised cost using the effective interest method with interest related charges recognised as an expense in the income statement.

Taxation

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the balance sheet date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable result for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in the income statement.

Deferred income taxes are calculated using the liability method on temporary differences. This involves the comparison of the carrying amounts of assets and liabilities in the financial statements with their respective tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability, unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in associates is not provided if reversal of the temporary differences can be controlled by the company and it is probable the reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the Company are assessed for recognition as deferred tax assets.

Notes to the Financial Statements

CONTINUED

1 Accounting policies continued

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognised to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

Provisions, contingent liabilities and contingent assets

Provisions are recognised when present obligations will probably lead to an outflow of economic resources from the Company and they can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events, for example, legal disputes or onerous contracts.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the balance sheet date, including the risks and uncertainties associated with the present obligation. Any reimbursement expected to be received in the course of settlement of the present obligation is recognised, if virtually certain as a separate asset, not exceeding the amount of the related provision. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. In addition, long term provisions are discounted to their present values, where time value of money is material.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognised in the balance sheet. Probable inflows of economic benefits to the Company that do not yet meet the recognition criteria of an asset are considered contingent assets.

Functional currency

The functional currency of the Company is United States dollars. However, for presentation purposes, the financial statements are prepared in United Kingdom sterling. The Company has selected a presentation currency that differs from the functional currency as the Company is listed on AIM.

Transactions in foreign currencies are translated into the functional currency at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Non-monetary items that are measured at historic cost in a foreign currency are translated at the exchange rate at the date of transaction. Non-monetary assets that are measured at fair value in a foreign currency are translated into the functional currency using the exchange rates at the date when the fair value was determined

Any exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were initially recorded are recognised in the income statement in the period in which they arise. Exchange differences on non-monetary items are recognised in the statement of changes in equity to the extent that they relate to a gain or loss on that non-monetary item taken to the statement of changes in equity, otherwise such gains and losses are recognised in the income statement.

Transactions in foreign currencies are translated into the presentational currency at the approximate rates ruling on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the presentational currency at the approximate rates ruling on the balance sheet date. Gains and losses arising on exchange from the functional to the presentational currency are taken to the currency translation reserve in equity.

Notes to the Financial Statements

CONTINUED

1 Accounting policies continued

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the income statement. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Critical judgments and key sources of estimation uncertainty

The key sources of estimation uncertainty the Directors have made in preparing these financial statements are as follows:

- the fair value of the available for sale financial assets. Details of how the fair value is arrived at are provided in note 9; and
- the assumptions used to calculate the fair value of share options as detailed in note 13.

The Directors consider that the critical judgments in applying the accounting policies, as detailed above, in preparing these financial statements are as follows:

- the accounting for the Tambalan Interest as an associate on the basis the Company has significant influence, but not control, as detailed in note 8;
- the use of the functional currency of United States Dollars as that is the currency in which the majority of the associates transactions are undertaken;
- the existence of the intangible asset in the associate as detailed in note 8;
- the inclusion in the income statement of an analysis of the net income from associate as the Directors consider this is essential to understand the financial statements of the Company and
- the categorisation of certain financial assets as available for sale as detailed in note 9.

Adoption of new or amended IFRS

During the year, the Company has applied, for the first time, the following new standards, amendment and interpretations, which are effective for the Company's accounting periods beginning on 1 January 2007:

IAS1 (Amendment)	Presentation of financial statements – capital disclosures
IFRS 7	Financial Instruments: Disclosures
IFRIC 7	Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies
IFRIC 8	Scope of IFRS 2
IFRIC 9	Reassessment of Embedded Derivatives
IFRIC 10	Interim Financial Reporting and Impairment

Notes to the Financial Statements

CONTINUED

1 Accounting policies continued

The adoption of the above new and amended IFRSs did not result in significant changes to the Company's accounting policies. The specific transitional provisions contained in some of these standards were considered. As a result of the adoption of IAS 1 (Amendment) Presentation of Financial Statements: Capital Disclosures and IFRS 7 Financial Instruments: Disclosures, additional disclosures are provided as follows:

IAS 1 (Amendment) – Presentation of Financial Statements – Capital Disclosures

In accordance with IAS 1 (Amendment), the Company now reports on its capital management objectives, policies and procedures for managing capital. The new disclosures that have been made due to this change are detailed in note 18.

IFRS 7 – Financial Instruments: Disclosures

In accordance with IFRS 7, the financial statements included expanded disclosure about the significance of the Company's financial instruments and the nature and extent of risks arising from those instruments, compared with the information previously required to be disclosed by IAS 32, Financial Instruments: Disclosure and Presentation. These disclosures are provided throughout these financial statements, in particular in notes 9 and 17.

Both IAS 1 (Amendment) and IFRS 7 do not have any material impact on the classification, recognition and measurement of the amounts recognised in the financial instruments.

