TAUNG GOLD INTERNATIONAL LIMITED
壇金礦業有限公司*

(Incorporated in Bermuda with limited liability)
(Stock Code: 621)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2012

RESULT

The Board of Directors of Taung Gold International Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 March 2012 together with the comparative figures for the year ended 31 March 2011 as follows:

Consolidated Statement of Comprehensive Income
For the year ended 31 March 2012

	Notes	**2012** **HK$'000**	2011 *HK$'000* (restated)
Continuing operations:			
Revenue	*4*	**7,858**	34,410
Cost of sales		**(47,149)**	(28,979)
Gross (loss) profit		**(39,291)**	5,431
Other income	*6*	**35,483**	153
Other gains	*7*	**42**	–
Loss arising from issuance of warrants by a subsidiary	*20(c)*	**(140,937)**	–
Loss arising from issuance of put options	*21(b)*	**(91,928)**	–
Fair value change on put options	*21(b)*	**43,636**	–
Fair value change on gross obligation under put options	*21(a)*	**599,133**	–
Administrative and operating expenses		**(29,954)**	(17,821)
Impairment loss recognised in respect of exploration assets	*13*	**(478,255)**	–
Share of profit of associates		**1,981**	–
Finance costs	*8*	**(1)**	(423)
Loss before taxation		**(100,091)**	(12,660)
Income tax expense	*9*	**–**	–
Loss for the year from continuing operations	*10*	**(100,091)**	(12,660)

* *For identification purposes only*

Consolidated Statement of Comprehensive Income
For the year ended 31 March 2012

	Notes	2012 HK$'000	2011 HK$'000 (restated)
Discontinued operations:			
Profit (loss) for the year from discontinued operations		**12,707**	(11,473)
Loss for the year		**(87,384)**	(24,133)
Other comprehensive (expense) income for the year			
Exchange difference on translation of foreign operations		**(70,437)**	16,725
Release of foreign currency translation reserve to profit or loss upon disposal of subsidiaries		**(21,499)**	–
Total comprehensive expense for the year		**(179,320)**	(7,408)
(Loss) profit for the year attributable to owners of the Company			
– from continuing operations		**(229,696)**	(12,660)
– from discontinued operations		**11,884**	(8,699)
		(217,812)	(21,359)
Profit (loss) for the year attributable to non-controlling interests			
– from continuing operations		**129,605**	–
– from discontinued operations		**823**	(2,774)
		130,428	(2,774)
		(87,384)	(24,133)
Total comprehensive (expense) income attributable to:			
Owners of the Company		**(286,616)**	(8,234)
Non-controlling interests		**107,296**	826
		(179,320)	(7,408)
Loss per share			
From continuing and discontinued operations:			
Basic and diluted (HK cents)	*12*	**(3.02)**	(1.17)
From continuing operations:			
Basic and diluted (HK cents)		**(3.18)**	(0.69)

Consolidated Statement of Financial Position
AT 31 March 2012

	Notes	2012 HK$'000	2011 HK$'000
Non-current assets			
Property, plant and equipment		**6,280**	12,924
Mining rights		**–**	281,120
Exploration assets	*13*	**5,094,795**	–
Interests in associates		**29,877**	–
Amount due from an associate		**29,287**	–
Loans to shareholders of a subsidiary		**310,545**	–
Deposits for rehabilitation	*14*	**1,374**	–
Promissory notes	*15*	**85,000**	–
Other assets		**340**	1,410
Pledged bank deposits		**6,189**	–
		5,563,687	295,454
Current assets			
Inventories		**8,470**	15
Trade and other receivables	*16*	**47,019**	48,412
Promissory notes	*15*	**171,000**	–
Pledged bank deposits		**–**	5,921
Bank balances and cash		**514,637**	156,069
		741,126	210,417
Assets classified as held for sale		**2,837**	87,360
		743,963	297,777
Current liabilities			
Other payables and accruals		**138,852**	30,757
Tax payable		**–**	2,944
Derivative financial instruments – put options	*21(b)*	**48,292**	–
Gross obligation under put options	*21(a)*	**385,156**	–
		572,300	33,701
Net current assets		**171,663**	264,076
Total assets less current liabilities		**5,735,350**	559,530

Consolidated Statement of Financial Position
AT 31 March 2012

	Notes	2012 HK$'000	2011 HK$'000
Capital and reserves			
Share capital	*17*	**121,799**	21,979
Reserves		**3,830,045**	435,422
Equity attributable to owners of the Company		**3,951,844**	457,401
Non-controlling interests		**1,783,506**	75,544
Total equity		**5,735,350**	532,945
Non-current liabilities			
Deferred taxation		**–**	26,265
Provision for rehabilitation		**–**	320
		–	26,585
		5,735,350	559,530

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 march 2012

1. GENERAL

The Company was incorporated as an exempted company and registered in Bermuda with limited liability under the Companies Act 1981 of Bermuda as amended). The shares of the Company are listed on the Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section of the annual report.

The Company acts as an investment holding company. The principal activities of its subsidiaries are investment holding, trading of minerals and exploration, development and mining of gold and associated minerals.

Pursuant to a special resolution passed by the shareholders at a special general meeting of the Company held on 19 August 2011, the name of the Company was changed from Wing Hing International (Holdings) Limited 永興國際(控股)有限公司 to Taung Gold International Limited 壇金礦業有限公司. The change of the Company's name became effective on 14 October 2011.

In prior years, the Company's functional currency was Hong Kong dollars ("HK$"). After the acquisition of Taung Gold Limited ("TGL") and its subsidiaries (collectively referred to as the "TGL Group") and disposal of subsidiaries during the year ended 31 March 2012, the directors of the Company determined to focus its business on trading of minerals and gold mining in South Africa. Since the trading of mineral business is mostly denominated in United Stated dollars ("USD"), and it is expected that after the gold production started in the future, most of the transactions are denominated in USD, accordingly, it is determined to change the functional currency of the Company from HK$ to US$ effective from 31 March 2012. As HK$ is pegged to US$, there is no significant financial impact on the date of change in functional currency.

For the convenience of the consolidated financial statements users, the consolidated financial statements continue to be presented in HK$, as the shares of the Company are listed on the Stock Exchange.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has applied the following new and revised standards, amendments and interpretations ("new and revised HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Amendments to HKFRSs	Improvement to HKFRSs issued in 2010
Amendments to HK(IFRIC) – INT 14	Prepayments of a minimum funding requirement
HKAS 24 (as revised in 2009)	Related party disclosures
HK(IFRIC) – INT 19	Extinguishing financial liabilities with equity instruments

The application of these new and revised HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

The Group has not early applied the following new and revised standards, amendments and interpretations that have been issued but are not yet effective:

Amendments to HKFRSs	Annual improvements to HKFRSs 2010–2012 cycle[8]
Amendments to HKFRSs	Annual improvements to HKFRSs 2011–2013 cycle[7]
HKAS 1 (Amendments)	Presentation of items of other comprehensive income[1]
HKAS 12 (Amendments)	Deferred tax: Recovery of underlying assets[2]
HKAS 19 (as revised in 2011)	Employee benefits[3]
HKAS 19 (Amendments)	Defined benefit plans: Employee contribution[7]
HKAS 27 (as revised in 2011)	Separate financial statements[3]
HKAS 28 (as revised in 2011)	Investments in associates and joint ventures[3]
HKAS 32 (Amendments)	Offsetting financial assets and financial liabilities[4]
HKAS 36 (Amendments)	Recoverable amount disclosures for non-financial assets[4]
HKAS 39 (Amendments)	Novation of derivatives and continuation of hedge accounting[4]
Amendments to HKFRSs	Annual improvements to HKFRSs 2009–2011 cycle[3]
HKFRS 1 (Amendments)	Government loans[3]
HKFRS 7 (Amendments)	Disclosures – Offsetting financial assets and financial liabilities[3]
HKFRS 7 (Amendments)	Disclosures – Transfers of financial assets[5]
HKFRS 9	Financial instruments[6]
HKFRS 9 & HKFRS 7 (Amendments)	Mandatory effective date of HKFRS 9 and transition disclosures[6]
HKFRS 10, HKFRS 11 and HKFRS 12 (Amendments)	Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance[3]
HKFRS 10, HKFRS 12 and HKAS 27 (Amendments)	Investment entities[4]
HKFRS 10	Consolidated financial statements[3]
HKFRS 11	Joint arrangements[3]
HKFRS 12	Disclosure of interests in other entities[3]
HKFRS 13	Fair value measurement[3]
HK(IFRIC) – INT 20	Stripping costs in the production phase of a surface mine[3]
HK(IFRIC) – INT 21	Levies[4]

1 Effective for annual periods beginning on or after 1 July 2012.
2 Effective for annual periods beginning on or after 1 January 2012.
3 Effective for annual periods beginning on or after 1 January 2013.
4 Effective for annual periods beginning on or after 1 January 2014.
5 Effective for annual periods beginning on or after 1 July 2011.
6 Available for application – the mandatory effective date will be determined when the outstanding phases of HKFRS 9 are finalised.
7 Effective for annual periods beginning on or after 1 July 2014.
8 Effective for annual periods beginning on or after 1 July 2014 with limited exceptions.

Amendments to HKAS 1 "Presentation of items of other comprehensive income"

The amendments to HKAS 1 "Presentation of items of other comprehensive income" introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to HKAS 1, a "statement of comprehensive income" is renamed as a "statement of profit or loss and other comprehensive income" and an "income statement" is renamed as "a statement of profit or loss". The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis, the amendments do not change the option to present items of other comprehensive income either before tax or net of tax.

