

## Firestone Diamonds plc

### Unaudited Interim Results for the six months to 31 December 2012

LONDON: 28 March 2013

Firestone Diamonds plc (“Firestone”, the “Group” or the “Company”), the AIM-quoted diamond mining and exploration company (ticker: AIM: FDI), announces its unaudited interim results for the six months ended 31 December 2012 (“H1 2013”).

#### HIGHLIGHTS

##### *Liqhobong Mine, Lesotho*

###### *Diamond Sales*

- 79,071 carats sold (*H1 2012: 42,803 carats*) at an average price of US\$102/carat (*H1 2012: US\$59/carat*)

###### *Pilot Plant*

- 72,833 carats produced (*H1 2012: 69,319 carats*) at a grade of 24.8 carats per hundred tons (“cpht”) (*H1 2012: 33.5 cpht*)
- 294,106 tons treated in H1 2013 (*H1 2012: 206,889 tons*)
- Further plant modifications made to reduce breakage and damage to the larger stones

###### *Main Treatment Plant*

- Results of the Definitive Feasibility Study released on 25 October 2012
- Financing discussions for the development of the Main Treatment Plant are progressing well

##### *BK11 Mine, Botswana*

- Remains on care and maintenance at a cost of US\$45,000 per month

##### *Corporate*

- Annualised savings of £556,000 achieved through various restructuring and cost saving initiatives

##### *Outlook*

- Raising finance for the Main Treatment Plant
- Further modifications to pilot plant aimed at reducing damage and breakage of larger diamonds

#### Financial Highlights

- Consolidated revenue increased by £3.1m to £5.1m (*H1 2012: £2.0m*)
- £3.4m reduction in loss attributable to Firestone shareholders of £4.4m (*H1 2012 loss: £7.8m*)
- Loss per share reduced by 1.4 pence to 0.8 pence (*H1 2012: 2.2 pence*)
- Consolidated net cash at 31 December 2012 was £4.2m (*H1 2012: £4.2m*)

Extracts of the Interim Results appear below with a full version available on the Company’s website:

[www.firestonediamonds.com](http://www.firestonediamonds.com).

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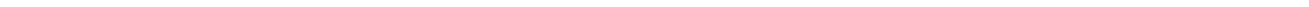
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## **Chairman's Statement**

Dear Shareholder,

Following the on-going positive restructuring initiatives and strategic review process of 2012, I am pleased to report that Firestone has continued to make encouraging steps towards becoming a mid-tier diamond producer. Our current focus remains on the Company's flagship asset, the Liqhobong Mine in Lesotho, with the emphasis on the Main Treatment Plant ("MTP") expansion which, once completed, will have the capability of producing approximately 1 million carats per annum.

At the end of October 2012 the much anticipated SAMREC compliant Definitive Feasibility Study ("DFS") for the MTP was published. The study confirmed the Board's belief in the robustness of the project indicating a post-tax internal rate of return of 40% and a net present value, applying an 8% discount rate, of US\$335 million on an ungeared basis for the project as a whole. The development schedule remains on track with the plant and infrastructure due to be completed in approximately 24 months with commissioning expected in the second half of 2015. The Board is currently focused on the financing for the MTP and I am pleased to report that discussions are progressing well with a number of parties. Alongside the traditional funding methods we are also considering alternative marketing arrangements to ensure that minimal dilution is incurred by our shareholders on the path to developing the MTP at Liqhobong.

The Pilot Plant at Liqhobong has continued to operate, achieving an average of 100 tonnes per hour with anticipated annual production of around 160,000 – 180,000 carats. It was also very encouraging to report the changes in the quantity of whiter stones recovered throughout the period alongside the discoveries of the rare type 2B blue diamond and the type 2A diamonds. This increase in quality and the variety of colour continues to underpin our belief that Liqhobong contains significant upside that will be fully realised once the MTP is operational in 2015. Diamond damage and breakage remains a challenge despite some plant modifications completed during the six month period ended 31 December 2012. The Board has therefore instigated an additional modification phase that is underway which will result in larger material reporting to x-ray recovery machines before entering the secondary crushing circuit, where the damage is currently thought to be taking place. This phase is due to be completed shortly.