Standards published but not yet effective

At the date of authorisation of these financial statements, certain new Standards, amendments and Interpretations to existing standards have been published but are not yet effective. The Company has not early adopted any of these pronouncements. The new Standards, amendments and Interpretations that are expected to be relevant to the Company's financial statements are as follows:

IAS 1 (Revised)	Presentation of Financial Statements	Effective for annual periods beginning on or after 1 January 2009
IFRS 2	Share-based Payment – Amendment relating to vesting conditions and cancellations	Effective for annual periods beginning on or after 1 January 2009

IAS 1 (Revised) – Presentation of Financial Statements

This amendment affects the presentation of owner changes in equity and introduces a statement of comprehensive income. Preparers will have the option of presenting items of income and expense and components of other comprehensive income either in a single statements of comprehensive income with subtotals, or in two separate statements (a separate income statement followed by a statement of other comprehensive income). This amendment does not affect the financial position or results of the Company but will give rise to additional disclosures. Management is currently assessing the detailed impact of this amendment on the Company's financial statements.

IFRS 2 – Share-based Payment – Amendment relating to vesting conditions and cancellations

This amendment means that all non-vesting conditions are taken into account in the estimate of the fair value of the equity instrument.

Notes to the Financial Statements

CONTINUED

1 Accounting policies continued

The following new Standards and Interpretations have been issued but are not expected to have a material impact on the Company's financial statements.

IAS 23 (Revised)	Borrowing costs	Effective for annual periods beginning on or after 1 January 2009
IAS 27	Consolidation and Separate Financial Statements – Consequential amendments arising from amendments to IFRS 3	Effective for annual periods beginning on or after 1 July 2009
IAS 31	Interests in Joint Ventures – Consequential amendments arising from amendments to IFRS 3	Effective for annual periods beginning on or after 1 July 2009
IAS 32	Financial Instruments: Presentation – Amendments relating to puttable instruments and obligations arising on liquidation	Effective for annual periods beginning on or after 1 January 2009
IAS 28	Investment in associates – Consequential amendments arising from amendments to IFRS 3	Effective for annual periods beginning on or after 1 July 2009
IFRS 3	Business Combinations – Comprehensive revision on applying the acquisition method	Effective for annual periods beginning on or after 1 July 2009
IFRS 8	Operating Segments	Effective for annual periods beginning on or after 1 January 2009
IFRIC 11	Group and Treasury Share Transactions	Effective for annual periods beginning on or after 1 March 2007
IFRIC 12	Service Concession Arrangements	Effective for annual periods beginning on or after 1 January 2008
IFRIC 13	Customer Loyalty Programmes	Effective for annual periods beginning on or after 1 July 2008
IFRIC 14	IAS 19 – The Limit on a Defined Benefit Assets, Minimum Funding Requirements and their Interaction	Effective for annual periods beginning on or after 1 January 2008

2 Segmental reporting

(a) **By business segment (primary segment):**

As defined under International Accounting Standard 14 (IAS14), the only material business segment the Company has is that of an investment company specialising in investments in the commodities trading sector.

(b) **By geographical segment (secondary segment):**

Under the definitions contained in IAS 14, the only material geographic segment that the Company operates in is currently Switzerland.

Notes to the Financial Statements

CONTINUED

3	Other income	2007 £'000	2006 £'000
	Other income	416	–

Other income represents the Company's share of profits receivable under the AMCO Commodities LLP ("AMCO") contract as discussed in note 9. Expenses have been incurred in respect of this agreement by the Company on behalf of AMCO of £253k (2006:£141k) which have been included within administrative expenses. Included within other debtors is £304k (2006: £141k) of amounts due from AMCO.

4	Finance income	2007 £'000	2006 £'000
	Interest on bank deposits	644	94

5 Operating (loss)/profit

Employee benefits expense

Expense recognised for benefits of employees of the Company, including directors emoluments, is analysed below:

	2007 £'000	2006 £'000
Directors salary and fees	566	109
Share based payment	2,460	–
	3,026	109

The average number of persons (including directors) employed by the Company during the period was

5	5
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The key management personnel of the Company are considered to be the Directors and the LME Trading Team, who are paid via the associate. Remuneration for these key management personnel, charged in administrative expenses, amounted to £10.567 million (2006: £1.774 million).

Auditors remuneration

Operating (loss)/profit includes auditors remuneration as follows:

	2007 £'000	2006 £'000
Fees payable to the Company for audit of the Company's financial statements	28	17
Fees payable to the Company's auditors for other services – other advisory	2	2
	30	19

Notes to the Financial Statements

CONTINUED

6 Tax

There is no tax charge/income for either year. The Company does not operate in the United Kingdom and there is no tax arising on its operations. The profit of the associate is not taxable as profits are remitted to Switzerland to a non Swiss company and are therefore not taxable. The relationship between the expected tax expense/income at 30% and the tax expense/income actually recognised in the income statement can be reconciled as follows:

	2007 £'000	2007 %	2006 £'000	2006 %
(Loss)/profit for the period before taxation	(6,261)	–	5,916	–
Expected tax (credit)/expense	(1,878)	(30)	1,775	30
(Loss)/income not subject to tax	1,878	–	(1,775)	(30)
Actual tax income	–	–	–	–

7 (Loss)/earnings per share

The calculation of the basic (loss)/earnings per share is based on the net loss for the year of £6,261,000 (2006: profit £5,916,000) divided by the weighted average number of shares in issue during the year of 377,118,251 (2006: 288,715,832).

