

**Annual accounts
and Report of the Réviseur d'entreprises agréé**

30 June 2012

For the year beginning 1 July 2011 and ending 30 June 2012

Coal Energy S.A.

Société anonyme

46A, Avenue J. F. Kennedy
L-1855 Luxembourg
Luxembourg
R.C.S. Luxembourg: B 154144
Share capital: USD 450,111.20

Coal Energy S.A.

Société anonyme

Registered address: 46A, Avenue J. F. Kennedy, L-1855 Luxembourg,
the Grand Duchy of Luxembourg
R.C.S. Luxembourg: B 154144
(the "Company")

Corporate Governance Statement

Directors:

Name	Date of Appointment	Date of Resignation
Joost Anton Mees – Sole Director	17 June 2010	17 May 2011
Vyktor Vyshnevetsky – Director A	17 May 2011	
Andrey Bolshakov – Director A	17 May 2011	21 September 2011
Mykhail Zolotarov – Director A	17 May 2011	
Oleksandr Reznik – Director A	17 May 2011	
Arthur David Johnson – Director A	10 June 2011	
Gwenaëlle, Bernadette,	17 May 2011	
Andree, Dominique Cousin – Director B		
Jacob Mudde – Director B	17 May 2011	

Audit Committee:

Name	Date of Appointment	Date of Resignation
Arthur David Johnson – Director A	10 June 2011	
Jacob Mudde – Director B	10 June 2011	
Gwenaëlle, Bernadette,		
Andree, Dominique Cousin – Director B	10 June 2011	

The Board of Directors (the "Board") states its application of Warsaw Stock Exchange corporate governance rules included in the "Code of Best Practice for WSE Listed Companies" to the form and extent determined by the Resolution No. 20/1287/2011 of the Exchange Supervisory Board dated 19 October 2011. Code of Best Practice for WSE Listed Companies is available at the official website of the Warsaw Stock Exchange: www.corp-gov.gpw.pl

The Board is responsible for establishing and maintaining adequate internal and risk management systems for the Company in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of failure to achieve the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has established processes regarding internal control and risk management systems to ensure its effective oversight of the financial reporting process. These include appointing an independent administrator (the "Administrator") to maintain the accounting records of the Company independent of Coal Energy S.A. The Administrator has a duty of care to maintain proper books and records and prepare for review and approval by the Board the financial statements

intended to give a true and fair view. The Board has appointed TMF Luxembourg S.A. as Administrator.

The Board is responsible for assessing the risk of irregularities whether caused by fraud or error in financial reporting and ensuring that the processes are in place for the timely identification of internal and external matters with a potential effect on financial reporting. The Board has also put in place processes to identify changes in accounting rules and recommendations and to ensure that these changes are accurately reflected in the Company's financial statements.

The Board maintains control structures designed and aimed to manage the risks which are significant for internal control over financial reporting. These control structures include segregation of responsibilities and specific control activities aimed at detecting or preventing the risk of significant deficiencies in financial reporting for every significant account in the financial statements and the related notes in the Company's annual report.

The Company's policies and the Board's instructions with relevance for financial reporting are updated and communicated via appropriate channels, such as e-mail, correspondence and meetings to ensure that all financial reporting information requirements are met in a complete and accurate manner. The Board has an annual process to ensure that appropriate measures are taken to consider and address the shortcomings identified and measures recommended by the independent auditors.

There are no restrictions on voting rights.

The Company's internal control over financial reporting includes those policies and procedures that pertain to the maintenance of financial records that, in reasonable detail, accurately and fairly reflect the transactions and disposals of the assets of the Company; provide reasonable assurance that the transactions are recorded as necessary to permit preparation of financial statements in accordance with Luxembourg legal and regulatory requirements, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposals of the Company's assets that could have a material effect on the financial statements.

In order to ensure, that established controls over financial reporting system worked effectively during 2012, a summary of the work performed by the internal audit department was reviewed by the Audit Committee.

No person has any special rights of control over the Company's share capital.

