REPORT OF THE DIRECTORS AND

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 DECEMBER 2011

AFRICAN MINING & EXPLORATION PLC

AFRICAN MINING & EXPLORATION PLC

CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2011

In last year's inaugural Chairman's Statement I was able to describe the achievements the Company had made in a relatively short space of time. It is therefore with some frustration, that despite the Company pursuing a solid strategy, the expected benefits have not yet fully materialised. However, I believe that a platform has been created which should prove fruitful as we move forward. The Company's recent investment in RAB and auger drilling capability is expected to provide effective reconnaissance exploration capability and should help counter the shortage of basic drilling equipment available from subcontractors in the region. The delay of its eventual deployment to the field hampered our progress on the ground. However, the drill rig is now fully operational and provides the Company with great flexibility.

West Africa Operations

Our Company is focused on the exploration and subsequent development of gold assets in West Africa. Mali, our initial country of operation, is the third largest gold producer in Africa and has a long and rich history of gold discoveries. Our West African operation is based in Bamako, the Capital of Mali, a country widely regarded as a model of development and democracy in West Africa. Recent events in Mali have seen a military coup d'état at the end of March, followed by sanctions imposed by ECOWAS (Economic Community of West African States) which were subsequently lifted, and an interim President, Dioncounda Traore who was previously the parliamentary speaker, has been installed. Elections are scheduled for the end of May. I am very pleased to report that all employees are safe, as is the Company's property and equipment, and the impact on the Company's exploration efforts so far was minimal. Indeed the Company was able to commence an auger drilling programme on the Karan permit area in early April. However, in light of some continued unrest in Bamako some disruption to our drilling programme may occur, especially due to shortages in fuel supplies.

Exploration

Although we believe that our current permits in Mali, Karan and Diatissan, have the potential for providing a significant resource base we are actively seeking opportunities to expand our areas of interest in additional geologically prospective areas. Initial results from the Karan drilling programme, which reported low grade gold halos had been intersected along with high grade intercepts of up to 11 g/t Au, were below expectations but have positively contributed to the Company's understanding of the permit area. Five additional drilling targets have been identified and a drilling programme has commenced.

The investment in our operational and drilling capability is being viewed very favourably by potential joint venture partners, and indeed we have recently signed an MOU on a prospective permit area which lies within the Yanfolila Greenstone Belt in Southern Mali.

Financial

At the time of Admission to AIM in November 2010, the Company raised £4.3 million net of expenses, this was augmented by £1.6 million received following the exercise of warrants in the first half of 2011. This has provided the Company with a healthy cash balance which continues to be utilised principally to conduct detailed exploration programmes on the Company's permits in Mali.

Social responsibility

The Company and its management are cognisant of its social and environmental responsibilities in the areas in which we operate and are committed to the development and maintenance of good relationships with stakeholder communities. To this end, the board has formulated a Community Relations policy which focuses on the positive interaction with the local community especially bearing in mind the significant artisanal mining which is taking place. This policy was implemented and already forms the basis for effective community relations in our permit areas as required by the Government.

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2011

Market performance

Although the gold market continues to be strong this was not reflected in stock market performance. As at mid April 2012 the AIM mining sector index was trading at almost 30% below the level of 1 January 2011. The Company's share price performance has been no exception to this trend. Unfortunately the coup in Mali added to uncertainty in the region and negatively affected investor confidence. However, with the quantitative easing measures implemented in the US, the UK and elsewhere, and the debt crises in particularly the Eurozone during this year investment interest in gold remains high.

Board changes

Since I last reported Martyn Churchouse, the Company's Technical Director, resigned from the Company due to conflicting commitments which would have prevented him from properly fulfilling his duties and providing the level of attention required by the Company.

Outlook

The organisation's enhanced and growing capacity provide a foundation that allows the Company to move forward positively in 2012 and I believe that we are in a stronger position compared with the same time last year. I would like to thank all the Company's stakeholders for their strong support in the last year and I look forward to the coming year, which I hope will be exciting and rewarding for the Company and its shareholders.

Stephen D Oke
Chairman

Date: 4 May 2012

CHIEF EXECUTIVE'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2011

During the period the Company has maintained a clear focus on its strategy of creating a gold focussed exploration company concentrating on quality early exploration opportunities in West Africa. A key objective in achieving this has been to build a strong operational capability and setting up a network of relationships in the region. In addition we have investigated a number of 3rd party permit opportunities in Mali, Guinea and Senegal in order to diversify our exploration portfolio.

Acquisition of Drilling Rig

Following the completion of the initial 12,400 metre RC drilling campaign, the Company intended to undertake a RAB drilling programme to provide the necessary data on existing targets to outline where more RC and Core drill needed to be done. In addition, the Company had targeted an Auger drilling programme on both Karan and Diatissan permits to identify additional drill targets. However the scarcity of drill rigs with this capability in West Africa, combined with the demands for longer term drilling contracts made the acquisition of our own capability very attractive. The board therefore made the decision to acquire a RAB and auger drill rig.

The drill rig, which is mounted on an all-terrain vehicle, is capable of both RAB and Auger drilling and can drill down to depths greater than 100 metres in favourable ground conditions. Its rugged design and 4x4 functionality makes it highly mobile and will enable it to access rough terrain and road conditions conventional truck mounted drill rigs cannot operate in. This should enable the Company to operate during periods of seasonal rain thereby extending the length of the effective annual drilling season. With the acquisition of support equipment, a mobile exploration camp and the investment in ground magnetic survey equipment, AME has the capability to sample horizons beneath the laterite cover that masks most of the West African Gold Belt, simply and cost effectively. In areas which show enhanced prospectivity, the Company plans to undertake follow up RC and diamond core drilling.

The company's investment in the drilling rig and support equipment puts us in a strong position to negotiate JV opportunities with holders of prospective ground and capitalise on our growing contacts in West Africa. The effectiveness of this strategy was confirmed by the signing of a Memorandum of Understanding (MOU) with Sahelienne des Mines SARL in April 2012. Sahelienne des Mines is, a Malian registered company that owns the Tekeledougou exploration permit in Southern Mali. The MOU gives AME an exclusive option to enter into an exploration joint venture following a six month due diligence period during which time AME will complete a preliminary exploration programme.

Operations

Karan Permit

The Karan permit area consists of a single, rectangular exploration permit for a total of 250km^2, and is located approximately 90km southwest of the Malian capital, Bamako, on a metalled road.

In the first half of 2011 the Company conducted a reverse circulation drilling programme of 12,400 metres focusing on a number of priority targets. The evidence accumulated to date, from drilling data and other sources, suggests the presence of gold mineralisation associated with a regional shear zone that extends north to south across the Karan permit with smaller cross-cutting and sub-parallel faults occurring within this structural corridor. The next step is to further enhance our understanding of the underlying geology which is complicated by the presence of a laterite cover and a thick saprolite layer of highly weathered rocks which extends in some cases to 100 metres in depth. The Company's recently acquired drilling capability is an essential tool in achieving this.

The outline plan for the Karan permit is that RAB drill fences will be completed at the three previously drilled targets of Mana, Fintakourouni and Kouroudjin to provide full cross-structure coverage, with additional RAB drilling at two targets near Kouroudjin, as identified from the Induced Polarisation (IP) geophysical survey, with follow up drilling taking place once the assay results of the initial RAB drilling have been processed.

A ground magnetic survey over the Farague geochemical anomaly will also be conducted to provide structural information prior to auger drilling. The same approach will be used on several additional targets identified by Newmont in 2011.

Kouroudjin, Fintakarouni and Mana Targets

RAB drill fences have been planned to further test mineralisation identified during 2011's RC drilling. Fences will be placed with an azimuth of 252-72°, perpendicular to the structure indicated by the artisanal pits, field structural measurements and regional geophysics. Three fences have been planned at each of the Mana, Fintakourouni and Kouroudjin targets, centred upon the best intercepts from the RC drilling. Nine RAB holes have been planned for each fence, with 50m hole spacing, the hole depths will be decided on site and the number of holes at each fence amended based on the drilling results and observations.

