GoldBridges Global Resources Plc
(formerly Hambledon Mining Plc)

Annual Report
& Accounts 2013

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GoldBridges Global Resources plc is an AIM quoted gold mining, exploration and development Group.

2013 a year of positive development .....

- Purchase of the geological data for the Karasuyskoye Ore Fields estimated to contain resources of 9Moz of gold and 16Moz of silver;
- A strengthening of the Board of Directors coupled with a new dynamic management team focused on growing Group turnover and profitability;
- Gold poured during the year 30,669oz, (2012: 22,470oz) a 36.5% increase; gold grade 1.61g/t, (2012: 1.37g/t);
- Gold recovery rate 84.3% (2012: 80.4%);
- Operating cash cost per ounce down from last year US$903 (2012: US$1,046);
- Positive contribution from underground mining which recommenced production in June 2013 of 7,157oz (2012: 3,347oz) at an average grade of 3.5g/t (2012: 2.75g/t);
- Successful resolution against the additional fines and costs imposed as a result of the tailings dam 3 incident in 2011, resulting in a write back of provisions of US$9.3m;
- The Company has successfully completed placing's post-year end, raising gross proceeds of US$23m (£13.89m) to further develop Group strategic plans and to provide additional working capital.

Chief Executive Officer's statement

I am delighted to present to you an update on the positive progress during the year, and am also delighted to welcome on to the board, Kanat Assauybayev, Ken Crichton and Alain Balian who bring a wealth of experience and expertise to GoldBridges Global Resources plc ("GoldBridges" the "Company" or the "Group").

Over the last 12 months, the Company has been in the process of implementing the recommendations that arose out of its strategic review of the management and operations of the business. The detailed review was principally conducted in 2012 and has been implemented during the course of 2013. As a consequence there was a commitment of time, energy and costs involved to see the process through, and we are now confident that the Group is on the right track to achieve profitability and growth. As part of this process it was decided to change the name to GoldBridges Global Resources Plc, which was finalised in 2014.

The operation at Sekisovskoye has performed well during the year, with the additional input of ore from the underground workings delivering an increase in gold production to a total of 30,669 oz in 2013 (22,471 oz in 2012). The original plan was to phase out open pit production at Sekisovskoye in 2015, however this winding down is currently being re-appraised with a view to extend the open pit workings for a further two years. Plans as to the timing and further development of the underground mining shafts to accelerate the exploitation of the underground resource are expected to be finalised soon.

In 2013 the opportunity arose to acquire the geological data in relation to the Karasuyskoye Ore Fields, which appears to offer significant potential, both in terms of resource base and location. The resource, according to internal estimates, contains 9 million ounces of gold and 16 million ounces of silver, and the location is adjacent to the Group's current operations at Sekisovskoye. The Group is currently in discussions with government authorities to obtain the necessary licences and permits to exploit the site and conduct further testing to validate the initial resource estimates.

The funding to acquire the Karasuyskoye geological data was obtained from a convertible loan note placed with African Resources Limited for $27.5m, which was subsequently converted into shares in December 2013. African Resources Limited also participated in the placing in February 2014. In total the placing's post year end raised £13.89m (equivalent to US$23m at year end exchange rates). This funding will be used to provide a platform for growth and additional working capital. We were grateful for the support of our existing shareholders and to the new shareholders who participated in the placings.

I am confident that 2014 will continue to be a positive year for GoldBridges against the backdrop of changing economic and market conditions. Indeed on a positive note the 20% devaluation of the Kazakh Tenge announced in February 2014 is expected to have a beneficial effect on the Group and the impact is currently being assessed. The gold price has been volatile in the year given the changing market conditions, with an opening price of US$1,650/oz at the start of the year and a closing price of US$1,200/oz. The price has since recovered and gold is currently trading in the US$1,300/oz range. The consensus outlook is that gold will trade in the range of US$1,100/oz to US$1,400/oz in the current year, based on a stable economic (and political) scenario with a gradual increase in economic growth. The Group will continue its approach of concentrating on the exploitation of higher grade underground in order to keep operating costs as low as possible, as a buffer against further downward gold price movements.

Finally, may I thank all our employees and management team for their hard work and also thank our shareholders for their continued support.

Aidar Assaubayev
Chief Executive Officer

Strategic Report

The strategic report has been prepared in compliance with the Companies Act 2006 to ensure that shareholders have a balanced and comprehensive review of the business development and performance of the Group. It includes an assessment of the risks and uncertainties the Group faces and the actions the Directors have taken to grow and develop the Group. The report outlines the operational review of the Group in relation to its mine at Sekisovskoye, the financial performance of the Group, and the aims, strategy and business plans being developed to move the Group forward.

Operational review

The Group was focused during 2013 on growing production, improving operational performance and researching new business opportunities to complement and enhance the current asset base of the Group. Open pit operations were complemented by increasing production of ore from the underground higher grade resource. This combined with the greater efficiencies achieved in recovery rates has led in part to the increased group operating profit achieved in the year. Following on from the review conducted in 2012, a number of practical and pragmatic measures were put into place to achieve efficiencies in the operations of the Group. During 2013 the Board of Directors was strengthened by the appointment of a further three Directors since the last Annual General Meeting.

The Group had three main objectives in 2013, the first was to accelerate the exploitation of the underground resource at Sekisovskoye. Diamond drilling was accelerated in the underground resource and these findings were used to access the resource level indicated by the underground ore body. Internal reviews estimated the gold resource at a total of 6moz of high grade ore. Venmyn Deloitte a South African based consultancy, are currently working on an independent Competent Persons Report (CPR) to verify these estimates.

The second principal aim in the year was to implement the operational review of the Group developed in 2012, and to deal with and finalise the legacy issues inherited from the previous management. These included the resolution of fines and rehabilitation works incurred as a result of failure of the tailings dam 3 in 2011, and recovery of monies due in relation to the abortive acquisition of Akmola Gold LLP.

The third was to focus on new investment opportunities, in particular, one that would utilise the current asset and skills base of the Group in the most effective manner. The ideal fit was found with the Karasuyskoye Ore Fields that sit adjacent to the Group's current operating mine at Sekisovskoye. The initial purchase of the geological data amounting to US$27.5m was funded by the issue of a convertible bond by African Resources Limited (the Group's principal Shareholder) which was subsequently converted into equity in December 2013. Additional costs incurred in relation to the negotiation and professional costs were funded by the Group and amounted to US$2.6m.

Mineral Resources

The independent Competent Persons Report (CPR) is being prepared by Venmyn Deloitte and work commenced in Q4 2013. Venmyn Deloitte ('Venmyn') is a wholly owned subsidiary of Deloitte Touche Tohmatsu Limited, (part of the Deloitte global services group), and is experienced in the preparation of mineral resource reports. Based on the Group's internal investigations the Directors' are confident that Venmyn's report will provide positive confirmation of their internal assessments. The management have been providing detailed information as requested by Venmyn and are expecting the report to be finalised in Q3 2014.

Sekisovskoye Operations and underground mine development

The key operational statistics of the mine operation are as follows:

Mining – Open-cast mining

		Actual 2013	Actual 2012
Ore mined	T	705,257	616,776
Gold grade	g/t	1.39	1.26
Silver grade	g/t	2.49	2.38
Contained gold	oz	31,621	24,915
Contained silver	oz	56,387	45,987
Waste mined	T	2,144,656	2,766,119

Mining – Underground

		Actual 2013	Actual 2012
Ore mined	T	63,572	37,867
Gold grade	g/t	3.50	2.75
Silver grade	g/t	5.27	3.62
Contained gold	oz	7,157	3,347
Contained silver	oz	11,139	4,397
Excavation	T	128,006	109,570

Mineral processing

		Budget 2013	Actual 2013	Budget - % 2013	Actual 2012
Crushing	T	770,000	700,421	91.96	625,227
Milling	T	770,000	701,361	91.09	628,731
Gold grade	g/t	1.49	1.61	108.5	1.37
Silver grade	g/t	2.00	2.16	108.0	1.93
Contained gold	oz	30,295	36,388	120.1	27,803
Contained silver	oz	42,110	48,782	115.84	39,045
Gold recovery	per cent.	82	84.3	102.8	80.4
Silver recovery	per cent.	70	71.6	102.3	69.7
Gold poured	oz	n/a	30,669	n/a	22,470
Silver poured	oz	n/a	34,902	n/a	27,198

Strategic Report

Mining activity – open pit mine

A review was undertaken of the open pit mine to include the mining methods, the infrastructure and the closure plan in relation to winding down of mining activity.

Technical improvements were made to the explosive techniques employed and improvements made to the road infrastructure to enable a more efficient extraction and delivery of the ore to the stockpile.

The Group also reconsidered the plan in relation to the continued operation of the open pit operation, which was initially considered for closure in Q2 2015. It was decided given the ore reserves remaining that it would make economic sense to expand and deepen the open pit operations. Based on the assessment made this will increase the reserves that the open pit will produce by an additional 64,000/oz, increasing the operational life of the open pit to the end of 2017.

In addition to the usual mining works, the construction and expansion of the tailings dams is continuing, these are on plan for completion by 2015.

Mining activity – underground

Underground works were recommenced in April 2013, with mining restarting in June, with a steady growth in production throughout the year. During 2013 63,500T of ore was excavated, the management are expecting a significant improvement on this during 2014.

In 2013 in addition to resource extraction, a great deal of preparatory work was carried out in order to gain further access to ore bodies #3 and #11. This necessitated further exploratory drilling that was conducted by both the Company's work force and sub-contracted companies. As part of the plan developed in 2012 planned improvements to the infrastructure were also completed.

The principal works associated with underground mining in the year were:

Mining and extraction of ore was from six mining levels in 2012, ranging from +358mrl to +305mrl. In 2013 the work has continued to develop further horizon extraction levels down to +250mrl. Once this is fully completed there will be 170,000T of extractable ore available. Of this amount 48,000T is ready for mining extraction.

The diamond drilling programme to identify and enhance the estimate of resources was deemed by management to be a key priority in 2013. Resources were targeted at increasing the level of drilling undertaken with subcontractors aiding the Company's own staff to achieve impressive results in the year. By the end of the year in excess of 53,800m of drilling had been achieved with drilling conducted from the +250mrl level. The drilling is continuing with a further 28,000m of drilling to be undertaken from the 0mrl to -400mrl.

During 2013, in excess of 2,000 linear metres of tunnels were developed for the transport decline, shafts and haulage entry points, which necessitated the extraction of 45,200m3 of waste in the year. The works also included the necessary electrical works, explosive magazines and ventilation works associated with the tunnel development.

Underground – capex development

Based on detailed studies, two underground shafts are to be constructed to a depth of 1000m which will be used to extract the ore in the most commercially efficient manner. The estimated capital expenditure for development of the shafts, equipment and further working capital is expected to be in the region of US$130m. This will be principally expended during the first three years of the shafts construction. The amount required for the mine development with be a combination of monies raised from external capital sources with the balance of the funding being borne from the Group's internally generated cash flows.

Based on the current plans, the construction is expected to commence in 2015, with construction of both shafts taking in the region of 24 months. During this period the current transport declines will be used to access the ore from underground.

The life of the mine of 22 years is based on the following assumptions underlying the project economics of the model, gold production of 100,000T of high grade ore per annum, this level of production is to be achieved within 2 years of the shafts completion. The model is based on a production cost in the region of US$560/oz. The relatively low level is based on the switch to higher grade underground ore from the current open pit source, giving greater productivity from a smaller ore input into the processing plant. Given these parameters and based on a price for gold at 1,200/oz, the free cash flow over the project life is expected to be in the region of US$1 billion.

Mineral processing

The performance against budget is shown in the table on page 3. The shortfall identified in ore processing was due to the following:

- Production problems in the ore crushing and sorting plant due to plant failures. In Q4 these issues were resolved.
- The supply of ore from underground was lower in Q4 due to maintenance work, which resulted in a supply of ore being reduced in that period.

The principal improvements highlighted in the year were as a result of the following factors:

- Production procedures have been enhanced resulting in the mills being redesigned which as resulted in improving the quality of ore being processed.
- The quality of the underground ore is of better quality as it can be ground to a finer paste, compared with the open pit ore. The smaller granules have a positive effect on the sorption of dissolved gold from the slurry. Thin sludges act as a sorbent and lower gold recovery from activated carbon. In testing using solely underground ore, the

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recovery rate achieved was an impressive 91.3% for gold and 95.4% for silver.

- The increase in the recovery rates of the ore being processed is in part a direct consequence of the increase of underground ore utilised.
- The Group is in collaboration with independent research companies in order to understand and obtain greater production efficiencies, with particular emphasis on the quality of the ore being extracted from underground resources. Preliminary studies indicate potential increase in the recovery rates by an additional 1%.

Resolution of legacy issues

Tailings Dam

During 2012 the Irtysh Ecology department of the Ministry of the Environment appealed through the courts and argued that a higher level of fines and obligations as currently imposed should be levied on the Company. This amounted to US$9.4M (being 1,429,000,000 Tenge) and was based on the argument that the environmental damage could not be directly measured and an indirect measure of calculating the damage should be used. In March 2014 this argument was rejected on the basis that the damage was indeed measurable reliably through the direct method and as such the court action was dismissed. Indeed the court commented that the costs already paid had exceeded the previous estimate agreed with the department of 700,214,000 Tenge, and ordered the department to meet the legal costs of the court amounting to 137,000 Tenge. Although the department does have the right to appeal within 6 months of the judgement given in March 2014 the Directors are of the opinion that the possibility of this is remote. The provision in relation to the finalisation of works to complete the outstanding rehabilitation measures has been adjusted accordingly resulting in a write back of the provision of US$9.3m.

The remainder of the rehabilitation works which amounts to US$330,000 will be completed in 2014 to the satisfaction of the Kazakh authorities.

Akmola Gold

In 2013 the Group successfully sued Akmola Gold for settlement of US$2m which was due for payment in December 2013 as agreed between the parties. The amount of US$2m related to the partial repayment of amounts advanced to Akmola as part of the abortive acquisition by GoldBridges in 2012.

