

PALLINGHURST RESOURCES (GUERNSEY) LIMITED



PRE-LISTING STATEMENT
13 AUGUST 2008

PALLINGHURST

RESOURCES

PALLINGHURST RESOURCES (GUERNSEY) LIMITED

(Incorporated in Guernsey)

(Registration number: 47656)

Share code on the BSX: PALLRES ISIN: GG00B27Y8Z93

Share code on the JSE: PGL

PRE-LISTING STATEMENT

Prepared in terms of the Listings Requirements of the JSE Limited

The definitions and interpretations set out on pages 8 to 15 of this Pre-listing Statement apply *mutatis mutandis* to the paragraphs below.

This Pre-listing Statement is not an invitation to the public to subscribe for, or an offer to the public to purchase Shares, but is issued in compliance with the Listings Requirements for the purpose of providing information to the public regarding the Inward Listing. The JSE has granted a primary listing to the Company by way of an introduction of all of its Shares in issue, in the "Equity Investment Instruments" sector of the JSE to be listed under the abbreviated name "Pallight", JSE share code "PGL", with effect from Wednesday, 20 August 2008.

At the Inward Listing Date, the authorised share capital of the Company will comprise 999,000,000 Shares with a nominal value of USD 0.00001 each and 10 Management Shares with a nominal value of USD 1.00 each, while the issued share capital of Pallinghurst will comprise 169,316,000 Shares, with a subscription price of USD 1.00 each and 2 Management Shares of USD 1.00 each. All of the Shares in terms of this Pre-listing Statement rank *pari passu*. At the date of this Pre-listing Statement, the share premium account had a balance of USD 166,928,777.

Pallinghurst Shares will only be traded on the JSE as Dematerialised Shares and accordingly all Investors who elect to receive Certificated Shares will have to Dematerialise their Certificated Shares should they wish to trade on the JSE.

The Directors of Pallinghurst, whose names are given in the section headed "Corporate Information" of this Pre-listing Statement, collectively and individually, accept full responsibility for the accuracy of the information provided and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Pre-listing Statement contains all information required in terms of the Listings Requirements. Pallinghurst undertakes to comply fully with the Listings Requirements.

The investment bank, sponsor, legal advisers and transfer secretaries in South Africa, whose names are included in the "Corporate Information" section of this Pre-listing Statement, have consented in writing to act in the capacities stated and to their names being included in this Pre-listing Statement and have not withdrawn their consents prior to the publication of this Pre-listing Statement.

Investment bank and sponsor



Investment adviser



Legal advisers in South Africa



Legal advisers in Guernsey

OZANNES

Date: 13 August 2008

Copies of this Pre-listing Statement are available in English only, and may be obtained during normal business hours from the registered office of the Company; the investment bank and sponsor; and the transfer secretary whose addresses are set out in the "Corporate Information" section of this Pre-listing Statement from Monday, 18 August 2008 to Monday, 1 September 2008.

CORPORATE INFORMATION

Directors

Brian P Gilbertson (*Chairman*)
Arne H Frandsen (*Chief Executive Officer*)
Stuart Platt-Ransom*
Clive Harris*

* Non-executive

Registered office of the Company

Pallinghurst Resources (Guernsey) Limited
1 Le Marchant Street
St Peter Port
Guernsey
GY1 4HP
Channel Islands

Investment Manager

Pallinghurst (Cayman) GP L.P.
Walker House, 87 Mary Street
George Town
Grand Cayman
KY1-9002
Cayman Islands

Investment adviser

Pallinghurst Resources LLP
54 Jermyn Street
London
SW1Y 6LX
United Kingdom

Legal advisers in Guernsey

Ozannes Advocates & Notaries
1 Le Marchant Street
St Peter Port
Guernsey
GY1 4HP
Channel Islands

Auditors

Saffery Champness
Le Tonnele House
Les Banques
St. Sampson
Guernsey
GY1 3HS
Channel Islands

Transfer secretary

Computershare Investor Services (Proprietary) Limited
Ground Floor
70 Marshall Street
Johannesburg
2001
South Africa

Date of incorporation

4 September 2007

Administrator and secretary

Legis Fund Services Limited
1 Le Marchant Street
St Peter Port
Guernsey
GY1 4HP
Channel Islands

Investment bank and sponsor in South Africa

Investec Bank Limited
100 Grayston Drive
Sandown
Sandton
2196
South Africa

Legal advisers in South Africa

Edward Nathan Sonnenberg Inc.
150 West Street
Sandton
2196
South Africa

Legal advisers in Bermuda

Appleby Global
Canon's Court
22 Victoria Street
Hamilton
HM 12
Bermuda

Bankers in Guernsey

Investec Bank (Channel Islands) Limited
La Vieille Cour
St Peter Port
Guernsey
GY1 3LP
Channel Islands

Sponsor in Bermuda

First Bermuda Group Limited
Maxwell R Roberts Building
1 Church Street
Hamilton HM11
Bermuda

Place of incorporation

Guernsey

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FORWARD-LOOKING STATEMENT

Except for the statements of historical fact relating to Pallinghurst, certain information contained herein constitutes forward-looking statements. Forward-looking statements are frequently characterised by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate” and other similar words, or statements that certain events or conditions “may” or “will” occur. Forward-looking statements are based on the opinions and estimates of Pallinghurst at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors detailed elsewhere in the Pre-listing Statement that could cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include the inherent risks involved in investing in unlisted entities, the uncertainties surrounding political, environmental and other factors beyond the control of the entity, the uncertain nature of investments in mining companies, the possibility of project costs overruns or unanticipated costs and expenses, uncertainties relating to the availability and costs of financing needed in the future and other factors described herein. Although Pallinghurst believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be accurate. Pallinghurst undertakes no obligation to update forward-looking statements if circumstances or management’s estimates or opinions should change. The reader is cautioned not to place undue reliance on forward-looking statements.

SALIENT FEATURES

This summary contains the salient features of the Inward Listing of Pallinghurst on the main board of the JSE as set out in this Pre-listing Statement, which should be read in its entirety for a full appreciation thereof. The definitions and interpretations set out on pages 8 to 15 of this Pre-listing Statement apply *mutatis mutandis* to this salient features section.

1. RATIONALE FOR THE INWARD LISTING

In its prospectus dated 5 September 2007, the Company undertook, subject to the receipt of the requisite regulatory approvals, to implement the Inward Listing within the 12-month period ending 14 September 2008.

In addition to complying with its undertaking, the Company is seeking to implement the Inward Listing in order to achieve a number of strategic and financial benefits including:

- facilitating investments by the Company within the Common Monetary Area;
- enhancing the liquidity and tradability of Pallinghurst's Shares;
- facilitating the incremental investment and direct investment in Shares by South African institutional and retail investors respectively;
- appealing to a broader set of prospective Investors, thus providing further access to capital markets in order to facilitate and accelerate the Company's growth and/or acquisition of investments falling within the Company's Investment Scope; and
- increasing the Company's public presence and profile.

This Pre-listing Statement is issued in compliance with the Listings Requirements in order to provide information relating to Pallinghurst, its operations and Directors so as to facilitate the Inward Listing.

Pallinghurst is not issuing new Shares as part of the Inward Listing and, accordingly, this Pre-listing Statement is not an invitation to the public to subscribe for, or an offer to the public to purchase Shares. However, subject to the funding requirements of its existing and prospective Investments, Pallinghurst may offer further Shares for subscription within the Second Equity Raising Period.

2. INTRODUCTION TO PALLINGHURST

Pallinghurst was incorporated on 4 September 2007 in accordance with Guernsey Law, and was listed on the BSX on 26 September 2007. The Company's main objective is to carry on the business of an investment holding company in Investments falling within the Investment Scope. To achieve its Investment Objectives, the Company has appointed the Investment Manager to act in the capacity of investment manager to the Company, on the terms set out in the Investment Management Agreement. The Investment Manager is a specialist natural resources entity that seeks to develop strategic partnerships for the Company with companies and/or other entities in order to create and unlock value for Investors over the Investment Term. The Company is chaired by Brian Gilbertson, widely regarded as one of the leading figures in the natural resources industry, with a notable history and proven track-record of value creation.

3. PALLINGHURST STRATEGY

The Company maintains a global focus across the commodities spectrum, with a primary focus on underperforming assets and businesses that lack direction, are poorly managed, or are stranded or distressed. The Investment Manager, on behalf of the Company, seeks to develop strategic platforms in pursuit of consolidation, vertical integration and turn-around opportunities and expansion projects. The Company targets Investments in businesses that hold mines, smelters, refineries and processing plants. The preference is for Brown-fields Opportunities, although Investments in businesses with attractive development opportunities are also considered.

4. OVERVIEW OF INVESTMENTS

Pallinghurst has concluded a number of Investments since incorporation. A summary of these Investments is included in the "Overview of Investments" section of this Pre-listing Statement.

5. FUTURE PROSPECTS

The Investments currently held by the Company are at an early stage of implementation of their intended strategies, but promise significant value uplift through organic growth, synergistic acquisitions and/or vertical integration opportunities. The Investment Manager continues to seek attractive Investment opportunities for the Company. At the date of this Pre-listing Statement, the Company is evaluating a number of prospective Investments which meet the Company's Investment Scope and Investment Objectives, with the principal objective of providing Investors with a high overall rate of return.

6. STATEMENT AS TO THE PRIMARY LISTING ON THE JSE

The JSE has approved the application for a primary Inward Listing of all the issued Shares of Pallinghurst in the "Equity Investment Instruments" sector of the JSE main board, to be listed under the share code "PGL", with effect from the commencement of business on or about 20 August 2008.

Pallinghurst will continue to be listed on the BSX, as its secondary listing.

7. FURTHER COPIES OF THIS PRE-LISTING STATEMENT

Copies of this Pre-listing Statement are available in English only, and may be obtained during normal business hours from the registered office of the Company; the investment bank and sponsor; and the transfer secretary whose addresses are set out in the "Corporate Information" section of this Pre-listing Statement from 18 August 2008 to 1 September 2008.

DEFINITIONS AND INTERPRETATIONS

In this Pre-listing Statement and the annexures hereto, unless otherwise indicated, the words in the first column have the meanings stated opposite them in the second column, words in the singular include the plural and *vice versa*, words denoting one gender includes the other, and words denoting natural persons include juristic persons and associations of persons:

“Abort Costs”	means the aggregate amount of costs and expenses (including for the avoidance of doubt travel expenses) or, if investing together with any Strategic Equity Partners, the <i>pro rata</i> share of such costs and expenses, in connection with proposals for potential Investments pursued by the Company which do not proceed to completion;
“Accounting Date”	means 31 December 2007 and 31 December each year thereafter or the date on which the Company is wound up;
“Accounting Period”	means a period commencing on the day following the preceding Accounting Date and ending on and including the next Accounting Date;
“Acquisition Cost”	means the aggregate of all acquisition costs of an Investment together with any duties (including, without limitation, stamp duties), fees, costs and expenses (including, for the avoidance of doubt, travel expenses) related to such Investment, including finance charges (if any), payable by the Company or, if investing together with any Strategic Equity Partners, the Company’s <i>pro rata</i> share of such duties, fees, costs and expenses;
“Adhoc Expenses”	<p>means all costs and expenses reasonably incurred in the conduct of the business of the Company including, but not limited to:</p> <ul style="list-style-type: none">(a) legal fees and litigation costs;(b) taxes, duties, penalties and government charges;(c) external consultant fees;(d) the Company’s <i>pro rata</i> share (if any) of any costs associated with an Investment, including Acquisition, Disposal and Abort Costs; and(e) payments under the indemnity provisions as set out in the section headed “General Information – Indemnities” of this Pre-listing Statement,<p>but excluding, for the avoidance of doubt, the Annual Operating Expenses;</p>
“Administrator”	means such administrator of international repute as may be selected by the Directors to be the administrator of the Company, currently being Legis Fund Services Limited;
“Aggregate Proceeds”	means the aggregate cash proceeds received by the Company from the Realisation of Investments (net of any Disposal Costs) and all income less expenses, losses of or other charges against the Company that do not arise from the Realisation of Investments plus any of the Company’s Funds not used for Investments or set aside to fund the Company’s Expenses during the Investment Term;
“AIM”	means the Alternative Investment Market of the LSE;
“Annual Investment Manager’s Benefit”	means the annual benefit receivable by the Investment Manager as described in the section headed “Expenses, Fees and Investment Manager’s Benefits”;
“Annual Operating Expenses”	<p>means all costs and expenses reasonably incurred by the Company including, but not limited to:</p> <ul style="list-style-type: none">(a) Administrator’s fees;(b) printing and distribution expenses;(c) Auditor’s fees;

- (d) costs of providing directors and officers insurance to the Directors for their services in relation to the Company;
 - (e) Independent Valuer(s) fees;
 - (f) tax and regulatory certificates;
 - (g) regulatory fees;
 - (h) Annual Sponsor and BSX Broker and listing fees;
 - (i) public relation fees; and
 - (j) bank charges,
- but excluding, for the avoidance of doubt, the Annual Investment Manager's Benefit, Abort Costs and Acquisition Costs;

“Annual Sponsor”	means both the JSE Sponsor and the BSX Sponsor;
“Approved Investment”	means the See-Through Interest in Fabergé Limited;
“Articles”	means the Articles of Association of the Company as amended or replaced from time to time;
“Associate”	<p>means with respect to any specified Person, a Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the Person specified. For the purposes of this definition, the term “control” and the consequences thereof, means:</p> <ul style="list-style-type: none"> (a) the direct or indirect ownership of in excess of 50% of the equity interests (or interests convertible into or otherwise exchangeable for equity interests) in a Person, or (b) the possession of the direct or indirect right to vote in excess of 50% of the voting interest or to elect in excess of 50% of the board of directors or other governing body of a Person (whether by equity ownership, contract or otherwise);
“Auditors”	means such auditors of international repute as may be selected by the Directors to be the auditors of the Company, currently being Saffrey Champness Chartered Accountants;
“Bakgatla”	means the Bakgatla-Ba-Kgafela Tribe, a <i>universitas personarum</i> , being a traditional community and tribe established according to indigenous custom, who own land and mineral rights in the BIC;
“BFS”	means a bankable feasibility study;
“BIC”	means the Bushveld Igneous Complex, an area containing approximately 80% of the world's PGMs, located near Rustenburg, South Africa;
“Boynton”	means Boynton Investments (Proprietary) Limited, (registration number 2000/002572/07), a private company duly registered and incorporated in accordance with the company laws of South Africa;
“Brown-fields Opportunities”	means opportunities related to abandoned operations or producing assets which may be expanded, improved or strategically repositioned;
“BSX”	means the Bermuda Stock Exchange;
“BSX Broker”	means such broker of international repute as may be selected by the Directors to be the BSX broker of the Company, currently being First Bermuda Group Limited;
“BSX Sponsor”	means such sponsor of international repute as selected by the Directors to be the BSX sponsor of the Company, currently being First Bermuda Group Limited;
“Business Day”	means any day other than a Saturday, Sunday or public holiday on which banks are normally open for the conduct of ordinary non-automated business in Guernsey;

“Cause”	means: (a) fraud; or (b) wilful misconduct; or (c) gross negligence; or (d) bad faith; or (e) reckless disregard for a person's obligations and duties, which, in each case, has a material effect on the Company and/or its Investors;
“Certificated Shares”	means Shares which are held and represented by a share certificate or other document of title, which Shares have not been dematerialised in terms of the requirements of Strate;
“Common Monetary Area”	means the geographic region comprising South Africa, the Republic of Namibia and the Kingdoms of Swaziland and Lesotho;
“Company’s Expenses”	means all the expenses incurred by the Company including, but not limited to, the Annual Operating Expenses, Adhoc Expenses and Annual Investment Manager’s Benefit;
“Company’s Funds”	means the aggregate amounts received by the Company from Investors on the Initial Closing Date and the Second Closing Date;
“Dematerialise”	means the process by which physical share certificates are replaced with electronic records of ownership in accordance with the rules of Strate;
“Dematerialised Shares”	means Shares which are held in electronic form as uncertificated securities in accordance with the requirements of Strate;
“Directors” or “the Board”	means the board of directors of the Company, as set out in the section headed “Corporate Information” of this Pre-listing Statement;
“Disposal Cost”	means the aggregate amount of all duties (including, without limitation, stamp duties), fees, costs and expenses (including, for the avoidance of doubt, travel expenses) or, if investing together with any Strategic Equity Partners, the Company’s <i>pro rata</i> share of such duties, fees, costs and expenses, incurred in the Realisation of an Investment;
“Distributions”	means distributions in cash or distributions <i>in specie</i> of any securities to Investors (and “Distribution”, “Distribute” and “Distributed” shall be construed accordingly);
“Exchange Control”	means the Exchange Control Department of the South African Reserve Bank;
“Exchange Control Regulation”	means the rules and regulations of the Exchange Control;
“Fabergé Limited”	means Fabergé Limited (registration number WK-178293), an exempted limited liability company duly incorporated and registered in accordance with the laws of the Cayman Islands;
“Fair Value per Share”	means the fair value per Share of the Company as estimated by the Directors, with the valuation methodology thereof reviewed by the Independent Valuers, as the case may be, taking into account the calculation of the Performance Incentive;
“GBP”	means the lawful currency of the United Kingdom;
“Gemfields”	means Gemfields Resources plc, (registration number 05129023) a public company duly registered and incorporated in accordance with the laws of England and Wales and whose shares are listed on AIM;
“Guernsey Law”	means the Companies (Guernsey) Law, 2008, as amended from time to time, together with any regulations or ordinances made thereunder;

“Hurdle”	means an amount of 8% per annum (compounded annually on the Accounting Date each year) on the net amount of Company's Funds still retained by the Company (including any amounts already compounded) and calculated on a daily basis;
“IFRS”	means International Financial Reporting Standards;
“Indemnified Person”	means any Director or employee of the Company, including any director(s) nominated by the Investment Manager to be a director of an Investment Vehicle and/or any of its Associates;
“Independent Valuer(s)”	means such independent valuer(s) of international repute as may be appointed by the Directors to be the independent valuer of the Company's Investments, currently being KPMG LLP;
“Initial Closing Date”	means 14 September 2007, being the initial closing date for the receipt by the Company of the Company Funds;
“Investec”	means Investec Bank Limited, (registration number 1969/004763/06) a public company duly registered and incorporated in accordance with the company laws of South Africa;
“Investment(s)”	means any investment, asset or other interest acquired by the Company falling within the Investment Scope, including the Approved Investment (whether for consideration in cash or securities or assets of existing Investments or otherwise) including but not limited to shares, debentures, loan stock or other securities of and loans (whether secured or unsecured) made to any body corporate or other entity;
“Investment Amount”	means the total funds paid or to be paid by the Company in connection with an Investment;
“Investment Management Agreement”	means the agreement, as amended from time to time, between the Company and the Investment Manager, appointing the Investment Manager to act in the capacity as investment manager to the Company;
“Investment Manager”	means Pallinghurst (Cayman) GP L.P., an exempted limited partnership registered in the Cayman Islands;
“Investment Objectives”	means the investment objectives of the Company as set out in the section headed “Investment Strategy – Investment Objectives” of this Pre-listing Statement;
“Investment Period”	means the period commencing on the Initial Closing Date and ending on the earliest of: <ul style="list-style-type: none"> (a) the 5th anniversary of the Initial Closing Date; or (b) the date determined pursuant to a Key Man Event which has not been resolved within the Suspension Period as defined and described in Annexure 4 headed “Material Contracts – Investment Management Agreement” of this Pre-listing Statement; or (c) the date on which the Company's Funds have been fully invested in or are committed or allocated to Investments or expenses of the Company; or (d) the date on which applicable laws or regulations make it necessary to terminate the Investment Period; or (e) such date as may be recommended by the Board and approved by Investors in general meeting by Special Resolution;
“Investment Policy”	means the investment policy of the Company as set out in the section headed “Investment Strategy – Investment Policy” of this Pre-listing Statement;
“Investment Scope”	means the investment scope of the Company as set out in the section headed “Investment Strategy – Investment Scope” of this Pre-listing Statement;

“Investment Term”	means the period which commenced on the Initial Closing Date and ends on the Termination Date;
“Investment Vehicle”	means a body corporate or other entity in which the Company holds, directly or indirectly through Associates, together with certain Strategic Equity Partners, on a case-by-case basis, an Investment;
“Investor”	means any Person who is a registered holder of Shares;
“Inward Listing”	means the primary listing of Pallinghurst, a foreign registered company, in the “Equity Investment Instruments” sector of the main board of the JSE under the abbreviated name “Pallinght”, JSE code “PGL” and ISIN: GG00B27Y8Z93;
“Inward Listing Date”	means on or about 20 August 2008, being the date of Inward Listing;
“IRR”	means the internal rate of return, expressed as a percentage, being the annual compound discount rate which, when applied to a relevant series of cash flows, results in a net present value of zero;
“JSE”	means JSE Limited (registration number 2005/022939/06), a public company duly registered and incorporated in accordance with the company laws of South Africa, licensed as an exchange under the Securities Services Act, Act 36 of 2004;
“JSE Sponsor”	means such sponsor of international repute as may be selected by the Directors to be the JSE sponsor of the Company, initially being Investec;
“Kagem”	means a large open pit emerald mine located on the Fwaya-Fwaya emerald belt, near Kitwe, Zambia;
“Key Man Event”	means: <ul style="list-style-type: none"> (a) Brian Gilbertson or any two of the other Key Men failing to devote substantially all of his/their professional time to the business and affairs of the Program; or (b) the death or permanent disability of Brian Gilbertson or any two of the other Key Men; or (c) Brian Gilbertson or any two of the other Key Men, ceasing to be an executive(s) of the Investment Manager; or (d) Cause exists with respect to one or more Key Men;
“Key Men”	means each of Brian Gilbertson, Arne Frandsen, Sean Gilbertson, Priyank Thapliyal and any person approved as a Key Man in accordance with the terms of the Investment Management Agreement;
“Last Practicable Date”	means 30 June 2008, being the last practicable date prior to the finalisation of this Pre-listing Statement;
“Listings Requirements”	means the Listings Requirements of the JSE, as amended from time to time by the JSE;
“LSE”	means the London Stock Exchange plc;
“Management Shares”	means non-redeemable shares with a par value of USD 1.00 each in the share capital of the Company;
“Memorandum”	means the Memorandum of the Company as amended or replaced from time to time;
“NAV of the Company”	means the net asset value of the Company determined in the manner defined in the Articles, as described and calculated under the section headed “General Information – NAV of the Company” of this Pre-listing Statement;

“Ordinary Resolution”	means a resolution, taken in accordance with the Articles, passed by a simple majority of Investors, present or by proxy, at the meeting, convened with the proper notice of the meeting having been provided to the Investors;
“Pallinghurst” or “the Company”	means Pallinghurst Resources (Guernsey) Limited, a public company duly registered and incorporated in accordance with the laws of Guernsey (registration number 47656;
“Performance Incentive”	means the benefit attributable to the Investment Manager or its Associate, as described in the section headed “Expenses, Fees and Investment Manager’s Benefits” of this Pre-listing Statement;
“Person”	means any individual, body corporate or corporation, limited liability company, partnership, limited partnership, limited liability partnership, trust or other legal entity;
“PGM”	means any platinum group metal including platinum, rhodium, ruthenium, iridium and osmium and the metals and minerals having a mineralogical association therewith, including gold, copper, nickel and cobalt;
“Platmin”	means Platmin Group Limited (registration number 610178-0) a public company duly registered and incorporated in accordance with the laws of Canada and whose shares are listed on the TSX and AIM;
“Program”	means the investment program, managed by the Investment Manager whereby Investments falling within the Investment Scope are offered to the Company and to certain Strategic Equity Partners, on a case-by-case basis;
“Pre-listing Statement” or “this Document”	means this document dated 13 August 2008 and all the Annexures hereto;
“Realisation”	means the occurrence of any of the following events in relation to an Investment: <ul style="list-style-type: none"> (a) the receipt of consideration and distribution in cash or the receipt of consideration and distribution <i>in specie</i> of any securities of a capital nature; or (b) the unconditional completion of an agreement for the sale of the whole, or any part, of an Investment (save that where the consideration for such sale is wholly comprised of securities of a company or, where the consideration for such sale is comprised partly of securities of a company and partly of cash, in relation to that part of the consideration comprised of securities, there shall be no Realisation for the purposes of this sub-paragraph (b)); or (c) the receipt of any deferred consideration (other than that of an income nature) or the release of a provision in either case arising from a previous Realisation of the whole, or any part, of an Investment; or (d) the redemption of any securities of a company which is the subject of an Investment (other than any redemption of such securities which is made solely in connection with any other event constituting a Realisation); or (e) the winding up or dissolution of any entity in which an Investment is held, and “Realised” shall be interpreted accordingly;
“Redemption Date”	means the date of compulsory redemption of the Shares, being the date 1 calendar month after the Termination Date, subject to all Investments having been liquidated and/or Distributed;
“SAICA”	means The South African Institute of Chartered Accountants;
“Second Closing Date”	means a date as determined by the Board at the end of the Second Equity Raising Period, being no later than 36 months after the Initial Closing Date;
“Second Equity Raising Period”	means the period as determined by the Board, following the Initial Closing Date, in which the Company may offer further Shares for subscription in order to raise further capital for the Company;
“See-Through Interest”	means an indirect, effective shareholding;
“SENS”	means the Securities Exchange News Service of the JSE;

“Shares”	means ordinary shares with a par value of USD 0.00001 each in the share capital of the Company;
“Sophisticated Investors”	means sophisticated or professional investors who can afford to take a higher degree of risk, which may include the risk of the loss of their entire investment, and who have extensive knowledge and experience in financial and business matters and are capable of evaluating the merits and risks associated with an investment in the Shares;
“South Africa”	means the Republic of South Africa;
“Special Resolution”	means a resolution taken in accordance with the Articles, passed by a majority of not less than three-quarters of the votes of the Investors, present or by proxy, at the meeting convened with the proper notice of the meeting having been provided to Investors;
“Strate”	means the share settlement and clearing system utilised by the JSE for all share transactions concluded on the JSE, managed by Strate Limited (registration number 1998/022242/06), a private company duly registered and incorporated in accordance with the company laws of South Africa;
“Strategic Equity Partners”	means those parties which may, from time to time, co-invest with the Company in Investments based on their financial, strategic and/or technical expertise;
“Subsidiary”	has the meaning ascribed to it in Section 15 of the Amalgamation of Companies Ordinance, 1997 issued in terms of the power conferred by section 1 of the Companies (Enabling Provisions) (Guernsey) Law, 1996;
“Temporary Investments”	means any Investment which is Realised, in whole or in part, within 12 months of its acquisition by the Company (and for these purposes the date of acquisition will be the date on which the Investment is legally or beneficially transferred and held for the account of the Company), which shall include, but shall not be limited to, Underwritten Investments (provided that the syndication of such Underwritten Investments occurs within 12 months of such Investment being made);
“Termination Date”	<p>means:</p> <ul style="list-style-type: none"> (a) the 10th anniversary of the Initial Closing Date; or (b) the 11th anniversary of the Initial Closing Date; or (c) the 12th anniversary of the Initial Closing Date, <p>as the case may be, pursuant to the applicable resolution, if required, being passed by the requisite majority of Investors in general meeting as described in the section headed “Sale Arrangements and Redemptions” of this Pre-listing Statement;</p>
“Transaction Receipts”	<p>means any of the following which are received by the Investment Manager:</p> <ul style="list-style-type: none"> (a) all advisory, agency fees and monitoring fees payable by an Investment Vehicle which are directly referable to the Company’s Investment in such Investment Vehicle; (b) all break fees payable in connection with a potential Investment which does not proceed to completion; (c) all underwriting fees payable in connection with the underwriting of Underwritten Investments; and (d) all other fees, commissions and amounts including arrangement fees and exit fees which are directly referable to the Company’s Investment in an Investment Vehicle, <p>provided that all directors fees and benefits payable in connection with the appointment of a nominated director or reimbursement of costs related to an Investment Vehicle paid by the Investment Manager, shall not be deemed Transaction Receipts and may be retained in full by the Investment Manager;</p>

“Trust”	means a trust declared and registered before the Initial Closing Date known as The Pallinghurst (Guernsey) Charitable Trust, which Trust may facilitate the purchase and sale of Shares;
“TSX”	means the Toronto Stock Exchange;
“Underwritten Investments”	means any Investment in an Investment Vehicle made with a view to its subsequent syndication;
“United Kingdom” or “UK”	means the United Kingdom of Great Britain and Northern Ireland;
“United States” or “US”	means the United States of America;
“United States Dollars” or “USD”	means the lawful currency of the United States;
“Unrealised Investment(s)”	means any Investment which has not been the subject of a Realisation or the unrealised portion of a partial Realisation of an Investment;
“Valuation Guidelines”	means the valuation guidelines contained in the International Private Equity and Venture Capital Valuation Guidelines, which became effective from 1 January 2005 (as amended, supplemented or replaced from time to time);
“VAT”	means South African value-added tax; and
“ZAR” or “R”	means the lawful currency of South Africa.