IP work yielded some interesting results and correlations with the best intercepts from the RC drilling at RC11KDJ001 and 012. These anomalies appear to have a NNW strike and will be tested initially by two RAB holes as recommended by the IP consultant. These RAB holes drill into a chargeability anomaly, which is twinned by another similar, yet stronger anomaly to the west.

Farague Target

The Farague area contains the most strongly anomalous geochemical results within the Karan Permit. It was tested with a termite mound sampling programme in Q2 of 2011 which further delineated an anomalous zone. This area will be the subject of ~ 20 line km of ground magnetometer survey prior to drilling. The results of this geophysical survey will be used in conjunction with the geochemical results to create a plan for drilling an auger grid.

Diatissan Permit

The Diatissan permit is located in the West of Mali in a greenstone belt that includes the world class Sadiola and Loulo mines.

In order to identify RAB drill targets at this permit, which contains several areas with geochem anomalies, AME commenced its planned work programme last year, whereby the previously excavated trenches were cleaned and re-sampled. The re-sampling exercise proved difficult due to the poor quality of mapping information from the original study. GPS co-ordinates of the original study did not match up with the re-trenching data, so meaningful correlation between the two sets of data was not possible. On the basis that AME has greater confidence in the data from its own programme it will use this data in conjunction with a ground magnetic survey over the majority of the permit area to define drill targets. The ground magnetic survey has just been finished and the preliminary interpretation has already defined one drill target at a structure that parallels the general trend over a distance of 400 to 600m. Further analysis of the data will be undertaken with the intention of identifying additional drill targets.

Initial drilling at Diatissan is planned on at least four target areas, after the drilling programme at Karan. Two targets have anomalous gold in soil and stock works of quartz veining in trenches. Each target will initially be drilled with five RAB holes perpendicular to the structural trend. A third target area where another five RAB holes are planned is defined by distinct ridges where tourmaline sandstone is present. The fourth target is at the magnetic anomaly. Subsequent targets will be defined upon completion of the interpretation of the ground magnetometer survey data.

Guinea Reconnaissance Permits

In May 2011 AME was granted three reconnaissance permits in Guinea. Following geological investigation, it was concluded that the permits were unlikely to yield an economic gold resource and will not be pursued. AME will continue to monitor opportunities to enhance its exploration portfolio.

CHIEF EXECUTIVE’S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2011

Social Responsibility

We continue to enjoy excellent relationships with the local population at both of our exploration permits. This has developed through our local subsidiary Tobon Tondo over a period of almost 16 years at Diatissan and over 7 years at Karan. The geological studies and preparation for the planned drilling programme, which began at Karan in April, have provided frequent opportunities to regularly engage with the local community in line with AME's Community Relations Policy.

Outlook

Our new operational drilling capability puts AME in a stronger position to identify potential resources at low cost whilst at the same time allowing AME to react quickly to opportunities. This provides AME with a strong competitive advantage which opens up opportunities to establish resource potential on both the Company’s existing properties, as well as any prospective properties under JV agreements. I am confident that the Company will start to gain traction as a result of the decisions and actions taken to date.

Mark C Jones
Chief Executive Officer

Date: 4 May 2012

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2011

The Directors present their report with the financial statements of the Company and the Group for the year ended 31 December 2011.

Principal Activities and Business Review

The principal activity of the Group in the year under review was exploration primarily of gold in two separate locations in the Republic of Mali, namely Karan and Diatissan.

The loss of the Group as set out on page 14 is a fair reflection of the Group's performance. Additionally the Company invested £920,475 on mineral exploration and evaluation on the licences it holds; this is capitalised as an intangible asset as set out in Note 9 in the financial statements.

A review of the Group's performance for the year and its prospects are included in the Chairman's Statement on pages 2 and 3 and the Chief Executive's Report on pages 4 to 6.

Dividends

The Directors do not recommend the payment of a dividend (2010: £nil).

Events Since the Reporting Date

There are no events since the reporting date to disclose.

Principal Risks and Uncertainties

The board has identified various risk factors which taken individually or together may have a materially adverse effect on the Company's business. The principal risks and how they are managed are as follows:

General Exploration Risk
Mineral exploration is a high risk undertaking and there can be no guarantee that exploration will result in the discovery of an economically viable ore body. Exploration tenements are carefully selected by experienced experts in regions of proven prospective geology. A methodical, staged approach is taken to the work and different technologies, as well as extensive fieldwork are used to identify targets for trenching and later drilling.

Attraction and Retention of Key People
The success of the Company is dependent on the expertise and experience of the Directors and senior management and the loss of one or more could have a material adverse effect on the Company. The Board has put in place a remuneration policy which includes a share option scheme in order to motivate and retain key employees.

Future Funding Requirements
The Company has an ongoing requirement to fund its exploration activities and may need to obtain finance from the equity markets in the future. Senior Management and the Board closely monitor the cashflows of the Group. Cashflow projections are presented regularly to the board for review and this assists in ensuring expenditure is focussed on areas of greatest exploration potential. Overheads and administration costs are carefully managed.

Exploration Licence Titles
The licences will be subject to applications for renewal and any renewal is usually at the discretion of the relevant government authority. The licences in the Company's portfolio have been the subject of legal due diligence in order to establish valid legal title.

Country Risk
The Company carries out exploration in countries which have experienced political instability which may cause disruption to the Company's activities. This risk is mitigated by ensuring the Company meets its work and expenditure obligations, that it prioritises local in-country employment and that it maintains good relationships at all levels with government, administrative bodies and other stakeholders. The board actively monitors political and regulatory developments.

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2011

Directors

The Directors who have held office during the period from 1 January 2011 to the date of this report (unless otherwise stated) are as follows:

M J Churchouse – resigned 16 June 2011
M C Jones
D D Chikohora
S D Oke
R A Williams - appointed 8 March 2011

The Directors' beneficial interest (including the beneficial interests of their immediate family) in the ordinary shares of the Company are as follows:

	No. of shares held at 31 December 2011	No. of shares held at 31 December 2010
M C Jones	1,850,000	1,850,000
M J Churchouse	300,000	300,000
D D Chikohora	-	-
S D Oke	-	-
R A Williams	-	-

The Directors' interests in the share options and warrants of the Company are as follows:

	Options at 1 Jan 2011	Options granted during the year	Forfeited during the year	Options at 31 Dec 2011	Exercise price	Date of the grant	First date of exercise	Final date of exercise
M J Churchouse	2,000,000	-	(2,000,000)	-	10p	22/10/10	21/10/11	21/10/15
M C Jones	3,000,000	-	-	3,000,000	10p	22/10/10	21/10/11	21/10/15
D D Chikohora	600,000	-	-	600,000	10p	22/10/10	21/10/11	21/10/15
S D Oke	750,000	-	-	750,000	10p	22/10/10	21/10/11	21/10/15
R A Williams	-	500,000	-	500,000	16.1p	07/03/11	07/03/11	06/03/16
Warrants								
M J Churchouse	2,000,000	-	(2,000,000)	-	12.5p	22/10/10	21/10/11	21/10/15
M C Jones	3,000,000	-	-	3,000,000	12.5p	22/10/10	21/10/11	21/10/15
D D Chikohora	600,000	-	-	600,000	12.5p	22/10/10	21/10/11	21/10/15
S D Oke	750,000	-	-	750,000	12.5p	22/10/10	21/10/11	21/10/15
R A Williams	-	-	-	-	-	-	-	-

The remuneration of Directors during the year was as follows:

	Directors' emoluments 2011	Directors' emoluments 2010
Executive Directors		
M C Jones	**150,048**	37,512
M J Churchouse	**24,028**	31,250
Non-Executive Directors		
S D Oke	**40,000**	10,000
D D Chikohora	**25,000**	6,250
R A Williams	**20,363**	-
	259,439	85,012

Directors' Indemnity

The Group has agreed to indemnify its Directors against third party claims which may be brought against them and has in place a Directors and Officers' insurance policy.