During the six month period, Firestone held three tenders, two of which were dual tenders held in both Gaborone and Antwerp. The last tender in November was a sole tender in Antwerp and was the first one held at the fully-fledged, 'triple A' Antwerp World Diamond Council ("AWDC") facility. It was operated independently on behalf of the Company by First Element Diamond Services. It was particularly pleasing to see that the average diamond price achieved was 73% higher at US\$102/carats compared with the US\$59/carats in the comparative period as a result of the stronger diamond market, improvement in the quality of diamonds and the inclusion of revenue from the sale of higher quality diamonds from the July 2012 tender. The diamond market has remained relatively constant with signs of cautious optimism returning on improved diamond prices in the third quarter of the financial year ending 30 June 2013.

The BK11 Mine in Botswana remains on temporary care and maintenance pending a greater recovery in the diamond market. The Company remains committed to unlocking value from BK11, and concurrently continues to evaluate various avenues to extract value from our extensive exploration and evaluation portfolio.

The Group recorded revenues of £5.1m for the six months ended 31 December 2012, up considerably from the first half of the previous financial year due to the increase in achievable carat prices and the quantity of diamonds sold. Although production was up by only 3,514 carats for the period, a total of 36,268 more carats were sold as more tenders were held. At the end of December 2012, the Company held £4.2m in cash.

It is important and pleasing to note that the corporate restructuring and cost saving initiatives that were implemented by the Company in January 2012 have achieved annualised savings of £556,000. The Company remains committed to these cost saving initiatives.

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The Board and management team continued to be strengthened throughout the period with the appointments of Mr Julian Treger, Mr Mike Wittet and Mr Grant Ferriman during July 2012.

Lucio Genovese

Non-Executive Chairman

27 March 2013

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## Operational Review

### *Liqhobong Mine, Lesotho ("LMDC")*

#### **Pilot plant production**

During the period, a total of 72,833 carats (*H1 2012: 69,319 carats*) were produced at an average grade of 24.8 cpht (*H1 2012: 33.5 cpht*). Severe weather conditions during July and August prevented ore from being mined and the lower grade stockpiles had to be processed in order to maintain production capacity. In September, when access to the pit was once again possible, lower grade areas had to be mined first in order to gain access to the higher grade K5 and K6 units.

Although modifications undertaken to reduce diamond damage and breakage were completed during the period, the plant continues to break diamonds, specifically the larger, more valuable stones (>20mm diameter). A further modification is underway currently which will result in larger material (>45mm diameter) reporting to a high-volume coarse x-ray recovery machine before entering the secondary crushing circuit, where the damage is currently thought to be taking place. These modifications are expected to be completed shortly.

In order to sustain production, an Interim Tailings Deposition Facility ('ITDF') was constructed in the third quarter of 2012. Waste stripping of what is known as cut 1 commenced so that the basalt waste could be used for the foundation of the ITDF. Cut 1 is a part of the mine's stripping program to further expose the ore body for future mining. At the time, it was estimated that the facility would provide 12 months of sliming capacity. Capacity has been utilised at a higher rate than expected as a result of higher production rates. Further stripping of cut 1 will be required to increase capacity or to facilitate the construction of an additional sliming facility.

#### **Summary of quarterly production data for LMDC:**

		Q3 2012	Q4 2012	H1 2013	Q3 2011	Q4 2011	H1 2012
<b>Activity Report</b>							
Mining – waste	tons '000	280	106	386	82	93	175
Mining – ore	tons '000	169	161	330	93	127	220
Stockpile – ore	tons '000	24	13	37	-	-	-
Tailings handling	tons '000	75	66	141	45	55	100
<b>Mining – total</b>	<b>tons '000</b>	<b>548</b>	<b>346</b>	<b>894</b>	<b>220</b>	<b>275</b>	<b>495</b>
Treatment – ore	tons '000	143	151	294	93	114	207
Grade recovered	Cpht	22.7	26.8	24.8	36.5	31.0	33.5
Carats produced	Crts	32,443	40,390	72,833	33,930	35,389	69,319
<b>Revenue</b>							
Gross diamond sales	US\$	2,973,273	5,119,798	8,093,071	427,321	2,078,149	2,505,470
Carats sold	Crts	15,081	63,990	79,071	1,846	40,957	42,803
Price achieved	US\$/crt	197 <sup>1</sup>	80	102	231	51	59

<sup>1</sup> Average price of US\$87/carat was achieved at the June 2012 tender. Only the off-take inventory was sold in the 2012 financial year with the remainder in the current financial year.