PRE-LISTING STATEMENT

I. RATIONALE OF THE INWARD LISTING

In its prospectus dated 5 September 2007, the Company undertook, subject to the receipt of the requisite regulatory approvals, to implement the Inward Listing within the 12 month period ending 14 September 2008.

In addition to complying with its undertaking, the Company is seeking to implement the Inward Listing in order to achieve a number of strategic and financial benefits including:

- facilitating investments by the Company within the Common Monetary Area;
- enhancing the liquidity and tradability of Pallinghurst's Shares;
- facilitating the incremental investment and direct investment in its Shares by South African institutional and retail investors respectively;
- appealing to a broader set of prospective Investors, thus providing further access to capital markets in order to facilitate and accelerate the Company's growth and/or acquisition of investments falling within the Company's Investment Scope; and
- increasing the Company's public presence and profile.

This Pre-listing Statement is issued in compliance with the Listings Requirements in order to provide information relating to Pallinghurst, its operations and Directors so as to facilitate the Inward Listing.

Pallinghurst is not issuing new Shares as part of the Inward Listing and, accordingly, this Pre-listing Statement is not an invitation to the public to subscribe for, or an offer to the public to purchase Shares. However, subject to the funding requirements of its existing and prospective Investments, Pallinghurst may offer further Shares for subscription within the Second Equity Raising Period.

2. INTRODUCTION TO PALLINGHURST

2.1 Nature of business

The Company's main objective is to carry on the business of an investment holding company in Investments falling within the Investment Scope. To achieve the Investment Objectives the Company has appointed the Investment Manager to act in the capacity as investment manager to the Company on the terms set out in the Investment Management Agreement. The Investment Manager is a specialist natural resources entity that seeks to develop strategic partnerships for the Company with companies and/or other entities in order to create and unlock value for Investors over the Investment Term. The Company is chaired by Brian Gilbertson, widely regarded as one of the leading figures in the natural resources industry, with a notable history and proven track-record of value creation.

2.2 BSX listing

Pallinghurst was listed on the BSX on 26 September 2007.

3. INCORPORATION AND HISTORY OF PALLINGHURST

The Company was incorporated on 4 September 2007, under the provisions of Guernsey Law as a registered investment company limited by shares, with registration number 47656 under the name Pallinghurst Resources (Guernsey) Limited. The Company has an authorised share capital of 999,000,000 Shares of USD 0.00001 each and 10 Management Shares of USD 1.00 each. The principal legislation under which the Company operates is the Companies (Guernsey) Law, 2008, as amended from time to time, together with any regulations or ordinances made thereunder. Pallinghurst's registered office is currently located at 1 Le Marchant Street, St Peter Port, Guernsey, GY1 4HP, Channel Islands.

INVESTMENT STRATEGY

4. INVESTMENT POLICY

The Company invests in Investments falling within the Investment Scope and in the Approved Investment. The Company endeavours to hold, whether directly or indirectly, through one or more special purpose vehicles to ensure the most efficient corporate structure, an initial minimum interest of 20% in each Investment Vehicle, subject to the limitations, below:

- (a) the aggregate investment by the Company in any Investment Vehicle may not exceed the greater of 30% of the Company's Funds or USD 100 million, unless such excess Investment is approved by Investors by Ordinary Resolution. Aggregate Investments shall for this purpose include any guarantees and undertakings provided by the Company with respect to an Investment Vehicle but shall exclude any Temporary Investments; and
- (b) Temporary Investments may, when added to the Company's other investments in an Investment Vehicle, not exceed the greater of 40% of the Company's Funds or USD 150 million. The Investment Manager will use reasonable endeavours to reduce the aggregate amount invested in a single Investment Vehicle to the greater of 30% of the Company's Funds or USD 100 million within the 12-month period following the date on which such Investment is concluded, unless such excess Investment is approved by Investors by Ordinary Resolution.

Whilst the Company has the ability to gear its balance sheet, it is intended that each Investment be ring-fenced by the Company and that the funding of each Investment will be based on the strength of such Investment's balance sheet and/or cash flow potential, thereby increasing the insolvency remoteness of each Investment.

5. INVESTMENT SCOPE

The Company maintains a global focus across the commodities spectrum, with a primary focus on underperforming assets and businesses that lack direction, are poorly managed, or are stranded or distressed. The Investment Manager, on behalf of the Company, seeks to develop strategic platforms in pursuit of consolidation, vertical integration and turn-around opportunities and expansion projects. The Company targets Investments in businesses that hold mines, smelters, refineries and processing plants. The preference is for Brown-fields Opportunities, although Investments in businesses with attractive development opportunities are also considered.

Investments include, but are not limited to, the acquisition and disposal of shares, preference shares, debentures, loan stocks, other securities, options and warrants of and in listed and in unlisted companies and/or other vehicles that focus in the global natural resources sector and in the Approved Investment.

6. INVESTMENT OBJECTIVES

On the advice of the Investment Manager, the Company, whether individually or with certain Strategic Equity Partners, on a case-by-case basis, utilises its financial ability and unique expertise and execution skill in the natural resources sector to participate in Investments falling within the Investment Scope with the principal objective of providing Investors with a high overall rate of return.

Each Investment Vehicle, together with certain Strategic Equity Partners, on a case-by-case basis, attempts to secure board and management control as a pre-requisite to influence the future strategic direction of each Investment.

7. INVESTMENT PROCESS

The Company has appointed the Investment Manager, in accordance with the terms of the Investment Management Agreement, to provide it with investment advisory and management services in relation to Investments.

The Investment Manager is responsible for identifying potential Investments making Investment recommendations and providing advice to the Board regarding Investments or the Realisation or refinancing thereof.

The Board considers the advice and recommendations of the Investment Manager and any other advice received from additional third party external experts and service providers, to the extent required, prior to making an Investment or Realisation decision. Once the Directors resolve that the Company should participate in an Investment or the Realisation or refinancing thereof, the Investment Manager is responsible for negotiating, implementing and executing the transaction within the parameters set by the Board.

In terms of the Program, all potential Investments falling within the Investment Scope are offered to the Company for investment at a price equal to the cost at which such Investments have been negotiated and concluded.

To the extent the Company wishes to amend its Investment Scope and its Investment Objectives and/or approve a potential Investment falling outside the Investment Scope, it will seek prior Investor approval by means of an Ordinary Resolution.

8. TARGETED RETURNS

The Company aims to achieve a gross IRR of 25% per annum to Investors prior to the Performance Incentive. The IRR will be based and calculated on the Aggregate Proceeds attributable to Investors over the Investment Term.

9. INVESTMENT MANAGER'S INVESTMENT IN SHARES

To ensure that the interests of the Investors are aligned with those of the Investment Manager, the executives of the Investment Manager, on the Initial Closing Date, subscribed for and were allotted Shares in the Company for an amount of USD 11 million.

Furthermore, other than as disclosed in Section 20.1 and Section 25, the executives of the Investment Manager have undertaken not to cede, pledge, dispose of or otherwise encumber such Shares during the Investment Term.

10. STRATEGIC EQUITY PARTNERS

On a case-by-case basis, based on the strategic merit and the ability to enhance an Investment's returns, the Company, on the advice of the Investment Manager, may seek to identify, acquire and manage Investments through Investment Vehicles together with certain Strategic Equity Partners who will participate in any such Investment on a *pari passu* basis with the Company.

Such Strategic Equity Partners will typically have experience in the field of the particular Investments whether financial, strategic or Investment specific expertise. Such Strategic Equity Partners assist the Company in identifying, accessing, managing, creating value and ultimately Realising Investments. The Investment Manager remains responsible for the management of such Investments and manages and oversees the execution of the Company's investment strategy, in conjunction with such Strategic Equity Partners.

The Company requires that the Strategic Equity Partners make meaningful investments of their own capital. Accordingly, their investment returns are dependent upon Investment performance.

Notwithstanding the above, the Company has an unconditional entitlement, subject to the Investment limitations imposed by the Investment Policy, to an initial minimum interest of 20% of each Investment Vehicle on acquisition, in which any such Strategic Equity Partners participate.

11. SECOND EQUITY RAISING

By no later than the Second Closing Date, the Directors of the Company may decide to raise additional funding to acquire further Investments. In this instance, the Directors have the right to offer further Shares for subscription in the Company.

Notwithstanding the fact that there are no rights of pre-emption, any such further offering of Shares will be made to existing Investors on the same terms and conditions, and in accordance with the requisite regulatory approvals including the Listings Requirements and Exchange Control.

12. CURRENCY

The functional currency of the Company is United States Dollars. All commitments by, and Distributions to, Investors and all calculations pursuant to the terms of this Pre-listing Statement are in United States Dollars.

13. FUTURE PROSPECTS

The Investments currently held by the Company are at an early stage of implementation of their intended strategies, but promise significant value uplift through organic growth, synergistic acquisitions and/or vertical integration opportunities. The Investment Manager continues to seek attractive Investment opportunities for the Company. At the date of this Pre-listing Statement, the Company is evaluating a number of prospective Investments which meet the Company's Investment Scope and Investment Objectives, with the principal objective of providing Investors with a high overall rate of return.

14. FINANCIAL INFORMATION

The audited consolidated financial statements of the Company for the 4-month period ended 31 December 2007 are set out in Annexure I of this Pre-listing Statement.

The audited consolidated financial statements referred to above have been prepared in accordance with IFRS. The disclosure of headline earnings per share is not a requirement of IFRS, but rather of South African Generally Accepted Accounting Practice in terms of Circular 8/2007 – Headline Earnings, issued by SAICA, and of the Listings Requirements. As a result, headline earnings per share is not disclosed in the audited consolidated financial statements as set out in Annexure I, which were finalised prior to the Inward Listing.

For the benefit of South African Investors, the headline earnings and diluted headline earnings per share for the 4-month period ended 31 December 2007 have been calculated at USD 24.40, before the 1,000-for-1 share split. This is equivalent to the earnings and diluted earnings per share as disclosed in Annexure I, and as a result no reconciliation between the earnings and headline earnings is necessary.

OVERVIEW OF INVESTMENTS

In the period since its incorporation, the Company has concluded a number of attractive Investments and, as at the Last Practicable Date, is significantly advanced with a number of prospective Investments. A salient overview is set out below.

15. OVERVIEW OF EXISTING INVESTMENTS

15.1 Fabergé

In January 2007, Fabergé Limited, a company owned and controlled by members of the Investment Manager and certain Strategic Equity Partners, acquired Unilever plc's world-wide portfolio of trademarks, licences and associated rights relating to the Fabergé brand name. Unilever plc had owned the brand since 1989, when it purchased Fabergé Inc. (then a leading cosmetics company) for USD 1.55 billion.

The Unilever portfolio consisted of some 1,700 trademarks which, since the acquisition by the Company and certain Strategic Equity Partners, have been increased to over 3,000 to ensure global protection of the brand, and to assist in the global re-establishment thereof. Conversely, the number of licensees has reduced to 5 in order to rationalise Fabergé branded products and services to only world-class, luxury items. Currently, the license agreements cover products including jewellery, glassware, cutlery, neckties and objects of art. The licensees pay royalties calculated as a percentage of their sales. Rationalisation of the existing license agreements is expected to continue.

In September 2007, the Company acquired an indirect majority See-Through Interest in Fabergé Limited. In accordance with the conditions of the acquisition, minority interests in Fabergé Limited were subsequently sold, at a profit, by the Company, to certain Strategic Equity Partners, pursuant to which the Company held a 46.8% See-Through Interest in Fabergé Limited for net cost of USD 26.4 million.

In October 2007, Fabergé Limited announced the historic reunification of the Fabergé brand with the Fabergé family, after 50 years of separation. Accordingly, the two great-granddaughters of Peter Carl Fabergé have been appointed alongside Fabergé experts to the Fabergé Heritage Council, to oversee the unified Fabergé in its pursuit of excellence and exclusivity.

In November 2007, Mark Dunhill left his position as President of the eponymous luxury company Alfred Dunhill and joined Fabergé Limited as Chief Executive Officer. In a short space of time, Mr Dunhill has assembled a formidable team from companies including Cartier, Condé Nast, De Beers LV, UBS, Clifford Chance, and Ernst & Young.

Pallinghurst's investment in Fabergé Limited is indirectly owned by the Company and has not been ceded or pledged. The Directors' valuation of Pallinghurst's interest in Fabergé Limited, as at 31 December 2007, was USD 26.4 million. Further detail regarding the valuation of Investments is included in Annexure 2 of this Pre-listing Statement.

In April 2008, the Company granted a short-term USD 10 million loan to Fabergé Limited to fund the acquisition of a collection of high jewellery and general working capital needs. In May 2008, a USD 12.1 million share placing was made to new and existing Strategic Equity Partners, diluting the Company's See-Through Interest to 43.2%, but resulting in an implied unrealised value of the Company's interest in Fabergé Limited of approximately USD 79 million.

In August 2008, the short-term USD 10 million loan was repaid, and the Company invested a further USD 15 million, increasing its See-Through interest in Fabergé Limited to 47.5%, for a total aggregate cost of USD 41.4 million. The corresponding implied unrealised value of the Company's interest in Fabergé Limited is approximately USD 93.7 million.

The Investment Manager believes that there is significant scope for redeveloping the Fabergé brand with two primary objectives, which will be housed in separate Investment Vehicles and run as independent Investments:

- (a) The first is to restore the Fabergé brand as one of the world's leading luxury brands dedicated to the heritage of Peter Carl Fabergé, and focusing on the highest standards of design and craftsmanship. Mr Dunhill and his specialist team from the luxury goods sector have been tasked with implementing this strategy; and
- (b) The second is to create a world leading company in the coloured gemstone industry. This industry is presently fragmented and undercapitalised, and has not had the benefit of the leadership that De Beers brought to the diamond industry a century ago. It is intended that this Investment Vehicle will produce,

market and sell its finest output as individually branded Fabergé gemstones, so guaranteeing the quality, provenance and the ethical sourcing of the gemstones. This initiative is linked to Rox Limited, as set out in paragraph 15.2 below.

Demand for premium luxury goods is growing in both mature markets and in the emerging Middle East, Asian and BRIC (Brazil, Russia, India and China) economies, driven by socio-economic factors such as increasing wealth and disposable income and continued demand for status symbols. The upper end of the luxury market is proving fairly resilient to the current general economic slowdown: wealthy consumers purchasing ultra premium products are relatively unaffected by the economic cycle. The number of such consumers is increasing rapidly – the 2008 Forbes billionaire ranking listed 1,125 individuals, an increase of almost 20% over the previous year, with the US and Russia having the greatest presence on the list. Furthermore it is not just billionaire numbers which are growing. According to the 12th Annual World Wealth Report (*Source: Merrill Lynch and Capgemini, 2008*), there were 10.1 million high net worth individuals worldwide (holding at least USD 1 million in financial assets), an increase of 6% from 2006. Additionally, the number of ultra high net worth individuals (at least USD 30 million in financial assets) grew by 8.8% to approximately 103,000. Studies show that these individuals allocate and spend a significant proportion of their wealth on passion investments, and in 2007 jewellery held third place with 13.8% of spend, after luxury collectibles and fine art.

Global expenditure on jewellery and watches is expected to accelerate over the next five-year period, growing by 35% to USD 318 billion per annum. Within such expenditure recognised luxury brands are driving growth and spending in the luxury segment is expected to double over the corresponding five-year period to USD 94 billion per annum (*Source: Verdict, Global Jewellery Retailing 2008*). The resilience of the luxury market results from increasing global wealth, passion investing and the strong demand from emerging markets for branded jewellery and status symbol watches; and also reflects the ability of luxury brands to pass on increases in commodity prices to the end consumer, thereby maintaining gross margins.

The name Fabergé enjoys excellent brand recognition globally, and will benefit from the rapid growth in the premium jewellery market and the strong appetite of high net worth individuals for superlative luxury items. Fabergé will be guided by the model pioneered by Peter Carl Fabergé, pursuing excellence in creativity, design and craftsmanship. The worldwide debut of its new collection, which will focus on high jewellery, is planned for the second quarter of 2009.

15.2 Rox Limited

In October 2007, the Company along with certain Strategic Equity Partners, acquired, via Rox Limited (a newly incorporated company), an indirect 75% interest in a Zambian emerald mining company, Kagem Mining Limited, with the Government of Zambia owning the remaining 25% interest. The major asset of Kagem Mining Limited is Kagem, a large open pit emerald mine located on the Fwaya-Fwaya emerald belt, near Kitwe, Zambia. Kagem is the largest emerald mine in Africa but a lack of investment and inadequate working capital funding had constrained its optimum development. Upon acquiring the asset, significant investment was made by the Company and certain Strategic Equity Partners to improve mine efficiency. New equipment was purchased and additional infrastructure developed, while security measures (led by Indian army-trained security personnel who are now based on-site) were upgraded. In addition, a management contract was signed with Gemfields (the owner and operator of nearby emerald mines on the same emerald belt), in terms of which Gemfields assumed the overall day-to-day management of Kagem. Gemfields has a team of experienced emerald miners who have subsequently overseen much of the recent development of Kagem.

On 18 December 2007, the reverse takeover of Gemfields by Rox Limited was announced. The transaction, approved by Gemfields' shareholders on 5 June 2008, resulted in Kagem being vended into Gemfields (together with an option to acquire a license to use the Fabergé brand name on superior-quality coloured gemstones) in exchange for a fully diluted interest of approximately 55% of the enlarged group.

On 14 May 2008, Gemfields' shares were re-admitted to trading following the release of a re-admission document that described the terms of the transaction, and which announced a share placing of GBP 30 million (USD 58.9 million). The share placing was completed on 6 June 2008 with Rox Limited following its subscription rights for GBP 16.3 million (USD 32.0 million) of new Gemfields shares at 45 pence (88 US cents) per share.

Pallinghurst's investment in Rox Limited is indirectly owned and has not been ceded or pledged. As at the Last Practicable Date, no income had been received from the Investment in Rox Limited. The Directors' valued the Company's interest in Rox Limited at 31 December 2007 at cost (USD 31.9 million). Further detail regarding the valuation of Investments is included in Annexure 2 of this Pre-listing Statement.

In June 2008, the Company purchased a further 8 million shares (2.6%) in Gemfields on the open market, increasing its See-Through Interest in Gemfields to approximately 28%, for a total aggregate cost of USD 52.5 million.

Despite being a highly fragmented and undercapitalised industry, the (non-diamond) coloured gemstone industry has been largely overlooked by mining investors. This is partly attributable to the long-standing success of De Beers in promoting diamonds as the gemstone of choice. Yet recent auctions held by Sotheby's Holdings Inc. and Christie's International plc indicate that per carat prices for emeralds, rubies and sapphires can exceed the per carat prices achieved for diamonds. This is particularly striking considering the lack of marketing expenditure in the coloured gemstone industry.

According to Gemworld International Inc, an industry leader in the supply of pricing and reference information to the precious stone market, the growth potential for the coloured gemstone sector is significant. The trend toward coloured gemstones can increasingly be seen in glamour magazines and the windows of jewellery retailers. In addition to strong demand, prices for fine coloured gemstones have continued to rise.

Gemfields intends to become the leading producer and supplier of coloured gemstones by pursuing consolidation and vertical integration opportunities in the industry on an international scale. Gemfields' operating scope will include acquiring and running mines of suitable scale, in-house cutting and polishing of its high-grade material, and pursuing suitable marketing and branding programmes for coloured gemstones. In addition, Gemfields has a world-wide exclusive licence to use the Fabergé brand name on its superior-quality coloured gemstones.

Gemfields will seek to further enhance the market appeal of its coloured gemstones including improving consistency of supply, ensuring ethical sourcing of gemstones, and focusing on natural, untreated gemstones.

16. ENTITLEMENT TO INVESTMENTS

The Investment Manager has, in accordance with its Investment Scope and Investment Objectives, identified and secured prospective Investments, an overview of which is included in the paragraphs that follow. The prospective investments have been presented by the Investment Manager to the Board, who has reviewed and approved the Company's entitlement to participate, alongside certain Strategic Equity Partners, in each of the prospective Investments, subject to the receipt of the approval of the Exchange Control, which approval has been obtained, subject to the implementation of the Inward Listing. Accordingly, on or after the implementation of the Inward Listing, the Company intends to exercise its entitlements to the potential Investments described below.

16.1 Ntsimbintle Pallinghurst Joint Venture

In accordance with the Company's stated strategic objective of forming a platform to source and supply raw materials to the steel industry, the Investment Manager has secured a potential manganese Investment for the Company.

Approximately 90% of all manganese consumed annually, on a global basis, is used in the production of steel. There are no satisfactory substitutes for manganese in the steel making process and despite recent price increases, the contained cost of manganese in steel remains low. The second most important market for manganese, in dioxide form, is that of portable dry batteries.

International manganese trade has long been closely linked with steel consumption in the industrialised countries in Europe, North America, Japan and South East Asia. Demand has increased strongly in the recent past, and is expected to continue into the foreseeable future due to economic growth in countries such as China and India.

In November 2007, a subsidiary of the Company, along with certain Strategic Equity Partners, concluded a joint venture agreement with Ntsimbintle Mining (Proprietary) Limited, a Black Economic Empowerment group with manganese exploration rights within the primary manganese region in South Africa, commonly referred to as the Kalahari Basin. The Kalahari Basin contains approximately 80% of the world's known mineable manganese reserves. One of the properties subject to the Pallinghurst Ntsimbintle Joint Venture is adjacent to and appears to share similar geology to Samancor's world-class Mamatwan Mine. The purpose of the Pallinghurst Ntsimbintle Joint Venture is to create a world-class manganese producer within the next 3-year period.

Following the recommendations of an independent scoping study, a pre-feasibility and BFS has been initiated and is expected to be completed by the second quarter of 2009.

The Investment Manager has negotiated an entitlement for the Company to acquire a minority indirect shareholding in the Pallinghurst Ntsimbintle Joint Venture.