Appointment and replacement of Directors and amendments to the Articles of Association

With regard to the appointment and replacement of Directors, the Company is governed by its Articles of Association (hereafter referred as the "Articles of Association") and Luxembourg Companies Law 1915. The Articles of Associations may be amended from time to time by a general meeting of the shareholders under the quorum and majority requirement provided for by the law of 10 August 1915 on commercial companies in Luxembourg, as amended.

Powers of Directors

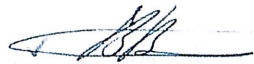
The Board is responsible for managing the business affairs of the Company within the clauses of the Articles of Association. The Directors may only act at duly convened meetings of the Board of Directors or by written consent in accordance with article 9 of Articles of Association.

Rights of the shareholders

The operation of the shareholders meetings and their key powers, description of their rights are governed by Articles of Association and national laws and regulation.

Transfer of shares.

Transfer of shares is governed by Articles of Association of the Company



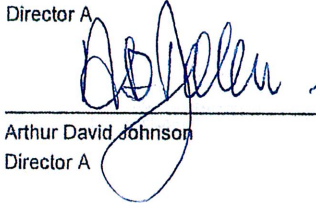
Vyktor Vyshnevetsky
Director A



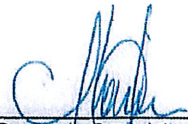
Mykhail Zolotarov
Director A



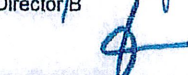
Oleksandr Rezyk
Director A



Arthur David Johnson
Director A



Gwenaëlle Bernadette Andree Dominique
Cousin
Director B



Jacob Mudde
Director B

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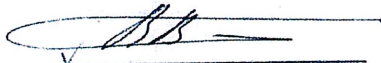
STATEMENT OF MANAGEMENT RESPONSIBILITY

To the best of our knowledge, the financial statements as of 30 June 2012 of Coal Energy S.A. have been prepared in accordance with the LUX GAAP accounting standards give a true and fair view of the assets, liabilities, financial position and result of its operations for the year ended 30 June 2012. The annual management report includes a fair review of the information required under article 4(4) of the Law.

Luxembourg,

On behalf of management

Directors A:



Chairman of the Board of Directors

Viktor Vyshnevetsky



Chief Operating Officer
Mykhail Zolotarov

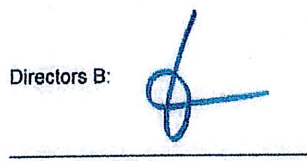


Business Development Director
Oleksandr Reznik

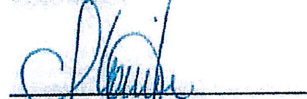


Independent Non-executive Director
Arthur David Johnson

Directors B:



Independent Non-executive Director
Jacob Mudde



Independent Non-executive Director
Gwenaëlle Bernadette Andrée Dominique Cousin

Coal Energy S.A.

Société anonyme

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Luxembourg

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(the "Company")

REPORT

of the board of directors to the annual general meeting of shareholders of the Company

According to the prevailing law and the mandate you have granted to us we are pleased to report the results for the financial year ended 30 June 2012.

We herewith submit to your meeting the Company's annual accounts, consisting of the Company's balance sheet, the profit and loss account, and the explanatory notes thereto regarding the financial year ended 30 June 2012.

The inventory of movable and immovable assets of, and all debts owed to and by, the Company, summarising all commitments, and the debts of the officers, members of the board of directors as required by Article 72 of the Luxembourg Companies Act of 10 August 1915 is comprised in the annual accounts.

FINANCIAL HIGHLIGHTS IN 2012

The principal activities of the Company consist of holding participations.

During the financial year under review:

- on 26 July 2011, the share capital was increased by an amount of USD 112,527.80 by the issue of 11,252,780 new shares with a nominal value of USD 0.01;
- on 03 August 2011, the board of directors approved the initial public offering of 11,252,780 newly issued shares and for listing of the issued shares and the offer shares on the main market of the Warsaw Stock Exchange;

RESULTS

At the end of the year under review the Company recorded a loss of USD 5,648,464.75 (loss of USD 186,985.53 as of 30 June 2011) and no revenue was generated. Losses of the Company are due to general and administrative expenses. No income was yet derived from its participations.

Since the losses brought forward appear to be higher than 75% of the corporate capital, according to Art.100 of the law of 10 August 1915, concerning commercial companies, your meeting will have to deliberate on the continuity of the Company.