The amendments to HKAS 1 are effective for annual periods beginning on or after 1 July 2012. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in the future accounting periods.

New and revised standards on consolidation, joint arrangements, associates and disclosures

In June 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued, including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (as revised in 2011) and HKAS 28 (as revised in 2011).

Key requirements of these five standards are described below.

HKFRS 10 replaces the parts of HKAS 27 "Consolidated and separate financial statements" that deal with consolidated financial statements. HK(SIC) – INT 12 "Consolidation – Special purpose entities" will be withdrawn upon the effective date of HKFRS 10. Under HKFRS 10, there is only one basis for consolidation, that is control. In addition, HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

HKFRS 11 replaces HKAS 31 "Interests in joint ventures". HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. HK(SIC) – INT 13 "Jointly controlled entities – Non-monetary contributions by venturers" will be withdrawn upon the effective date of HKFRS 11. Under HKFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under HKAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations. In addition, joint ventures under HKFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under HKAS 31 can be accounted for using the equity method of accounting or proportionate consolidation.

HKFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in HKFRS 12 are more extensive than those in the current standards.

In July 2012, the amendments to HKFRS 10, HKFRS 11 and HKFRS 12 were issued to clarify certain transitional guidance on the application of these five HKFRSs for the first time.

These five standards together with the amendments relating to the transitional guidance, are effective for annual periods beginning on or after 1 January 2013 with earlier application permitted, provided that all of these five standards are applied at the same time. The directors of the Company anticipate that these five standards will be adopted in the Group's consolidated financial statements for the annual period beginning 1 April 2013. The application of these five standards will have no material impact on amounts reported in the consolidated financial statements.

HKFRS 13 "Fair value measurement"

HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of HKFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in HKFRS 13 are more extensive than those in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under HKFRS 7 "Financial instruments: Disclosures" will be extended by HKFRS 13 to cover all assets and liabilities within its scope.

HKFRS 13 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted. The directors of the Company anticipate that the application of this standard and may result in more extensive disclosures in the consolidated financial statements.

HK(IFRIC) – INT 20 "Stripping costs in the production phase of a surface mine"

HK(IFRIC) – INT 20 "Stripping costs in the production phase of a surface mine" applies to waste removal costs that are incurred in surface mining activity during the production phase of the mine ("production stripping costs"). Under the interpretation, the costs from this waste removal activity ("stripping") which provide improved access to natural resources is recognised as a non-current asset ("stripping activity asset") when certain criteria are met, whereas the costs of normal ongoing operational stripping activities are accounted for in accordance with HKAS 2 "Inventories". The stripping activity asset is accounted for as an addition to, or as an enhancement of, an existing asset and classified as tangible or intangible according to the nature of the existing asset of which it forms part.

HK(IFRIC) – INT 20 is effective for annual periods beginning on or after 1 January 2013 with transitional provisions. The directors of the Company anticipate that the application of this interpretation will not have any impact on the consolidated financial statements.

The directors of the Company anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2011 except for below:

Acquisition of assets through acquisition of a subsidiary

Where acquisition of a group of assets through acquisition of a subsidiary does not constitute a business, identifiable assets acquired and liabilities assumed will be identified and recognised individually. The cost of the acquisition shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. The accounting policies in measuring these assets and liabilities subsequent to the initial recognition are set out in respective notes. Such transactions do not give rise to goodwill or gain on bargain purchase.

Investments in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associates. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment is tested for impairment in accordance with HKAS 36 "Impairment of assets" as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount, Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with its associate, profits and losses resulting from the transactions with the associate are recognised in the Group' consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

Exploration assets

Exploration expenditures are recognised at cost on initial recognition. Subsequent to initial recognition, exploration expenditures are stated at cost less identified impairment loss.

Exploration assets include the cost of exploration rights and the expenditures incurred in the search for mineral resources as well as the determination of the technical feasibility and commercial validity of extracting those resources. Exploration assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration as set may exceed its recoverable amount. An impairment loss is recognised in profit or loss.

When the technical feasibility and commercial viability of extracting natural resources become demonstrable, previously recognised exploration and evaluation assets are reclassified as either mining rights or mining structures based on nature of assets acquired. These assets are assessed for impairment before reclassification.

Impairment of exploration assets

The carrying amount of the exploration assets is reviewed annually. When one of the following events or changes in circumstances, which is not exhaustive, indicate that the carrying amount may not be recoverable has occurred, impairment test is performed in accordance with HKAS 36 "Impairment of assets".

- the period for which the Group has the right to explore in the specific area has expired during the period or will expire in the near future.

- substantive expenditure on further exploration for and evaluation of natural resources in the specific area is neither budgeted nor planned.

- exploration for and evaluation of natural resources in the specific area have not led to the discovery of commercially viable quantities of natural resources and the Group has decided to discontinue such activities in the specific area.

- sufficient data (such as gold prices) exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

An impairment loss is recognised in profit or loss whenever the carrying amount of an asset exceeds its recoverable amount.

Gross obligation under put options on shares of a subsidiary written to non-controlling shareholders and option holders of a subsidiary

Put option written to non-controlling shareholders and option holders of the subsidiary, which will be settled other than by exchange of fixed amount of cash for a fixed number of shares in a subsidiary is treated as derivative and is recognised at fair value upon initial recognition. Any changes of fair value in subsequent reporting dates are recognised in profit or loss.

The gross financial liability arising from the put option is recognised when contractual obligation to repurchase the shares in a subsidiary is established even if the obligation is conditional on the counterparty exercising a right to sell back the shares to the Group. The liability relating to put options written to non-controlling shareholders and option holders of the subsidiary is initially recognised and measured at fair value of the Company's shares that can be required to issue with the corresponding debit to non-controlling interests, and other reserve respectively. In subsequent periods, the re-measurement of the present value of the estimated gross obligation under the written put option to the non-controlling shareholders and option holder of the subsidiary is recognised in profit or loss.

Derivative financial instruments

Derivative are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to its fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately.

Share-based payment transactions and warrants of the acquiree in a business combination

At the acquisition date, when the outstanding equity-settled share-based payment transactions held by the employees of an acquiree and warrants held by investors are not exchanged by the Group for its share-based payment transactions or warrants, the acquiree share-based payment transactions and warrants are measured at their market-based measure at the acquisition date. If the share-based payment transactions have vested and no condition to warrants attached by the acquisition date, they are included as part of the non-controlling interest in the acquiree.

Share options granted and warrants issued by a subsidiary of the Company

In case of share options granted and warrants issued by a subsidiary, the share option reserve/other reserve of the subsidiary is classified as and grouped under non-controlling interests by the Group on consolidation. At the time when share options and/or warrants are exercised, the amount previously recognised in share option reserve/other reserve will be transferred to share premium of that subsidiary. The Group will account for the dilution as an equity transaction in accordance with HKAS 27 "Consolidated and separate financial statements" if the exercise of share options and/or warrants does not constitute a loss of the Group's control over the subsidiary. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, and the warrants are still not exercised at the expiry date, the amount previously recognised in share option reserve/other reserve (included in non-controlling interests) will be transferred to accumulated losses of the Group and non-controlling interests' share of net assets of that subsidiary according to the proportion of interests held by the Group and non-controlling interests on consolidation.

4. REVENUE

Revenue from continuing operations represents the net amounts received and receivable from sales of minerals in the normal course of business, net of discounts and sales related taxes.

5. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered or services provided. During the year, the Group is newly engaged in gold mining operation in South Africa through the acquisition of the TGL Group which is identifiable as new operating and reportable segment in current year.

The Group's operating and reportable segments under HKFRS 8 are as follows:

(a) gold exploration and development in South Africa;

(b) trading of minerals;

(c) coal mining operation in the People's Republic of China ("PRC");

(d) gold mining operation in the PRC; and

(e) loan guarantee service in the PRC.

During the year ended 31 March 2012, the Group discontinued the coal and gold mining operations in the PRC as well as loan guarantee service in the PRC. Accordingly, the segment information reported below does not include financial information in respect of these discontinued operations, which are described in more detail in note 11, and the comparatives of segment information have been restated.

Segment revenues and results

The following is an analysis of the Group's revenue and results by operating and reportable segment.

Continuing operations

For the year ended 31 March 2012

	Gold exploration and development in South Africa *HK$'000*	Trading of minerals *HK$'000*	Total *HK$'000*
REVENUE			
External sales	**–**	**7,858**	**7,858**
Segment loss	**(595,848)**	**(39,518)**	**(635,366)**
Other income			**204**
Other gains			**22**
Unallocated corporate expenses			**(17,773)**
Loss arising from issuance of put options			**(91,928)**
Fair value change on put options			**43,636**
Fair value change on gross obligation under put options			**599,133**
Share of profit of associates			**1,981**
Loss before taxation			**(100,091)**

For the year ended 31 March 2011

	Trading of minerals *HK$'000*
REVENUE	
External sales	34,410
Segment profit	5,340
Other income	138
Unallocated corporate expenses	(17,715)
Unallocated finance costs	(423)
Loss before taxation	(12,660)

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies. Segment (loss) profit during the years ended 31 March 2012 and 31 March 2011 represents (loss) profit from each segment without allocation of certain other income, other gains, administration and operating expenses, finance costs, fair value change on gross obligation under put options, fair value change on put options and loss arising from issuance of put options as well as share of profit of associates. This is the measure reported to the executive directors for the purposes of resource allocation and performance assessment.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating and reportable segment:

At 31 March 2012

	Gold exploration and development in South Africa *HK$'000*	**Trading of minerals** *HK$'000*	**Total** *HK$'000*
Assets			
Segment assets	**5,875,586**	**8,525**	**5,884,111**
Property, plant and equipment			**1,364**
Interests in associates			**29,877**
Promissory notes			**256,000**
Other receivables			**218**
Other assets			**340**
Amounts due from associates			**29,287**
Bank balances and cash			**106,453**
Consolidated assets			**6,307,650**
Liabilities			
Segment liabilities	**135,675**	**–**	**135,675**
Other payables and accruals			**3,177**
Derivative financial instruments – put options			**48,292**
Gross liabilities on put options			**385,156**
Consolidated liabilities			**572,300**

At 31 March 2011

	Trading of minerals *HK$'000*	Total *HK$'000*
Assets		
Segment assets	34,436	34,436
Assets relating to discontinued operations		485,624
Other receivables		549
Property, plant and equipment		1,976
Bank balances and cash		70,646
Consolidated assets		593,231
Liabilities		
Segment liabilities	4	4
Liabilities relating to discontinued operations		54,054
Other payables and accruals		6,228
Consolidated liabilities		60,286

For the purpose of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating and reportable segments, other than certain property, plant and equipment, interests in associates, promissory notes, certain other receivables, certain other assets, amounts due from associates and certain bank balances and cash.