16.2 Potential PGM Investments

The Investment Manager has identified and secured two prospective Investments in the PGM industry. Strong demand combined with challenges in supply make the industry a promising area for Investment.

PGMs are used across a wide range of industries and it is estimated that 20% of all consumer products either contain PGMs or require it in their production. The uses of PGMs are primarily industrial, particularly the automotive industry, which uses PGMs in catalytic converters, spark plugs, and sensors. In 2007, the automotive industry consumed 4.2 million ounces of platinum, approximately 55% of global consumption of 8 million ounces. Platinum has also become a very popular choice for modern jewellery, and in 2007, the jewellery industry consumed 1.6 million ounces of platinum. China is today the largest and fastest growing market for platinum jewellery.

For the past 10 years, South Africa has consistently produced between 70-80% of the world's primary PGMs and according to the South African Department of Minerals & Energy, 87.7% of the world's platinum reserves are located in South Africa. Recent supply failures encountered by the existing South African PGM miners include deeper level mining, smelter failures, uncertain power supply and shortages of skilled workers.

These combined demand and supply-side pressures led to a series of record prices for platinum and other PGMs during 2008. Although platinum is currently trading below its peak, long-term price, expectations remain strong, and the prospects for a new entrant to the industry continue to be attractive.

The senior partners of the Investment Manager have strategic and operational experience in PGMs through their earlier association with Rustenburg Platinum Mines Limited ("**RPM**"), Impala Platinum Holdings Limited and Incwala Resources (Proprietary) Limited ("**Incwala**"), a Black Economic Empowerment PGM investment vehicle with an 18% interest in Lonmin plc. Mr Gilbertson and Mr Frandsen played key roles in the formation of Incwala, respectively in the roles of Chairman and Chief Executive Officer.

The Investment Manager, for and on behalf of the Company and certain Strategic Equity Partners (collectively, ("**PGM Consortium**") has concluded an agreement with the Bakgatla, in terms of which the parties will form a broad-based and black-controlled PGM investment vehicle ("**PGM SPV**"), to be held initially as to 50.1% by the Bakgatla and 49.9% by the PGM Consortium. In terms of the shareholders' agreement that regulates the parties' relationship as shareholders of PGM SPV, the parties will endeavour to exploit PGM opportunities in accordance with the Company's Investment Policy and Investment Objectives in order to realise superior returns for its Investors.

On 24 December 2007, the Investment Manager concluded an agreement with the vendors of Moepi Group (Proprietary) Limited ("**Moepi Group**"), in terms of which PGM SPV would acquire 100% of the shares in Moepi Group, a company holding an approximate effective indirect 25% interest in Boynton, subject to the fulfilment of certain conditions precedent.

Boynton is a private company whose primary assets are situated in the Western Limb of the BIC, north of the Pilanesberg, and is controlled by Platmin, a USD 500 million company incorporated in Canada and listed on the TSX and AIM. Platmin focuses on the exploration and development of PGM deposits in South Africa exclusively through its 73% effective interest in Boynton.

Concurrently with the Moepi sale and purchase agreement, the Company provided a guarantee over loan funding of USD 25 million in order for the Moepi Group to acquire a further 7.80% interest in Boynton, thereby increasing Moepi Group's total effective interest in Boynton to approximately 25%. The guarantee over loan funding was the first step towards PGM SPV acquiring 100% of Moepi Group, which transaction was declared unconditional on 4 June 2008.

The Investment Manager has negotiated an entitlement for the Company to acquire a 9.26% interest in PGM SPV as the platform for a broader PGM strategy. It is anticipated that the Company will exercise its entitlement on or shortly after the Inward Listing.

In addition, the Investment Manager, for and behalf of the PGM Consortium, secured a further prospective PGM Investment pursuant to which the PGM Consortium concluded an agreement on 31 May 2008 with the Bakgatla, subject to requisite regulatory approvals, to acquire a 40% interest in Richtrau No.123 (Proprietary) Limited, a PGM exploration company whose sole asset is a new order prospecting right in respect of Magazynskraal 3, Registration Division J.Q., North West Province ("**Magazynskraal**"), a farm situated in the Western Limb of the BIC, north of the Pilanesberg. In terms of the Magazynskraal sale and purchase agreement, the PGM Consortium will procure 100% of the BFS funding required for the completion of the BFS in respect of Magazynskraal and pay the Bakgatla an undisclosed consideration once the Magazynskraal transaction has been declared unconditional in accordance with its terms. Currently, the necessary regulatory approvals (including those from the Competition Authorities and the Department of Minerals and Energy) are being obtained. The approval process is anticipated to take up to 4 months.

Pursuant to the implementation of the Magazynskraal transaction, each of the Bakgatla and the PGM Consortium will hold a 40% interest in Magazynskraal, with RPM holding the remaining 20% interest. The PGM Consortium and Bakgatla's interests will be regulated in accordance with the PGM SPV's shareholders' agreement for the benefit of the PGM SPV. In terms of the Magazynskraal sale and purchase agreement, the PGM Consortium will be appointed as a contractor to complete the BFS in respect of Magazynskraal.

The Investment Manager has negotiated an entitlement for the Company to acquire a 9.26% interest in Magazynskraal transaction (40% to be acquired by the PGM Consortium).

The PGM Consortium and the Bakgatla plan to exploit each of the Moepi Group and Magazynskraal transactions and the PGM SPV may consider further acquisitions and/or development opportunities where the investment proposition and return prospects are favourable .

16.3 Funds not invested

At the Last Practicable Date the Company had unallocated cash facilities of USD 35.3 million. These funds are invested in a facility earning interest at a rate linked to the US Federal Reserve rate. As at the Last Practicable Date, interest of USD 0.2 million has been earned on the un-invested funds. There are no Government protections or investment encouragement laws specifically related to the current Investments of Pallinghurst.

DIRECTORS AND SENIOR MANAGEMENT OF PALLINGHURST

17. DIRECTORS AND SENIOR MANAGEMENT

17.1 Directors

The following table sets out, details of each of the Directors:

Name, nationality and age	Business address	Principal occupation and function	Date appointed to Board
Brian Gilbertson (64) British and South African	54, Jermyn Street London SW1Y 6LX United Kingdom	Chairman	On incorporation (4 September 2007)
Arne H Frandsen (41) Danish	54, Jermyn Street London SW1Y 6LX United Kingdom	Chief Executive Officer	On incorporation (4 September 2007)
Stuart Platt-Ransom (40) British and South African	1 Le Marchant Street St Peter Port Guernsey GY1 4HP Channel Islands	Non-Executive Director	On incorporation (4 September 2007)
Clive Harris (53) British and Cayman Islands	Box 30142 SMB Grand Cayman Cayman Islands	Non-Executive Director	On incorporation (4 September 2007)
Martin Tolcher (45) British	1 Le Marchant Street St Peter Port Guernsey GY1 4HP Channel Islands	Permanent alternate director to Stuart Platt-Ransom	3 June 2008

17.2 Experience and qualifications of the Directors of Pallinghurst

Brian Gilbertson (BSc (Maths & Physics), BSc (Hons) in Physics, MBL, and PMD from Harvard)

Mr Gilbertson has extensive experience in the global natural resources industry. He was Managing Director of Rustenburg Platinum Mines Limited, which gained recognition as the world's foremost producer of platinum in the 1980s. Later, as Executive Chairman of Gencor Limited, Mr Gilbertson led the restructuring of the South African mining industry into the post-Apartheid era, transforming Gencor Limited into a focused minerals and mining group. During this period he held ultimate responsibility for Impala Platinum Holdings, and of Samancor Limited, the world's largest producer of manganese and chrome ore and alloys. Important initiatives included the Hillside and Mozel aluminium projects and the purchase of the international mining assets (Billiton plc) of the Royal Dutch Shell Group. In 1997, Gencor Limited restructured its non-precious metals interests as Billiton plc and, with Mr Gilbertson as Executive Chairman, Billiton plc raised USD 1.5 billion in an initial public offering on the LSE, taking the company into the FTSE100. In 2001, Billiton plc merged with BHP Limited to create what is widely regarded as the world's premier resources company, BHP Billiton plc. In 2004, Mr Gilbertson joined Sibirsko-Uralskaya Aluminum Company (SUAL), the smaller aluminium producer in Russia and led the company into the USD 30 billion merger with RUSAL and the alumina assets of Glencore International A.G., creating the largest aluminium company in the world. Mr Gilbertson established Pallinghurst Resources LLP and the Investment Manager during 2006 and 2007, respectively, and is the Chairman of and a partner in both entities. Mr Gilbertson is a British and South african citizen and is resident in the United Kingdom.

Arne H Frandsen (BA, LLB, Master in Law from University of Copenhagen, Postgraduate Research and Studies in Japan and South Africa)

Following completion of his degrees, Mr Frandsen undertook extensive legal research in Europe, Japan and South Africa, leading to the publishing of a number of articles as well as a book. Mr Frandsen has over 10 years of investment banking experience with Goldman Sachs and JPMorganChase, providing strategic advice and structuring mergers and acquisitions as well as corporate finance transactions for clients in 30 different countries,

raising in excess of USD 20 billion of capital. From 2004, Mr Frandsen acted as Client Executive for JPMorganChase in South Africa, followed by a year as Chief Executive Officer of Incwala. Mr Frandsen joined Pallinghurst Resources LLP in 2006 and is a partner of the limited liability partnership and the Investment Manager. Mr Frandsen is a Danish citizen and is resident in the United Kingdom.

Stuart Platt-Ransom

Mr Platt-Ransom is the Managing Director of the Legis Group, a role to which he was appointed in July 2007. Mr Platt-Ransom spent the previous 12 years with State Street Bank & Trust Company in its South African, Luxembourg, Dublin, London and Guernsey offices in various management, operational, business development and relationship management roles. Prior to that, Mr Platt-Ransom worked for Global Asset Management in the Isle of Man. Most recently, Mr Platt-Ransom was the Managing Director of State Street's business in Guernsey and was responsible for its business in Africa from 2002 to 2006. Mr Platt-Ransom is a British and South African citizen and is a resident in Guernsey.

Clive Harris (BSc. (Econ), ICAEW)

Mr Harris is a British and Cayman Islands citizen, and is resident in the Cayman Islands. He is a Chartered Accountant (England and Wales) and a member of the Society of Trust and Estate Practitioners. Mr Harris graduated in 1976 from The University of Wales with a BSc.(Econ) with combined honours in Accountancy and Law. In 1979 he qualified as a Chartered Accountant with the City of London Office of Deloitte Haskins & Sells. He has resided in the Cayman Islands since December 1979 where he was employed for some 20 years as a director and Managing Director of International Management Services Limited, an independent Cayman Islands based firm of company and insurance managers, and was a partner in its associated accounting firm. In 2001 Mr Harris took up a consulting position with the Bank of Bermuda (Cayman) Limited and was subsequently appointed Managing Director and head of Global Fund Services during a time of reorganisation, leaving the Bank on its completion in 2003. Mr Harris has extensive and in depth knowledge and experience in the fields of company management, investment services, and the management and administration of Hedge Funds and Special Purpose Vehicles, and since 2004 has been self-employed, serving as an independent non-executive director to a number of Cayman Island funds, managers and other regulated entities. Mr Harris is also a director of the general partner of the Investment Manager.

Martin Tolcher

Mr Tolcher is a Fellow of the Securities Institute (FSI) and has been involved within the fund administration industry in Guernsey for over 20 years. He has gained considerable experience in the administration of a wide range of fund and private equity structures. He is Managing Director of Legis Fund Services Limited, the Company's Administrator. Mr Tolcher is a British citizen and a resident of Guernsey.

17.3 Partners of the Investment Manager

Brian Gilbertson

A short *curriculum vitae* of Mr B Gilbertson is provided above.

Arne H Frandsen

A short *curriculum vitae* of Mr A Frandsen is provided above.

Priyank Thapliyal (Metallurgical Engineer, BTech, MEng, MBA (Western Ontario, Canada))

Mr Thapliyal acted as deputy to Anil Agarwal (Founder and Chairman of Vedanta Resources plc) and was responsible for spearheading the main strategic developments that resulted in the listing of Vedanta Resources plc on the London Stock Exchange in December 2003. The listing has been credited for transforming Vedanta Resources plc from a USD 100 million Indian copper smelting company in 2000 to the current USD 9 billion (by market capitalisation) London Stock Exchange listed company. A significant part of this value uplift was attributable to the USD 50 million acquisition of a controlling stake in Konkola Copper Mines in Zambia in November 2004, which was initiated and led by Mr Thapliyal.

Sean Gilbertson (Mining Engineer; BSc)

Mr Gilbertson is the former Chief Executive Officer of Global Coal Limited, a company that operates live global coal trading and is owned by subsidiaries or related entities of (among others) Accel-KKR, Anglo American plc, BHP Billiton plc, Glencore International A.G. and Rio Tinto plc. Mr Gilbertson is also the co-founder of Spectron eMetals trading platform for category I and II members of the London Metals Exchange and is a former project finance banker with Deutsche Bank. Mr Gilbertson has been appointed interim Chief Executive Officer of Gemfields.

Andrew Willis (MBA (INSEAD), ACCA Affiliate Accountant, ACIS, BA/BCom)

Mr Willis has over ten years experience in international finance, structuring and private equity, and spent three years with pan-European private equity investment manager Candover Investments plc. Mr Willis is the Finance Director of a number of resource related companies advised by Pallinghurst Resources LLP. Mr Willis also acts as Financial Director of the Company.

17.4 Credentials of the Investment Manager

The partners of the Investment Manager have extensive experience in creating value in the natural resources industry, with in-depth knowledge of the assets, companies, people and trends and are recognised for their strategic insight and vision. The senior executives of the Investment Manager are well regarded by international mining investors and are renowned for pioneering innovative transactions (such as the unbundling of Gencor Limited, the creation of BHP-Billiton plc, and the creation of Vedanta Resources plc, and the formation of the United Company RUSAL). The strength of its contact network allows the Investment Manager to engage key industry players at the highest levels, attract first rate management and operational teams for Investments and to utilise leading advisers and specialists. The Investment Manager's origination capabilities provide for excellent deal flow, with a strong pipeline of existing opportunities currently in progress.

Pallinghurst Resources LLP, a UK based limited liability partnership regulated by the UK Financial Services Authority, acts as advisor to the Investment Manager in identifying, evaluating and recommending suitable Investments, the financing and structuring thereof, and monitoring Investments and providing recommendations on re-financings, add-ons and Realisations.

17.5 Investment Manager's Services

The Investment Manager provides the Company with advisory and management services in relation to Investments and potential Investments falling within the Investment Scope and the Approved Investment.

There are no past, current or pending legal actions that have been brought against the Investment Manager and it has not been prosecuted by any regulator or governmental authority. The Investment Manager may not resign as investment manager to the Company during the Investment Term, unless approved by Investors by Special Resolution.

The scope of the Investment Manager's services includes:

- (a) identifying, securing, researching, conducting and/or procuring the provision of financial, technical and legal due diligence in relation to the evaluation and recommendation of potential Investments;
- (b) preparing Investment proposal papers for each potential Investment including details thereof, indicative terms and the structure of the potential Investment;
- (c) negotiating and concluding Investments, including preparing, approving and concluding Investment agreements within the parameters set by the Board and, where appropriate, giving warranties and indemnities in connection with such Investment;
- (d) managing Investments, including monitoring the performance of Investments and, when appropriate, recommending the Realisation and/or refinancing options thereof;
- (e) nominating and managing the performance of directors and/or officers of Investment Vehicles and liaising and consulting with Investment Vehicles;
- (f) assisting in managing expenditure, budgeting and accounting, arranging valuations and taxation matters and (where appropriate) appointing third parties to provide some or all of these services;
- (g) procuring a review, by the Independent Valuers, of the methodologies used by the Directors in their six-monthly valuations of the Investments;
- (h) assisting in, arranging or negotiating borrowings for the Company and/or Investment Vehicles, if appropriate;
- (i) assisting in advising on the commencement or defence of litigation pertaining to the Company, in conjunction with the Board and its professional advisers, where applicable;
- (j) liaising with insurers, bankers, lawyers, Auditors, Independent Valuers and advisers to the Company;
- (k) assisting in the preparation of reports for the Investors on the performance of all Investments;
- (l) advising the Company in relation to all Investment related matters which the Investment Manager considers to be advantageous to the Company;
- (m) performing such other duties as may be reasonably necessary or incidental to the above or as may be agreed between the Company and the Investment Manager; and

- (n) providing to the Administrator all such information in relation to Investments as it may reasonably require to carry out its duties under the Administration Agreement.

The Board considers the advice and recommendations of the Investment Manager and any other advice received from additional third party external experts and service providers, to the extent required, prior to making an Investment or Realisation decision. Once the Directors resolve that the Company should participate in an Investment or the Realisation or refinancing thereof, the Investment Manager is responsible for negotiating, implementing and concluding the transaction within the parameters set by the Board.

17.6 Investment advice

Where the Investment Manager considers it necessary, and in the best interests of the Company and/or the relevant Investment Vehicle, it seeks advice from third party advisers, on market related terms, who may contract with the Investment Manager and/or the Company and/or the relevant Investment Vehicle.

18. DECLARATIONS OF THE DIRECTORS

None of the Directors of Pallinghurst have:

- ever been convicted of an offence resulting from dishonesty, fraud and embezzlement; or
- ever been adjudged bankrupt or been sequestered in any jurisdiction; or
- ever been party to a scheme of arrangement or made any other form of compromise with their creditors; or
- at any time assigned their estate, suspended payment or compounded with their creditors; or
- ever been found guilty in disciplinary proceedings by an employer or regulatory authority, due to dishonest activities; or
- ever been barred from entry into any profession or occupation; or
- ever acted as an executive director of any company at the time of or within the twelve months preceding any of the following events in relation to such company: receiverships, compulsory liquidations, creditors voluntary liquidations, administrations, company voluntary arrangements or any compromise or arrangement with their creditors generally or any class of creditors; or
- ever acted as a partner of any partnership at the time of or within the twelve months preceding any of the following events in relation to such partnership: compulsory liquidations, administrations or partnership voluntary arrangements; or
- ever been disqualified by a court from acting as a director of a company, or from acting in the management or conduct of affairs of any company; or
- ever been the subject of public criticism by statutory or regulatory authorities, including recognised professional bodies.

19. REMUNERATION, BORROWING POWERS AND APPOINTMENT OF DIRECTORS

19.1 Directors' service contracts and letters of appointment

There are no service contracts or letters of appointment with the Directors.

19.2 Relevant provisions from the Articles

The provisions of the Articles of Pallinghurst relating, *inter alia*, to the qualification, remuneration, borrowing powers and appointment of the Directors, as well as Directors' authority to vote on matters in which they have a material interest, are set out in Annexure 3 to this Pre-listing Statement.

The borrowing powers of the Company as defined in the Articles and set out in Annexure 3 of this Pre-listing Statement may only be altered by way of an amendment to the Articles, which requires a Special Resolution to be approved by Investors in general meeting.

19.3 Directors' emoluments

The Directors earn a fee which will not exceed USD 10,000 per annum per Director for their services to the Company, except that Mr B Gilbertson and Mr A Frandsen do not receive any fees for their services as Directors to the Company.

For the 4-month period ended 31 December 2007, Stuart Platt-Ransom and Clive Harris were each paid USD 2,667. The Company will ensure, at its own cost, that suitable Directors and officers insurance cover is in place for all the Directors and officers of the Company.

There are no other Directors' fees or benefits in kind receivable by the Directors from the Company except for the reimbursement of expenses, other than as set out in this Pre-listing Statement.

The partners of the Investment Manager do not receive any emoluments or fees from the Company. The Investment Manager or its Associate receives the Annual Investment Manager's Benefit and the Performance Incentive as described in paragraphs 31.1 and 31.2, respectively.

19.4 Borrowing powers

The borrowing power of Directors has not been exceeded since incorporation.

20. DIRECTORS' INTERESTS

20.1 Holdings of Shares of Pallinghurst by Directors and Partners of the Investment Manager

The Directors' interests in Shares on the Inward Listing Date are as follows:

	Number of Shares	Percentage Shareholding
Directors		
Brian Gilbertson	—*	—*
Arne Frandsen	250,000	0.15%
Partners of the Investment Manager		
Priyank Thapliyal	250,000	0.15%
Sean Gilbertson	250,000	0.15%
Andrew Willis	250,000	0.15%

* As at the Last Practicable Date Brian Gilbertson held an indirect beneficial interest of 10 million Shares through The Brian Gilbertson Discretionary Settlement, which Shares were subject to the understanding set out in paragraph 9 hereto.

In order to facilitate the Inward Listing Mr B Gilbertson entered into a repurchase agreement with the Trust ("**Repurchase Agreement**"). Pursuant to the Repurchase Agreement on or after the Inward Listing Date, The Brian Gilbertson Discretionary Settlement will hold a beneficial interest of 5.91% of the Shares (10 million Shares).

The above Directors' interests are direct and beneficial, with the exception of Mr B Gilbertson whose interest is indirect and beneficial.

20.2 Directors' interests in transactions

In January 2007, a company, owned by trusts related to Mr B Gilbertson, provided 25% of the interim loan funding made available to Fabergé Limited in order to conclude the acquisition of the Fabergé brand from Unilever plc as referred to in paragraph 15.1. The interim loan funding was repaid by Fabergé Limited after it raised Company Funds at the Initial Closing Date.

Other than as disclosed in this Pre-listing Statement, no Director or partner of the Investment Manager or any investor holding more than 10% of the issued Shares or any of their respective associates or affiliates, had any material beneficial interest in any material transactions of Pallinghurst since incorporation.

As disclosed in paragraph 16 headed "Directors and Senior Management", Mr B Gilbertson and Mr Frandsen are both partners of the Investment Manager and Directors of Pallinghurst, and as such have an interest in the Investment Management Agreement. Messrs Platt-Ransom and Tolcher (the permanent alternate director for Mr Platt-Ransom) are directors of Legis Fund Services Limited, the administrator of Pallinghurst and are, as a result, interested in the Administration Agreement.

No Director of Pallinghurst has any material interest, directly or indirectly, in the cash resources of Pallinghurst.

20.3 Other directorships held by the Directors

Annexure 6 sets out the names of the companies of which the Directors are or have been Directors in the preceding 5-year period.

21. ADMINISTRATION

21.1 Administrator and Secretary

The Administrator was appointed by the Directors to manage the day-to-day operations and administration of the Company and to perform general administrative tasks, including but not limited to, dealing with all correspondence from regulatory bodies, exchanges, Investors and service providers, processing Share subscriptions, Redemptions and withdrawals, disbursing payments, establishing and maintaining books of accounts on behalf of the Company, liaising with the Investment Manager, acting as Company secretary and attending to any other matters incidental thereto and usually performed for the administration of a company. The Administrator also liaises with the Auditors and the Independent Valuer(s) and keeps the accounts of the Company in accordance with IFRS.

21.2 Valuation of Investments

Valuation of Investments is performed by the Directors on a 6 monthly basis in accordance with the Valuation Guidelines contained in the International Private Equity and Venture Capital Valuation Guidelines, which became effective from 1 January 2005 (as amended, supplemented or replaced from time to time).

Accordingly, the Company has engaged KPMG LLP, as its current Independent Valuer(s). The Independent Valuer(s) will provide an opinion as to whether in its professional view such valuations as prepared by the Directors have been prepared using a methodology and approach which are reasonable and consistent with the concept of fair value and in accordance with the International Private Equity and Venture Capital Valuation Guidelines.

Details of such Directors' valuations and the Directors' report on the Investments will be communicated to Investors via SENS, amongst other means.

SALE ARRANGEMENTS AND REDEMPTIONS

22. SALE ARRANGEMENTS AND REDEMPTIONS

22.1 Sale arrangements

Notwithstanding the fact that the Company and its Shares will be listed on the BSX and the JSE, pursuant to the Investment Scope and Investment Objectives of the Company and the potential long-term nature of the Investments, the secondary market for Shares may be limited and relatively illiquid over the Investment Term. In an endeavour to facilitate increased liquidity and tradability in the Shares, the following mechanisms are available to Investors:

22.1.1 Sale on the BSX

- (a) Willing buyer; willing seller transactions:

The BSX Broker, through one or more of its Associates, provides broking, execution and clearing services for secondary market trades between Investors and prospective Investors. Secondary market trades are effected through a matched sale transaction on condition that there is a willing buyer and willing seller who have indicated the price at which they are willing to acquire and dispose of Shares. The BSX Broker ensures that the sale proceeds, less the settlement and registration fees, are paid to the relevant Investor, who is disposing of the Shares, by electronic transfer into the bank account specified by the disposing Investor on receipt of the sale proceeds from the purchaser of the Shares and that the relevant documentation including share transfer forms and/or share certificates, to the extent required, have been duly completed and received by the BSX Broker.

The BSX Broker facilitates trades by dealing with Investors directly and providing Investors with instructions for clearing their Shares with the relevant Administrator/relevant transfer agent.

All Investors are advised to review the pricing of the Shares on the JSE prior to executing a trade on either the JSE or BSX.

- (b) Purchases by the Trust:

In all instances above, the BSX Broker will notify the Trust when a willing seller of Shares is available. The Trust may be willing, but is not obliged, to acquire Shares during the Investment Term. The Company shall pay all costs associated with the Trust. Prior to the Redemption Date, no sale to the Trust of less than 10,000 Shares per transaction (post the 1,000-for- share split) or any disposal as a result of which an Investor will hold less than 10,000 Shares in the Company will be allowed, except where an Investor disposes of all his Shares.