Judgement was obtained in 2013, which was confirmed in 2013 which imposes a lien on the assets of Akmola Gold such that no disposal of the assets of Akmola can take place without the consent of Goldbridges. The Group are currently in negotiations with Akmola in relation to crystallising the amount due. Due to the uncertainties surrounding the issue a full provision has been maintained against the amount due in relation to the recoverability of this amount in the financial statements.

Acquisitions

Karasuyskoye Ore Fields

GoldBridges entered into an information transfer and sale agreement with Hydrogeology LLP ("Hydrogeology") (the "Information Transfer and Sale Agreement") to acquire certain historical geological information pertaining to the Karasuyskoye Ore Fields which are located adjacent to the Company's current operations in Kazakhstan. The Directors are excited with the potential that the site offers in relation to the potential revenues to be generated and see it as a perfect fit for the current operations, particularly in light of the expected termination of open pit operations at Sekisovskoye.

The Karasuyskoye Ore Fields are an advanced exploration project covering an area of approximately 198 km^2. Exploration drilling and testing by Hydrogeology and GoldBridges technical teams, indicates estimated resources of approximately nine million ounces of gold at 3g/t, and in excess of sixteen million ounces of silver.

The Company expects initially to use the information acquired as the basis for an application for the extension of its existing mining licenses, to cover the Karasuyskoye Ore Fields, from the Ministry of Industry and New Technologies (MINT). Assuming this extension is granted, and following the completion of limited additional verification work, the Company then expects to engage Venmyn, to complete a JORC-compliant CPR on the Karasuyskoye Ore Fields. The Group is currently awaiting notification from MINT and expects to receive notification in the short term.

Following the completion of the CPR, the Company expects to announce its strategy for bringing the Karasuyskoye Ore Fields into production using the cash generated by its existing operations. Initially, this is expected to involve the utilisation of the Company's existing mining fleet and processing facilities, while the Company completes its medium-term investment programme to expand both fleet and plant.

The total consideration payable under the transaction was US$27.5 million (approximately £17.25 million), which was satisfied by the issue of a convertible bond to African Resources Limited (a principal shareholder).

Financial performance review

Sekisovskoye poured 30,669 (2012: 22,470), ounces of gold in 2013. Due to timings in the shipping and selling of the gold poured to the refiner, a total of 29,712 (2012: 24,800) ounces were sold in 2013 at an average price of US$1,426 (2012: US$1,563) per ounce. There were no other material items of revenue.

The total cash cost of production (which includes administrative costs but excludes depreciation and provisions) amounts to US$1,309/oz, (2012: US$1,428/oz). The operating cash cost amounts to US$903 (2012: US$1,046), this is based on the cost of production excluding depreciation and administrative expenses. Further cost savings measures are being put in place to further reduce the costs.

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The earnings before interest tax and depreciation, (EBITDA), (and excluding provisions for the tailings dam) amounted to a negative (US$500,000). This is in marked contrast to the prior year with cash being absorbed by the operations of negative (US$2.3m), with EBITDA calculated on a similar basis and excluding the tailings dam and Akmola provisions. This reflected improved operating cost control under the new management resulting in improved gross profits.

In total the administrative costs amount to US$16.5m (2012: US$9.5m), (excluding provisions) the overall increase in the year amounts to US$7m, the increase is due to a number of factors. The increase in costs can be split into the following three principal areas: firstly costs associated with the acquisition of the Karasuyskoye Ore Fields; secondly costs associated with the termination and closure of contracts not being continued with by the current management; and finally costs related to the potential expansion and development of the business.

Significant expenses were incurred in relation to negotiating and securing the Karasuyskoye contract of approximately US$2.6m.

These costs did not meet capitalisation criteria and were exposed as incurred.

Secondly the Group has incurred costs in relation to terminating staff and other contracts in order to rationalise costs in the future and provide more efficient or competitive services as necessary. The Directors estimate the costs in relation to these matters amounts to approximately US$1m. The effect of the efficiency measures have not been fully reflected in the results of the year, as additional costs were incurred as a result of repositioning services and terminating/renewing contracts. The Directors are confident that there will be marked reduction in these costs in the forthcoming year.

The third factor resulting in the increase in administrative cost is as result of the company building a platform for future growth, with the development of the underground mine and the expansion of the asset base with the acquisition of the Karasuyskoye Ore Fields. Staff numbers have increased by 59, resulting in an increase in payroll cost of US$1.2m.

Finance expenses amount to US$1.5m of which US$407,000 relates to interest that was accrued in relation to the convertible bond issued during the year in order to finance the acquisition of the geological data of the Karasuyskoye ore field. The balance of the finance expense relates to the payment of interest to the European Bank for Reconstruction (EBRD), see note 10.

The Group had cash balances at 31 December 2013 of US$12m (2012: US$2.5m), The cash balances were significantly enhanced with the monies raised in the two share placings post year end raising an additional US$23m. The net assets of the Group are US$58.6m (2012: US$29.3m), the significant increase in net assets arises principally from the acquisition of the Karasuyskoye ore fields, which was ultimately purchased by the issue of shares on the conversion of the convertible bond.

Principal risks, uncertainties and key performance indicators

The principal risks and uncertainties facing the Sekisovskoye operation include the following:

1. Failing to obtain the metallurgical recoveries predicted by test-work;
2. Operating costs being significantly higher than those predicted;
3. Operations being affected by events outside the control of the Company such as major infrastructure failures or political upheaval;
4. Uncertainty over the timing of receipt and terms of the operating permits for the underground operation;
5. Production being affected by failure of vital equipment;
6. Tonnes and grades of ore mined differing from those predicted from the geological model;
7. Plant breakdowns affecting the ability to extract the metalliferous material;
8. The risk that key staff may be absent from the operation for prolonged periods for maternity or sickness;
9. Fluctuating gold and silver prices as their volatility affects the Group's revenue;
10. The availability of future funding; and
11. The risk that the Group will not obtain the licence for the Karasuyskoye Ore Fields.

Mitigation of risk and uncertainty

The Company's Management has analysed the risks and uncertainties and has in place control systems which monitor daily the performance of the business via key performance indicators discussed below. Certain factors are beyond the control of the Group such as the fluctuations in the price of gold. And possible political upheaval. However the Group are aware of these factors and try to mitigate as far as possible. In relation to the gold price the Group is pushing to achieve a lower cost base in order to minimise possible downward pressure on gold prices. In addition it maintains close relationships with the Kazakhstan authorities, in order to minimise bureaucratic delays and problems.

The Group operations are monitored against budgets – measuring the principal key performance indicators (KPI's) and cash requirement of the business in the short term and also in the medium to long term. As noted in the prior year the plan encompasses the growth of the underground mine. The plan is to phase out the use of subcontractors and consultants which are currently being used in order to further rationalise costs. A separate cash flow and model has been developed in relation to the Karasuyskoye project, which is currently being refined. Once the licence has been granted, it is expected that further work will be undertaken to define the resource which will further provide further valuable information to

Strategic Report

define the business plan and cash flows arising from the project.

The Board, as outlined in the corporate social responsibility section, monitors the impact of the operation of the environment and community in compliance with an agreed monitoring programme. The Group receives regular updates on the safety and welfare matters relating to employees.

Key performance indicators

The key performance indicators used to monitor the performance of the Group are outlined in the operational statistics report on page 3. Safety of the Group's employees is outlined in the corporate social responsibility review on page 8.

Other performance indicators which the group monitors are earnings before interest, tax, depreciation and amortisation (EBITDA) and capital expenditure in the year. The EBITDA is a measure of the cash the Group generates in the year. To make this more meaningful, this is also adjusted for the movement of provisions which are material, non-cash items.

In 2013, the operating profit was US$3.1m (2012: US$20.5m) adjusted for depreciation and amortisation of US$5.6m (2012: US$4.6m) and adjustments for the movement in provisions of US$9.2m (2012: US$13.7m). The EBITDA is a negative US$500,000 (2012: negative US$2.2m).

Capital expenditure during the year was US$10m (2012: US$15.5m). The Group closely monitors this on a monthly basis.

In the Opinion of the Directors these are the key measures by which the Group can best measure its performance internally and against other gold producers.

Aidar Assaubayev
Chief Executive Officer

On behalf of the Board
19 June 2014

Corporate social responsibility

View of Sekisovskoye village
Sekisovkoye with village in foreground and open pit mine in the background.

We believe that we have an obligation to be sensitive to the needs of all our direct and indirect stakeholders and should make decisions based not just on financial results but also on the social and environmental consequences of our activities.

The Environmental and Social Impact Report (ESIA) originally drafted in 2011 is updated bi-annually. The Environmental Impact Assessment (EIA) comprises one component of an Environmental and Social Impact Assessment (ESIA), the other being a Social Impact Assessment (SIA). The combined ESIA assessment of a project is a process used to identify and evaluate the potential impacts on the environment and affected stakeholders of ongoing existing operations, or as part of a feasibility study for proposed developments of mineral properties. Further, the ESIA is a tool to assist the financial institutions, state authorities and the wider international community, in the evaluation of environmental and social related factors.

The objective of this EIA report is to provide an assessment of the Sekisovskoye gold mine in Eastern Kazakhstan. The mine has been operational since 2007, and the EIA is both retrospective and predictive in its assessment, is considers the current operational conditions and impacts since the commencement of operations, as well as potential impacts associated with a proposed move from open pit to underground mining at the operation.

During 2013 and the period to the date of this report the operation has not reported any significant (reportable) environmental incidents. A review of the historic environmental monitoring has indicated that all environmental discharges have been in compliance within the Kazakh specified limits, and the mine reports these to the authorities on a quarterly basis.

Tailings Dam

As of January 2014 13 out of 19 planned environmental recovery activities which were agreed with the environmental agency had been completed to the satisfaction of the Kazakhstan authorities as confirmed by an independent expert confirmation on the 3 February 2014.

The remaining six planned recovery procedures are to be completed in 2014 and costs have been set aside of $330,000 in order to meet these obligations. Further details are given in note 9 page 32 in relation to the Tailings dam provisions.

Our community

During the past year, we have continued to support our local communities in a number of ways. We have continued to carry out winter maintenance to the roads of Sekisovskoye under the terms of our community agreements; supplied materials to local farmers as last year, and have been participated in local initiatives.

Similar to last year the work is continuing on the following: commissioning a new, improved and expanded drinking water reticulation system to the village of Sekisovskoye; a village clean-up programme; anti-fungicide treatment of all local trees; and provision of a garbage truck and bins.

With the planned continuing development of the mining activities in the region, and the planned development of the underground workings together with application to acquire the mining rights at Karasuyskoye, the Group are looking to build a long a mutually beneficial relationship with the local community. And the recent initiatives and projects undertaken have gone a long way to repair the relationship that was tainted by the Tailings dam leak.

Sekisovskoye open pit and underground workings

1 Location of the Sekiskoye Mine and the adjoining Karasuyskoye Gold Fields.

2 Twin Boom Drill Rig (Jumbo)
Used to develop haulage drives and access to the ore bodies.

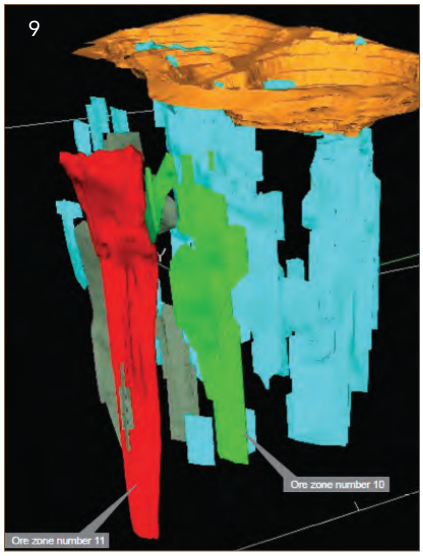
3 Underground Loader
Used to extract the blasted waste rock and gold bearing ore that is transported to the surface for processing.

4 The Crushing Station
The first stage of processing the mined gold ore.

5 Screening Plant
Used to sort gold ore that is sufficiently small to be introduced into the ball mill for fine grinding and gold ore that is oversize and needs further crushing to reduce its size.

6 Carbon In Leach Vats
where the finely ground ore from the ball mill goes into agitated solution tanks of cyanide. Here the tiny gold particles combine with cyanide and are captured by carbon for further processing.

Sekisovskoye open pit and underground workings



7 Pouring the gold and silver dore
After processing the gold, 'electro-winning' and then finally smelting, the gold/silver dore is produced ready for final refining offsite.

8 Onsite Assay Laboratory
Assaying to determine gold grades are key part of the process to manage mining grades, processing performance and exploration drilling results.

9 Underground Orebodies
Diagrammatic view of the underground orebodies that will be mined in the future located below the current open pit mine.

10 Stored Diamond Drilling Core
During 2013 an extensive diamond drilling exploration program was completed to help define the resource and reserves in the planned underground mine.

Directors

1 Kanat Assauybayev
Chairman
Dr Kanat Shaikhanovich Assaubayev was appointed as Chairman of the Board of GoldBridges Global Resources plc, with effect from 23 October 2013. He is one of Kazakhstan's leading entrepreneurs with a wealth of experience in natural resources. The first Kazakh to get a doctorate in metallurgy, Dr Assaubayev's early career was in academia where he rose to become Chairman of the Metallurgy and Mining Department of Kazakh National Polytechnic University. He began his business career in the 1990s and has led a number of natural resources enterprises to national and international success.

2 Aidar Assaubayev
Chief Executive
Aidar Assaubayev is an Executive Director of AltynGroup Kazakhstan LLP. He was formerly Executive Vice Chairman of KazakhGold Limited, and formerly Vice President and a Board member of JSC MMC Kazakhaltyn, and other gold exploration and development companies. Aidar has completed over US$1 billion in IPO and M&A transactions in recent years.

