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GLOSSARY OF TERMS

The oil and gas industry is typically divided into two major components: upstream and downstream operations.

The ***upstream*** oil sector refers to the searching for and the recovery and production of crude oil and natural gas also known as the *exploration and production (E&P) sector*. The upstream sector includes the searching for potential underground or underwater oil and gas fields, drilling of exploratory wells, and subsequently drilling and operating the wells that recover and bring the crude oil and/or raw natural gas to the surface. *(Wikipedia)*

The ***downstream*** oil sector refers to the selling and distribution of natural gas and products derived from crude oil. Such products include liquefied petroleum gas (LPG), gasoline or petrol, jet fuel, diesel oil, other fuel oils, asphalt and petroleum coke. This sector includes petroleum product distribution, retail outlets and natural gas distribution companies.

References

Industry partners

BP Namibia	http://www.bp.com
Chevron	http://www.chevron.com
CIECO Exploration and Production	http://www.cieco.co.uk
Common Wealth Secretariat	http://www.thecommonwealth.org
Cowan Petróleo e Gás	http://www.cowan.com.br
Engen	http://www.engenoil.com
FUGRO	http://www.fugro.com
Gazprom	http://www.gazprom.com
Langer Heinrich	http://www.infomine.com
Ministry of Mines and Energy	http://www.mme.gov.na
NAMCOR	http://www.namcor.com.na
Sasol Oil Ltd	http://www.sasol.com
Serica Energy	http://www.serica-energy.com
Southern African Development Community (SADC)	http://www.sadc.int
Tullow Oil	http://www.energyafrica.com
Unitrans	http://www.unitrans.co.za

Industry Terminology - Upstream

Exploration and Reconnaissance Licenses

Petroleum licensing or exploration license is the act of attributing licenses (geographical areas of land and/or sea) to a company or a Joint Venture (JV) for the act of petroleum exploration. Each country distributes licenses in what is typically called a licensing round.

Industry Terminology - Downstream

Refining Petroleum refining converts crude oil into more useful products like fuels and petrochemicals. Pure crude burns quickly and leaves behind unwanted residue. Thus the oil needs to be separated and treated before use.

GLOSSARY OF TERMS

Fossil fuels are made up of dead plants and animals buried between rock layers and heated by the earth to form crude oil. Through exploration and production, the crude oil is discovered and pumped out of the earth into tankers and pipelines and delivered to a refinery. During the refining process, these hydrocarbons are heated and separated by distillation or fracturing. The resulting hydrocarbon molecules (fractions) often are further treated to change their size or structure, which makes them more usable. Products made from refined crude include gasoline, diesel, kerosene, coke, asphalt, petrochemical feedstock and lubricants, among others.

Petrochemicals Chemicals made from crude oil through the refining process. Some petrochemicals can be made using coal or natural gas, but these can be expensive.

There are two main classes of petrochemical materials. Olefins include ethylene and propylene. Aromatics include benzene and xylene isomers. Olefins are produced by cracking and aromatics are produced by reforming.

These petrochemical materials are used to make:

- Resins and plastics
- Synthetic fibres
- Engineering polymers
- Rubbers
- Solvents
- Industrial chemicals, including those used to manufacture detergents such coatings, pharmaceuticals and explosives.

Tankers An oil tanker transports bulk liquids or gasses from offshore fields to the shore which is then sent to a refinery.

Once refined, product tankers distribute gasoline, heavy fuel oil and diesel to tank farms. From there the cargo is transported by tanker trucks, pipelines, rail tanker cars, or inland barges to the consumer.

DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

The Directors of the group are responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information. The financial statements have been prepared in accordance with International Financial Reporting Standards and in the manner required by the Companies Act in Namibia. The group's independent external auditors have audited the consolidated financial statements and their report appears on pages 18 to 19.

The Directors are also responsible for the systems of internal control. These are designed to provide reasonable but not absolute assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect material misstatement and loss. The systems are implemented and monitored by suitably trained personnel with an appropriate segregation of authority and duties. Nothing has come to the attention of the Directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The consolidated financial statements are prepared on an on-going concern basis.

DIRECTORS' APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements are set out on pages 5 to 64 and were approved by the Board of Directors on 05 November 2012 and are signed on their behalf by:

Johannes Gawaxab
Chairman

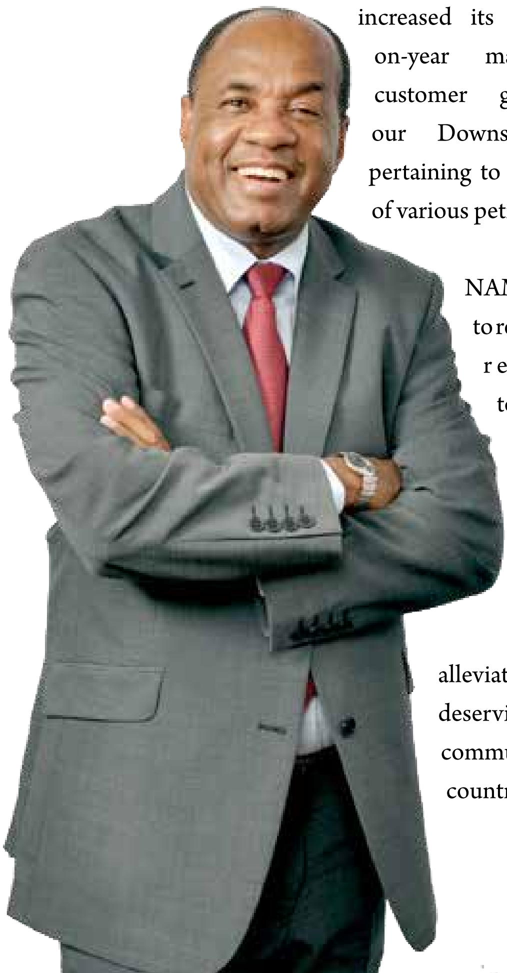
Anna Libana
Director

MANAGING DIRECTOR'S AND CHAIRMAN'S REPORT

The 2012 financial figures has certainly abetted in this recovery action, with the group grossing a net income of N$ 47 118 156 before taxation. Complimentary to this, NAMCOR has, and continues to embark on, optimal negotiations of exploration licenses which currently boast a 73% interest in all of the issued licences.

Presently Namibia depends on South Africa for more than half of its power needs and therefore the Kudu Gas Field Project remains a crucial cog in meeting Namibia's growing energy demands. The Namibian Government, through the Ministry of Mines and Energy and NAMCOR, are firmly committed to ensuring the success of the Kudu Gas Field endeavour, as it will not only benefit Namibian's economic growth but also positively stimulate further exploration of the country's resources.

Despite the various impacting factors such as fuel supply, crude oil price fluctuations and bulk storage infrastructure challenges, NAMCOR increased its fuel sales year-on-year mainly due to customer growth through our Downstream Strategy, pertaining to the direct supply of various petroleum products.



NAMCOR continues to realise its corporate responsibility towards the community and environment in which we operate and will persist in our support to alleviate the plight of deserving and destitute communities in the country.

We are also very proud of our upgraded website www.namcor.com.na – a vital educational and information component concerning information dissemination.

NAMCOR has developed its own Health, Safety, Security and Environment (HSSE) Policies, an industry requirement, which are implemented at all established sites and depot networks. We are equally proud of the Zero LTIs (Lost Time Injuries) and Health, Safety, Security and Environment (HSSE) record, including oil spillages, and will continue to ensure a safe and secure environment for all persons at NAMCOR.

We thank all role players, and in particular NAMCOR management and staff, for their persistence through these demanding times. We once again call on all of you to support the organisational vision and intent thus ensuring the future growth of Namibia's Petroleum Corporation.

FINANCIAL PERFORMANCE

During the 2012 financial year, the National Petroleum Corporation of Namibia *(NAMCOR)* grossed a net income of N$ 47 118 156 before taxation thereby improving its financial position. The fuel levy of 7.6 cents per litre of regulated fuel products were received for the full 12-months of the financial year, which greatly contributed to the positive statement of comprehensive income. These funds are used to fund smaller projects and operational requirements of the company.

Due to the stability of world economics in the past financial year, there has been a significant increase in the interest shown by international exploration companies, both on-shore and offshore the Namibian exploration margin, which contributed to the noteworthy increase of data sales compared to last year. During successful negotiations with *Serica Energy*, NAMCOR, on signing the joint exploration license, was able to ensure a *signature bonus* of N$7 734 923. The trading company also started generating income from its depot operations with both *Langer Heinrich Mine* and *Mariental Depot* being fully operational during the financial year. The *downstream* department remained successful in securing tenders for the provision of fuel to various government institutions in Namibia. *Accommodation agreements* with the oil industry also ensured a flow of product to customers at the Coast and the surrounding Windhoek area.

UPSTREAM DEPARTMENT

Exploration and Production Operations

NAMCOR's main business is to ensure the optimum exploitation of Namibia's petroleum resources and meaningful participation in resulting business developments in petroleum related exploration activities. The company also acts as advisor to the Ministry of Mines and Energy and assists it in monitoring the exploration activities of licensees.

Promotion

This is an activity that requires the active marketing or promotion of the hydrocarbon potential of the Namibian exploration margin to local and international oil exploration and production companies.

Having identified prospects and leads with potential for accumulating hydrocarbons and having carried out all necessary petroleum geological and geophysical work required, such acreage is offered to local and international oil companies. In furtherance of the above, the company attends important international oil and gas promotion conferences targeting the oil capitals/centres of the world in order to cover as wide a spectrum of clients as possible.

Advisory and Regulatory Role

The institutional role of NAMCOR is to actively promote the hydrocarbon potential of Namibia. In exercising this role, the company is tasked with advising the Ministry of Mines and Energy on policy issues regarding the upstream petroleum industry and monitoring the petroleum activities of oil companies operating within Namibia.

NAMCOR has since independence facilitated the signing of several petroleum agreements with international oil companies. These agreements have been the result of four bidding rounds and an open licensing system which was adopted as an alternative to the bidding rounds.

To date, fifteen (15) exploration licences, one (1) production licence, two (2) reconnaissance and two (2) Coal Bed Methane licences have been issued to Namibian and international oil companies. Overall, a total of 16 wells have been drilled, offshore Namibia, of which eight (8) wells have been drilled in the Kudu licence. As a result of these and numerous other onshore exploration activities, an extensive geological and geophysical database on petroleum activities within Namibia is in place.

The database consists of data from 15 wells drilled in Namibia, both onshore and offshore. In total more than 40 000 line kilometres of 2D seismic data and more than 10 000 km^2 of 3D seismic data have been acquired.

Kudu Gas Field

In the last quarter of 2011, the Ministry of Mines and Energy awarded the Kudu Gas Field partners with an effective 25-year production licence. The parties to the licence comprise of CIECO Exploration and Production (Namibia), 15%; NAMCOR, 54%; and Tullow Oil, 31%; with the latter as operator of the licence.

Major disappointment was experienced towards the end of 2011 with the withdrawal of Gazprom from the Kudu licence. All stakeholders, including upstream and downstream are however vigorously working toward reaching a final investment decision before the end of the next financial year (2012/2013).

Lüderitz Basin

As caretaker for the Lüderitz Basin Licence, comprising of Blocks 2412Ba, 2413B, 2512A, 2513, 2613 and 2612A, NAMCOR has actively marketed the Blocks to prospective investors. Due to the dedicated work of staff, the Company has been able to licence huge areas to Serica Energy Plc. (Blocks 2512A and 2513), and Cowan Petróleo e Gás (Block 2613).

NAMCOR was also able to receive significant benefits, in the form of signature bonuses and comprehensive training as part of the deals in farming out the respective Blocks. It must be noted that this was the first time that signature bonuses were paid as part of the farm out agreements between NAMCOR and investors.

NAMCOR's Participation in Exploration Licences

During the year under review, there has been a phenomenal increase in the number of licenses awarded for both onshore and offshore exploration areas. In total eighteen (18) exploration licences were awarded during the 2011/2012 financial year. This phenomena could be attributed to a number of factors such as political stability, easy and flexible licensing system, attractive legal framework, increased international demand for acreage/investement and aggressive promotion of Namibia's hydrocarbon potential at various international forums such as the American Association Petroleum Geologists (AAPG) and North American Prospect Exhibition (NAPE).

Currently, thirty five (35) exploration licenses, one (1) production license and two (2) reconnaissance licenses have been issued to local and international oil companies.

NAMCOR's participation in exploration licences is impressive, in that the Company has interests in 73% of the issued licences (30 of 41) as shown on page 8.

Data Sales

The demand for *seismic data*, which fell sharply in 2010 due to the economic downturn, rose considerably during 2011. The increase in demand for new and old data from investors (new and old) is demonstrated by NAMCOR's revenue share of over N$ 30 million for the year under review.