22.1.2 Sale on the JSE

- (a) Willing buyer; willing seller transactions:

The JSE will facilitate secondary market trades between Investors and prospective Investors during the Investment Term. Secondary market trades will be effected through a matched sale transaction on the condition that there is a willing buyer and willing seller who have indicated the price at which they are willing to acquire and dispose of Shares. This process will be facilitated by the relevant Investor's appointed broker.

22.1.3 Pricing

All Investors are advised to review the pricing of the shares on the JSE prior to executing a trade on either the JSE or BSX.

22.1.4 Transfer between registers

Shares are fully fungible and may be transferred between registers.

22.2 Redemptions

22.2.1 Redemption Prior to the Redemption Date

Prior to the Redemption Date there is no entitlement in favour of Investors to have their Shares redeemed by the Company, but the Company shall be entitled to redeem Shares at its election at any time prior to the Redemption Date, as set out below. Redemptions are wholly at the discretion of the Directors and will comply with and be subject to the Listings Requirements. However, subject to their

overall discretion, the Directors have determined to operate the following policy in respect of redemptions prior to the Redemption Date, namely that redemptions prior to the Redemption Date will be considered by the Directors if:

- (a) redemptions are effected *pro rata* to all Investors, for part of their Shares, at the audited Fair Value per Share less all costs associated with and incidental to the redemption; and
- (b) there is sufficient cash or gearing available to fund such redemptions; and
- (c) the number of Shares to be redeemed shall be proportionate to the value that the Realisation proceeds received by the Company (less any Disposal Costs and Performance Incentive, if applicable) represents to the NAV of the Company as a whole prior to such redemption.

The costs associated with and incidental to the redemption will be estimated by an independent auditor or will be based on the actual costs billed to ensure that there is no surplus remaining in the Company after the redemption.

For the avoidance of doubt, the final redemption of unredeemed Shares will not take place until all Investments of the Company have been liquidated into cash and/or Distributed and all remaining Aggregate Proceeds have been Distributed to Investors.

In addition, no redemption prior to the Redemption Date will be considered by the Directors, where:

- (a) such redemption would or might leave the Company with insufficient funds to meet any future contemplated obligations or contingencies; or
- (b) such redemption would render the Company insolvent; or
- (c) such redemption may in the opinion of the Directors be prejudicial to the Company or other Investors.

Redemption proceeds will be paid to Investors in accordance with the Listings Requirements and the rules of the BSX.

22.2.2 Redemption on the Redemption Date

- (a) On or prior to the 10th anniversary of the Initial Closing Date, the Directors shall convene an extraordinary general meeting at which time an Ordinary Resolution will be proposed to either (i) if recommended by the Board, to extend the Termination Date by one year or (ii) voluntarily wind up the Company and to redeem all the Shares on the Redemption Date, at the audited Fair Value per Share less any costs associated with the liquidation, if any.
- (b) If on, or prior to, the 10th anniversary of the Initial Closing Date an Ordinary Resolution in terms of (a)(i) above was proposed and approved, then on, or prior to, the 11th anniversary of the Initial Closing Date the Directors shall convene an extraordinary general meeting and propose an Ordinary Resolution on terms similar to (a)(i) and (a)(ii) above but references to the 10th anniversary of the Initial Closing Date shall be replaced by reference to the 11th anniversary of the Initial Closing Date.
- (c) If on, or prior to, the 11th anniversary of the Initial Closing Date an Ordinary Resolution in terms of (a)(i) above was proposed and approved, then on, or prior to, the 12th anniversary of the Initial Closing Date, the Directors shall convene an extraordinary general meeting at which time an Ordinary Resolution will be proposed to voluntarily wind up the Company, except if a Special Resolution (that will be proposed at the same meeting) to extend the life of the Company indefinitely is proposed and approved.

In the event that either the Ordinary Resolution or the Special Resolution referred to in paragraph (a) or (b) or (c) above are not approved by the requisite majority of Investors, the Directors shall apply to the Royal Court of Guernsey for an order to place the Company into compulsory liquidation and that a liquidator be appointed. Such liquidator shall wind-up and liquidate the affairs of the Company subject to Guernsey Law and the Articles.

In the event of a Special Resolution to extend the life of the Company indefinitely being proposed and approved by the Investors in extraordinary general meeting, the Directors will endeavour, as soon as practicable thereafter, to provide an exit mechanism for those Investors wishing to dispose of their Shares at that date, in terms of which Investors will be provided with an opportunity to dispose of Shares to the Company, the Trust, existing Investors or prospective Investors at the audited Fair Value per Share (or such other price as may be agreed between the relevant parties).

The Company will redeem all of the Shares on the Redemption Date. Should all the Investments not have been liquidated, then the redemption may be deferred until such time as all Investments have been liquidated, which liquidation shall be effected as soon as reasonably possible. The redemption price shall be equal to the audited Fair Value per Share less any costs associated with the liquidation, if any, at the Redemption Date.

No settlement and registration fees will be payable in respect of redemptions effected on the Redemption Date. The Administrator will pay the redemption proceeds to the relevant Investor in accordance with the Listings Requirements and the rules of the BSX. In the event that invalid banking details of an Investor are made available to the Company, the redemption proceeds will be transferred by the Administrator to a trust which trust will hold such redemption proceeds until the earlier of the redemption proceeds being claimed by the relevant Investor or a period of 3 years. If the redemption proceeds are not claimed prior to the expiry of the aforementioned period such redemption proceeds will be paid to a charitable institution. Such Investor will pay an administration charge for this service of 0.1% per annum of the redemption proceeds payable to it.

The costs associated with and incidental to the redemption will be estimated by an independent auditor or will be based on the actual costs billed to ensure that there is no surplus remaining in the Company after the redemption.

22.3 Distributions *in specie*

Should:

- (a) the Directors deem it to be in the best interests of Investors; or
 - (b) the Company be unable to liquidate all the Investments by the Redemption Date,
- then the Company will on the Redemption Date, or as soon as possible thereafter, Distribute such Investments to the Investors as a Distribution *in specie*.

When a Distribution *in specie* is made, the Administrator shall provide Investors with written notice, specifying:

- (a) the date of the proposed Distribution;
- (b) the assets to be Distributed (including, where appropriate, the class and number of securities); and
- (c) the basis on which the Distribution will be made.

If there is a reasonable likelihood that an Investor is prohibited by applicable law or regulation from directly holding any security to be Distributed or in any case in which applicable law or regulations prohibit the issuance or sale to such Investor of the securities which would otherwise be Distributed to such Investor; then the Administrator shall use reasonable endeavours to sell the securities proposed to be Distributed *in specie* to a third party, with the proceeds thereof being Distributed to the relevant Investor; provided that the costs of such sale and any losses or gains in respect thereof shall be for the account of such Investor.

Distributions *in specie* of securities of any class shall be made on the same basis as Distributions of cash, such that any Investor in receipt of the Distributions shall receive the relevant proportionate amount of the total securities of such class available for Distribution or (if such method of Distribution is for any reason impracticable) such that each Investor shall receive as nearly as possible the relevant proportionate amount of the total securities of such class available for Distribution together with a balancing payment in cash in the case of any Investor who shall not receive the full proportionate amount of securities to which he would otherwise be entitled.

The value attributable to any Investment Distributed *in specie* pursuant to this paragraph shall be:

- (a) where the Investment is Distributed on the same day that it achieves a listing, the listing price;
- (b) where the Investment already comprises listed securities, the average of the bid and offer prices of the listed securities for the five trading days preceding the Distribution and the five trading days following the Distribution; and
- (c) where the Investment is unlisted, the value as determined by the Directors.

22.4 Financial information

To assist Investors and prospective Investors in acquiring and disposing of Shares and evaluating the potential returns to be received in respect of their investment, the Directors will estimate the Fair Value per Share on a six-monthly basis, which Fair Value per Share will be communicated to Investors. Audited annual financial statements and reviewed interim financial statements of the Company will be sent to Investors within six months and three months, respectively, of the end of the relevant period to which they relate.

CORPORATE GOVERNANCE

23. CORPORATE GOVERNANCE PRACTICES

The Board supports the principles of good governance contained in the King Report on Corporate Governance for South Africa ("**King II**"). The Board complies with King II where this is commercially justified, allowing for the practical limitations relating to the Company's size.

The Company has two independent, non-executive Directors, Mr C Harris and Mr S Platt-Ransom, and two executive Directors, Mr B Gilbertson and Mr A Frandsen. Mr B Gilbertson is chairman of the Company, while Mr A Frandsen is the Chief Executive Officer. The Board's responsibilities include providing Pallinghurst with clear strategic direction, evaluating potential Investments identified by the Investment Manager, overseeing operational performance and management, determining policies and processes which seek to ensure the integrity of Pallinghurst's risk management and internal controls, implementing and maintaining Pallinghurst's communication strategy and overseeing the performance of Pallinghurst's Investments.

Previously, given the size of the Company's operations it was not considered appropriate to have separate audit, remuneration and nomination committees. However, in order to comply with the requirements of King II, an Audit Committee and Remuneration Committee will be established which will meet at least once per year or more frequently if necessary. The Audit Committee will consider the appointment and re-appointment of external auditors, the use of the external auditors for non-audit services, compliance with laws and regulations, risk management, the development and maintenance of an effective internal control system, and will review and recommend to the Board for approval the six-monthly and annual financial statements of the Company. The audit committee will consist of the two independent, non-executive Directors being Mr C Harris and Mr S Platt-Ransom.

In accordance with the Articles, Directors are entitled to receive fees for their services as determined by the disinterested Directors, provided that the amount shall not exceed USD 10,000 per annum. Investors may by way of Ordinary Resolution increase this amount. The two executive Directors, Mr B Gilbertson and Mr A Frandsen, have agreed not to receive any fees for their services as Directors, and as a result, being non-conflicted, will form the Remuneration Committee.

In accordance with the Articles, Directors have authority to appoint any person as a Director to fill a casual vacancy. Any Director appointed in this manner will hold office only until the next annual general meeting and will then be eligible for re-election. Investors may, by Special Resolution, appoint any person as Director or remove any Director from office. A brief curriculum vitae of each Director standing for election or re-election at the annual general meeting will accompany the notice of annual general meeting contained in the annual report. Any appointment of a Director will be carried out in compliance with the Company's policies and the Board will be assisted where appropriate by a nomination committee.

Matters are decided at Board meetings by a majority of votes. In case of an equality of votes the chairman at the meeting shall have a second or casting vote. This ensures that no one individual has unfettered powers of decision-making.

SHARE CAPITAL

24. SHARE CAPITAL

24.1 Authorised and issued share capital

The authorised and issued share capital of the Company, as at the Last Practicable Date, is set out below:

	USD
Authorised	
999,000,000 Shares of USD 0.00001 each	9,990
10 Management Shares of USD 1.00 each	10
	10,000
Issued	
169,316,000 Shares of USD 0.00001 each	1,693
2 Management Shares of USD 1.00 each	2
	1,695

The Company allotted 169,316 Shares with a nominal value of USD 0.01 each and with an aggregate nominal value of USD 1,693.16 on its listing on the BSX on the 26 September 2007. On 9 June 2008, Investors approved a 1,000-for-1 share split, which is more fully described in paragraph 24.3 below.

At the date of this Pre-listing Statement the share premium account of the Company had a balance of USD 166,928,777.

24.2 Rights attaching to Shares

At the date of this Pre-listing Statement, the authorised share capital of Pallinghurst consisted of two classes of shares: Shares with a nominal value of USD 0.00001 each, and Management Shares with a nominal value of USD 1.00 each.

Pallinghurst has an authorised Share capital of 999,000,000 Shares, of which 169,316,000 have been issued. Each Share carries the right to one vote on a poll at any general meeting and all Shares rank *pari passu*. The Shares have no special rights or restrictions attached.

Pallinghurst has an authorised Management Share capital of 10 shares of USD 1.00 each, of which 2 shares have been issued. Management Shares each carry the right to receive notice of, attend and vote at any general meeting of the Company, provided that no Shares are in issue at such date. When such rights exist, each holder of a Management Share who is present or by proxy at a general meeting will have 10,000 votes in respect of each Management Share held by them.

The holders of Shares are entitled to receive, and participate in, any Distributions resolved to be distributed during any Accounting Period. On winding up and after the payment of all creditors of the Company, the payment of the Fair Value per Share of the Shares less any cost associated with the liquidation and the nominal value of the Management Shares, the holders of the Shares shall be entitled to any surplus.

The holders of Management Shares have no right to receive or participate in any Distributions of the Company except that on winding up, after the payment of all creditors of the Company, the payment of the Fair Value per Share of the Shares less any costs associated with the liquidation, the nominal value of the Management Shares shall be paid to the holders of the Management Shares.

Directors control the issue or disposal of the authorised but unissued share capital of the Company, subject to Guernsey Law, and no shares may be issued at a discount. As set out in paragraph 11 in the section headed "Investment Strategy", in the event of a second equity raising, such further offering will be made to existing Investors on the same terms and conditions, and in accordance with the requisite regulatory approvals including the Listings Requirements and Exchange Control. The Company may, by Special Resolution, make changes to the authorised share capital structure (including authorising an increase to the authorised share capital, a consolidation of the share capital, and a share split). Any reduction of share capital requires a Special Resolution and is subject to Guernsey Law.

The Articles also provide that the attachment, variation and deletion of special rights and restrictions to a class of shares must be authorised by Special Resolution of the holders of the shares of that class. The rights attached to the Management Shares cannot be amended unless a Special Resolution is also passed by the holders of the Shares.

24.3 Changes to issued share capital

Since incorporation, there have been no amendments to Pallinghurst's issued share capital, other than the 1,000-for-1 share split which was approved by Investors on the 9 June 2008. The effect of the 1,000-for-1 share split on the authorised and issued share capital is set out below:

	USD
Before the share split	
Authorised	
999,000 Shares of USD 0.01 each	9,990
Issued	
169,316 Shares of USD 0.01 each	1,693
After the share split	
Authorised	
999,000,000 Shares of USD 0.00001 each	9,990
Issued	
169,316,000 Shares of USD 0.00001 each	1,693

25. DETAILS OF MAJOR INVESTORS OF PALLINGHURST

To the best knowledge of the Directors, the following Investors will be the direct owners of, or hold a beneficial interest in, or exercise control or discretion over 5% or more of the Shares at the Inward Listing Date:

Name of Investor	Number of shares	Percentage shareholding
The Trust	124,068,000	73.28%
Solway Finance Limited	20,000,000	11.81%

On or after the Inward Listing Date, The Brian Gilbertson Discretionary Settlement will re-acquire 10 million Shares corresponding to an interest of 5.91% of the Shares pursuant to the Repurchase Agreement referred to in paragraph 20.1 hereto.

To the best of the knowledge of the Directors, The Trust will be the controlling Investor of the Company on the Inward Listing Date.

Of the 2 Management Shares in issue, one is held by First Ovalap Limited, as nominee and trustee for Mr B Gilbertson, and the other by Second Ovalap Limited, as nominee and trustee for Mr A Frandsen.

26. DIVIDENDS AND OTHER DISTRIBUTIONS

The Company has not declared or paid any Distributions since its incorporation. Any decision to make Distributions will be made by the Board according to the terms as set out in section 22.3 in the section headed "Sale Arrangements and Redemptions". The Company may pay dividends to the extent that it has profits available for distribution. Any dividends paid will be paid in accordance with the Articles, the BSX, the JSE and Guernsey Law. In accordance with the Articles, holders of Management Shares are not entitled to Distributions.

27. TRADING HISTORY OF PALLINGHURST SHARES ON THE BSX

Since Pallinghurst's Listing on the BSX on 26 September 2007, there has only been 1 trade of 500 shares (prior to the share split), which occurred on 29 February 2008 at a value of USD 1,000 per share.

EXCHANGE CONTROL REGULATIONS

28. SOUTH AFRICAN EXCHANGE CONTROL REGULATIONS

Set out below is a summary of the Exchange Control Regulations relating to the acquisition of Shares after the Inward Listing.

Pallinghurst will, on the Inward Listing Date be deemed to be an African company as referenced in Section H(C)(VII) of the Exchange Control Regulations. As such, upon the Inward Listing, the Exchange Control Regulations, as amended by the Medium Term Budget Policy Statement by the South African Minister of Finance on 28 October 2004, will apply to the acquisition of Shares by South African residents, as summarised below.

Exchange Control Regulations restrict the export of capital from the Common Monetary Area, without the prior consent of the South African Reserve Bank. The Exchange Control Regulations apply to transactions involving South African residents, including both natural persons and legal entities.

Funds raised outside the Common Monetary Area by Pallinghurst and its non-South African subsidiaries are not restricted under the Exchange Control Regulations. Upon listing Pallinghurst's Shares on the JSE, non-South African residents may freely sell their Shares on the JSE and freely remit the proceeds outside of the Common Monetary Area.

The following summary is intended as a guide and is not comprehensive. It is recommended that Investors and prospective Investors consult their independent professional advisers if they have any doubt regarding the implications of the Exchange Control Regulations.

South African individuals

South African individuals will be able to acquire shares in African companies that are listed on the JSE, such as Pallinghurst, without restriction. Consequently, an acquisition of Shares by a South African individual will not affect such person's offshore investment allowance.

South African institutional investors

South African retirement funds, long-term insurers, collective investment scheme management companies as well as investment managers who have registered with Exchange Control as institutional Investors for Exchange Control purposes are entitled to a foreign portfolio investment allowance. In addition to such institutional Investors' general foreign portfolio investment allowance, they will be able to invest an additional 5% of their total retail assets in the equity securities of African companies that are inward listed on the JSE.

South African corporate entities

A South African corporate entity may invest in instruments that are inward listed on the JSE without restriction.

Member brokers of the JSE

In terms of section H(E) of the South African Reserve Bank Exchange Control Rulings, a special dispensation was provided to local brokers to facilitate the trading in shares of African companies. South African brokers are now allowed, as a book building exercise, to purchase Shares offshore and to transfer them to Pallinghurst's South African register. This special dispensation is confined to shares of Inward Listed companies and brokers may warehouse such shares for a maximum period of 30 days only.

Exchange Control provisions applicable to South African residents in respect of acquisition issues and rights by African companies that are listed on the JSE

African companies with inward listings on the JSE, such as Pallinghurst, will be allowed to issue shares to South African residents in consideration for acquisitions. South African institutional Investors will be given 12 months to realign their portfolios, should they be in excess of their Exchange Control foreign exposure limits as a result of such acquisition issues.

South African institutional Investors and corporate entities will be allowed to exercise their rights in terms of any rights issues by African companies with inward listings on the JSE, such as Pallinghurst. South African institutional Investors will be given a period of twelve months to realign their portfolios should they be in excess of their offshore investment allowances as a result of exercising their rights in terms of a rights offer.

Non-residents of the Common Monetary Area

Non-residents of the Common Monetary Area may acquire Shares on the JSE, provided they pay the purchase price from a non-resident account at a South African registered bank in Rands. However, former residents of the Common Monetary Area who have emigrated may not use emigrant blocked funds to acquire Shares.

Transfer of Pallinghurst Shares between registers

Shares are fully fungible and may be transferred between the JSE and BSX registers. Eligible South African Investors, being those described in the paragraphs above, may only acquire Shares via the JSE that are already on the South African register maintained by the transfer secretaries. Member brokers of the JSE may acquire Shares on foreign exchanges and transfer them to the South African share register as described above. Non-residents are not subject to the Exchange Control Regulations and may freely transfer Shares between the JSE and BSX registers.

EXPENSES, FEES AND INVESTMENT MANAGER'S BENEFITS

29. EXPENSES

The Company is responsible for all the expenses incurred in the formation and operation of the Company including, but not limited to, the Annual Operating Expenses and Adhoc Expenses. In addition, the Company has agreed and acknowledged that the Investment Manager or its Associates shall be entitled to the financial benefits, described in paragraph 31 below.

The Company shall reimburse all reasonable out-of-pocket expenses properly incurred by the Investment Manager, the Administrator and each of the Directors in the performance of their duties on behalf of the Company.

30. ADMINISTRATOR AND SECRETARY FEE

Under the Administration Agreement, the Company has agreed to pay or procure to be paid to the Administrator, for its services as administrator and company secretary, a minimum fee of USD 80,000 per annum payable within 20 Business Days of the end of each quarter to which the fee applies, until the Redemption Date or earlier termination of the Administration Agreement.

For the avoidance of doubt, all the fees as contemplated in paragraph 29 are exclusive of VAT and where VAT is applicable and payable, it will be payable by the Company.

31. INVESTMENT MANAGER'S BENEFITS

31.1 Annual Investment Manager's Benefit

The Investment Manager shall, as consideration for the investment advisory and management services provided to the Company in relation to Investment opportunities falling within the Investment Scope, be entitled to an annual benefit that will not exceed:

- (a) during the Investment Period, an amount of 1.5% per annum of the Company's Funds, payable quarterly in advance; and
- (b) with effect from the end of the Investment Period, an amount of 1.5% per annum of the lesser of the aggregate Acquisition Cost or market value (as determined by the most recent independent valuation) of Unrealised Investments of the Company during the relevant Accounting Period, calculated and payable quarterly in advance.

The Annual Investment Manager's Benefit shall be reduced by an amount equal to such part of all Transaction Receipts received and retained by the Investment Manager in the previous Accounting Period and not previously taken into account pursuant to this paragraph (and if the amount of such reduction is greater than the Annual Investment Manager's Benefit for the Accounting Period in question, the excess amount will be carried forward and off-set against the Annual Investment Manager's Benefit to be allocated in the next Accounting Period(s)).

If, on the Redemption Date, there remains any excess Transaction Receipts which have not been off-set against the Annual Investment Manager's Benefit pursuant to this paragraph, then the Investment Manager shall reimburse the Company for an amount equal to such excess.

The Annual Investment Manager's Benefit shall be subject to a *pro rata* refund to the Company for any period for which a portion of the Annual Investment Manager's Benefit was paid in advance, but during which the Investment Management Agreement has been terminated.

31.2 Performance Incentive

The Investment Manager or its Associate, notwithstanding the termination of the Investment Management Agreement other than pursuant to Cause by the Investment Manager, shall be entitled to the Performance Incentive, in respect of Investments made by the Company before the termination of the Investment Management Agreement, calculated as follows:

- (a) all Aggregate Proceeds which are not allocated to further Investments during the Investment Period and/or which are received after the Investment Period, will be allocated entirely to Investors until such time as Investors have received an aggregate amount of the Company's Funds plus the Hurdle;
- (b) following the receipt by Investors of all Aggregate Proceeds equal to the aggregate amount of Company's Funds plus the Hurdle, the Investment Manager or its Associate is entitled to all further Aggregate Proceeds until it has received an amount equal to 25% of the Hurdle; and
- (c) thereafter, Aggregate Proceeds will be allocated 80% to Investors and 20% to the Investment Manager or its Associate.

Post the Investment Period, unless otherwise resolved by Special Resolution and with the prior written consent of the Investment Manager, the Company is obliged to Distribute all Aggregate Proceeds to Investors within 30 Business Days of the receipt of such Aggregate Proceeds, whether through Distributions, the redemption of Shares or otherwise.

32. PAYMENT OF EXPENSES, FEES AND INVESTMENT MANAGER'S BENEFITS

A provision for the Company's Expenses expected to be incurred by the Company over the Investment Term has been paid into an interest bearing bank account in the name of the Company ("the Expense Provision").

The Company uses the Expense Provision to pay the Company's Expenses as and when they become due and payable by the Company.

In the event that there is a surplus in the interest bearing bank account on the Termination Date, such surplus will be Distributed *pro rata* to Investors on such Termination Date.

CONFLICTS OF INTEREST

33. CONFLICTS OF INTEREST

The Investment Manager and its Associates shall not, except with the prior consent of Investors by means of an Ordinary Resolution, commence investing, or act as the primary source of transactions for a new investment entity with a similar Investment Scope as that of the Company at any time prior to whichever is the earliest to occur of:

- (a) the removal of the Investment Manager as investment manager to the Company;
- (b) the expiry of the Investment Period; and
- (c) the winding-up of the Company.

Thereafter the Investment Manager and its Associates shall be entitled to establish a new entity with a similar Investment Scope and to raise funds for such new entity whilst simultaneously continuing to act as Investment Manager for the Company with a view to managing and Realising Investments.

The Administrator and the Directors, other than Mr B Gilbertson and Mr A Frandsen, may provide similar services to other companies and/or entities even where the business of those other companies and/or entities is or may be in competition with the Company.

In the event that any of the Directors, in accordance with the provisions of the Articles, the Investment Manager and the Administrator, in the ordinary course of business, have potential conflicts of interest with the Company, each will, at all times, have regard in such event to their obligations to the Company and will endeavour to ensure that such conflicts are resolved fairly. In addition, any of the foregoing may deal as principal or agent with the Company, provided that such dealings are carried out on normal commercial terms negotiated on an arm's length basis and, in the case of the Directors, in accordance with the Articles.

Certain interests of the Directors are set out in Annexure 6 headed "Directors' Interests" of this Pre-listing Statement. The Articles specify the circumstances in which a Director may or may not vote in relation to a matter in which he may be interested, as described in paragraph 4 in Annexure 3 headed "Extracts from the Articles" of this Pre-listing Statement.

None of the Directors have existing or proposed service contracts with the Company. None of the Directors have any contract or arrangement existing at the date of this Pre-listing Statement in which the Director is materially interested and which is material in relation to the business of the Company, save for as disclosed in this Pre-listing Statement and, in particular, in the case of Mr B Gilbertson and Mr A Frandsen, *inter alia*, the Investment Management Agreement.