3 Ashar Qureshi
Non-Executive Director
Ashar Qureshi is a U.S. qualified lawyer who was previously a partner with the international law firm Cleary Gottlieb Steen & Hamilton LLP, where he was based first in the New York office and later in the London office where he helped establish the firm's emerging markets presence. More recently, he was the Vice Chairman of Renaissance Group where he had a senior investment banking role and is currently Executive Vice Chairman of Luminaire Films, a Director of Hanson Asset Management Limited and a partner of Naya Capital Management LLP. Ashar Qureshi was educated at Harvard Law School and Harvard College and holds a Juris Doctorate.

4 William Trew
Non-Executive Director
William Trew has over 32 years experience in the engineering and mining industry and is a registered professional Engineer with the Engineering Council of South Africa. He has served as a Director of a number of mining companies, both public and private, and he brings a wealth of experience to the Board. He holds a B.Eng. (Mech.) Hon. from the University of Wales Institute Science and Technology, and an M.Eng. from Rand Afrikaans University, Johannesburg.

5 Ken Crichton
Non-Executive Director
Ken is a Mining Engineer with over 27 years experience in the mining industry, half of which was spent working in developing countries and a considerable part in active mine production roles. He worked for 15 years with BHP Billiton in both Australia and Indonesia and, for four and a half years worked with the Leighton Holdings Group of Companies, a leading construction and mining contractor in Papua New Guinea and Australia. Mr. Crichton was involved in the Management of a number of large mining contracts with clients such as Lihir Gold, Macarthur Coal and BHP Billiton. He currently serves as the Chief Executive Officer of Sahara Gold and ASCOM Precious Metals.

6 Alain Balian
Non-Executive Director
Alain is a former Deputy Governor of the Central Bank of Lebanon where he was also a member of the governing Board. Besides monetary policy and regulations of the financial sector in Lebanon, his managerial responsibilities included the bank's financial reporting and the national financial system clearing operations. His earlier experiences with Kleinwort Wasserstein, ABN Amro Corporate Finance, and Lebanon Invest in Mergers & Acquisitions, Corporate Finance, and Private Equity cover several industries in North America, Europe and the Middle East. The total value of transactions on which Alain has worked exceeds US$80 billion.

Directors' report and financial statements

Directors' report

The Directors present their annual report together with the audited financial statements on pages 18 to 24.

Principal activities and business review

The principal activity of the Company is that of a holding company and a provider of support and management services to its operating subsidiaries. Together with its subsidiaries it is involved in the production of gold dore from the Sekisovskoye gold and silver deposits, and the development of further suitable investment opportunities. The company changed its name to GoldBridges Global Resources Plc on 13 January 2014.

A review of the activities of the business throughout the year and up to 6 June 2014 is set out in the strategic report on pages 3 to 7 which includes information on the Group's risks, uncertainties and performance indicators. The Group accounts are prepared on a going concern basis. However, reference should be made to factors affecting the ability of the Group to continue trading as noted on page 25 (note 2).

Results and dividends

The Group profit for the year after taxation amounts to US$1,527,000 (2012 loss of US$22,143,000). The results of the year are set out on page 18 in the Statement of profit and loss.

The Directors do not recommend the payment of a dividend for the year (2012:nil).

Share capital

Details of the Company's issued share capital, together with the movements for the years ended 31 December 2012 and 2013 are set out in note 26. Further details in relation to shares issued after the year end are given in the subsequent events note 30. The Company has one class of ordinary share and they carry no right to fixed income. Each ordinary share carries the right to one vote at general meetings of the Company. All issued ordinary shares are fully paid. There are no specific restrictions on the size of the holding or on the transfer of the ordinary shares, which are both governed by the general provisions of the articles of association and prevailing legislation. The Directors are not aware of any agreements between holders of the Company's ordinary shares that may result in restrictions on the transfer of securities or on voting rights.

Certain Directors have an interest in the ordinary shares in the Company and these are disclosed in the related party note 22 on page 38. No share options or warrants are currently in issue as at the date of this report.

Donations

The Group has made no charitable or political donations during the year, (2012: Nil).

Qualifying indemnity provision

The Company has entered into an insurance policy to indemnify the directors of the Company against any liability when acting for the Company.

Future development and availability of project finance

The Group is continuing its gold production from its open pit and underground operations at Sekisovskoye, the open pit operations were due to finish operating in 2015. However after a re-appraisal of the resource the open pit workings are now set to carry on until 2017. The underground operations recommenced in June 2013 and have been operating successfully throughout 2013. The ore has been mined through the deeping of the transport decline giving access to ore bodies #11 and #3, further details of works undertaken are given in the strategic report.

As part of the strategic plan the Group are planning to build two underground shafts in order to exploit the underground resource in a more cost effective manner. The project is due to commence in 2015, at present the detailed planning is being undertaken.

On 10 January 2014 and 28 February 2014 the Company completed two successful share placings raising gross proceeds of £13.89m (equivalent to US$23m). This provides additional working capital to the Group and also provides the initial capital required to progress the capital enhancement plans of the Group.

The Directors anticipate that, whilst the Group may seek to raise further finance in the future, it now has access to sufficient funding for its immediate needs. The Group expects to have sufficient cash flow from its forecast production to finance its ongoing operational requirements and to, at least in part, fund the future capital requirements of the

Directors' report

Group. The Directors are confident that further sources of funding can be acquired in the timescales required to meet the future funding requirements as necessary.

On this basis the Directors have therefore concluded that it is appropriate to prepare the financial statements on a going concern basis.

Directors

The following directors served during the year and up to 19 June 2014.

Kanat Assaubayev	Chairman, appointed 23 October 2013
Aidar Assaubayev	Chief executive officer 25 February 2013
Ashar Qureshi	Non-executive director
William Trew	Non-executive director, appointed 20 February 2013
Ken Crichton	Non-executive director, appointed 23 October 2013
Alain Balian	Non-executive director, appointed 23 October 2013
Timothy Daffern	Executive director, resigned 20 February 2013

Alain Balian, Ken Crichton and Kanat Assaubayev will offer themselves for re-election at the next annual general meeting.

Amounts paid by the Group in respect of Directors' services.

	Basic US$	Termination US$	Health Insurance $ US$	2013 Total US$	2012 Total US$
Executive Directors					
Kanat Assaubayev	–	–	–	–	–
Aidar Assaubayev	–	–	–	–	–
Timothy Daffern (i)	69,255	114,188	16,638	200,082	626,384
Baurzhan Yerkeyev	–	–	–	–	250,971
Non-executive directors					
Ashar Qureshi	45,029	–	–	45,029	–
William Trew	36,324	–		36,324	–
Ken Crichton	7,974	–		7,974	–
Alain Balian	7,974	–		7,974	–
Nicholas Bridgen	–	11,869	–	11,869	55,861
George Eccles	–	–	–	–	120,521
Jeffrey O'leary	–	–	–	–	7,025
Sandra Franca	–	–	–	–	49,126
Total	166,555	126,058	16,638	309,250	1,109,888

(i) Included in the amount paid to Timothy Daffern in 2012 is an amount of US$307,432 payable on a change of control of the Group.

Employee consultation

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on relevant matters affecting the performance of the Group. This is mainly achieved through informal meetings which the Directors believe is the most appropriate method given the current number of Group employees.

Listing

The Company's ordinary shares have been traded on London's Alternative Investment Market (AIM) since 10 June 2004. Strand Hanson Limited are the Company's Nominated Advisor and Joint Broker. The closing mid-market share price at 31 December 2013 was US$0.03 (2.20p) (31 December 2012: US$0.03: 2.20p).

Relations with shareholders

Communications with shareholders are considered important by the Directors. The Directors regularly speak to investors and analysts during the year. Press releases have been issued throughout the year; a website www.goldbridgesplc.com is regularly updated and contains a wide range of information about the Group.

Directors' report

Financial risk management

The Group does not enter into any derivative transactions, and it is the Group's policy that no such trading in such financial instruments shall be undertaken. The main risks arising from the Group's financial instruments are liquidity risk, credit risk, foreign exchange risk and interest rate risk. Further details are provided in note 28 of the Group financial statements.

Website publication

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors responsibility also extends to the ongoing integrity of the financial statements contained therein.

Corporate governance

The Directors are aware of the UK Corporate Governance Code ("the Code") (formerly the Combined Code), the new edition of which was published by the UK Financial Reporting Council in September 2012 and is applicable to all premium listed companies on the London Stock Exchange. As a company which is listed on AIM, the Company is not required to comply with the Code, but the Company has adopted certain Corporate Governance procedures which the Directors believe demonstrate good Corporate Governance for the size of the Group.

Board composition and committees

The Directors who served during the year are shown on page 14.

The Directors have responsibility for the overall corporate governance of the Group and recognise the need for the highest standards of behaviour and accountability. The Directors are committed to the principles underlying best practice in corporate governance and intend to comply with the principles of the UK Corporate Governance Code in such respects as they consider appropriate for a company of its size and nature. The Board has a wide range of experience directly relevant to the Group and its activities and its structure ensures that no one individual or group dominates the decision making. At each annual general meeting, one third of the Directors must retire by rotation, whereupon they can offer themselves for re-election if eligible. In 2013, all three directors, being newly appointed will offer themselves for re-election.

The Company has established an audit committee.

The Audit Committee is responsible for ensuring that the financial performance of the group is properly reported on and monitored, considering and setting appropriate accounting policies and reviewing the Auditors Report. The Audit Committee comprises two non-executive directors who are considered to be independent.

Internal controls

The Board acknowledges that it is responsible for establishing and maintaining the Group's system of internal controls and for reviewing its effectiveness. The procedures which include, inter alia, financial, operational and compliance matters and risk Management are reviewed on an ongoing basis. The internal control system can only provide reasonable and not absolute assurance against material misstatement or loss. The Directors do not believe an internal audit function is practicable for a Company of this size.

Subsequent events

Details of events after the end of the financial year are set out in note 30 on page 46 of the financial statements.

Auditor

All of the current Directors have taken all of the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purpose of their audit and to establish that the auditors are aware of this information. The Directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed in the forthcoming annual general meeting.

Directors' report

Statement of Directors' responsibilities

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare such financial statements for each financial year. Under that law the Directors have elected to prepare Group and Company financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union. Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period. The Directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for Companies trading securities on the Alternative Investment Market. In preparing these financial statements the Directors are required to:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance and;
- make an assessment of the Company's ability to continue as a going concern and;
- make judgements and accounting estimates that are reasonable and prudent.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

On behalf of the Board

Aidar Assaubayev
Chief Executive Officer

19 June 2014

Independent auditor's report to the members of GoldBridges Global Resources plc

We have audited the financial statements of GoldBridges Global Resources Plc (formerly Hambledon Mining Plc) for the year ended 31 December 2013 which comprise the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of financial position, the Company statement of financial position, the consolidated statement of changes in equity, the Company statement of changes in equity, the consolidated statement of cash flows, the Company statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditors

As explained more fully in the statement of Directors' responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and the parent Company's affairs as at 31 December 2013 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent Company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter – Carrying value of intangible assets

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures in notes 4 and 14 to the financial statements concerning the outcome of the licence tendering process at Karasuyskoye field. During the year, the Group acquired the geological data at Karasuyskoye for US$27.5 million and has applied for but not yet been granted a mining licence over this area. In the event that the licence is granted to another party, the Group would need to negotiate the sale of the data to the successful applicant which may be at a lower value than the carrying value. The ultimate outcome of this matter cannot be presently determined.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic and Directors' reports for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Scott Knight (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom
19 June 2014

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated statement of profit or loss
year ended 31 December 2013

	Notes	2013 US$000	Reclassified 2012 US$000
Revenue	5	42,395	38,913
Cost of sales		(32,076)	(30,519)
Impairment of inventory	18	–	(5,638)
Gross profit		10,319	2,756
Administrative expenses		(16,475)	(9,464)
Impairment – Akmola investment		–	(3,553)
Tailings dam leak	9	9,252	(10,261)
Operating profit/(loss)		3,096	(20,522)
Finance income	10	1	244
Foreign exchange loss	10	(413)	(240)
Finance expense	10	(1,515)	(885)
Profit/(loss) before taxation	11	1,169	(21,403)
Taxation credit/(charge)	12	358	(740)
Profit/(loss) attributable to equity holders of the parent		1,527	(22,143)
Profit/(loss) per ordinary share	13		
Basic & Diluted		0.15c	(2.36)c

Consolidated statement of profit or loss and other comprehensive income
year ended 31 December 2013

	2013 US$000	2012 US$000
Profit/(loss) for the year	1,527	(22,143)
Currency translation differences arising on translations of foreign operations items which will or may be reclassified to profit or loss	(763)	(1,257)
Total comprehensive income/(loss) attributable to equity holders of the parent	764	(23,400)

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

Consolidated statement of financial position
year ended 31 December 2013

Company number 5048549	Notes	2013 US$000	2012 US$000
Non-current assets			
Intangible assets	14	27,157	–
Property, plant and equipment	16	44,357	40,814
Trade and other receivables	19	381	421
Deferred tax asset	25	1,145	556
Restricted cash	23	301	384
		73,341	42,175
Current assets			
Inventories	18	9,354	13,379
Trade and other receivables	19	5,446	4,288
Cash and cash equivalents		2,067	2,504
		16,867	20,171
Total Assets		90,208	62,346
Current Liabilities			
Trade and other payables	20	(11,512)	(3,762)
Other financial liabilities	21	(239)	(229)
Current tax payable		(558)	(332)
Provisions	23	(647)	(10,774)
Borrowings	24	(894)	(10,065)
		(13,850)	(25,162)
Net current assets/liabilities		3,017	(4,991)
Non-current liabilities			
Other financial liabilities	21	(1,287)	(1,333)
Provisions	23	(6,705)	(6,549)
Borrowings	24	(10,000)	–
		(17,992)	(7,882)
Total liabilities		(31,842)	(33,044)
Net assets		58,366	29,302
Equity			
Share capital	26	2,635	1,684
Share premium		115,594	88,245
Merger reserve		(282)	(282)
Currency translation reserve		(8,841)	(8,078)
Accumulated losses		(50,740)	(52,267)
Total equity		58,366	29,302

The financial statements were approved by the Board of Directors on 19 June 2014 and signed on its behalf by

Aidar Assaubayev
Chief Executive Officer

The accompanying notes are an integral part of these consolidated financial statements.