Group's Policy on Payment of Creditors

The Group's policy on the payment of all trade creditors is to ensure that the terms of payment, as specified and agreed with creditors, are not exceeded. Trade creditors as at 31 December 2011 represents 17 days (2010: 16 days) as a proportion of the total amount invoiced by creditors during the year ended on that date.

Political and Charitable Contributions

The Group made a donation of £100 (2010: £nil) to the British Heart Foundation during the year. No political donations were made by the Group in the year (2010: £nil).

Going Concern

After making enquiries, the Directors have reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Statement as to Disclosure of Information to Auditors

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Group's auditors are unaware, and each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

Auditors

The auditors, BDO LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

On behalf of the board:

Mark C. Jones
Chief Executive Officer

Date: 4 May 2012

CORPORATE GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2011

The Company, being listed on AIM, is not required to comply with the UK Corporate Governance Code ("the Code") issued in May 2010. However the Company has given consideration to the provisions set out in Section 1 of the Code annexed to the Financial Services Authority Listing Rules. The Directors support the objectives of the Code and intend to comply with those aspects that they consider relevant to the Group's size and circumstances. Details of these are set out below.

The Board of Directors

The Board currently comprises one executive and three non-executive Directors. The Board formally meets approximately every two months and is responsible for setting and monitoring Group strategy, reviewing budgets and financial performance, ensuring adequate funding, examining major acquisition opportunities, formulating policy on key issues and reporting to the shareholders.

Internal Financial Control

The Board is responsible for establishing and maintaining the Group's system of internal financial controls. Internal financial control systems are designed to meet the particular needs of the Group and the risk to which it is exposed, and by its very nature can provide reasonable, but not absolute, assurance against material misstatement or loss. The Directors are conscious of the need to keep effective internal financial control. Due to the relatively small size of the Group's operations, the Directors are very closely involved in the day-to-day running of the business and as such have less need for a detailed formal system of internal financial control. The Directors have reviewed the effectiveness of the procedures presently in place and consider that they are appropriate to the nature and scale of the operations of the Group. The Directors have implemented necessary controls and procedures to comply with the UK Bribery Act 2010.

The Audit Committee

An Audit Committee has been established which comprises three Non-Executive Directors – Roger Williams (who chairs the Committee), Stephen Oke and Douglas Chikohora. The Committee is responsible for ensuring that the financial performance of the Group is properly reported on and monitored, and for meeting the auditors and reviewing the reports from the auditors relating to accounts and internal controls. The Committee also reviews the Group's annual and interim financial statements before submission to the Board for approval. The role of the Audit Committee is also to consider the appointment of the auditors, audit fees, scope of audit work and any resultant findings.

The Remuneration Committee

The Remuneration Committee comprises three non-executive Directors – Douglas Chikohora (who chairs the Committee), Stephen Oke and Roger Williams. It is responsible for reviewing the performance of the executive Director and for setting the scale and structure of his remuneration, paying due regard to the interests of Shareholders as a whole and the performance of the Group. The remuneration of the Chairman and the non-executive Directors is determined by the Board as a whole, based on a review of the current practices in other companies.

Anti-Bribery and Corruption

It is the Company's policy to conduct business in an honest way, and without the use of corrupt practices or acts of bribery to obtain an unfair advantage in line with the UK Bribery Act 2010. The Company takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates and implementing and enforcing effective systems to counter bribery.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2011

The directors are responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations.

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

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Website Publication

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF AFRICAN MINING & EXPLORATION PLC FOR THE YEAR ENDED 31 DECEMBER 2011

We have audited the financial statements of African Mining & Exploration Plc for the year ended 31 December 2011 which comprise the consolidated statement of comprehensive income, the consolidated and company statement of financial position, the consolidated and company statement of changes in equity, the consolidated and company statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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

Respective responsibilities of directors and auditors

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

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2011 and of the group's loss for the year then ended;

- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;

- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and

- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF AFRICAN MINING & EXPLORATION PLC FOR THE YEAR ENDED 31 DECEMBER 2011

Matters on which we are required to report by exception

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

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

Scott Knight (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
55 Baker Street
London
W1U 7EU
United Kingdom
Date

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011 £	2010 £
Revenue		-	-
Administrative expenses		(1,530,297)	(761,865)
OPERATING LOSS		(1,530,297)	(761,865)
Finance income	4	19,445	2,090
LOSS BEFORE TAX	5	(1,510,852)	(759,775)
Taxation	6	-	-
LOSS FOR THE YEAR ATTRIBUTABLE TO EQUITY OWNERS OF THE PARENT		(1,510,852)	(759,775)
OTHER COMPREHENSIVE INCOME			
Exchange gains/(losses) arising on translation of foreign operations		5,166	(10,501)
OTHER COMPREHENSIVE INCOME FOR THE YEAR		5,166	(10,501)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO EQUITY OWNERS OF THE PARENT		(1,505,686)	(770,276)
Loss per share attributable to equity owners of the parent expressed in pence per share:			
Basic and diluted	8	(1.84)	(2.88)

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2011

	Notes	2011 £	2010 £
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	9	**1,167,560**	281,883
Property, plant and equipment	10	**182,726**	40,885
TOTAL NON-CURRENT ASSETS		**1,350,286**	322,768
CURRENT ASSETS			
Trade and other receivables	12	**49,881**	78,849
Cash and cash equivalents	13	**3,378,474**	4,004,606
TOTAL CURRENT ASSETS		**3,428,355**	4,083,455
TOTAL ASSETS		**4,778,641**	4,406,223
EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Share capital	14	**842,133**	708,115
Share premium		**4,997,699**	3,429,561
Foreign currency reserve		**13,886**	8,720
Warrant reserve		**579,500**	708,115
Share based payment reserve		**407,133**	67,771
Merger reserve		**572,314**	572,314
Retained earnings		**(2,705,408)**	(1,323,171)
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		**4,707,257**	4,171,425
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	15	**71,384**	234,798
TOTAL LIABILITIES		**71,384**	234,798
TOTAL EQUITY AND LIABILITIES		**4,778,641**	4,406,223

The financial statements were approved by the Board of Directors on 4 May 2012 and were signed on its behalf by:

....
Mark C. Jones
Chief Executive Officer

Company number: 07307107

The notes form part of these financial statements

COMPANY STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2011

	Notes	2011 £	2010 £
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	9	**8,973**	-
Property, plant and equipment		**-**	-
Investments	11	**127,227**	125,927
Other receivables	12	**1,559,066**	201,094
TOTAL NON-CURRENT ASSETS		**1,695,266**	327,021
CURRENT ASSETS			
Trade and other receivables	12	**46,938**	71,765
Cash and cash equivalents	13	**3,375,105**	4,000,994
TOTAL CURRENT ASSETS		**3,422,043**	4,072,759
TOTAL ASSETS		**5,117,309**	4,399,780
EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Called up share capital	14	**842,133**	708,115
Share premium		**4,997,699**	3,429,561
Warrant reserve		**579,500**	708,115
Share based payment reserve		**407,133**	67,771
Retained earnings		**(1,697,360)**	(660,026)
Merger reserve		**(82,188)**	(82,188)
TOTAL EQUITY		**5,046,917**	4,171,348
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	15	**70,392**	228,432
TOTAL LIABILITIES		**70,392**	228,432
TOTAL EQUITY AND LIABILITIES		**5,117,309**	4,399,780

The financial statements were approved by the Board of Directors on 4 May 2012 and were signed on its behalf by:

....
Mark C. Jones
Chief Executive Officer

Company number: 07307107

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2011

	Share capital £	Share premium £	Foreign currency reserve £	Warrant reserve £	Share based payment reserve £	Retained earnings £	Merger reserve £	Total equity £
At 1 January 2010	123,615	-	19,221	-	-	(355,281)	312,116	99,671
Issue of share capital	584,500	4,000,000	-	500,000	-	-	260,198	5,344,698
Fundraising costs	-	(570,439)	-	-	-	-	-	(570,439)
Bonus issue of warrants	-	-	-	208,115	-	(208,115)	-	-
Total comprehensive expense for the year	-	-	(10,501)	-	-	(759,775)	-	(770,276)
Share based payments	-	-	-	-	67,771	-	-	67,771
At 31 December 2010	708,115	3,429,561	8,720	708,115	67,771	(1,323,171)	572,314	4,171,425
Issue of share capital	**134,018**	**1,559,670**	**-**	**-**	**-**	**-**	**-**	**1,693,688**
Fundraising costs	**-**	**8,468**	**-**	**-**	**-**	**-**	**-**	**8,468**
Exercise of warrants	**-**	**-**	**-**	**(128,615)**	**-**	**128,615**	**-**	**-**
Total comprehensive expense for the year	**-**	**-**	**5,166**	**-**	**-**	**(1,510,852)**	**-**	**(1,505,686)**
Share based payments	**-**	**-**	**-**	**-**	**339,362**	**-**	**-**	**339,362**
At 31 December 2011	**842,133**	**4,997,699**	**13,886**	**579,500**	**407,133**	**(2,705,408)**	**572,314**	**4,707,257**

The following describes the nature and purpose of each reserve within owners' equity

Reserve	**Description and purpose**
Share capital	Amounts subscribed for share capital at nominal value
Share premium	Amounts subscribed for share capital in excess of nominal value
Warrant reserve	Fair value of the warrants issued.
Merger reserve	Amounts resulting from acquisitions under common control.
Foreign currency reserve	Gains/losses arising on retranslating the net assets of Group operations into Pound Sterling.
Share based payment reserve	Represents the accumulated balance of share based payment charges recognised in respect of share options granted by African Mining and Exploration Plc, less transfers to retained losses in respect of options exercised.
Retained earnings	Cumulative net gains and losses recognised in the consolidated statement of comprehensive income.

The notes form part of these financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2011

	Share capital £	Share premium £	Warrant reserve £	Share based payment reserve £	Retained earnings £	Merger reserve £	Total equity £
At 1 January 2010	-	-	-	-	-	-	-
Issue of share capital	708,115	4,000,000	500,000	-	-	-	5,208,115
Fundraising costs	-	(570,439)	-	-	-	-	(570,439)
Bonus issue of warrants	-	-	208,115	-	(208,115)	-	-
Total comprehensive expense for the year	-	-	-	-	(451,911)	-	(451,911)
Acquisition under common control	-	-	-	-	-	(82,188)	(82,188)
Share based payments	-	-	-	67,771	-	-	67,771
At 31 December 2010	708,115	3,429,561	708,115	67,771	(660,026)	(82,188)	4,171,348
Issue of share capital	**134,018**	**1,559,670**	**-**	**-**	**-**	**-**	**1,693,688**
Fund raising costs	**-**	**8,468**	**-**	**-**	**-**	**-**	**8,468**
Exercise of warrants	**-**	**-**	**(128,615)**	**-**	**128,615**	**-**	**-**
Total comprehensive expense for the year	**-**	**-**	**-**	**-**	**(1,165,949)**	**-**	**(1,165,949)**
Share based payments	**-**	**-**	**-**	**339,362**	**-**	**-**	**339,362**
At 31 December 2011	**842,133**	**4,997,699**	**579,500**	**407,133**	**(1,697,360)**	**(82,188)**	**5,046,917**

The following describes the nature and purpose of each reserve within owners' equity

Reserve	**Description and Purpose**
Share capital	Amounts subscribed for share capital at nominal value
Share premium	Amounts subscribed for share capital in excess of nominal value
Merger reserve	Amounts resulting from acquisitions under common control.
Warrant reserve	Fair value of the warrants issued.
Share based payment reserve	Represents the accumulated balance of share based payment charges recognised in respect of share options granted by African Mining and Exploration Plc, less transfers to retained losses in respect of options exercised.
Retained earnings	Cumulative net gains and losses recognised in the consolidated statement of comprehensive income.

The notes form part of these financial statements

AFRICAN MINING & EXPLORATION PLC

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2011

	2011	2010
	£	£
Cash flows used in operating activities		
Loss for the year	**(1,510,852)**	(759,775)
Depreciation & amortisation charges	**19,690**	3,363
Share based payment reserve charge	**339,362**	67,771
Shares issued in lieu of payment to extinguish liabilities	**86,000**	169,737
Finance income	**(19,445)**	(2,090)
Cash flow from operating activities before changes in working capital	**(1,085,245)**	(520,994)
Decrease/(increase) in trade and other receivables	**28,968**	(78,820)
(Decrease)/increase in trade and other payables	**(154,946)**	114,844
Net cash used in operating activities	**(1,211,223)**	(484,970)
Cash flow used in investing activities		
Purchase of intangible fixed assets	**(920,476)**	(68,010)
Purchase of tangible fixed assets	**(165,085)**	(40,480)
Interest received	**19,445**	2,090
Net cash from investing activities	**(1,066,116)**	(106,400)
Cash flow from financing activities		
Amount repaid to Directors	**-**	(10,599)
Issue of IPO shares net of costs	**-**	4,429,561
Issue of other shares	**-**	168,053
Exercise of warrants	**1,607,688**	-
Net cash from financing activities	**1,607,688**	4,587,015
(Decrease)/increase in cash and cash equivalents	**(669,651)**	3,995,645
Cash and cash equivalents at beginning of year	**4,004,606**	4,294
Exchange differences	**43,519**	4,667
Cash and cash equivalents at end of year	**3,378,474**	4,004,606

AFRICAN MINING & EXPLORATION PLC

COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2011

	2011 £	2010 £
Cash flows used in operating activities		
Loss for the year	(1,165,949)	(451,911)
Depreciation & amortisation charges	2,667	-
Share based payment reserve charge	339,362	67,771
Shares issued in lieu of payment to extinguish liabilities	86,000	-
Finance income	(19,445)	(2,090)
Cash flow from operating activities before changes in working capital	(757,365)	(386,230)
Increase in trade and other receivables	(1,333,145)	(272,859)
(Decrease)/increase in trade and other payables	(149,572)	228,432
Net cash used in operating activities	(2,240,082)	(430,657)
Cash flow used in investing activities		
Investment in subsidiaries	(1,300)	-
Purchase of Intangible fixed assets	(11,640)	-
Interest received	19,445	2,090
Net cash from investing activities	6,505	2,090
Cash flow from financing activities		
Issue of IPO shares net of costs	-	4,429,561
Exercise of warrants	1,607,688	-
Net cash from financing activities	1,607,688	4,429,561
(Decrease)/increase in cash and cash equivalents	(625,889)	4,000,994
		-
Cash and cash equivalents at beginning of year	4,000,994	-
Cash and cash equivalents at end of year	3,375,105	4,000,994

1. ACCOUNTING POLICIES

Basis of Preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The consolidated financial statements have been prepared by the merger method of accounting on the historical cost basis except, as explained in the accounting policies below. Historical cost is generally based on the consideration given in exchange for assets. The principal accounting policies are set out below.

Presentational and Functional Currency

The functional currency of the Company is Pound Sterling. Each entity in the Group determines its own functional currency and items included in the Financial Statements of each entity are measured using that functional currency. The presentational currency of the Group is Pound Sterling.

Going Concern

The financial statements have been prepared on a going concern basis. The Board consider that the Group has sufficient cash resources to enable it to continue with the planned exploration projects.