- all liabilities are allocated to operating and reportable segments other than certain other payables and accruals, derivative financial instruments – put options and gross obligation under put options.

Other segment information

Continuing operations

Amounts included in the measure of segment profit or loss or segment assets:

For the year ended 31 March 2012

	Gold exploration and development in South Africa *HK$'000*	Trading of minerals *HK$'000*	Unallocated *HK$'000*	Total *HK$'000*
Addition to property, plant and equipment	–	–	337	337
Addition to property, plant and equipment through acquisition of subsidiaries	5,707	–	–	5,707
Addition in exploration assets through acquisition of subsidiaries	5,530,143	–	–	5,530,143
Addition in exploration assets	80,362	–	–	80,362
Addition in deposits for rehabilitation through acquisition of subsidiaries	1,471	–	–	1,471
Allowances for inventories	–	18,530	–	18,530
Depreciation of property, plant and equipment	634	–	641	1,275
Impairment loss recognised in respect of exploration assets	478,255	–	–	478,255
Imputed interest income on loan to a shareholder of a subsidiary	(20,631)	–	–	(20,631)
Gain on disposal of property, plant and equipment	(20)	–	(22)	(42)
Loss arising from issuance of warrants by a subsidiary	140,937	–	–	140,937

Revenue from major products and services

The Group's revenue from continuing operations are all from trading of minerals.

Geographical information

The Group's trading of minerals operation is located in Hong Kong while its gold exploration and development operation is in South Africa.

Based on the shipping or delivery documents of each sales transaction, the Group's revenue from continuing operation, by location of its external customers for both years are in the PRC.

As at 31 March 2012, non-current assets of the Group (excluding interests in associates, loans to shareholders of a subsidiary, deposits for rehabilitation, promissory notes and amount due from an associate, other assets and pledged bank deposits) of approximately HK$5,099,711,000 and HK$1,364,000 are located in South Africa and Hong Kong respectively.

As at 31 March 2011, non-current assets of the Group (excluding other assets and those relating to discontinued operations) of HK$1,976,000 were located in Hong Kong.

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group from continuing and discontinued operations are as follows:

	2012	2011
	HK$'000	*HK$'000*
Customer A[1]	**7,858**	–
Customer B[1]	**–**	34,410
Customer C[2]	**–**	4,925

1 Revenue from trading of minerals
2 Revenue from gold mining operations in the PRC (discontinued operations)

6. OTHER INCOME

	2012	2011
	HK$'000	*HK$'000*
Continuing operations		
Imputed Interest income on loan to a shareholder of a subsidiary	**20,631**	–
Interest income on promissory notes	**177**	–
Interest on bank deposits	**14,663**	–
Interest income on interest bearing receivable	**12**	153
	35,483	153

7. OTHER GAINS

	2012	2011
	HK$'000	*HK$'000*
Continuing operations		
Gain on disposal of property, plant and equipment	**42**	–

8. FINANCE COSTS

	2012	2011
	HK$'000	*HK$'000*
Continuing operations		
Effective interest expense on promissory note	**–**	423
Other interest expenses	**1**	–
	1	423

9. INCOME TAX EXPENSE

Continuing operations

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years. No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the subsidiaries incorporated in Hong Kong have no assessable profits for both years.

Under South African tax law, corporate tax rate is 28% for the year ended 31 March 2012 on taxable profits on South African subsidiaries. No provision for taxation has been made as the subsidiaries in South Africa have no assessable profits for the year.

10. LOSS FOR THE YEAR FROM CONTINUING OPERATIONS

	2012	2011
	HK$'000	*HK$'000*
		(Restated)
Loss for the year has been arrived at after charging:		
Continuing operations		
Auditor's remuneration	**1,963**	400
Cost of inventories recognised as an expense	**28,619**	28,979
Depreciation of property, plant and equipment	**1,275**	638
Operating lease rentals in respect of rented premises	**1,928**	952
Allowances for inventories (included in cost of sales)	**18,530**	–
Net exchange loss	**1,459**	–
Staff costs		
– Salaries and other benefits	**18,295**	3,719
– Contributions to retirement benefits schemes	**91**	106
– Share-based payment expense	**1,750**	–
	20,136	3,825
Less: Amount capitalised in exploration assets	**(8,846)**	–
	11,290	3,825

11. DISCONTINUED OPERATIONS

As set out in the announcements of the Company dated 19 March 2012, 7 October 2011 and 17 August 2011, the Company entered into sale and purchase agreements with independent third parties to dispose of the entire issued share capital of the subsidiaries which carried out the Group's entire gold mining, coal mining and loan guarantee service in the PRC ("Disposal Groups") respectively. The disposals were effected in order to focus on its core business of gold exploration and development in South Africa. The disposals of subsidiaries engaged in gold mining, coal mining and loan guarantee service in the PRC were completed on 31 March 2012, 13 March 2012 and 29 March 2012 ("Date of Disposal") respectively, on which dates the control of those subsidiaries were passed to the acquirers.

The (loss) profit for the period/year from the discontinued operations is set out below:

The comparative figures in the consolidated statement of comprehensive income have been restated to represent the gold mining, coal mining and loan guarantee operations in the PRC as discontinued operations.

	1.4.2011 to Date of Disposal				1.4.2010 to 31.3.2011			
	Gold mining operation in the PRC	**Coal mining operation in the PRC**	**Loan guarantee service in the PRC**	**Total**	Gold mining operation in the PRC	Coal mining operation in the PRC	Loan guarantee service in the PRC	Total
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
(Loss) profit of operation for the period/year	**(1,287)**	**(2,735)**	**(1,389)**	**(5,411)**	439	(9,223)	(2,689)	(11,473)
Gain (loss) on disposal of the operations	**7,531**	**14,998**	**(4,411)**	**18,118**	–	–	–	–
	6,244	**12,263**	**(5,800)**	**12,707**	439	(9,223)	(2,689)	(11,473)

The results of the discontinued operations for the period from 1 April 2011 to Date of Disposal and the year ended 31 March 2011, which have been included in the consolidated statement of comprehensive income, were as follows:

	1.4.2011 to Date of Disposal				1.4.2010 to 31.3.2011			
	Gold mining operation in the PRC	**Coal mining operation in the PRC**	**Loan guarantee service in the PRC**	**Total**	Gold mining operation in the PRC	Coal mining operation in the PRC	Loan guarantee service in the PRC	Total
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue	**–**	**–**	**659**	**659**	4,925	4,340	230	9,495
Cost of sales	**(977)**	**(2,646)**	**(34)**	**(3,657)**	(3,653)	(2,761)	(33)	(6,447)
Other income	**–**	**–**	**105**	**105**	39	–	47	86
Administrative and operating expenses	**(499)**	**(89)**	**(2,112)**	**(2,700)**	(725)	(10,793)	(2,927)	(14,445)
(Loss) profit before taxation	**(1,476)**	**(2,735)**	**(1,382)**	**(5,593)**	586	(9,214)	(2,683)	(11,311)
Income tax credit (expense)	**189**	**–**	**(7)**	**182**	(147)	(9)	(6)	(162)
(Loss) profit of operation for the period/year	**(1,287)**	**(2,735)**	**(1,389)**	**(5,411)**	439	(9,223)	(2,689)	(11,473)

(Loss) profit for the period/year from discontinued operations includes the following:

	1.4.2011 to Date of Disposal				1.4.2010 to 31.3.2011			
	Gold mining operation in the PRC	**Coal mining operation in the PRC**	**Loan guarantee service in the PRC**	**Total**	Gold mining operation in the PRC	Coal mining operation in the PRC	Loan guarantee service in the PRC	Total
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Auditor's remuneration	**–**	**73**	**28**	**101**	–	–	–	–
Depreciation of property, plant and equipment	**66**	**1,174**	**5**	**1,245**	44	1,119	1	1,164
Amortisation of mining rights (included in cost of sales)	**816**	**1,472**	**–**	**2,288**	778	1,403	–	2,181
Impairment loss recognised on other receivables	**–**	**–**	**–**	**–**	–	8,105	–	8,105
Operating lease rentals in respect of rental premises	**56**	**–**	**264**	**320**	2	–	271	273
Staff costs	**51**	**–**	**495**	**546**	3,015	–	294	3,309
Interest income from bank deposits	**–**	**–**	**–**	**–**	(16)	–	(47)	(63)

The discontinued operations incurred/contributed the following cash flows:

	1.4.2011 to Date of Disposal				1.4.2010 to 31.3.2011			
	Gold mining operation in the PRC	**Coal mining operation in the PRC**	**Loan guarantee service in the PRC**	**Total**	Gold mining operation in the PRC	Coal mining operation in the PRC	Loan guarantee service in the PRC	Total
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Net operating cash flows	**(602)**	**197**	**(1,024)**	**(1,429)**	27,351	10,217	(5,843)	31,725
Net investing cash flows	**–**	**(20,000)**	**923**	**(19,077)**	(60,918)	6,791	19,105	(35,022)
Net financing cash flows	**3,164**	**20,018**	**(15,612)**	**7,570**	33,580	(23,774)	47,100	56,906

12. LOSS PER SHARE

For continuing and discontinued operations

The calculation of the basic and diluted loss per share is based on the consolidated loss of HK$217,812,000 (2011: HK$21,359,000) attributable to the owners of the Company for the two years ended 31 March 2012 and 2011 respectively and on the number of shares as follows:

	2012	2011
	'000	*'000*
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	7,217,125	1,830,477

The incremental shares from assumed exercise of share options, warrants and put options and share options and warrants issued by a subsidiary are excluded in calculating the diluted loss per share for the year ended 31 March 2012 because they are antidilutive in calculating the diluted loss per share from continuing operations.