Company statement of financial position
31 December 2013

Company number 5048549	Notes	2013 US$000	Restated 2012 US$000	Restated 2011 US$000
Non current assets				
Property, plant and equipment	15	73	–	569
Investments	17	251	246	769
Loans to subsidiaries	17	54,850	27,137	60,478
		55,174	27,383	61,816
Current assets				
Other receivables	19	48	327	3,237
Cash and cash equivalents		12	1,764	1,382
		60	2,091	4,619
Total assets		55,234	29,474	66,435
Current liabilities				
Trade and other payables	20	(1,409)	(323)	(565)
Net current assets		(1,349)	1,768	4,054
Net assets		53,825	29,151	65,870
Equity				
Share capital	26	2,635	1,684	1,310
Share premium		115,594	88,245	76,914
Currency translation reserve		(7,387)	(8,353)	(11,352)
Accumulated losses		(57,017)	(52,425)	(1,002)
Total equity		53,825	29,151	65,870

The financial statements were approved by the Board of Directors on 19 June 2014 and signed on its behalf by

Aidar Assaubayev
Chief Executive Officer

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity
year ended 31 December 2013

	Share Capital US$000	Share Premium US$000	Merger Reserve US$000	Other Reserves US$000	Currency Translation Reserve US$000	Accumulated Losses US$000	Total US$000
1 January 2012	1,310	76,914	(282)	535	(6,821)	(30,659)	40,997
Loss for the year	–	–	–	–	–	(22,143)	(22,143)
Other comprehensive loss	–	–	–	–	(1,257)	–	(1,257)
Total comprehensive loss	–	–	–	–	(1,257)	(22,143)	(23,400)
Lapsed share options	–	–	–	(535)	–	535	–
Shares issued (note 26)	374	11,862	–	–	–	–	12,236
Issue costs	–	(531)	–	–	–	–	(531)
31 December 2012	1,684	88,245	(282)	–	(8,078)	(52,267)	29,302
Profit for the year	–	–	–	–	–	1,527	1,527
Other comprehensive loss	–	–	–	–	(763)	–	(763)
Total comprehensive loss	–	–	–	–	(763)	1,527	764
Shares issued on conversion of loan notes (note 26)	951	27,590	–	–	–	–	28,541
Issue costs	–	(241)	–	–	–	–	(241)
31 December 2013	2,635	115,594	(282)	–	(8,841)	(50,740)	58,366

The accompanying notes are an integral part of these consolidated financial statements.

Reserve	Description
Share Capital	Amount of the contributions made by shareholders in return for the issue of shares.
Share Premium	Amount subscribed for share capital in excess of nominal value.
Merger Reserve	Reserve created on application of merger accounting under a previous GAAP.
Currency Translation Reserve	Gains/losses arising on re-translating the net assets of overseas operations into US Dollars.
Other reserves	Fair value of share options granted net of amounts transferred to retained earnings on exercise or lapse of the options.
Accumulated losses	Cumulative net gains and losses recognised in the consolidated statement of financial position.

Company statement of changes in equity
year ended 31 December 2013

	Notes	Share Capital US$000	Share Premium US$000	Currency Translation Reserve US$000	Accumulated losses US$000	Total US$000
1 January 2012 (Restated)		1,310	76,914	(11,352)	(1,002)	65,870
Loss for the year		–	–	–	(51,423)	(51,423)
Other comprehensive income				2,999	–	2,999
Total comprehensive loss		–	–	2,999	(51,425)	(48,424)
Shares issued (Note 26)	11	374	11,862	–	–	12,236
Issue costs	11	–	(531)	–	–	(531)
31 December 2012 (Restated)		1,684	88,245	(8,353)	(52,425)	29,151
Loss for the year		–	–	–	(4,592)	(4,592)
Other comprehensive income		–	–	966	–	966
Total comprehensive loss		–	–	966	(4,592)	3,626
Shares issued on conversion of loan notes (Note 26)	11	951	27,590	–	–	28,541
Issue costs			(241)			(241)
31 December 2013		2,635	115,594	(7,387)	(57,017)	53,825

The accompanying notes are an integral part of these company financial statements.

Reserve	Description
Share Capital	Amount of the contributions made by shareholders in return for the issue of shares.
Share Premium	Amount subscribed for share capital in excess of nominal value.
Currency Translation Reserve	Gains/losses arising on re-translating the net assets of overseas operations into US Dollars.
Accumulated losses	Cumulative net gains and losses recognised in the consolidated statement of financial position.

Consolidated statement of cashflows
year ended 31 December 2013

	Notes	2013 US$000	2012 US$000
Net cash inflow/(outflow) from operating activities	27	7,304	(9,941)
Investing activities			
Interest received		1	31
Proceeds on disposal of property, plant and equipment		–	416
Purchase of property, plant and equipment		(7,471)	(10,469)
Akmola Gold advances and prepayment fees		–	(656)
Proceeds from Ognevka liquidation		–	1,500
Restricted cash		–	(145)
Net cash used in investing activities		(7,470)	(9,323)
Financing activities			
Proceeds on issue of shares		–	12,236
Issue costs		(241)	(531)
Drawdown of bank loans	24	–	10,065
Loan from related party		894	–
Interest paid		(924)	(765)
Repayment of bank loans		–	(1,000)
Net cash inflow from financing activities		(271)	20,005
Increase in cash and cash equivalents		(437)	741
Cash and cash equivalents at beginning of the year		2,504	1,763
Cash and cash equivalents at end of the year		2,067	2,504

The accompanying notes are an integral part of these consolidated financial statements.

Company statement of cashflows
year ended 31 December 2013

	Notes	2013 US$000	2012 US$000
Net cash outflow from operating activities	27	(1,888)	(3,612)
Investing activities			
Purchase of property, plant and equipment		(85)	–
Akmola Gold advances and prepayment of fees		–	(656)
Proceeds from Ognevka liquidation		–	1,500
Net receipts/(loans) to subsidiaries interest received		462	(8,617)
Net cash used in investing activities		377	(7,773)
Financing activities			
Proceeds on issue of shares		–	12,236
Expenses on issue of shares		(241)	(531)
Net cash inflow from financing activities		(241)	11,705
Increase/(Decrease) in cash and cash equivalents		(1,752)	320
Cash and cash equivalents at beginning of the year		1,764	1,444
Cash and cash equivalents at the end of the year		12	1,764

The accompanying notes are integral part of these company financial statements.

Notes to the Group financial statements
year ended 31 December 2013

1 General information

GoldBridges Global Resources Plc (the "Company") is a Company incorporated in England and Wales under the Companies Act 2006. In January 2014 the Company changed its name from Hambledon Mining PLC to Goldbridges Global Resources PLC. The address of its registered office, and place of business of the Company and the subsidiaries (the "Group") is set out within the Company information on page 49 of this annual report. The principal activities of the Group and Company are set out on page 13 and, the strategic review within this annual report.

2 Basis of preparation

The annual report is for the year ended 31 December 2013 and includes the consolidated and parent company financial statements prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union. The financial statements have been prepared using accounting policies set out in notes 3 and 4 which are consistent with all applicable IFRSs and with those parts of the Companies Act 2006 applicable to companies reporting under IFRSs. For these purposes, IFRSs comprises the standards issued by the International Accounting Standards Board and interpretations issued by the International Financial Reporting Interpretations Committee that have been endorsed by the European Union. The financial statements have been prepared under the historical cost convention and on a going concern basis.

Restatement

The Directors have elected to present for the first time the Company's financial statements in US Dollars in order to make them comparable to the Group financial statements and the financial statements of its peers. This is a change from prior years when the financial statements were presented in Pound Sterling. The change represents a change in accounting policy and has been applied retrospectively.

Re-classification

The comparative figures within statement of consolidated profit or loss between cost of sales and administrative expenses have been re-analysed as the Directors are of the opinion that this gives a fairer and more comparable presentation of the results.

The preparation of the financial statements in compliance with adopted IFRSs requires the use of certain critical accounting estimates. It also requires the Group's management to exercise judgement in applying the Group's and Company's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements and their effect are disclosed in note 4.

The Company has taken advantage of section 408 of the Companies Act 2006 and has not included its own profit and loss account in these financial statements. The parent Company's loss for the year was US$4,592,000 (2012: US$51,423,000).

Going Concern

The Group's operations are cash generative and the current cash position is sufficient to cover ongoing operating and administrative expenditure for the next 12 months.

As part of the strategic plan the Group are planning to build two underground shafts in order to exploit the underground resources in a more cost effective approach. The project is due to commence in 2015, and at present the detailed planning is being undertaken.

On 10 January 2014 and 28 February 2014 the Company completed two successful share placings raising gross proceeds of US$23 million (£13.89 million). This provides additional working capital to the Group and also provides the initial capital required to progress the Group's capital enhancement plans.

The Directors anticipate that whilst the Group may seek to raise further finance in the future, it now has access to sufficient funding for its immediate needs. The Group expects to have sufficient cash flow from its forecast production to finance its ongoing operational requirements and to, at least in part, fund the future capital requirements of the Group.

On this basis the Directors have therefore concluded that it is appropriate to prepare the financial statements on a going concern basis.

Notes to the Group financial statements
year ended 31 December 2013

3 Adoption of new and revised standards

A number of new standards and amendments to existing standards and interpretations were applicable from 1 January 2013. The adoption of these amendments did not have a material impact on the Group's financial statements for the year ended 31 December 2013.

The following standards and interpretations are not yet effective and have not been early adopted.

	Effective period commencing on or after
IFRS 10 – Consolidated Financial Statements	1 January 2014
IFRS 11 – Joint Arrangements	1 January 2014
IFRS 12 – Disclosure of Interests in other entities	1 January 2014
IAS 27 – Separate financial statements (Amendment 2011)	1 January 2014
IAS 28 – Investments in associates and joint ventures (Amendment 2011)	1 January 2014
IAS 32 – Offsetting financial assets and financial liabilities (Amendment)	1 January 2014
IAS 36 – Recoverable amounts disclosures for non-financial assets (Amendment)	1 January 2014
IAS 39 – Novation of derivatives and continuation of hedge accounting	1 January 2014
IFRS 9 – Financial Instruments	TBC
IAS 19 – Defined benefit plans: Employee contributions (Amendment)	1 January 2014*
IFRIC 21 – Interpretation of IAS 37 Provisions, Contingent Liabilities and Contingent Assets on the accounting for levies imposed by governments	1 January 2014*
Annual improvements to IFRSs – 2010-2012 Cycle	1 January 2014*
Annual improvements to IFRSs – 2011-2013 Cycle	1 January 2014*

* Not yet endorsed by the EU.

The Group is evaluating the impact of the above pronouncements but they are not expected to have a material impact on the Group's earnings or shareholders' funds.

4 Accounting policies

Basis of consolidation

The Group financial statements comprise the financial statements of the Company and all its subsidiary undertakings. All intra-Group transactions, balances, income and expenses are eliminated on consolidation. The results of subsidiaries acquired or disposed of are consolidated for the periods from or to the date on which control is passed. Control is achieved where the Company has the power to govern the financial and operating policies of an entity in which it has invested so as to obtain benefits from its activities. The acquisition of subsidiaries which meet the definition of a business are accounted for using the acquisition method of accounting for business combinations in accordance with IFRS3 'Business Combinations'.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts received for goods provided in the normal course of business, net of VAT and any other sales related taxes.

The Group's revenue is generated entirely from the sale of the gold and silver ("Precious Metal") content of gold doré. Gold doré is delivered to a precious metal refiner. Following its refining, the Precious Metal may be sold to the refiner, shipped to a third party customer or credited to the Group's precious metal accounts maintained with the refiner to await further instruction. The Group's contract with the refiner also allows the Group to sell a significant proportion of the estimated gold contained within the gold doré to the refiner two days after its delivery. Title of the Precious Metal only passes upon a sale instruction from the Group. Sales of Precious Metal are only recognised when the sale instruction has been given and title for the Precious Metal has accordingly been passed to the refiner or a third party.

The Company does not hedge or otherwise enter into any derivatives in respect of its sales of gold doré. Sales are recorded at the actual selling price of the gold doré which is based on current market prices.

Notes to the Group financial statements
year ended 31 December 2013

4 Accounting policies (continued)

Foreign currencies

The Group has presented its financial statements in United States Dollars (US$). The functional currency of the companies in Kazakhstan is the Kazakhstan Tenge ("KZT"). The functional currency of GoldBridges Global Resources Plc and Hambledon Mining Company Limited is Pound Sterling. The rates used to convert Pound Sterling and Kazakhstan Tenge into United States Dollar in these financial statements are as follows:

	2013		2012	
	Closing	Average	Closing	Average
US$ = £	1.68	1.57	1.62	1.58
US$ = KZT	154.35	152.57	150.74	149.11

Transactions denominated in currencies other than the functional currency of each respective entity are recorded at the rate of exchange prevailing at the date of the transaction. Monetary assets and liabilities are translated into the relevant functional currency at the closing rates of exchange at the reporting date. Exchange differences arising from the restatement of monetary assets and liabilities at the closing rate of exchange at the reporting date or from the settlement of monetary transactions at a rate different from that at which the asset or liability was recorded are dealt with through the statement of profit or loss.

The financial statements of all Group Companies are translated into United States Dollars whereby their statements of profit or loss are translated at the average rate of exchange for the year and their statements of financial position at the closing rate of exchange at the reporting date. Currency translation adjustments arising on the restatement of opening net assets, together with adjustments arising from the retranslation of intergroup long term foreign currency loans to subsidiaries, are recognised in reserves.

Intangible assets

Externally acquired intangible assets are initially recognised at cost and subsequently amortised on a straight-line basis over their expected economic life. In the Directors opinion, the expected economic life of Karasuyskoye geological data is 20 years and the amortisation is charged to administrative expenses.

Property, plant and equipment: mining properties and leases

Mining properties comprise previously capitalised exploration, evaluation and development expenditure incurred during the exploration and development stages of the Group's mining projects.