Speculative Seismic Programme

The increased demand for exploration *acreage,* along with the fact that Namibia has of late become a particularly attractive destination for oil and gas, has created a renewed influx of proposals being submitted for the acquisition of speculative seismic 2D and 3D as well as the reprocessing of old vintage seismic data. The following multi-client surveys have been completed during the year under review:

- Walvis and Namibe Basins - WAL11 survey by TGS
- Orange Basin - SCOB12 survey by Spectrum

Figure 1: Hydrocarbon Licence Map, 2012

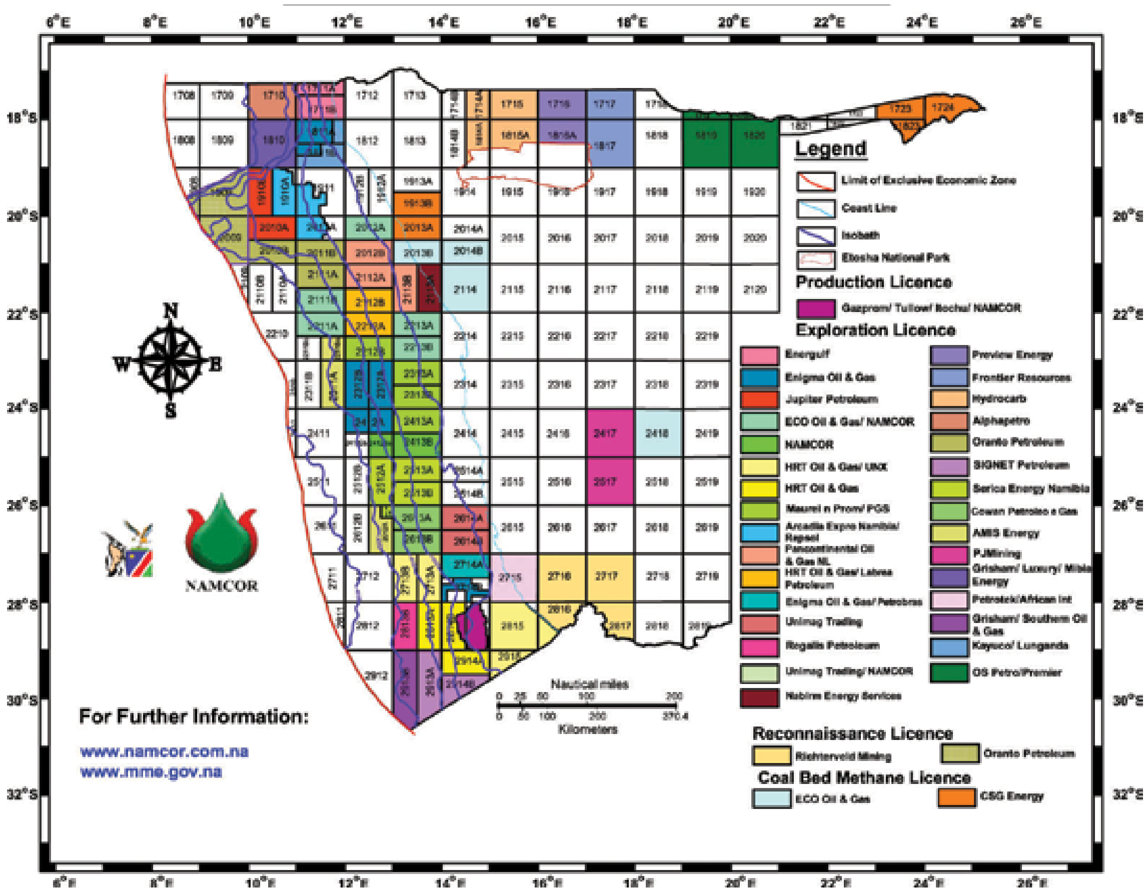
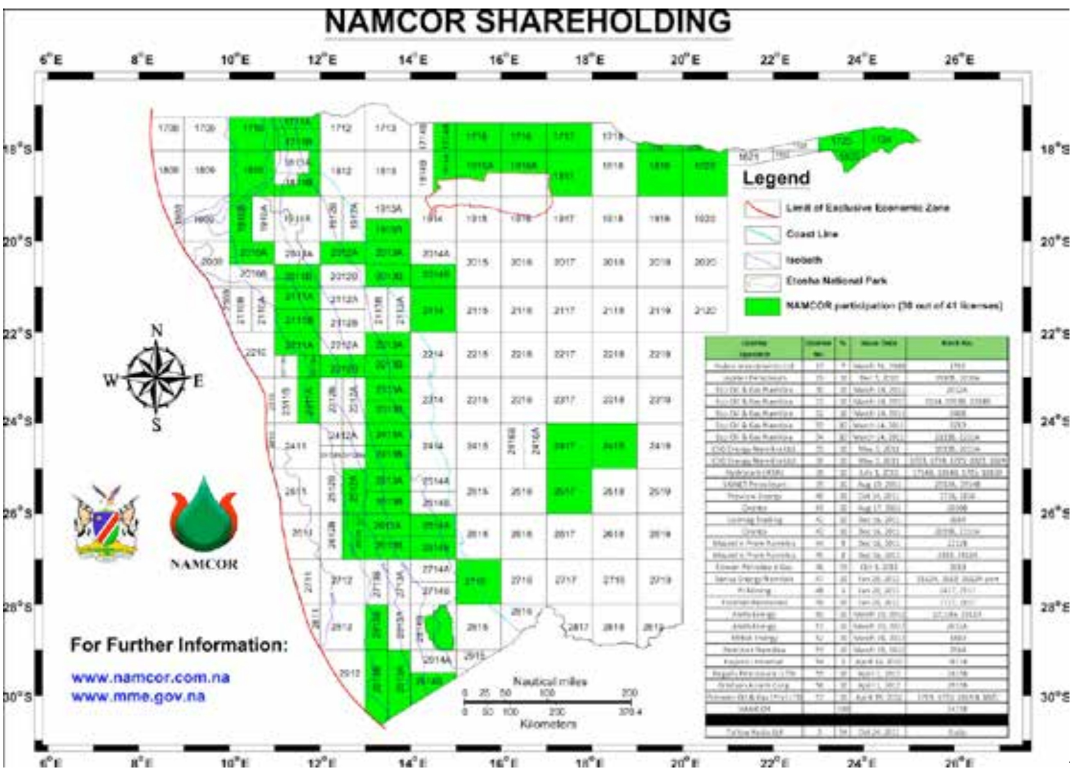


Figure 2: NAMCOR licence participation



PROJECTS FOR THE NEW FINANCIAL YEAR: 2012/2013

New NAMCOR Act

This initiative was conceived after the realisation that the current Companies Act No 28 of 2004 does not offer sufficient provisions to allow NAMCOR to operate as an authentic oil and gas company. The new Act will ensure that NAMCOR becomes more competitive and focused in its mandate as the Company will now be governed by laws comparable to its peers in the oil and gas industry. The project is being undertaken by the Common Wealth Secretariat.

Speculative Seismic Programme

Seismic activity, in the form of additional 2D speculative data will continue at full speed, largely due to the high demand for exploration from the industry. It is for this reason that Spectrum will be finalising acquisition of 2D seismic data in the Lüderitz Basin, and various Blocks licenced to Cowan Petróleo e Gás and AMIS Energy. The acquisition of this data has been agreed upon by NAMCOR and the respective licensees.

Offshore High Resolution Aeromagnetic Survey

Given the positive experiences in other countries, *FUGRO*, in close coordination with NAMCOR and the Ministry of Mines and Energy geoscientists, have recognised the need to acquire new high resolution magnetic data along the Namibian offshore in order to complement the existing data. The availability of uniform and high resolution data over the entire Namibian offshore would allow existing Exploration and Production (E&P) companies and new entrants to gain a better understanding of the extent and distribution of volcanic units; the depth and morphology of magnetic basement; and the tectonic architecture of the basins.

FUGRO had proposed to acquire approximately 274,160 line kilometers of Airborne Magnetic Data offshore Namibia.

The technical specifications of the newly proposed acquisition are as follows:

- Grid of 2 x 10 km over the continental shelf (down to approximately 1,000 m water depth).
- Grid of 5 x 20 km in deep water areas up to the 200 nautical miles limit of territorial waters.

A Regional Reservoir and Seal Study of the Basins of Namibia

Understanding petroleum system elements of a sedimentary basin is the key to establishing its hydrocarbon potential. A good knowledge of the quality, integrity and distribution of reservoir and seal lithologies are paramount in the understanding of elements of a petroleum system. It is for this reason that Core Laboratories (CORELAB), a UK based service company, in collaboration with NAMCOR will conduct a multi-client study on a non-exclusive basis entitled "A Regional Reservoir and Seal Study of the basins of Namibia". The Agreement, which outlines the relationship between CORELAB and NAMCOR was signed in the last quarter of 2011. Although, CORELAB will bear the full cost of the study, NAMCOR will also derive some monetary benefits based on a revenue sharing formula, full details of these are contained in the Agreement document.

The primary objective of the project is to provide NAMCOR with detailed geological, biostratigraphical, and petrophysical characterisation and evaluation of numerous conventional reservoirs and seals lithologies in the study area. Specifically, the study shall provide participants with the following analyses, data and interpretations:

- Reservoir description, core photography, and sedimentological interpretation of depositional facies and environments
- High-Resolution Biostratigraphy
- Define and evaluate reservoir quality in terms of texture, mineralogy, diagenesis, pore system properties, and depositional facies
- Important petrophysical properties of the cored reservoirs shall be measured and evaluated
- Seal and potential seal rocks shall be evaluated for their properties and sealing capacity

Offshore Namibia, Fluid Inclusion Stratigraphy (FIS) Study

Fluid Inclusions Technologies (FIT) has proposed a multi-client study for the offshore Namibian Basins titled "*Offshore Namibia, Fluid Inclusion Stratigraphy (FIS) Study*" to create a better understanding of the regional petroleum charge within the Basin.

This project has already commenced and the results are expected to be delivered to NAMCOR in the last quarter of 2012. The project will generate new data from all wells of the Namibian Basins.

DOWNSTREAM DEPARTMENT

NAMCOR entered the logistics, marketing and distribution sectors of the business through participation in fuel tenders in line with its new strategy of building an integrated oil company that would compete on an equal footing with other industry players. It is important to note that, although NAMCOR is wholly owned by the Government of the Republic of Namibia, it is equally required to comply with the same legislation as all other industry players.

The transportation, storage, marketing and distribution of petroleum products (petrol and diesel) are controlled by the Government of the Republic of Namibia through the following legislation:

- Petroleum Products and Energy Act, 1990 (Act 13 of 1990)
- Petroleum Products Regulations, 2000

Bulk Storage Facilities

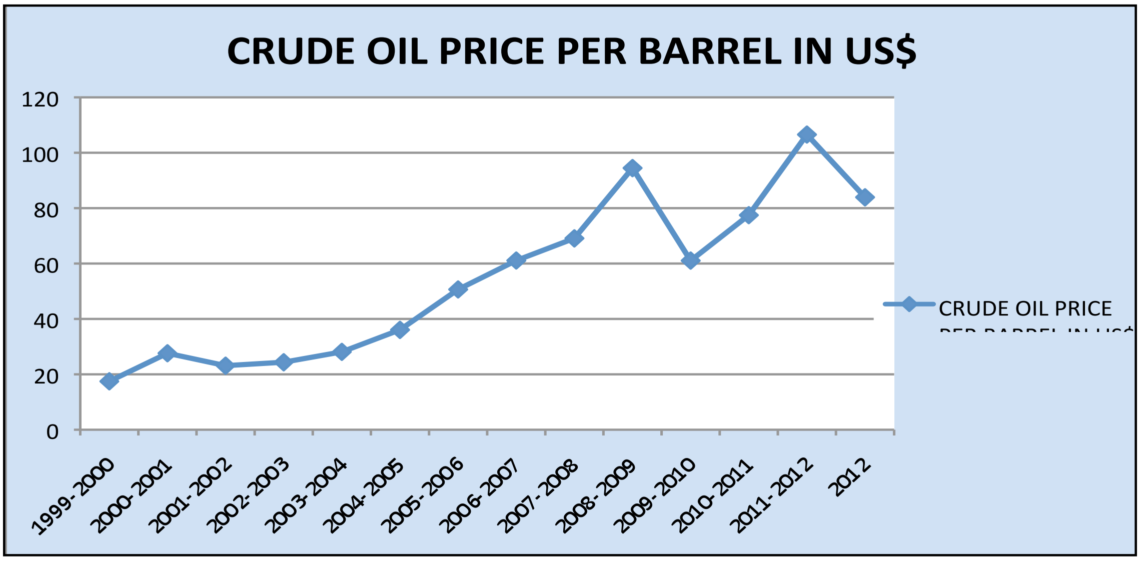
Petroleum is a strategic commodity for any country and Namibia is heavily dependent on refined fuels for providing energy in industrial activities such as transport, electricity generation, road construction and mining. NAMCOR refurbished and launched the Otjiwarongo Bulk Fuel Depot on 10 November 2009. This storage facility and future such developments will be for commercial as well as strategic fuel supplies in order to ensure that all Namibians have access to fuel.

The Otjiwarongo Depot is a world class facility. Its Health, Safety, Security and Environmental (HSSE) standards are state of the art. The Depot is fully automated and will provide the functionality for NAMCOR to view storage tank levels and all transactions from its Head Office in Windhoek. NAMCOR acquired 25% of storage tanks at the Keetmanshoop Depot and can now supply customers from that area, as they own these tanks 100%. A similar facility was completed at Mariental in February 2011 to serve customers in the surrounds. As with other NAMCOR facilities, this Depot complies with internationally accepted environmental and safety standards.

Supply and Trading of Fuel Products

Opportunities to create long-term sustainable businesses with a solid cash flow and above average profits do not present themselves often. The use of *refined petroleum products* forms the basis of our economy and there is a need to ensure an uninterrupted supply of fuel throughout the country which is the single greatest challenge that the Southern African Development Community (SADC) is- experiencing. Inconsistency of fuel supply and shortages of fuel has a negative influence on any economy. Fuel is an essential component upon which most civilisations and enterprises depend on for its survival. The Agreement with *Engen* to supply NAMCOR with petroleum products concluded in March 2012. Various attempts to secure petroleum products from a number of suppliers proved fruitless. ***Figure 3*** (page 11) is a clear indication that hydrocarbon fuel products are unstable and that we need to prepare ourselves for any crude oil price changes in the near future.

Figure 3: Crude Oil Basket Price over a number of years. Source: OPEC



LOGISTICS

Fuel Sales

Despite the unstable crude oil prices including challenges experienced in terms of bulk storage infrastructure and sourcing of fuel supply, NAMCOR increased its fuel sales year-on-year, due to new customers gained as well as the organic growth of existing customers over the past year. Figures below reflect the fuel sales for the 2010, 2011 and 2012 year-to-date period:

2010	2011	2012
10,765,318 in litres	24,017,423 in litres	16,330,546 in litres

Otjiwarongo Depot

The depot has greatly assisted NAMCOR in the rollout of its Downstream Strategy in terms of marketing and distribution of fuel products to customers. It is currently the company's anchor depot providing a service to customers in Northern Namibia. Oil companies that ceased their operations in the area due to the closure of BP Namibia, has subsequently requested through-put arrangements from NAMCOR. This action has resulted in an additional income being generated for the company. The depot has started to realise the expected volumes due to the new customers and as thus proven a positive investment decision.

