

# Financial Statements

## Viridas plc

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**For the year ended 31 December 2010**

## Company information

<b>Company registration number :</b>	269566
<b>Registered office :</b>	31 Harley Street London W16 9QS
<b>Directors :</b>	N Lee (Executive Chairman) G Haselden (Administrative Director)
<b>Secretary :</b>	G Haselden
<b>Registrar and Transfer office :</b>	Share Registrars Limited Suite E, First Floor 9 Lion and Lamb Yard Farnham Surrey GU9 7LL
<b>Bankers :</b>	Barclays Bank Plc 77 Albion Street Leeds LS1 5AW
<b>Solicitors :</b>	Sherrards Solicitors LLP 47 Marylebone Lane London W1U 2NT
<b>Auditors :</b>	Grant Thornton UK LLP Registered Auditors Chartered Accountants 4 Hardman Square Spinningfields Manchester M3 3EB
<b>Brokers :</b>	Arbuthnot Securities Ltd Arbuthnot House 20 Ropemaker Street London EC2Y 9AR  Rivington Street Corporate Finance Ltd 3 London Wall Buildings London EC2M 5SY

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## Executive Chairman's statement

### Introduction

The year ended 31 December 2010 was a difficult year for the Company as it became clear that its strategy to develop a commercial biofuel operation in Brazil was becoming increasingly difficult to implement, principally due to the lack of clarity on the Government's support for the use of biomass in the UK meant it was very difficult to raise the necessary finance from investors.

Consequently, and with very limited funding remaining available within the Company, in early 2011 it was decided to reposition the Company to focus on opportunities within the natural resources sector and raise funds for this purpose. Against this background, the Company raised £1,050,000 principally from new investors via a placing to enable the Company to fund its new strategy in the medium term. On 10 May 2011, shareholders also approved the Company's new investing strategy and a restructuring of the Company's share capital.

Following the adoption of this new strategy, the majority of the Company's directors have stepped down and I have been appointed as Chairman. The Company will make new appointments to the Board, as appropriate, consistent with this new strategic direction.

### Financials

The period under review relates to the Company's previous strategy and, accordingly, does not reflect the current operations of the Company. The results for this period comprised a loss after taxation of £362,053 (2009: loss £565,676). At 31 December 2010, the Company had cash balances of £42,461.

### Outlook

The Board believes that the Company is well placed to progress its new strategy within the natural resources sector and a number of interesting opportunities have already been identified and are currently under assessment. The Board is confident that there is considerable opportunity to develop shareholder value in the medium term.

I would like to take this opportunity to thank the team and shareholders for their support during this transitional time for the Company.

N Lee  
Executive Chairman

22 June 2011

## Report of the directors

The Directors present their annual report on the affairs of the Group, together with financial statements for the year ended 31 December 2010.

### Principal activities and review of the business

During the year, the Group continued to develop its plantation model for the growing of *jatropha curcas* as a dedicated energy crop for the production of biofuels.

Further details of activities in the year and the Group's future plans and strategy are set out in the Executive Chairman's Statement.

### Results and dividends

The Group made a loss after taxation of £362,053 (2009 : £565,676). The Directors do not propose a dividend (2009 : £nil). The loss of £362,053 (2009 : £565,676) has been transferred from reserves.

The Directors consider the Group's key performance indicators ("KPIs") to be gross profit, operating profit, debtor days and creditor days. These KPI's can be calculated directly from the financial statements.

### Directors

The Directors of the Company at the end of the year are listed below. All served on the Board throughout the year, unless otherwise stated.