Other items of property, plant and equipment are initially recognised at cost. As well as the purchase price, cost include directly attributable costs and estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognised within provisions.

Assets under construction

No depreciation is applied to assets under construction, once the asset is complete it is transferred to the appropriate asset category and depreciated accordingly.

Depreciation

Depreciation of property, plant and equipment is calculated on a straight line or units of production basis, as appropriate. Assets are fully depreciated over their economic lives, or over the remaining life of the mine if shorter. Depreciation rates for the principal assets of the Group are as follows:

Buildings	8–10 per cent. per annum
Equipment, fixtures and fittings	10–40 per cent. per annum
Plant machinery and vehicles	7–30 per cent. per annum
Mining properties and leases	unit of production

Assets under construction are not depreciated.

Stripping costs

To obtain access to the ore in the open pit, it is necessary to first remove the non-ore bearing rock ("waste" or "overburden") covering the ore. This process is known as stripping.

Notes to the Group financial statements
year ended 31 December 2013

4 Accounting policies (continued)

Costs incurred in stripping in the development of the open pit before production commences are capitalised and included in the cost of developing the mine. They are subsequently amortised over the life of the pit on a unit of production basis. Stripping costs incurred after the open pit commences production are recognised as a component of inventory and included in cost of sales in the same period as the revenue from the sales of inventory is recognised. In line with IFRIC 20 any costs in excess of the normal stripping ratio are capitalised and written off over the life of the pit on a unit of production basis.

The mining plan for the Sekisovskoye open pit is based on a stripping ratio of 5:1. During the year ended 31 December 2013, the actual stripping ratio was 2.8:1 (2012: 4.5:1), no stripping asset has been recognised in the year (2012: Nil).

Impairment of property, plant and equipment

Property, plant and equipment are assessed for impairment at each reporting date when events or a change in circumstances suggest that the carrying amount of an asset may exceed the recoverable amount.

Where there has been an indication of a possible impairment, management assesses the recoverability of the carrying value of the asset by comparing it with the estimated discounted future net cash flows generated by the asset based on management's expectation of future production and selling prices. Any identified impairment is charged to the statement of profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount but such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Inventories

Inventories are valued at the lower of cost or net realisable value. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Spare parts and consumables	Purchase costs on a first in, first out basis
Ore stockpiles, work in progress and finished gold	Dependent on the current stage in the production cycle, the cost will reflect cost of direct materials, power, labour and a proportion of overhead, to bring the product to its current state.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for by using the balance sheet liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt within equity.

Notes to the Group financial statements
year ended 31 December 2013

4 Accounting policies (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Investments and loans to subsidiaries

Investment in subsidiaries are included at cost less amounts written off. Loans to subsidiaries are initially recognised at fair value and subsequently measured at amortised cost.

Financial Instruments

Financial Assets

The Group classifies its financial assets only as loans and receivables. These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (trade receivables), but also incorporate other types of contractual monetary assets (other receivables). They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised costs using effective interest rate method, less provision for impairment.

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the asset have been impacted.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and demand deposits, and other short-term highly liquid investments with original maturities of less than three months and which are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value; for the purposes of statement of cash flows, cash and cash equivalents also include bank overdrafts.

Financial liabilities

The Group classifies its financial liabilities into one of the following categories according to the substance of the contractual arrangements entered into:

– Bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is charged at a constant rate on the balance of the liability carried in the statement of financial position. Interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is not settled;

– Liability components of convertible loan notes are measured as described further below;

– Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised costs using an effective interest method.

The Group does not have any financial liabilities measured at fair value through profit or loss and does not have any financial liabilities in qualifying hedging relationships.

Convertible Debt

The proceeds received on issue of the Group's convertible debt are allocated into their liability and equity components. The amount initially attributed to the debt component equals the discounted cash flows using a market rate of interest that would be payable on a similar debt instrument that does not include an option to convert. Subsequently, the debt component is accounted for as a financial liability measured at amortised cost until extinguished on conversion of maturity of the bond. The remainder of the proceeds is allocated to the conversion option and is recognised in other reserves within the shareholders' equity, net of income tax effects.

Borrowing Costs

Interest incurred on the bank loans used to fund the construction of the Group's mining assets or other assets used in mining operations is being capitalised as part of the asset's cost, net of interest received on cash drawn down yet to be expensed to the extent it can be directly attributed to the capital expenditure. The capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended uses are complete. No interest was capitalised in the year.

Notes to the Group financial statements
year ended 31 December 2013

4 Accounting policies (continued)

Share Capital

Financial instruments used by the Group are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

The Group's ordinary shares are classified as equity instruments and are recorded at proceeds received, net of direct issue costs.

Provision for commitments and contingencies

Provisions are recognised when the Group has a present obligation at the reporting date, which occurred as a result of a past event, and it is probable that the Group will be required to settle that obligation and the amount of the obligation can be reliably estimated.

Possible obligations that are less than probable, and commitments to make purchases and incur expenditure in future periods, are not recognised as provisions but are disclosed as commitments and contingencies.

Provision for site rehabilitation and decommissioning costs and the associated asset is recorded at the present value of the expected expenditure required to settle the Group's future obligations. Actual outcomes may vary. Details regarding the provision for site rehabilitation and decommissioning costs are set out in note 23 to the financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, the Directors have made judgments and estimates that may have a significant effect on the amount recognised in the financial statements. These include:

- Carrying value of property, plant and equipment, including estimates made in respect of reserves and resources, discount rate and future gold prices (note 16).
- Recoverability of inventories (note 18).
- Recoverability of expenditure incurred on the Akmola Gold transaction (note 19 and 31).
- Carrying value of provisions (note 23).
- Recognition of deferred taxation assets (note 25).
- Carrying value of intangible assets (note 14).

The valuation of the intangible asset is dependent upon the success of the licencing application as detailed in note 14. In the event the licence application is unsuccessful the Company would need to negotiate a settlement with a successful applicant to dispose the geological data which may potentially be at a value below the current carrying value.

5 Revenue

An analysis of the Group's revenue is as follows:

	2013 US$000	2012 US$000
Sale of gold and silver	42,395	38,913

Included in revenues from sale of gold and silver are revenues of US$42,395,000 (2012: US$38,769,000) which arose from sales to the Group's largest customer.

6 Segmental information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments and making strategic decision, has been identified as the Board of Directors.

The Board of Directors consider there to be only one operating segment, the exploration and development of mineral resources, and only one geographical segment, being Kazakhstan. Sales are made to a company based in Switzerland see note 5. Therefore, no additional segmental information is presented.

Notes to the Group financial statements
year ended 31 December 2013

7 Staff costs

The average monthly number of employees (includin\g executive directors) was:

	2013	2012
Production	515	581
Administration	196	71
	711	652

Their aggregate remuneration comprised:

	2013 $000	2012 $000
Directors' emoluments	309	1,109
Employee wages and salaries	8,743	6,851
Employer social tax and national insurance	781	626
	9,833	8,586

The emoluments paid in respect of the highest paid Director for the year to 31 December 2013 were US$200,082 (2012: US$626,384) including health insurance costs of US$16,638 and a termination payment of US$114,188. In total termination payments in the year were US$126,058 (2012: NIL). Further details are set out in the report on Directors' remuneration on page 14.

The Company currently does not operate a share option scheme. On 7 December 2012 the partial offer to acquire shares in GoldBridges Global Resources Plc by African Resources Limited became unconditional and in accordance with clause 5.2.3 of the Option Agreement any existing options and warrants not exercised lapsed. No share options or warrants were in issue or outstanding as at the date of this report. (2012: Nil). The Directors are considering the implementation of a scheme to incentivise and reward employees.

The key management personnel of the Group are considered to be the executive and non-executive Directors.

8 Pension Schemes

The Group does not currently operate any pension scheme for any of its employees or directors, the Directors are in process of establishing a scheme.

9 Tailings dam leak

A Provision was set up in order to provide for the cost associated with the Tailings Dam leak and an update is provided below:

	Provision b/f $000	Paid in 2013 $000	Change in Provision	Currency Translation	Provision c/Fwd
Environmental and social obligations	1,071	(771)	46	(16)	330
Fines and penalties	9,400	–	(9,298)	(102)	–
	10,471	(771)	(9,252)	(118)	330

Background

In 2011, tailings dam 3 utilised by a Group company in Sekisovskoye for its mining operations suffered an industrial water leak. This resulted in pollution of the environment principally to the Sekisovka river and its surrounding environment. It was estimated by an independent ecological company that the damage to the environment amounted to the equivalent of US$3.8m, (being 700,214,000 Tenge). A direct action plan was presented to the department responsible being, Irtysh Ecology Department of the Ministry of the Environment.

In addition the Group paid US$3.9 million in penalties in 2012 and completed substantially all the measures on environment rehabilitation to make good the local environment.

The Group is committed to the development of improved waste handling facilities to prevent a reoccurrence of the tailings dam incident the costs of which were already included in its infrastructure development plan.

Notes to the Group financial statements
year ended 31 December 2013

9 Tailings dam leak (continued)

As at January 2014, 13 out of 19 planned environmental recovery activities were completed, their total cost was US$5.3m (being 815,747,000 Tenge). The total cost of unfinished actions is US$330,000 (being 51,067,072 Tenge). This was confirmed by an independent expert, who further concluded that no further remedial action is required, subject to completion of the agreed plan.

In addition, during 2012 the Irtysh Ecology department of the Ministry of the Environment appealed through the courts and argued that a higher level of fines and obligations as currently imposed should be levied on the Company. This amounted to US$9.4M (being 1,429,000,000 Tenge). This was based on the argument that the environmental damage could not be directly measured and an indirect measure of calculating the damage should be used. This argument was rejected on appeal in March 2014 and as a consequence the fine was cancelled. Further details are provided on page 5 of the Strategic report.

As a result of the tailings dam leak, the Group has also contracted with the Government of the Republic of Kazakhstan to spend an additional US$4.1 million on the construction of a paste plant which is not included in the provision but is set out in note 29 – "Commitments and contingencies". Of this amount a total of US$266,937 has already been incurred prior to 31 December 2013. The Company has until the end of 2015 to fulfil this obligation.

10 Finance income and finance expense

	2013 US$000	2012 US$000
Finance Income		
Bank interest receivable	1	244
Foreign exchange loss		
Foreign exchange loss	(413)	(240)
Finance expense		
Interest payable on bank loan	(1,108)	(765)
Unwinding of discount on provisions and other financial liabilities	–	(120)
Interest payable on convertible bond	(407)	–
	(1,515)	(885)

11 Profit/loss before taxation

The profit/(loss) on ordinary activities before taxation is stated after charging:

	2013 US$000	2012 US$000
Staff costs (note 7)	9,833	8,586
Depreciation of tangible assets	5,224	4,580
Amortisation of intangible asset	343	–
Cost of inventories recognised as expense	17,277	15,375
Fees payable to the Company's auditors for the audit of the Company and Group financial statements	118	77
Fees payable to the auditors of the Company's subsidiaries pursuant to legislation	72	92

There were fees payable in the year ended 31 December 2013 of US$5,790 (2012: US$3,200) to the Company's auditors in respect of taxation advisory services and US$Nil (2012: US$31,700) in respect of other financial advice.

12 Taxation

	2013 US$000	2012 US$000
Current taxation	250	332
Deferred taxation (note 25)	(608)	408
Total taxation charge/(benefit)	(358)	740

The current taxation charge for the year ended 31 December 2013 arose in one of the Group's subsidiaries in Kazakhstan which recognised taxable profits for the year and had utilised all its brought forward tax losses from previous years.

Notes to the Group financial statements
year ended 31 December 2013

12 Taxation (continued)

A reconciliation between the accounting profit and the total taxation charge/(benefit) from continuing operations is as follows:

	2013 US$000	2012 US$000
Profit/(loss) before taxation	1,169	(21,403)
Profit/(loss) for the year multiplied by the standard rate of corporation tax of 23.25 per cent (2012: 24.5 per cent)	272	(5,244)
Expenses not deductible for tax purposes	2,541	2,590
Difference between depreciation and capital allowances	(572)	–
Tax losses not recognised	1,066	3,708
Income not subject to tax	(3,210)	–
Utilisation of tax losses and temporary differences not previously recognised	(327)	(195)
Effect of different tax rates of subsidiaries operating in other jurisdictions	(128)	(119)
Total (benefit)/charge	(358)	740

The taxation rate used for taxation on loss on ordinary activities is the standard rate for United Kingdom corporation tax, currently 23.25 per cent. (2012: 24.5 per cent.), being the average applicable rate for the parent Company in 2013. The rate applicable to the Group's subsidiaries in Kazakhstan is 20 per cent.

13 Loss per ordinary share

The calculation of basic and diluted earnings per share is based on profit for the financial year of US$1,527,000 (2012: loss of US$22,143,000).

The weighted average number of ordinary shares for calculating the basic profit/(loss) in 2013 and 2012 is shown below. There were no potential ordinary shares outstanding at the reporting date (2012: Nil) and as such the basic and diluted earnings per share are the same.

	2013	2012
Basic and diluted	1,003,707,088	938,491,844

14 Intangible Assets

	2013 US$000
Cost	
1 January 2013	–
Additions	27,500
31 December 2013	27,500
Amortisation	
1 January 2013	–
Charge	343
31 December 2013	343
31 December 2012	–
31 December 2013	27,157

The intangible assets relate to the historic geological information pertaining to the Karasuyskoye ore fields. The ore fields are located in close proximity to the current open pit and underground mining operations of Sekisovskoye. The consideration was satisfied by the issue of an unsecured convertible loan note of £17,250,000 by the GoldBridges Global Resources Plc to African Resources Limited who made the payment to Hydrogeology LLP to acquire the asset on behalf of the Group. The loan note was subsequently converted into ordinary shares in the company see note 26.

Notes to the Group financial statements
year ended 31 December 2013

14 Intangible Assets (continued)

The value of the geological data purchased is in the opinion of the Directors the value that would have been incurred if the drilling had been undertaken by a third party (or internally). They have taken a view that a 20 year write off is appropriate in relation to the absorption of the cost. The Group are in the process of obtaining the mining rights in relation to the area covered by the data.