Mariental Depot

NAMCOR's Mariental depot is operated by an agent, Central Distribution, and has a 166,000 litre capacity bulk storage facility for ULP '95 petrol and Diesel. The depot services a number of customers allowing NAMCOR to deliver smaller *parcel* sizes to customers in the south of the country. As with other NAMCOR facilities, this Depot complies fully with internationally accepted environmental and safety standards.

Business Development of Fuel Distribution

The Downstream Strategy focuses on the distribution and marketing of refined fuel products. The current logistical infrastructure enables NAMCOR to efficiently market fuel products to all regions in Namibia. In an effort to boost its downstream operations, NAMCOR in partnership with *Unitrans,* launched a fleet of fuel tankers under its own brand. The five tankers are used for the transportation of *Diesel, ULP '95 Petrol, LRP '93 Petrol and Heavy Furnace Oil (HFO)*. These are world class assets with the latest technology comparable only to the best in the industry.

NAMCOR was successful in bidding for several tenders in and outside the country thereby supplying its customers in most market sectors with different petroleum products. NAMCOR also distributes fuel on behalf of wholesalers who were successful in receiving tenders from the Namibian Government, municipalities and commercial customers.

NAMCOR has successfully concluded an agreement with one of the biggest Namibian mines, Langer Heinrich Mine, to supply them with the required fuel products for a number of years. This is a good indicator that NAMCOR is firmly positioning itself in the downstream market and will soon become a competitive player to be reckoned with in the industry.

Lubricant Distribution

NAMCOR has added an exciting range of NAMCOR-branded lubricants to its fuel supply business. NAMCOR launched its branded lubricants in Windhoek and Walvis Bay respectively, a hugely successful endeavour with positive media coverage.

The range consists of automotive and industrial lubricants and greases. It is the company's vision that NAMCOR Lubricants become the customer's first choice of lubricants. These products are manufactured according to international specifications and based on technologies used in both African and European markets. NAMCOR foresees a strong growth pattern for the company in this line of business and will soon be launching Distributing Agents in the towns of Ondangwa, Oshakati, Rundu, Katima Mulilo and Lüderitz. These efforts will enable NAMCOR to provide a complete package of supply to the fulfilment of customer satisfaction throughout the country.

BUSINESS SUPPORT

The Business Support Department consist of Human Resources, Public Relations and Communications, Administration and Health, Safety, Security and Environmental divisions.

Human Resources

NAMCOR's employees are indicative of our diverse cultures and thinking and is one of our greatest assets. Developing employee relations and communication between management and employee representatives is a primary concern of our human resource policy.

NAMCOR's approach to remuneration aims both to keep us competitive, by paying median wages in the Namibian market, and to ensure fairness internally. Remuneration packages are therefore prudently designed to attract, motivate and retain employees of high calibre needed to maintain the company's position in the market and to reward them for enhancing value to the shareholder.

Our strategy is to built on employee talent and innovation enabling the company to support the development of employees throughout their careers, while training and development remain a core activity in our changing and demanding industry.

Corporate Communication

The period under review was particularly rewarding for the corporate communication division as it was able to promote the NAMCOR brand to various parts of the country. This was done through various launch events, trade fairs and exhibitions as well as through corporate social investment initiatives.

The branded products were an essential component of NAMCOR's participation at the Ongwediva Annual Trade Fair, Windhoek Industrial & Agricultural Show, Otjiwarongo Trade Fair and the Erongo Trade Expo respectively and were able to positively promote its branded lubricants.

Corporate Social Investment

NAMCOR firmly realises its sense of responsibility towards the community and environment in which we operate. It is therefore our duty to contribute towards educational and social programmes through our corporate social investment programme. NAMCOR donated an amount of N$50,000 to deserving and destitute Namibian communities.

The recurring floods in Northern Namibia causes havoc, with the worst impact for the 2011/12 rainy season experienced in the Omusati Region.

Due to the flooding, approximately 18 schools were closed, and mahangu fields destroyed. This negatively influenced the livelihood of many families. NAMCOR contributed an amount of N$20,000 to be used for flood relief efforts in the said region.

The !Nara Primary School situated in Tutaleni, Kuisebmund has a learner population of approximately 952 learners. The Tutaleni area in Kuisebmund, initially an informal settlement and now recognised as a formal neighbourhood through positive developments opened the school to learners of the Kuisebmund and surrounding area in April 2011 and caters for learners from Grade 1 to 5. The school was in need of additional classrooms and various educational support resources. NAMCOR invested an amount of N$20,000 to assist in meeting some of their needs.

In recent years Mariental experienced a massive setback with the flooding of the town which caused major destruction to the local business fraternity and community. NAMCOR assisted the Mariental Flood Task Force alongside the Hardap Regional Council towards clearing of riverbeds of reeds to avoid future flooding. An amount of N$10,000.00 was handed over to the Mariental Flood Task Force Chairperson. NAMCOR will continue to strive towards a sustainable and beneficial Namibia for all.

Website

NAMCOR launched its upgraded website www.namcor.com.na on 11 May 2012. The aim of the website is to inform and educate all visitors to the site on NAMCOR's core business. The Information, Communication and Technological (ICT) Division was involved with the project team for the development and uploading of the new redeveloped and interactive website. The website is updated on a regular basis to keep all informed on developments in this dynamic industry.

Disposal of Moveable Assets

The Executive Management of NAMCOR took a decision to dispose of redundant assets by providing a first-offer-to-purchase to its employees. As part of its corporate social responsibility, NAMCOR has realised that it is of cardinal importance to recognise contributions made by its employees. It was therefore decided to award an opportunity to employees to purchase redundant furniture. The assets were disposed of by way of a closed-bid tendering process which was suitably planned and executed. The total proceeds generated during this exercise was N$ 204,655 for the group.

INFORMATION COMMUNICATION AND TECHNOLOGICAL (ICT) DIVISION

Hardware and Software Upgrades:

The ICT Division conducted an assessment of NAMCOR's current Active Directory, Exchange and VMWare Sphere deployment in terms of configuration, operations, and usage. Based on the assessment a decision was taken to upgrade these environments to take advantage of new features that were introduced with the latest releases.

The Division also purchased and installed new personal computers, laptops and heavy duty printers/scanners and solved the Virtual Private Network (VPN) problem experienced periodically throughout the year. Memory upgrade interventions were made as well as Windows 7 and Threat Management Gateway (TMG) programmes installed to upgrade NAMCOR's security system. An ICT infrastructure was also developed and installed at the Mariental, Langer Heinrich and Walvis Bay Depots.

E&P Data Management Infrastructure Upgrade:

It is important to note that the foundation of data management is information and data classification, which includes classifying, cataloguing, and indexing unstructured data on the network, based on file type, metadata, and file content. Furthermore, a strong foundation of information and data classification, in turn enables a range of activities, including physical infrastructure management, storage security, stored data protection, legal issues and regulatory compliance and other activities.

The ICT Division performed an upgrade of the E&P data management environment with the acquisition of software (i.e. Petrel Software, Openspirit etc. - software which assists with the evaluation of oil and gas prospects) as well as an upgrade of the E&P Database. This was done to revamp the data management environment and improve service delivery to the Exploration and Production Department. In addition, the ICT division with the assistance of consultants also conducted a detailed assessment of all E&P digital assets at NAMCOR. We are currently busy setting up plans to use the outcome of this assessment to build an all-inclusive Data Management Portal.

Enterprise backup solution

NAMCOR has successfully negotiated, acquired and implemented a Backup and Replication Software using a reputable vendor. We have also obtained quotations regarding storage applications and are currently in the process of placing orders to acquire and install the storage appliances to finalise the total Enterprise Backup Solution Project. This is anticipated to be completed by the end of October 2012.

Help Desk System:

The ICT Division was responsible for the investigation and implementation of a system that will allow NAMCOR personnel to log all ICT related problems.

This system provides the users with a single point of contact, to receive assistance on various computer related matters and allow tracking of requests with a unique number.

The system logs problems that are to be resolved using a structured workflow and encourages the provision of accurate and timely service to the users. The system generates meaningful reports which can highlight performance bottlenecks, recurring user issues and outstanding service issues. The system is able to escalate problems to respective higher authorities and adhere to service level agreement rules to ensure that Help Desk Support is effective and efficient in its service to the users.

HSSE (Health, Safety, Security and Environment)

The Health, Safety, Security and Environment (HSSE) function holds the accountability of delivering a safe and secure environment for all persons at NAMCOR.

The HSSE Division regards the promotion of health, safety and wellbeing of employees an essential objective. The division is committed to the provision and maintenance of a safe and healthy working environment for all employees, contractors and visitors, as far as is reasonably possible. The division also recognises its responsibility towards the health and safety of anyone who may be affected by NAMCOR operations and activities. Reporting on activities in the Division is not only a legal requirement but it is also an essential tool for both corporate governance and performance management.

HSSE activities are guided by an HSSE Policy Statement of Intent which sets out the responsibilities, targets, and performance indicators for employees, management and contractors alike.

The most important aspect of the division is to maintain the uncompromising culture of Zero Tolerance towards accidents, incidents, near-misses, damage to property and ill-health of and to all workers.

The HSSE Management system is an integrated system that covers safety, environment, health and quality and is based on internationally recognised systems: *ISO* 14001, ISO 9001, *OHSAS* 18001 and other industry best practices.

NAMCOR Executive Management's commitment and the general staff's compliance to HSSE has been one of the cornerstone of our success thus far.

Johannes Gawaxab
Chairman

Obeth Mbui Kandjoze
Managing Director

Financials

NAMCOR

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NATIONAL PETROLEUM CORPORATION OF NAMIBIA (PROPRIETARY) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIONAL PETROLEUM CORPORATION OF NAMIBIA (PROPRIETARY) LIMITED

Report on the financial statements

We have audited the consolidated and separate financial statements of Namcor Petroleum Corporation of Namibia (Proprietary) Limited which comprise the statements of financial position as at 31 March 2012, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information and the director's report, as set out on pages 20 to 64.

Directors' Responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with International Financial Reporting Standards and in the manner required by the Companies Act of Namibia, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated and separate financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements and our unqualified audit opinion on the separate financial statements.

NATIONAL PETROLEUM CORPORATION OF NAMIBIA (PROPRIETARY) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIONAL PETROLEUM CORPORATION OF NAMIBIA (PROPRIETARY) LIMITED (continued)

Basis for Qualified Opinion on Consolidated Financial Statements and Unqualified Opinion on the Separate Financial Statements

Included in inventory is accommodation stock amounting to N$ 5 660 627.63 held in a third party's oil tank on behalf of Namcor Petroleum Trading and Distribution (Proprietary) Limited a subsidiary. We were unable to obtain sufficient appropriate audit evidence about the amount of the accommodation stock as we were not provided with third party confirmations to satisfy ourselves of the existence, valuation and completeness of accommodation stock. Consequently we were unable to determine whether any adjustment relating to inventory and the related cost of sales in the financial statements were necessary. There is no effect on the separate financial statements.

Qualified Opinion on Consolidated Financial Statements

In our opinion, except for the effects of the matter described in the preceding paragraph, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Namcor Petroleum Corporation of Namibia (Proprietary) Limited as at 31 March 2012, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of Namibia.

Unqualified Opinion on the Separate Financial Statements

In our opinion the separate financial statements present fairly the separate financial position of Namcor Petroleum Corporation of Namibia (Proprietary) Limited as at 31 March 2012 and its separate financial performance and separate cash flows for the year then ended in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of Namibia.

Ernst & Young

Ernst & Young
Partner - Patterson Tjipueja
Registered Accountants and Auditors
Chartered Accountant (Nam)

Date 5 November 2012

NATIONAL PETROLEUM CORPORATION OF NAMIBIA (PROPRIETARY) LIMITED

DIRECTORS' REPORT
for the year ended 31 March 2012

The directors have pleasure in presenting their report and the group and company consolidated financial statements of the National Petroleum Corporation of Namibia (Proprietary) Limited ("NAMCOR") for the year ended 31 March 2012.

The consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards.

NATURE OF BUSINESS

The main business of the company is to ensure the optimum exploitation of Namibia's petroleum resources and meaningful Namibian participation in resulting business developments in petroleum related exploration activities. The company also acts as advisors to the Ministry of Mines and Energy and assists them in monitoring the exploration activities of licensees.

DIVIDENDS

No dividend (2011: Nil) was declared during the financial year under review.

SHARE CAPITAL

The authorised and issued share capital of the company remains unchanged at 10 000 000 ordinary shares of N$1 each. The Government of the Republic of Namibia is the sole shareholder of NAMCOR.

INTEREST IN SUBSIDIARIES

Refer to note 2 to the consolidated financial statements.

GOVERNMENT FUNDING

During the 2011 financial year the fuel levy from the Government was reinstated. These funds are earmarked for funding NAMCOR's day-to-day operations and special projects and to build up reserves to participate in future potential commercial activities. The total reserve accumulated to date amounts to N$1 764 075 (2011: N$12 863 623).

FINANCIAL RESULTS

The results of the activities for the year are clearly set out in the attached consolidated financial statements and notes thereto.

SUBSEQUENT EVENTS

The directors are not aware of any matter or circumstance arising since the end of the financial year, not otherwise dealt with in the consolidated financial statements, which significantly affects the financial position of the group or the company or the results of their operations.

DIRECTORS' REPORT (continued)
for the year ended 31 March 2012

GOING CONCERN

The group made a net profit for the year ended 31 March 2012 of N$ 60 293 339 (2011: N$ 193 491 199) and, as at that date its current assets exceeded its current liabilities by N$ 166 285 443 (2011:current assets exceeds current liabilities by N$ 55 426 293).
The Group has shed its loss making importation of refined fuels business, and now focuses on developing its upstream mandate and growing the downstream business organically.