#### **Main treatment plant**

On 25 October 2012, the Company announced the results of its Definitive Feasibility Study ('DFS'), the main highlights of which are:

- Pre tax Net Present Value of US\$441 million applying an 8% discount rate

- 44% internal rate of return with 28 month payback period (post tax IRR of 40% and NPV (applying an 8% discount rate) of circa US\$335 million)
- Average annual production of 1.2 million carats commencing 2015
- 15 year life of open pit mine

A copy of the DFS presentation is available on the Company's website at [www.firestonediamonds.com](http://www.firestonediamonds.com)

### *BK11 Mine, Botswana*

The mine was placed on temporary care and maintenance in February 2012. The continued cost of the care and maintenance paid for by the Group is US\$45,000 per month.

#### Summary of quarterly production data for BK11:

		Q3 2012	Q4 2012	H1 2013	Q3 2011	Q4 2011	H1 2012
<b>Activity Report</b>							
Mining – waste	tons '000	-	-	-	575	381	956
Mining – ore	tons '000	-	-	-	185	259	444
<b>Mining – total</b>	<b>tons '000</b>	-	-	-	<b>760</b>	<b>640</b>	<b>1 400</b>
Treatment – ore	tons '000	-	-	-	190	209	399
Grade recovered	Cpht	-	-	-	2.42	2.54	2.48
Carats produced	Crts	-	-	-	4,597	5,313	9,910
<b>Revenue</b>							
Gross diamond sales	US\$	-	-	-	461,783	623,406	1,085,189
Carats sold	Crts	-	-	-	2,978	5,191	8,169
Price achieved	US\$/crt	-	-	-	155	120	133

### *Botswana Evaluation Projects*

No work was performed on any of the exploration licences during the year. As stated earlier in this report, the Company is currently investigating ways of unlocking value from these assets and the Board will make a decision in this regard in due course.

## Financial Review

### *Income Statement*

#### **Group**

Revenue increased by £3.1 million to £5.1 million (*H1 2012: £2.0 million*) for the period under review. The Group incurred a loss before taxation of £4.9 million (*H1 2012: £8.8 million*). This amount includes amortisation and depreciation of £2.5 million (*H1 2012: £2.1 million*). The £2.4 million cash loss for the period (*H1 2012: £6.1 million*) is therefore £3.7 million lower than the comparative period. Gross profit of £0.5 million (*H1 2012: £3.6 million loss*) was generated mainly as a result of the higher quality, more valuable diamonds sold during the six months to 31 December 2012.

### **Liqhobong Mine, Lesotho (LMDC)**

LMDC generated revenue of £5.1 million (*HI 2012: £1.4 million*) from the sale of 79,071 carats (*HI 2012: 42,803 carats*). The average diamond price achieved was 73% higher for the period at US\$102/carat compared with US\$59/carat in the comparative period as result of a stronger diamond market, improvement in the quality of diamonds and the inclusion of revenue from the sale of higher quality diamonds from the June 2012 tender.

Operating costs of £4.6 million were incurred in the period which equates to US\$103/carat, and selling and distribution and administrative expenses amounting to £1.0 million brought the total cash costs to £5.6 million.

The mine incurred a cash operating loss of £0.6 million. A total operating loss of £2.3 million was incurred which includes non-cash amortisation and depreciation charges of £1.7 million. The mine produced 72,833 carats (*HI 2012: 69,319 carats*) during the period. Production was adversely affected in July and August due to severe weather which constrained the ability to produce diamonds.