Basis of Consolidation

The Group accounts consolidate the accounts of African Mining and Exploration Plc and its foreign subsidiaries, as set out below. The foreign subsidiaries have been consolidated in accordance with IFRS 3, and IAS 21 "The effects of Foreign Exchange Rates."

Inter-Company transactions and balances between Group companies are eliminated in full.

Business Combinations

Accounting for the Company's acquisition of the controlling interest in New Mines Holdings Limited
The Company's controlling interest in its directly held, wholly owned subsidiary, New Mines Holdings Limited was acquired in the prior year through a transaction under common control, as defined in IFRS 3 *Business Combinations*. The Directors note that transactions under common control are outside the scope of IFRS 3 and that there is no guidance elsewhere in IFRS covering such transactions.

IFRS contain specific guidance to be followed where a transaction falls outside the scope of IFRS. This guidance is included at paragraphs 10 to 12 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*. This requires, *inter alia,* that where IFRS does not include guidance for a particular issue, the Directors may also consider the most recent pronouncements of other standard setting bodies that use a similar conceptual framework to develop accounting standards. In this regard, it is noted that United Kingdom Financial Accounting Standards Board (ASB) has issued an accounting standard covering business combinations (FRS 6) that is similar in a number of respects to IFRS 3.

FRS 6 (and US GAAP) does include guidance for accounting for group reconstructions of this nature. Having considered the requirements of IAS 8 and the related UK and US guidance the transaction by which the Company acquired its controlling interest in New Mines Holding Ltd has been accounted for on a merger or pooling of interest basis as if both entities had always been combined. Consequently, the corresponding figures for the prior year reflect the results of the combined entities. The combination has been accounted for using book values, with no fair value adjustments made nor goodwill created.

1. ACCOUNTING POLICIES (continued)

Foreign Currencies

Transactions in foreign currencies are initially recorded in the functional currency by applying spot exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using exchange rates as at the dates of the initial transactions. Non-monetary items measured at the fair value in a foreign currency are translated using exchange rates at the date when the fair value was determined.

The income statements of individual Group companies with functional currencies other than Pound Sterling are translated into Pound Sterling at the average rate for the period and the balance sheet translated at the rate of exchange ruling on the balance sheet date. Exchange differences which arise from retranslation of the opening net assets and results of such subsidiary undertakings are taken to reserves. On disposal of such entities, the deferred cumulative amount recognised in equity relating to that particular operation is recognised in income statement.

Intangible Assets

Deferred development costs
Once a licence has been obtained, all costs associated with mineral property development and investments are capitalised on a project-by-project basis pending determination of the feasibility of the project. Costs incurred include appropriate technical and administrative expenses but not general overheads. If a mining property development project is successful, the related expenditures will be amortised over the estimated life of the commercial ore reserves on a unit of production basis. Where a licence is relinquished, a project is abandoned, or is considered to be of no further commercial value to the African Mining and Exploration Group, the related costs will be written off.

Unevaluated mineral properties are assessed at reporting date for impairment in accordance with the policy set out below.

If commercial reserves are developed, the related deferred development and exploration costs are then reclassified as development and production assets within property, plant and equipment.

Mineral properties
Mineral properties are recorded at cost less amortisation and provision for diminution in value. Amortisation will be over the estimated life of the commercial ore reserves on a unit of production basis.

Other intangible assets
Other intangibles are recorded at cost less amortisation and provision for diminution in value. Amortisation is calculated to write off the cost of each asset over its estimated useful life of 3 years.

Property, Plant and Equipment

Tangible non-current assets used in exploration and evaluation are classified within tangible non-current assets as property, plant and equipment. To the extent that such tangible assets are consumed in exploration and evaluation the amount reflecting that consumption is recorded as part of the cost of the intangible asset.

Depletion is provided on Gold mining assets in production using the unit of production method; based on proven and probable reserves, applied to the sum of the total capitalised exploration, evaluation and development costs, together with estimated future development costs at current prices.

1. ACCOUNTING POLICIES (continued)

Depreciation on assets not in production is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Plant & Equipment	4 – 10 years
Office Equipment	4 years
Motor Vehicles	4 years

Financial Instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial Assets

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

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the African Mining and Exploration Group will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the differences between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the statement of comprehensive income. On confirmation that the receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

The African Mining and Exploration Group's loan and receivables comprise other receivables and cash and cash equivalents in the consolidated statement of financial position. Cash and cash equivalents comprise cash in hand and balances held with banks. Cash equivalents are short term, highly liquid accounts that are readily converted to known amounts of cash.

There is no significant difference between carrying value and fair value of loans and receivables.

Financial Liabilities

Other liabilities
Other liabilities consist of trade and other payables, which are initially recognised at fair value and subsequently carried at amortised cost, using the effective interest method.

There is no significant difference between the carrying value and fair value of other liabilities.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. A deferred tax asset is recognised to the event that it is probable that future taxable profits will be available against which temporary differences can be utilised.

1. ACCOUNTING POLICIES (continued)

Operating leases

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease.

Share-based payments

Where equity settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the consolidated income statement over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the consolidated income statement over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the consolidated income statement is charged with the fair value of goods and services received.

Key accounting estimates and judgements

The preparation of financial information in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of financial information and the reported amounts of expenses during the reporting periods. Although these estimates are based on management's best knowledge of the amounts, event or actions, actual results ultimately may differ from those estimates. The key accounting estimates and judgements are set out below:

(a) Carrying value of mineral properties and development costs

The African Mining and Exploration Group assesses at each reporting period whether there is any indication that these assets may be impaired. If such indication exists, the Group estimates the recoverable amount of the asset. In the early stages of exploration an indication of impairment may arise from drilling and assay results or from management's decision to terminate the project. The recoverable amount is assessed by reference to the higher of 'value in use', where a project is still expected to be developed into production (being the new present value of expected future cash flows of the relevant cash generating unit) and 'fair value less cost to sell'. As at 31 December 2011 there is no indication of impairment in respect of the mineral properties and development costs set out in Note 9.

1. ACCOUNTING POLICIES (continued)

(b) Deferred development costs

The African Mining and Exploration Group has to apply judgement in determining whether exploration and evaluation expenditure should be capitalised within intangible assets as deferred development costs or expensed. The African Mining and Exploration Group has a policy of capitalising all deferred development costs (as set out above). Management therefore exercises judgement based on the results of economic evaluations, prefeasibility or feasibility studies in determining whether it is appropriate to continue to carry these costs as an intangible asset or whether they should be impaired. The total value of deferred development costs capitalised as at each of the reporting dates is set out in Note 9.

(c) Share-based payments

In determining the fair value of share-based payments made during the period, a number of assumptions have been made by management. The details of these assumptions are set out in Note 20.

Accounting Developments During 2011

The International Accounting Standards Board (IASB) issued various amendments and revisions to International Financial Reporting Standards and IFRIC interpretations. The amendments and revisions were applicable for the year ended 31 December 2011 but did not result in any material changes to the financial statements of the Group or Company.

Accounting Developments Not Yet Adopted

Various new standards and amendments have been issued by the IASB up to the date of this report which are not applicable until future periods and some have not yet been endorsed by the European Union. The Directors do not expect these will have a material impact on the financial statements of the Group or Company.

2. SEGMENTAL REPORTING

The Group complies with IFRS 8 Operating Segments, which requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker, which the Company considers to be the Board of Directors. In the opinion of the Directors, the operations of the Group comprise one class of business, being the exploration primarily of gold in West Africa.