The shareholder (via the National Energy Fund) pays a monthly levy income to NAMCOR of 7,6 cents per litre of fuels sold in Namibia. This constitutes a stable and sustainable revenue base for NAMCOR, and supports all operational costs. Thus all proceeds and profits from upstream and downstream activities support additional profitability.

The directors are of the opinion that the Group is a going concern. During the prior year there were significant operational challenges, and there was a significant change to the business model of the group. The group had incurred significant trading losses during the much publicised period of global economic crises, September to November 2008, and in the subsequent financial period. Although the result of this was that the group was technically insolvent at those financial year ends, subsequent actions by the shareholder has not only changed the business model of the organisation, but has also corrected the insolvency and resulted in the Group being financially sound again.

All of these factors combined allow the directors to feel confident that the group remains a going concern.

The financial statements are prepared on the basis of accounting policies applicable to a going concern. This basis presumes that the company will continue to receive the support of its shareholder and that the realisation of assets and settlement of liabilities will occur in the ordinary course of business.

DIRECTORS' REPORT (continued)
for the year ended 31 March 2012

BOARD OF DIRECTORS

The following persons held office as directors throughout the financial year under review:

Mr J. Gawaxab	(Chairman)	(Appointed 10 December 2011)
Mr R. Mwanachilenga	(Acting Managing Director)	(Appointed 15 November 2010) (Resigned 29 February 2012)
Mr J.E. Shepherd	(Acting Managing Director)	(Appointed 1 February 2012) (Resignation 31 May 2012)
Mr O.M Kandjoze	(Managing Director)	(Appointment 1 November 2012)
Mr M. Hamutenya		
Mr F Kapapero		
Ms A. Libana		
Ms. F Shimbuli		
Mr Siseho C. Simasiku		(Term expired 9 December 2011)
Mr S. Beukes		(Terminated 4 November 2011)

REGISTERED ADDRESS

1st Floor
344 Independence Avenue
Windhoek
NAMIBIA

Business address

Petroleum House
Aviation Road
Windhoek
NAMIBIA

Postal address

Private Bag 13196
Windhoek
NAMIBIA

Secretary

Ms C Mbetjiha by order of the Board.

Auditors

Ernst & Young Namibia
c/o Otto Nitzsche & Maritz Streets,
Windhoek
NAMIBIA

General Information

The country of incorporation and domicile is Namibia. The parent and ultimate parent is the Government of the Republic of Namibia.

NATIONAL PETROLEUM CORPORATION OF NAMIBIA (PROPRIETARY) LIMITED

ACCOUNTING POLICIES
for the year ended 31 March 2012

The group's significant accounting policies comply in all material respects, with International Financial Reporting Standards and the requirements of the Namibian Companies Act. These policies, as set out below, have been consistently applied to all periods presented in these financial statements, except where otherwise disclosed.

1. Basis of presentation

The consolidated financial statements are prepared on the historical cost basis except for financial assets and liabilities where the fair value basis of accounting is adopted as indicated in the accounting policies below and property carried at revalued amounts. The consolidated financial statements are presented in Namibian Dollars and all values are rounded to the nearest Namibian Dollar (N$) except when otherwise indicated. The financial statements were approved by the Board of Directors.

2. Significant accounting judgements, estimates and assumptions

In preparing the consolidated financial statements, management is required to make estimates and assumptions that affect the amounts represented in the consolidated financial statements and related to disclosures. Use of available information and the application of judgment are inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the consolidated financial statements.

Significant judgments include:

Asset lives and residual values
Plant equipment is depreciated over its useful life taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological information, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Fair value of financial instruments
Where the fair value of financial assets and liabilities recorded in the statement of financial position cannot be derived from active markets, the fair value is determined on a basis of return or net asset value as is deemed appropriate. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Allowance for doubtful debts
Impairment of trade receivables are based on the difference between the actual density and the industry density multiplied by the volume sold. Any outstanding trade receivables past due, are identified and assessed if the amounts are recoverable. If any indication exists that an amount might not be recoverable, this amount is included in the allowance for doubtful debts.

3. Basis of consolidation

Basis of consolidation from 1 January 2010

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 March 2012. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full. Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

Derecognises the assets (including goodwill) and liabilities of the subsidiary

Derecognises the carrying amount of any non-controlling interest

Derecognises the cumulative translation differences, recorded in equity

Recognises the fair value of the consideration received

Recognises the fair value of any investment retained

Recognises any surplus or deficit in profit or loss

Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

4. Revenue

Revenue comprises of sales of petroleum products to the oil companies, data sales and commissions received, excluding Value Added Taxation. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable net of returns, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amounts of revenue can be reliably measured.

Transfer of risks and rewards vary depending on the individual terms of the contract of sale. For sales of petroleum products, transfer normally occurs when the product is discharged at the Walvis Bay port.

Data sales are recognised when the recipient of the data makes first payment to the third party seismic company. Data sales relate to the sale of seismic data of geological information.

5. Finance income and expenses

Finance income comprises interest income on funds invested, dividend income and foreign currency gains. Interest income is recognised as it accrues, using the effective interest method. Dividend income is recognised on the date that the Group's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

5. Finance income and expenses (continued)

Finance expenses comprise interest expense on borrowings and foreign currency losses.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. The Group capitalises borrowing costs for all eligible assets where construction was commenced on or after 1 January 2009.

6. Taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in other comprehensive income, in which case it is recognised in the statement of other comprehensive income.

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognised for all taxable temporary differences, except:

Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

ACCOUNTING POLICIES (continued)
for the year ended 31 March 2012

6. Taxes (continued)

Deferred tax (continued)

Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it incurred during the measurement period or in profit or loss.

7. Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

ACCOUNTING POLICIES (continued)
for the year ended 31 March 2012

7. Leasing (continued)

For arrangements entered into prior to 1 January 2005, the date of inception is deemed to be 1 January 2005 in accordance with the transitional requirements of IFRIC 4.

Group as a lessee

Finance leases which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in profit or loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating lease payments are recognised as an operating expense in the statement of comprehensive income on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

8. Foreign exchange transactions

i) Transactions and balances

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. All differences are taken to the income statement with the exception of all monetary items that provide an effective hedge for a net investment in a foreign operation. These are recognised in other comprehensive income until the disposal of the net investment, at which time they are recognised in the income statement. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

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

ii) Group companies

The assets and liabilities of foreign operations are translated into Namibian dollars at the rate of exchange prevailing at the reporting date and their income statements are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

ACCOUNTING POLICIES (continued)
for the year ended 31 March 2012

9. Employee benefits

The group operates a defined contribution scheme providing benefits based on the contributions of an employee. All contributions of the group are charged to the profit or loss as incurred.

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

10. Property, plant and equipment

Land and buildings is stated at its revalued amount less accumulated depreciation. Land is not depreciated. Any resultant surplus is recognised in other comprehensive income in the revaluation reserve.

Any revaluation surplus is credited to the asset revaluation reserve in equity, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss. A revaluation deficit is recognised in the statement of comprehensive income, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

The revaluation amount will be transferred from the asset revaluation reserve to retained earnings upon disposal of the particular asset.

Other items of plant and equipment are shown at cost less accumulated depreciation. Vehicles and equipment are depreciated on a straight-line basis over their useful lives to their residual values. The estimated useful lives for the current and comparative periods are as follows:

• Buildings	50 years
• Vehicles	5 years
• Office electronic and core store equipment	3 – 10 years

Land and Buildings under construction are not depreciated.

Depreciation methods, useful lives and residual values are reviewed at each reporting date. Improvements to buildings are capitalised, whilst maintenance and repairs are expensed as they occur.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit and loss when the asset is derecognised.

11. Financial instruments

Initial recognition and measurement

All financial instruments, including derivative instruments, are recognised on the statement of financial

11. Financial instruments (continued)

Initial recognition and measurement (continued)

position. Financial instruments are initially recognised when the Group becomes party to the contractual terms of the instruments and are measured at cost, which is the fair value of the consideration given (financial asset) or received (financial liability or equity instrument) for it. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangement on initial recognition. Subsequent to initial recognition these instruments are measured as set out below.

Financial instruments recognised on the statement of financial position include cash and cash equivalents, trade and other receivables, investments, loans, trade and other payables and derivative financial instruments. Financial investments, other than held-to-maturity investments, are measured at fair value. Fair value represents the current market value where regulated markets exist. Otherwise the fair value is determined by the directors. The directors' valuation is calculated on a basis of return or net asset value as is deemed appropriate.

Held-to-maturity investments are shown at the amortised cost price using the effective interest rate method.

An instrument is classified as at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through profit or loss if the Group manages such investments and makes purchase and sale decisions based on their fair value. Upon initial recognition, attributable transaction costs are recognised in profit or loss when incurred. Financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

Trade and other receivables are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Group company loans are recognised at amortised cost, namely original debt less principal repayments and amortisations.

Interest bearing debt is recognised at amortised cost, namely original debt less principal repayments and amortisations.

Trade and other payables are stated at cost.

Interest-bearing bank overdrafts and other short-term borrowings are recorded at the proceeds received, net of direct issue costs.

The Group holds derivative financial instruments to hedge its foreign currency exposure. Derivatives are recognised initially at fair value. Attributable transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in profit or loss as part of foreign currency gains and losses.

11. Financial instruments (continued)

Initial recognition and measurement (continued)

Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or realise the asset and settle the liability simultaneously.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IAS 39. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets at fair value through profit and loss are carried in the statement of financial position at fair value with changes in fair value recognised in finance income or finance costs in profit or loss. The Group has not designated any financial assets upon initial recognition as at fair value through profit or loss. The Group evaluated its financial assets held for trading, other than derivatives, to determine whether the intention to sell them in the near term is still appropriate. When the Group is unable to trade these financial assets due to inactive markets and management's intention to sell them in the foreseeable future significantly changes, the Group may elect to reclassify these financial assets in rare circumstances. The reclassification to loans and receivables, available-for-sale or held to maturity depends on the nature of the asset. This evaluation does not affect any financial assets designated at fair value through profit or loss using the fair value option at designation. Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method (EIR), less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in profit or loss. The losses arising from impairment are recognised in profit or loss in finance costs.

Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to maturity when the Group has the positive intention and ability to hold it to maturity. After initial

ACCOUNTING POLICIES (continued)
for the year ended 31 March 2012

11. Financial instruments (continued)

Held-to-maturity investments (continued)

measurement, held-to-maturity investments are measured at amortised cost using the effective interest method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in profit or loss. The losses arising from impairment are recognised in profit or loss in finance costs.

Available-for-sale financial investments

Available-for-sale financial investments include equity and debt securities. Equity investments classified as available-for-sale are those, which are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions. After initial measurement, available-for-sale financial investments are subsequently measured at fair value with unrealised gains or losses recognised as other comprehensive income in the available-for-sale reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in other operating income, or determined to be impaired, at which time the cumulative loss is reclassified to profit or loss in finance costs and removed from the available-for-sale reserve. The Group evaluated its available-for-sale financial assets whether the ability and intention to sell them in the near term is still appropriate. When the Group is unable to trade these financial assets due to inactive markets and management's intention to do so significantly changes in the foreseeable future, the Group may elect to reclassify these financial assets in rare circumstances. Reclassification to loans and receivables is permitted when the financial assets meet the definition of loans and receivables and the Group has the intent and ability to hold these assets for the foreseeable future or until maturity. Reclassification to the held-to-maturity category is permitted only when the entity has the ability and intention to hold the financial asset accordingly. For a financial asset reclassified out of the available-for-sale category, any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the EIR. Any difference between the new amortised cost and the expected cash flows is also amortised over the remaining life of the asset using the EIR. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to profit or loss.

Impairment of financial assets

The Group assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliable estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

ACCOUNTING POLICIES (continued)
for the year ended 31 March 2012

11. Financial instruments (continued)

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial assets original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in profit or loss. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income in profit or loss. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to finance costs in profit or loss.

Available-for-sale financial investments

For available-for-sale financial investments, the Group assesses at each reporting date whether there is objective evidence that an investment or a group of investments is impaired. In the case of equity investments classified as available-for-sale, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in profit or loss – is removed from other comprehensive income and recognised in profit or loss.

Impairment losses on equity investments are not reversed through profit or loss; increases in their fair value after impairment are recognised directly in other comprehensive income. In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in profit or loss.

ACCOUNTING POLICIES (continued)
for the year ended 31 March 2012

11. Financial instruments (continued)

Available-for-sale financial investments (continued)

Future interest income continues to be accrued based on the reduced carrying amount of the asset, using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. If, in a subsequent year, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the profit or loss.

De-recognition

Financial assets (or a portion thereof) are de-recognised when the Group realises the rights to the benefits specified in the contract, the rights expire or the Group surrenders or otherwise loses control of the contractual rights that comprise the financial asset. On de-recognition, the difference between the carrying amount of the financial asset and proceeds receivable and any prior adjustment to reflect fair value that had been reported in other comprehensive income are included in profit or loss. Financial liabilities (or a portion thereof) are de-recognised when the obligation specified in the contract is discharged, cancelled or expires. On de-recognition, the difference between the carrying amount of the financial liability, including related unamortized costs, and the amount paid for it are included in profit or loss.

12. Provisions

Provisions are recognised when the Group has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made for the amount of the obligation. Where the effect of discounting to present value is material, provisions are adjusted to reflect the time value of money.

13. Impairment of non financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

ACCOUNTING POLICIES (continued)
for the year ended 31 March 2012

13. Impairment of non financial assets (continued)

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in profit or loss in those expense categories consistent with the function of the impaired asset, except for a property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

14. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition. The cost of inventory also includes normal evaporation losses.

15. Cash and short-term deposits

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

Cash and short-term deposits are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method. Cash and cash equivalents are in line with the statement of financial position.

ACCOUNTING POLICIES (continued)
for the year ended 31 March 2012

16. Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and released to profit and loss in equal amounts over the expected useful life of the related asset. Government grants received for expenses already incurred and expensed, the full amount is recognised in profit or loss.