### **BK11 Mine**

The mine incurred an operating loss of £0.8 million while remaining on care and maintenance for the period under review. Cash operating costs of £0.2 million were incurred and a non-cash depreciation charge of £0.6 million was recognised. In the comparative period, the mine generated revenue of £0.6 million from the sale of 8,169 carats achieving an average price of US\$133/carat. Management decided to place the mine on temporary care and maintenance in February 2012 as a result of declining diamond prices which also resulted in an impairment charge of £13.2 million in the year ended 30 June 2012. BK11 is reliant on Group support to fund its care and maintenance program of approximately US\$45,000 per month.

### **Corporate**

Corporate costs of £1.4 million were incurred during the period which included a one-off restructuring cost of £157,000. Management continue working towards a reduction in corporate costs of the Group as evidenced by the annualised savings of £556,000 achieved in the period.

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## Cash Flow

### Group

The Group began the period with cash resources of £10.6 million (*HI 2012: £4.3 million*).

The Group utilised £6.4 million cash during the period (*HI 2012: £12.9 million*)

A total amount of £3.2 million was used in operating activities which includes a £1.9 million reduction in working capital. A reduction in inventory holdings and accounts receivable resulted in an inflow of £1.6 million, while a decrease in trade and other payables resulted in an outflow of £3.5 million.

The Group invested £2.2 million in property, plant and equipment at LMDC, £1.0 million to increase sliming capacity, £0.8 million on the Definitive Feasibility Study and investment in cut 1 stripping, and £0.4 million on process improvement projects and other assets.

Repayments of £1.0 million for debt financing and finance leases over property, plant and equipment were made during the period with no further debt facilities being raised.

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## Consolidated Statement of Comprehensive Income

For the six months ended 31 December 2012  
(Unaudited)

	6 months ended 31.12.2012 Unaudited £'000	6 months ended 31.12.2011 Unaudited £'000	Year ended 30.06.2012 Audited £'000
Revenue	5,098	1,973	6,518
Cost of sales	(4,640)	(5,567)	(14,013)
<b>Gross profit/(loss)</b>	<b>458</b>	<b>(3,594)</b>	<b>(7,495)</b>
Selling and distribution expenses	(662)	(247)	(594)
Care and maintenance expenses	(266)	-	(843)
Administrative expenses	(305)	(198)	(780)
Amortisation and depreciation	(2,546)	(2,094)	(2,864)
Impairment of property, plant and equipment and intangible assets	-	(615)	(13,779)
Corporate expenses	(1,451)	(1,850)	(3,677)
<b>Loss before finance charges and income tax</b>	<b>(4,772)</b>	<b>(8,598)</b>	<b>(30,032)</b>
Finance income	40	21	16
Finance costs	(214)	(182)	(403)
<b>Loss before income tax</b>	<b>(4,946)</b>	<b>(8,759)</b>	<b>(30,419)</b>
Income tax credit	-	29	413
<b>Loss for the period</b>	<b>(4,946)</b>	<b>(8,730)</b>	<b>(30,006)</b>
<b>Other comprehensive income/(loss):</b>			
Exchange differences on translating foreign operations net of tax	(100)	(6,750)	(12,066)
<b>Total comprehensive loss for the period</b>	<b>(5,046)</b>	<b>(15,480)</b>	<b>(42,072)</b>
<b>Loss after tax for the period attributable to:</b>			
Equity holders of the parent	(4,427)	(7,780)	(24,597)
Non-controlling interests	(519)	(950)	(5,409)
<b>Loss for the period</b>	<b>(4,946)</b>	<b>(8,730)</b>	<b>(30,006)</b>
<b>Total comprehensive loss for the period attributable to:</b>			
Equity holders of the parent	(4,457)	(14,530)	(35,030)
Non-controlling interests	(589)	(950)	(7,042)
<b>Total comprehensive loss for the period</b>	<b>(5,046)</b>	<b>(15,480)</b>	<b>(42,072)</b>
<b>Loss per share</b>			
Basic loss per share (pence)	(0.8)	(2.2)	(5.9)
Diluted loss per share (pence)	(0.8)	(2.2)	(5.9)