3. EMPLOYEES AND DIRECTORS

The average monthly number of employees during the year was as follows:

	2011 £	2010 £
Operational	**20**	11
Non-operational	**8**	8
	28	19

Staff Costs (excluding Directors)	2011 £	2010 £
Salaries	**183,752**	107,094
Social security	**11,220**	1,175
Share based payment expense (see note 20)	**32,758**	7,140
	227,730	115,409

Directors' Remuneration	2011 £	2010 £
Salaries	**259,439**	85,012
Social security	**10,030**	5,194
Share based payment expense (see note 20)	**306,604**	60,631
	576,073	150,837

The Directors are considered to be the key management of the Group. Details of Director's remuneration and the highest paid Director are disclosed in the Report of the Directors. No Directors accrued pension benefits during any of the periods presented.

4. FINANCE INCOME

	2011 £	2010 £
Deposit account interest	**19,445**	2,090

5. LOSS BEFORE INCOME TAX

The loss before income tax is stated after charging/(crediting):

	2011 £	2010 £
Depreciation and amortisation	**19,690**	3,363
Auditors' remuneration:		
- Statutory audit of the Group financial statements	**24,500**	26,243
- Tax advice	**7,500**	-
- Other services	**4,032**	69,000
Foreign exchange differences	**47,775**	27,726
Fundraising costs	**-**	116,977
Operating lease payments	**27,577**	-
Share based payments charge	**339,362**	237,508

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

6. INCOME TAX

Analysis of the Tax Charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2011 nor for the year ended 31 December 2010.

Factors Affecting the Tax Charge

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to the result for the year are as follows:

	2011	2010
	£	£
Loss on ordinary activities before tax	**(1,510,852)**	(759,775)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26.5% (2010 - 28%)	**(400,376)**	(212,737)
Effects of:		
Expenses not deductible for tax purposes	**1,067**	40,082
Tax losses carried forward	**399,309**	172,655
Total income tax	**-**	-

Deferred Tax

The Group has carried forward losses amounting to £2,673,844 as at 31 December 2011 (2010: £1,167,018). As the timing and extent of taxable profits are uncertain, the deferred tax asset arising on these losses has not been recognised in the financial statements.

7. LOSS OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent Company is not presented as part of these financial statements. The parent Company's loss for the financial year was £1,165,949 (2010: £525,386).

8. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated using the weighted average number of shares adjusted to assume the conversion of all dilutive potential ordinary shares.

In accordance with IAS 33 as the Group is reporting a loss for both this and the preceding year the share options are not considered dilutive because the exercise of share options would have the effect of reducing the loss per share.

Reconciliations are set out below.

	2011	2010
	£	£
Basic Loss Per Share		
Losses attributable to ordinary shareholders	**(1,510,852)**	(759,775)
Weighted average number of shares	**82,124,728**	26,390,952
Loss per share	**0.0184**	0.0288

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

9. INTANGIBLE ASSETS (Group)

	Exploration and evaluation £	Other £	Total £
Cost			
At 1 January 2010	222,133	-	222,133
Additions	68,010	-	68,010
Exchange differences	(8,260)	-	(8,260)
At 1 January 2011	281,883	-	281,883
Additions	908,836	11,640	920,476
Exchange differences	(32,132)	-	(32,132)
At 31 December 2011	**1,158,587**	**11,640**	**1,170,227**
Amortisation			
At 1 January 2011	-	-	-
Charge for the year	-	2,667	2,667
Exchange differences	-	-	-
At 31 December 2011	**-**	**2,667**	**2,667**
Net Book Value			
At 31 December 2011	**1,158,587**	**8,973**	**1,167,560**
At 31 December 2010	281,883	-	281,883

INTANGIBLE ASSETS (Company)

	Other £	Total £
Cost		
At 1 January 2011	-	-
Additions	11,640	11,640
At 31 December 2011	**11,640**	**11,640**
Amortisation		
At 1 January 2011	-	-
Charge for the year	2,667	2,667
At 31 December 2011	**2,667**	**2,667**
Net Book Value		
At 31 December 2011	**8,973**	**8,973**
At 31 December 2010	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

10. PROPERTY, PLANT AND EQUIPMENT (Group)

	Plant and machinery £	Motor vehicles £	Office Equipment £	Total £
Cost				
At 1 January 2010	-	-	4,748	4,748
Additions	-	40,480	-	40,480
At 1 January 2011	-	40,480	4,748	45,228
Additions	162,282	-	2,803	165,085
Exchange differences	(5,519)	(877)	(421)	(6,817)
At 31 December 2011	**156,763**	**39,603**	**7,130**	**203,496**
Depreciation				
At 1 January 2010	-	-	980	980
Charge for year	-	2,231	1,132	3,363
At 1 January 2011	-	2,231	2,112	4,343
Charge for year	5,950	9,587	1,486	17,023
Exchange differences	(202)	(268)	(126)	(596)
At 31 December 2011	**5,748**	**11,550**	**3,472**	**20,770**
Net Book Value				
At 31 December 2011	**151,015**	**28,053**	**3,658**	**182,726**
At 31 December 2010	-	38,249	2,636	40,885

11. INVESTMENTS (Company)

	Shares in Group undertakings £
At 1 January 2011	125,927
Additions	1,300
At 31 December 2011	**127,227**

The addition in the year represents the investment in **African Mining & Exploration Mali S.A.R.L** being 100% of share capital acquired.

The Company had the following subsidiary undertakings, either directly or indirectly, at 31 December 2011, which have been included in the consolidated financial statements.

Subsidiary	Country of Incorporation	Nature of business	Class of share	% Holding
New Mines Holdings Limited	St Kitts & Nevis	Holding Company	Ordinary	100%
Tobon Tondo S.U.A.R.L.	Republic of Mali	Mining & Exploration	Ordinary	100%
African Mining & Exploration Mali S.A.R.L	Republic of Mali	Mining & exploration	Ordinary	100%
Société African Mining & Exploration Guinea S.A.R.L.	Guinea	Mining & exploration	Ordinary	62%

12. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2011	2010	**2011**	2010
	£	£	**£**	£
Non -Current:				
Amounts due from subsidiaries	**-**	-	**1,559,065**	201,094
	-	-	**1,559,065**	201,094
Current:				
VAT recoverable	**21,233**	61,773	**20,410**	61,773
Other receivables	**28,648**	17,076	**26,528**	9,992
	49,881	78,849	**46,938**	71,765

13. CASH AND CASH EQUIVALENTS

	Group		Company	
	2011	2010	**2011**	2010
	£	£	**£**	£
Cash at bank and in hand	**3,378,474**	4,004,606	**3,375,105**	4,000,994

14. SHARE CAPITAL

	2011		2010	
Allotted, issued and fully paid	**£0.01 ordinary shares number**	**£**	£0.01 ordinary shares number	£
At beginning of year	**70,811,500**	**708,115**	12,361,500	123,615
Issued during year				
Other issue	**540,299**	**5,403**	8,450,000	84,500
Exercise of warrants	**12,861,507**	**128,615**	-	-
IPO issue	**-**	**-**	50,000,000	500,000
At end of year	**84,213,306**	**842,133**	70,811,500	708,115

During the year 540,299 shares were issued to extinguish liabilities of £86,000 and 12,861,507 shares were issued in exchange for each '2010 Warrants' exercised for a total consideration of £1,607,688.

Refer to note 20 for details of unissued warrants.

15. TRADE AND OTHER PAYABLES

	Group		Company	
	2011	2010	**2011**	2010
	£	£	**£**	£
Current:				
Trade creditors	**16,234**	164,978	**15,242**	164,229
Other creditors	**9,646**	11,260	**9,646**	11,260
Accruals and deferred income	**45,504**	58,560	**45,504**	52,943
	71,384	234,798	**70,392**	228,432

16. FINANCIAL INSTRUMENTS

Financial Instruments - Risk Management

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.
Principal Financial Instruments

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

- trade and other receivables
- cash at bank
- trade and other payables

Trade and other payables fall due for payment within 3 months from the balance sheet date.

The Group has sufficient funding in place to meet its operational commitments and is not exposed to any liquidity risk.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements for a period of at least 45 days.