The impact of the warrant and share options is anti-dilutive on the basic loss per share in 2007. The diluted profit for share for 2006 is based on the net profit for the year of £5,916,000 divided by the weighted average number of shares in issue on a fully diluted basis of 292,478,563.

An adjusted earnings per share has also been calculated based on the profit for the year before amortisation of the intangible asset within the associate, sign-on bonus payments and the share based payment charge amounting to a total of £23.009 million. (2006: £9.289 million) The adjusted earnings per share is therefore based on the adjusted net profit for the year of £16.748 million (2006: £15.205 million) divided by the weighted average number of shares in issue during the year of 377,118,251 (2006: 288,715,832) which results in an adjusted earnings per share of 4.44 pence (2006: 5.27 pence).

The diluted adjusted profit per share is based on a weighted average number of shares in issue on a fully diluted basis of 426,038,732 (2006: 292,478,563) which results in an adjusted diluted earnings per share of 3.93 pence (2006: 5.20 pence).

The diluted profit per share calculations for 2006 and 2007 are based on a weighted average number of shares in issue on a fully diluted basis calculated as follows:

	2007	2006
Weighted average shares in issue	377,118,251	288,715,832
Dilutive impact of warrant	3,420,481	3,762,731
Dilutive impact of share options	45,500,000	–
Weighted average diluted shares in issue	426,038,732	292,478,563

Notes to the Financial Statements

CONTINUED

8 Investment in associate undertaking

	2007 £'000	(As restated) 2006 £'000
Additions in the year at cost	1,485	33,725
Profit for the financial year	17,576	15,774
Foreign exchange	(303)	(239)
Amortisation	(12,063)	(7,494)
	6,695	41,766
Increase in amounts included in trade and other receivables	(25)	(4,473)
Bonuses beyond contractual amounts treated as administrative expenses	(4,737)	(1,795)
Cash received from associate	(12,511)	(9,267)
Net movement in year	(10,578)	26,231
Net book value brought forward	26,231	–
Net book value carried forward	15,653	26,231

The investors underlying share of the assets of the associate acquired represents an intangible asset of £33,725,000 against which amortisation of £19,557,000 has been charged, leaving a net book value of £15,653,000 together with a offsetting debtor and creditor of £4,498,000 due from Sucden (UK) Limited (Sucden) to the associate and from the associate to the Company.

On 25 April 2006 the Company acquired the Tambelan Interest for the an initial aggregation consideration of £24.4 million, of which £14 million was settled in cash and the balance in shares, together with deferred consideration in the form of 6 million ordinary shares payable if certain performance targets are met which have been issued in the year. The professional costs incurred on the acquisition amounted to £7.5 million which included cash expenses and the value of new ordinary shares issued to settle certain transaction costs. The value of the deferred consideration was originally estimated at £1.8 million, however at the time of issue of the deferred shares the value of the deferred consideration was £3.3 million and therefore the cost of the investment has been adjusted accordingly.

The Tambelan Interest was an agreement entered into between Tambelan Company Limited (Tambelan) and Sucden UK Limited (Sucden) pursuant to which Tambelan introduced a London Metals Exchange Trading Team (the LME Trading Team) to Sucden. Tambelan agreed to underwrite losses generated by the LME Trading Team in consideration for Tambelan receiving 75% of the trading profits (which is gross income from buying and selling metals contracts plus commission received from clients less the direct personnel costs (including contracted bonuses) of the LME Trading Team, execution charges, credit facility charges and the cost of maintaining the required initial margin funding at cost) attributable to that team. Sucden is one of the 11 “category one” members of the LME and the LME Trading Team makes markets in base metals in the ring as well as via telephone trading. It also trades on the LME’s electronic trading platform.

Notes to the Financial Statements

CONTINUED

8 Investment in associate undertaking *continued*

The current key terms of the Tambelan Agreement, which were revised at the time of the acquisition, are:

- The Tambelan Agreement has an indefinite term but can be terminated after 12 months by either party giving 12 months notice to the other or by Sucden immediately upon the occurrence of an event of default (as described by the Tambelan Agreement). The remaining minimum term of the Tambelan Agreement from acquisition was therefore two years.
- Tambelan undertakes to compensate Sucden for all trading losses after direct costs, without limit, incurred as a result of trading LME contracts;
- Sucden will employ the LME Trading Team, and authorises the LME Trading Team to trade instruments and investments on behalf of Sucden. Trading by the LME Trading Team is subject to FSA requirements, the rules of the LME and Sucden's internal rules.
- Sucden will pay Tambelan 75% of:
 - (i) the amount calculated by Sucden as representing the net profit resulting from buying and selling contracts (which include both open positions and realised positions) and shall be deemed to be the whole amount of such profit or loss whether or not the LME Trading Team were trading within limits set by Sucden; and
 - (ii) commission received from clients,less:
 - (i) direct personnel costs of the LME Trading Team, execution charges, credit facility charges and the cost of maintaining the required initial margin funding at cost; and
 - (ii) the total bonus payable by Sucden to the members of the LME trading team.