ACTIVITY IN THE FIELD OF RESEARCH AND DEVELOPMENT

The Company is not involved in any activity in the field of research and development.

OWN SHARES

During the year under review, the Company did not acquire any of its own shares.

DIRECTORS

During the financial year under review the board of directors consisted of:

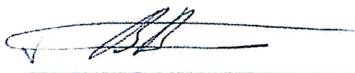
Name	Date of Appointment	Date of Resignation
Mr Viktor Vyshnevetsky – Director A	17 May 2011	
Mr Andrey Bolshakov – Director A	17 May 2011	21 September 2011
Mr Mykhail Zolotarov – Director A	17 May 2011	
Mr Oleksandr Rezyk – Director A	17 May 2011	
Mr Arthur David Johnson – Director A	10 June 2011	
Mrs Gwenaëlle Bernadette, Andree, Dominique Cousin – Director B	17 May 2011	
Mr Jacob Mudde – Director B	17 May 2011	

FUTURE DEVELOPMENTS

For the forthcoming year the management considers on further development of the Company and its subsidiaries, expecting to expand production output by the introduction of the new technology and mechanical aids.

Finally, we request you to adopt the annual accounts, to grant discharge to the directors and the independent auditor for their mandates during the financial year ended 30 June 2012.

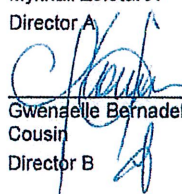
Luxembourg,



Viktor Vyshnevetsky
Director A



Mykhail Zolotarov
Director A



Gwenaëlle Bernadette Andree Dominique
Cousin
Director B



Oleksandr Rezyk
Director A



Arthur David Johnson
Director A



Jacob Mudde
Director B

Coal Energy S.A.
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For the year beginning 1 July 2011 and ending 30 June 2012

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To the Shareholders of
COAL ENERGY S.A.
46A, Avenue J.F. Kennedy
L - 1855 LUXEMBOURG

Report of the Réviseur d'entreprises agréé (Independent Auditor) on the annual accounts at June 30, 2012

Following our appointment by the annual shareholders' meeting on December 14, 2011, we have audited the accompanying annual accounts of COAL ENERGY S.A., which comprise the balance sheet as at June 30, 2012, and the profit and loss account for the financial year then ended and a summary of significant accounting policies and other explanatory notes.

Board of Directors' responsibility for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Responsibility of the Réviseur d'entreprises agréé

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the judgment of the Réviseur d'entreprises agréé, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the Réviseur d'entreprises agréé considers internal control relevant to the entity's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

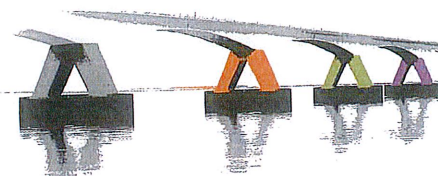
An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of directors, as well as evaluating the overall presentation of the annual accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

119, avenue de la Faïencerie
L-1511 Luxembourg

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INTERAUDIT société à responsabilité limitée au capital de 31250 €
RCS Luxembourg B 29.501 Identification TVA LU 139 871 52
Autorisation d'établissement 103 200/A

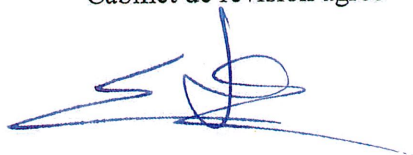


Opinion

In our opinion, the annual accounts give a true and fair view of the financial position of COAL ENERGY S.A. at June 30, 2012 and of the results of its operations for the financial year then ended in conformity with the Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts.