However, the licencing tender process has not yet commenced and there is no guarantee that the licence will be granted. In the event the licence is not granted the Company would seek to negotiate a disposal of the asset to the successful licence applicant.

In addition to the cost capitalised significant expenses amounting to US$2.6m were incurred in relation to negotiating and securing the Karasuyskoye contract. These costs did not meet capitalisation criteria and were expensed as incurred.

15 Property, plant and equipment – Company

	Motor Vehicle US$000	Assets Under Construction US$000	Total US$000
Cost			
1 January 2012	–	569	569
Disposal	–	(569)	(569)
31 December 2012	–	–	–
Additions	85	–	85
Currency translation adjustment	5	–	5
31 December 2013	90	–	90
Accumulated depreciation			
1 January 2012	–	–	–
Disposals	–	–	–
31 December 2012	–	–	–
Charge for the year	16	–	16
Currency translation adjustment	1	–	1
31 December 2013	17	–	17
Net Book value			
January 2012	–	569	569
31 December 2012	–	–	–
31 December 2013	73	–	73

Notes to the Group financial statements
year ended 31 December 2013

16 Property, plant and equipment – Group

	Mining properties and leases US$000	Freehold land and buildings US$000	Equipment, fixtures and fittings US$000	Plant, machinery and vehicles US$000	Assets under construction US$000	Total US$000
Cost						
1 January 2012	6,241	12,802	1,379	17,629	14,759	52,810
Transfers	38	5,334	13,459	(10,667)	(8,164)	–
Additions	5,065	152	1,518	698	8,079	15,512
Disposals	(847)	(1,063)	(1,146)	(17)	(1,932)	(5,005)
Currency translation adjustment	(96)	(245)	(45)	(291)	(248)	(925)
1 January 2013	10,401	16,980	15,165	7,352	12,494	62,392
Additions	468	11	1,234	966	7,335	10,014
Disposals	–	(119)	(142)	(8)	(8)	(277)
Currency translation adjustment	(187)	(378)	(330)	(178)	(397)	(1,470)
31 December 2013	10,682	16,494	15,927	8,132	19,424	70,659
Accumulated depreciation						
1 January 2012	3,436	1,919	1,227	14,435	–	21,017
Charge for the year	345	1,049	2,753	433	–	4,580
Transfers/adjustments	92	1,009	7,664	(8,765)	–	–
Disposals	(847)	(1)	(1,277)	(1,592)	–	(3,717)
Currency translation adjustment	(43)	(39)	(32)	(188)	–	(302)
1 January 2013	2,983	3,937	10,335	4,323	–	21,578
Charge for the year	647	1,683	2,030	864	–	5,224
Disposals	–	(5)	(91)	(30)	–	(126)
Currency translation adjustment	(78)	(114)	(100)	(82)	–	(374)
31 December 2013	3,552	5,501	12,174	5,075	–	26,302
Net book value						
1 January 2012	2,805	10,883	152	3,194	14,759	31,793
31 December 2012	7,418	13,043	4,830	3,029	12,494	40,814
31 December 2013	7,130	10,993	3,753	3,057	19,424	44,357

The comparative cost and depreciation figures have been restated to adjust for assets that have been fully depreciated.

Capitalised cost of mining property and leases are amortised over the life of the licence from commencement of production on a unit of production basis. This basis uses the ratio of production in the period compared to the mineral reserves at the end of the period plus production in the period. Mineral reserves estimates are based on a number of underlying assumptions which are inherently uncertain. Mineral reserves estimates take into consideration estimates by independent geological consultants. However, the amount of mineral that will ultimately be recovered cannot be known until the end of the life of the mine. Any changes in reserve estimates are, for amortisation purposes, treated on a prospective basis. The recovery of the capitalised cost of the Group's property, plant and equipment is dependent on the development of the underground mine.

Under the terms of the loan agreement with the European Bank for Reconstruction and Development (EBRD), the Group has pledged certain assets as security for the loan that was entered into (see further details in note 24).

The Directors are required to consider whether the non-current assets comprising, mineral properties leases, plant and equipment have suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the choice of a discount rate in order to calculate the present value of the cash flows. The Directors have concluded that no adjustment is required for impairment.

Notes to the Group financial statements
year ended 31 December 2013

17 Subsidiaries

Name	Percentage held	Country of registration and operation
Directly held		
Hambledon Mining Company Limited	100	British Virgin Islands
TOO Altai Ken – Bayitu	100	Kazakhstan
Indirectly held		
TOO Gornorudnoe Predpriatie Sekisovskoye	100	Kazakhstan

The principal activity of all companies relates to gold mining and production with the exception of Hambledon Mining Company Limited which is an investment holding Company and is currently dormant.

Investments and loans to subsidiaries – Company

	Investments US$000	Loans to subsidiaries US$000
1 January 2012	769	63,329
Net Movement in Cash	–	8,617
Net Capital reduction in respect of share options (note 10)	(493)	–
Foreign exchange movement on loan to subsidiary	–	(911)
Impairment Loss	–	(43,898)
31 December 2012	246	27,137
Loan in relation to Karasuyskoye	–	27,500
Other movements	–	1,675
Received	–	(462)
Foreign exchange movement on loan to subsidiary	5	(1,000)
31 December 2013	251	54,850

The loans to subsidiaries are denominated in US$, interest free with no fixed date for repayment, and are traded as net investment on subsidiaries.

18 Inventories

	2013 US$000	2012 US$000
Spare parts and consumables	2,571	8,420
Work in progress	5,102	3,042
Finished goods	1,681	1,917
	9,354	13,379

The value of inventories above is stated after impairment for obsolescence and write downs to net realisable value in respect of spare parts and consumables of US$567,000 (2012: US$582,000) and being primarily ore stockpiles of US$20,000 (2012: US$5,638,000).

In 2012 non-current inventories were impaired as their grade at the current recovery rates of 0.56g/t was such that it would be uneconomical to process them.

The total cost of inventory recognised as expense is shown in note 11.

Notes to the Group financial statements
year ended 31 December 2013

19 Trade and other receivables

Non-current

	Company 2013 US$000	Company 2012 US$000	Company 2011 US$000	Group 2013 US$000	Group 2012 US$000
Other Prepayments	–	–	–	381	421

Current

Trade receivables	–	–	–	89	11
Akmola Gold – recoverable	2,000	2,000	2,913	2,000	2,000
– provision	(2,000)	(2,000)	–	(2,000)	(2,000)
VAT recoverable	436	219	–	2,843	2,417
Provision	(436)	–	–	(436)	–
Other receivables	–	–	263	213	67
Prepayments	48	108	61	2,737	1,793
	48	327	3,237	5,446	4,288

In 2012 the Company came to an agreement with Akmola Gold for the refund of amounts paid to them as advances and prepayments, as the original agreement signed between the parties was terminated. This resulted in a write off in 2012 of the original investment of US$1.7m, and a provision against the amount recoverable agreed between the parties to be US$2m. This amount was receivable in cash by 31 December 2013. Due to non payment of the amount on the due date, the Company pursued the action through the courts. This resulted in the Company obtaining a lien over the assets of Akmola. While directors are taking all reasonable actions to recover the amount the final outcome remains uncertain and therefore the receivable continues to be fully provided for (note 23).

Other prepayments included within non-current assets relate to advances for plant and equipment.

The trade receivables are stated at full carrying value and their ageing is less than 30 days old. The Directors consider that the carrying value of trade receivables approximates their fair value.

20 Trade and other payables

Current

	Company 2013 US$000	Company 2012 US$000	Company 2011 US$000	Group 2013 US$000	Group 2012 US$000
Trade creditors	675	235	450	7,030	2,790
Other payables and accruals	734	88	115	4,482	972
	1,409	323	565	11,512	3,762

Trade creditors and accruals principally comprise amounts outstanding for trade purchases of goods and services. The majority of the trade creditors relate to the Group's trading subsidiaries in Kazakhstan. For most suppliers, interest is not charged on these trade payables. The Group regularly reviews all outstanding payables to ensure they are paid within the appropriate timeframe.

The Directors consider that the carrying amount of trade payables approximates their fair value.

Notes to the Group financial statements
year ended 31 December 2013

21 Other financial liabilities

	2013 US$000	2012 US$000
Liability for historic cost	1,526	1,562
Current	239	229
Non-current	1,287	1,333
	1,526	1,562

The subsoil use contract (the "Contract"), under which TOO Sekisovskoye holds the exploration and mining rights to the Sekisovskoye deposit stipulates that it must pay a total of US$3,312,000 to the Kazakhstan Government for historic costs. From 1 January 2009, the balance of the historical costs is being paid on a quarterly basis with the final payment due on 21 December 2018.

The future historic costs have been discounted to their net present value. This discounted value has been capitalised within the cost of mining properties (note 15) and is amortised over the productive period. The unwinding of the discount is recognised through profit or loss.

22 Related party transactions
Remuneration of key management personnel

The remuneration of the Directors, who are the key management personnel of the Group, is set out below on page 14.

	2013 US$	2012 US$
Short term employee benefits	292,612	1,093,528
Other	16,638	16,360
	309,250	1,109,888
Social security costs	19,915	110,370
	329,165	1,220,258

During the year ended 31 December 2013, US$7,974 has been accrued to Ellenkay Gold Ltd for the provision of the services of Ken Crichton, who was appointed as a non executive Director in the year. This is included in the total remuneration of Ken Crichton for the year ended 31 December 2013 as set out in the report on Directors' remuneration on page 14.

During the year the following transactions were conducted with the companies controlled by the Assaubayev family:

- An interest free loan was made to the parent Company, by Amrita Investment Limited to pay certain creditors. This amounted to US$149,000. This was repaid after the year end.
- An amount of US$894,000 (138m Tenge) was paid by Asia Mining, for the purchase of transformers from Group Companies, as the assets are currently not held within the current stock base of the Group the amount has been treated as a loan from related parties.
- An amount of US$903,000 (140m Tenge) (2012: nil) was paid to Akltyn Group LLP for professional services, these services were utilised by the Group in 2014 and are carried forward within prepayments.
- The Company entered into a convertible bond with African Resources Limited in order to facilitate the purchase of the geological data for the Karasuskoye ore fields for an amount of £17,250,000 ($27,500,00). Further details are given in note 24.

Notes to the Group financial statements
year ended 31 December 2013

23 Provisions

	Tailings dam leak US$000	Abandonment and restoration US$000	Holiday pay US$000	Total US$000
1 January 2012	7,382	1,400	258	9,040
Addition	8,918	5,065	487	14,470
Unwinding of discount	–	120	–	120
Paid during the year	(5,565)	–	(436)	(6,001)
Currency translation adjustment	(264)	(36)	(6)	(306)
1 January 2013	10,471	6,549	303	17,323
Change in estimate of provision	(9,269)	–	–	(9,269)
Addition	–	–	21	21
Unwinding of discount	–	316	–	316
Paid during the year	(742)	–	–	(742)
Currency translation adjustment	(130)	(160)	(7)	(297)
31 December 2013	330	6,705	317	7,352
31 December 2012				
Current	10,471	–	303	10,774
Non-current	–	6,549	–	6,549
	10,471	6,549	303	17,323
31 December 2013				
Current	330	–	317	647
Non-current	–	6,705	–	6,705
	330	6,705	317	7,352

Tailings dam leak

Details in relation to the re-calculation of the provision are given in note 9 on page 32 of the financial statements.

Abandonment and restoration costs

In accordance with the provisions of the subsoil use contract (the "Contract"), TOO Sekisovskoye is liable for site restoration costs upon completion of production activities. It is not possible to predict accurately the amount which might ultimately be payable for site restoration as it includes assumptions such as inflation in Kazakhstan over the life of the Contract which are inherently uncertain. An estimate of the future cost of restoration has been discounted and a provision recognised. The discounted amount for cost of restoration has been capitalised as a tangible fixed assets (note 16) and will be amortised using the unit of production method over the life of the mine.

In accordance with the subsoil use agreement, TOO Sekisovskoye has established a cash fund to pay for the cost of restoration. The cash fund is maintained in a separate bank account in the name of TOO Sekisovskoye. TOO Sekisovskoye is required to contribute each year an amount equal to 1 per cent. of its operating expenses to this fund. Any transfers from the bank account require the authorisation of the Government of Kazakhstan. This fund will be used to pay for the costs of restoration as they become due. If the funds in the account are insufficient to pay for the costs, TOO Sekisovskoye will be required to pay any deficit. If there are funds surplus to those required for restoration these will be returned to TOO Sekisovskoye. At 31 December 2013 there was US$301,000 (being 46,401,000 Tenge (2012: US$384,000 – being 46,401,000 Tenge) on deposit in the bank account maintained for restoration costs.

Notes to the Group financial statements
year ended 31 December 2013

24 Borrowings
Secured borrowings at amortised cost

	2013 US$000	2012 US$000
Bank loan	10,000	10,065
Other loan	894	–
	10,894	10,065
Current	894	10,065
Non-current	10,000	–
	10,894	10,065

(a) In 2012, two of the Company's subsidiaries, Altai Ken-Bayitu LLP ("AKB") and Sekisovskoye LLP ("Sekisovskoye") entered into a loan agreement with the European Bank for Reconstruction and Development (EBRD). The principal terms of the loan are as follows:

- The loan is to AKB and Sekisovskoye, on a joint and several basis, and repayable in quarterly instalments between 10 January 2015 and 10 October 2017.
- Interest on drawn amounts will be charged at a rate of three months London Inter Bank Rate (LIBOR) plus seven per cent per annum. The effective interest rate in the period was 7.5% (2012: in the range from 7.5% to 7.8%).
- The Group has to comply with a number of financial and non-financial covenants as part of the loan agreement.

Interest of US$184,000 (2012:US$187,900) has been accrued and is included within other payables and accruals see note 20.