Coterminous with the acquisition of the Tambelan Interest, the Company also entered into an agreement with each of the LME Trading Team pursuant to which, in the event that Sucden terminates the Tambelan Agreement, each member of the LME Trading Team agreed upon receipt by him of a written request from the Company, at any time up until 30 April 2008 to serve notice upon Sucden to terminate his employment with Sucden; and accept the written offer of employment that will accompany the Company's request, providing that the offer of employment is from a company with relevant resources that would allow the relevant member of the LME Trading Team to trade on the LME and provides for remuneration and benefits that are not less than those to which the relevant member of the LME Trading Team is entitled and contains other key terms substantially similar to those in his current contract of employment with Sucden. Any offer made to any member of the LME Trading Team will be subject to that member not being in breach of his legal and fiduciary obligations to Sucden and to obtaining all necessary regulatory consents.

The Directors consider that the Company has acquired a business as they have acquired an integrated set of activities, in that they have the access to a seat on the LME through Sucden and their consequential access to the LME Trading Team, from which the Company obtains a return. Therefore the substance of the transaction between the Company and Sucden is that the Company acquired an interest in a business in accordance with IFRS 3 Business combinations. The Company has the rights to receive 75% of the profits and is responsible for all of the losses of the business, the right to terminate the agreement by exercising due notice and until 30 April 2008, if Sucden terminate the contract, then the Company has the legal right to obtain the employment services of the LME Trading Team. However, the Company does not employ the LME Trading Team, nor can it direct how they operate. As a consequence the Company is in a position to exercise significant influence, but not control, over the business and therefore the acquisition of the Tambelan Interest has been accounted for as an associate.

Notes to the Financial Statements

CONTINUED

8 Investment in associate undertaking continued

IFRS 3 requires the fair value of the underlying balance sheet value of the associate to be considered on acquisition. The assets of the business are a combination of access to an exclusive license to allow it to earn income from the London Metal Exchange together with access to the services of a specialist team of traders. The Directors consider that the only intangible asset acquired is the exclusive licence to allow it to earn income from the LME, the fair value of which also comprises the back-up, including the LME Trading Team, required to exploit the value of that licence.

Given the influence the Company is able to exert over the LME Trading Team, as detailed above, it is considered unlikely that Sudden will give notice to terminate until 30 April 2008 at the earliest with the result being that the LME Trading Team will trade for the Company's benefit (for 75% of the net revenue stream) until at least 30 April 2009 and even after 30 April 2008 they could still give notice to terminate to Sudden, without being forced to by the Company. On this basis the Directors consider that the useful economic life of the intangible asset acquired on acquisition of the business is three years. It should also be noted that the Tambelan Agreement has operated for approximately seven years without either party to the agreement giving notice to terminate.

As the Company's activities comprise that of an investment company the Directors consider the share of the profit of the associate forms part of the operating activities and have therefore included it as part of the operating result in the income statement.

9 Available for sale financial assets

	2007 £'000	2006 £'000
Interest in profits of AMCO	1,070	1,531
AMCO Commodities Fund Limited	558	533
Interest in LME Holdings Limited	1,875	–
	3,503	2,064

On 4 August 2006 the Company acquired a 75% interest in the net profits of commodities investment management company, AMCO for a total consideration of £1.4 million before costs which was satisfied £0.5 million in cash and the issue of 5,000 000 ordinary shares at a price of 17.75p. The agreement in respect of this interest can be terminated with 12 months notice by either side after the second anniversary of its inception. At 31 December 2007 the fair value of the Company's investment in AMCO was £1,070,000 (2006: £1,530,809). The decrease in the value of this investment has been taken directly to equity as this is not considered to be a permanent diminution in value. The fair value of this interest has been calculated based on the estimated discounted cashflows of the share of net profits the Company is expected to receive. The key assumptions used in the preparation of the discounted cashflows are as follows:

- the AMCO fund, from which the Company receives its 75% share of the profits, has assets under management of US\$175 million
- the agreement is terminated at its earliest date, August 2009
- the AMCO fund achieves an annual performance of 7% in the period to August 2009
- commission and trading costs are 40% of fees earned
- overheads of the fund are US\$1.5 million growing 5% thereafter
- a discount rate of 10%
- an exchange rate of US\$ to £ of 2:1

Notes to the Financial Statements

CONTINUED

9 Available for sale financial assets continued

The key variable in the performance of the fund is the AMCO fund performance of 7%. If the fund performance reduced to 5% the fair value of the interest in the net profits of AMCO would reduce by £230,000 to £840,000.