A Director may own Shares in the Company, but there is no requirement that he or she does so. The Directors and the executives/partners of the Investment Manager may from time to time have beneficial interests in the Investment Manager and/or the Company, as the case may be. Directors, who are executives/partners of the Investment Manager, and the executives/partners of the Investment Manager will be precluded from voting as Investors on any proposal in relation to the Investment Management Agreement, subsequent to the conclusion thereof by the Company.

TAXATION

34. TAXATION

The following is a general summary of certain tax considerations that an existing or prospective Investor should consider. The summary below is based upon current law and administrative practice, which is subject to change, and does not address all of the tax considerations that may be relevant to a particular Investor in light of its own particular circumstances. Investors and prospective Investors should consult their professional advisers on the tax consequences of acquiring, holding, disposing, transferring or the redemption of their Shares, which will normally depend upon their country of citizenship, ordinary residence or domicile.

In Guernsey

The following summary of the anticipated tax treatment in Guernsey applies to Investors:

34.1 General

The information below, which relates only to Guernsey taxation, summarises the advice received by the Directors. It is applicable to the Company and to Investors who are resident or ordinarily resident in Guernsey for taxation purposes and who hold Shares in the Company as an investment. It is based on current Guernsey revenue law and published practice, which revenue law or practice is, in principle, subject to any subsequent amendments. This summary does not constitute legal or tax advice and is based on current Guernsey revenue law and published practice existing at the date of this Pre-listing Statement. Prospective Investors should be aware that the level and bases of taxation may change from those described and they should consult their own professional advisers on the implications of acquiring, holding, disposing, transferring or the redemption of their Shares under the laws of the countries in which they are liable to taxation.

The following information does not deal with certain types of Investors, such as Investors acquiring, holding, disposing, transferring or the redemption of their Shares in the course of trade, collective investment schemes or insurance companies.

34.2 The Company

The Company has been granted tax exempt status by the Administrator of Income Tax in Guernsey for confirmation that the Company will be eligible for exempt status under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989 (the "Ordinance"). The Company will need to re-apply annually for exempt status for Guernsey tax purposes, incurring the current fee of GBP 600 per annum.

As exempt status has been granted, the Company will not be considered resident in Guernsey for Guernsey income tax purposes. A company that has exempt status for Guernsey tax purposes is exempt from tax in Guernsey on both bank deposit interest and any income that does not have its source in Guernsey. It is not anticipated that any income other than bank interest will arise in Guernsey and therefore the Company is not expected to incur any additional liability for Guernsey tax. Payments of dividends and interest by a company that has exempt status for Guernsey tax purposes are regarded as having their source outside Guernsey and hence are payable without deduction of tax in Guernsey.

In the absence of an exemption, the Company would be treated as resident in Guernsey for Guernsey income tax purposes and subject to the zero rate regime, described below.

In response to the review carried out by the European Union Code of Conduct Group, the States of Guernsey has agreed to abolish exempt tax status for the majority of companies and to introduce a zero rate of tax for companies carrying on all but a few specified types of regulated business. The Company, in the absence of an exemption, together with any Guernsey incorporated subsidiaries, and any other companies controlled by the Company would become Guernsey resident companies subject to the zero rate of Guernsey tax. Under this regime, the Company and any subsidiaries would not be required to withhold Guernsey income tax from interest or dividends paid by them other than in respect of distributions to Guernsey resident individuals.

The States of Guernsey has also agreed that because closed ended investment vehicles are not one of the regimes in Guernsey classified by the EU Code of Conduct Group as being harmful, that closed ended investment vehicles will continue to be able to apply for exempt status for Guernsey tax purposes. The changes introduced by the zero tax regime are not expected to have any material impact on the Company, as it is expected that the Company will be granted exempt tax status.

The Policy Council of the States of Guernsey has stated that it may consider further revenue raising measures in 2011/2012, including possibly the introduction of a goods and services tax, depending on the state of Guernsey's public finances at that time.

Non-Guernsey resident Investors will not be subject to Guernsey tax on the redemption or disposal of their holding of Shares in the Company.

Guernsey currently does not levy taxes upon capital inheritances, capital gains (with the exception of a dwellings profit tax) gifts, sales or turnover; nor are there any estate duties, save for an *ad valorem* fee for the grant of probate or letters of administration. Document duty is payable on the creation or increase of authorised share capital at the rate of one half of one percent of the authorised share capital of a company incorporated in Guernsey up to a maximum of GBP 5,000 in the lifetime of a company. No stamp duty is chargeable in Guernsey on the issue, transfer, switching or redemption of shares in the Company.

34.3 Investors

Investors resident outside Guernsey will not be subject to any income tax in Guernsey in respect of any Shares owned by them. Any Investors who are resident for tax purposes in Guernsey, Alderney or Herm will incur Guernsey income tax on any dividends paid on Shares owned by them but will suffer no deduction of tax by the Company from any such dividends payable by the Company where the Company is granted exempt status. The Company is required to provide details of distributions made to Investors resident in the Islands of Guernsey, Alderney and Herm to the Administrator of Income Tax in Guernsey.

In South Africa

34.4 Transfer of Shares from BSX share register to JSE share register

Certain South African residents are currently Investors in the Company through the BSX and hold their shares through the BSX share register.

Upon Inward Listing, the Shares beneficially held by such South African residents may be transferred to the JSE register.

With regard to the subsequent transfer of the Shares to the JSE register, such a transfer would not trigger a disposal of the Shares and would therefore not result in any South African Capital Gains Tax consequences.

The Shares transferred from the BSX register to the JSE register will be the same Shares with the same rights and entitlements and therefore the transfer will not constitute a disposal for South African capital gains tax purposes.

34.5 Investor taxation

As the investment is in the Shares of the Company, the tax consequences relating to the investment will depend on the nature and status of each Investor. Existing and potential Investors should seek advice from their own independent professional advisers in relation to the taxation consequences of acquiring, holding, disposing, transferring or the redeeming of their Shares.

RISK FACTORS

35. RISK FACTORS

Making an investment in Shares carries a level of inherent risk. Prospective Investors should carefully consider the risks associated with investing in the Company and seek professional advice before making such a decision.

Set out below are some of the potential risks which should be considered by a prospective Investor in determining whether an investment in the Company is a suitable investment.

35.1 Suitability of Investment

Investors and/or prospective Investors are not to construe the contents of this Pre-listing Statement as financial, tax or legal advice. Prior to acquiring and/or subscribing for Shares, Investors and/or prospective Investors should consult with his financial, tax and legal advisers to determine the appropriateness and consequences of an investment in the Company.

35.2 Nature of Investment

Investment results may vary substantially over time, and there can be no assurance that the Company will achieve any particular rate of return. Investment results are reliant upon the success of the Investment Manager and there can be no guarantee that the Investment Objectives of the Company will be achieved.

Whilst the Investment Manager may consult with third party experts about certain aspects of the Company's business, the Company will be advised exclusively by the Investment Manager. Investors must be willing to rely to a significant extent on the Investment Manager's discretion and judgment as well as the expertise of its advisers and other contractors.

The investment performance of the Company will depend, in part, upon general macro economic conditions and the condition of the natural resources industry in particular which are beyond the control of the Investment Manager.

Planned capital budgets may, for these reasons, be exceeded on Investments, thus reducing Investor returns. Investments in natural resources and luxury goods brands companies involve a high degree of risk and investments in the Company should be made only by those who can bear and understand such risks.

35.3 Investments in unlisted entities

Investments in unlisted entities, such as those the Company has made and is likely to make, are intrinsically riskier than investments in listed entities as such unlisted entities may be smaller, more vulnerable to changes in markets and technology, relatively illiquid and dependent on the skills and commitment of a small management team. Information on the financial and operational performance of unlisted entities is likely to be more difficult to obtain and may be less reliable than would be the case for listed entities.

Investments may be illiquid, long-term in nature, difficult to value and subject to legal and other restrictions on transfer. There can be no assurances that the Company will be able to liquidate a particular Investment at the time and on the terms it desires.

35.4 Past performance not indicative of future performance

When reviewing the track record and other historical performance of the Key Men and the Investment Manager, Investors and/or prospective Investors should bear in mind that past performance is not necessarily indicative of future performance.

35.5 Sourcing of Investments

The success of the Company largely depends on the ability of the Investment Manager to identify, evaluate, execute and Realise Investments. There is no guarantee that suitable Investments can or will be acquired nor that Investments will be successful, and, in the event of the failure of an Investment Vehicle, part or all of the Investment may be lost. The Investment Manager may be unable to identify and secure a sufficient number of Investments to meet the Company's Investment Objectives.

35.6 General risks of Investments

The businesses of the entities in which the Company Invests may be adversely affected by global or local economic, political, environmental or other factors beyond the control of those entities, the Investment Manager or the Company.

35.7 Early stage Investment

The Company may invest part of the Company's Funds in entities involved in the early stages of development, including exploration which may involve significant uncertainties.

35.8 Uncertain nature of mining

The exploration for, development, mining and processing of mineral deposits involves significant uncertainties and such an Investment's operations will be subject to all of the hazards and risks normally encountered in such activities. These hazards and risks include unusual and unexpected geological formations, rock falls, flooding, technological difficulties, metallurgical complexities and other climatic conditions, any one of which could result in damage to, or destruction of, an Investment's facilities or property, environmental damage or pollution and, together with potential legal liability could have a material adverse impact on the business, operations and financial performance of the Investment. Although precautions to minimise such risk will be taken, even a combination of careful evaluation, experience and knowledge of such risk may not mitigate against or eliminate all of the hazards and risks.

35.9 Operational risk

As is common with all mining and associated processing or beneficiation ventures and luxury goods brands, there is uncertainty and risk associated with an Investment's operating parameters and costs that can be difficult to predict and are often affected by factors outside the Investment's control. With all natural resources operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions. Natural resources exploration, extraction and processing activities are speculative in nature and there can be no assurance that any mineral deposits will be discovered, successfully extracted or processed.

35.10 Legislation change risks

Natural resources exploration, extraction and processing activities are subject to various laws governing prospecting, development, production taxes, labour standards and occupational health, site safety, toxic substances and other matters. No assurances can be provided that new rules and regulations will not be enacted or that existing or future rules and regulations will not be applied in a manner which could limit or curtail exploration, production or development of an Investment. Amendments to current laws and regulations governing operations and activities of exploration, extraction and processing, or more stringent implementation thereof, could have a material adverse impact on the business, operations and financial performance of an Investment.

35.11 Market volatility

The market price of minerals and natural commodities is volatile and affected by numerous factors which are beyond the control of the Company. These factors include international supply and demand, the level of consumer product demand, international economic trends, currency exchange rate fluctuations, the level of interest rates, the rate of inflation, global or regional political events and international events as well as a range of other market forces. Sustained downward movements in the market price of minerals and natural commodities could render less economic, or uneconomic, some or all of the activities undertaken by an Investment.

35.12 Environmental compliance risk

Natural resources exploration, extraction and processing activities are subject to various laws and regulations relating to the protection of the environment. The operations of an Investment may require approval by relevant environmental authorities. A breach of such laws and regulations may result in the imposition of fines and penalties or closure of operations, and no assurances can be provided that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail

exploration, production or development of an Investment. Amendments to the current laws and regulations governing the protection of the environment, or more stringent implementation thereof, could have a material adverse impact on the business, operations and financial performance of an Investment.

35.13 Risk of limited number of Investments

There can be no assurance that the Investment portfolio of the Company will be adequately diversified against Investment or market specific risk. The Company will participate in a limited number of Investments and, as a consequence, the aggregate return to an Investor may be substantially adversely affected by the unfavourable performance of a single Investment.

35.14 Competition for Investments

Companies that are invested in the natural resources sector may have many alternative sources of capital and the competition for Investments may be intense, especially during periods of favourable industry conditions. There can be no assurance that the Investment Manager will be able to identify and implement Investments or that it will be able to fully invest the Company's Funds. If a limited number of Investments are made, poor performance of a small number of such Investments could significantly affect returns of an investment in the Company.

35.15 Litigation risk

Investment in the Company involves certain risks normally associated with an investment company, which includes the risk that a party may successfully litigate against the Company, which may result in a reduction in the assets of the Company. As at the date of publication of this Pre-listing Statement, the Directors are not aware of any existing or pending litigation against the Company.

35.16 Indemnification of the Investment Manager

Subject to certain limitations in the Investment Management Agreement, the Company will indemnify the Investment Manager against claims or liabilities in respect of their activities on behalf of the Company. Accordingly, certain actions brought against the Investment Manager will be satisfied solely from the assets of the Company, and the Company will have no recourse against the Investment Manager except under the limited circumstances as set out in the Investment Management Agreement.

35.17 Lack of operating history

The Company was incorporated in September 2007, and has a limited operating history upon which Investors can evaluate likely performance.

35.18 Restricted liquidity in Shares

The Company has and may commit the Company's Funds to Investments of a long-term and illiquid nature whose shares or instruments may not be listed or dealt on any stock exchange. Such Investments are likely to involve a high degree of risk, and the timing of cash distributions to Investors is uncertain and unpredictable. Investors may not receive back all or any of the amounts which they invest in the Company.

The attention of Investors and prospective Investors is drawn to the fact that prior to the Redemption Date, the only way to realise an investment in the Company may be by selling Shares in the secondary market on the JSE and/or BSX as the case may be. The Directors do not expect an active secondary market to develop in the Shares and an investment in the Company is therefore only appropriate for Investors who are prepared to commit their investment on a medium to long-term basis.

35.19 Sophisticated Investors

Whilst an investment in the Company can offer the potential of higher than average returns it also involves a correspondingly higher degree of risk and is only considered appropriate for Sophisticated Investors who can afford to take that risk, which may include the risk of the loss of the entire investment. The Sophisticated Investor must have extensive knowledge and experience in financial and business matters and be capable of evaluating such merits and risks. Each Investor represents, as part of his application for Shares that he satisfies these criteria and that he is acquiring the Shares for investment.

35.20 Tax and regulatory changes

An investment in the Company involves complex tax considerations which may differ for each Investor. Accordingly, Investors are advised to consult their own professional tax advisers before investing in the Company.

Any tax legislation and its interpretation, and the legal and regulatory regimes which apply in relation to an investment in the Company as well as the Investments may change during the life of the Company. Accounting practice may also change, which may affect, in particular, the manner in which the Investments are valued and/or the way in which income or capital gains are recognised.

35.21 Foreign Investment risk

The Company invests the Company's Funds in companies and/or other entities that have a focus on global natural resources and in the Approved Investment. Such Investments involve special risks, including disadvantageous regulatory, tax or trade policies, nationalisation, currency fluctuations or foreign exchange controls and exposure to local economic conditions.

35.22 Exchange rate risk

The Shares are denominated in United States Dollars. Any Investor who anticipates a return in a currency other than United States Dollar will bear the risk of an adverse change in the exchange rate between the United States Dollar and that other currency and any resultant reduction in the value of the investment when denominated in that other currency.

Some Investments may be in currencies other than United States Dollars and unfavourable exchange rate movements between those currencies and the United States Dollar will affect the Fair Value per Share of the Company. In addition, the Company may incur costs in connection with conversions between various currencies. The Company may seek to hedge any exposure to fluctuations in currency exchange rates, but there can be no assurance that any such strategy will be successful.

35.23 Lack of Investor control

Investors will have no opportunity to control the day to day operations, including Investment and Realisation decisions, of the Company as these activities will be undertaken by the Board.

The Company may be a minority shareholder in certain Investments and, therefore, may not always be in a position to protect its interests effectively.

The Company may make distributions *in specie* of Investments in certain circumstances. Following any such distribution, each Investor is likely to be a minority shareholder in the relevant Investment, and is unlikely to be able to exercise any, or any significant, control over such Investment.

Any Investment in an Investment Vehicle, held by the Company together with certain Strategic Equity Partners, will be governed in accordance with the relevant shareholder agreement for such Investment Vehicle and accordingly there can be no assurance that the Company will be able to exit its Investment in an Investment Vehicle at the time it so desires.

35.24 Gearing

The Company may be geared through borrowings of up to 30% of the value of the Company's assets, which borrowings may be secured by the Company's assets. In the event that the cost of the Company's borrowings exceeds the return on the Investments, the borrowings will have a negative effect on the Company's performance. A relatively small movement in the value of the Investments or the amount of income derived therefrom may result in a disproportionately large movement, unfavourable or favourable, in the Fair Value per Share of the Company or the amount of income received in respect thereof.

In the event that the Company enters into a bank facility agreement or funding agreement, such agreement may contain financial covenants. In particular, such an agreement may require that the Company has assets exceeding a fixed percentage of the value of any loan outstanding. If a fall in the value of the Company's assets results in a breach of any such financial covenant, or if any other covenant is breached, the Company may be required to repay the borrowings in whole, or in part, together with any attendant costs including the costs of terminating any interest rate swap transaction. Amounts owing under bank facilities will rank ahead of Investors and returns may therefore be adversely affected by an early repayment.

The Company may, in relation to certain transactions, provide warranties, guarantees and/or indemnities to third parties. Consequently, it may need to apply the assets of the Company to satisfy such contingent liabilities.

35.25 Country risk

Each country in which the Company may invest will have its own set of risks relating to legislation, tax, language and the market. The Directors will assess these country specific risks prior to making an Investment, however Investors should be aware that the success of the Investment may be affected by the political and economic stability of the relevant countries in which Investments are acquired.

The above mentioned risk factors are not intended to be comprehensive and there may be other risk factors that relate to or may be associated with an investment in the Company.

GENERAL INFORMATION

36. INDEMNITIES

- (a) Subject to (g) below, the Company shall indemnify each of the Indemnified Persons against any liabilities, claims, costs or expenses (including reasonable legal fees) suffered or incurred or threatened by reason of such Indemnified Person's activities under the relevant agreements, if applicable, concluded between such Indemnified Persons and the Company provided however that such person shall not be so indemnified with respect to any matter resulting from its Cause.
- (b) Without prejudice to the generality of the foregoing, and subject to the terms hereof, the Company agrees to pay all reasonable costs and expenses incurred by any Indemnified Person in defending, resisting or investigating any threatened or pending action, claim or proceeding in respect of which the Indemnified Person claims to be entitled to be indemnified pursuant to this section 35 in advance of the final determination of such action, claim or proceeding upon receipt of a legally binding undertaking by or on behalf of such Indemnified Person to repay such amount if it shall subsequently be determined by a court of competent jurisdiction that such Indemnified Person is not entitled to be so indemnified or receive a contribution in accordance herewith.
- (c) The provisions of this paragraph shall continue in effect notwithstanding that the Indemnified Person shall have ceased to carry out its respective activities under the relevant agreement, if applicable, but only as regards the services provided in the period prior to and including such cessation (but not thereafter).
- (d) Each Indemnified Person will be entitled to enforce the provisions of this paragraph 35.
- (e) Any Indemnified Person shall first seek recovery under any other indemnity or any insurance policies by which such indemnified Person is indemnified or covered, as the case may be, but only to the extent that the indemnifier with respect to such indemnity or the insurer with respect to such insurance policy provides (or acknowledges its obligation to provide) such indemnity or coverage on a timely basis, as the case may be.
- (f) The Investment Manager will use reasonable efforts to ensure that each Investment Vehicle for which an Indemnified Person serves as a director or officer: (i) has adopted charter documents providing mandatory indemnification therefore to the fullest extent permitted by law and (ii) obtains director and officer insurance to the extent available at market related rates.
- (g) The Company's obligations under this indemnity shall:
 - (i) where the matter requiring the indemnity arises from an Investment in an Investment Vehicle with one or more selected Strategic Equity Partners, on a case-by-case basis, be several and in proportion to the Investment Amount paid in relation to the Investment Vehicle;
 - (ii) where the matter requiring the indemnity arises from a specific Investment, be several in proportion to its respective Investment Amount in that Investment; and
 - (iii) and, in either case, shall be limited to the higher of the applicable Investment Amount(s) and any amounts Realised in relation thereto, either in respect of the arrangements contemplated in the Investment Vehicle agreement or the specific Investment, as the case may be.

37. NAV OF THE COMPANY

The NAV of the Company is the value of the assets of the Company less the total liabilities attributable to it and a provision for, if applicable, the Performance Incentive. The value of the assets of the Company and the amount of its liabilities shall be determined by the Board as follows:

- (a) The assets of the Company shall be deemed to include the following:
 - (i) Investments;
 - (ii) all cash on hand, on loan or on deposit, or on call, including any interest accrued thereon;
 - (iii) all bills, demand notes, promissory notes and accounts receivable;
 - (iv) all interest accrued on any interest-bearing securities owned by the Company; and
 - (v) all other assets of the Company of every kind and nature, including prepaid expenses as valued by the Auditors.

- (b) The assets of the Company shall be valued as follows:
- (i) unlisted Investments shall be valued by the Directors on a six-monthly basis in accordance with the Valuation Guidelines contained in the International Private Equity and Venture Capital Valuation Guidelines, which became effective from 1 January 2005 (as amended, supplemented or replaced from time to time). The Independent Valuers will review the valuation methodology used by the Directors, and ensure that it is reasonable and consistent with the Valuation Guidelines;
 - (ii) Investments which are listed or quoted on any securities exchange or similar electronic system and regularly traded thereon shall be valued at its last traded price on the relevant Business Day or, if no trades occurred on such Business Day, at the closing bid price, as at the relevant Business Day and as adjusted in such manner as the Directors, in their sole discretion, deem fit, having regard to the size of the holding. Where prices are available on more than one exchange or system for a particular Investment, the Directors shall in their discretion determine which of those prices shall apply;
 - (iii) cash on hand or on deposit, prepaid expenses, cash dividends and interest declared or accrued and not yet received shall be valued at their full nominal amount unless, in any case, the Directors are of the opinion that the same is unlikely to be paid or received in full in which case their value will be arrived at after making such discount as the Directors may consider appropriate in such case to reflect their true value;
 - (iv) demand notes, promissory notes and accounts receivable shall be valued at their face value or full amount after making such discount as the Directors may consider appropriate to reflect their true current value;
 - (v) deposits shall be valued at their principal amount plus accrued interest from the date of acquisition;
 - (vi) certificates of deposit, treasury bills, bank acceptances and trade bills shall each be valued (on the basis of a notification to the Directors by a person approved by the Board for the purposes of this paragraph whose business includes dealing in or effecting transactions in the relevant Investment) according to the normal dealing practice in, and at the price of, the relevant Investment at close of business (or as near thereto as may be practicable whether before or after close of business) on the relevant Business Day; and
 - (vii) investments, other than securities, which are dealt in or traded through a clearing firm or an exchange or through a financial institution, shall be valued by reference to the most recent official settlement price quoted by that clearing house, exchange or financial institution. If there is no such price, then the average shall be taken between the lowest offer price and the highest bid price at the close of business on the relevant Business Day on any market on which such Investments are or can be dealt in or traded, provided that where such Investments are dealt in or traded on more than one market, the Directors may determine at their discretion, which markets shall prevail and provided also that the Directors, at their absolute discretion, may permit some other method of valuation to be used if they consider that it better reflects value and is in accordance with International Financial Reporting Standards.
- (c) If in any case a particular value is not ascertainable as provided above or if the Directors and/or the Independent Valuer considers that some other method of valuation better reflects the fair value of the relevant Investment, then in such case the method of valuation of the relevant Investment shall be such as the Directors and/or the Independent Valuer shall decide.
- (d) Notwithstanding the foregoing, where at the time that the assets are being valued, any Investment of the Company that has been Realised or contracted to be Realised, there shall be included in the assets of the Company in place of such Investment the net amount receivable by the Company in respect thereof provided that, if the net amount receivable is not then known exactly, then its value shall be the net amount estimated by the Directors and/or the Independent Valuer as receivable by the Company, and if the net amount receivable is not payable until some future time after the time that the assets are being valued, the Directors and/or the Independent Valuer may make such allowances as it considers appropriate.
- (e) Any valuations made pursuant to the Articles shall be binding on all persons.
- (f) The liabilities of the Company shall be deemed to include all its liabilities (including such amount as the Directors and/or Auditors determine to provide in respect of contingent liabilities) of whatsoever kind.
- (g) The provision for the Performance Incentive shall be calculated in accordance with the terms set out in the section headed "Expenses, Fees and Investment Manager's Benefits" of this Pre-listing Statement.
- (h) If in any case a particular value is not ascertainable as provided above or if the Directors and/or the Independent Valuer considers that some other method of valuation better reflects the fair value of the relevant Investment, then in such case the method of valuation of the relevant Investment shall be such as the Directors and/or the Independent Valuer shall decide.

- (i) Notwithstanding the foregoing, where at the time that the assets are being valued, any Investment of the Company that has been Realised or contracted to be Realised, there shall be included in the assets of the Company in place of such Investment the net amount receivable by the Company in respect thereof provided that, if the net amount receivable is not then known exactly, then its value shall be the net amount estimated by the Directors and/or the Independent Valuer as receivable by the Company, and if the net amount receivable is not payable until some future time after the time that the assets are being valued, the Directors and/or the Independent Valuer may make such allowances as it considers appropriate.

38. REPORTS AND FINANCIAL STATEMENTS

The financial statements, books and records of the Company will be prepared and maintained, in accordance with IFRS and denominated in United States Dollars.

The Accounting Period of the Company will end on 31 December each year. The first accounting period ended on 31 December 2007. Audited annual financial statements and reviewed interim financial statements will be sent to Investors at their registered addresses, unless Investors elect not to receive such communications. Audited annual financial statements and reviewed interim financial statements of the Company, will be sent to Investors within 6 and 3 months, respectively, of the end of the relevant period to which they relate.