The incremental shares from assumed exercise of share options and warrants are excluded in calculating the diluted loss per share for the year ended 31 March 2011 because they are antidilutive in calculating the diluted loss per share from Continuing operations.

From continuing operations

The calculation of the basic and diluted loss per share from continuing operations attributable to the owners of the Company is based on the following data:

Loss figures are calculated as follows:

	2012	2011
	HK$'000	*HK$'000*
Loss for the year attributable to owners of the Company	**(217,812)**	(21,359)
Less: (Profit) loss for the year from discontinued operations	**(11,884)**	8,699
Loss for the purpose of basic and diluted loss per share from continuing operations	**(229,696)**	(12,660)

The denominators used are the same as those detailed above for both basic and diluted earnings (loss) per share.

From discontinued operations

Basic earnings per share for the discontinued operations is HK0.16 cent per share (2011: loss per share of HK 0.48 cent per share), which is computed based on the profit for the year from the discontinued operations of approximately HK$11,884,000 (2011: loss of HK$8,699,000) and the denominators detailed above for the basic and diluted earnings (loss) per share from continuing and discontinued operations.

13. EXPLORATION ASSETS

	HK$'000
COST	
At 1 April 2010 and 31 March 2011	–
Acquisition of subsidiaries *(note 18)*	5,530,143
Addition	80,362
Classified as held for sale	(2,837)
Impairment loss recognised in profit or loss	(478,255)
Exchange adjustment	(34,618)
At 31 March 2012	**5,094,795**

The exploration assets principally represented the mining right and prospecting right for the gold mining projects in South Africa, namely, the Evander Project and the Jeanette Project. A mining right for Evander Project is valid for 26 years commenced from 18 July 2012 until 28 April 2038, while prospecting right for Jeanette Project is valid for 5 years commenced from 26 June 2010. In the opinion of the directors, the renewal of licences and application for mining licences are without difficulties so long as the applicant complies with the requirements as set out in the Mineral and Petroleum Resources Development Act of South Africa.

After the completion of acquisition of TGL, the market gold price demonstrated a decreasing trend. As a result of the prolonged decrease in international market gold price after the date of acquisition, the directors of the Company are of the opinion that there existed indication for impairment of the exploration assets at the end of the reporting period. Accordingly, the directors re-assessed the fair value of the exploration assets relating to the Evander Project and the Jeanette Project at the end of the reporting period.

The management applied discount cashflow approach to assess the fair value. The discount cashflow projection is based on an effective discount rate of 17.32% and cash flow projection prepared from financial forecasts covering a mine life period until the mine resources run out based on probable reserves. Other key assumptions for the fair value calculation related to the estimation of cash inflows/outflows which include expected future gold prices and production rate, such estimation is based on the estimation provided by the management. Based on the re-assessed fair value, the carrying amounts of the exploration assets relating to the Evander Project and the Jeanette Project exceed their recoverable amounts and an impairment loss of HK$410,285,000 was recognised during the year ended 31 March 2012.

Other than the Evander Project and the Jeanette Project, TGL and its subsidiaries also have several mining rights with smaller scales. The management carried out assessments regularly on the profitability for these small scale projects. As the Group increasingly focused on the Evander Project and the Jeanette Project in South Africa, the directors determined not to pursue certain exploration projects in South Africa after reviewing the latest available information of these projects and accordingly, recognised in profit or loss a full impairment loss on these projects of HK$67,970,000 (2011: nil) during the year.

14. DEPOSITS FOR REHABILITATION

Pursuant to section 41 of the Minerals and Petroleum Development Act of South Africa, an applicant for a prospecting right, mining right or mining permit must make the prescribed financial provision for the rehabilitation or management of negative environmental impacts. At 31 March 2012, the Group made deposits of approximately HK$1,374,000 (2011: nil) to the Department of Mineral Resources in South Africa. In addition, at 31 March 2012, the Group also provided bank guarantees of ZAR2,327,000 (equivalent to HK$2,364,000) (2011: nil) to the Department of Mineral Resources.

15. PROMISSORY NOTES

Pursuant to the sale and purchase agreement entered into between the Company and Hua Xiong Development Limited ("Hua Xiong"), an independent third party, dated 7 October 2011, the Group agreed to dispose of the entire issued share capital of Bless Luck International Limited ("Bless Luck"), a then wholly owned subsidiary of the Company, and sale loan of approximately HK$191 million at an aggregate consideration of HK$195,000,000, of which HK$170,000,000 was satisfied by four promissory notes with principal amounts of HK$42,500,000 each with maturity dates on 13 September 2012, 13 March 2013, 13 September 2013 and 13 March 2014 respectively issued by Hua Xiong and the remaining HK$25,000,000 was satisfied by cash. The promissory notes are transferrable, are secured by charge on all shares of Bless Luck and carry interest at a rate of 2% per annum.

Pursuant to sale and purchase agreement entered between the Company and Sharp Volition Limited ("Sharp Volition"), an independent third party, dated 19 March 2012, the Group agreed to dispose of the entire issued share capital of Longold Win Limited ("Longold"), a then wholly owned subsidiary of the Company, and sale loan of approximately HK$91 million at an aggregate consideration of HK$96,000,000, of which HK$86,000,000 was satisfied by two promissory notes with principal amounts of HK$41,000,000 and HK$45,000,000 with maturity dates on 28 September 2012 and 29 March 2013 respectively issued by Sharp Volition and the remaining HK$10,000,000 was satisfied by cash. The promissory notes are transferrable, are secured by charge on all shares of Longold and carry interest at a rate of 1.5% per annum.

	2012	2011
	HK$'000	*HK$'000*
Analysed as		
Current	**171,000**	–
Non-current	**85,000**	–
	256,000	–

Promissory notes are all denominated in HK$, which is a currency other than the functional currency of the Company.

All promissory notes were subsequently used as settlements of consideration for sale and purchase agreements entered with independent third parties.

16. TRADE AND OTHER RECEIVABLES

	2012	2011
	HK$'000	*HK$'000*
Trade receivables	**–**	34,790
Deposits paid for purchase of goods	**–**	8,105
VAT recoverables	**42,235**	–
Other receivables	**4,784**	5,517
	47,019	48,412

For trading of minerals operation, the Group allows a credit period of 90 days. At 31 March 2011, all trade receivables were aged within 30 days, based on invoice date, and neither past due nor impaired as at the reporting date. The Group does not hold any collateral over these balances. No allowance for bad and doubtful debts were recognised as at 31 March 2011.

17. SHARE CAPITAL

	Number of shares	**Share capital**
		HK$'000
Ordinary shares of HK$0.01 each		
Authorised:		
At 1 April 2010 and 31 March 2011	15,000,000,000	150,000
Increase on 19 August 2011	15,000,000,000	150,000
At 31 March 2012	**30,000,000,000**	**300,000**
Issued:		
At 1 April 2010	1,635,432,400	16,354
Issued on share placements	426,000,000	4,260
Exercise of share options	48,977,200	490
Exercise of warrant	87,500,000	875
At 31 March 2011	2,197,909,600	21,979
Exercise of share options	4,400,000	44
Exercise of warrant	147,500,000	1,475
Issued as consideration for the acquisition of the issued share capital of TGL	8,699,964,972	87,000
Issued for potential acquisition of addition interest in TGL	1,130,141,116	11,301
At 31 March 2012	**12,179,915,688**	**121,799**

All shares issued during the year ended 31 March 2012 and 2011 ranked pari passu in all respects with other shares in issue.

18. ACQUISITION OF SUBSIDIARIES

Acquisition of assets through acquisition of subsidiaries

For the year ended 31 March 2012

Pursuant to an acquisition agreement dated 28 January 2011, an amendment agreement dated 22 March 2011 and a second amendment agreement dated 22 July 2011, the Group acquired directly and indirectly 193,827,783 shares, representing approximately 75.81% of the issued share capital of TGL by issuing 8,699,964,972 shares of the Company to the vendors on 8 September 2011 (the "Completion Date"), the date on which the acquisition was completed.

TGL Group engaged in the acquisition, exploration and development of mineral assets in respect of gold and minerals associated with gold located in South Africa. Its primary assets are the Evander Project and the Jeanette Project for which the feasibility studies of the Evander Project was just commenced and still in progress while Jeanette Project has not yet been commenced at the Completion Date. The directors of the Company are of the opinion that the acquisition of TGL constitutes an acquisition of assets instead of an acquisition of business due to the primary assets are still at a very early exploration stage and further procedures are required so as to prove them to be economically feasible in development.