Luxembourg, October 29, 2012

INTERAUDIT S.à r.l.
Cabinet de révision agréé



Edward KOSTKA

Coal Energy S.A.**Annual accounts****For the year beginning 1 July 2011 and ending 30 June 2012****BALANCE SHEET**

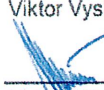
As at	Notes	30 Jun 2012	30 Jun 2011
<i>(expressed in US Dollar)</i>		USD	USD
ASSETS			
Fixed assets			
Financial assets	3		
Shares in affiliated undertakings		72,006,905.28	2,905.28
Loans to affiliated undertakings		3,000,000.00	-
Total fixed assets		75,006,905.28	2,905.28
Current assets			
Debtors	4		
Amounts owed by affiliated undertakings due within one year		68,424.65	-
Other debtors due within one year		3,989.79	760.59
Cash at bank, cash in postal cheque accounts, cheques and cash in hand		125,214.26	224,925.16
Total current assets		197,628.70	225,685.75
Prepayments and accrued income	5	2,658.29	3,040.56
TOTAL ASSETS		75,207,192.27	231,631.59

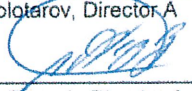
Coal Energy S.A.
Annual accounts
For the year beginning 1 July 2011 and ending 30 June 2012

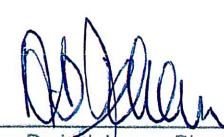
BALANCE SHEET

As at	Notes	30 Jun 2012	30 Jun 2011
(expressed in US Dollar)		USD	USD
LIABILITIES			
Capital and reserves	6		
Subscribed capital		450,111.20	337,583.40
Share premium and similar premiums		80,540,783.11	-
Profit or (loss) brought forward		(325,069.26)	(138,083.73)
Profit or (loss) for the financial year/period		(5,648,464.75)	(186,985.53)
Total capital and reserves		75,017,360.30	12,514.14
Non subordinated debts	7		
Trade creditors due within one year		147,375.35	205,209.79
Creditors for tax and social security Tax		23,405.42	89.82
Other creditors due within one year		6,250.00	-
due in more than one year		12,801.20	13,817.84
Total non subordinated debts		189,831.97	219,117.45
TOTAL LIABILITIES		75,207,192.27	231,631.59

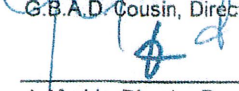

Viktor Vyshnevetsky, Director A


Mykhail Zolotarov, Director A


Oleksandr Reznik, Director A


Arthur David Johnson, Director A


G.B.A.D. Cousin, Director B


J. Mudde, Director B

Coal Energy S.A.**Annual accounts****For the year beginning 1 July 2011 and ending 30 June 2012****PROFIT AND LOSS ACCOUNT****For the period****Notes****from 01 Jul 2011
to 30 Jun 2012****from 01 Jan 2011
to 30 Jun 2011***(expressed in US Dollar)***USD****USD****CHARGES**

Other external charges	8	4,198,673.57	171,409.25
Other operating charges	9	90,369.98	13,819.21
Interest and other financial charges			
other interest and charges		1,427,499.51	909.87
Total interest and other financial charges		1,427,499.51	909.87
Income tax	10	3,587.67	756.59
Other taxes not included in the previous caption		26,016.02	90.61
TOTAL CHARGES		5,746,146.75	186,985.53

INCOME

Other interest and other financial income			
derived from affiliated undertakings		84,698.62	-
other interest and financial income		12,983.38	-
Total interest and other financial income		97,682.00	-
Loss for the financial year/period		5,648,464.75	186,985.53
TOTAL INCOME		5,746,146.75	186,985.53



Viktor Vyshnevetsky, Director A



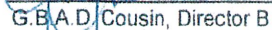
Mykhail Zolotarov, Director A



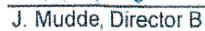
Oleksandr Reznik, Director A



Arthur David Johnson, Director A



G.B.A.D. Cousin, Director B



J. Mudde, Director B

Coal Energy S.A.

Notes to the annual accounts

For the year beginning 1 July 2011 and ending 30 June 2012

(expressed in US Dollar)

1 General information

Coal Energy S.A. (hereafter the "Company") was incorporated on 17 June 2010 and organised under the laws of Luxembourg as a Société anonyme for an unlimited period.

The registered office of the Company is established in Luxembourg, 46A, Avenue J. F. Kennedy, L-1855 Luxembourg and the Company number with the Registre de Commerce is B 154144. The financial year of the Company starts on 1 July 2011 and ends on 30 June 2012.

