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 Central Asia Metals PLC
 26 September 2012

27 September 2012
 Ticker: CAML (AIM)

Central Asia Metals plc ("the Group", "the Company" or "CAML")

Interim Results for the Six Months Ended 30 June 2012

Central Asia Metals plc (AIM:CAML), a mining company with operations in Kazakhstan and Mongolia is pleased to announce unaudited interim results for the six months ended 30 June 2012. The Company commenced production of copper cathodes at its flagship plant, Kounrad, in Kazakhstan, during the period following completion of the construction of a 10,000 tonne per annum Solvent Extraction-Electro Winning (SX-EW) plant in April 2012.

Highlights

Operational

- Completed construction of Kounrad SX-EW copper plant for \$39 million, \$8 million lower than budgeted
- Production commenced on 29 April 2012
- 1,728 tonnes of copper cathodes produced at Kounrad in the two months to 30 June 2012
- 1,386 tonnes of copper cathodes sold to Traxys in the period
- Agreement to purchase an additional 40% of the Kounrad project for 8.6m shares in the Company, subject to State approval
- 1 year extension to the exploration licence at Alag Bayan in Mongolia obtained in March 2012

Financial

- Revenues of \$6.8 million, \$10.5 million on a 100% Kounrad project basis
- Cost of sales of \$2.1 million (inclusive of selling and distribution costs), \$2.6 million on a 100% Kounrad project basis
- Cost of production of \$1,058 per tonne (\$0.48/lb)
- Cost of sales of \$1,878 per tonne (\$0.85/lb), inclusive of Mineral Extraction Tax and Distribution and Selling costs
- Consolidated profit before tax of \$0.5 million (H1 2011: loss of \$1.8 million)
- Cash and cash equivalents of \$10.3 million as at 30 June 2012
- No outstanding debt

Update to 26 September 2012 and Outlook

- **Total production to date of 4,318 tonnes of cathode copper - production of 2,590 tonnes to date in Q3 2012**
- Designed production capacity achieved ahead of schedule
- Total sales of 3,993 tonnes of cathode copper
- Cash and cash equivalents of \$24.5 million
- **2012 production target increased from 5,000 tonnes to 5,750 tonnes**
- Heads of Agreement signed post period end for the sale of Ereen and Handgait
- Share buy-back scheme initiated post period end on 2 July 2012. As at 26 September 2012, 643,438 shares had been purchased at a weighted average price of 89.03 pence per share

Nick Clarke, Chief Executive Officer, commented

"This has been a successful period for the Company with the commissioning of the SX-EW plant at Kounrad during which the design capacity was achieved for an extended period of time. Since 29 April 2012, we have produced 4,318 tonnes of cathode copper with Q3 2012 production to date in excess of 2,590 tonnes. The completion of the Kounrad construction for \$39 million, some \$8 million under budget, and the smooth transition to a production facility is a testament to both the design of the plant and our dedicated and skilled workforce.

As a consequence of the performance of the plant and the production to date, we are pleased to announce a 15% increase in our 2012 production target to 5,750 tonnes. We have generated positive cash flow since commencing production and will seek to use this in the most effective way to enhance shareholder value. The Company continues to focus on its flagship asset at Kounrad and the possibility of expanding production at the site in the short to medium term.

In Mongolia, we remain focussed on obtaining a mining licence at Alag Bayan and completing the recently announced sale of Ereen and Handgait."

For further information please visit www.centralasiametals.com. (The content of the CAML website should not be considered to form part of or be incorporated into this announcement)

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Operating & Financial Review**Kazakhstan (Kounrad)****Completion of Construction**

The main focus during the first four months of the period under review was the completion of the construction phase of the SX-EW copper plant. Good progress was made on all outstanding construction works during Q1 2012 and by early April 2012, the SX-EW plant was materially completed and the commissioning phase commenced.

At 30 June 2012, the final cost of construction was assessed at \$39million, inclusive of allocated overheads, which represents an overall saving of \$8million against the original budget of \$47 million and the entire construction process took 20 months.

Commissioning and early stage production

Wet commissioning commenced during April with the introduction to the system of the organic reagents. Copper rich leach solution ("PLS") was introduced into the SX circuit in mid April 2012 and the EW circuit energised soon thereafter to enable plating of cathode copper to commence.