AMCO manages the AMCO Commodities Fund Limited, whose investment strategy is based on a research driven approach of seeking out fundamental trading opportunities across a range of base metals, into which the Company invested US\$1million during 2006. At 31 December 2007 the fair value of the Company's investment in the AMCO Commodities Fund Limited was £557,934 (2006: £532,708). The increase in the fair value of this investment of £25,226 has been taken directly to equity. The fair value of this investment is based on a third party valuation of the shares using the underlying net asset value per share which represents fair value.

During the year the Company has acquired 25,000 B shares in LME Holdings Limited (LME Holdings) for a total consideration of £1,577,008. At 31 December 2007 the fair value of the Company's investment in LME Holdings was £1,875,000 (2006: £nil). The increase in the fair value of this investment of £297,992 has been taken directly to equity. The fair value has been calculated at £75 per share at 31 December 2007 based on the most recent transaction in the shares of the Company to achieve a threshold of 25,000 shares which provides access to a seat as a "Category one" member of the LME.

The Company is unable to exert any influence over the above assets and therefore they have been designated as available for sale financial assets in accordance with IAS 39.

Financial result by category of financial instruments

Net losses from financial assets/liabilities by category of financial instrument are set out below.

	2007 £'000	2006 £'000
Available-for-sale financial assets:		
– recognised in equity	(119)	–
Net result from financial assets and financial liabilities	(119)	–
Net result reported in		
– equity	(119)	–

Financial assets by category

The IAS 39 categories of financial asset included in the balance sheet and the headings in which they are included are as follows:

	2007 £'000	2006 £'000
Current assets		
Available for sale financial assets	3,503	2,064
Loans and receivables:		
Trade and other receivables		
– current assets	4,934	4,772
– non-current assets	1,022	1,052
Cash and cash equivalents	8,636	6,928
	18,095	14,816

Notes to the Financial Statements

CONTINUED

10 Trade and other receivables	2007	2006
	£'000	£'000
Non-current		
Other receivable	1,022	1,052
Current		
Amounts due from associate	4,498	4,473
Other receivable	304	142
Prepayments and accrued income	132	157
Trade and other receivables, net	4,934	4,772

The non-current other receivable represents a deposit held by Sucden to support any losses which the LME trading team may incur. It is repayable on termination of the acquisition with Sucden.

Amounts due from associate and other receivables are usually due within 120 days and do not bear any effective interest rate. The amounts due from the associate at the year end are aged as follows:

	2007	2006
	£'000	£'000
Current	1,518	4,473
90 days	2,980	–
Total	4,498	4,473

The fair value of these financial assets is not individually determined as the carrying amount is a reasonable approximation of fair value. No amounts are past due at the balance sheet date.

11 Trade and other payables	2007	2006
	£'000	£'000
Trade and other payables	104	91
Other creditors	2,807	–
Accruals and deferred income	43	31
Trade and other payables, net	2,954	122

The fair value of trade and other payables has not been disclosed as, due to their short duration, management considers the carrying amounts recognised in the balance sheet to be a reasonable approximation of their fair value.

The other creditors relate to shares bought back and cancelled in December 2007 where the settlement date was January 2008.

12 Deferred tax assets and liabilities

There are no deferred tax assets or liabilities arising from temporary differences at 31 December 2007 or 31 December 2006.

Notes to the Financial Statements

CONTINUED

13 Share capital	2007 £'000	2006 £'000
Authorised		
1,000,000,000 ordinary shares of 0.1p	1,000	1,000
Allotted, issued and fully paid		
342,048,114 (2006: 376,273,114) ordinary shares of 0.1p	342	376

The movement in the number of shares is as follows:

	Number of ordinary shares
At 31 December 2005	103,200,000
Shares issued	273,073,114
At 31 December 2006	376,273,114
Shares issued	6,000,000
Shares bought back	(40,225,000)
At 31 December 2007	342,048,114

The ordinary shares carry one vote each and on a winding up of the Company the balance of assets available for distribution will, subject to any relevant restrictions, be divided amongst the members.

Allotments during the year

On 28 June 2007, 6,000,000 ordinary shares of 0.1p were issued at 54.75p in order to settle the deferred consideration payable on the acquisition of the Tambelan Interest as detailed in note 8.

Share buy back programme

During the period from 26 November 2007 to 31 December 2007, 40,225,000 shares were bought back by the Company and immediately cancelled. The total cost of the buy back programme was £10,224,796 at an average price of 25.4p per share. The range of prices at which the shares were bought back was 20.0p per share to 28.3p per share.

Since the year end a further 5,280,000 shares have been purchased by the Company and cancelled, at prices ranging from 18.64p per share to 20.875p per share, for a total consideration of £1.032 million.