17. Interest in a joint venture

The Group has an interest in a joint venture which is a jointly controlled entity, whereby the ventures' have a contractual arrangement that establishes joint control over the economic activities of the entity. The agreement requires unanimous agreement for financial and operating decisions among the venturers. The Group recognises its interest in the joint venture using the proportionate consolidation method. The Group combines its proportionate share of each of the assets, liabilities, income and expenses of the joint venture with similar items, line by line, in its consolidated financial statements. The financial statements of the joint venture are prepared for the same reporting period as the Group. Adjustments are made where necessary to bring the accounting policies in line with those of the Group. Adjustments are made in the Group' consolidated financial statements to eliminate the Group's share of intra group balances, transactions and unrealised gains and losses on such transactions between the Group and its jointly controlled entity. Losses on transactions are recognised immediately if the loss provides evidence of a reduction in the net realisable value of current assets or an impairment loss. The joint venture is proportionately consolidated until the date on which the Group ceases to have joint control over the joint venture. Upon loss of joint control the Group measures and recognises its remaining investment at its fair value. Any difference between the carrying amount of the former joint controlled entity upon loss of joint control and the fair value of the remaining investment and proceeds from disposal are recognised in profit or loss. When the remaining investment constitutes significant influence, it is accounted for as investment in an associate.

18. New standards and interpretations

18.1 Standards and interpretation effective in the current year and adopted in the current year.

In the current year, the Corporation has adopted the following standards and interpretation, except for IAS 24 that was early adopted in the prior year, that became effective for the current financial year and that are relevant to its operations.

- IFRS 1 Additional exemptions for first time adopters
- IFRIC 4 Prepayments of a minimum funding requirement – amendment to IFRIC 14.
- IFRIC 19 Extinguishing financial liabilities with equity Instruments.

ACCOUNTING POLICIES (continued)
for the year ended 31 March 2012

18. New standards and interpretations (continued)

18.1 Standards and interpretation effective in the current year and adopted in the current year. (continued)

- 2010 Improvements to IFRSs:

- IFRS 1 Accounting policy changes in year of adoption; revaluation basis as deemed cost; and use of deemed cost for operations subject to rate regulation.
- IFRS 3 Business combination -contingent consideration pre IFRS 3R
- IFRS 7 Clarification of disclosures
- IAS 1 Clarification of statement of changes in equity
- IAS 27 Consolidated & separate financial statements
- IAS 34 Significant events and transactions
- IFRIC 13 Customer loyalty programme

IAS 24 Related Party Transactions clarifies the definitions of a related party. The amendment also introduced a partial exemption from the general related party disclosure requirements for transactions with government and entities that are controlled, jointly controlled or significantly influenced by the same government as the reporting entity. Disclosures are reflected in note 24.

IFRS 7 Financial Instruments disclosures simplified the disclosures provided by reducing the volume of disclosures required around collateral held and improving disclosures by requiring qualitative information to put the quantitative information in context. Revised disclosures are reflected in note 24.

18.2 Standards and interpretations issued and not yet effective

The Corporation has chosen not to early adopt any of the following standards and interpretations, which have been issued and are effective for the Corporations accounting years beginning on or after 01 April 2011 or in later years:

Effective for years commencing on or after 1 July 2011

- IFRS 7 Amendment of transfer of financial assets
  The amendment requires additional quantitative and qualitative disclosures relating to transfers of financial assets under certain scenarios. The standard might lead to additional disclosures.
- IFRS 1 Hyperinflation and fixed dates
  The amendment provides guidance on how an entity should resume presenting IFRS financial statements when its functional currency ceases to be subject to severe hyperinflation. The standard is not expected to have a significant impact on the entity.

Effective for years commencing on or after 1 January 2012

- IAS 12 Deferred taxes: Amendment to recovery of underlying assets
  The amendment introduces a rebuttable presumption that deferred tax on investment properties measured at fair value be recognised on a sale basis. The presumption can be rebutted if the entity applies a business model that would indicate that substantially all of the investment property will

ACCOUNTING POLICIES (continued)
for the year ended 31 March 2012

18. New standards and interpretations (continued)

18.2 Standards and interpretations issued and not yet effective (continued)

Effective for years commencing on or after 1 January 2012 (continued)

be consumed in the business, in which case an own-use basis must be adopted. The standard is not expected to have a significant impact on the entity as the Corporation does not have investment properties.

Effective for years commencing on or after 1 July 2012

- IAS 1 Presentation of items of other comprehensive income

  The amendment to IAS 1 requires that items presented within OCI be grouped separately into those items that will be recycled into surplus or deficit at a future point in time, and those items that will never be recycled. The standard might lead to different presentation of items.

Effective for years commencing on or after 1 January 2013

- IFRS 10 Consolidated financial statements

  IFRS 10 creates a new, broader definition of control than under current IAS 27 and has resulted in SIC 12 being withdrawn. IFRS 10 does not change the consolidation process; rather it changes whether an entity is consolidated by revising the definition of control. The revised definition of control will require consideration of aspects such as de-facto control, substantive vs. protective rights, agency relationships, silo accounting and structured entities when evaluating whether or not an entity is controlled by the investor. This standard will not have a significant impact on the entity.

- IFRS 11 Joint arrangements

  IFRS 11 replaces IAS 31 and SIC 13 and refers to IFRS 10's revised definition of 'control' when referring to 'joint control'.

  Under IFRS 11 a joint arrangement (previously a 'joint venture' under IAS 31) is accounted for as either a:

  - <u>joint operation</u> – by showing the investor's interest/ relative interest in the assets, liabilities, revenues and expenses of the joint arrangement; or
  - <u>joint venture</u> – by applying the equity accounting method. Proportionate consolidation is no longer permitted.

  Under IFRS 11 the structure of the joint arrangement is not the only factor considered when classifying the joint arrangement as either a joint operation or joint venture. This standard will not have a significant impact on the entity.

- IFRS 12 Disclosure of interests in other entities

  The new standard applies to entities that have in interest in subsidiaries, joint arrangements, associates and/ or structured entities. Many of the disclosures are those previously included in IAS 27, IAS 28 and IAS 31. Many new disclosures have however also been added. This standard is not expected to have an impact on the entity as it does not have interests in other entities.

ACCOUNTING POLICIES (continued)
for the year ended 31 March 2012

18. New standards and interpretations (continued)

18.2 Standards and interpretations issued and not yet effective (continued)

Effective for years commencing on or after 1 January 2013 (continued)

- IFRS 13 Fair value measurement
  IFRS 13 describes *how* to measure fair value where fair value is required or permitted to be used as a measurement basis under IFRS (with certain standards being excluded from the scope of IFRS 13. Under IFRS 13 fair value is presumed to be an 'exit price'.
  New disclosures related to fair value measurements are also introduced. This standard is not expected to have an impact on the entity, as no financial assets or liabilities are recognized at fair value.

- IAS 19 Employee benefits
  The 'corridor approach' currently allowed as an alternative basis in IAS 19 for the recognition of actuarial gains and losses on defined benefit plans has been removed. Actuarial gains and losses in respect of defined benefit plans are now recognised in OCI when they occur. For defined benefit plans, the amounts recorded in surplus or deficit are limited to current and past service costs, gains and losses on settlements and interest income/ expense. The distinction between short-term and other long term benefits will be based on the expected timing of settlement rather than the employee's entitlement to the benefits. In many instances this is expected to have a significant impact on the manner in which leave pay and similar liabilities are currently classified. The entity does not have defined benefit plans.

- IAS 27 Separate financial statements (consequential revision due to the issue of IFRS 10)
  IAS 27, as revised, is limited to the accounting for investments in subsidiaries, joint ventures and associates in the separate financial statements of the investor. The entity does not have any investments in subsidiaries, joint ventures or associates.

- IAS 28 Investments in associates and joint ventures (consequential revision due to the issue of IFRS 10 and 11)
  The revised standard caters for joint ventures (now accounted for by applying the equity accounting method) in addition to prescribing the accounting for investments in associates.

- IFRIC 20 Stripping cost in the production phase of a surface mine
  The interpretation applies to stripping costs incurred during the production phase of a surface mine and requires such costs to be capitalised as part of an asset (the 'stripping activity asset') if certain criteria are met. The stripping activity asset to be depreciated on a unit of production basis unless another method is more appropriate. This standard might have a significant impact on the entity when it starts its mining operations.

ACCOUNTING POLICIES (continued)
for the year ended 31 March 2012

18. New standards and interpretations (continued)

18.2 Standards and interpretations issued and not yet effective (continued)

Effective for years commencing on or after 1 January 2013 (continued)

- IFRS 7 Disclosures – offsetting financial assets and financial liabilities
  Provides additional disclosures (similar to current US GAAP requirements). This standard will lead to additional disclosures.

Improvements to IFRSs:

- IFRS 1 First time adoption of IFRS – government loans
  Amendment deals with loans received from governments at a below market rate of interest, giving first-time adopters of IFRSs relief from full retrospective application of IFRSs when accounting for these loans on transition. It provides relief to first-time adopters as is granted to existing preparers of IFRS financial statements when applying IAS 20 Accounting for Government Grants and Disclosure of Government Assistance. The adoption of these amendments will have no impact on the financial statements of the Corporation as the Corporation already adopted IFRS in 2009 when the Corporation was incorporated.

- IAS 1 Presentation of Financial statements – clarification of the requirements for comparative information. This standard might lead to different presentation of comparative information.

- IAS 16 Property, plant and equipment – classification of servicing equipment. This might lead to different classifications of equipment if service equipment is acquired in the future.

- IAS 32 Financial instruments: presentation – tax effect of distribution to holders of equity instruments. This might lead to a different tax effect on distribution to holders of equity instruments.

- IAS 34 Interim Financial Reporting – interim financial reporting and segment information for total assets and liabilities. The entity does not have interim or segment reporting.

Effective for years commencing on or after 1 January 2014

- IAS 32 Offsetting financial assets and financial liabilities
  The amendment clarifies the meaning of the entity currently having a legally enforceable right to set off financial assets and financial liabilities as well as the application of IAS 32 offsetting criteria to settlement systems (such as clearing houses). This standard is not expected to have a significant effect as no financial assets or liabilities are set off.

ACCOUNTING POLICIES (continued)
for the year ended 31 March 2012

18. New standards and interpretations (continued)

18.2 Standards and interpretations issued and not yet effective (continued)

Effective for years commencing on or after 1 January 2015

- IFRS 9, IFRS 7 Mandatory effective date and transition disclosures (amendments to IFRS 9 and IFRS 7).

  Amendments to IFRS 7 depend on when IFRS 9 is adopted and affect the extent of comparative information required to be disclosed. This standard might lead to additional disclosure requirements.

The corporation has not early adopted any of the above standards. The application of these standards in future financial reporting periods will not have a significant impact on the corporation's results, financial position and cash flows.

NATIONAL PETROLEUM CORPORATION OF NAMIBIA (PROPRIETARY) LIMITED

STATEMENT OF FINANCIAL POSITION
at 31 March 2012

	Notes	Group 2012 N$	Group 2011 N$	Company 2012 N$	Company 2011 N$
Assets					
Non-current assets		150 266 251	138 972 380	79 964 213	80 930 836
Property, plant and equipment	1	113 604 201	115 896 122	73 284 047	74 820 518
Subsidiaries	2	-	-	701 855	665 152
Investment in joint venture	24	5 978 311	5 445 166	5 978 311	5 445 166
Deferred taxation	17	30 683 739	17 631 092	-	-
Current assets		197 441 956	163 685 297	80 386 118	54 190 153
Deposits and other short-term Investments	3	10 164 960	9 658 248	-	-
Inventories	4	20 524 661	28 414 070	-	-
Trade and other receivables	6	71 642 420	90 018 105	21 406 480	34 613 202
Cash and equivalents	16	85 422 546	25 907 505	53 396 947	14 005 923
Subsidiaries	2	-	-	121 286	109 623
Taxation	15	9 687 369	9 687 369	5 461 405	5 461 405
Total assets		347 708 207	302 657 677	160 350 331	135 120 989
Equity and liabilities					
Capital and reserves		197 927 034	137 633 695	76 003 215	28 551 892
Share capital	5	10 000 000	10 000 000	10 000 000	10 000 000
Non-distributable reserve	25	1 764 075	12 863 623	1 764 075	12 863 623
Revaluation reserve		12 590 028	12 590 028	12 590 028	12 590 028
Retained income/(loss)		173 572 931	102 180 044	51 649 112	(6 901 759)
Non-current liabilities		118 624 660	56 764 978	37 754 182	39 182 568
Deferred taxation	17	3 720 305	3 340 494	3 720 305	3 340 494
Long-term loan	7	114 904 355	53 424 484	34 033 877	35 842 074
Current liabilities		31 156 513	108 259 004	46 592 934	67 386 529
Current portion long-term loan	7	6 350 867	2 649 502	1 895 311	2 163 745
Trade and other payables	8	24 805 646	105 591 076	5 873 759	3 184 225
Derivative financial instruments	9	-	18 426	-	-
Subsidiaries/ Shareholders loan	2	-	-	38 823 864	62 038 559
Total equity and liabilities		347 708 207	302 657 677	160 350 331	135 120 989

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NATIONAL PETROLEUM CORPORATION OF NAMIBIA (PROPRIETARY) LIMITED

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 March 2012

	Notes	Group 2012 N$	Group 2011 N$	Company 2012 N$	Company 2011 N$
Revenue	10	227 117 047	1 703 709 266	22 097 987	37 244 640
Sales	10	223 603 557	1 685 615 598	20 511 224	33 854 891
Cost of sales		(186 051 592)	(1 666 963 203)	-	-
Gross profit		37 551 965	18 652 395	20 511 224	33 854 891
Other income		80 265 557	568 910 004	80 009 657	300 586 024
Operating expenses		(69 950 913)	(393 094 790)	(52 310 120)	(306 608 507)
PROFIT from operations	11	47 866 609	194 467 609	48 210 761	27 832 408
Finance income	12,10	3 513 490	18 093 668	1 586 763	3 389 749
Finance expense	12	(4 261 943)	(23 396 301)	(2 499 535)	(2 899 330)
PROFIT before taxation		47 118 156	189 164 976	47 297 989	28 322 827
Share of results of joint venture	24	533 145	2 448 217	533 145	2 448 217
Taxation	13	12 672 836	1 852 248	(379 811)	(822 836)
PROFIT for the year		60 324 137	193 465 441	47 451 323	29 948 208
Other comprehensive income: Exchange differences on translating foreign operations		(30 798)	25 758	-	-
Total comprehensive Income for the year		60 293 339	193 491 199	47 451 323	29 948 208
Profit attributable to: Equity holders of the parent		60 293 339	193 491 199	47 451 323	29 948 208
Total comprehensive Income attributable to: Equity holders of the parent		60 293 339	193 491 199	47 451 323	29 948 208