## Consolidated Statement of Financial Position

As at 31 December 2012

(Unaudited)

	Note	31.12.2012 Unaudited £'000	31.12.2011 Unaudited £'000	30.06.2012 Audited £'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment		52,345	69,847	54,246
<b>Total non-current assets</b>		<b>52,345</b>	<b>69,847</b>	<b>54,246</b>
<b>Current assets</b>				
Inventories		1,985	2,525	2,392
Trade and other receivables		594	1,664	1,604
Derivative financial instruments		-	64	-
Cash and cash equivalents	4	4,153	4,194	10,618
<b>Total current assets</b>		<b>6,732</b>	<b>8,447</b>	<b>14,614</b>
<b>Total assets</b>		<b>59,077</b>	<b>78,294</b>	<b>68,860</b>
<b>EQUITY</b>				
Share capital	5	76,265	74,523	76,252
Share premium		54,917	42,271	54,856
Merger reserve		(1,076)	(1,076)	(1,076)
Translation reserve		(9,900)	(6,187)	(9,870)
Accumulated losses		(65,798)	(44,655)	(61,371)
<b>Total equity attributable to equity holders of the parent</b>		<b>54,408</b>	<b>64,876</b>	<b>58,791</b>
Non-controlling interests		(5,852)	537	(5,263)
<b>Total equity</b>		<b>48,556</b>	<b>65,413</b>	<b>53,528</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Interest-bearing loans and borrowings		655	2,024	1,415
Deferred tax		3,185	2,933	3,314
Other payables		-	368	-
Provisions		3,197	1,353	3,169
<b>Total non-current liabilities</b>		<b>7,037</b>	<b>6,678</b>	<b>7,898</b>
<b>Current liabilities</b>				
Interest-bearing loans and borrowings		1,279	1,795	1,518
Trade and other payables		2,005	3,976	5,916
Provisions		200	432	-
<b>Total current liabilities</b>		<b>3,484</b>	<b>6,203</b>	<b>7,434</b>
<b>Total liabilities</b>		<b>10,521</b>	<b>12,881</b>	<b>15,332</b>
<b>Total equity and liabilities</b>		<b>59,077</b>	<b>78,294</b>	<b>68,860</b>

## Consolidated Statement of Changes in Equity

For the six months ended 31 December 2012

(Unaudited)

	Share capital £'000	Share premium £'000	Merger reserve £'000	Translation reserve £'000	Accumul ated losses £'000	Total £'000	Non- con- trolling interest £'000	Total equity £'000
<b>Balance at 30 June 2012 (Audited)</b>	<b>76,252</b>	<b>54,856</b>	<b>(1,076)</b>	<b>(9,870)</b>	<b>(61,371)</b>	<b>58,791</b>	<b>(5,263)</b>	<b>53,528</b>
Profit or loss	-	-	-	-	(4,427)	(4,427)	(519)	(4,946)
Foreign currency translation differences	-	-	-	(30)	-	(30)	(70)	(100)
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(30)</b>	<b>(4,427)</b>	<b>(4,457)</b>	<b>(589)</b>	<b>(5,046)</b>
<b>Contributions by and distributions to owners</b>								
Issue of ordinary shares	13	61	-	-	-	74	-	74
<b>Total contributions by and distributions to owners</b>	<b>13</b>	<b>61</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>74</b>	<b>-</b>	<b>74</b>
<b>Balance as at 31 December 2012 (Unaudited)</b>	<b>76,265</b>	<b>54,917</b>	<b>(1,076)</b>	<b>(9,900)</b>	<b>(65,798)</b>	<b>54,408</b>	<b>(5,852)</b>	<b>48,556</b>

## Consolidated Statement of Cash Flows

For the six months ended 31 December 2012  
(Unaudited)