Warrants

On 21 February 2006 a warrant was issued to Strand Partners Limited, the Company's Nominated Advisor, in connection with their role in the admission of the Company to the AIM market. The warrant entitles Strand Partners Limited to subscribe, at a price of 10p per share, for such number of ordinary shares as are equivalent (on a fully diluted basis) to one per cent of the issued ordinary share capital of the Company at that time. The issued warrant may be exercised at any time during the period from 8 March 2006 to 8 March 2010.

The fair value of warrants granted was determined using the Black-Scholes valuation model. Significant inputs into the calculations were:

- share price of 5p per share at date of grant of warrant
- exercise price of 10p per warrant as detailed above
- 50% volatility based on expected share price
- a risk free interest rate of 5.0%.

In total £20,000 of share based expense has been included in the share premium account as a cost of the admission to AIM which gave rise to share based payment reserve. No liabilities were recognised due to share based payment transactions.

Notes to the Financial Statements

CONTINUED

13 Share capital continued

Share options

The Company has adopted an employee Share Option Scheme in order to incentivise key management and staff. The fair value of options granted was determined using the Black-Scholes valuation model. Significant inputs into the calculations were as follows:

- 400% volatility based on expected share price (ascertained by reference to historic share prices of both the Company and comparable listed companies)
- share price of 54p per share at date of grant of options
- exercise price of 0.1p per share
- a risk free interest rate of 5.25%
- 0% dividend yield
- estimated options lives of three years.

At 31 December 2007, the Group had the following options outstanding:

Date of grant	Dates first exercisable	Exercise price	Market price at date of issue	Number	Fair value
1 May 2007	3 years from date of grant	0.1p	54p	45,500,000	53.992p

Employee share-based expense of £5,459,000 has been included in the income statement following the adoption of IFRS 2 "Share Based Payments". No liabilities were recognised due to share-based payment transactions.

The movement on share options and their weighted average exercise price are as follows:

	2007		2006	
	Number	Weighted average exercise price (pence)	Number	Weighted average exercise price (pence)
Outstanding at 1 January	–	–	–	–
Granted	45,500,000	0.1	–	–
Outstanding at 31 December	45,500,000	0.1	–	–

Of the 45,500,000 share options in existence at 31 December 2007, none are exercisable. The weighted average remaining contractual life of share options outstanding at 31 December 2007 is 2.67 years.

No options have been exercised or lapsed or fresh options granted after 31 December 2007. Where the Company has absolute discretion over the vesting of the options then an estimate of the likelihood of vesting is revised at each accounting period end.

Notes to the Financial Statements

CONTINUED

14 Related party transactions

In the year ended 31 December 2007 companies within the group headed by Corvus Capital Inc., a shareholder in the Company, charged fees amounting to £732,311 for consultancy, accounting and administrative services provided to the Company (2006: £444,763). At the year end £9,459 (2006: £25,000) was due to Corvus Capital Inc. and £nil (2006: £150,000) is included within prepayments.

Graham Porter is the sole shareholder of Tambelan Company Limited and is also a director of Corvus Capital Inc., which held prior to the acquisition of the Tambelan Interest 76.07 per cent of the issued share capital of the Company. The acquisition of the Tambelan Interest was therefore deemed to be a related party transaction.

Details of transactions with the associate are provided in note 8.

Graham Butt, the chief executive of the Company was deemed to be interested in the acquisition of the Tambelan Interest by reason of his position as trust officer and shareholder of Rampart Management Inc. a company associated with Graham Porter.

15 Contingent liabilities

As detailed in note 8, deferred consideration was payable on the achievement of certain performance criteria under the terms of the Tambelan agreement which was settled during the year.

There are no other contingent liabilities at 31 December 2007 or 31 December 2006.

16 Post balance sheet events

Since the year end a further 5,280,000 shares have been purchased by the Company and cancelled, at prices ranging from 18.64p per share to 20.875p per share, for a total consideration of £1.032 million.

The share buyback programme ended on 25 February 2008.

17 Financial instruments

The Company uses financial instruments comprising cash and equity investments. The Company seeks to manage financial risk, to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash safely and profitably. The Company is exposed to a variety of financial risks which result from both its operating and investing activities. The Company's risk management is closely monitored by the board of Directors, and focuses on actively securing the Company's short to medium term cash flows by minimising the exposure to financial markets.

Borrowing facilities

The Company has no borrowing facilities available to it.

Interest rate risk

The Company finances its operations through cash at bank and through share capital raised. All financial assets earn interest at floating rates, based upon Bank of England base rates.

The Company seeks to manage financial risks to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The Company is exposed to interest rate risk as it has significant cash deposits. Exposures are managed by depositing funds in short term bank accounts. The cash and cash equivalents are invested such that the maximum available interest rate is achieved.

Notes to the Financial Statements

CONTINUED

17 Financial instruments continued

The following table illustrates the sensitivity of the net result for the year and to equity to a reasonably possible change in interest rates of +/- one percentage point.

	2007 +1% £'000	2007 -1% £'000	2006 +1% £'000	2006 -1% £'000
Increase /(decrease) in net result and equity	86	(86)	69	(69)

The Company currently has no financial liabilities with floating interest rates.