NATIONAL PETROLEUM CORPORATION OF NAMIBIA (PROPRIETARY) LIMITED

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2012

GROUP	Share capital N$	Revaluation reserve N$	Non-distributable reserve N$	Foreign Currency Translation Reserve N$	Retained income/ (Accumulated Loss) N$	Total N$
BALANCE at 1 April 2010	10 000 000	12 590 028	14 474 313	12 523	(92 934 368)	(55 857 504)
Total comprehensive income for the year	-	-	-	25 758	193 465 441	193 491 199
Profit for the year	-	-	-	-	193 465 441	193 465 441
Other Comprehensive Income	-	-	-	25 758	-	25 758
Net transfer from non-distributable reserve	-	-	(1 610 690)	-	1 610 690	-
BALANCE at 31 March 2011	10 000 000	12 590 028	12 863 623	38 281	102 141 763	137 633 695
Total Comprehensive income for the year	-	-	-	(30 798)	60 324 137	60 293 339
Profit for the year	-	-	-	-	60 324 137	60 324 137
Other Comprehensive income	-	-	-	(30 798)	-	(30 798)
Net transfer from non-distributable reserve	-	-	(11 099 548)	-	11 099 548	-
Balance at 31 March 2012	10 000 000	12 590 028	1 764 075	7 483	173 565 448	197 927 034
Note	5		25			

NATIONAL PETROLEUM CORPORATION OF NAMIBIA (PROPRIETARY) LIMITED

STATEMENT OF CHANGES IN EQUITY (continued)
for the year ended 31 March 2012

COMPANY	Share capital N$	Revaluation reserve N$	Non-distributable reserve N$	Retained income/ (accumulated loss) N$	Total N$
Balance at 1 April 2010	10 000 000	12 590 028	14 474 313	(38 460 657)	(1 396 316)
Profit for the year	-	-	-	29 948 208	29 948 208
Net transfer from non-distributable reserve	-	-	(1 610 690)	1 610 690	-
Balance at 31 March 2011	10 000 000	12 590 028	12 863 623	(6 901 759)	28 551 892
Profit for the year	-	-	-	47 451 323	47 451 323
Net transfer from non-distributable reserve	-	-	(11 099 548)	11 099 548	-
Balance at 31 March 2012	10 000 000	12 590 028	1 764 075	51 649 112	76 003 215
Notes	5		25		

NATIONAL PETROLEUM CORPORATION OF NAMIBIA (PROPRIETARY) LIMITED

STATEMENT OF CASHFLOWS
for the year ended 31 March 2012

	Notes	Group 2012 N$	Group 2011 N$	Company 2012 N$	Company 2011 N$
Cash flows from operating activities		(3 964 491)	(31 763 217)	65 254 674	2 457 489
Cash generated by operations	14	(3 216 038)	(26 460 584)	66 167 446	1 967 070
Investment income	12	3 513 490	18 093 668	1 586 763	3 389 749
Interest paid	12	(4 261 943)	(23 396 301)	(2 499 535)	(2 899 330)
Cash flows used in investing activities		(1 728 086)	(28 553 569)	(523 958)	(5 629 748)
Additions to property, plant and equipment – expansion		(1 407 603)	(20 735 246)	(579 613)	(5 629 748)
Proceeds from disposal of property, plant and equipment		204 655	-	55 655	-
(Increase)/ decrease in deposits and short-term investments		(506 712)	35 099 587	-	-
(Decrease) in derivative financial instruments		(18 426)	(42 917 910)	-	-
Cash flows used in financing activities		65 181 236	(3 845 948)	(25 339 692)	(10 037 274)
Increase/ (decrease) increase in long-term liabilities		65 181 236	(3 845 948)	(2 076 631)	(3 371 445)
(Increase)/ decrease in subsidiaries receivable non-current asset		-	-	(36 703)	1 471
(Decrease)/ increase in shareholders loans		-	-	(23 214 695)	(6 667 300)
(Increase) in subsidiaries receivable current asset		-	-	(11 663)	-
Net movement in cash and cash equivalents		59 488 659	(64 162 734)	39 391 024	(13 209 533)
Net foreign exchange differences		26 382	(18 308)	-	-
Cash and cash equivalents at beginning of year		25 907 505	90 088 547	14 005 923	27 215 456
Cash and cash equivalents at end of year	16	85 422 546	25 907 505	53 396 947	14 005 923

NATIONAL PETROLEUM CORPORATION OF NAMIBIA (PROPRIETARY) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2012

1. PROPERTY, PLANT AND EQUIPMENT

GROUP

	Land and Building N$	Buildings under Construction N$	Vehicles N$	Office, electronic and core store equipment N$	Total N$
2012					
Opening net book value	98 183 051	13 398 862	144 207	4 170 002	115 896 122
Cost/Valuation	101 225 488	13 398 862	763 740	9 101 666	124 489 756
Accumulated depreciation	(3 042 437)	-	(619 533)	(4 931 664)	(8 593 634)
Additions at cost	-	694 086	-	713 517	1 407 603
Transfers	4 923 608	(13 746 754)	-	8 823 146	-
Depreciation	(1 801 767)	-	(70 351)	(1 628 783)	(3 500 901)
Disposals – cost	-	-	-	(321 836)	(321 836)
Disposals - depreciation	-	-	-	123 213	123 213
Closing net book value	101 304 892	346 194	73 856	11 879 259	113 604 201
Cost/Valuation	106 149 096	346 194	763 740	18 316 493	125 575 523
Accumulated depreciation	(4 844 204)	-	(689 884)	(6 437 234)	(11 971 322)
2011					
Opening net book value	90 639 845	2 888 081	218 500	4 186 106	97 932 532
Cost/Valuation	92 133 544	2 888 081	763 740	8 006 334	103 791 699
Accumulated depreciation	(1 493 699)	-	(545 240)	(3 820 228)	(5 859 167)
Additions at cost	1 213 013	18 552 903	-	969 330	20 735 246
Transfers	7 878 931	(8 042 122)	-	163 191	-
Depreciation	(1 548 738)	-	(74 293)	(1 137 165)	(2 760 196)
Disposals – cost	-	-	-	(37 189)	(37 189)
Disposals - depreciation	-	-	-	25 729	25 729
Closing net book value	98 183 051	13 398 862	144 207	4 170 002	115 896 122
Cost/Valuation	101 225 488	13 398 862	763 740	9 101 666	124 489 756
Accumulated depreciation	(3 042 437)	-	(619 533)	(4 931 664)	(8 593 634)

1. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

COMPANY

	Land and Building N$	Buildings under Construction N$	Vehicles N$	Office electronic and core store equipment N$	Total N$
2012					
Opening net book value	71 376 013	-	144 207	3 300 298	74 820 518
Cost/Valuation	74 002 550	-	763 740	8 102 679	82 868 969
Accumulated depreciation	(2 626 537)	-	(619 533)	(4 802 381)	(8 048 451)
Additions at cost	-	-	-	579 613	579 613
Depreciation	(1 395 447)	-	(70 351)	(600 663)	(2 066 461)
Disposals	-	-	-	(172 836)	(172 836)
Disposals accumulated depreciation	-	-	-	123 213	123 213
Closing net book value	69 980 566	-	73 856	3 229 625	73 284 047
Cost/Valuation	74 002 550	-	763 740	8 509 456	83 275 746
Accumulated depreciation	(4 021 984)	-	(689 884)	(5 279 831)	(9 991 699)
2011					
Opening net book value	64 748 082	2 888 081	218 500	3 705 435	71 560 098
Cost/Valuation	66 123 619	2 888 081	763 740	7 500 970	77 276 410
Accumulated depreciation	(1 375 537)	-	(545 240)	(3 795 535)	(5 716 312)
Transfers	7 878 931	(8 042 122)	-	163 191	-
Additions at cost	-	5 154 041	-	475 707	5 629 748
Depreciation	(1 251 000)	-	(74 293)	(1 032 574)	(2 357 867)
Disposals	-	-	-	(11 461)	(11 461)
Closing net book value	71 376 013	-	144 207	3 300 298	74 820 518
Cost/Valuation	74 002 550	-	763 740	8 102 679	82 868 969
Accumulated depreciation	(2 626 537)	-	(619 533)	(4 802 381)	(8 048 451)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2012

1. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Land and buildings consists of property situated on Erf 8020 Windhoek, Erf 1055 Otjiwarongo and Erf 2590 and 2570, Walvis Bay. A first and second mortgage bond for N$14 million and N$40 million has been registered over Erf 8020 Windhoek as security for the Bank Windhoek loan as stated in note 7. A mortgage bond of N$ 18,5 million has been registered over Erf 1055 Otjiwarongo for the Standard Bank loan stated in note 7.

Land and Buildings comprises	Group	Group	Company	Company
	2012	2011	2012	2011
Land	16 030 550	16 030 550	4 200 000	4 200 000
Buildings	85 274 342	82 152 501	65 780 566	67 176 013
	101 304 892	98 183 051	69 980 566	71 376 013

If land and buildings were measured using the cost model, the carrying amounts would be as follows:

	Group	Group	Company	Company
	2012	2011	2012	2011
Cost – Land	3 775 570	3 775 570	424 430	424 430
– Buildings	78 408 506	73 484 898	58 092 510	58 092 510
Accumulated depreciation and impairment	(3 907 400)	(2 339 834)	(3 085 179)	(1 923 933)
	78 276 676	74 920 634	55 431 761	56 593 007

The land and buildings of the Company were valued on 25 February 2009 by Chris Erb, a registered Valuer and Property Consultant (S.A.I.V) using the income capitalisation method. The buildings will be valued for the 2013 financial year. Borrowing costs were capitalised, as per IAS 23 – refer accounting policy note 5.

2. SUBSIDIARIES

	Issued share capital	Percentage holding		Shares at cost		Loans due (to)/from Subsidiaries	
		2012	2011	2012	2011	2012	2011
	N$	%	%	N$	N$	N$	N$
NAMCOR Exploration and Production (Proprietary) Limited	160 000	100	100	160 000	160 000	(76 852)	(79 249)
Namcor International Trading	51 000	100	100	381 755	345 052	121 286	109 623
Namcor Petroleum Trading and Distribution (Proprietary) Limited	100	100	100	100	100	(38 664 910)	(61 872 324)
Sonam Petroleum Company (Proprietary) Limited	160 000	100	100	160 000	160 000	(82 102)	(86 986)
	371 100	100	100	701 855	665 152	(38 702 578)	(61 928 936)

The loan due by Namcor International Trading is unsecured, interest free and repayable on demand.

2. SUBSIDIARIES (continued)

	Group 2012 N$	Group 2011 N$	Company 2012 N$	Company 2011 N$
Non-current assets	-	-	701 855	665 152
Current assets	-	-	121 286	109 623
Current liabilities	-	-	(38 823 864)	(62 038 559)
	-	-	(38 000 723)	(61 263 784)

3. DEPOSITS AND OTHER SHORT-TERM INVESTMENTS

	Group 2012 N$	Group 2011 N$	Company 2012 N$	Company 2011 N$
Held to maturity	10 164 960	9 658 248	-	-
	10 164 960	9 658 248	-	-
Balance beginning of year	9 658 248	44 757 834	-	-
Interest income	506 712	3 126 933	-	-
Additions	-	-	-	-
Disposals on maturity	-	(38 226 519)	-	-
	10 164 960	9 658 248	-	-

The held to maturity investments mature at periods between 3 to 6 months and carry interest at 5.2% (2011: 5.31%) Bank Windhoek holds a limited cession of N$7.3 million to cover guarantees issued. Refer to note 19.1.3.

4. INVENTORIES

	Group 2012 N$	Group 2011 N$	Company 2012 N$	Company 2011 N$
Finished goods (at net realisable value)	20 524 661	28 414 070	-	-

5. SHARE CAPITAL

Authorised and issued

	Group 2012 N$	Group 2011 N$	Company 2012 N$	Company 2011 N$
10 000 000 Ordinary shares of N$1 each	10 000 000	10 000 000	10 000 000	10 000 000

The holder of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2012

	Group 2012 N$	Group 2011 N$	Company 2012 N$	Company 2011 N$
6. TRADE AND OTHER RECEIVABLES				
Trade receivables	178 413 867	180 418 622	19 693 219	29 013 123
Impairment of trade receivables	(125 759 177)	(112 697 983)	-	-
Inland Revenue – VAT	2 398 265	7 879 494	1 430 220	5 119 461
Customs and levies	2 107 229	-	-	-
Other receivables	14 482 236	14 417 972	283 041	480 618
	71 642 420	90 018 105	21 406 480	34 613 202

Included in other receivables is an amount of N$ 13 917 953 which is an advance payment paid to Municipality of Walvis Bay to erect a building in return for a prime erf in Walvis Bay. As at 31 March 2012 ownership has not yet passed to the Group and the amount is treated as a prepayment.

The Group and Company's exposure to credit and currency risks and impairment losses relating to trade other receivables are disclosed in note 19.