The Board receives rolling 12-month cash flow projections on a quarterly basis as well as information regarding cash balances. At the balance sheet date, these projections indicated that the Group expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

Foreign Exchange Risk

The Group is exposed through its operations to foreign exchange risk which arises because the Group has overseas operations located in West Africa whose functional currency is CFA. The Group's net assets arising from overseas operations are exposed to currency risk resulting in gains or losses on retranslation into Pound Sterling.

Foreign exchange risk also arises when individual Group entities enter into transactions denominated in a currency other than their functional currency. The Group's policy is, where possible, to allow Group entities to settle liabilities denominated in their functional currency (primarily Euro, CFA or Pound Sterling) with the cash generated from their own operations in that currency. Where Group entities have liabilities denominated in a currency other than their functional currency (and have insufficient reserves of that currency to settle them) cash already denominated in that currency will, where possible, be transferred from elsewhere within the Group. To mitigate the risk of the CFA / Euro expenditure in Mali, the Group holds cash in a Euro denominated bank account, sufficient to meet committed expenditure and other liabilities. The CFA has a permanent fixed exchange rate with Euro.

16. FINANCIAL INSTRUMENTS (continued)

As at 31 December 2011 and 31 December 2010, the currency exposure of the Group was as follows:

At 31 December 2011	**GBP**	**Euro**	**CFA**	**GNF**	**Total**
	£	**£**	**£**	**£**	**£**
Cash and cash equivalents	**3,311,488**	**63,616**	**2,092**	**1,278**	**3,378,474**
Other receivables	**46,938**	**-**	**2,943**	**-**	**49,881**
Trade and other payables	**70,391**	**47**	**946**	**-**	**71,384**
At 31 December 2010					
Cash and cash equivalents	2,659,164	1,341,830	3,612	-	4,004,606
Other receivables	71,765	7,084	-	-	78,849
Trade and other payables	176,238	-	-	-	176,238

Capital Disclosures

The Group's objectives when maintaining capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and

- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company currently does not have any debt.

17. CONTINGENT LIABILITIES

Details of contingent liabilities where the probability of future payments / receipts is not considered remote are set out below, as well as details of contingent liabilities, which although considered remote, the Directors consider should be disclosed.

The Directors are of the opinion that provisions are not required in respect of these matters, as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

	2011	2010
	£	£
Deferred consideration payable for strategic investment in future mining and exploration projects	1,492,389	3,688,091

The above amounts relate to the following contingent liabilities:

On commercial discovery or commencement of mining operations, a fee of $50,000 and $1,312,000 will be payable to the Mali Government, for the Diatissan and Karan licence areas respectively. In order to meet the terms of the exploration licences the Group is committed to spend, before March 2014, 1,136,000,000 CFA (£1,451,251), the balance outstanding at 31 December 2011 was 478,304,720 CFA (£848,995). The licences can be surrendered to the Mali Government and these costs would not need to be incurred.

18. RELATED PARTY DISCLOSURES

Details of Director's remuneration are given in note 3. During the year £1,950 (2010: £350) was paid to Mr Scott Jones (son of Mark Jones) for website development and maintenance of which £nil (2010: £350) remained unpaid and £150,048 (2010: £37,512) was payable to J Cubed Ventures Ltd (Company controlled by Mark Jones) for consultancy fees of which £12,504 (2010: £29,384) remained unpaid. The amounts payable to J Cubed Ventures Ltd have been included in the Director’s remuneration in note 3.

19. OPERATING LEASE COMMITMENTS

	2011	2010
	£	£
No later than 1 year	56,172	-
Later than 1 year and no later than 5 years	134,448	-
Later than 5 years	22,104	-
	212,724	-

20. SHARE OPTIONS AND WARRANTS

Upon admission to AIM, the Company issued 70,811,500 warrants, the ‘2010 Warrants’. Each warrant was issued as part of a share and warrant ‘unit’. Each 2010 Warrant entitles the 2010 warrant holder to subscribe for one Ordinary Share at 12.5 pence at any time from the date of Admission until the second anniversary of Admission. Full terms can be found on the admission document, page 105. During the year 12,861,507 shares were issued in exchange for each ‘2010 warrant’ exercised leaving 57,949,993 unexercised ‘2010 warrants’ at 31 December 2011.

In addition to the share and warrant units issued as part of the admission to AIM, African Mining and Exploration Plc also operates an approved share option plan for Directors and employees. On 22 October 2010 and 7 March 2011, the Company issued share options and warrants to Directors, non-executive Directors and employees of the Company as follows:

Part A Share and Warrant Options

	Options at 1 Jan 2011	**Options granted during the year**	**Forfeited during the year**	**Options at 31 Dec 2011**	**Exercise Price**	**Date of the grant**	**First date of exercise**	**Final date of exercise**
Shares - Directors								
M J Churchouse	2,000,000	-	(2,000,000)	**-**	10p	22/10/10	21/10/11	21/10/15
M C Jones	3,000,000	-	-	**3,000,000**	10p	22/10/10	21/10/11	21/10/15
Shares - Others	1,000,000	200,000	(500,000)	**700,000**	10p	22/10/10	21/10/11	21/10/15
Total	6,000,000	200,000	(2,500,000)	**3,700,000**				
Warrants - Directors								
M J Churchouse	2,000,000	-	(2,000,000)	**-**	12.5p	22/10/10	21/10/11	21/10/15
M C Jones	3,000,000	-	-	**3,000,000**	12.5p	22/10/10	21/10/11	21/10/15
Warrants - Others	1,000,000	-	(500,000)	**500,000**	12.5p	22/10/10	21/10/11	21/10/15
Total	6,000,000	-	(2,500,000)	**3,500,000**				

20. SHARE OPTIONS AND WARRANTS (continued)

Part B Share and Warrant Options

	Options at 1 Jan 2011	Options granted during the year	Options at 31 Dec 2011	Exercise Price	Date of the grant	First date of exercise	Final date of exercise
Shares – non-executive Directors							
D D Chikohora	600,000	-	**600,000**	10p	22/10/10	21/10/11	21/10/15
S D Oke	750,000	-	**750,000**	10p	22/10/10	21/10/11	21/10/15
R Williams	-	500,000	**500,000**	16.1p	07/03/11	07/03/11	06/03/16
Total	1,350,000	500,000	**1,850,000**				
Warrants – non-executive Directors							
D D Chikohora	600,000	-	**600,000**	12.5p	22/10/10	21/10/11	21/10/15
S D Oke	750,000	-	**750,000**	12.5p	22/10/10	21/10/11	21/10/15
Total	1,350,000	-	**1,350,000**				

The terms of the two option plans are as follows:

Part A – Options

Each of the Directors and key employees were granted 1 option and 1 warrant to purchase the above number of shares at the time of IPO. Issues in 2011 were granted for options only.

The options may not be exercised before the satisfaction of the non-market performance conditions listed below.

Performance Conditions:

As to 20% of the shares under this option - the completion of the Karan Scoping Study

As to 30% of the shares under this option - the confirmation of a JORC Inferred Resource

As to 50% of the shares under this option - the confirmation of a JORC MC-1 Inferred Resource of at least 500,000 troy ounces of gold

Part B – Options

Each of the non-executive Directors were granted 1 option and 1 warrant to purchase the above number of shares at the time of IPO. Issues in 2011 were granted for options only.

There are no performance conditions attached to option under this plan, instead the following conditions apply to options under this plan:

Share Options

a) not more than one-third of the number of shares under this option may be acquired prior to the first anniversary of Admission.

b) not more than two-thirds of the number of shares under this option may be acquired before the second anniversary of Admission.

20. SHARE OPTIONS AND WARRANTS (continued)

Warrant Options

The warrants under this option plan may not be exercised before either the 2010 Warrants have all been exercised or may no longer be exercised.