Market price risk

The Company's exposure to market price risk consists mainly uncertainty concerning future movements in level or volatility of market prices of metals traded on the London Metals Exchange in which the LME team hold a position. This risk arises due to the Company bearing the full losses, if incurred, of the LME trading team. This risk is managed by the use of various mechanisms put in place by Sucden (UK) Limited who control the LME trading team. The Company monitors the exposure via regular reports from Sucden (UK) Limited.

The following table illustrates the sensitivity of the net result for the year and to equity to a reasonably possible change of +/- 1% in the income from the investment in associate:

	2007 +1% £'000	2007 -1% £'000	2006 +1% £'000	2006 -1% £'000
Increase/(decrease) in net result and equity	176	(176)	157	(157)

The key risk to the Company is if the LME trading team incurs a loss which would be fully borne by the Company. The LME trading team has not incurred a loss for 28 quarters and due to the controls put in place by Sucden (UK) Limited the Directors do not consider it likely a loss will be incurred.

Foreign currency risk

The exchange variances arise only on translation as the functional currency of the Company is US dollars and the majority of transactions are carried out in US dollars. Therefore any exchange rate movements are reported through equity through the translation reserve.

Foreign currency denominated financial assets and liabilities, translated into sterling at the closing rate, are as follows:

	2007		2006	
	\$'000	£'000	\$'000	£'000
Nominal amounts				
Loans and trade receivables	9,131	4,498	8,858	4,473
Cash and cash equivalents	8,000	4,032	12,450	6,867
Total financial assets	17,131	8,530	21,308	11,340

The following table illustrates the sensitivity of equity to a reasonably possible change in exchange rates +/- 10 percentage points:

	2007 +10% £'000	2007 -10% £'000	2006 +10% £'000	2006 -10% £'000
(Decrease)/increase in net result and equity	(776)	950	(1,031)	1,268

Included within trade and other receivables in an amount of £4.473 million which is receivable in US\$.

Notes to the Financial Statements

CONTINUED

18 Capital management

The Company's capital management objectives are:

- To ensure the Company's ability to continue as a going concern; and
- To provide an adequate return to shareholders

In order to maintain or adjust the capital structure, the Company may adopt a number of approaches including the sale of assets to mitigate the need for debt and an adjustment to the value of dividends paid to shareholders.

Notice of Annual General Meeting

Notice is given that the annual general meeting of the members of the Company will be held at 30 Quai Gustave-Ador, Geneva 3, Switzerland at 10.00a.m. (Geneva time) on 2 May 2008 to consider and, if thought fit, pass the following resolutions:

Ordinary resolutions

- 1 To receive the accounts and reports for the year ended 31 December 2007.
- 2 To re-appoint Adrian Collins as a director who is retiring having been appointed by the Directors since the last annual general meeting and who being eligible offers himself for re-appointment.
- 3 To re-appoint Graham Porter as a director who is retiring having been appointed by the Directors since the last annual general meeting and who being eligible offers himself for re-appointment.
- 4 To re-elect Graham Porter as a director who is retiring by rotation in accordance with the articles of association of the Company and who being eligible offers himself for re-election.
- 5 To re-appoint Grant Thornton UK LLP as auditors and to authorise the directors to determine their remuneration.
- 6 That the directors be authorised to disapply the pre-emption rights set out in article 17 of the Company's articles of association, such power to expire at the conclusion of the Company's next annual general meeting, and the directors may allot equity securities following an offer or agreement made before the expiry of the authority and provided that the authority is limited to:
 - 6.1 the allotment of equity securities up to a maximum aggregate nominal amount of £67,353.63 (being equal to 20 per cent. of the issued ordinary share capital of the Company at the date of this notice); and
 - 6.2 the allotment of equity securities up to a maximum aggregate nominal amount of £3,367.68 on exercise of the warrant granted to Strand Partners Limited on 21 February 2005 (being equal to one per cent. of the issued ordinary share capital of the Company at the date of this notice); and
 - 6.3 the allotment of equity securities up to a maximum aggregate nominal amount of £45,500 in respect of the exercise of share options granted by the Company
- 7 To propose that a final dividend of 1.5 pence per share be paid in respect of the period ended 31 December 2007 to shareholders on the register as at 2 May 2008, which will be paid no later than 20 May 2008.

Special resolution

- 8 That the articles of association of the company are amended by:
 - 8.1 inserting the following new article immediately after the present article 47, and renumbering the subsequent articles accordingly:

"47. Member's Disclosure Notice

 - (a) The Directors have power by notice in writing (**Member's Disclosure Notice**) to require any Member to disclose to the Company the identity of any person other than the Member (**an interested party**) who has any interest in the shares held by the Member and the nature of such interest.
 - (b) Any Member's Disclosure Notice shall require any information in response to such notice to be given in writing within such reasonable time as the Directors shall determine.