Consideration transferred

	HK$'000
Shares issued	4,001,984

The fair value of the 8,699,964,972 consideration shares was HK$4,001,984,000 at the Completion Date, which was determined by reference to the closing market price of the Company's share of HK$0.46 on the Completion Date.

Acquisition-related costs amounting to approximately HK$4,592,000 have excluded from the consideration transferred and recognised in profit or loss.

Assets acquired and liabilities recognised at the Completion Date are as follows:

	Completion Date
	HK$'000
Property, plant and equipment	5,707
Exploration assets	5,530,143
Deposits for rehabilitation	1,471
Loans to shareholders	303,354
Other receivables	28,881
Pledged bank deposits	5,866
Bank balances and cash	463,928
Loan from shareholders	(758)
Other payables and accruals	(167,835)
	6,170,757
Non-controlling interests:	
– warrants of TGL held by warrant holder	(430,282)
– options of TGL hold by TGL Share Option Scheme holder	(461,509)
– share of net assets	(1,276,982)
Total consideration	4,001,984

Net cash inflow arising on acquisition:

Bank balances and cash acquired	463,928

19. RELATED PARTY TRANSACTIONS

During the year, the Group entered into the following transactions with related parties:

	2012	2011
	HK$'000	*HK$'000*
Consultancy fees paid to a director of a subsidiary	**757**	1,158

20. SHARE-BASED PAYMENT TRANSACTIONS

(a) Equity-settled share option scheme of the Company

During the year ended 31 March 2012, 25,000,000 and 7,500,000 options were granted to directors and employees respectively. The estimated fair value of the options granted is HK$1,750,000 and for the year ended 31 March 2012, the Group recognised the total expense of HK$1,750,000 (2011: nil) in relation to share options granted by the Company.

(b) Equity-settled share option scheme of TGL

TGL has a share option scheme ("TGL Share Option Scheme") for its management and staff. The outstanding vested share options were not replaced and were still in existence at the time when the Group acquired TGL in the current year.

No options were granted, exercised or forfeited during the Completion Date to 31 March 2012.

During the year ended 31 March 2012, with the consent from the option holders of TGL, TGL amended the TGL Share Option Scheme pursuant to which each TGL option was granted the same voting rights as an issued ordinary share of TGL. Subsequent to the end of the reporting period option holders of TGL agreed to cancel these voting rights attached to the TGL options such that they are deemed void "ab initio" (in other word as though such rights had never existed) and the board of directors of TGL passed a resolution to cancel these voting rights attached to the TGL options and amended the TGL Share Option Scheme. The Group obtained a legal opinion from its South African legal counsel who is of the opinion that the voting rights attached to the TGL options have been legally, validly and effectively cancelled.

(c) Warrants issued by TGL on 12 January 2012

On 12 January 2012, 35,000,000 and 30,000,000 warrants were issued by TGL ("2012 TGL Warrants") to a former director of TGL (who is a founder of TGL) and a substantial shareholder of the Company (who was also a substantial shareholder of TGL prior to the acquisition of TGL by the Group) respectively at a cash consideration of ZAR0.01 each. Each 2012 TGL Warrants grants the holder the right to subscribe for one ordinary share of TGL at an exercise price of ZAR25 per TGL share until 4 January 2017.

The 2012 TGL Warrants were valued at date of grant using the Black Scholes option pricing model.

The fair value of the 2012 TGL Warrants at the date of issue was ZAR142,629,000 (equivalent to approximately HK$140,937,000). There was no vesting conditions on these 2012 TGL warrants and accordingly, a loss of ZAR142,629,000 (equivalent to approximately HK$140,937,000) was recognised in profit and loss during the year ended 31 March 2012 as they were awarded in return for assistance on various issues to be rendered by the recipient. These 2012 TGL Warrants were originally issued with voting rights, but it was subsequently found that voting rights could not have been conferred on these 2012 TGL Warrants.

Subsequent to the end of the financial year, TGL and the holder of 35,000,000 2012 TGL Warrants entered into an agreement on 26 April 2013 pursuant to which both parties agreed to cancel the 35,000,000 2012 TGL Warrants "ab initio" (in other words they were cancelled as if they had never been issued). Further on 19 August 2013, TGL and the holder of 30,000,000 2012 TGL Warrants entered into an agreement pursuant to which both parties agreed to cancel the 30,000,000 2012 TGL Warrants with effect from 19 August 2013.

The Group obtained a legal opinion dated 26 April 2013 from its South African legal counsel who is of the opinion that (i) the voting rights attached to the 2012 TGL Warrants are not, and have never been, valid or enforceable; (ii) the 35,000,000 2012 TGL Warrants have been legally, validly and effectively cancelled and have no further force or effect; and (iii) no voting rights attached to the 30,000,000 2012 TGL Warrants were issued.

21. GROSS OBLIGATION UNDER PUT OPTIONS AND DERIVATIVE FINANCIAL INSTRUMENTS – PUT OPTIONS

(a) Gross obligation under put options

In addition to the acquisition of the controlling shares of TGL as set out in note 18, the Group has granted put options to acquire TGL's shares from the Shareholders of Gold Commercial Services Limited ("Goldcom") who is one of the non-controlling shareholders of TGL who are residents of South Africa ("South African Shareholders") and the TGL option holders. Details of put options are set out in note 21(b).

Upon the issuance of the put options, the Group has a commitment to settle the contractual obligation by cash proceeds from sales (at the times of exercise of the options) of a maximum of 2,139,757,635 of the Company's shares. The gross obligation under these put options are designated as FVTPL at initial recognition and stated at fair value. At the date of acquisition, the fair value of the gross obligation under put options with reference to the market price of the Company's share of HK$0.46 per share was HK$984,289,000. The gross obligation under put options to South African Shareholders and TGL option holders amounting to HK$519,865,000 and HK$464,424,000 were debited to non-controlling interests and other reserve respectively. As at the end of the reporting period, the fair value of the gross obligation under put options with reference to the market price of the Company's shares of HK$0.18 per share was HK$385,156,000 and the resulting change in fair value of HK$599,133,000 was recognised in profit or loss during the year ended 31 March 2012.

(b) Derivative financial instruments – put options

Put options for the acquisition of additional interest in TGL

(i) Put option agreements between the Company, Gold Commercial Services Limited ("Goldcom") and South African Shareholders

The South African Shareholders had 21,174,316 shares of TGL on Completion Date. To facilitate the South African Shareholders to sell their shares in TGL to the Company, the Company granted put options to these South African Shareholders. The consideration payable by each South African shareholder for the grant of the put option is ZAR1. Due to foreign exchange control restrictions in South Africa, the South African Shareholders are restricted from on-selling, transferring or dealing in the Company's shares. Accordingly, Goldcom was introduced to facilitate the arrangements under the put option agreements between the Company and the South African shareholders.

To facilitate the payment of the put option exercise price upon the exercise of the put options, on the Completion Date, Goldcom subscribed for 1,130,141,116 shares of the Company in consideration for the issuance of the loan note with nil interest. The shares are kept by an escrow agent appointed by Goldcom, the Company and the South African Shareholders. The loan note is unsecured. The Company will not demand repayment of any amount outstanding under the loan note prior to the sales on the Stock Exchange of the Company's shares and the receipt by Goldcom of an amount equivalent to the cash proceeds from the sales of the Company's shares upon exercise of put options by the South African Shareholder. In substance, Goldcom is acting in the role of an agent and the arrangement of loan note and the share subscription only to facilitate the issuance of shares prior to the exercise of put options. Accordingly, the shares issued for the loan note are accounted for as if they are treasury shares. The closing market price of the Company's share on the Completion Date was HK$0.46. The share capital and share premium relating to these shares issued to Goldcom for the exchange of a loan note amounting to HK$519,865,000 is recognised as other reserve in equity in the consolidated statement of changes in equity.

During the year ended 31 March 2012, no put options were exercised by the South African Shareholders.

(ii) Put options granted by the Company to the holders of options of TGL ("TG Optionholders")

Pursuant to the put option agreements dated 8 September 2011 entered into between the TG Optionholders, Goldcom, TGL and the Company, the Company and Goldcom will grant to the TG Optionholders the right to sell a maximum number of 18,916,168 TGL shares to the Company or to the Company through Goldcom for a maximum of 1,009,616,519 new shares of the Company upon their exercise of the options granted by TGL. The put options may be exercised by the TG Optionholders at any time within three years from the Completion Date.

During the year ended 31 March 2012, no put options were exercised by the TG Optionholders.

The put options granted by the Company are classified as derivative financial instruments and stated at fair value.

The fair values amounting to HK$91,928,000 and HK$48,292,000 of put options granted by the Company to South African Shareholders and TG Optionholders at the date of issuance and 31 March 2012 were assessed using the binomial model.

During the year ended 31 March 2012, fair value of HK$91,928,000 at initial recognition and change in fair value between date of grant and 31 March 2012 of HK$43,636,000 in respect of put options granted to the South African Shareholders and TG Optionholders were recognised in profit or loss.