On 29 April 2012, the first copper cathodes were harvested with a total weight of 33 tonnes being achieved on the first day of production. By 30 June 2012, production totalled 1,728 tonnes of copper cathodes and 1,386 tonnes were sold through an off-take arrangement with Traxys. The EW cells and associated electrical supply system were fully tested to their design capacity in the first two months of operation. The commissioning and ramp up process has continued smoothly throughout the summer months.

In late May 2012, the Company hosted a successful site visit for the CAML Board of Directors, professional advisers, analysts, investors and local dignitaries. The site visit marked the completion of the construction phase and smooth transition into production. In addition, it was an opportunity to thank the staff for their hard work and professionalism over the past few years in achieving the Company's objectives at Kounrad.

The plant received its official certificate of commissioning by the local authorities in late August 2012 and all of the necessary process plant operating permits have been obtained in compliance with local regulations.

Resource Evaluation

The Company continues to evaluate the eastern and western dumps with the intention of achieving a JORC compliant resource statement for the majority of the dump material on site during Q1 2013. This resource evaluation work is on track and all the drilling and trenching works have now been completed, with the samples submitted for assay. Wardell Armstrong International ("WAI") has been commissioned to prepare the resource estimate.

Studies for Second SX-EW plant

In parallel to the resource evaluation, the Company is continuing to assess the technical and economic viability of constructing a second plant to treat the western sulphide and mixed waste dumps. Throughout the period this has included the continued operation of the pilot plant, column leach testing on various samples taken from the dumps together with site investigations and environmental studies on the proposed location for the second plant.

Project Ownership

As announced on 2 February 2012 and also reported in the 2011 Annual Report, the Company has agreed to acquire an additional 40% in the Kounrad project to increase CAML's ownership of Kounrad to 100%. The transaction is undergoing State approval within Kazakhstan.

Mongolia (Alag Bayan, Ereen, Handgait)**Alag Bayan**

In early 2012, the Company agreed an earn-in arrangement with Ibxex Mongolia LLC (previously GoviEx Mongolia LLC). The agreement states that Ibxex would be granted a 35% interest in the project subject to certain criteria being met. During Q1 2012, Ibxex undertook a drill programme and satisfied the terms for the earn-in. In late March 2012, a one year extension to the exploration licence was granted by the Mongolian authorities.

A further exploration programme is currently being finalised between CAML and Ibxex Mongolia LLC with the intention of allowing an application for a mining licence to be made by April 2013 and to better understand the geological potential of the licence area.

Ereen and Handgait

CAML appointed Cutfield Freeman & Co in February 2012 to oversee the marketing and sale process of Ereen and Handgait. Following receipt of expressions of interest from a number of parties, an exclusivity agreement was reached with Mongolia Resources Corporation Limited (ASX: MUB) in early September 2012 for the sale of the assets. The agreement is subject to final due diligence with the aim to complete by the end of 2012.

Financial Review**Income Statement**

The Kounrad project is operated and managed on a 60:40 joint venture basis in line with current shareholdings. Consequently, all the assets, liabilities, revenues and expenses are proportionately consolidated on that basis.

During the six month period to 30 June 2012, the Group earned a profit before tax of \$0.5million (H1 2011: loss of \$1.8million). Production commenced in late April 2012 and in the first two months a total of 1,728 tonnes of cathode copper had been harvested out of which 1,386 tonnes were shipped from the site under an off-take agreement with Traxys.

These initial deliveries of cathode copper generated gross project revenues of \$10.6million, which on a proportionately consolidated basis, resulted in Group revenues of \$6.3million for the period. A further \$0.5million of revenue was generated by the sale of 64 tonnes of cathode copper produced from the small scale pilot plant at Kounrad. Consequently, Group revenues for the period totalled \$6.8million (H1 2011: \$1.2million) with an average price achieved for copper sold of \$7,588 per tonne (\$3.44/lb).

The total cost of production for the period, inclusive of Mineral Extraction Tax (MET), was \$1.8million (H1 2011:\$1.0million) on a proportionately consolidated basis. This comprises \$0.6million for the costs associated with the pilot plant sales and \$1.2million for the initial sales at the newly constructed 10,000 tonne per annum SX-EW plant. The initial deliveries of cathode copper have been shipped to end customers in Turkey under arrangements with Traxys. The costs associated with these deliveries are still being finalised but are estimated at \$0.3million on a proportionately consolidated basis.