	Group 2012 N$	Group 2011 N$	Company 2012 N$	Company 2011 N$
Balance beginning of year	112 697 983	43 848 918	-	-
Charge for the year	13 061 194	68 849 065	-	-
Utilised	-	-	-	-
Unused amounts reversed	-	-	-	-
	125 759 177	112 697 983	-	-

7. LONG-TERM LOAN

		Group 2012 N$	Group 2011 N$	Company 2012 N$	Company 2011 N$
Secured loan –	Bank Windhoek	35 929 188	38 005 829	35 929 188	38 005 819
	Standard Bank	15 326 034	18 068 157	-	-
Unsecured loan -	National Energy Fund	70 000 000	-	-	-
Current portion		(6 350 867)	(2 649 502)	(1 895 311)	(2 163 745)
		114 904 355	53 424 484	34 033 877	35 842 074

The Bank Windhoek loan bears interest at the prime lending rate less 3% (2012: 6.75%) (2011: 6.75%) per annum and is secured by a first and second mortgage bond over Erf 8020 Windhoek with a net book value of N$35 929 188 (2011: N$38 005 819). The loan is repayable in 120 monthly instalments of N$ 355 176 (2011: N$ 355 176) each.

The Standard Bank of Namibia loan bears interest at the prime lending rate less 1.5% (2012: 8.25%) (2011: 8.25%) per annum. The loan is repayable in 108 monthly instalment of N$171 296.30 (2011: N$171 296.30) each.

The unsecured National Energy Fund loan of N$ 70 000 000 will be repayable in monthly instalments of N$ 200 000 as from 30 April 2012 on which date interest will also start running at a rate of 6.75% (prime lending rate less 3%).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2012

	Group 2012 N$	Group 2011 N$	Company 2012 N$	Company 2011 N$
8. TRADE AND OTHER PAYABLES				
Trade payables	16 376 934	1 966 722	3 143 859	107 574
Other payables	8 428 712	103 624 354	2 729 900	3 076 651
	24 805 646	105 591 076	5 873 759	3 184 225

The Group and Company's exposure to currency and liquidity risks relating to trade and other payables is disclosed in note 19. Trade and other payables is non interest bearing and is normally settled between 30 and 60 days.

	Group 2012 N$	Group 2011 N$	Company 2012 N$	Company 2011 N$
9. DERIVATIVE FINANCIAL INSTRUMENTS				
Forward exchange contracts	-	18 426	-	-
	-	18 426	-	-
10. REVENUE				
Sale of goods	223 529 078	1 685 541 857	20 436 745	33 781 151
Rendering of services	74 479	73 741	74 479	73 740
	223 603 557	1 685 615 598	20 511 224	33 854 891
Finance income	3 513 490	18 093 668	1 586 763	3 389 749
Revenue	227 117 047	1 703 709 266	22 097 987	37 244 640
11. PROFIT FROM OPERATIONS				
Profit from operations is arrived at after taking into account:				
Auditors' remuneration	197 358	(182 124)	(43 358)	(50 995)
Depreciation	(3 500 901)	(2 760 196)	(2 066 461)	(2 357 867)
Directors' remuneration	(1 583 728)	(2 168 077)	(1 583 728)	(2 145 077)
- For services as directors	(431 438)	(478 877)	(431 438)	(455 877)
- For management services	(1 152 290)	(1 689 200)	(1 152 290)	(1 689 200)
Impairment of trade receivables	(13 061 194)	(68 849 065)	-	-
Operating leases	(945 202)	(948 719)	(931 350)	(791 769)
Realised foreign exchange loss		-	-	(359 242)
Realised foreign exchange gain	-	22 599 137	2 438 884	-
Fair value adjustment on derivative financial instruments	-	10 889 619	-	-
Staff costs	(23 253 240)	(22 732 626)	(23 253 240)	(22 732 626)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2012

		Group 2012 N$	Group 2011 N$	Company 2012 N$	Company 2011 N$
12.	**FINANCE INCOME AND EXPENSE**				
	Interest income on held-to-maturity investments	506 712	3 126 933	1 024 210	3 023 226
	Interest income on cash and cash equivalents	3 006 778	2 517 976	562 553	319 985
	Interest income on receivables	-	12 448 759	-	46 538
	Finance income	3 513 490	18 093 668	1 586 763	3 389 749
	Interest expense on cash and cash equivalents	(4 187 281)	(4 480 378)	(2 499 535)	(2 899 330)
	Interest expense on trade payables	-	(17 479 307)	-	-
	Interest expense on loan received from NEF	-	(1 434 090)	-	-
	Interest expense paid to Receiver of Revenue	(74 662)	(2 526)	-	-
	Finance expense	(4 261 943)	(23 396 301)	(2 499 535)	(2 899 330)
	Net finance (expense) / income	(748 453)	(5 302 633)	(912 772)	490 419
13.	**TAXATION**				
	Current taxation	-	-	-	-
	Deferred taxation – current year	12 672 836	1 852 248	(379 811)	(822 836)
	Reconciliation of rate of taxation:	%	%	%	%
	Namibian normal rate of taxation	34,0	34,0	34,0	34,0
	Adjusted for:				
	Non taxable income	(40,2)	(47,7)	(40,1)	(37,0)
	Non-deductible expenditure	-	(3,5)	-	-
	Deferred tax asset not recognised	(15,6)	16,2	6,8	5,7
	Effective rate of taxation	(21,8)	(1,0)	0,7	2,7
	Assessed loss				
	At the beginning of the year	319 778 126	228 754 587	94 505 908	89 472 887
	(Utilised) /. incurred during the year	(26 866 506)	91 023 539	11 591 841	5 033 021
	At the end of the year	292 911 620	319 778 126	106 097 749	94 505 908

The assessed loss of N$ 292 911 620 (2011: N$ 319 778 126) is available to be set-off against future taxable income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2012

	Group 2012 N$	Group 2011 N$	Company 2012 N$	Company 2011 N$
14. CASH GENERATED BY OPERATIONS				
Reconciliation of profit before taxation to cash generated from operations **:**				
Profit before taxation	47 651 301	191 613 193	47 278 717	30 771 044
Finance income	(3 513 490)	(18 093 668)	(1 586 763)	(3 389 749)
Finance expense	4 261 943	23 396 301	2 499 535	2 899 330
Adjustment for non-cash flow items:				
- Depreciation	3 500 901	2 760 196	2 066 461	2 357 867
- (Loss)/ profit on sale of property, plant and equipment	(6 032)	11 461	(6 032)	11 461
- Profit from Joint Venture	(533 145)	(2 448 217)	19 272	(2 448 217)
- Fair value adjustment on held to maturity investment	-	10 889 619	-	-
- Impairment for trade receivables	13 061 194	68 849 065	-	-
- Bonus provision	(352 787)	834 125	(352 787)	834 125
- Leave pay provision	(917)	(33 293)	(917)	(33 293)
- Unrealised foreign exchange gains	(48 373)	54 280		
(Decrease)/increase in working capital	(67 236 633)	(304 293 646)	16 249 960	(29 035 498)
Decrease/(increase) in trade and other receivables	5 316 115	(126 464 152)	13 206 722	(28 513 747)
Decrease/(increase)in inventories	7 889 409	259 897 952	-	-
(Decrease)/increase in trade and other payables	(80 442 157)	(437 727 446)	3 043 238	(521 751)
	(3 216 038)	(26 460 584)	66 167 446	1 967 070

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2012

	Group 2012 N$	Group 2011 N$	Company 2012 N$	Company 2011 N$
15. TAXATION PAID				
Opening balance at the beginning of the year	9 687 369	9 687 369	5 461 405	5 461 405
Taxation in profit or loss	-	-	-	-
Closing balance at the end of the year	(9 687 369)	(9 687 369)	(5 461 405)	(5 461 405)
	-	-	-	-

16. CASH AND CASH EQUIVALENTS

	Group 2012 N$	Group 2011 N$	Company 2012 N$	Company 2011 N$
Cash and bank balances	85 422 546	25 907 505	53 396 947	14 005 923
Call deposits	-	-	-	-
	85 422 546	25 907 505	53 396 947	14 005 923

Overdraft facilities of N$30 000 000 have been made available to the company until 22 November 2012. The group also has guarantees at the bank amounting to N$ 73 351 as well as vehicle and asset finance (fleet) of N$ 125 000. The Group and Company's exposure to currency and liquidity risk relating to cash and cash equivalents is disclosed in note 19. Cash and cash equivalents can be called upon immediately and interest rate for the year was 4.25%.

NAMCOR provided a financial guarantee to Namcor Trading, to the amount of N$ 6 500 000 in favour of the Ministry of Finance for import VAT. The Ministry of Finance required this security as Namcor Trading have significant import monthly. NAMCOR also provided a financial guarantee to Namcor Trading, to the amount of N$ 800 000, in favour of Sasol for fuel. The value of N$ 7 300 000 is restricted cash and not available for use by the group. Refer to note 19.1.3.

17. DEFERRED TAXATION

	Group 2012 N$	Group 2011 N$	Company 2012 N$	Company 2011 N$
Balance at the beginning of the year	14 290 598	12 438 350	(3 340 494)	(2 517 658)
Profit or loss charge	12 672 836	1 852 248	(379 811)	(822 836)
Balance at the end of the year	26 963 434	14 290 598	(3 720 305)	(3 340 494)
Disclosed as follows in the statement of financial position:				
Deferred tax asset	(30 683 739)	(17 631 092)	-	-
Deferred tax liability	3 720 305	3 340 494	3 720 305	3 340 494
The deferred tax asset consists of the following:				
Property, plant and equipment	2 375 661	1 224 653	-	-
Fair value adjustments	-	10 883 353	-	-
Impairment of trade receivables	(32 068 590)	(28 737 986)	-	-
Deferred income	(990 810)	(1 001 112)	-	-
	(30 683 739)	(17 631 092)	-	-
The deferred tax liability consists of the following:				
Property, plant and equipment	3 935 076	3 434 372	3 935 076	3 434 372
Fair value adjustments	(184 688)	(63 482)	(184 688)	(63 482)
Bonus provision	(30 083)	(30 396)	(30 083)	(30 396)
Impairment of trade receivables	-	-	-	-
	3 720 305	3 340 494	3 720 305	3 340 494

18. RETIREMENT BENEFIT INFORMATION

The company provides retirement benefits for all its permanent employees through a defined contribution scheme subject to the Pension Funds Act, 1956 as amended.

19. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

Exposure to credit, liquidity and market risk arises in the normal course of the Group and Company's business. This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

19.1 Credit risk

Credit risk is the risk of financial loss to the Group or Company if a customer or counterparty fails to meet its contractual obligations, and arises principally from the Group and Company's receivables from customers, investments and receivables from subsidiaries.

19.1.1 Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. At year end no significant concentrations of credit risk existed per customer. Clients are contractually bound to pay 45 days after delivery of product. The Group does not require any collateral in respect of trade and other receivables. The Group mainly trades with wholly owned subsidiaries of international oil companies, the balance owing by these companies at year end comprising 98% of total trade and other receivables.

19.1.2 Investments

The Group limits its exposure to credit risk by mainly investing in cash deposits and only with counterparties licensed as financial institutions in Namibia and the Government of the Republic of Namibia. Given this, management does not expect any counterparty to fail to meet its obligations.

19.1.3 Guarantees

National Petroleum Corporation of Namibia provided financial guarantees on behalf of one of the subsidiaries, Namcor Trading, to the amount of N$ 6 500 000 in favour of the Ministry of Finance for import VAT. The Ministry of Finance required this security as Namcor Trading have significant monthly imports. NAMCOR also provided a financial guarantee to Namcor Trading, to the amount of N$ 800 000, in favour of Sasol for fuel. The value of N$ 7 300 000 is restricted cash and not available for use by the group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2012

19. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

19.2 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, Without incurring unacceptable losses or risking damage to the Group's reputation.

Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the Group maintains the following lines of credit:

- N$30 000 000 overdraft facility that is unsecured. Interest would be payable at the current prime lending rate plus 100 basis points.

19.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group buys and sells derivatives in the ordinary course of business and also incurs financial liabilities, in order to manage market risks. All such transactions are carried out within the guidelines set by the Board.

19.3.1 Currency risk

The Group and Company incurs currency risk as a result of the following transactions which are denominated in a currency other than its functional currency: data sales, purchases and import of petroleum products. The currencies, giving rise to currency risk, in which the Group primarily deals is the U.S Dollar (US$) and British Pound Sterling (GBP).

In respect of monetary assets and liabilities denominated in foreign currencies, the Group ensures that its net exposure is kept to an acceptable level by buying foreign currencies at forward rates that best match its expected inflow of local, and outflow of foreign currencies. Where possible, spot pricing is used to mitigate and recover costs of purchasing such forward exchange cover.

19.3.2 Interest rate risk

The group generally adopts a policy of entering into long-term loan agreements with a variable, prime linked interest rate. Also refer to note 7 for details of long term borrowings.

19.3.3 Other market price risk

The Group and Company is not directly exposed to any equity price risk at year end. The Group is exposed to commodity risk through trading in fuel. Risk is mitigated by using hedging strategies in the form of averaging of prices over periods to smooth short term volatility.

19. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

19.4 Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements. No changes were made in the objectives, policies or processes during the years ending 31 March 2012 and 31 March 2011. Capital includes share capital.

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio below 100% The Group includes within net debt, interest bearing loans and borrowings, a loan from a venture partner, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

	Group 2012 N$	Group 2011 N$	Company 2012 N$	Company 2011 N$
Long-term loan	121 255 222	56 073 986	35 929 188	38 005 819
Trade and other payables	24 805 646	105 591 076	5 873 759	3 184 225
Less cash and cash equivalents	(85 561 818)	(25 907 505)	(53 396 947)	(14 005 923)
Net (debt)/cash	60 499 050	135 757 557	(11 594 000)	27 184 121
CAPITAL	10 000 000	10 000 000	10 000 000	10 000 000
NET CAPITAL AND DEBT	70 499 050	145 757 557	(1 594 000)	37 184 121
	86%	93%	727%	73%

19.5 Financial instruments

19.5.1 Fair values

The groups financial instrument are all classified are all current and therefore the carrying values reflected in the statement of financial position does not materially differ from the fair value.