22. EVENTS AFTER THE REPORTING PERIOD

(a) Subsequent to the end of the reporting period, the Group had the following acquisitions:

(i) On 25 May 2012, the Group entered into a sale and purchase agreement with an independent third party ("Vendor A") pursuant to which the Group acquired 49% equity interest in H & M Natural Resources Limited ("H &M") at a total consideration of HK$90,228,000 of which HK$47,500,000 was settled by cash and HK$42,500,000 was settled by transfer of a promissory note held by the Group which was issued by Hau Xiong Development Limited ("Hua Xiong") together with the interest receivable of HK$228,000. H & M is a company incorporated in BVI, whose principal asset is the mine operating cooperation agreement ("Nickel Co-op Agreement") assigned to H & M by Vendor A. Pursuant to the Nickel Co-op Agreement, H & M can carry out the Nickel mining activities in the designated mining area in Kolaka, Indonesia. However, it was subsequently found that the contractual arrangements provided under the Nickel Co-op Agreement are not in line with the requirements and restrictions under the Law of the Republic of Indonesia No. 4 of 2009 concerning Mineral and Coal Mining ("Mining Law") and Government Regulation No. 23 of 2010 concerning Implementation of Mineral and Coal Mining Business Activities as amended by the Government Regulation No. 24 of 2012 ("Government Regulation 23") and therefore H & M is unable to carry out the Nickel mining activities. Accordingly, a loss on acquisition of an associate amounting to HK$90,228,000 is to be recognised in profit or loss during the year ended 31 March 2013.

On 17 March 2014, the Group entered into a sale and purchase agreement with Vendor A who agreed to re-acquire the 49% equity interest in H & M from the Group at the original total consideration of HK$90.228 million. The consideration is to be settled by cash of HK$15,228,000 and two promissory notes with principal amount of HK$37,500,000 each. Both promissory notes are interest bearing at 1% per annum and will mature on 31 July 2014 and 30 November 2014.

(ii) On 7 January 2013, the Group entered into a sale and purchase agreement with an independent third party ("Vendor B") pursuant to which the Group acquired 75% equity interest in Saint Ford Group Limited ("Saint Ford") at a total consideration of HK$95,025,000 of which HK$8,000,000 was settled by cash and HK$86,000,000 was settled by transfer of 2 promissory notes held by the Group which was issued by Sharp Volition together with the interest receivable of HK$1,025,000. The principal asset of Saint Ford is the gold mining right assignment agreement ("Gold Assignment Agreement") entered into between Saint Ford and a third party gold mine owner. Pursuant to the Gold Assignment Agreement, Saint Ford can carry out the gold mining activities in the designated mining area in Kotamobagu, Indonesia. However, it was subsequently found out that the contractual arrangements provided under the Gold Assignment Agreement are not in line with the requirements and restrictions under the Mining Law and the Government Regulation 23 and therefore Saint Ford is unable to carry out the gold mining activities. Accordingly, a loss on acquisition of a subsidiary amounting to HK$95,025,000 is to be recognised in profit or loss during the year ended 31 March 2013.

On 17 March 2014, the Group entered into a sale and purchase agreement with Vendor B who agreed to re-acquire the 75% equity interest in Saint Ford from the Group at the original total consideration of HK$95,025,000. The consideration is to be settled by cash of HK$15,025,000 and two promissory notes with principal amount of HK$40,000,000 each. Both promissory notes are interest bearing at 1% per annum and matured on 31 July 2014 and 30 November 2014 respectively.

(iii) On 22 April 2013, the Group entered into a sale and purchase agreement with a third party pursuant to which the Group conditionally agreed to acquire 100% equity interest in Jun Mao Enterprises Limited ("Jun Mao") at a total consideration of HK$93,000,000 of which HK$8,000,000 was settled by cash and HK$85,000,000 was settled by 2 promissory notes issued by Hua Xiong to the Group. Jun Mao is in the process of acquiring 10% equity interest in 貴州文真鋁業有限公司 ("文真鋁業"), a company established in the PRC, which has a mining right to conduct bauxite mining activities in the designated mining area in Guizhou, the PRC. The acquisition of Jun Mao is conditional upon the acquisition of 文真鋁業. The acquisition has not yet completed up to the date of this results announcements as the acquisition of 文真鋁業 is still in progress.

(iv) On 23 April 2013, the Group entered into a sale and purchase agreement with a third party pursuant to which the Group conditionally agreed to acquire 35% equity interest in Wealthy Peace Holdings Limited ("Wealthy Peace") at a total consideration of HK$60,000,000 of which HK$17,500,000 was settled by cash and HK$42,500,000 was settled by a promissory note issued by Hua Xiong to the Group. Wealthy Peace is in the process of acquiring 100% equity interest in 貴州天啟源燃氣投資有限公司 ("啟源燃氣"), a company established in the PRC, which has 97% interest in the operations of liquefied natural gas storage and filling stations projects in Guizhou, the PRC. The acquisition of Wealthy Peace is conditional upon Wealthy Peace completed the acquisition of 啟源燃氣. The acquisition has not yet been completed up to the date of this results announcement as the acquisition of 啟源燃氣 is still in progress.

(b) As set out in the announcement published by the Company on 19 September 2012, the Company commenced legal proceedings against TGL to replace the majority of the directors of TGL board and to obtain annual consolidated financial statements of TGL, and took appropriate actions to challenge the legality of the issue of the 2012 TGL Warrants with voting rights and the grant of voting rights to the options granted by TGL under the TGL Share Option Scheme such that each TGL option shall carry the same voting right as an issued share of TGL. On 26 April 2013, the Company and TGL entered into a settlement agreement pursuant to which TGL shall (i) cancel 35,000,000 2012 TGL Warrants, (ii) remove the voting rights of the TGL options, (iii) amend the TGL Share Option Scheme that no voting rights can be granted to or attached to any options granted under the TGL Share Option Scheme; (iv) deliver audited consolidated financial statements of TGL and unaudited interim unaudited financial statements of TGL to the Group; and (v) appoint 2 persons nominated by the Company to the board of directors of TGL with effect from 26 April 2013; while the Company shall (i) withdraw all proceedings again TGL, and (ii) appoint 4 persons nominated by TGL to the board of directors of the Company and appoint a person nominated by TGL as the chief executive officer of the Company with effect from 26 April 2013.

(c) On 26 April 2013, TGL entered into an agreement with the holder of 35,000,000 2012 TGL Warrants pursuant to which both parties agreed to cancel the 35,000,000 2012 TGL Warrants.

(d) On 19 August 2013, TGL entered into an agreement with the holder of 30,000,000 2012 TGL Warrants pursuant to which the holder agreed to cancel the 30,000,000 2012 TGL Warrants with effect from 19 August 2013.

MANAGEMENT DISCUSSION AND ANALYSIS

Results

The Group is principally engaged in (i) the operations of gold mines in the Republic of South Africa ("South Africa") and (ii) sale of minerals.

During the financial year 2011/2012, the Group recorded a loss attributable to owners of the Company of approximately HK$217,812,000, or a loss of HK3.02 cents per share basic, compared with a loss attributable to owners of the Company for the year 2010/2011 of approximately HK$21,359,000 or loss of HK1.17 cents per share basic.

Dividend

The Directors do not recommend the payment of any dividend in respect of the year ended 31 March 2012 (2011: Nil).

Business Review

During the year under review, the Group has recorded a turnover of the continuing operations approximately HK$7,860,000 (2011: HK$34,410,000) which represents a decrease of 77.2% compared with the turnover of the continuing operations recorded in the corresponding period of last year. The Group recorded a net loss from ordinary activities attributable to equity holders of approximately HK$217,800,000 compared with a net loss from ordinary activities attributable to equity holders of approximately HK$21,360,000 for the corresponding period of last year. This is mainly a result of recognizing the fair value change on gross liabilities on put options as set out to the Consolidated Financial Statements.

The other comprehensive expense of approximately HK$70,000,000 was mainly exchange difference arises from the South African operations.

Mineral Trading Operations

The Group's trading of minerals business contributed to the Group's majority of revenue during the year under review. However, the Board considered that putting more effort and resources on its gold mining operations could bring more long-term benefits to the Group in the future.

Liquidity and Financial Resources

As at 31 March 2012, the Group had no outstanding bank borrowings (31 March 2011: Nil) and no banking facilities (31 March 2011: Nil).

The Group's gearing ratio as at 31 March 2012 was zero (31 March 2011: Zero), calculated based on the Group's total zero borrowings (31 March 2011: Zero) over the Group's total assets of approximately HK$6,307,700,000 (31 March 2011: HK$593,200,000).

As at 31 March 2012, the balances of cash and cash equivalents of the Group were approximately HK$514,600,000 (31 March 2011: HK$156,100,000) and were mainly denominated in Hong Kong Dollars and South African Rand.

The Group continues to adopt a policy of dealing principally with clients with whom the Group has enjoyed a long working relationship so as to minimize risks in its business.

Foreign Exchange Exposure

During the year ended 31 March 2012, the Group operated mainly in the PRC and the Republic of South Africa, and the majority of the Group's transactions and balances were denominated in Hong Kong Dollars, Renminbi, United States Dollars and South African Rand. However, the directors consider that the currency risk is not significant and the Group currently does not have a foreign currency hedging policy. Nevertheless, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Occurrence of important events affecting the Group

Trading in the shares of the Company was suspended at the request of the Company on 8 June 2012. Shareholders are referred to the subsequent announcements made by the Company regarding the Incident and, in particular, to the announcement of 29 April 2013 dealing with 1) the Settlement Agreement in relation to the Incident and 2) Change of Directors. Further announcements were made on 31 May 2013, 28 June 2013 and 29 July 2013 and on 6 August 2013 an announcement was made regarding the entering into of the Shareholders Agreement by a group of Shareholders, that effectively brought an acceptable conclusion to the Incident.

With the benefit of hindsight the board of the Company and the board of Taung Gold Limited consider that the Incident arose as a result of miscommunication and misunderstanding between the management of the Company and Taung Gold Limited. This unfortunate situation was resolved during discussions leading up to the Settlement Agreement that was executed on 26 April 2013.