The purpose of the Company is the holding of participations, in any form whatsoever, in Luxembourg and foreign companies and any other form of investment, the acquisition by purchase, subscription or in any other manner as well as the transfer by sale, exchange or otherwise of securities of any kind and the administration, control and development of its portfolio.

The Company may further guarantee, grant loans or otherwise assist the companies in which it holds a direct or indirect interest or which form part of the same group of companies as the Company.

The Company also prepares consolidated financial statements, which are published according to the Luxembourg legal requirements.

2 Summary of significant accounting policies

Basis of preparation

The annual accounts of the Company are prepared in accordance with Luxembourg legal and regulatory requirements.

Accounting policies and valuation rules follow the historical cost convention and are, besides the ones laid down by the law, determined and applied by the Board of Directors.

The layout of the balance sheet and profit and loss accounts has been modified as compared to 2011 in order to comply with the law of 10 December 2010 (the 'Law of 2010'). The 2011 comparative figures in the balance sheet and the profit and loss accounts have been modified accordingly.

Financial assets

Shares in affiliated undertakings and participating interests are valued at purchase price including the expenses incidental thereto.

Loans to affiliated undertakings, participating interests and other loans are valued at nominal value including the expenses incidental thereto.

In case of a durable depreciation in value according to the opinion of the Board of Directors, value adjustments are made in respect of fixed assets, so that they are valued at the lower figure to be attributed to them at the balance sheet date. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

Debtors

Debtors are valued at their nominal value. They are subject to value adjustments where their recovery is compromised. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

Prepayments and accrued income

This asset item includes expenditure incurred during the financial period but relating to a subsequent financial period.

Provisions

Provisions are intended to cover losses or debts of which the nature is clearly defined and which, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

Provisions may also be created in order to cover charges which have their origin in the financial period under review or in a previous financial period, the nature of which is clearly defined and which at the date of the balance sheet are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

Accruals and deferred income

This liability item includes income received during the financial period but relating to a subsequent financial period.

Value adjustments

Value adjustments are deducted directly from the related asset.

Coal Energy S.A.**Notes to the annual accounts****For the year beginning 1 July 2011 and ending 30 June 2012***(expressed in US Dollar)***Fair value**

Fair value is determined by reference to a market value where a reliable market can readily be identified; a market is a reliable market that can be readily identified where prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. Where a market value is not readily identifiable for an instrument but can be identified for its components or for a similar instrument, the market value may be derived from that of its components or of the similar instrument. The quoted market price used for assets held by the company is the current bid price.

The fair value for those instruments for which a reliable market cannot be readily identified (for example, over-the-counter derivatives) is determined by using generally accepted valuation models and techniques. These valuation models and techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates to ensure a reasonable approximation of the market value.

Net turnover

The net turnover comprises the amounts derived from the sale of products and the provision of services falling within the Company's ordinary activities, after deductions of sales rebates and of value added tax and other taxes directly linked to the turnover.

Foreign currency translation

The Company maintains its accounts in US Dollar ("USD"). Transactions expressed in currencies other than USD are translated into USD at the exchange rate effective at the time of the transaction.

Formation expenses and fixed assets expressed in currencies other than USD are translated into USD at the exchange rate effective at the time of the transaction. At the balance sheet date, these assets remain translated at historical exchange rates.

Cash at bank and all items subject to fair value valuation are translated at the exchange rate effective at the balance sheet date. Exchange losses and gains are recorded in the profit and loss account of the period.

Other assets and liabilities are translated separately respectively at the lower or at the higher of the value converted at the historical exchange rate or the value determined on the basis of the exchange rates effective at the balance sheet date. The unrealised exchange losses are recorded in the profit and loss account. The realised exchange gains are recorded in the profit and loss account at the moment of their realisation. Consequently, only realised exchange gains and losses and unrealised exchange losses are reflected in the profit and loss account.

Where there is an economic link between an asset and a liability, these are valued in total according to the method described above and only the net unrealised loss is recorded in the profit and loss account.