39. SHARE CERTIFICATES

Shares are traded in Dematerialised form.

The BSX register of Investors will be maintained at the office of the Administrator, and the JSE register will be maintained by Computershare, the South African transfer secretary.

40. GENERAL MEETINGS

The Board shall convene a general meeting of the Company as an annual general meeting in each calendar year at which the Directors and the executives/partners of the Investment Manager will report on the progress of the Company and its Investments in addition to any other meetings held in that year, and shall specify the meeting as such in the notice thereof.

The annual general meeting of the Company will be held in Guernsey or such other place as the Directors may determine. Notices convening the annual general meeting in each year, at which the audited annual financial statements of the Company will be presented, will be sent to Investors at their registered addresses in accordance with the requirements of the Articles.

Other general meetings may be convened from time to time by the Directors by sending notices to Investors at their registered addresses or by Investors requisitioning such meetings in accordance with Guernsey law, and may be held in Guernsey or elsewhere. Investors holding at least one tenth of the issued Shares between them may convene an extraordinary general meeting.

41. CORPORATE RELATIONSHIPS AND MATERIAL CONTRACTS

Other than the material contracts referred to in Annexure 4, Pallinghurst and its subsidiaries did not enter into any material contracts other than in the ordinary course of business carried on or proposed to be carried on by Pallinghurst and its subsidiaries, since incorporation to the date of this Pre-listing Statement or at any time and containing an obligation or settlement that is material to Pallinghurst or its subsidiaries at the date of this Pre-listing Statement. The material contracts, the major terms of which have been disclosed in Annexure 4, consist of the Investment Management Agreement and the Administration Agreement.

42. MATERIAL BORROWINGS AND LOANS RECEIVABLE

There are no material borrowings and loans receivable as at the Last Practicable Date.

43. COMMITMENTS AND CONTINGENT LIABILITIES

On 31 December 2007, the Company provided Moepi Group (Proprietary) Limited ("Moepi Group") with a guarantee over loan funding of USD 25 million in order that they could settle discounted options over 7.8% of Boynton, a platinum exploration company situated in the BIC of South Africa, source of approximately 80% of the world's platinum group metals resources.

The guarantee had been released as at the Last Practicable Date.

As at the Last Practicable Date there are no other commitments or contingent liabilities, other than as set out in this Pre-listing Statement.

44. STATEMENT AS TO WORKING CAPITAL

The Directors are of the opinion and have reasonable grounds for believing that subsequent to this Pre-listing Statement:

- Pallinghurst will, in the ordinary course of business, be able to pay its debts for a period of 12 months after the date of approval of this Pre-listing Statement;
- the assets of Pallinghurst will be in excess of its liabilities for a period of 12 months after the date of approval of this Pre-listing Statement. For this purpose, the assets and liabilities are recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements;
- the share capital and reserves of Pallinghurst will be adequate for business purposes for a period of 12 months after the date of approval of this Pre-listing Statement; and
- the working capital of Pallinghurst will be adequate for ordinary business purposes for a period of 12 months after the date of approval of this Pre-listing Statement.

45. LITIGATION STATEMENT

Pallinghurst and its subsidiaries are not involved in any legal or arbitration proceedings, nor are the Directors of Pallinghurst aware of any proceedings, which are pending or threatened, which may have or have had, in the twelve month period preceding the Last Practicable Date, a material effect on Pallinghurst's financial position.

46. MATERIAL CHANGES

The Directors report that, there have been no material changes in the business, controlling shareholders, financial and trading position or trading objects of Pallinghurst, other than as set out in this Pre-listing Statement.

47. STATEMENT AS TO THE PRIMARY LISTING ON THE JSE

The JSE has approved the application for a primary Inward Listing of all the issued Shares of Pallinghurst in the "Equity Investment Instruments" sector of the JSE main board listed under the share code "PGL", with effect from the commencement of business on or about 20 August 2008.

Pallinghurst will continue to be listed on the BSX, as its secondary listing.

48. MISCELLANEOUS

- (a) The Company does not have and does not expect to have, nor has it since its incorporation had, any employees.
- (b) The Company is liable for all the Annual Operating Expenses and Adhoc Expenses, and the Annual Investment Manager's Benefit and the Performance Incentive.
- (c) The Company may be subject to withholding tax on distributions received in respect of its Investments, which withholding tax may not be recoverable.
- (d) No share or loan capital of the Company has been issued, or agreed to be issued, as fully or partly paid-up, otherwise than in cash.
- (e) Save as disclosed under the section headed "Expenses, Fees and Investment Manager's Benefits" of this Pre-listing Statement, no amount or benefit has been paid or given or is intended to be paid or given to any promoter of the Company.
- (f) Save as disclosed under the section headed "Expenses, Fees and Investment Manager's Benefits" of this Pre-listing Statement, no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any Shares or loan capital.
- (g) All consents, approvals, authorisations or other orders of all regulatory authorities (if any) required by the Company under Guernsey Law for the Administrator to undertake its obligations under the Administration Agreement and for the establishment and management of the Company have been obtained.
- (h) No person has, or is entitled to be given, an option to subscribe for Shares.
- (i) No Shares have been or will be issued as partly paid-up, and no Shares have been issued or agreed to be issued otherwise than in cash.
- (j) The Company does not have a place of business in the United Kingdom or South Africa.
- (k) Copies of all the "Material Contracts" set out in Annexure 4 headed "Material Contracts" of this Pre-listing Statement are held by the Administrator (or its nominated agent) on behalf of the Company.
- (l) Any dispute resulting from this Pre-listing Statement will be governed by Guernsey Law.

49. INWARD LISTING EXPENSES

The direct expenses of the Inward Listing on the JSE are estimated to be R4.54 million (excluding Value-Added Tax and other sales taxes). All Inward Listing expenses will be for the account of Pallinghurst and will be paid out of existing cash reserves.

The estimated expenses of the listing on the JSE are set out in the table below:

Expense	Payable to	R'000
JSE documentation and listing fee	JSE	50
Printing, publication, distribution and advertising	Various	100
Sponsor and advisory fees	Investec	4,000
Administrator and secretary fee	Legis Fund Services Limited	80
Legal fee	Edward Nathan Sonnenberg Inc.	200
Legal fee	Ozannes Advocates & Notaries	110
Estimated total		4,540

50. ADVISERS' INTERESTS

None of the advisers of Pallinghurst had an interest in the issued share capital of Pallinghurst as at the Last Practicable Date.

51. CONSENTS

The investment bank, sponsor, legal advisers, auditor, and transfer secretaries in South Africa have consented in writing to act in the capacities stated and to their names being included in this Pre-listing Statement and have not withdrawn their consents prior to the publication of this Pre-listing Statement.

52. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, whose names are given in paragraph 17.1 above, collectively and individually, accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted, which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Pre-listing Statement contains all information required by the Listings Requirements.

53. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of the Company at 1 Le Marchant Street, St Peter Port, Guernsey, GY1 4 HP, Channel Islands, the offices of Investec (100 Grayston Drive, Sandown, Sandton, South Africa) and the office of Computershare (Ground Floor, 70 Marshall Street, Johannesburg, 2001, South Africa) during normal business hours from 18 August 2008 for a period of 14 days:

- the Articles and Memorandum of the Company;
- the material contracts as referred to in paragraph 40 above;
- the audited annual financial statements;
- a signed copy of this Pre-listing Statement; and
- the Prospectus of the Company dated 5 September 2007.

By order of the board

Director

Pallinghurst Resources (Guernsey) Limited

13 August 2008

HISTORICAL FINANCIAL INFORMATION OF PALLINGHURST

The following financial information has been extracted from the audited consolidated financial statements of Pallinghurst for the period from incorporation, being 4 September 2007 to 31 December 2007.

Introduction

The extracts of the financial statements were compiled from the published audited consolidated financial statements of Pallinghurst for the period from incorporation, 4 September 2007 to 31 December 2007, as audited by Saffery Champness. Saffery Champness provided an unqualified audit opinion for the financial period ended 31 December 2007.

The definitions and interpretations on pages 8 to 15 of this Pre-listing Statement have been used in this report.

CONSOLIDATED INCOME STATEMENT

For the period from incorporation, 4 September 2007 to 31 December 2007

	Notes	4 September 2007 to 31 December 2007 USD
Income		–
		–
Expenses		
Investment Manager's Benefit	3	(2,328,095)
Administrative expenses	4	(330,787)
Total		(2,658,882)
Loss from operations		(2,658,882)
Other income		
Gain on part disposal of investments	8	4,876,409
Break fee income		2,025,736
Loan interest income	6	10,561
Total		6,912,706
Net finance income	5	1,202,830
Profit before share in loss of associates		5,456,654
Share in loss of associates	7	(1,325,286)
Net profit for the period		4,131,368
Earnings and diluted earnings per share		24.40

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period from incorporation, 4 September 2007 to 31 December 2007

	Share capital USD	Share premium USD	Retained earnings USD	Foreign exchange translation reserve USD	Total USD
Balance at 4 September 2007	–	–	–	–	–
Net profit for the period	–	–	4,131,368	–	4,131,368
Foreign exchange translation reserve	–	–	–	17,463	17,463
Issue of share capital	1,695	166,928,777	–	–	166,930,472
Balance at 31 December 2007	1,695	166,928,777	4,131,368	17,463	171,079,303

CONSOLIDATED BALANCE SHEET

As at 31 December 2007

	Notes	2007 USD
Assets		
Non-current assets		
Investments in associates	7	57,277,347
		57,277,347
Current assets		
Loan receivable	6	2,287,929
Trade and other receivables	10	25,620,098
Cash and cash equivalents		86,113,647
		114,021,674
Liabilities		
Current liabilities		
Trade and other payables	11	(219,718)
		(219,718)
TOTAL NET ASSETS		171,079,303
Capital and reserves attributable to equity holders		
Share capital	12	1,695
Share premium	12	166,928,777
Foreign exchange translation reserve		17,463
Retained earnings		4,131,368
TOTAL EQUITY		171,079,303
NAV per share		1,010.41

CONSOLIDATED STATEMENT OF CASH FLOWS

For the period from incorporation, 4 September 2007 to 31 December 2007

	4 September 2007 to 31 December 2007 USD
Net profit for the period	4,131,368
<i>Adjustments for:</i>	
Gain on part disposal of investments	(4,876,409)
Break fee income	(2,025,736)
Loan interest income	(10,561)
Net finance income	(1,202,830)
Share in loss of associates	1,325,286
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL AND PROVISIONS	(2,658,882)
Increase in trade and other receivables	(1,078)
Increase in trade and other payables	175,286
	174,208
CASH FLOWS FROM OPERATING ACTIVITIES	(2,484,674)
Investing activities	
Loan advanced	(2,287,929)
Investments in associates	(104,868,386)
Part disposal of investments	25,578,135
Break fee income	2,025,736
NET CASH USED IN INVESTING ACTIVITIES	(79,552,444)
Financing activities	
Issue of ordinary and management shares	166,930,472
Net finance income	1,202,830
NET CASH GENERATED FROM FINANCING ACTIVITIES	168,133,302
NET INCREASE IN CASH AND CASH EQUIVALENTS	86,096,184
Cash and cash equivalents at the beginning of the period	—
Foreign exchange translation reserve	17,463
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	86,113,647

I. INCORPORATION

Pallinghurst Resources (Guernsey) Limited (the "Company") was incorporated in Guernsey on 4 September 2007, launched on 5 September, and listed on the Bermuda Stock Exchange on 26 September 2007 with total subscriptions of USD 169,316,000. The management team of the Investment Manager of the Company subscribed for USD 11,000,000, and have undertaken not to cede, pledge, dispose of or otherwise encumber such shares during the Investment Term of the Company.

2. ACCOUNTING POLICIES

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by, or adopted by, the International Accounting Standards Board (the "IASB"), interpretations issued by the International Financial Reporting Interpretation Committee, applicable legal and regulatory requirements of Guernsey Law. The "Group" is defined as Pallinghurst Resources (Guernsey) Limited and all entities under its common control.

Basis of preparation

The financial statements are presented in US Dollars. They are prepared on the historical cost basis. The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied, unless otherwise stated.

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Basis of consolidation

Subsidiaries

The consolidated financial statements comprise the accounts of the Company and all of its subsidiaries up to 31 December 2007. Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that currently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity. Associates are accounted for using the equity method and are initially recognised at cost. The consolidated financial statements include the Group's share of the income and expenses and equity movements of these entities from the date that significant influence commences until the date that significant influence ceases. Although this has not occurred during the period, when the Group's share of losses exceeds its interest in an entity, the carrying amount of that interest is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of an entity.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates are eliminated against the investment to the extent of the Group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Interest income

This is recognised on an accruals basis.

Break fee income

The Group received a share of a break fee paid by Consolidated Minerals Limited during the period. All such income is recognised on an accruals basis.

Expenses

Expenses are recognised on an accruals basis. The Investment Manager's Benefit, finance costs and all other expenses are charged through the Income Statement.

Cash and cash equivalents

Cash and cash equivalents represent cash at bank and deposits with original maturity of less than three months.

Functional currency

The functional currency of both the Group and the Company is US Dollars.

Foreign currency

Transactions entered into by group entities in a currency other than the currency of the primary economic environment in which they operate are recorded at the rates ruling when the transactions occur.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in the consolidated income statement.

Subsidiaries

The Company has no investments other than in subsidiaries. These are recognised at historical cost. Fair value information has not been disclosed as the fair value cannot be measured reliably since no active market exists for these investments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are recognised initially at fair value plus transaction costs that are directly attributable to their acquisition or issue and subsequently measured at amortised cost using the effective interest rate method.

Share capital

Ordinary shares are classified as equity. The Company incurred share issue costs consisting of Structural Facilitator and Investment Bank Fees which have been offset against share premium as this is a share issue cost.

Financial liabilities

Financial liabilities include trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

A provision is recognised if, because of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 December 2007, and have not been applied in preparing these consolidated financial statements:

IFRS 8 Operating Segments introduces the "management approach" to segment reporting. IFRS 8, which becomes mandatory for the Group's 2009 financial statements, will require the disclosure of segment information. It is not expected to have any impact on the consolidated financial statements.

Revised IAS 23 Borrowing Costs removes the option to expense borrowing costs and requires that an entity capitalise borrowing costs directly attributable to the acquisition, construction, or production of a qualifying asset as part of the cost of that asset. The revised IAS 23 will become mandatory for the Group's 2009 financial statements and will

constitute a change in accounting policy for the Group. In accordance with the transitional provisions the Group will apply the revised IAS 23 to qualifying assets for which capitalisation of borrowing costs commences on or after the effective date.

IFRIC 11 IFRS 2 – Group and Treasury Share Transactions requires a share-based payment arrangement in which an entity receives goods or services as consideration for its own equity instruments to be accounted for as an equity-settled share-based payment transaction, regardless of how the equity instruments are obtained. IFRIC 11 will become mandatory for the Group's 2008 financial statements, with retrospective application required. It is not expected to have any impact on the consolidated financial statements.

IFRIC 12 Service Concession Arrangements provides guidance on certain recognition and measurement issues that arise in accounting for public-to-private service concession arrangements. IFRIC 12, which becomes mandatory for the Group's 2008 financial statements, is not expected to have any effect on the consolidated financial statements.

IFRIC 13 Customer Loyalty Programmes addresses the accounting by entities that operate, or otherwise participate in, customer loyalty programmes for their customers. It relates to customer loyalty programmes under which the customer can redeem credits for awards such as free or discounted goods or services. IFRIC 13, which becomes mandatory for the Group's 2009 financial statements, is not expected to have any impact on the consolidated financial statements.

IFRIC 14 IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction clarifies when refunds or reductions in future contributions in relation to defined benefit assets should be regarded as available and provides guidance on the impact of minimum funding requirements ("MFR") on such assets. It also addresses when a MFR might give rise to a liability. IFRIC 14 will become mandatory for the Group's 2008 financial statements, with retrospective application required. The Group has not yet determined the potential effect of the interpretation.

The adoption of these standards, interpretations, and amendments is not expected to have a significant effect on the Group results of operations or financial position.

3. INVESTMENT MANAGER

Investment Manager

Under the terms of an appointment made by the Board on 4 September 2007, Pallinghurst (Cayman) GP L.P. was appointed as Investment Manager to the Company.

The executives of the Investment Manager have an unrivalled track record in creating value in the mining industry with in-depth knowledge of the assets, companies, people and trends. The executives are recognised for their strategic insight and vision, are highly regarded by international investors, and are renowned for pioneering innovative transactions. The Investment Manager executives consist of the following:

Mr Brian P Gilbertson (former Chairman of Gencor; former Chief Executive of BHP Billiton, former CEO of SUAL, current Chairman of Pallinghurst Resources LLP), Arne H. Frandsen (former CEO of Incwala and senior banker with Goldman Sachs and JP MorganChase), Sean T Gilbertson (former CEO of globalCOAL and investment banker with Deutsche Bank) and Priyank Thapliyal (former executive of Vedanta plc and investment banker with CIBC).

The Investment Manager has over 70 years of collective experience in the resources sector.

Investment Manager's Benefit and Performance Incentive

The Investment Manager is entitled to an Investment Manager's Benefit of 1.5% per annum of the funds subscribed for in the Company during the "Investment Period" (up to 5 years from 1 February 2007). With effect from the end of the Investment Period, an amount of 1.5% per annum of the lesser of the aggregate acquisition cost or market value (as determined by the most recent independent valuation) of unrealised investments of the Company during the relevant account period.

The total charge to the Income Statement during the period was USD 2,328,095 for the Investment Manager's Benefit.

In addition, and subject to the conditions below, the Investment Manager is entitled to Performance Incentive in respect of Investments made by the Company before the termination, if applicable, of the Investment Management Agreement calculated as follows:

1. all aggregate proceeds which are not allocated to or held for further investments during the Investment Period and/or which are received after the Investment Period, will be allocated entirely to shareholders until such time as the shareholders have received an aggregate amount of the Company's funds plus the Hurdle (see below for definition);

2. following the receipt by shareholders of proceeds equal to funds subscribed for in the Company during the Investment Period plus the Hurdle, the Investment Manager or its Associate is entitled to all further proceeds until it has received an amount equal to 25% of the Hurdle; and
3. thereafter, Aggregate Proceeds will be allocated 80% to shareholders and 20% to the Investment Manager or its Associate.

The Hurdle above is defined as an amount of 8% per annum (compounded annually on 31 December each year) on the total amount of the subscriptions received from shareholders, still retained by the Company (including any amounts already compounded) and calculated on a daily basis.

Terms of the Investment Management Agreement

The Investment Manager has been appointed in order to provide the Company with investment advisory and management services in relation to investments falling within the investment scope.

The Investment Management Agreement may be terminated:

- (a) automatically on the date of winding-up of the Company;
- (b) by the Company, at any time from its commencement, by shareholders in extraordinary general meeting by special resolution if such termination is as a result of the Investment Manager's cause. No further annual Investment Manager's Benefit or Performance Incentive shall be payable on or after the date of such termination. The termination of the Investment Management Agreement shall not take effect until the shareholders have by special resolution approved the appointment of a replacement investment manager; and
- (c) by shareholders, at any time from its commencement, in general meeting by ordinary resolution, if such termination is as a result of:
 - (i) Brian P Gilbertson failing to devote substantially all of his professional time to the business and affairs of the Program; and/or
 - (ii) Brian P Gilbertson ceasing to be an executive of the Investment Manager or its Associates.

In the event that the Investment Management Agreement is terminated:

1. pursuant to (a) or (c) above, the Investment Manager shall be entitled to receive 100% of any Performance Incentive in respect of those Investments which had been made at the time of the termination of the Investment Management Agreement; and
2. pursuant to (b) above, the Investment Manager shall not be entitled to receive any Performance Incentive, whether earned at the time of the termination of the Investment Management Agreement or otherwise.

4. ADMINISTRATIVE EXPENSES

Group	4 September 2007 to 31 December 2007 USD
Audit fee	25,000
Directors' fees	5,333
Legal and professional fees	148,820
Management and administration fees	67,115
Formation fees	25,230
Listing, sponsors, regulatory and filing fees	18,105
Travel costs	28,680
Other administration expenses	12,504
	330,787

5. FINANCE INCOME

Group	4 September 2007 to 31 December 2007 USD
Finance income	
Interest received on bank deposits	1,202,830
Net finance income	1,202,830

6. LOAN

	2007 USD
Balance at 4 September 2007	–
Additions made during the period	2,287,929
Disposals during the period	–
Balance at 31 December 2007	2,287,929
Schedule of loan	
Project Kalahari loan	2,287,929

In October, the Company, along with certain Strategic Equity Partners, entered indirectly into a joint venture with Ntsimbintle, a BEE group with manganese exploration rights within South Africa's Kalahari Basin. The joint venture provides that the Company and the Strategic Equity Partners, by funding all costs in preparing a bankable feasibility study ("BFS"), and by taking a decision to mine will earn a 49% interest in the properties. The Company has provided pre-incorporation loan funding to Pallinghurst Kalahari (Mauritius) Limited ("Pallinghurst Kalahari") in order for Pallinghurst Kalahari to acquire an initial equity participation in the joint venture, in terms of the agreement concluded with Ntsimbintle. The Company has an entitlement to subscribe for shares in Pallinghurst Kalahari, subject to the receipt of the requisite regulatory approvals. The terms of the loan are interest bearing (at a rate of 1 month USD LIBOR +2%), unsecured and repayable within twelve months. Accrued interest as at 31 December 2007 of USD 10,561 is shown in trade and other receivables.

7. INVESTMENTS IN ASSOCIATES

Fabergé Conduit Limited

The Group, through The Pallinghurst Resources Fund L.P., invested USD 51,565,891 for a 100% shareholding in Fabergé Conduit Limited, an unlisted company incorporated in the Cayman Islands. The sole asset of Fabergé Conduit Limited is an investment in Fabergé Limited, of which it owns 91.55%, and which specialises in luxury brands. In accordance with the agreements for purchase, the group disposed of part of its shareholding in Fabergé Conduit Limited, recording a gain of USD 473,624, and resulting in a shareholding of 51.0878% as at 31 December 2007.

At a general meeting of Fabergé Conduit Limited, on a poll, every shareholder is entitled to one vote in respect of all equity shares regardless of the number of shares held. Accordingly, this investment is classified as an investment in an associate due to the Group having the ability to exert significant influence through its shareholding, but not a subsidiary due to the voting rights of all shareholders as outlined above.

Rox Conduit Limited

The Group, through The Pallinghurst Resources Fund L.P., invested USD 31,940,124 for a 49.1385% shareholding in Rox Conduit Limited, an unlisted company incorporated in the Cayman Islands. The sole investment of Rox Conduit Limited is an investment in Rox Limited, of which it owns 89.75%, and which specialises in emerald mining.

At a general meeting of Rox Conduit Limited, on a poll, every shareholder is entitled to one vote in respect of all equity shares regardless of the number of shares held. Accordingly, this investment is classified as an investment in an associate due to the Group having the ability to exert significant influence through its shareholding.

Pallinghurst Investor (Dutch) B.V

The Group, through Pallinghurst Consolidated (Dutch) B.V., invested USD 21,431,327 for a 20.6667% shareholding in Pallinghurst Investor (Dutch) B.V., an unlisted company incorporated in the Netherlands. The sole investment of Pallinghurst Investor (Dutch) B.V. is a 100% interest in Pallinghurst Resources Australia Limited. Pallinghurst Resources Australia Limited acquired an interest in Consolidated Minerals Limited, which was disposed of prior to the period-end.

	Fabergé Conduit Limited	Rox Conduit Limited	Pallinghurst Investor (Dutch) BV	Total
Number of shares in issue	51,795,891	100	900	
Number of shares held by Pallinghurst	26,461,380	49.1385	186	
Percentage holding in associates	51.0878%	49.1385%	20.6667%	
The Group's voting percentage	25%	49.1385%	20.6667%	
	USD	USD	USD	USD
Investment in associates	26,461,381	31,940,124	201,128	58,602,633
Loss for the period attributable to the Group	(1,111,030)	(206,385)	(7,871)	(1,325,286)
Net assets attributable to the Group	25,350,351	31,733,739	193,257	57,277,347

8. INVESTMENTS IN SUBSIDIARIES

	2007 USD
Balance at 4 September 2007	—
Additions during the period	107,225,149
Part disposals during the period (cost)	(46,310,185)
Balance at 31 December 2007	60,914,964

The Group's investments in associates are held by its subsidiaries.

Subsidiary	Date of acquisition	Domicile	Number of shares in issue and owned by the Company	Ownership interest and voting percentage
Pallinghurst Resources (Guernsey) GP Limited	21.9.07	Guernsey	2	100%
The Pallinghurst Resources Fund L.P.	26.9.07	Cayman Islands	n/a	99.99%
Pallinghurst Consolidated (Cayman) Limited	26.9.07	Cayman Islands	1	100%
Pallinghurst Consolidated (Lux) S.à r.l.	26.9.07	Luxembourg	201,304	100%
Pallinghurst Consolidated (Dutch) B.V.	26.9.07	Netherlands	180	100%

During the period, the Company received a total of USD 51,186,594 from or on behalf of its subsidiary, The Pallinghurst Resources Fund L.P., consisting of returns of capital totalling USD 46,310,185 and capital gains of USD 4,876,409. These funds resulted from the sale of the investment in Consolidated Minerals Limited and the part sale of the investment in Fabergé Conduit Limited.