The Directors' beneficial interests in the shares of the Company were as follows:

	Percentage of issued share capital	31 December 2010	31 December 2009
N Lee (appointed 28 April 2011)	-	-	-
S J Wootliff (resigned 11 May 2011)	15.5%	<b>5,108,263</b>	5,108,263
M Brink (resigned 1 June 2011)	0.8%	<b>250,000</b>	250,000
D Thompson (resigned 28 April 2011)	0.8%	<b>250,000</b>	250,000
J L Posner (resigned 28 April 2011)	0.6%	<b>182,857</b>	282,857
G Haselden	0.1%	<b>25,000</b>	225,000
K M Robinson (resigned 28 April 2011)	1.3%	<b>438,571</b>	438,571

### N Lee, 48

Currently Head of Corporate Finance at Novus Capital Markets Limited. He read Engineering at St. John's College, Cambridge and began his career at Coopers & Lybrand where he qualified as a chartered accountant. He then joined Dresdner Kleinwort where he worked in their corporate finance department advising a range of companies across a number of different sectors and most recently was Head of Investment Banking for Dresdner Kleinwort's hedge fund/alternative asset manager clients. He is currently Chairman of AIM quoted Charles Street Capital Plc and was previously a Non-Executive Director at Paragon Diamonds Plc, also listed on AIM.

## Report of the directors (continued)

### G Haselden, 54

Responsible for managing the Group's administrative activities and financial control.

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

Details of the Directors' warrants are shown below:

Name of Director	Number of warrants at 31 December 2010	Exercise price	Vesting date	Expiry Date
S J Wootliff	62,500	10p	20.11.2011	20.11.2014
M Brink	62,500	"	"	"
D Thompson	62,500	"	"	"
G Haselden	50,000	"	"	"
J L Posner	25,000	"	"	"
K M Robinson	62,500	"	"	"
	<u>325,000</u>			

Refer to note 9 for further information.

### Substantial interests

The Company is aware that at 31 December 2010, the following, other than the Directors shown above, held in excess of 3% of the issued share capital of the Company :

	Number of ordinary shares	Percentage of issued share capital
Rock (Nominees) Limited	6,937,562	21.1%
Lynchwood Nominees	7,742,471	23.6%

### Corporate governance

Although the Company is not required to comply with the principles of corporate governance, this report sets out how the Company does comply with the principles of good corporate governance.

## Report of the directors (continued)

### **Directors**

The Company supports the concept of an effective Board leading and controlling the Company. The Board is responsible for approving Company policy and strategy. It meets quarterly and has a schedule of matters specifically reserved to it for decision. Management supply the Board with appropriate and timely information and the Directors are free to seek any further information they consider necessary. All Directors have access to advice from the Company Secretary and independent professionals at the Company's expense. Training is available for new Directors and other Directors as necessary.

The Board consists of two Executive Directors, who hold key operational positions in the Company. The executive chairman of the Board is Nicholas Lee. The Board members are described on pages 4 and 5.

All Directors are subject to re-election every three years and, on appointment, at the first AGM after appointment.

There is no separate nomination committee, given the size of the Board. All Director appointments are approved by the Board as a whole.

### **Communications with shareholders**

Communications with shareholders are given a high priority. In addition to the publication of an annual report and an interim report, there is regular dialogue with shareholders and analysts. The Annual General Meeting is viewed as a forum for communicating with shareholders, particularly private investors. Shareholders may question the Executive Chairman and other members of the Board at the Annual General Meeting.

### **Accountability and Audit**

The Board presents a balanced and understandable assessment of the Group's position and prospects in all interim and price sensitive reports to regulators as well as in the information required to be presented by statutory requirements.

### **Internal control**

The Directors acknowledge they are responsible for the Group's system of internal control and for reviewing the effectiveness of these systems. The risk management process and systems of internal control are designed to manage rather than eliminate the risk of the Group failing to achieve its strategic objectives. It should be recognised that such systems can only provide reasonable and not absolute assurance against material misstatement or loss. The Group has well established procedures which are considered adequate given the size of the business.

## Report of the directors (continued)

### Auditors

The Board as a whole considers the appointment of external auditors, including their independence, specifically including the nature and scope of non audit services provided.

### Internal audit

The Board has considered the need for an internal audit function, but has decided that the size of the Group renders this inappropriate at this time. The Board will continue to review this decision going forward.

### Principal risks and uncertainties

The principal risk and uncertainty facing the business is the ability to continue as a going concern.