3 Fixed financial assets

Fixed financial assets held at cost less impairment - movements gross book value	Gross book value - opening balance	Additions	Disposals	Transfers	Gross book value - closing balance
Shares in affiliated undertakings	2,905.28	72,004,000.00	-	-	72,006,905.28
Loans to affiliated undertakings	-	3,000,000.00	-	-	3,000,000.00
Total	2,905.28	75,004,000.00	-	-	75,006,905.28

Fixed financial assets held at cost less impairment - movements net book value	Net book value - opening balance	Additions	Disposals	Transfers	Net book value - closing balance
Shares in affiliated undertakings	2,905.28	72,004,000.00	-	-	72,006,905.28
Loans to affiliated undertakings	-	3,000,000.00	-	-	3,000,000.00
Total	2,905.28	75,004,000.00	-	-	75,006,905.28

Undertakings in which the Company holds at least 20% in their share capital or in which it is a general partner are as follows:

Name	Registered Office	Ownership %	Net Value	Date of last approved accounts	Net equity in last approved accounts	Net result in last approved accounts
Nertera Investments Limited	Cyprus	100%	72,006,905.28	31-Dec-11	73,455,862.00	1,464,592.00
					73,455,862.00	1,464,592.00

Loans to affiliated undertakings	Currency	Amount	Amount USD	Interest rate	Maturity date
Counterparty					
Nertera Investments Limited	USD	3,000,000.00	3,000,000.00	4.50%	14 Nov 2021
Total			3,000,000.00		

Coal Energy S.A.
Notes to the annual accounts
For the year beginning 1 July 2011 and ending 30 June 2012
(expressed in US Dollar)
4 Debtors

Debtors	Within one year	More than one year	30 Jun 2012	30 Jun 2011
Amounts owed by affiliated undertakings	68,424.65	-	68,424.65	-
Other debtors	3,989.79	-	3,989.79	760.59
Total	72,414.44	-	72,414.44	760.59

Debtors by category	Within one year	More than one year	30 Jun 2012	30 Jun 2011
Accrued interest receivable	68,424.65	-	68,424.65	-
Other debtors	3,989.79	-	3,989.79	760.59
Total	72,414.44	-	72,414.44	760.59

Accrued interest receivable from affiliated undertakings	Currency	Amount USD	Interest rate	Maturity date
Counterparty				
Accruals loan interest to Nertera Investments Limited	USD	68,424.65	4.50%	N/A
Total		68,424.65	-	

Other debtors

Due within one year	30 Jun 2012	30 Jun 2011
Corporate income tax advances	3,989.79	760.59
Total	3,989.79	760.59

5 Prepayments and accrued income

Prepayments and accrued income	30 Jun 2012	30 Jun 2011
Prepayment TMF Luxembourg S.A.	2,658.29	3,040.56
Total	2,658.29	3,040.56

6 Capital and reserves

Movements in capital and reserves	Balance as at 30 June 2011	Allocation of preceding period result	Other movements	Net result for current period	Balance as at 30 Jun 2012
Subscribed capital	337,583.40	-	112,527.80	-	450,111.20
Share premium and similar premiums	-	-	80,540,783.11	-	80,540,783.11
Profit or (loss) brought forward	(138,083.73)	(186,985.53)	-	-	(325,069.26)
Profit or (loss) for the financial period/year	(186,985.53)	186,985.53	-	(5,648,464.75)	(5,648,464.75)
Total	12,514.14	-	80,653,310.91	(5,648,464.75)	75,017,360.30

The subscribed capital amounts to USD 450,111.20 and is divided into 45,011,120 shares with a nominal value of USD 0.01 fully paid up at 30 June 2012.

The Company shares were admitted to trading on Warsaw Stock Exchange on 4 August 2011. The offer price for one share was established at PLN 20.00 and the final number of the offer shares was 11,252,780. As of 30 September 2011, upon sales of 6,176,564 shares, the remaining amount of shares in offer is 5,076,216.

Share premium and similar premiums

The activity for the year on the "Share premium account" item corresponds to 26 July 2011 decisions taken by the EGM.

Legal reserve

Luxembourg companies are required to allocate to a legal reserve a minimum of 5% of the annual net income, until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed.