The total cost of sales for the period is \$2.1million (H1 2011: \$1.0million) and this equates to a cost per tonne of copper, inclusive of Mineral Extraction Tax and Distribution and Selling costs of \$1,878 per tonne (\$0.85/lb).

General and Administrative costs incurred across the Group during the six month period to 30 June 2012 include the payment of construction bonuses paid to staff covering a two year period from the commencement of construction in August 2010. These bonuses were payable on certain conditions associated with the construction project and the subsequent physical production of cathode copper from the plant.

Excluding bonus payments, the General and Administrative costs across the Group were \$2.8million (H1 2011:\$2.4million) on a proportionately consolidated basis. In Kazakhstan, the office in Almaty was closed at the end of March 2012 and all staff relocated to Balkhash.

In Mongolia the Group reported a profit for the six month period to 30 June 2012 of \$0.4million. This was primarily as a consequence of foreign exchange movements due to a 4% appreciation of the Mongolian Tugrik (MNT).

Balance Sheet

As at 30 June 2012, the Group had \$72.5million of assets on a proportionately consolidated basis (H12011:\$69.4million). Property, plant and equipment of \$23.2million (H12011: \$22.4million) or \$37.4million on a 100% basis reflect the completion of the construction phase of the Kounrad project.

Long-term trade and other receivables increased to \$15.4million in the six month period under review (H1 2011: \$12.4million). This balance consists of \$2.1million of VAT recoverable in Kazakhstan and a further recoverable amount of \$13.3million from the project cash flows as a priority repayment of the loans forwarded by CAML to finance the capital costs of the project.

The Group had \$10.3million of cash in hand on a proportionately consolidated basis (H1 2011:\$16.0million). The Group has no external debt and there were minimal movements in equity during the six month period under review.

Outlook

Due to the successful commissioning phase of the project, the Company has raised its 2012 production target by 15% to 5,750 tonnes of cathode copper from 5,000 tonnes previously. The CAML management team remain focussed on optimising the SX-EW operations including preparing for operating the plant in the winter. The overall costs of production remain a priority focus and management remain confident about the plant's ability to deliver quality copper cathodes at industry competitive costs of production.

The technical and economic assessment of the sulphide and mixed waste dumps for a potential second SX-EW plant at the Kounrad site will continue through to the end of the year. A decision on the second plant will only be taken once the project ownership changes have been finalised. The Company will continue to work with the management of the SAT Group to complete the project ownership changes within the State approval framework and process in Kazakhstan.

The assessment of the Kounrad oxide, sulphide and mixed waste resources to a JORC compliant statement will be completed during Q1 2013, in line with the target date set out at IPO.

In Mongolia, the Company aims to obtain sufficient geological data at Alag Bayan to allow an application for a mining licence to be made by April 2013. Finally, management hope to complete the sale of Ereen and Handgaitby by the end of the year.

INTERIM CONSOLIDATED INCOME STATEMENT

	Note	Six months ended	
		30 Jun 12 unaudited \$	30 Jun 11 unaudited \$
Continuing operations			
Revenue		6,784,029	1,128,561
Cost of Sales		(1,819,343)	(979,528)
Gross Profit		4,964,686	149,033
Distribution and Selling costs		(325,876)	(2,745)
General and Administrative Expenses		(3,879,575)	(2,385,915)
Other Income / (Expenses)		(24,113)	(38,991)
Exchange rate differences (Loss)/Gain		(202,014)	361,148
Operating Profit / (Loss)		533,108	(1,917,470)
Finance Income		1,603	178,062
Finance Costs		(4,276)	(11,821)
Profit / (Loss) before Income Tax		530,435	(1,751,229)
Income Tax		-	-
Profit/ (Loss) from continuing operations		530,435	(1,751,229)
Discontinuing operations			
Profit / (Loss) from discontinuing operations		390,656	(45,801)
Profit/ (Loss) for the year		921,091	(1,797,030)
Profit / (Loss) Attributable to:			
- Owners of the parent		921,091	(1,797,030)
Loss per share attributable to the owners of the company during the year		-	-
Basic Profit / (Loss) per share	1	\$0.01	\$(0.02)

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended	
	30 Jun 12 unaudited \$	30 Jun 11 unaudited \$
Profit / (Loss) for the year	921,091	(1,797,030)
Other comprehensive income:		
Currency translation differences	(997,895)	88,468
Other comprehensive income for the year, net of tax	(997,895)	88,468
Total comprehensive income for the year	(76,804)	(1,708,562)
Attributable to:		
- Owners of the parent	(76,804)	(1,708,562)
- Non-controlling interests	-	-
Total comprehensive income for the year	(76,804)	(1,708,562)