All of the options and warrants attract a share based payment charge under IFRS 2.

The share based payment charge for options and warrants related to Directors, non-executive Directors and employees have been calculated using a Black-Scholes Model and using the following parameters:

	2010 Issue Share Options	2010 Issue Warrant Options	2011 Issue Share Options
Stock asset price	£0.10	£0.10	£0.1038 - £0.1612
Option strike price	£0.10	£0.125	£0.1038 - £0.1612
Maturity (years)	5	5	5
Risk-Free interest rate	2.5%	2.5%	2.5%
Volatility	95%	95%	95%
Option (fair value)	£0.0730	£0.0698	£0.0757 - £0.1176

This fair value is the cost that is charged to the Statement of Comprehensive Income and is spread over the expected vesting period which, for non-market vesting conditions (as noted above), is revised at each period end.

AFRICAN MINING & EXPLORATION PLC

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of African Mining & Exploration Plc ('the Company') will be held at the offices of the Company's Solicitors, Memery Crystal LLP, 44 Southampton Buildings, London, WC2A 1AP on 15 June 2012 at 11:00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions which will be proposed as ordinary resolutions in the cases of resolutions 1-4 and as a special resolution in the case of resolution 5.

ORDINARY BUSINESS

1 To receive the report of the Directors and the audited financial statements of the Company for the year ended 31 December 2011.

2 To re-elect as a Director of the Company, Mark Christopher Jones, who retires by rotation under the articles of association of the Company and, being eligible, offers himself for re-election.

3 To re-appoint BDO LLP as auditors of the Company to act until the conclusion of the next Annual General Meeting and to authorise the Directors to determine the remuneration of the auditors.

ORDINARY RESOLUTION

4 That in substitution for all existing and unexercised authorities, the Directors of the Company be and they are hereby generally and unconditionally authorised for the purpose of section 551 of the Companies Act 2006 ('the Act') to exercise all or any of the powers of the Company to allot equity securities (within the meaning of Section 560 of the Act) up to a maximum nominal amount of £500,000 provided that this authority shall, unless previously revoked or varied by the Company in general meeting, expire on the earlier of the conclusion of the next Annual General Meeting of the Company or 15 months after the passing of this Resolution, unless renewed or extended prior to such time except that the Directors of the Company may before the expiry of such period make an offer or agreement which would or might require equity securities to be allotted after the expiry of such period and the Directors of the Company may allot relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

SPECIAL RESOLUTION

5 That in substitution for all existing and unexercised authorities and subject to the passing of the immediately preceding Resolution, the Directors of the Company be and they are hereby empowered pursuant to section 570 of the Act to allot equity securities (as defined in section 560 of the Act) pursuant to the authority conferred upon them by the preceding Resolution as if section 561(1) of the Act did not apply to any such allotment provided that the power conferred by the Resolution, unless previously revoked or varied by special resolution of the Company in general meeting, shall be limited:

(a) arising from the exercise of options and warrants outstanding at the date of this resolution;

(b) to the allotment of equity securities in connection with a rights issue in favour of ordinary shareholders where the equity securities respectively attributable to the interest of all such shareholders are proportionate (as nearly as may be) to the respective numbers of the ordinary shares held by them subject only to such exclusions or other arrangements as the Directors of the Company may consider appropriate to deal with fractional entitlements or legal and practical difficulties under the laws of, or the requirements of any recognised regulatory body in, any territory;

(c) the grant of a right to subscribe for, or to convert any equity securities into Ordinary Shares otherwise than under sub-paragraph (a) above, up to a maximum aggregate nominal amount of £100,000; and

(d) to the allotment (otherwise than pursuant to sub-paragraphs (a), (b) and (c) above) of equity securities up to an aggregate nominal amount of £168,427 (approximately 20% of the Company's issued share capital) in respect of any other issues for cash consideration;

and shall expire on the earlier of the date of the next Annual General Meeting of the Company or 15 months from the date of the passing of this Resolution save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

If you are a registered holder of Ordinary Shares in the Company, whether or not you are able to attend the meeting, you may use the enclosed form of proxy to appoint one or more persons to attend and vote on a poll on your behalf. A proxy need not be a member of the Company.

A form of proxy is provided.

This may be sent by facsimile transfer to 01252 719 232 or by mail using the reply paid card to:

The Company Secretary
African Mining & Exploration Plc
c/o Share Registrars Limited
Suite E
First Floor
9 Lion and Lamb Yard
Farnham
Surrey GU9 7LL

In either case, the signed proxy must be received no later than 48 hours (excluding non-business days) before the time of the meeting, or any adjournment thereof.

Registered Office:

Third Floor
55 Gower Street
London WC1E 6HQ

By order of the Board

Stephen Ronaldson
Company Secretary

4 May 2012

Registered in England and Wales Number: 07307107

Notes to the Notice of General Meeting

Entitlement to Attend and Vote

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register of members 48 hours before the time of the Meeting shall be entitled to attend and vote at the Meeting.

Appointment of Proxies

2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.

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

4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the registrars of the Company, Share Registrars Limited on 01252 821 390.

5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

Appointment of Proxy Using Hard Copy Proxy Form

6. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

   To appoint a proxy using the proxy form, the form must be:

   - Completed and signed;
   - Sent or delivered to Share Registrars Limited at Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL or by facsimile transmission to 01252 719 232; and
   - Received by Share Registrars Limited no later than 48 hours (excluding non-business days) prior to the Meeting.

   In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the Company or an attorney for the Company.

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

Appointment of Proxy by Joint Members

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

Changing Proxy Instructions

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

   Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Share Registrars Limited on 01252 821 390.

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

Termination of Proxy Appointments

9. In order to revoke a proxy instruction you will need to inform the Company using one of the following methods:

   By sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Share Registrars Limited at Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL or by facsimile transmission to 01252 719 232. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the Company or an attorney for the Company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

   In either case, the revocation notice must be received by Share Registrars Limited no later than 48 hours (excluding non-business days) prior to the Meeting.

   If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

   Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

   Issued shares and total voting rights

10. As at 4 May 2012, the Company's issued share capital comprised 84,213,306 ordinary shares of £0.01 each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 4 May 2012 is 84,213,306.

Communications with the Company

11. Except as provided above, members who have general queries about the Meeting should telephone the Company Secretary, Dominic Traynor, on (020) 7580 6075 (no other methods of communication will be accepted). You may not use any electronic address provided either in this notice of general meeting; or any related documents (including the chairman's letter and proxy form), to communicate with the Company for any purposes other than those expressly stated.

CREST

12. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual.

    CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

    In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “CREST Proxy Instruction”) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via euroclear.com/CREST).

The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID: 7RA36) by the latest time(s) for receipt of proxy appointments specified above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of Instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of CREST by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2011

DIRECTORS:	M C Jones	Executive Director
	D D Chikohora	Non-Executive Director
	S D Oke	Non-Executive Director
	R A Williams	Non-Executive Director

SECRETARY: S F Ronaldson
55 Gower Street
London
WC1E 6HQ

REGISTERED OFFICE: Third Floor
55 Gower Street
London
WC1E 6HQ

REGISTERED NUMBER: 07307107 (England and Wales)

AUDITORS: BDO LLP
Chartered Accountants & Statutory Auditors
55 Baker Street
London
W1U 7EU

BANKERS: NatWest Bank Plc
St James' & Piccadilly Branch
PO Box 2DG
208 Piccadilly
London
W1A 2DG

NOMINATED ADVISORS & BROKERS: Singer Capital Markets Limited
1 Hanover Street
London
W1S 1YZ

SOLICITORS: Memery Crystal LLP
44 Southampton Buildings
London
WC2A 1AP

REGISTRARS: Share Registrars
9 Lion & Lamb Yard
Farnham
Surrey
GU9 7LL

WEBSITE: www.ameplc.co.uk