(b) A Convertible Loan Note in the amount of US$27.5m was issued on 4 October 2013 with a five year term, bearing interest at a rate equal to three months LIBOR plus seven per cent. (which accrued daily and was payable on redemption or, in shares, on conversion). The convertible loan was converted at a conversion price of 3 pence per share. Accordingly, upon full conversion of the Convertible Loan Notes, 583,648,617 New Ordinary Shares were issued by the Company to African Resources Limited to satisfy the outstanding principal amount of £17.25m (US$27.5m) and accrued interest (until midnight on 15 December 2013) of £259,459. The conversion price of 3 pence per share equates to a premium of 31.9 per cent. to the closing price of 2.275 pence on 13 December 2013.

(c) Other borrowings relate to advances from related parties on an unsecured interest free basis.

25 Deferred taxation
Deferred taxation asset/(liability)

	Taxation losses US$000	Accelerated taxation depreciation US$000	Other US$000	Total US$000
1 January 2012	532	68	378	978
(Charge)/Credit to income	(216)	100	(292)	(408)
Currency translation	(5)	(2)	(7)	(14)
1 January 2013	311	166	79	556
(Charge)/Credit to income	576	3	29	608
Currency translation	(14)	(3)	(2)	(19)
31 December 2013	873	166	106	1,145

Deferred tax and liabilities are off-set where they arise within one subsidiary in Kazakhstan.

Deferred tax assets are recognised when the Directors believe that sufficient taxable profits will be made against which the carried forward losses can be offset.

Notes to the Group financial statements
year ended 31 December 2013

25 Deferred taxation (continued)

Unrecognised deferred taxation asset

At the reporting date, the Parent Company has unprovided tax losses of US$2.54m (2012: US$1.53m) carried forward as the directors believe that there will be insufficient taxable profits in the future to offset the losses incurred.

Unutilised tax losses in Kazakhstan of US$873,000 (2012: US$311,000) are available to carry forward for a maximum of 10 years. The tax losses available to carry forward expire as follows: US$570,000 in 2023 and US$120,000 in 2022, US$183,000 in 2021.

26 Share capital

Issued and fully paid

	Number	US$000
1 January 2012	743,419,106	1,310
Issued during the year		
Share placement	236,302,407	374
At 31 December 2012 and 1 January 2013	979,721,513	1,684
Issued during the year		
Conversion of convertible loan notes	583,648,617	951
31 December 2013	1,563,370,130	2,635

On 16 December 2013, the Company issued 583,648,617 new ordinary shares of 0.1 pence each to African Resources Limited in connection with the conversion of the unsecured convertible loan notes of £17.25m (US$27.5m) and to account for the accrued interest of £259,459 (note 24). The loan notes were originally issued to African Resources Limited as part of the Karasuyskoye Ore Fields transaction see note 14.

Notes to the Group financial statements
year ended 31 December 2013

27 Notes to the cash flow statement

Net cash inflow from operating activities

	Company		Group	
	2013 US$000	2012 US$000	2013 US$000	2012 US$000
Loss before taxation	(4,592)	(51,423)	1,169	(21,403)
Adjusted for:	–	–	–	–
Finance income	–	–	(1)	(244)
Finance expense	–	–	1,515	885
Depreciation of tangible fixed assets	16	–	5,224	4,580
Amortisation of intangibles	–	–	343	–
Movement in pro	436	47,724	(9,252)	9,292
Decrease/(Increase) in inventories	–	–	4,025	(2,145)
(Increase)/Decrease in trade and other receivables	(281)	(2,505)	(1,594)	1,201
(Increase)/Decrease in other financial liabilities	–	–	(36)	(1,554)
Increase/(Decrease) in trade and other payables	1,086	(180)	5,208	(567)
Loss on disposal of property, plant and equipment	–	–	151	872
Impairment of tangible assets	–	2,782	–	–
Foreign currency translation	1,447	(10)	576	(541)
Cash inflow from operations	(1,888)	(3,612)	7,328	(9,624)
Income taxes paid	–	–	(24)	(317)
	(1,888)	(3,612)	7,304	(9,941)

28 Financial instruments

Policy on financial risk management

The Group's principal financial instruments comprise cash and cash equivalents, trade receivables, trade and other payables, provisions, other financial liabilities and borrowings. The Group's accounting policies and methods adopted, including the criteria for recognition, the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are set out in note 4 – "accounting policies". The Group does not use financial instruments for speculative purposes. The carrying value of all financial assets and liabilities approximates to their fair value.

Capital risk management

The Group was financed by equity and debt in the years ended 31 December 2012 and 2013. It is the intention of the Directors that the Group should continue to be financed by a mixture of debt and equity as appropriate to maintain a robust financial position to support its business and maximise shareholders value. In the year ended 31 December 2013 the Group entered into a convertible loan note that was subsequently converted to equity to finance the purchase of the geological data for an amount of US$27.5m (note 24). Equity of US$23m was raised gross of expenses after the year end (note 31).

Derivatives, financial instruments and risk management

The Group does not use derivative instruments or other financial instruments to manage its exposure to fluctuations in foreign currency exchange rates, interest rates and commodity prices.

Notes to the Group financial statements
year ended 31 December 2013

28 Financial instruments (continued)

Foreign currency risk management

The Group has transactional currency exposures. Such exposures arise from sales or purchases by its two subsidiaries in Kazakhstan in currencies other than the Company's functional currency. The functional currency of TOO Altai Ken-Bayitu and TOO Gornorudnoe Predpriatie Sekisovskoye is the Kazakh Tenge. GoldBridges Global Resources Plc and Hambledon Mining Company Limited have a functional currency of the United Kingdom pound ("Sterling"). The currency transactions giving rise to this foreign currency risk are primarily US Dollar denominated revenues, US Dollar denominated borrowings and other financial liabilities and certain US Dollar denominated trade payables. The Group does not enter into hedging positions in respect of its exposure to foreign currency risk.

The carrying amounts of the Group's foreign currency denominated net monetary assets and monetary liabilities at 31 December, are as follows:

	Company			Group	
	2013 US$000	2012 US$000	2011 US$000	2013 US$000	2012 US$000
US Dollars	(312)	1,761	1,382	(5,368)	(5,073)
British Pounds	(1,037)	7	2,672	(1,037)	7
Kazakhstan Tenge	–	–	–	(13,068)	(5,627)

Sensitivity analysis

A 10 per cent strengthening, or weakening, of any one of the above currencies against the US Dollar or British Pound, which the Directors consider to be a reasonably possible change for the purpose of sensitivity analysis, would not have a material effect on both the Group's equity and profit or loss on ordinary activities after tax for the years ended 31 December 2012 and 2013, as the repayment of the liability does not commence until 2015. This assumes that all other variables remain constant.

Commodity price risk

The Group is exposed to the effect of fluctuations in the price of gold and silver which are quoted in US Dollars on the international markets. The Group prepares annual budgets and periodic forecasts including sensitivity analyses in respect of various levels of prices of these metals.

The Group's only significant sales during the years ended 31 December 2012 and 2013 were sales of gold doré and silver. The sales proceeds are fixed by reference to the gold and silver prices on the day of sale. The Group does not plan in the future to hedge its exposure to the risk of fluctuations in the price of gold or silver and therefore it held no financial instruments that are sensitive to commodity price changes at either reporting date.

Credit risk

Credit risk refers to the risk that a counter-party will default on its contractual obligations resulting in a financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counter-parties. The Group's exposure and the credit ratings of its counter-parties are monitored by the Board of Directors to ensure that the aggregate value of transactions is spread amongst approved counter-parties.

The Group's principal financial assets are cash and cash equivalents, trade debtors and other receivables. Cash equivalents include amounts held on deposit with financial institutions.

The credit risk on liquid funds held in current accounts and available on demand is limited because the Group's counter-parties are mainly banks with high credit-ratings assigned by international credit-rating agencies.

Trade receivables comprise amounts receivable from a refinery in respect of sales of gold doré. On the sale of the gold doré to the refinery 95 per cent prepayment is received, with the balance paid after refining.

Other accounts receivable consist mostly of prepayments for goods and services by subsidiaries in Kazakhstan. It is often impractical in Kazakhstan to carry out a check of creditworthiness of suppliers before making the contracted prepayments. There were no significant balances at 31 December 2013 and 2012 in respect of which suppliers had defaulted on their obligations. A full provision was made against amounts recoverable in relation to Akmola Gold last year. The Group are in discussions with a view to recovery of the amounts in dispute amounting to US$2m. However, as the future recoverability of this amount is uncertain no amount is included in other receivables in the current year.

Notes to the Group financial statements
year ended 31 December 2013

28 Financial instruments (continued)

The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recorded in the financial statements.

Liquidity risk

During the year ended 31 December 2013, the Group was financed by internally generated funds, equity finance and long term bank borrowings. There were bank & other borrowings of US$10m at 31 December 2013 (2012: US$10m) and related party borrowings of US$894,000 (2012: Nil).

The following tables detail the Group's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flow.

Group	Borrowings US$000	Trade and other payables US$000	Provisions US$000	Other Financial Liabilities US$000	Total US$000
31 December 2013					
From five to ten years	–	–	–	–	–
From two to five years	10,000	–	–	1,048	11,048
For one to two years	–	–	–	239	239
Due after more than one year	10,000	–	–	1,287	11,287
Due within one year	894	11,512	317	239	12,962
	10,894	11,512	317	1,526	24,249
31 December 2012					
From five to ten years	–	–	–	–	6,549
From two to five years	–	–	–	1,104	1,104
For one to two years	–	–	–	229	229
Due after more than one year	–	–	–	1,333	1,333
Due within one year	10,065	3,762	303	229	14,359
	10,065	3,762	303	1,562	15,692

Company	Borrowings US$000	Trade and other payables US$000	Provisions US$000	Other Financial Liabilities US$000	Total US$000
31 December 2013					
Due within one year	–	1,409	–	–	1,409
31 December 2012					
Due within one year	–	323	–	–	323
31 December 2011	–	565	–	–	565

Borrowings and interest rate risk

The Group entered into a long term borrowing agreement with the European Bank for Reconstruction and Development (EBRD) on 21 February 2012 in order to fund capital commitments. Interest is payable at 7 per cent. per annum above Libor. A 1 per cent increase in the rate of interest would result in an additional, US$100,000 being expensed to the income statement.

The Group places surplus funds on short-term deposit (maximum 3 months) in Sterling with an interest rate fixed at the prevailing market rate. The Group's exposure to such interest rate risk is not material.

Notes to the Group financial statements
year ended 31 December 2013

29 Commitments and contingencies

General conditions

In recent years, the Republic of Kazakhstan has undergone substantial political and economic change. As an emerging market, the Republic of Kazakhstan does not possess a well-developed business infrastructure such as generally exists in a more mature free market economy. As a result, operations carried out in the Republic of Kazakhstan can involve risks which are not typically associated with those in developed markets. Significant identified risks have been provided for, or disclosed in these financial statements as appropriate.

(a) Contractual liabilities

Subsoil use rights are not provided to the Company on an indefinite basis, and each renewal shall be approved before the current contract or license expires. These rights can be cancelled by the Government of the Republic of Kazakhstan (hereinafter referred to as "the Government") if the Company does not fulfill contractual liabilities.

In addition to the contractual liabilities, as stated in Notes 20 and 21, the Company is responsible for the following contractual liabilities:

Deposit development costs

In accordance with the subsoil use contract, the Company has an approved working programme which may be reviewed and reconsidered depending on the economic viability and operational conditions of the deposit. The management of the Company believes it has fulfilled the requirements of the Contract.

Training for Kazakhstani specialists

In accordance with the terms of the Contract the Company is liable for the annual costs incurred in respect of the professional training of the Kazakhstani personnel involved in the work. The costs are estimated to be at least 1 per cent of the operational costs during the development and operational process. As at 31 December 2013 the Company has met the conditions of the Contract.

Development of the social sphere of the region

According to the terms of the Contract, the Company is liable for supporting the development and ensuring social support for the activity of the communities nearby the area of operations of the Company. As at 31 December 2013, the Company has met all the conditions of the Contract.

Liabilities on the restoration of the mine

Within eighty calendar days upon the expiration of the Contract the Company is liable for the development of the mine restoration programme and its inspection by the competent authority of the Government of the Republic of Kazakhstan. The Company is liable for implementation of the programme upon its approval.

(b) Insurance

In accordance with the subsoil use Contract the Company is liable for the development of the insurance programme and its submission for approval by the competent authority.

The Company has several contracts of obligatory insurance including insurance of the vehicle owners, the employer's liability and insurance of the subsoil users' liability where the activity of such subsoil users is connected to the damage to third parties.

(c) Court proceedings

The claims on the Company are periodically set out in the courts along with the Company's activities. As at the reporting date, there are no material claims against the Company.

The Company has arranged a number of public and social works, approved by the court in relation to rehabilitation after the water leak associated with tailings dam 3. The Company also has a memorandum signed with the local authorities, whereby the Company is liable for arranging the construction of the paste plant for US$4,200,000, to be completed by 31 December 2015.

As at the reporting date the Company has fulfilled the majority of its obligations in relation to the outstanding works required. Amounts totalling US$330,000 are outstanding and have been provided for as at 31 December 2013 to complete the programme of works as agreed with the environment department.

Notes to the Group financial statements
year ended 31 December 2013

29 Commitments and contingencies (continued)

(d) Taxation risks

The tax system of Kazakhstan, being relatively new, is characterised by frequent changes to the legal norms, official interpretations and court decisions, which are often not explicit and can be contradictory. This leads to differing interpretations by the tax authorities. The examination and investigations of the accounts to ensure that the tax payable is accurate are carried out by several regulatory bodies. These bodies have the power to impose heavy fines and penalties. The accuracy of the tax computation can be investigated five calendar years after the end of the accounting period. In certain circumstances this period can be increased.

These circumstances may lead to the taxation risks being much higher in Kazakhstan compared to other countries. The management of the Company, based on their understanding of the tax legislation, regulatory requirements and court decisions, considers the tax liabilities being fully reflected in the accounts. Nevertheless, the interpretation of these provisions by the corresponding authorities can be different and in that case should the authorities prove the lawfulness of their position, it may significantly affect these financial accounts.