On 3 September 2013 the Company received a letter from the Stock Exchange of Hong Kong in which the Stock Exchange stated the following resumption conditions:

1. publish all outstanding financial results and report, and address any concerns raised by the Company's auditors through qualifications in their audit report (the "Outstanding Results Condition"); and

2. demonstrate that the Company has put in place adequate financial reporting procedures and internal control systems to meet obligations under the Listing Rules (the "Internal Control Condition").

An announcement was made on 30 January 2014 detailing the results of the Internal Control Review that fulfilled the Internal Control Condition. The Outstanding Results Condition will be fulfilled through the publication of this announcement containing all of the outstanding financial results. As clarified with the Stock Exchange, the publication of the outstanding financial reports may take place after the resumption of trading of the Company's shares on the Stock Exchange and accordingly, this would not affect the fulfillment of the Results Condition.

Review of Business Operations

Evander Project

The Evander Project comprises the Six Shaft area and the Twistdraai area on the north-eastern limb of the Witwatersrand Basin, Mpumalanga Province, South Africa. As disclosed in the Circular, Evander Gold Mines Limited ("EGM") held the Mining Right No 107/2010 at the relevant time, which is the mining right that covers the Evander Project. The Mining Right No 107/2010 permitted the mining of gold and associated minerals in the Six Shaft and Twistdraai area.

The Earn-in Agreement and the Sale Agreement

Taung Gold Limited ("TGL"), one of the subsidiaries of the Company, entered into a series of nine agreements with EGM Limited on 29 February 2008 (being the Earn-in Agreement). Through the Earn-in Agreement TGL would have sufficient influence in decisions over the exploration of gold resources in the Evander Project whereby TGL contributed the financial resources and the technical expertise to actively explore the Evander Project and EGM Limited contributed the Mining Right No 107/2010.

Under the Earn-in Agreement, in order for TGL to "earn-in" an interest in the Evander Project, TGL was obliged to complete a Scoping Study, a Pre-Feasibility Study and a Bankable Feasibility Study. TGL had already completed the Scoping Study for the Evander Project in April 2010.

Subsequent to the signing of the Earn-in Agreement, negotiations were initiated with EGM Limited resulting in the signing of a sale agreement between EGM Limited and Taung Gold Secunda (Proprietary) Limited ("TGS") a wholly owned subsidiary of TGL) in September 2010 to acquire the entire interest in the Evander Project (the "Sale Agreement"). Completion of the Sale Agreement was conditional on the approval by the Minister of Mineral Resources ("MMR") for the transfer of a subdivided portion of EGM Limited's new order mining right (the "Mining Right") to a wholly-owned subsidiary of TGL (the "Approval"). This subdivided portion covers the entire Evander Project.

On 6 June 2012, Mining Right No 116/2013 over the Evander Project was granted to EGM Limited and the Approval was obtained on the same date and the Sale Agreement became unconditional.

On 18 July 2012 the Mining Right was executed in the name of EGM Limited by the MMR. The Mining Right commenced on 18 July 2012 and will continue in force for 25 years and 9 months and will expire on 28 April 2038. It is renewable for a further period of 30 years. The balance of the consideration of ZAR105,000,000 (or approximately HK$80,600,000) was settled by TGL on 30 May 2012. As a result, the Sale Agreement became unconditional and completion of the Sale Agreement took place on that date. Pursuant to the terms of the Sale Agreement, the Earn-in Agreement was then terminated and TGL had a 100% interest in the Evander Project.

The registration of the Mining Right under 116/2013 into the name of EGM took place on 1 November 2013 and the Deed of Cession No 70/2013 effectively transferring the Mining Right into the name of TGS was registered at the Mineral and Petroleum Titles Registration Office ("MPTRO") on 20 November 2013.

Consideration under the Sale Agreement

The consideration under the Sale Agreement was ZAR225,000,000 (or approximately HK$172,800,000). An aggregate of ZAR120,000,000 (or approximately HK$92,200,000) was paid by TGL before 29 April 2011 as deposit or prepayment under the Sale Agreement.

The Jeanette Project

The Jeanette Project is located close to the town Allanridge within the southwest margin of the Witwatersrand Basin, northeast of Welkom, in the Free State Province of South Africa.

Update on prospecting rights and approvals for the Jeanette Project

TGL entered into an agreement to acquire the single prospecting right (the "Prospecting Right") for the Jeanette area in 2008. A Scoping Study was completed over the Jeanette Project in June 2010. Consent to the transfer of the Prospecting Right was given by the MMR on 29 September 2010 and the prospecting right is valid for five years commencing 29 June 2010. The Prospecting Right permits the exploration of gold ore, silver ore and uranium ore in the Jeanette area. The registration of Taung Gold Free State (Pty) Limited ("TGFS"), a wholly owned subsidiary of TGL. The registration of Prospecting Right No. 144/2013 took place on 30 October 2013 and the Deed of Cession was registered at the MPTRO on 1 November 2013.

Apart from the Prospecting Right, TGL has continued to consolidate its mineral rights holdings in and around its Jeanette Project area. On 28 June 2010, TGL entered into an agreement to acquire the prospecting rights over the farms Buitendachshoop 122, Weltevreden 59, Portion RE and LeClusa 70 from Free State Development and Investment Corporation Limited. These permits are contiguous to the Prospecting Right. The MMR has granted the relevant consent for the transfer of the prospecting rights over the Buitendachshoop and Weltevreden areas to TGL and the transfers are currently pending for registration in TGFS's name with the Mineral and Petroleum Titles Registration Office. The prospecting rights over the LeClusa licence area were registered in TGFS's name with the MPTRO on 18 April 2011. In addition, TGFS has been granted additional prospecting rights over the Bandon 345, Damplaats 361, Katbosch 358, Leeuwbosch 285 farms and also a portion of Weltevreden 59 farm, all being contiguous to the Jeanette Project.

The following table shows the present status of the prospecting rights of the greater Jeanette Project:

Prospecting Right	MPTRO/PR No	Status
Jeanette	144/2013	Deed of Cession No.64/2013 registered to TGFS on 1 November 2013
Buitendachshoop/ Weltevreden	(709PR)	Section 11 consent granted 13 June 2011. Execution and registration of the Deed of Cession is still to be completed
LeClusa	138/2011	Deed of cession No.03/2013 registered to TGFS on 18 January 2013
Damplaats/Katbosch	278/2010	Registered to TGFS on 19 October 2010
Bandon/Weltevreden/ Leeuwbosch	22/2011	Registered to TGFS on 18 October 2011

TGFS has submitted a Section 102 application on 4 March 2014 to consolidate the above permits into a single prospecting right using the Jeanette prospecting right (MPTRO 144/2013) as the base for such consolidation. On completion of the consolidation and the Pre-Feasibility Study currently underway, TGFS will then apply for a mining right over the consolidated area and it is expected that this application will be submitted early in 2015. TGFS as the holder of the to be consolidated prospecting rights has the exclusive right to apply for a mining right.

Future Plans for the Evander Project and the Jeanette Project

As at the date of this announcement, both the Evander Project and the Jeanette Project are at the exploration stage, which involves the completion of Bankable Feasibility Studies ("BFS") and Pre-Feasibility Studies ("PFS") for the projects, respectively.

The Evander Project

TGL is in the process of completing a Bankable Feasibility Study for the Six Shaft area. The technical and engineering work in relation to the BFS is complete and the pending execution of option agreements relating to the securing of surface rights for a tailings storage facility will enable the completion of the financial work. The publication of the BFS Report is expected by the second quarter of the new financial year and will herald the declaration of the maiden Mineral Reserve for the Evander Project.

The Jeanette Project

TGL is presently conducting a PFS over the project area using the enlarged resource and new structural plan and it is expected to be completed during the second quarter of the new financial reporting period.

The Company is considering different plans to commence with the subsequent construction phase of the Evander Six Shaft Project and continues to review its financial position given recent and prevailing uncertainty and volatility in global markets. The Directors have approached this period of uncertainty by reviewing capital expenditure to advance the two flagship projects and work at the remaining exploration projects. The Board made the decision to complete the BFS for the Evander Six Shaft area but will only decide on a further drilling program in the Twistdraai area at a later date. Consequently, further PFS/BFS work for the Twistdraai area will also be commissioned at a later date. It was also decided to delay the commissioning of various studies on the Jeanette Project such that the completion of the PFS will be finalized at the end of the first quarter of the new financial year. A decision regarding the timing of commencement of the BFS for the Jeanette Project will be taken after the completion of the PFS. TGL has also reviewed its remaining exploration projects in South Africa and will continue to dispose of those projects that do not meet its expectations, in order to ensure continued focus on the flagship projects at Evander and Jeanette.

OTHER INFORMATION

Transactions After Reporting Period

The transactions which took place after 31 March 2012 (please refer to 22(a)(i) to (iv) on page 30 and 31 of this results announcement) did not constitute notifiable transactions and/or connected transactions to the Company pursuant to Chapter 14 and Chapter 14A under the Listing Rules.

CORPORATE GOVERNANCE

The Board considers that good corporate governance of the Company can protect and safeguard the interests of the shareholders and to enhance the performance of the Company. The Board is committed to maintaining and ensuring high standards of corporate governance. With the assistance from the Consultant, internal control deficiencies and deviation from the Code were identified, which existed for the year ended 31 March 2012 due to inadvertent oversight. The table below summarized the key deficiencies and remediation implemented by the Group:

Control Areas	Material findings and deficiencies found in the Internal Control Review	Status of remediation adopted by the Group
1. Internal communications	Inadequate communication between the Company and the South African operation.	a. Relevant internal communication policy has been established and approved by the Board. b. Internal communication of the Group has been enhanced by holding quarterly meeting and irregular meetings between the Hong Kong and South African based Executive Directors and senior management for discussion and reporting and circulating all internal correspondences and documentations to all Executive Directors of the Company.
2. Compliance with Listing Rules	Incomprehensive policies and procedures governing the reporting of notifiable transactions and connected transactions of directors and senior executives.	a. The Company's guideline on connected transactions and notifiable transactions has been enhanced and approved by the Board. b. Trainings in relation to the reporting of notifiable transactions and connected transactions were carried out for Executive Directors and senior management of the Company. c. Assistant company secretary of the Company has been assigned to perform the regular review and update of the connected parties list since 30 September 2013.