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Unaudited	Audited	Unaudited
		30 Jun 12 \$	31 Dec 11 \$	30 Jun 11 \$
Assets				
Non-Current Assets				
Property, Plant and Equipment	3	23,225,815	22,462,165	15,770,190
Intangible Assets	4	11,261,696	8,899,230	13,545,777
Trade and Other Receivables	5	15,404,059	12,348,934	5,965,508
		49,891,570	43,710,329	35,281,475
Current Assets				
Inventory		2,123,919	541,343	304,312
Trade and Other Receivables	5	1,821,709	720,172	2,137,862
Cash and Cash Equivalents		10,329,737	16,042,897	33,210,270
		14,275,365	17,304,412	35,652,444
Assets of the disposal group classified as held for sale		8,355,121	8,423,526	4,771,833
		22,630,486	25,727,938	40,424,277
Total assets		72,522,056	69,438,267	75,705,752

Equity attributable to owners of the parent				
Ordinary Shares	6	861,659	861,659	861,659
Share Premium	6	61,431,533	61,431,533	61,431,533
Treasury Shares	6	(2,253,555)	(2,303,803)	(2,303,803)
Other Reserves		3,890,703	4,716,650	7,289,913
Retained Earnings		1,793,407	872,316	5,840,589
		65,723,747	65,578,355	73,119,891
Non-controlling Interests				
		-	-	-
Total Equity		65,723,747	65,578,355	73,119,891
Liabilities				
Non-Current Liabilities				
Obligations under finance leases		26,174	26,390	-
Trade and Other Payables		-	-	366,542
Provision for Liabilities and Charges		2,220,906	2,138,753	432,486
		2,247,080	2,165,143	799,028
Current Liabilities				
Obligations under finance leases		27,276	50,056	-
Trade and Other Payables		4,048,615	1,203,013	1,488,437
		4,075,891	1,253,069	1,488,437
Liabilities of disposal group classified as held for sale		475,338	441,700	298,396
		4,551,229	1,694,769	1,786,833
Total Liabilities		6,798,309	3,859,912	2,585,861
Total Equity and Liabilities		72,522,056	69,438,267	75,705,752

INTERIM CONSOLIDATED STATEMENT OF CHANGES OF EQUITY

	Share capital \$	Share Premium \$	Treasury Shares \$	Other Reserves \$	Retained Earnings \$	Total \$
At 31 December 2011	861,659	61,431,533	(2,303,803)	4,716,650	872,316	65,578,355
Total comprehensive income	-	-	-	(997,895)	921,091	(76,804)
Transactions with owners						
Issue of Share Options	-	-	-	171,948	-	171,948
Sale of Treasury Shares	-	-	50,248	-	-	50,248
Total transactions with owners	-	-	50,248	171,948	-	222,196
At 30 June 2012 (unaudited)	861,659	61,431,533	(2,253,555)	3,890,703	1,793,407	65,723,747
	Share capital \$	Share Premium \$	Treasury Shares \$	Other Reserves \$	Retained Earnings \$	Total \$
At 31 December 2010	861,659	61,431,533	(2,303,803)	7,065,143	7,675,575	74,730,107
Total comprehensive income	-	-	-	88,468	(1,797,030)	(1,708,562)
Tochtar	-	-	-	-	(37,956)	(37,956)
Transactions with owners						
Issue of Share Options	-	-	-	136,302	-	136,302
Total transactions with owners	-	-	-	136,302	-	136,302
At 30 June 2011 (unaudited)	861,659	61,431,533	(2,303,803)	7,289,913	5,840,589	73,119,891