Notice of Annual General Meeting

CONTINUED

- (c) The Directors may be required to exercise their powers under paragraph (a) of this Article on the requisition of Members of the Company holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up capital of the Company as carries at that date the right of voting at general meetings of the Company.
- (d) The requisition must:
 - (i) state that the requisitionists are requiring the Company to exercise its powers under this Article;
 - (ii) specify the manner in which they require those powers to be exercised; and
 - (iii) give reasonable grounds for requiring the Company to exercise those powers in the manner specified,and must be signed by the requisitionists and deposited at the Company's registered office.
- (e) The requisition may consist of several documents in like form each signed by one or more requisitionists.

On the deposit of a requisition complying with this Article it is the Directors' duty to exercise their powers under paragraph (a) of this Article in the manner specified in the requisition."

- 8.2 deleting the first sentence of the present article 49 and substituting the following new sentences:

"If a member or any person appearing to be interested in any shares held by a member has been duly served with a Disclosure Notice or Member's Disclosure Notice and fails to comply with it after 14 days from the date of service of the Disclosure Notice or Member's Disclosure Notice (or any alternative time specified in such notice) the provisions of Articles 52 and 53 will apply immediately following the service of a notice (**Direction Notice**) advising of such on the recipient of the Disclosure Notice or Member's Disclosure Notice. The Company will also send to each other person appearing to be interested in the shares the subject of any Direction Notice a copy of such notice, but failure or omission by the Company to do so shall not invalidate such notice."

- 8.3 inserting the following new article immediately after the present article 52, and renumbering the subsequent articles accordingly:

"54. If shares are issued to a Member as a result of that Member holding other shares in the Company and, if the shares in respect of which the new shares are issued are subject to the restrictions in Articles 52 and 53, the new shares shall on issue become subject to the same restrictions whilst held by that Member as such default shares. For this purpose, shares which the Company procures to be offered to Members pro rata (or pro rata ignoring fractional entitlements and shares not offered to certain Members by reason of legal or practical problems associated with offering shares outside the United Kingdom or Guernsey) shall be treated as shares issued as a result of a Member holding other shares in the Company."

Notice of Annual General Meeting

CONTINUED

- 8.4 inserting the following new article immediately after the present article 55(b)(ii):
- “the member holding such shares has given to the Company a notification which either (a) names such person as being so interested or (b) fails to establish the identities of those interested in the shares and (after taking into account the said notification and any other relevant notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares.”
- 8.5 inserting the following new articles immediately after the present article 55, and renumbering the subsequent articles accordingly:
- “58. The Company shall maintain a register of interested parties to which the provisions of Section 55 and 58 of the Companies Law shall apply mutatis mutandis as if the register of interested parties was the Register of Members and whenever in pursuance of a requirement imposed on a shareholder as aforesaid the Company is informed of an interested party the identity of the interested party and the nature of the interest shall be promptly inscribed therein together with the date of the request.
59. Any shareholder who has given notice of an interested party in accordance with Article 47(a) who subsequently ceases to have any party interested in his shares or has any other person interested in his shares shall notify the Company in writing of the cessation or change in such interest and the Directors shall promptly amend the register of interested parties accordingly.”
- 8.6 suffixing the words “Disclosure Notice” in articles 50 and 54 with the words “or Member’s Disclosure Notice”.

By order of the board

Kitwell Consultants Limited
Secretary

Registered office:
Walkers SPV Limited
Walker House
Mary Street
PO Box 908GT
Grand Cayman
Cayman Islands

Date: 7 April 2008

Notice of Annual General Meeting

CONTINUED

Notes to the notice of annual general meeting:

1. A member entitled to attend and vote at the above meeting may appoint one or more proxies to attend and, on a poll, vote in his place. A proxy need not be a member of the Company.
2. The instrument appointing a proxy and (in the case of an instrument signed by an agent of the member who is not a corporation) the authority under which such instrument is signed or an office copy or duly certified copy must be deposited at the office of Capita Registrars, The Registry, 34 Beckenham Road, Kent BR3 4TU, not less than 48 hours before the time appointed for the meeting or any adjourned meeting. A prepaid form of proxy for use in respect of the meeting is enclosed.
3. Completion of a form of proxy will not prevent a member from attending and voting in person.
4. Members will be entitled to attend and vote at the meeting if they are registered on the Company's register of members 48 hours before the time appointed for the meeting or any adjourned meeting.
5. In the case of joint holders of the shares in the Company, the vote of the senior holder shall be accepted to the exclusion of the votes of the other joint holder(s). For this purpose, seniority will be determined by the order in which the names appear in the Company's register of shareholders (or the Company's registrars' records).
6. In the case of holders of depository interests representing ordinary shares in the capital of the Company, a form of direction must be completed in order to appoint Capita IRG Trustees Limited to vote on the holder's behalf at the meeting, or if the meeting is adjourned, at any adjourned meeting. To be effective, a completed and signed form of direction must be delivered to Capita Registrars, The Registry, 34 Beckenham Road, Kent BR3 4TU by no later than 72 hours before the time fixed for the meeting or any adjourned meeting.