	6 months ended 31.12.2012	6 months ended 31.12.2011	Year ended 30.06.2012
	Unaudited	Unaudited	Audited
Note	£'000	£'000	£'000
<b>Cash flows from operating activities</b>			
Loss before income tax	(4,946)	(8,759)	(30,419)
Adjustments for:			
Depreciation, amortization and impairment	2,546	2,709	16,643
Effect of foreign exchange movements	783	613	(1,650)
Charge in relation to share-based payments	-	47	148
Increase in rehabilitation provisions	173	-	-
Loss on derivative financial instruments	-	-	109
Profit on sale of non-current assets	-	(20)	-
Finance income	(3)	-	-
Finance costs	97	58	294
Cash flows from operating activities before working capital changes	(1,350)	(5,352)	(14,875)
Decrease/(increase) in inventories	317	(672)	(906)
Decrease in trade and other receivables	1,266	1,532	1,283
(Decrease)/increase in trade and other payables	(3,454)	(1,488)	1,412
(Decrease)/increase in provisions	(20)	40	937
<b>Net cash used in operating activities</b>	<b>(3,241)</b>	<b>(5,940)</b>	<b>(12,149)</b>
<b>Cash flows from investing activities</b>			
Additions to property, plant and equipment	(2,222)	(5,606)	(6,709)
Proceeds on sale of non-current assets	-	20	-
Finance income	3	-	-
<b>Net cash used in investing activities</b>	<b>(2,219)</b>	<b>(5,586)</b>	<b>(6,709)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of ordinary shares	-	13,500	28,200
Share issue expenses	-	(697)	(1,082)
Repayment of long-term borrowings	(825)	(1,248)	(1,556)
Repayment of finance leases	(36)	(33)	(48)
Finance costs	(97)	(58)	(294)
<b>Net cash from financing activities</b>	<b>(958)</b>	<b>11,464</b>	<b>25,220</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(6,418)</b>	<b>(62)</b>	<b>6,263</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>10,618</b>	<b>4,256</b>	<b>4,256</b>
Exchange rate movement in cash and cash equivalents at beginning of period	(47)	-	-
<b>Cash and cash equivalents at end of period</b>	<b>4,153</b>	<b>4,194</b>	<b>10,618</b>

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## Notes to the condensed Group interim financial statements

For the six months ended 31 December 2012  
(Unaudited)

### Notes to the condensed Group interim financial statements

#### 1. Reporting entity

Firestone Diamonds Plc (the “Company”) is incorporate in England and Wales and quoted on the London Stock Exchange’s AIM market. The condensed consolidated interim financial statements of the Company for the six months ended 31 December 2012 comprise the Company and its subsidiaries (together referred to as the “Group”). The audited consolidated financial statements of the Group for the year ended 30 June 2012 are available upon request from the Company’s registered office at The Triangle, 5-17 Hammersmith Grove, London, W6 0LG or at [www.firestonediamonds.com](http://www.firestonediamonds.com).

#### 2. Basis of preparation

These condensed interim financial statements of the Group for the six months ended 31 December 2012 have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRSs”). The same accounting policies, presentation and methods of computation are followed in these financial statements as were applied in the Group’s latest audited financial statements for the year ended 30 June 2012.

These condensed interim financial statements have not been audited, do not include all of the information required for full annual financial statements, and should be read in conjunction with the Group’s consolidated annual financial statements for the year ended 30 June 2012. The auditors’ opinion on these Statutory Annual Accounts was unqualified and included an emphasis of matter paragraph in which the auditor drew attention to the existence of a material uncertainty which may cast significant doubt about the Company’s ability to continue as a going concern. The auditor’s report did not contain a statement under Section 498(2) or 498(3) of the Companies Act 2006.

The comparative figures presented are for the six months ended 31 December 2011 and the year ended 30 June 2012.

#### 3. Going concern

The Directors, having considered the Group’s current trading activities, funding position, projected funding requirements for a period at least twelve months from the date of approval of these interim financial statements consider it appropriate to adopt the Going Concern basis in preparing results for the six months ended 31 December 2012.

The Directors acknowledge that further funding will be required within the next 12 months in order for the Group to continue operating. Management remains committed to reducing cash costs across all of the Group’s operations in order to reduce external cash requirements. In this regard, short to medium term funding has been offered in the form of a forward sale agreement with a prominent diamond trader. The Directors are also confident that additional external funding will be available if and when required and as a result have concluded that the going concern principle remains appropriate.