19.5.2 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Group 2012 N$	Group 2011 N$	Company 2012 N$	Company 2011 N$
Held-to-maturity investments	10 164 960	9 658 248	-	-
Loans and receivables	52 668 785	67 720 639	19 968 791	29 013 123
Cash and cash equivalents	85 561 818	25 659 532	53 396 947	14 005 923
	148 395 563	103 038 419	73 365 738	43 019 046

The Group's 5 most significant customers, domestic wholesalers account for N$126 413 951 (2011: N$123 657 784) of the total loans and receivables at year end.

The Company's most significant loans and receivables at year end, all domestic, were:

- *Amounts due by subsidiaries – N$ 38 823 864 (2011:N$62 038 559)*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2012

19. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

19.5 Financial instruments (continued)

19.5.3 Impairment losses

The aging of trade receivables at the reporting date was:

	Gross 2012	Impairment 2012	Gross 2011	Impairment 2011
COMPANY				
Not past due	19 749 194	-	24 672 992	-
Past due 0-30 days	-	-	5 829 716	-
Past due 31 – 120 days	283 496	-	1 751 067	-
More than one year	1 373 791	-	12 359 428	-
	21 406 481	-	44 613 203	-
GROUP				
Not past due	42 302 636	-	59 460 369	-
Past due 0-30 days	11 669 365	-	9 350 079	-
Past due 31 – 120 days	5 313 265	-	115 128 840	(112 697 983)
More than one year	138 116 332	(125 759 178)	18 776 800	-
	197 401 598	(125 759 178)	202 716 088	(112 697 983)

19.5.4 Liquidity risk

The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements.

	Carrying Amount	Contractual Cash flows	6 months Or less	6-12 months	1-2 years	>3 years
COMPANY 2012						
Secured bank loans	35 929 188	53 276 431	2 131 057	2 131 057	4 262 115	44 752 202
Trade and other payables	5 873 759	5 873 759	3 143 859	2 729 900	-	-
	41 802 947	59 150 190	5 274 916	4 860 957	4 262 115	44 752 202
COMPANY 2011						
Secured bank loans	38 005 828	57 852 601	2 445 112	2 131 057	4 262 115	49 014 317
Trade and other payables	3 348 632	3 348 632	3 348 632	-	-	-
	41 354 460	61 201 233	5 793 744	2 131 057	4 262 115	49 014 317

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2012

19. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

19.5 Financial instruments (continued)

19.5.4 Liquidity risk

	Carrying Amount	Contractual Cash flows	6 months Or less	6-12 months	1-2 years	>3 years
GROUP 2012						
Secured bank loans	51 255 221	73 803 488	3 789 274	3 737 160	7 356 852	58 920 202
Unsecured loan	70 000 000	134 150 601	3 501 252	3 328 630	12 962 877	114 357 842
Trade and other payables	24 871 296	24 871 296	24 871 296	-	-	-
Derivative financial instruments (Note 9)	-	-	-	-	-	-
	146 126 517	232 825 385	32 161 822	7 065 790	20 319 729	173 278 044
GROUP 2011						
Secured bank loans	56 073 985	99 991 492	3 472 890	3 158 835	6 317 671	87 042 096
Unsecured loan	71 434 976	71 434 976	71 434 976	-	-	-
Trade and other payables	34 156 100	34 156 100	34 156 100	-	-	-
Derivative financial instruments (Note 9)	18 426	18 426	18 426	-	-	-
	161 683 487	205 600 994	109 082 392	3 158 835	6 317 671	87 042 096

19.5.5 Exposure to currency risk

The Group's exposure to foreign currency risk was as follows:

	Group 2012 N$	Company 2012 N$	Group 2011 N$	Company 2011 N$
Trade and other receivables	7 915 574	7 913 949	18 262 731	18 247 454
Cash and cash equivalents	14 993 930	14 992 305	5 646 784	5 398 857
Trade and other payables*	(2 442 074)	(2 219 252)	(201 657)	-
Forward exchange contracts	-	-	(405 100)	-
Net statement of financial position	20 467 430	20 687 002	23 302 758	23 646 311
Net statement of financial position – US$	21 097 744	21 317 316	23 302 758	23 646 311
Net statement of financial – GPB*	(630 314)	(630 314)	-	-

* Included in trade and other payables is an amount of N$ 630 314 which is subject to the Great British Pound.

19. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

19.5 Financial instruments (continued)

19.5.6 Exposure to currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in the US dollar and GBP excha with all other variables held constant. The impact on the profit before tax is due to change in the fair value of assets and liabilities including non-designated foreign currency derivatives.

	Change in US$ rate	Group 2012 N$	Company 2012 N$	Group 2011 N$	Company 2011 N$
Effect on profit before tax					
	+10%	2 109 774	2 131 731	2 330 275	2 364 631
	- 10%	(2 109 774)	(2 131 731)	(2 330 275)	(2 364 631)
Effect on Equity					
	+10%	1 392 451	1 406 942	1 537 982	1 560 656
	- 10%	(1 392 451)	(1 406 942)	(1 537 982)	(1 560 656)
	Change in GBP rate				
Effect on profit before tax					
	+10%	63 031	63 031	-	-
	- 10%	(63 031)	(63 031)	-	-
Effect on Equity					
	+10%	41 600	41 600	-	-
	- 10%	(41 600)	(41 600)	-	-

19.5.7 Interest rate risk

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

	Group 2012 N$	Group 2011 N$	Company 2012 N$	Company 2011 N$
Fixed rate instruments				
Financial assets	10 164 960	9 658 248	-	-
Variable rate instruments				
Financial assets	85 561 818	25 907 505	53 396 947	14 005 923
Financial liabilities	(121 255 222)	(56 073 976)	(35 929 188)	(38 005 818)
	(35 693 404)	(30 166 471)	17 467 759	(23 999 895)

Refer note 3 and 7 for details of interest rates and terms of the instruments.

19. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

19.5 Financial instruments (continued

19.5.8 Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonable change in interest rates on the portion of financial assets and financial liabilities affected. With all variables held constant the profit before tax is affected through the impact of variable rate instruments as follows:

	Group 2012 N$	Group 2011 N$	Company 2012 N$	Company 2011 N$
Increase of 50 basis points	(1 784 670)	(1 508 324)	873 388	(1 199 995)
Increase/(Decrease) in profit before tax	(1 784 670)	(1 508 324)	873 388	(1 199 995)
Decrease of 50 basis points	1 784 670	1 508 324	(873 388)	1 199 995
Increase/(Decrease) in profit before tax	1 784 670	1 508 324	(873 388)	1 199 995

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significant higher volatility than in prior years.

20. Determination of fair value and fair value hierarchy

Below follows required disclosure of fair value measurements, using a three level fair value hierarchy that reflects the significance of the inputs used in determining the measurements. It should be noted that these disclosure only cover instruments measured at fair value.

Included in level 1 category are financial assets and liabilities that are measured in whole or in part by reference to unadjusted, quoted prices in an active market for identical assets and liabilities. Quoted 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 and on an arm's length basis.

Included in level 2 category are financial assets and liabilities measured using inputs other than quoted prices included within level 1 that are observable for the asset of liability, either directly (i.e. as prices or indirectly (i.e. derived from prices). For example, instruments measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions are categorised as level 2.

Financial assets and liabilities measured using inputs that are not based on observable market data are categorised as level 3.

2012		Level 1	Level 2	Level 3	Total
Derivative financial instruments	9	-	-	-	-
2011		Level 1	Level 2	Level 3	Total
Derivative financial instruments	9	18 426	-	-	18 426

21. RELATED PARTIES

21.1 Shareholder

The Government of the Republic of Namibia holds 100% of the issued share capital of the company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2012

21. RELATED PARTIES

21.2 Identity of related parties with whom material transactions have occurred

The subsidiaries of the company are identified in note 2. Other than with the directors and the shareholder, there are no other related parties with whom transactions have taken place.

21.3 Types of related party transactions

NAMCOR has made loans and advances to certain subsidiaries (refer note 2).

NAMCOR received a fuel levy from the shareholder based on the litres of petrol sold by the fuel companies during 2003, and an unsecured loan of N$170 million from the shareholder, of which N$100 million was repaid during the 2011 financial year. This remainder of the loan will start bearing interest on the 30th of April 2012. Refer to note 7 for the repayment terms of the loan.

Material transactions with the company

Loans and receivables to related parties – refer note 2.

Directors' emoluments – refer note 11.

Key management remuneration

Refer note 11 for amounts paid to the managing director.

	Group 2012 N$	Group 2011 N$	Company 2012 N$	Company 2011 N$
22. EMPLOYEES				
Number of employees	44	42	44	42
23. GOVERNMENT GRANTS				
Balance at beginning of the year	-	-	-	-
Received during the year	-	268 000 000	-	268 000 000
Release to profit or loss	-	(268 000 000)	-	(268 000 000)
	-	-	-	-

A government grant was received during the prior year for the importation of 50% refined petroleum products. There are no unfulfilled conditions or contingencies attached to this grant.

24. INTEREST IN JOINT VENTURE

National Petroleum Corporation of Namibia has a 50 % interest in Namcor International Trading Limited.

	Group 2012	Group 2011	Company 2012	Company 2011
Share of surplus of joint venture opening balance	5 445 166	2 996 949	5 445 166	2 996 949
Share of surplus /(deficit) of joint venture current year	533 145	2 448 217	533 145	2 448 217
	5 978 311	5 445 166	5 978 311	5 445 166

24. INTEREST IN JOINT VENTURE (continued)

The assets, liabilities, income and expenses of the jointly controlled entity at 31 March 2012 for the year then ended, are as follows:

	Company 2012 N$	Company 2011 N$
Current assets	5 738 721	5 219 413
Current liabilities	(10 853)	(25 053)
	5 727 868	5 194 360
Revenue	-	759 536 268
Cost of Sales	-	(757 000 170)
Demurrage revenue	-	2 099 694
Demurrage charges	-	(1 817 399)
Port revenue	-	198 675
Port charges	-	(198 675)
Gross profit	-	2 818 393
Operating expenses		
Accounting and consultancy	(18 872)	(48 665)
Office costs	(400)	(10 391)
Finance charges	-	(8 244 966)
Finance income	-	7 935 504
Operating expenses for the year	(19 272)	(368 518)
Other comprehensive income	-	-
Foreign exchange differences	552 417	(1 658)
Surplus for the year	533 145	2 448 217

25. NON-DISTRIBUTABLE RESERVE

The company is required by the Ministry of Mines and Energy to keep a fuel levy reserve. Fuel levies were received in prior years and capitalised in this non distributable reserve. The fuel levies received were revoked in prior years, but was reinstated for the next financial year. This non-distributable reserve can only be used to finance capital expenditure as stipulated by the Ministry of Mines and Energy, and is therefore classified as a non-distributable reserve.

	Group 2012 N$	Group 2011 N$	Company 2012 N$	Company 2011 N$
Balance beginning of year	12 863 623	14 474 313	12 863 623	14 474 313
Transfer to retained income	(11 099 548)	(1 610 690)	(11 099 548)	(1 610 690)
	1 764 075	12 863 623	1 764 075	12 863 623

Transfers are made up as follows:

	Group 2012 N$	Group 2011 N$	Company 2012 N$	Company 2011 N$
Etosha Basin	-	1 150 050	-	1 150 050
Kudu development	8 432 954	1 044 972	8 432 954	1 044 972
Marine offloading facilities	-	(1 386 657)	-	(1 386 657)
Namcor/Sonangol	2 183 354	-	2 183 354	-
New business development	5 195	744 185	5 195	744 185
Ondjou	30 000	-	30 000	-
Research and development new technology	235 089	-	235 089	-
Storage facilities	212 956	58 140	212 956	58 140
Total expenses transferred:	11 099 548	1 610 690	11 099 548	1 610 690

NATIONAL PETROLEUM CORPORATION OF NAMIBIA (PROPRIETARY) LIMITED

VALUE ADDED STATEMENTS
for the year ended 31 March 2012

Value added is the measure of wealth the group has created in all its operations by "adding value" to the cost of raw materials, products and services purchased. The statement below summarises the total wealth created and shows how it was shared by employees and other parties who contribute to its creation. Also set out below is the amount retained and reinvested in the company for the replacement of assets and the further development of operations.

	Group 2012 N$	Group 2012 %	Company 2012 N$	Company 2012 %
Revenue, including funding received, fuel levy and other income, excluding finance income	223 603 557		20 511 224	
Paid to suppliers of materials and services	(146 896 732)		55 136 111	
Non-operating profit	76 706 825	96	75 647 335	98
Interest received	3 513 490	4	1 586 763	2
Total value added	80 220 315	100	77 234 098	100
Applied as follows :				
To employees				
Salaries	23 253 240	29	23 253 240	30
Directors' remuneration	1 583 728	2	1 583 728	2
To providers of capital				
Interest paid	4 261 943	5	2 499 535	3
To Government				
Taxation	(12 672 836)	(16)	379 811	0.5
To replace assets				
Depreciation	3 500 901	5	2 066 461	3
To expansion and growth of company				
Profit for the year	60 293 339	75	47 451 323	61.5
	80 220 315	100	77 234 098	100

NOTES

The National Petroleum Corporation of Namibia, NAMCOR, is a legally enacted entity with limited liability under the Namibian Companies Act of 1973. The Government of the Republic of Namibia is its sole shareholder.

Under the Petroleum (Exploration and Production) Act of 1991 NAMCOR (Pty) Ltd has the right to carry out reconnaissance, exploration and production operations either on its own or in partnership with other organisations in the industry.

Our Vision

To be a world-class petroleum organisation providing sustainable benefits to all stakeholders.

Our Mission

- ensuring security of supply, through upstream and downstream operations;
- harnessing innovative industry best practices;
- proactively embracing international safety, health and environmental protocols;
- recruiting and retaining high performing, passionate and competent people.

Core Values / Identity

Teamwork: We will work together as a cohesive and disciplined unit.

Integrity: We will always be honest, trustworthy and show respect in all our dealings.

Professionalism: We expect all our people to be competent, self-disciplined, dedicated to service excellence, innovative, responsive and accountable for all our actions.

Equity: We will always be fair and equitable in all our dealings.

Safety: We will uphold health, safety, security and environmental protocols.


NAMCOR
DEPOT