7 Non subordinated debts

Creditors by category	Within one year	More than one year	More than five years	30 Jun 2012	30 Jun 2011
Trade creditors	147,375.35	-	-	147,375.35	205,209.79
Other creditors	6,250.00	12,801.20	-	19,051.20	13,817.84
Creditors for tax and social security	23,405.42	-	-	23,405.42	89.82
Total	177,030.77	12,801.20	-	189,831.97	219,117.45

Other creditors

Other creditors	Within one year	More than one year	More than five years	30 Jun 2012	30 Jun 2011
A.D. Johnson	6,250.00	-	-	6,250.00	-
Kyriaki Petrou Savvidou	-	1.27	-	1.27	1.45
M.Vishnevetskaya	-	5,956.67	-	5,956.67	4,886.46
V.Vishnevetskiy	-	6,843.26	-	6,843.26	6,756.81
Nertera Investments Limited	-	-	-	-	2,173.12
Total	6,250.00	12,801.20	-	19,051.20	13,817.84

Coal Energy S.A.

Notes to the annual accounts

For the year beginning 1 July 2011 and ending 30 June 2012

(expressed in US Dollar)

8 Other external charges

Other external charges	30 Jun 2012	30 Jun 2011
Bank account charges	9,987.14	124.55
Legal fees notary	11,601.29	4,525.59
Accounting fees	154,150.18	6,517.26
Auditing fees	268,460.52	117,911.62
Tax consulting and compliance fees	5,518.99	1,461.40
Other professional fees	3,542,614.06	3,653.50
Other professional fees office disbursements	18,257.39	855.94
Other professional fees responsibility fees	3,587.31	1,826.75
Other professional fees domiciliation fees	1,640.69	840.31
Other professional fees consultancy fees	38,868.15	-
Press advertising	16,668.86	-
Other purchases of advertising services	77,880.03	19,934.40
Other miscellaneous external charges	3,874.29	-
Legal fees	45,603.67	13,757.93
Total	4,198,673.57	171,409.25

9 Other operating charges

Other operating charges	30 Jun 2012	30 Jun 2011
Director's fees	33,020.13	-
Non-deductible VAT	49,963.25	13,565.68
Registration duties	7,386.60	253.53
Total	90,369.98	13,819.21

10 Taxation

The income tax expense of the Company for the financial year is broken down as follows:

Income tax expense and advances	30 Jun 2012	30 Jun 2011
Corporate income tax	3,587.67	756.59
Total	3,587.67	756.59

The tax position of years 2010 and 2011 has not been assessed by the Luxembourg tax authorities

11 Off balance sheet commitments and transactions

On 10 March 2011 the Company entered into a guarantee agreement with DRGN Limited to act as a guarantor under securing obligations of "Donprombusiness" in an amount not exceeding EUR 2,600,000.00

On 16 September 2011, obligations of "Donprombusiness" to DRGN Limited were performed timely and in full.

12 Related party transactions

There were no transactions with related parties

13 Emoluments granted to the members of the managing and supervisory bodies and commitments in respect of retirement pensions for former members of those bodies

Remuneration granted to the members of the managing and supervisory bodies acting in that capacity and any commitments arising or contracted in respect of retirement pensions for former members of those bodies for the financial year are broken down:

Remuneration members of managing and supervisory bodies	30 Jun 2012	30 Jun 2011
Managing bodies	33,020.13	-
Total	33,020.13	-

14 Advances and loans granted to the members of the managing and supervisory bodies

There are no advances, loans or commitments given on their behalf by way of guarantee of any kind granted to the members of the management and supervisory bodies during the financial year (2011: nil).

15 Subsequent events

For 2012 and until 30 June 2013, in accordance with the Board of Directors resolution, it is intended that the Company proceeds with the issuance of bonds, which terms and conditions shall be governed by Polish Law, for an amount up to 170,000 bonds under the Bonds Issue Programme, in one or several series with a nominal value of each bond equal to PLN 1,000.00 and with a maximum total aggregate nominal value of the bonds of all series issued and not redeemed under the Bonds Issue Programme up to PLN 170,000,000.00.

Viktor Vyshneyetsky, Director A

Mykhail Zolotarov, Director A

Oleksandr Reznik, Director A

Arthur David Johnson, Director A

G.B.A.D. Cousin, Director B

J. Mudde, Director B