The directors have assessed the value of these unlisted investments at the period-end and do not consider there to be any permanent diminution in value.

9. TAXATION

The Company is exempt from Guernsey income tax under the Income Tax (Exempt Bodies) (Guernsey) Ordinance 1989 and 1992, and is charged an annual exemption fee of GBP 600. From January 2008, this law is superseded by the Income Tax (Zero-10) (Guernsey) (No. 2) Law 2007. The company will continue to pay the annual exempt tax fee of GBP 600, as it is an 'Exempt Collective Investment Scheme' under the new law.

10. TRADE AND OTHER RECEIVABLES

Group	2007 USD
Amount receivable for the sale of Consolidated Minerals Limited	25,608,459
Interest receivable regarding Project Kalahari loan	10,561
Other amounts receivable	1,078
	25,620,098

11. TRADE AND OTHER PAYABLES

Group	2007 USD
Directors' fees payable	2,000
Administration fees payable	64,133
Pallinghurst (Cayman) GP L.P.	73,111
Audit fee accrual	25,000
Other	55,474
	219,718

The fair value of trade and other payables are the same as the carrying values.

12. SHARE CAPITAL

Authorised share capital		Number	2007 USD
Management shares of USD 1 each		10	10
Ordinary shares of USD 0.01 each		999,000	9,990
Issued and fully paid up		2007 Share capital USD	2007 Share premium USD
	No.		
Management shares of USD 1 each			
Balance at 4 September 2007	—	—	—
Issued	2	2	—
Redeemed	—	—	—
Balance at 31 December 2007	2	2	—
Ordinary shares of USD 0.01 each			
Balance at 4 September 2007	—	—	—
Issued	169,316	1,693	169,314,307
Share issue costs	—	—	(2,385,530)
Redeemed	—	—	—
Balance at 31 December 2007	169,316	1,693	166,928,777
Total shares in issue	169,318	1,695	166,928,777

The management shareholders have no right to receive dividends. Upon a winding up of the company, after all creditors, liquidation costs and the fair market value of the ordinary shares have been paid, the management shareholders shall receive the nominal value of their shares. The management shareholders have the right to receive notice of and vote at any general meeting of the Company if there are no ordinary shares in issue.

The ordinary shareholders have the right to receive dividends. Upon a winding up of the company, after all creditors and liquidation costs have been paid, they have received the fair market value of their ordinary shares, and the nominal value of the management shares have been paid they are entitled to any surplus.

The holders of the Ordinary Shares have the right to receive notice of, to attend, and vote at any general meeting of the Company. Each holder of an Ordinary Share, who is present in person or by proxy, at a general meeting has, on a show of hands, one vote and, on a poll, every such holder, who is present in person or by proxy, has one vote in respect of each Ordinary Share held by them.

The following describes the nature and purpose of each balance within equity:

<i>Capital/reserve</i>	<i>Description and purpose</i>
Share capital	Amount subscribed for share capital at nominal value.
Share premium	Amount subscribed for share capital in excess of nominal value less any share issue costs.
Foreign exchange	Gain/losses arising on retranslating the net assets of overseas operations into dollars.
Retained earnings	Cumulative net gains and losses recognised in the consolidated income statement.

During the period, the Company incurred share issue costs of USD 2,385,530 consisting of the Structural Facilitator and Investment Bank Fee paid to Investec for its services shortly after the Company listed its shares on the Bermuda Stock Exchange.

13. FINANCIAL INSTRUMENTS

Financial instruments and risk profile

The Group has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk (including interest rate risk and foreign exchange rate risk).

Principal financial instruments

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies, and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- loans and receivables;
- cash at bank; and
- loans and payables.

General objectives, policies, and processes

The Board has overall responsibility for the determination of the group's risk management objectives and policies. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the group's competitiveness and flexibility. Further details regarding these policies are set out below:

Credit risk

Credit risk is the risk of financial loss to the Group if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables.

The carrying amount of the financial assets best represents the maximum credit risk exposure at the balance sheet date. This relates to the financial assets carried at amortised cost, as they have a short-term maturity.

Credit risk arising from the loan receivable is considered small due to the short-term settlement period. The maximum loss exposure is USD 2,287,929.

Substantially all the cash of the Group is held with the Investec Bank (Channel Islands) Limited. Bankruptcy or insolvency of the Bank may affect the Group's rights with respect to the cash held by the bank. The Group monitors the credit rating of the Bank.

USD 25,608,459 of the trade and other receivables were received since the period-end. The company's exposure to credit risk from this balance at the period-end was therefore not significant.

Liquidity risk

Liquidity risk mainly arises from the Group's investment in unlisted investments.

Investments in unlisted entities, such as those the Group is likely to make, are intrinsically riskier than investments in listed entities as such unlisted entities may be smaller; more vulnerable to changes in markets and technology, relatively illiquid and dependent on the skills and commitment of a small management team. Information on the financial and operational performance of unlisted entities is likely to be more difficult to obtain and may be less reliable than would be the case for listed entities.

Investments may be illiquid, long-term in nature, difficult to value and subject to legal and other restrictions on transfer. There can be no assurances that the Group will be able to liquidate a particular investment at the time, and on the terms, it desires. The Group is likely to be committing a substantial portion of its funds to investments whose shares or instruments are not listed or dealt on any stock exchange. Such investments are likely to involve a high degree of risk. The Group may invest in entities involved in the early stages of development, including exploration, which may involve significant uncertainties.

Market risk

The Group is exposed to the specific market risks associated with mining as well as the general ones of changes in foreign currency exchange rates, interest rates, and market prices. The specific risks are the uncertain nature of mining, operational risk, environmental compliance and legislation change risks, political and economic risks, and risks resulting from the limited number of and the competition for these investments.

Uncertain nature of mining

The exploration for, development, mining and processing of mineral deposits involves significant uncertainties and such an investment's operations will be subject to all of the hazards and risks normally encountered in such activities. These hazards and risks include unusual and unexpected geological formations, rock falls, flooding, technological difficulties, metallurgical complexities, and other climatic conditions, any one of which could result in damage to, or destruction of, an investment's facilities or property, environmental damage or pollution. These, together with potential, legal liability could have a material adverse impact on the business, operations, and financial performance of the investment. Although precautions to minimise such risk will be taken, even a combination of careful evaluation, experience and knowledge of such risk may not mitigate or eliminate all of the hazards and risks.

Operational risk

As is common with all mining and associated processing ventures and luxury goods brands, there is uncertainty and risk associated with the operating parameters and costs that can be difficult to predict and are often affected by factors outside the investment's control. With all natural resources operations, there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions. Natural resources exploration, extraction, and processing activities are speculative in nature and there can be no certainty that any minerals deposits will be discovered, successfully extracted, or processed.

Environmental compliance and legislation change risks

Natural resources exploration, extraction, and processing activities are subject to various laws and regulations relating to the protection of the environment. The operations of an investment may require approval by relevant environmental authorities. A breach of such laws and regulations may result in the imposition of fines and penalties or closure of operations and there is a risk that new rules and regulations could be enacted or that existing rules and regulations could be applied in a manner, which would limit or curtail exploration, production or development of an investment. Amendments to the current laws and regulations governing the protection of the environment, or more stringent implementation thereof, could have a material adverse impact on the business, operations, and financial performance of an investment.

Political and economic risks

Each country in which the Group may invest will have its own set of risks relating to legislation, tax, language and the market. The Directors will assess these country specific risks prior to making an investment; however, the success of investments may be affected by the political and economic stability of the relevant countries in which investments are acquired.

Risk of limited number of and competition for investments

The Group participates in a limited number of investments and, therefore, the aggregate return to the Group may be substantially adversely affected by the unfavourable performance of a single investment. Companies in the natural resources sector may have many alternative sources of capital and the competition for investments may be intense, especially during periods of favourable industry conditions. There can be no assurance that the Investment Manager will be able to identify and implement investments or that it will be able to fully invest the Group's funds. The fewer the investments that the Group makes, the greater the risk is that poor performance of any one investment will significantly affect the Group as referred to above.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

This risk arises because the Group has investments in various parts of the world whose functional currency is not the same as the functional currency in which the group companies are operating. Although its focus on global natural resources reduces the Group's operational risk in that, it has diversified into several markets; the group's net assets or cash flows arising from such overseas operations are exposed to currency risk resulting from the adverse movements of those currencies relative to the US Dollar.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group is exposed to interest rate risk because part of the Company's funds are held as cash with the Investec Bank (Channel Islands) Limited. The rate of interest on the Company's accounts is based on the US Federal Reserve rate.

Interest rate sensitivity

The Group had closing Cash at bank of USD 86,113,647. The Group is sensitive to the movements in the US Federal Reserve interest rates, which are the primary interest rates, to which Group is exposed. If the US Federal Reserve interest rates increased or decreased by 50 basis points at the period-end, then income for the period would have increased or reduced by USD 114,555 respectively.

	50 basis point increase	50 basis point decrease
Profit/(loss) USD	114,555	(114,555)

Market prices

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rates risk or currency risk). Those changes may be caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market.

The market price of minerals and natural commodities is volatile and affected by numerous factors, which are beyond the control of the Group. These factors include international supply and demand, the level of consumer product demand, international economic trends, currency exchange rate fluctuations, the level of interest rates, the rate of inflation, global or regional political events, and international events, as well as a range of other market forces. Sustained downward movements in the market price of minerals and natural commodities could render less economic, or uneconomic, some or all of the activities undertaken by an investment.

14. RELATED PARTY TRANSACTIONS

The Investment Manager, Administrator and Secretary are all related parties of the Group due to common directors. The Investment Manager's Benefit and Performance Incentive are disclosed in Note 3. There are no balances owing at 31 December 2007. The Administrator is entitled to annual minimum fees totalling USD 80,000, payable quarterly in arrears. The amounts owing at the period-end are disclosed in Note 11.

Stuart Platt-Ransom and Clive Harris each receive a director's fee of USD 8,000 per annum. All the other directors have waived their fees. The amounts owing at the period-end are disclosed in Note 11.

The Brian Gilbertson Discretionary Settlement, a discretionary trust of which Brian Gilbertson is a beneficiary, owns 5.90% and Arne Frandsen owns 0.15% of the Company at 31 December 2007.

15. SEGMENTAL REPORTING

	Luxury brands USD	Mining USD	Other USD	Group USD
Income	—	—	—	—
Profit/(Loss) for the period	473,624	6,439,082	(1,456,052)	5,456,654
Assets	25,350,351	59,835,023	86,113,647	171,299,021
Liabilities	—	—	(219,718)	(219,718)
Share in loss of associates	(1,111,030)	(214,256)	—	(1,325,286)
Investments in associates	26,461,381	32,141,252	—	58,602,633
Net assets attributable to the Group	25,350,351	31,926,996	—	57,277,347

	Africa USD	Australasia USD	Other USD	Group USD
Income	—	—	—	—
Profit/(loss) for the period	10,561	6,428,521	(982,428)	5,456,654
Assets	34,021,668	25,620,098	111,657,255	171,299,021
Liabilities	—	—	(219,718)	(219,718)
Share in loss of associates	(206,385)	(7,871)	(1,111,030)	(1,325,286)
Investments in associates	31,940,124	201,128	26,461,381	58,602,633
Net assets attributable to the Group	31,733,739	193,257	25,350,351	57,277,347

16. CONTINGENT LIABILITY

On 31 December 2007, the Company provided the Moepi Group (Proprietary) Limited ("Moepi Group") with a guarantee over loan funding of USD 25 million in order that they could settle significantly discounted options over 7.8% of Boynton, a platinum exploration company situated in the Bushveld Igneous Complex of South Africa, source of approximately 80% of the world's platinum group metals resources.

The guarantee had not been called upon nor has it expired to the date of signature of the accounts.

There were no other contingent liabilities at 31 December 2007.

17. POST BALANCE SHEET EVENT NOTE

On 25 April 2008, the Company made a loan of USD 10 million to Fabergé Limited. The loan is unsecured, bears interest at LIBOR plus 4% until the repayment date and LIBOR plus 18% thereafter, and is repayable on 31 July 2008.

DIRECTORS' VALUATION OF INVESTMENTS

Summary of Current Portfolio of Pallinghurst Resources (Guernsey) Limited ("GuernseyCo") as at 31 December 2007 (Values USD'000's)

Investment	Date of original investment	Industry	% held	Current Cost	Change in Carried Valuation			At Carried Valuation
				USD'000	Fair Value Adjustments USD'000	Unrealised forex adjustments USD'000	Total USD'000	USD'000
Investments								
Fabergé Limited	September 2007	Luxury goods	46.8%	26,461	–	–	–	26,461
Rox Limited (relating to Gemfields Resources)	October 2007	Precious Stones	44.1%	31,940	–	–	–	31,940
				58,401	–	–	–	58,401
Other assets								113,530
Total net assets								171,931
Shares in issue (before the 1,000-for-1 share split – see section 24.3)								
Fair value per share								169,316
								1,020

Basis of preparation

- (1) The valuation has been prepared in accordance with the Valuation Guidelines.
- (2) Investments have been reported at their fair value at the date of this valuation report, being 31 December 2007 ("the Valuation Date"), which fair value has been determined based on an appropriate valuation methodology, after taking into account:
 - 2.1 Nature of the industry and current market conditions;
 - 2.2 The quality and reliability of data;
 - 2.3 Comparability of enterprise and transaction value;
 - 2.4 Stage of development of the enterprise; and
 - 2.5 Any additional considerations unique to the subject enterprise.

The Directors have applied the valuation principles set out above in determining the fair value of the individual Investments. Both the investments were entered near the Valuation Date. In accordance with the methodology and principles outlined in the Valuation Guidelines, the Directors have valued these Investments at cost. There were no significant changes in market conditions to indicate any impairment below this cost.

EXTRACTS FROM THE ARTICLES OF PALLINGHURST

Below are extracts from the Articles. The summary is not complete and prospective Investors should read the Articles for a full appreciation thereof. The Articles contain, *inter alia*, provisions to the following effect:

1. SUBJECT TO THE PROVISIONS OF GUERNSEY LAW

- (a) the Company may purchase any of its Shares whether or not they are redeemable and may pay in respect of such purchase otherwise than out of its distributable profits or the proceeds of a fresh issue of Shares;
- (b) the Company and any of its Associates may provide financial assistance, directly or indirectly, for the purpose of, or in connection with, the acquisition of Shares or in connection with reducing or discharging any liability incurred in connection with the acquisition of Shares; and
- (c) the Company may convert all or any of its Shares, the nominal amount of which is expressed in a particular currency, into Shares of a nominal amount of a different currency, the conversion being effected at the prevailing rate of exchange (calculated to not less than three significant figures) on the date of the resolution or on such other date as may be specified therein.

2. VARIATION OF RIGHTS, ALTERATION OF CAPITAL, AND SURRENDER OF SHARES

- (a) Subject to the provisions of Guernsey Law, all or any of the rights attached to any class of shares for the time being issued may (unless otherwise provided by the terms of issue of the shares of that class) from time to time (whether or not the Company is being wound up) be altered or abrogated by Special Resolution of the holders of the shares of that class provided that the rights attached to the Management Shares cannot be amended unless a Special Resolution is also passed by the holders of the Shares. At every such separate general meeting, all the provisions of the Articles as to general meetings of the Company shall (with certain exceptions) *mutatis mutandis* apply.
- (b) After the Initial Closing Date, further Shares may be issued for the purposes of raising further capital in the Company. Further shares shall be offered to existing Investors pro-rata to their shareholding unless authorised in a general meeting or the issue of shares is for an acquisition or the reduction of debt. In the case of any such further issue of Shares, Shares will be offered to Investors and prospective Investors on the same terms and conditions. Any such further offering of Shares will be made at the discretion of the Directors, subject to the terms of the Articles and the approval of the JSE (where necessary).
- (c) The Company may:
 - (i) by Special Resolution cancel any Shares which at the date of the resolution have not been taken or agreed to be taken by any Investor and diminish the amount of its authorised share capital accordingly; and
 - (ii) the Company may by Special Resolution reduce its share capital or any capital redemption reserve or any share premium account in any manner subject to any authorisation and/or consent required by Guernsey Laws provided always that such authority shall not be required to permit the redemption of shares out of the share premium account.

3. VOTING RIGHTS

On a show of hands every Investor who is present in person at a general meeting of the Company shall have one vote per Person, and on a poll every Investor who is present in person or by proxy shall be entitled to one vote for each Share held by such Investor.

The Trust, as holders of the Management Shares, shall have the right to receive notice of, attend and vote at any general meeting of the Company, provided that no Shares are in issue at such date. When such rights exist, each holder of a Management Share who is present or by proxy at a general meeting will have 10,000 votes in respect of each Management Share held by them.

Directors, who are executives/partners of the Investment Manager; and the executives/partners of the Investment Manager will be precluded from voting as Investors on any proposal in relation to the Investment Management Agreement, subsequent to the conclusion thereof by the Company.

4. DIRECTORS

- (a) Unless otherwise approved by Investors in general meeting by Ordinary Resolution, the number of Directors (disregarding alternate Directors) will be not less than 4 and not more than 10. A majority of Directors must not be resident either in the United Kingdom or in South Africa.
- (b) The Directors have the power to elect a Chairman who will hold office only for the duration of the meeting at which he was elected.
- (c) No shareholding qualification for Directors is required.
- (d) Investors may by Special Resolution appoint a person to be a Director or remove any Director from office.
- (e) Without prejudice to the power of the Company in general meeting, in pursuance of any of the Articles to appoint any person to be a Director and subject to Guernsey Law, the Directors have the power to appoint any person to be a Director to fill a casual vacancy. Any Director so appointed by the Directors shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.
- (f) No person other than a Director retiring at an annual general meeting may be appointed or re-appointed as a Director at a general meeting unless no less than 10 nor more than 35 clear Business Days before such meeting, notice executed by an Investor qualified to vote at the meeting (not being the person to be proposed), has been given to the secretary of the Company of the intention to propose that person for appointment or re-appointment together with notice executed by that person of his willingness to be appointed or re-appointed.
- (g) At the annual general meeting held in each year 1/3 (one-third) of the Directors, excluding the executive directors shall retire from office. Directors subject to retire by rotation may offer themselves up for re-election. The period of office for executive Directors shall be subject to and determined by the terms of their employment. The Company may, by Special Resolution, remove any Director before the expiration of his period of office, and may by Special Resolution, elect another person as Director. The Company may, by Special resolution in general meeting increase (or reduce, but not below four), the number of directors and may also determine in which manner or rotation such increased (or reduced) number is to go out of office
- (h) A Director who to his knowledge is in any way directly or indirectly interested in a contract or arrangement or proposed contract or arrangement with the Company shall disclose the nature of his interest at a meeting of the Board. In the case of a proposed contract or arrangement such disclosure shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration or, if the Director was not at the date of that meeting interested in the proposed contract or arrangement, at the next meeting of the Board held after he became so interested. In a case where the Director becomes interested in a proposed contract or arrangement after it is made, disclosure shall be made at the first meeting of the Board held after the Director becomes so interested. For the purpose of the foregoing a general notice in writing given to the Board by such Director to the effect that he is a member of a specified company and/or entity and is to be regarded as interested in any proposed contract or arrangement which may after the date of the notice be made with that company and/or entity shall be deemed to be a sufficient disclosure of interest provided that it is given at a meeting of the Board or the Director takes reasonable steps to ensure that it is raised and read at the next meeting of the Board after it is given.
- (i) A Director may not vote (but may in accordance with the Articles be counted in the quorum) in respect of any resolution of the Directors or subcommittee of the Directors concerning a proposed contract, arrangement, transaction or proposal to which the Company is or is to be a party and in which he has an interest which (together with any interest of Associates) is, to his knowledge, a material interest (otherwise than by virtue of his interest in Shares or debentures or other securities of or otherwise in or through the Company) but, in the absence of some other material interest than is mentioned below, this prohibition does not apply to a resolution concerning any of the following matters:
 - (i) providing a guarantee, security or indemnity in respect of money lent or obligations incurred by the Director or any other person at the request of or for the benefit of the Company or any of its Subsidiaries;
 - (ii) providing a guarantee, security or indemnity by the Director to a third party in respect of a debt or obligation of the Company or any of its Subsidiaries for which the Director has assumed responsibility in whole or in part, either alone or jointly with others, under a guarantee or indemnity or by the giving of security;
 - (iii) a proposed contract, arrangement, transaction or proposal concerning an offer of Shares, debentures or other securities of or by the Company or any of its Subsidiaries for subscription or purchase, in which offer the Director is or may be entitled to participate as an Investor or in the underwriting or sub-underwriting of which the Director is to participate;
 - (iv) a proposed contract, arrangement, transaction or proposal to which the Company is or is to be a party concerning another company (including a Subsidiary of the company) in which the Director (and any Associate) is interested directly or indirectly and whether as an officer, shareholder, creditor or otherwise, provided that the Director has disclosed his interest in such proposed contract, arrangement, transaction or proposal in accordance with subparagraph (1);

- (v) a proposed contract, arrangement, transaction or proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme for the benefit of employees of the Company or any of its Subsidiaries under which the Director may benefit and which has been approved by or is subject to and conditional upon approval by the Board of Inland Revenue for taxation purposes; and
- (vi) a proposed contract, arrangement, transaction or proposal concerning the purchase or maintenance of any insurance policy for the benefit of Directors or for the benefit of persons including Directors.
- (vii) (1) For the purposes of the Articles a person shall be treated as being connected with a Director if that person is:
 - (a) a spouse, child (under the age of eighteen) or step child (under the age of eighteen) of the Director; or
 - (b) an associated body corporate which is a company and/or entity in which the Director alone, or with connected persons, is directly or indirectly beneficially interested in 20% or more of the nominal value of the equity share capital, or is entitled (alone or with connected persons) to exercise or control the exercise of more than 20% of the voting power at general meetings; or
 - (c) a trustee (acting in that capacity) of any trust, the beneficiaries of which include the Director or persons falling within paragraphs (a) or (b) above excluding trustees of an employees share scheme or pension scheme; or
 - (d) a partner and/or member (acting in that capacity) of the Director or persons in categories (a) to (c) above.
- (2) A Director, notwithstanding his interest, may be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any such office under the Company, or whereat the terms of any such appointment are arranged or whereat any contract in which he is interested is considered, and he may vote on any such appointment or arrangement other than his own appointment or the arrangement of the terms thereof. Where proposals are under consideration concerning the appointment (including without limitation fixing or varying the terms of appointment or its termination) of 2 or more Directors to offices with the Company or a company in which the Company is interested, such proposals shall be divided and a separate resolution considered in relation to each Director. In such case each of the Directors concerned (if not otherwise debarred from voting under these provisions) is entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.
- (3) A Director may hold any other office under the Company (other than Auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Board may determine and no Director or intending Director or his firm shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or as vendor purchaser or otherwise nor shall any such proposed contract or arrangement entered into by or on behalf of the Company in which any Director or firm and/or entity is in any way interested be liable to be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profits realised by any such proposed contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.
- (4) Any Director may act by himself or his firm and/or entity in a professional capacity for the Company (other than Auditor) and he or his firm and/or entity shall be entitled to remuneration for professional services as if he were not a Director.
- (5) Any Director may continue to be or become a director, managing director, manager or other officer or Investor of any company which promotes or is promoted by the Company or which is interested in the Company or in which the Company may be interested, and unless otherwise agreed, any such Director shall not be accountable to the Company for any remuneration or other benefits received by him as a director, managing director, manager or other officer or Investor of any such company. The Directors may exercise the voting power conferred by the shares in any other company held or owned by the Company or exercisable by them as directors of such other company, in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, managers or other officers of such company, or voting or providing for the payment of remuneration to themselves as directors, managing directors, managers or other officers of such company) and any Director of the Company may vote in favour of the exercise of such voting rights in the manner aforesaid, notwithstanding that he may be or be about to be appointed a director, managing director, manager or other officer of such other company, and as such is or may become interested in the exercise of such voting rights in the manner aforesaid.

- (6) If any question arises at any meeting as to the materiality of the Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned have not been fairly disclosed.
- (7) The Company may by Ordinary Resolution suspend or relax the provisions described above to any extent or ratify any transaction not duly authorised by reason of a contravention of any such provision.

5. BORROWING POWERS OF THE COMPANY

The borrowing powers of the Company and the powers of the Company to mortgage or encumber its Investments and/or assets or any part thereof and to issue debentures or debenture stock (whether secured or unsecured), whether outright or as security for any debt, liability or obligation of the Company or any third party, shall be limited to 30% of the value of the Company's assets.

6. DIVIDENDS/REDEMPTIONS/RETURNS TO INVESTORS

- (a) Subject to Guernsey Law and as set out below, the Company in general meeting may from time to time declare dividends but no dividend may exceed the amount recommended by the Directors. During the Investment Period, no dividends may be declared or paid other than from the profits or gains resulting from the Realisation of Investments and thereafter no dividends may be declared or paid other than from Aggregate Proceeds. Any dividends paid will be paid in accordance with the policy of the BSX and those of the JSE.
- (b) No unclaimed dividends will bear interest against the Company. Any dividend unclaimed will be transferred to a trust which will hold it until the earlier of the date on which such dividends are claimed by the relevant Investor or 3 years from the date on which the Company attempted to pay such dividend to the Investor. If dividends are not claimed before the expiry of the aforementioned period, such dividends will be paid to a charitable institution. The Investor will pay administration charges for the service of 0.1% per annum of the amount of such unclaimed dividend.
- (c) The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they deem appropriate as reserves which will, at the discretion of the Directors, be applicable for any purpose to which the Aggregate Proceeds of the Company may be properly applied and pending such application may, also at such discretion, either be employed in the business of the Company or, during the Investment Period, be invested in such Investments as the Directors may from time to time deem fit. The Directors also, at their discretion, and subject to 6(d) below, may without placing the same to reserve, carry forward any profits which they deem prudent not to distribute.
- (d) Post the Investment Period, unless otherwise resolved by Special Resolution and with the prior written consent of the Investment Manager, the Company is obliged to Distribute or redeem *pro rata* all Aggregate Proceeds to Investors within 30 Business Days of the receipt of such Aggregate Proceeds, whether through Distributions, the redemption of Shares or otherwise.