## Notes to the condensed Group interim financial statements (continued)

For the six months ended 31 December 2012  
(Unaudited)

However, the need to raise new funds represents a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. No adjustments that would result from the going concern basis of preparation being inappropriate have been made in the preparation of the financial information.

### 4. Cash and cash equivalents

	31.12.2012 Unaudited £'000	31.12.2011 Unaudited £'000	30.06.2012 Audited £'000
Cash and cash equivalents	4,153	4,194	10,618

Net cash and cash equivalents were represented by the following currencies:

	31.12.2012 Unaudited £'000	31.12.2011 Unaudited £'000	30.06.2012 Audited £'000
Botswana Pula	213	582	393
British Pound	542	2,763	454
Lesotho Maloti	281	486	251
South African Rand	373	340	278
United States Dollar	2,744	23	9,242
<b>Total Cash and Cash Equivalents</b>	<b>4,153</b>	<b>4,194</b>	<b>10,618</b>

The following significant exchange rates applied against the pound sterling during the period:

	6 months ended 31.12.2012 Unaudited		6 months ended 31.12.2011 Unaudited		Year ended 30.06.2012 Audited	
	Balance sheet rate	Average rate	Balance sheet rate	Average rate	Balance sheet rate	Average rate
Botswana Pula	12.3601	12.214	11.3916	11.0768	11.7334	11.3040
Lesotho Maloti	13.4430	13.2730	12.5226	11.9378	13.1539	12.1549
South African Rand	13.6859	13.4916	12.5437	12.0595	12.9134	12.2723
United States Dollar	1.6153	1.5926	1.5453	1.5919	1.5989	1.5961

## Notes to the condensed Group interim financial statements (continued)

For the six months ended 31 December 2012  
(Unaudited)

### 5. Called up share capital

	Number of shares			Nominal value of shares		
	31.12.2012	31.12.2011	30.06.2012	31.12.2012	31.12.2011	30.06.2012
	Unaudited '000	Unaudited '000	Audited '000	Unaudited £'000	Unaudited £'000	Audited £'000
<b>Allotted, called up and fully paid</b>						
<b>Ordinary shares</b>						
Opening balance	545,513	323,964	323,964	5,455	64,792	64,792
Issued during the period	1,339	48,649	221,549	13	9,731	11,460
Split to deferred shares	-	-	-	-	-	(70,797)
<b>Closing balance</b>	<b>546,852</b>	<b>372,613</b>	<b>545,513</b>	<b>5,468</b>	<b>74,523</b>	<b>5,455</b>
<b>Deferred shares</b>						
Opening balance	7,079,649	-	-	70,797	-	-
Split from ordinary shares	-	-	7,079,649	-	-	70,797
<b>Closing balance</b>	<b>7,079,649</b>	<b>-</b>	<b>7,079,649</b>	<b>70,797</b>	<b>-</b>	<b>70,797</b>
<b>TOTAL</b>	<b>7,626,501</b>	<b>372,613</b>	<b>7,625,162</b>	<b>76,265</b>	<b>74,523</b>	<b>76,252</b>

On 17 July 2012 the Company issued 1,339,285 ordinary shares of 1 pence each pursuant to an agreement entered into between Firestone and a former Director of the Company, Philip Kenny. No consideration was received for these shares.

### 6. Post balance sheet events

There are no post balance sheet events.

### 7. Commitments and contingent liabilities

The Group has the following total minimum lease payments under non-cancellable operating leases:

	31.12.2012	31.12.2011	30.06.2012
	Unaudited	Unaudited	Audited
	£'000	£'000	£'000
Operating leases which expire:			
Within one year	226	320	263
Two to five years	336	583	212
Over five years	-	-	279
<b>Contracted</b>	<b>562</b>	<b>903</b>	<b>754</b>

#### *Contingent liabilities*

The Group monitors contingent liabilities, including, *inter alia*, those relating to taxation in the various jurisdictions in which the Group operates, environmental, closure and other contingent liabilities on an ongoing basis. Provision for such liabilities is raised in the financial statements when the necessary recognition criteria have been satisfied.