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Six months ended	
		30 Jun 12 Unaudited \$	30 Jun 11 Unaudited \$
Cash Flows from Operating Activities			
Cash Generated from / (Absorbed by) operations	7	924,059	(838,627)
Interest Paid		(4,276)	(11,821)
Receipts from sale of Kenes		200,000	-
Net Cash Generated from / (Absorbed by) Operating Activities		1,119,783	(850,448)
Cash Flows from Investing Activities			
Sale of subsidiaries, net of cash disposed of		-	825,000
Payment of minorities Tochtar		(500,000)	-
Purchases of Property, Plant and Equipment	3	-	(1,199,508)
Kounrad SX-EW plant construction	3	(3,419,451)	(8,678,858)
Movement in Receivables (related parties)		(2,472,957)	(3,580,593)
Proceeds from sale of Property, Plant and Equipment	3	1,510	25,770
Purchase of Intangible Assets	4	(94,137)	(94,528)
Exploration Costs Capitalised	4	(475,235)	(669,567)
Interest Received		1,603	178,062
Net Cash used in Investing Activities		(6,958,667)	(13,194,222)
Cash Flows from Financing Activities			
Sale of Treasury Shares	6	50,248	-
Net Cash generated from Financing Activity		50,248	-
Effect of foreign exchange rates on cash and cash equivalents		75,476	(120,077)
Net Decrease in Cash and Cash Equivalents		(5,713,160)	(14,164,747)
Cash and Cash Equivalents at 1 January		16,042,897	47,375,351
Cash and Cash Equivalents at 30 June		10,329,737	33,210,604

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
6 months ended 30 June 2012

Nature of Business

Central Asia Metals plc, a mining company with operations in Kazakhstan and Mongolia is pleased to announce unaudited interim results for the six months ended 30 June 2012. The Company has completed the construction of its 10,000 tonne per annum SX-EW plant in Kazakhstan and has now commenced production of cathode copper.

Basis of Preparation

The interim financial information has been prepared on the basis of the recognition and measurement requirements of International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and implemented in the UK and in accordance with the AIM Rules.

The accounting policies, methods of computation and presentation used in the preparation of the interim financial information are the same as those used in the Group's audited financial statements for the year ended 31 December 2011, which this interim consolidated financial information should be read in conjunction with.

This Interim condensed consolidated statement for the six months ended 30 June 2012 and 30 June 2011 is unaudited and does not constitute statutory financial statements within the meaning of Section 434 of the Companies Act 2006. The Interim condensed consolidated statement incorporates the results of the Group for the period from 1 January 2012 to 30 June 2012. The results for the year ended 31 December 2011 have been extracted from the statutory financial statements for the Company for the year ended 31 December 2011 which are prepared under International Financial Reporting Standards ("IFRS") as adopted by the European Union. The interim consolidated financial statements have not been prepared in accordance with the Disclosure and Transparency Rules of the Financial Services Authority and with IAS 34, interim financial reporting, as adopted by the European Union. The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2011.

After review of the Group's operations, financial position and forecasts, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the unaudited interim financial information.

1. Earnings per share

Basic earnings per share

Basic profit/(loss) per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year excluding ordinary shares purchased by the Company and held as treasury shares.

	Six months ended	
	30 Jun 12	30 Jun 11
	\$	\$
Profit / (Loss) attributable to owners of the Company	921,091	(1,797,030)
Weighted average number of ordinary shares in issue	86,165,934	86,165,934
Basic Profit / (Loss) per share	\$0.01	\$(0.02)

2. Property, Plant and Equipment

Group	Mining Property	Construction in progress	Plant and Equipment	Motor Vehicles & Office Equipment	Total
	\$	\$	\$	\$	\$
Cost					
At 31 December 2010	579,407	4,397,589	1,669,392	1,013,486	7,659,874
Additions	8,614	15,138,404	2,196,195	330,805	17,674,018
Disposals	(322,791)	(640)	(153,844)	(297,614)	(774,889)
Assets held for sale	(239,647)	-	-	(175,615)	(415,262)
Translation difference	(25,583)	(178,846)	(22,822)	(43,231)	(270,482)
At 31 December 2011	-	19,356,507	3,688,921	827,831	23,873,259
Additions	-	3,419,451	20,243,036	705,258	24,367,745
Disposals	-	(22,467,134)	(850,272)	(120,533)	(23,437,939)
Translation difference	-	(58,020)	(61,443)	(8,699)	(128,162)
At 30 June 2012 (unaudited)	-	250,804	23,020,242	1,403,857	24,674,903
Depreciation					
At 31 December 2010	79,733	-	553,648	532,728	1,166,109
Provided during the period	16,137	-	681,478	207,828	905,443
Disposals	-	-	(151,877)	(266,135)	(418,012)
Assets held for sale	(87,988)	-	-	(110,573)	(198,561)
Translation difference	(7,882)	-	(10,822)	(25,181)	(43,885)
At 31 December 2011	-	-	1,072,427	338,667	1,411,094
Provided during the period	-	-	197,163	144,652	341,815
Transfer	-	-	599,037	-	599,038
Disposals	-	-	(632,668)	(250,951)	(883,619)
Translation difference	-	-	(17,698)	(1,541)	(19,239)
At 30 June 2012	-	-	1,218,261	230,827	1,449,088
NBV at 1 January 2012 (unaudited)	-	19,356,507	2,616,494	489,164	22,462,165
NBV at 30 June 2012 (unaudited)	-	250,804	21,801,982	1,173,029	23,225,815