Control Areas	Material findings and deficiencies found in the Internal Control Review	Status of remediation adopted by the Group
		d. Directors have provided and will be required to provide annual written declarations regarding their respective connected parties and connected transactions since 30 September 2013.
	Incomprehensive corporate governance policies and procedures in relation to Appendix 14 of the Listing Rules.	The Company's terms of reference of corporate governance function have been enhanced and approved by the Board.
	No formal policy to monitor the compliance with requirements set out in Chapter 18 of the Listing Rules for mineral companies.	The Company's guideline for Chapter 18 has been established and approved by the Board.
3. Internal guidelines and policies	Incomprehensive code of conduct covering the handling of confidential and proprietary information and ethical or conflict of interests issues.	a. Code of Conduct including a comprehensive set of ethical guideline has been revised and approved by the Board. b. All Directors and senior management of the Company have signed confirmation of undertaking of the Code of Conduct and have consented to comply with their provisions..
4. Internal control regarding significant transactions/ acquisitions	No formal mechanism to monitor and manage the process during the post-acquisition integration following any acquisition done by the Group.	a. The Company's "Post-acquisition Guideline" has been established and approved by the Board. b. No sample for the post-acquisition integration plan is available as no acquisition has been carried out by the Group during the Internal Control Review.

Control Areas	Material findings and deficiencies found in the Internal Control Review	Status of remediation adopted by the Group
	The Company does not have formal procedures on requirement to obtain approvals from the Board for significant business transactions.	a. Policies and procedures on a list of matters that require prior approval from the Board and the internal communication within the Group has been established and approved by the Board. b. Certain Executive Directors of the Company have been appointed as the Executive Directors of the South African subsidiary and vice versa. c. Quarterly meeting and irregular meetings are required to be held between the representatives of the Company's subsidiaries and the Company for discussion and reporting since 26 July 2013.
	Incomprehensive policies and procedures for authorization on key business decisions.	a. The Company's "Role and Responsibilities of Directors & Authorization Policy" has been enhanced and approved by the Board. b. The Board's authority is allowed to be delegated only to personnel authorised by the Board at the relevant meeting of the Board of Directors. c. The authority and scope of power of the South African subsidiaries of the Group has been established and approved by its board.
5. Risk management	Incomprehensive policies and procedures on risk assessments within the Group	a. Policies and procedures on risk assessment and reporting of the Group have been enhanced and approved by the Board. b. Risk assessment was carried out and a risk control register which documented the risks identified by the Company and the corresponding action plans was established and approved by the Board on 17 January 2014.

Control Areas	Material findings and deficiencies found in the Internal Control Review	Status of remediation adopted by the Group
	Incomprehensive whistle blowing policy.	a. The Group's "Whistle Blowing Policy" has been enhanced and approved by the Board. b. The Group's staff have signed confirmations of undertaking of the Whistle Blowing Policy. c. No sample of investigation report is available as there were no reported cases during the Internal Control Review.
6. Internal audit	Incomprehensive financial reporting and disclosure policies and procedures.	The Group's "Financial Reporting and Disclosure Policies and Procedures" have been enhanced and approved by the Board.
	Lack of independence on the mechanism for monitoring systems of internal controls and no formal policy/ guidelines to monitor the review of internal control system.	a. The Group's Internal Audit Policies including internal audit charter have been established and approved by the Board. b. The Board has assigned staff who are independent from operations and management control to carry out the internal audit function. The staff was under the supervision of a qualified and competent personnel and directly report to the Audit Committee of the Company. c. Internal audit plan was established and approved by the Audit Committee and the Board on 8 January 2014 and 17 January 2014, respectively. The internal audit work will be carried out according to the approved internal audit plan and a internal audit report will be prepared which will be reviewed and approved by the Audit Committee and the Board.

Control Areas	Material findings and deficiencies found in the Internal Control Review	Status of remediation adopted by the Group
7. Intangible asset management	Incomprehensive intangible assets (Mining Rights) policies and procedures governing the acquisitions and dispositions of intangible assets and their management (such as policies relating to the capitalisation, amortisation, periodic valuation and assessment of impairment of the intangible assets, registration and renewal of mining right and prospecting right).	The Group's "Intangible Assets Management Policies and Procedures" has been enhanced and approved by the Board.
8. Project management	Incomprehensive project management policies and procedures relating to areas such as risk assessment, project monitoring, valuation, capitalisation of project expenditures and periodic performance review for mining projects and the review and approval procedures regarding the closure, abandonment and change of projects.	The Group's Project Management Policy has been enhanced and approved by the Board.

Control Areas	Material findings and deficiencies found in the Internal Control Review	Status of remediation adopted by the Group
9. Document management	Incomprehensive policies and control procedures in respect of execution of significant contracts and document management.	a. The Company's Contract Management Policy has been enhanced and approved by the Board. b. The Company has maintained a register for all significant agreements entered into by the Company, which has to be reviewed by the Company's assistant company secretary and approved by the Company's Executive Directors based in Hong Kong. Since 4 October 2013, all records of review of significant agreements of the Company or advice given by legal professionals are required to be properly documented. c. A "Contract Tracking List" with pre-assigned sequential contract index has been established is required to be periodically reviewed by the Executive Legal of the South African subsidiaries.
10. External communication mechanism	Incomprehensive external communication policies and procedures.	The Group's Continuous Disclosure Policy has been established and approved by the Board.
11. Investment evaluation mechanism	Incomprehensive investment management policies and procedures.	The Group's Investment Policy has been enhanced and approved by the Board.

Code Provision A.2.1 requires the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. As at 31 March 2012, the Company considered that vesting the roles of the chairman and the chief executive officer in the same individual, Mr. Li Ho Yin would facilitate the Group business strategies and maximize operation effectiveness. The Company has subsequently reviewed the structure and complied with the Code provision A.2.1 in April 2013 following appointment of Mr. Li Hok Yin and Mr. Christiaan Rudolph de Wet de Bruin as Co chairmen of the Company and Mr. Neil Andrew Herrick as Chief Executive Officer of the Company on 26 April 2013.

Code Provision A.4.1 requires non-executive directors should be appointed for a specific term and subject to re-election. The independent non-executive Directors of the Company are not appointed for specific terms but are subject to retirement by rotation in accordance with the bye-laws of the Company.

Both the Internal Control Consultant and the Directors are also of the view that the Group has established adequate internal control policies and procedures in all material respects, and the Group currently maintains an adequate and effective internal control system to meet its obligations under the Listing Rules. Since then, the Company has applied the principles and complied with all the applicable code provisions of the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules").

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as the standard for securities transactions by the Directors. The Company has made specific enquiries of all the Directors and all the Directors confirmed that they have complied with the required standards set out in the Model Code during the year ended 31 March 2012.

The Company has also established written guidelines on no less exacting terms than the Model Code (the "Written Guidelines") for securities transactions by the relevant employees, including the Directors, who are likely to be in possession of unpublished price-sensitive information of the Company.

No incident of non-compliance of the Written Guidelines by the relevant employees was noted by the Company.

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference based on the guidelines recommended by the Hong Kong Institute of Certified Public Accountants and the mandatory provisions as set out in the Code of the Listing Rules. The audit committee comprises three independent non-executive Directors. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control procedures of the Group, and to review the Company's annual and interim reports.

The audit committee has reviewed the annual results of the Group for the year ended 31 March 2012.

OTHER BOARD COMMITTEES

Besides the Audit Committee, the Board has also established Remuneration Committee and Nomination Committee. Each Committee has its defined scope of duties and written terms of reference.

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

There was no purchase, sale or redemption of shares or other listed securities of the Company or by any of its subsidiaries during the year.

PUBLICATION OF THE FINAL RESULTS AND ANNUAL REPORT

This results announcement is available for viewing on the website of Hong Kong Exchanges and Clearing Limited website at www.hkexnews.hk under "Latest Listed Companies Information" and on the website of the Company at www.whih.com.hk under "Investors' Relationship". The annual report of the Company containing all the information required by the Listing Rules will be published on the websites in due course.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 March 2012 as set out in this preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 March 2012 on which they have expressed an unmodified audit opinion. They have also stated in their report for the year ended 31 March 2012 that the consolidated financial statements of the Group for the year ended 31 March 2011 were audited by another auditor who expressed an unmodified opinion on those statements published on 29 June 2011. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

CONTINUED SUSPENSION OF TRADING

Trading in the Shares was suspended from 9:00 a.m. on 8 June 2012 and will remain suspended.

By order of the Board
Taung Gold International Limited
Cheung Pak Sum
Executive Director

Hong Kong, 29 April 2014

As at the date of this announcement, the Board comprises eight Directors. The Executive Directors are Mr. Li Hok Yin, Mr. Christiaan Rudolph de Wet de Bruin, Mr. Neil Andrew Herrick, Ms. Cheung Pak Sum and Mr. Igor Levental. The Independent Non-executive Directors are Mr. Chui Man Lung, Everett, Mr. Li Kam Chung and Mr. Walter Thomas Segsworth.