7. RIGHTS ON A WINDING-UP

Under Guernsey Law the Company can be wound up at any time as provided for by those Laws. In particular, the Company can be wound up by way of a Special Resolution at an extraordinary general meeting duly convened by the Directors and carried, whether on a show of hands or on a poll, by a majority consisting of 75% of the total number of votes cast for such Special Resolution.

In the event of the Company being wound up:

- (a) the liquidator will apply the assets of the Company, subject to the provisions of the Laws, in satisfaction of:
 - (i) creditors' claims;
 - (ii) settlement of the Fair Value per Share of the Shares, less any costs associated with such liquidation;
 - (iii) settlement of the nominal value of the Management Shares; and
 - (iv) any surplus will be paid to Investors.
- (b) the liquidator may, with sanction by Investors by Special Resolution, divide amongst Investors *in specie* any part of the assets of the Company.

MATERIAL CONTRACTS OF PALLINGHURST

MATERIAL CONTRACTS

The following contracts have been entered into and approved by the Company and are, or may be, material:

I. INVESTMENT MANAGEMENT AGREEMENT

Pursuant to the Investment Management Agreement dated 4 September 2007 between the Company and the Investment Manager, the Investment Manager has been appointed to provide the Company with investment advisory and management services in relation to Investments falling within the Investment Scope as described under the section headed "Investment Strategy – Investment Scope" of this Pre-listing Statement. Details of the benefits attributable to the Investment Manager are shown in the section headed "Expenses, Fees and Investment Manager's Benefits" of this Pre-listing Statement.

The Investment Manager shall not be under any liability as a consequence of any action performed by the Investment Manager acting in good faith in accordance with the terms of the Investment Management Agreement or any specific written request of the Company. The Investment Manager shall not be liable to the Company for any decline in the value of the Investments or any part thereof to the extent that such decline results from the Investment Manager's implementation of any express direction of the Board or from any Investment recommendation made by the Investment Manager acting in good faith unless such recommendation was as a result of Cause.

The Investment Management Agreement contains certain Key Men provisions to ensure that the Investment Manager retains its key executives with the necessary expertise and experience in order to provide the investment advisory and management services to the Company in accordance with the scope and terms of the Investment Management Agreement.

In summary, the Key Men provisions state that the Investment Management Agreement will be immediately suspended for a period of up to 12 months upon the occurrence of a Key Man Event (the "Suspension Period"), during which Suspension Period no acquisition or disposal of Investments may occur but that all other obligations of the Company will continue to be met by the Company (including the payment of the Annual Investment Manager's Benefit and the completion of contracts entered into by or on behalf of the Company before entering into such Suspension Period).

Upon the occurrence of a Key Man Event, the Investment Manager will have until the end of the Suspension Period to appoint a replacement Key Man, failing which, the Investment Period shall immediately terminate. If the Board approves of and recommends a replacement Key Man appointment, as soon as practicable thereafter, the Board will propose and seek Investors' approval in general meeting by Ordinary Resolution of such replacement Key Man. Once the replacement Key Man has been approved by Investors, the Suspension Period will immediately terminate. Should the requisite Ordinary Resolution not be passed by Investors or any such subsequent Ordinary Resolution proposed by the Board during the Suspension Period for the replacement of such Key Man, the Investment Period shall immediately terminate.

The Investment Management Agreement contains indemnity provisions by the Company in favour of the Investment Manager, which are similar in all material respects with the indemnity provisions set out in the section headed "General Information- Indemnities" of this Pre-listing Statement.

In addition the Investment Management Agreement may be terminated:

- (a) automatically on the date of winding-up of the Company;
- (b) by the Company, at any time from its commencement, by Investors in extraordinary general meeting by Special Resolution if such termination is as a result of the Investment Manager's Cause. No further Annual Investment Manager's Benefit or Performance Incentive shall be payable on or after the date of such termination. The termination of the Investment Management Agreement shall not take effect until the Investors of the Company have by Special Resolution approved the appointment of a replacement investment manager; and
- (c) by Investors, at any time from its commencement, in general meeting by Ordinary Resolution, if such termination is as a result of:
 - (i) Mr B Gilbertson failing to devote substantially all of his professional time to the business and affairs of the Program; and/or
 - (ii) Mr B Gilbertson ceasing to be an executive of the Investment Manager or its Associates.

In the event that the Investment Management Agreement is terminated:

- (a) pursuant to (a) or (c) above, the Investment Manager shall be entitled to receive 100% of any Performance Incentive in respect of those Investments which had been made at the time of the termination of the Investment Management Agreement; and
- (b) pursuant to (b) above, the Investment Manager shall not be entitled to receive any Performance Incentive, whether earned at the time of the termination of the Investment Management Agreement or otherwise.

2. ADMINISTRATION AGREEMENT

Pursuant to the Administration Agreement dated 4 September 2007 between the Administrator and the Company, the Administrator has been appointed by the Company to carry out the day-to-day administration, secretarial and registrar functions of the Company. The Administrator is also responsible for performing certain duties in relation to the issue, transfer and redemption of Shares and their settlement. Details of the remuneration of the Administrator are shown in the section headed "Expenses, Fees and Investment Manager's Benefits – Fees" of this Pre-listing Statement.

In the absence of Cause, the Administrator shall not be liable for any error of judgment or for any loss or damage suffered by the Company, any Investor or the Investment Manager or otherwise arising, directly or indirectly, as a result of or in the course of the discharge of its duties in good faith including (but without limitation) any loss arising from anything done or omitted to be done by the Administrator in good faith on reliance on or in accordance with the opinion or advice of the Investment Manager (or its Associates), the Company's legal advisers, Auditors, bankers, or other competent professional advisers, nor for any loss or damage sustained in the sale of any Investment howsoever any such loss may have occurred. The Administrator shall not be liable for any loss or damage which may arise where the Administrator has acted in good faith or upon any instruction or communication from the Company or its Directors which the Administrator reasonably believes to be genuine.

The Administration Agreement contains an indemnity by the Company in favour of the Administrator, which are similar in all material respects with the indemnity provisions set out in the section headed "General Information – Indemnities" of this Pre-listing Statement.

The Administrator shall not be responsible for any loss or damage to the Company or for any failure to fulfil its duties if such loss, damage or failure was caused by or directly or indirectly due to war, damage, enemy action, the act of any Government or other competent authority, riot, civil commotion, rebellion, storm, tempest, accident, fire, strike, lock-out or other cause whether similar or not beyond the control of the Administrator.

Either the Administrator or the Company shall be entitled to terminate the Administration Agreement by giving not less than 6 months notice in writing to the other party provided that the Administration Agreement may be terminated forthwith upon:

- (a) the commencement of winding-up proceedings in respect of either party (except for a summary winding-up for the purpose of reconstruction or amalgamation upon terms previously approved by the parties in writing), or following any other event of bankruptcy, *désastre*, or any event of insolvency with respect to the Administrator or the Company or other similar or analogous procedure or step has been taken in any jurisdiction in relation to the Administrator or the Company; or
- (b) the Administrator ceasing to be qualified to act as such pursuant to the Articles or ceases to be licensed under the Protection of Investors (Bailiwick of Guernsey) Law, 1987; or
- (c) either party committing any material breach of its obligations under the Administration Agreement and (if such breach shall be capable of remedy) shall fail within 30 days of receipt of notice in writing served by the Administrator or the Company on the other party concerned requiring it to do so, to remedy such breach.

DETAILS OF PALLINGHURST'S MAJOR SUBSIDIARIES

Company and registration number	Place and date of incorporation	Number of shares in issue	Effective holding	Effective date of becoming a subsidiary	Principal business
Pallinghurst Resources (Guernsey) GP Limited	Guernsey	2	100%	21 September 2007	Investment holding entity
The Pallinghurst Resources Fund L.P.	Cayman Islands	n/a	99.99%	26 September 2007	Investment holding entity
Pallinghurst Consolidated (Cayman) Limited	Cayman Islands	1	100%	26 September 2007	Investment holding entity
Pallinghurst Consolidated (Lux) S.à.r.l.	Luxembourg	201,304	100%	26 September 2007	Investment holding entity
Pallinghurst Consolidated (Dutch) B.V.	Netherlands	180	100%	26 September 2007	Investment holding entity

DIRECTORS' INTERESTS

Other directorships of the Directors and the executives and/or partners of the Investment Manager held currently and during the previous five year period, from the date of this Pre-listing Statement are set out in the table below:

Name	Directorship/partnerships	Country	Status
Brian Gilbertson	Mean Variance Portfolios (Proprietary) Limited	South Africa	Current
	Woolston View Properties (Proprietary) Limited	South Africa	Current
	F&W Properties (Proprietary) Limited	South Africa	Current
	Pallinghurst Resources LLP (Member)	United Kingdom	Current
	Pallinghurst (Cayman) General Partner LP (GP) Limited	Cayman Islands	Current
	Pallinghurst Founder GP Limited	Cayman Islands	Current
	Renova Feeder LP (GP) Limited	Cayman Islands	Current
	Pallinghurst-Utima (Cayman) Limited	Cayman Islands	Current
	Pryors Properties LLP (Member)	United Kingdom	Resigned
	OAO SUAL Holdings	Russia	Resigned
	Emergofin BV	The Netherlands	Resigned
	Vedanta Resources plc	United Kingdom	Resigned
	Incwala Resources (Proprietary) Limited	South Africa	Resigned
	BHP Billiton plc	United Kingdom	Resigned
	BHP Billiton Limited	Australia	Resigned
Arne H Frandsen	Pallinghurst Resources LLP (member)	United Kingdom	Current
	Pallinghurst (Cayman) GP L.P. (partner)	Cayman Islands	Current
	Pallinghurst (Cayman) Founder L.P. (partner)	Cayman Islands	Current
	Pallinghurst Platinum (Mauritius) Limited	Mauritius	Current
	Pallinghurst Kalahari (Mauritius) Limited	Mauritius	Current
	Ivy Lane Capital Limited	Mauritius	Current
	Fabergé Limited (formerly Project Egg Limited)	Cayman Islands	Current
	Fabergé Conduit Limited	Cayman Islands	Current
	Pallinghurst (Cayman) GP Limited	Cayman Islands	Current
	Pallinghurst Consolidated (Cayman) Limited	Cayman Islands	Current
	Pallinghurst (Cayman) Founder Limited	Cayman Islands	Current
	Pallinghurst Kalahari Limited	Cayman Islands	Current
	Pallinghurst Resources Australia Limited	Australia	Current
	Pallinghurst Resources (Guernsey) Limited	Guernsey	Current
	Pallinghurst Resources (Guernsey) GP Limited	Guernsey	Current
	Pallinghurst Investor (Dutch) B.V.	The Netherlands	Current
	Rox Conduit Limited	Cayman Islands	Current
	Rox Limited	Cayman Islands	Resigned
	Incwala Resources (Proprietary) Limited	South Africa	Resigned
	Eastern Platinum Limited	South Africa	Resigned
	Western Platinum Limited	South Africa	Resigned
Stuart Platt-Ransom	Legis Trust Limited	Guernsey	Current
	Nomos Trustees Limited	Guernsey	Current
	Legis (MRL) Limited	Guernsey	Current
	Legis Group (BVI) Limited	Guernsey	Current
	First Ovalap Limited	Guernsey	Current
	Second Ovalap Limited	Guernsey	Current
	Third Ovalap Limited	Guernsey	Current
	Fourth Ovalap Limited	Guernsey	Current
	Fifth Ovalap Limited	Guernsey	Current
	Sixth Ovalap Limited	Guernsey	Current
	Ovalap Nominees Limited	Guernsey	Current
	Legis Maritime Services Limited	Guernsey	Current

Name	Directorship/partnerships	Country	Status
Stuart Platt-Ransom (continued)	Legis Nominees Limited	Guernsey	Current
	Ionic Limited	Guernsey	Current
	Doric Limited	Guernsey	Current
	Legis Fund Services Limited	Guernsey	Current
	Legis Corporate Services Limited	Guernsey	Current
	Ovaco Limited	Guernsey	Current
	Lapco Limited	Guernsey	Current
	Legis Group Limited	Guernsey	Current
	Legis BVI Limited	Guernsey	Current
	Legis Limited	Guernsey	Current
	Legis Compliance Services Limited (Previously Legis Insurance Services Limited)	Guernsey	Current
	Lesing PE. Limited	Guernsey	Current
	Pallinghurst Resources (Guernsey) Limited	Guernsey	Current
	Pallinghurst Resources (Guernsey) GP Limited	Guernsey	Current
	Collins International Limited	Guernsey	Current
	Laub Investment Management Limited	Guernsey	Current
	Lesing Tag Limited	Guernsey	Current
Clive Harris	Pendragon Field Holdings Limited	Cayman	Current
	Tintagel Financial Limited	Cayman	Current
	Fundamental Capital Management Limited	Cayman	Current
	FCM Absolute Return Fund	Cayman	Current
	Halberdier Alius Fund	Cayman	Current
	Halberdier Alius Portfolio	Cayman	Current
	Marathon European Hedge Fund Limited	Cayman	Current
	Highbridge Event Driven/Relative Value Fund, Limited	Cayman	Current
	The Carrousel Fund Limited	Cayman	Current
	Fides Asset Management Limited	Cayman	Current
	Fides Capital Growth Fund Limited	Cayman	Current
	Fides Absolute Appreciation Fund Limited	Cayman	Current
	Highbridge Capital Corporation	Cayman	Current
	Highbridge Long/Short Equity Fund, Limited	Cayman	Current
	Innovation Fund	Cayman	Current
	Highbridge G.P. LLC	Delaware	Current
	Highbridge G.P. Limited	Cayman	Current
	The Kintaro Fund	Cayman	Current
	NinePeaks Multi-Strategy Fund Limited	Cayman	Current
	Highbridge Statistically Enhanced Equity Fund, Limited.	Cayman	Current
	Highbridge Asia Opportunities Fund, Limited.	Cayman	Current
	Highbridge Convertible Arbitrage Fund, Limited	Cayman	Current
	ZAM Asset Finance Fund Limited	Cayman	Current
	23 Bellevue Road	Cayman	Current
	Highbridge Fixed Income Opportunity Fund Limited	Cayman	Current
	ZAM Specialist Opportunities Fund Limited	Cayman	Current
	ZAM Cayman Limited	Cayman	Current
	The Dynamo Fund	Cayman	Current
	The Daytona Fund	Cayman	Current
	HSE Partners Limited	Cayman	Current
	EG Capital Market Fund (SPC) Limited	Cayman	Current
	Highbridge Statistically Enhanced Equity Portfolio – Europe, Limited	Cayman	Current
	Highbridge Statistically Enhanced Equity Portfolio – Japan, Limited	Cayman	Current
	Highbridge Long/Short Institutional Fund, Limited	Cayman	Current
	Highbridge Fixed Income Opportunity Institutional Fund, Limited	Cayman	Current
	Atlas Insurance Management (Cayman) Limited	Cayman	Current
	Oasis Funds SPC	Cayman	Current
	FFTW Global Credit Fund SPC	Cayman	Current

Name	Directorship/partnerships	Country	Status
Clive Harris (continued)	FFTW US LIBOR Plus Fund Limited	Bermuda	Current
	EuroCapital Fund	Cayman	Current
	Alpha Strategies Fund Inc	Cayman	Current
	Index Partners Inc	Cayman	Current
	Highbridge Statistical Opportunities Fund Limited	Cayman	Current
	Marathon Vertex Japan Fund Limited	Cayman	Current
	Riverview Multi Series Fund SPC, Limited.	Cayman	Current
	Riverview Multi Series International Fund SPC, Limited	Cayman	Current
	Riverview Focus Fund (Cayman), Limited.	Cayman	Current
	EG Strategic Fund (SPC) Limited	Cayman	Current
	Modular Capital One (MC-I)	Cayman	Current
	The Milestone Offshore Funds	Cayman	Current
	The Packard Fund Limited	Bahamas	Current
	Intercontinental Diversified Corp	Cayman	Current
	Fiduciary Management Services Limited	Cayman	Current
	Texel Macro Master Fund Limited	Cayman	Current
	Texel Macro Fund Limited	Cayman	Current
	Texel Capital Management Limited	Cayman	Current
	5 Nicosia Road	Cayman	Current
	Euboulos Management Limited	Cayman	Current
	FIOF Japan Limited	Cayman	Current
	Cobalt Hill Capital Limited	BVI	Current
	Petrofond S.A.	Luxembourg	Current
	Pallinghurst (Cayman) GP Limited	Cayman	Current
	Faberge Limited	Cayman	Current
	Pallinghurst (Cayman) Founder Limited	Cayman	Current
	Pallinghurst Consolidated (Cayman) Limited	Cayman	Current
	Rox Limited	Cayman	Current
	Innovation Management Limited	Cayman	Current
	HB Commodity Strategies Fund, Limited	Cayman	Current
	JSM IndoChina Limited	Cayman	Current
	Marathon Fulcrum Japan Fund Limited	Cayman	Current
	OEI Mac Inc	Cayman	Current
	Odey European Inc	Cayman	Current
	Odey Treasury Fund	Cayman	Current
	Odey Asia	Cayman	Current
	Odey Japan & General Inc	Cayman	Current
	Ottoman Fund	Cayman	Current
	Odey Tactical Advantage	Cayman	Current
	Odey Capital Strategies	Cayman	Current
	Dune Limited	Cayman	Current
	TT Europe LiquidFund Inc	Cayman	Current
	TT Europe Liquidfunds Ltd	Cayman	Current
	Malbec Emerging Markets Opportunities GP Limited	Cayman	Current
	Malbec Emerging Markets Opportunities Fund SPC	Cayman	Current
	Pallinghurst Resources (Guernsey) GP Limited	Guernsey	Current
	Malbec Quantys Fund SPC	Cayman	Current
	Malbec Quantys GP Ltd	Cayman	Current
	AlphaWorks Long/Short Opportunities, Ltd	Cayman	Current
	Rox Conduit Ltd	Cayman	Current
	Faberge Conduit Ltd	Cayman	Current
	HB/SA Ltd	Cayman	Current
	Adept Capital Partners Fund SPC Limited	BVI	Current
	Jade, Ltd	Cayman	Current
	ABBA Partners	Cayman	Current
	ABBA Management Cayman Ltd	Cayman	Current
	Pallinghurst Kalahari Limited	Cayman	Current
	Marathon Asset Management (Cayman) Limited	Cayman	Current

Name	Directorship/partnerships	Country	Status
Clive Harris (continued)	Oceana Assets Corp.	BVI	Current
	Highview Global Macro, Ltd	Cayman	Current
	Sword Fund Limited	Cayman	Current
	Malbec Emerging Markets Opportunities Fund LLC	Delaware	Current
	Malbec Quantys Fund LLC	Delaware	Current
	LDHL GP Ltd	Cayman	Current
	LDH Energy Opportunities Fund Ltd	Cayman	Current
	Jemekk Total Return Canada Ltd	Cayman	Current
	Jemekk Long/Short Canada Ltd	Cayman	Current
	LDH Energy Funds Trading Ltd	Cayman	Current
	LDHE GP LLC	Delaware	Current
	Highbridge Asia Opportunities Institutional Fund, Ltd	Cayman	Current
	JSM IndoChina Properties Ltd	Cayman	Current
	Fidam Global Fund SPC Limited	BVI	Current
	Constellation Capital Ltd	Cayman	Current
	Cape Point Partners Offshore Fund, Ltd	Cayman	Current
	Cape Point Master Fund, Ltd	Cayman	Current
	Sheerwater Ltd	Cayman	Current
	Vigor Absolute Return Fund	Cayman	Current
	Calypso Asian Fund	Cayman	Current
	Asian Special Opportunities Fund	Cayman	Current
	TT Asian Opportunities Fund Limited	Cayman	Current
	TT Asian Opportunities Alpha Fund Limited	Cayman	Current
	TT Event Driven Fund Limited	Cayman	Current
	TT Event Driven Alpha Fund Limited	Cayman	Current
	TT Financial Long Short Fund Limited	Cayman	Current
	TT Financial Long Short Alpha Fund Limited	Cayman	Current
	TT Long Short Europe Fund Limited	Cayman	Current
	TT Long Short Europe Alpha Fund Limited	Cayman	Current
	TT Long Short Japan Fund Limited	Cayman	Current
	TT Long Short Japan Alpha Fund Limited	Cayman	Current
	TT Mid Cap Europe Long Short Fund Limited	Cayman	Current
	TT Mid Cap Europe Long Short Alpha Fund Limited	Cayman	Current
	Aquatic Management Limited	B.V.I.	Resigned
	Glendower Limited	Cayman	Resigned
	Hathaway Trading Limited	Cayman	Resigned
	Hemswell Limited	Isle of Man	Resigned
	Intergulf Food Inc. (formerly Falstaff Investments Limited)	Cayman	Resigned
	Marigold Investments Limited	Isle of Man	Resigned
	Samsil Limited	Cayman	Resigned
	Sarah Holdings Limited	Isle of Man	Resigned
	Tilda Investments Limited	Cayman	Resigned
	Bank of Bermuda (Cayman) Limited	Cayman	Resigned
	Bermuda Trust (Cayman) Limited	Cayman	Resigned
	Cayman Nominees Limited	Cayman	Resigned
	Compass Services Limited	Cayman	Resigned
	Fort Street Securities Limited	Cayman	Resigned
	MIL (Cayman) Limited	Cayman	Resigned
	Somers Nominees (Far East) Limited	Cayman	Resigned
	Tropical Nominees Limited	Cayman	Resigned
	Bermuda International Finance Limited	Cayman	Resigned
	MTC Company Limited	Cayman	Resigned
	New Lily Company Limited	Cayman	Resigned
	Saramont Estate Limited	Ireland	Resigned
	FFTW Diversified Alpha Fund Limited	Cayman	Resigned
	Texel Fixed Income Hedge Fund Limited (in liquidation)	Cayman	Resigned
	Texel Fixed Income Master Fund Limited (in liquidation)	Cayman	Resigned
	Highbridge European Special Situations Fund, Limited (in liquidation)	Cayman	Resigned
	Energy Capital Investments Limited	Cayman	Resigned
	Energy Capital Management Limited	Cayman	Resigned

Name	Directorship/partnerships	Country	Status
Priyank Thapliyal	Pallinghurst Resources LLP (member)	United Kingdom	Current
	Pallinghurst (Cayman) GP L.P. (partner)	Cayman Islands	Current
	Pallinghurst (Cayman) Founder L.P. (partner)	Cayman Islands	Current
	Fabergé Services Limited (Company Secretary)	United Kingdom	Current
Sean Gilbertson	Pallinghurst Resources LLP (member)	United Kingdom	Current
	Pallinghurst (Cayman) GP L.P. (partner)	Cayman Islands	Current
	Pallinghurst (Cayman) Founder L.P. (partner)	Cayman Islands	Current
	Gigajoule Limited	United Kingdom	Current
	Arianna Investments Limited	B.V.I	Current
	Sandfontein & Houms Rivier Properties (Proprietary) Limited	Namibia	Current
	Vegagraphics (Proprietary) Limited	South Africa	Current
	Fabergé Limited (formerly Project Egg Limited)	Cayman Islands	Current
	Fabergé Conduit Limited	Cayman Islands	Current
	Pallinghurst (Cayman) GP Limited	Cayman Islands	Current
	Pallinghurst Consolidated (Cayman) Limited	Cayman Islands	Current
	Pallinghurst (Cayman) Founder Limited	Cayman Islands	Current
	Rox Limited	Cayman Islands	Current
	Rox Conduit Limited	Cayman Islands	Current
	Pallinghurst Kalahari Limited	Cayman Islands	Current
	Gemfields Resources plc	United Kingdom	Current
	Venturellectual Limited	United Kingdom	Resigned
	Global Coal Limited	United Kingdom	Resigned
Andrew Willis	Pallinghurst Resources LLP (member)	United Kingdom	Current
	Pallinghurst (Cayman) GP L.P. (partner)	Cayman Islands	Current
	Pallinghurst (Cayman) Founder L.P. (partner)	Cayman Islands	Current
	Pallinghurst Platinum (Mauritius) Limited	Mauritius	Current
	Pallinghurst Kalahari (Mauritius) Limited	Mauritius	Current
	Ivy Lane Capital Limited	Mauritius	Current
	Freedommakers Limited	New Zealand	Current
	Aquacorp Limited	New Zealand	Current
	Andrew Willis Limited	New Zealand	Current
	Fabergé Services Limited	United Kingdom	Current
	Mandolin Internet Services Limited	United Kingdom	Resigned
	Faberge Limited (formerly Project Egg Limited)	Cayman Islands	Resigned
	Pallinghurst (Cayman) GP Limited	Cayman Islands	Resigned
	Pallinghurst Consolidated (Cayman) Limited	Cayman Islands	Resigned
	Pallinghurst (Cayman) Founder Limited	Cayman Islands	Resigned