3. Intangible Assets

Group	Deferred Exploration and Evaluation costs	Permits and Licences	Computer Software	Total
	\$	\$	\$	\$
Cost				
At 31 December 2010	10,426,366	2,563,836	79,711	13,069,913
Additions	1,635,110	999,946	9,443	2,644,499
Disposals	(2,397,870)	(152,124)	(64,324)	(2,614,318)
Assets held for sale	(3,300,000)	-	-	(3,300,000)
Translation Difference	(862,306)	-	(209)	(862,515)
At 31 December 2011	5,501,300	3,411,658	24,621	8,937,579
Additions	475,235	1,780,520	94,137	2,349,892
Disposals	-	-	(12,890)	(12,890)
Translation Difference	24,655	(575)	(1,173)	22,907
At 30 June 2012 (unaudited)	6,001,190	5,191,603	104,695	11,297,488
Amortisation				
At 31 December 2010	7,642	14,582	71,540	93,764
Provided during the year	-	2,989	6,007	8,996
Disposal	-	(12)	(64,324)	(64,336)
Translation Difference	-	-	(75)	(75)
At 31 December 2011	7,642	17,559	13,148	38,349
Provided during the year	-	5,147	8,554	13,701
Disposal	(7,642)	-	(7,484)	(15,126)
Translation Difference	-	(259)	(873)	(1,132)
At 30 June 2012 (unaudited)	-	22,447	13,345	35,792
NBV at 1 January 2012	5,493,658	3,394,099	11,473	8,899,230
NBV at 30 June 2012 (unaudited)	6,001,190	5,169,156	91,350	11,261,696

4. Segmental Information

Management has determined the operating segments based on the reports reviewed by the Board and decided that it would be appropriate to identify reportable segments on a project by project basis.

As at 30 June 2012, the Group consisted of the following 2 main business segments:

- Kounrad - copper production and development in Kazakhstan.
- Alag Bayan - copper and gold exploration in Mongolia.

The two business segments represent separate geographical areas and have independent cost structures and revenue streams related to production in the case of Kounrad and exploration in the case of Alag Bayan. The UK head office does not represent a separate segment.

Two business segments, namely Handgait and Ereen, have been classified as held for sale as at 30 June 2012. The Group also holds two other Mongolian based entities for sale (New CAML Mongolia LLC and Mongolian Silver Mountain LLC).

The Group operates out of three key geographical areas, being Kazakhstan, Mongolia and the UK, even though they are managed on a worldwide basis.

The Board assesses the performance of the operating segments based on a number of operational and financial measures relevant to the stage of development of the project.

Exploration and Evaluation

The main indicators used for these projects relate to the numbers of holes drilled and the depth achieved together with the associated assay results and their impact on the assessment of potential reserves and resources. Financial performance is based on the estimated costs per metre for the drilling and the associated site overheads and any required infrastructure expenditure.

Development and Production

Once a project reaches this stage of maturity, the emphasis for assessing the performance of the projects switches to the measurement of product output and the associated revenues, operating costs or the monitoring of the estimated capital costs to develop the project.

The segment information of segmental results provided to the Board for the reportable segments for the six months period ended 30 June 2012 is as follows:

	Segmental revenue		Segmental result	
	Unaudited Six months ended 30 Jun 2012 \$	Unaudited Six months ended 30 Jun 2011 \$	Unaudited Six months ended 30 Jun 2012 \$	Unaudited Six months ended 30 Jun 2011 \$
Kounrad	6,784,029	1,128,561	4,292,841	(151,587)
Alag Bayan	-	-	(183,845)	(48,144)