30 Subsequent events

Equity raising

On 10 January 2014 the Company completed a placing raising £1.93m (US$3.2m), through a placing of 97,972.000 new shares at a price of 1.975 pence per share. In addition on 28 February 2014 the Company raised gross proceeds of £11.96m (US$19.8m), through a placing of 550,000,000 shares at a price of 2.175 pence per share. The total number of shares following the placing of the shares is 2,211,342,130.

Tailings dam fine

During 2012 the Irtysh Ecology department of the Ministry of the Environment appealed through the courts and argued that a higher level of fines and obligations then currently imposed should be levied on the Company. This amounted to US$9.4M (being 1,429,000,000 Tenge). This was based on the fact that the environmental damage could not be directly measured and an indirect measure of calculating the damage should be used. In March 2014 this argument was rejected by the courts on the basis that the damage was indeed measurable reliably through the direct method and as such the court action was dismissed. Indeed the court commented that the costs already paid exceeded the previous estimate agreed with the department of 700,214,000 Tenge, and ordered the department to meet the legal costs of the court amounting to 137,000 Tenge. Although the department does have the right to appeal within 6 months of the judgement the Directors are of the opinion that the possibility of this is remote. The provision in relation to the finalisation of works to complete the outstanding rehabilitation measures has been adjusted accordingly resulting in a write back of the provision of US$9.3m.

Akmola

In late 2013, subsequent to the termination of the proposed Akmola Gold acquisition, the Company successfully sued Akmola Gold for US$2,000,000, the amount it had previously advanced, and it agreed to be repaid by 31 December 2013. In February 2014 The Appeal Board of Astana upheld the decision made by the Specialised Interregional Economic Court of Astana in favour of the Company. The Company at present has a lien over the assets of Akmola Gold LLP and will take all appropriate measures for enforcement of the court decision.

Currency devaluation

On 11 February 2014 the Republic of Kazakhstan National Bank declared a 20% devaluation of Tenge. The National Bank expects a new exchange rate to be around 300 Tenge per British Pound. The management are of the opinion this will have a positive impact on the Group as all revenues are generated in US dollars. They are currently quantifying the impact.

31 Ultimate Controlling Party

The controlling party and parent entity of GoldBridges Global Resources Plc is African Resources Limited, by virtue of the fact that it owns 69.2% of the voting rights in the Company.

The ultimate controlling party are the Assaubayer family, by virtue of the fact that they are the controlling party of African Resources Limited.

GOLDBRIDGES GLOBAL RESOURCES PLC

(Incorporated in England and Wales with registered number 05048549)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS GIVEN that an annual general meeting of GOLDBRIDGES GLOBAL RESOURCES PLC (the "Company") will be held at the offices of BDO LLP at 55 Baker Street. London, W1U 7EU, United Kingdom on Monday 30 June 2014 at 11.15 a.m. for the purposes of considering and, if thought fit, passing the following resolutions:

1. To consider and adopt the audited accounts of the Company for the year ended 31 December 2013 and the Directors' report and auditors' report on them.
2. To confirm the appointment of Kanat Assaubayev, under the Articles of Association, as a director of the Company.
3. To appoint Ken Crichton under the Articles of Association as a director of the Company.
4. To reappoint Alain Balian, under the Articles of Association, as a director of the Company.
5. To reappoint William Trew, who retires by rotation at the meeting, as a director of the Company.
6. To reappoint BDO LLP as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next general meeting before which accounts are laid and to authorise the Directors of the Company to determine the auditors' remuneration.
7. To authorise the Directors of the Company (the "Directors") generally and unconditionally pursuant to section 551 of the Companies Act 2006 (the "Act") to exercise all powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into such shares in the Company ("Rights"):

   7.1 up to an aggregate nominal amount of £521,123.33; and

   7.2 comprising equity securities within the meaning of Section 560 of the Companies Act 2006, up to an aggregate nominal amount of £1,042,246.66 (after deducting from such amount any allotments or grants made under the authority conferred by virtue of resolution 7.1) in connection with or pursuant to an offer or invitation by way of a rights issue (as defined below),

   provided that such authorities shall expire on the earlier of the date falling six months from the expiry of the Company's current financial year and the date of the next annual general meeting of the Company after the passing of this resolution (unless varied, revoked or renewed by the Company in general meeting), save that the Directors may before the expiry of the authorities granted by this resolution make any offer or agreement which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors may allot shares and grant Rights in pursuance of any such offer or agreement as if the authorities conferred by this resolution had not expired and the authorities granted by this resolution are in substitution for all previous authorities granted to the Directors to allot shares and grant Rights which (to the extent that they remain in force and unexercised) are revoked but without prejudice to any allotment or grant of Rights made or entered into prior to the date of the passing of this resolution.

   For the purpose of this resolution and resolution 8.1, "rights issue" means an offer or invitation to (i) holders of ordinary shares in proportion (as nearly as may be practicable) to the respective numbers of ordinary shares held by them on the record date for such allotment; and (ii) persons who are holders of other classes of equity securities if this is required by the rights of such securities (if any) or, if the Directors consider necessary, as permitted by the rights of those securities, to subscribe for further securities by means of the issue of a renounceable letter (or other negotiable instrument) which may be traded for a period before payment for the securities is due, but subject in both cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in any territory or any other matter whatever.
8. To empower the Directors of the Company (the "Directors") (subject to the passing of resolution 7) pursuant to sections 570 and 573 of the Companies Act 2006 (the "Act") to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authorities conferred upon them by resolution 8 or where the allotment constitutes an allotment of equity securities by virtue of Section 560(3) of the Act, provided that this power shall be limited to:

   8.1 the allotment of equity securities in connection with an open offer or other pre-emptive offer or issue (but in the case of the authority granted under resolution 8.2 by way of a rights issue only) to or in favour of ordinary shareholders where the equity securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in any territory or any other matter whatever; and

8.2 the allotment (otherwise than pursuant to paragraph 7.1 above) of equity securities up to an aggregate nominal amount of £156,338.42, as if section 561(1) and subsections (1)-(6) of section 562 of the Act did not apply to any such allotment, and such powers shall expire (unless previously renewed, varied or revoked by the Company in general meeting) on the earlier of the date falling six months from the expiry of the current financial year of the Company and the date of the next annual general meeting of the Company after the passing of this resolution, save that the Directors may, before the expiry of any power contained in this resolution, make any offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement as if the power conferred by this resolution had not expired.

on behalf of the Board

Aidar Assaubayev
Director

6 June 2014

Notes

1. General

This notice is the formal notification to shareholders of the Company's annual general meeting (the "Meeting"), its date, time and place, and the matters to be considered. If you are in doubt as to what action to take you should consult an independent adviser.

Resolutions 1 to 8 (inclusive) will be proposed as ordinary resolutions.

2. Entitlement to attend and vote

Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), the Company specifies that in order to have the right to attend, speak and vote at the Meeting (and also for the purpose of determining how many votes a person entitled to attend and vote may cast), a person must be entered on the Company's register of members at 6.00 p.m. on 27 June 2014; or if the Meeting is adjourned, at 6.00 p.m. two days prior to the day of the adjourned meeting. Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend, speak or vote at the Meeting.

3. Appointment of proxies

If you are a member of the Company at the time set out in note 2 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.

A proxy does not need to be a member of the Company but will need to attend the Meeting in order to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman of the Meeting) and give your instructions directly to them.

You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares.

The return of a proxy form will not prevent you from attending the Meeting, speaking or voting in person if you so wish.

If a member of the Company appoints a proxy or proxies and then decides to attend the Meeting in person and vote using his poll card, then the vote in person will override the proxy vote(s). If the vote in person is in respect of the member's entire holding, then all proxy votes will be disregarded. If, however, the member votes at the Meeting in respect of less than the member's entire holding, then if the member indicates on his polling card that all proxies are to be disregarded, that shall be the case; but if the member does not specifically revoke proxies, then the vote in person will be treated in the same way as if it were the last received proxy and earlier proxies will only be disregarded to the extent that to count them would result in the number of votes being cast exceeding the member's entire holding.

If you do not have a proxy form and/or believe that you should have one or if you require additional forms, please contact the Company at its registered office.

4. Appointment of proxy using the proxy form

The notes to the proxy form explain how to direct your proxy to vote on each resolution or to withhold their vote. To appoint a proxy using the proxy form, the form must be:

- completed and signed;
- sent or delivered to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA; and
- received by Neville Registrars no later than 48 hours prior to the meeting.

In the case of a member which is a Company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the Company or an attorney for the Company, stating their capacity (e.g. director, secretary).

Any power of attorney or other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

5. Changing or revoking proxy instructions

To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see note 4 above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Neville Registrars Limited at the address above. In the case of a member which is a Company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the Company or an attorney for the Company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power of authority) must be included with the revocation notice.

The revocation notice must be received by Neville Registrars Limited at the address above no later than 9.30 a.m. on 26 June 2014. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to note 3 above, your appointment will remain valid.

6. Appointment of a proxy by joint members

In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

7. Corporate representatives

If a corporation is a member of the Company, it may by resolution of its directors or other governing body authorise one or more persons to act as its representative or representatives at the Meeting and any such representative or representatives shall be entitled to exercise on behalf of the corporation all the powers that the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares.

Corporate representatives should bring with them either an original or certified copy of the appropriate Board resolution or an original letter confirming the appointment, provided it is on the corporation's letterhead and is signed by an authorised signatory and accompanied by evidence of the signatory's authority.

8. Communication

You may not use any electronic address (within the meaning of section 333(4) of the Companies Act 2006) provided in this Notice of Meeting (or in any related document) to communicate with the Company for any purposes other than those expressly stated.

9. Documents on Display

Copies of the letters of appointment of the non-executive directors of the Company will be available for inspection at the Company's registered office at 28 Eccleston Square London SW1V 1NZ during normal business hours on any weekday (Saturdays and English public holidays excepted).

Explanation of resolutions

Resolution number 1 – Accounts

The directors of the Company are obliged to present to shareholders the report of the directors and the accounts for the Company for the year ended 31 December 2013 and the auditors' report on those items. That report and those accounts, and the report of the Company's auditors on those accounts, are set out on pages 14 to 53 of this document.

Resolutions number 2-5 – Re-election of directors

At each annual general meeting one third of the Directors for the time being (other than those appointed since the latest annual general meeting) are required to retire. If the number of relevant directors is not a multiple of three, the number nearest to but not less than one third of Directors are obliged to retire. Directors due to retire by rotation are those who have been longest in office since their election or last re-election and as between persons who become or were last re-elected on the same day those due to retire shall (unless they otherwise agree among themselves) be determined by lot. In this case as all the Directors have not been previously stood for election they all offer themselves for re-election.

Resolution number 6 – reappointment of auditors

The Company is required to appoint auditors at each general meeting at which accounts are laid, to hold office until the next such general meeting.

The present auditors, BDO LLP, have indicated their willingness to stand for reappointment. This resolution, in accordance with standard practice, also authorises the directors to determine the level of the auditors' remuneration.

Resolution number 7 – authority to allot shares

This resolution, to be proposed as an ordinary resolution, relates to the grant to the Directors of the authority to allot ordinary shares and grant rights to subscribe for or convert securities into ordinary shares with such authority expiring at the conclusion of the Annual General Meeting of the Company, unless the authority is renewed or provoked prior to such time. This authority is limited to the issue of a maximum of 515,912,100 ordinary shares representing 33% of the Company's entire issued ordinary share capital as at the date of this notice.

In line with guidance issued by the Association of British Insurers in December 2008, resolution 6.2 grants the directors authority to allot unissued share capital in connection with a rights issue in favour of ordinary shareholders up to an aggregate nominal amount of £1,042,246.66, as reduced by the nominal amount of any shares issued under resolution 6.1. This amount, before any such reduction, represents approximately two thirds of the Company's ordinary share capital in issue at 6 June 2014.

It is not the Directors' current intention to allot shares pursuant to this resolution. The authorities expire at the conclusion of the next annual general meeting of the Company or six months from the expiry of the Company's current financial year, whichever is earlier. The resolution replaces the existing authority to allot shares but does not affect the ability to allot shares under the share option schemes.

Resolution number 8 – disapplication of statutory pre-emption rights

This resolution disapplies the statutory pre-emption rights which would otherwise apply on an issue of shares for cash and is limited to allotments in connection with rights issues and certain other pre-emptive issues, and otherwise up to an aggregate nominal amount of £156,337,000 (representing approximately 10 per cent. of the Company's ordinary share capital in issue at 6 June 2014). This power replaces the existing disapplication of pre-emption rights and expires at the conclusion of the next annual general meeting of the Company or six months from the expiry of the Company's current financial year, whichever is the earlier.

Company information

Directors	Kanat Assaubayev, Chairman Aidar Assaubayev, Chief executive officer Ashar Qureshi, Non-executive director William Trew, Non-executive director Ken Crichton, Non-executive director Alain Balian, Non-executive director
Secretary	Rajinder Basra
Registered office and number	Company number : 5048549 28 Eccleston Square London SW1V 1NZ Telephone: +44 208 932 2455
Web	www.goldbridgesplc.com
Kazakhstan office	10 Novostroyevskaya Sekisovskoye Village Kazakhstan Telephone: +7 (0) 72331 27927 Fax: +7 (0) 72331 27933
Nominated adviser and brokers	Strand Hanson Limited 26 Mount Row Mayfair London W1K 3SQ Telephone: +44 (0) 20 7409 3494 Peat & Co 108 Piccadilly London W1J 7NW Telephone: +44 (0) 20 3540 1720
Auditors to the group	BDO LLP 55 Baker Street London W1U 7EU BDO Kazakhstanaudit, LLP 56 “A”, micro region 6 Almaty city, 050036 KAZAKHSTAN
Lawyers	Gowlings (UK) LLP 15th Floor Old Broad Street London EC2N 1AR
Registrars	Neville Registrars 18 Laurel Lane Halesowen West Midlands B63 3DA Telephone: +44 (0) 121 585 1131
Bankers	Natwest Bank plc London City Commercial Business Centre 7th Floor, 280 Bishopsgate London EC2M 4RB

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