Unallocated costs including corporate	-	-	(3,218,481)	(1,749,752)
Total continuing operations	6,784,029	1,128,561	890,515	(1,949,483)
Discontinued operations				
Ereen	-	-	185,937	(45,801)
Handgait	-	-	346,831	-
Other discontinued	-	-	(142,112)	-
Group Revenue	6,784,029	1,128,561		
Group EBITDA			1,281,171	(1,995,284)
Depreciation and amortisation			(131,280)	(290,144)
Profit / (Loss) from operations:			1,149,891	(2,285,428)
Exchange rate differences (loss)/gain			(202,014)	361,148
Other income / (expenses), net			(24,113)	(38,991)
Finance income			1,603	178,062
Finance costs			(4,276)	(11,821)
Profit / (Loss) before taxation			921,091	(1,797,030)

The segment information of segmental assets and liabilities provided to the Board for the reportable segments for the six months ended 30 June 2012 is as follows:

	Segmental assets		Segmental liabilities	
	Unaudited 30 Jun 12 \$	Audited 31 Dec 11 \$	Unaudited 30 Jun 12 \$	Audited 31 Dec 11 \$
Kounrad	39,778,031	39,922,630	(5,035,789)	(2,954,508)
Alag Bayan	5,537,809	5,371,369	-	(5,888)
Total	45,315,840	45,293,999	(5,035,789)	(2,960,396)
Assets held for sale	8,355,121	8,423,526	(475,338)	(441,700)
Unallocated including corporate	18,851,095	15,720,742	(1,287,182)	(457,816)
Total	72,522,056	69,438,267	(6,798,309)	(3,859,912)

5. Trade and Other Receivables

	30 Jun 12 Unaudited \$	31 Dec 11 Audited \$
Trade and Other Receivables, net	2,808,441	1,815,942
Receivables from related parties	13,260,947	10,787,990
Prepayments	1,156,380	465,174
	17,225,768	13,069,106
Less: non - current portion		
Trade and Other Receivables	(2,143,113)	(1,560,944)
Receivables from related parties	(13,260,947)	(10,787,990)
Current Portion	1,821,708	720,172

6. Share Capital and Premium

Group	Number of	Share capital	Share	Treasury	Total Equity
	Shares		Premium	Shares	
	No	\$	\$	\$	\$
At 1 January 2011	86,165,934	861,659	61,431,533	(2,303,803)	59,989,389
2011 movement	-	-	-	-	-
At 31 December 2011	86,165,934	861,659	61,431,533	(2,303,803)	59,989,389
Sale of Treasury Shares	-	-	-	50,248	50,248
At 30 June 2012 (unaudited)	86,165,934	861,659	61,431,533	(2,253,555)	60,039,637

During 6 months 2012 the Group had no balances attributable to non-controlling interests (6 months 2011: \$Nil).

7. Cash Generated from operations

	Six months ended	
	30Jun12 Unaudited \$	30Jun11 Unaudited \$
Profit / (Losses) before income tax	530,435	(1,751,229)
Adjustments for:		
Depreciation	341,815	494,226
Amortisation	13,701	39,917
Foreign Exchange	202,014	(322,042)
Share Options	171,948	136,302
Finance income	(1,603)	(178,062)
Finance Costs	4,276	11,821
Charges in working capital:		
Inventories	(1,582,576)	105,582
Trade and Other Receivables	(1,683,706)	(29,786)
Trade and Other Payables	2,845,602	656,079
Movement in Provisions	82,153	(1,435)
Cash Generated from / (Absorbed by) operations	924,059	(838,627)

8. Commitments

Group	30 Jun 12	31 Dec 11
	\$	\$
Kazakhstan	791,663	2,316,456
UK	14,330	146,039
Mongolia	172,910	297,498
Total	978,903	2,759,993

At 30 June 2012 amounts contracted for but not provided in the financial statements amounted to \$978,903 for the Group (2011: \$2,759,993).

9. Post Balance Sheet Events

In early September 2012 CAML entered into an exclusive agreement with Mongolia Resources Corporation Limited (ASX: MUB) for the sale of Ereenand Handgait together with CAML's in country management company, New CAML Mongolia LLC and a dormant company, Mongolian Silver Mountain LLC. Mongolia Resources Corporation Limited will acquire 100% of CAML Mongolia BV (a 100% subsidiary of CAML) and the holding company for CAML's Mongolian subsidiaries.

The acquisition is subject to satisfactory documentation and the completion of all due diligence with the aim to complete by the end of 2012.

On 02 July 2012 the Company initiated a share buy-back scheme and as at 26 September 2012 a total of 643,438 shares had been purchased at a weighted average price of 89.03 pence. The total number of outstanding ordinary shares in issue at 27 September 2012 was 85,522,496.

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