### Going Concern

As disclosed in note 2, after making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

### Statement of Directors' responsibilities

The Directors are responsible for preparing the report of the directors and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare parent financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). In addition the Directors have elected to prepare Group financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company and Group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards/IFRSs have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

## Report of the directors (continued)

### **Statement of Directors' responsibilities (continued)**

In so far as each of the Directors is aware:

- there is no relevant audit information of which the Company's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Employee involvement and employment of disabled people**

The Group places great emphasis on informal consultation in the workplace and operates an open management style with frequent informal discussions about all aspects of the Group's operations.

The Group's policy and practice is to encourage and assist the employment of disabled people and to retain employees who become disabled.

### **Financial risk management objectives and policies**

Details of the Group's financial risk management objectives and policies are set out in note 16 to these financial statements.

### **Supplier payment policy**

The Group's policy is to settle the terms of payment with suppliers when agreeing the terms of each transaction, ensure that suppliers are made aware of the terms of payment and abide by the terms of the agreement. The Company had no trade creditors at 31 December 2010.

### **Annual General Meeting**

Special business to be considered at the Annual General Meeting is outlined in the Notice of the Annual General Meeting accompanying the Annual Report.

### **Post balance sheet events**

On 20 January 2011, the company entered into an option agreement with a group of South African investors with a view to them subscribing for 14,000,000 new shares resulting in them taking a 29.9% shareholding in the business. It was subsequently announced on 16 March 2011 that this option agreement had lapsed as these investors had decided not to pursue this investment. On 31 March 2011, the Company announced that it had entered into an agreement to raise £750,000 in the form of unsecured convertible loan notes on the basis that it changed its strategy to that of making investments in the natural resources sector. This change of strategy was to be approved by shareholders at a general meeting. On 5 April 2011, it was announced that the level of funds being raised had been increased to £1,050,000.

On 10 May 2011, the necessary resolutions to effect the fund raising and change the Company's strategy were approved at the Company's general meeting and the Company also decided to convert the convertible loan notes into equity in accordance with their terms.

## Report of the directors (continued)

### **Auditors**

Grant Thornton UK LLP having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the Company receives notice under section 488(1) of the Companies Act 2006.

ON BEHALF OF THE BOARD

G Haselden  
Secretary

22 June 2011

## Independent Auditor's report to the members of Viridas plc

We have audited the financial statements of Viridas plc for the year ended 31 December 2010 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of financial position, the consolidated statement of cash flows, the parent company balance sheet, and the related notes. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

### **Respective responsibilities of Directors and Auditors**

As explained more fully in the statement of Directors' responsibilities set out on pages 7 and 8, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

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

### **Opinion on financial statements**

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent company's affairs as at 31 December 2010 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

## Independent Auditor's report to the members of Viridas plc

### **Opinion on other matter prescribed by the Companies Act 2006**

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

### **Matters on which we are required to report by exception**

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

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

Stuart Muskett  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Manchester  
22 June 2011

## Consolidated Income Statement

	Note	2010 £	2009 £
Administrative expenses		<u>(471,826)</u>	<u>(681,670)</u>
<b>Operating loss</b>	5	<b>(471,826)</b>	<b>(681,670)</b>
Finance income	6	407	–
Finance expense	6	<u>–</u>	<u>(535)</u>
<b>Loss before taxation</b>		<b>(471,419)</b>	<b>(682,205)</b>
Taxation	10	<u>–</u>	<u>–</u>
<b>Loss for the year from continuing operations</b>	4	<b>(471,419)</b>	<b>(682,205)</b>
Profit for the year from discontinued operations	4	<b>109,366</b>	116,529
<b>Loss for the financial year attributable to equity holders of the parent</b>		<b><u>(362,053)</u></b>	<b><u>(565,676)</u></b>
<b>(Loss)/earnings per share</b>			
- Basic and diluted continuing operations	12	<b>(1.43p)</b>	(2.69p)
- Basic and diluted discontinued operations	12	<b>0.33p</b>	0.46p
- Total basic and diluted	12	<b><u>(1.10p)</u></b>	<b><u>(2.23p)</u></b>

## Consolidated Statement of Comprehensive Expense

	2010 £	2009 £
Loss for the financial year	<b>(362,053)</b>	(565,676)
Exchange differences on translating foreign operations	<b>(10,753)</b>	(50,657)
<b>Total comprehensive expense for the year</b>	<b><u>(372,806)</u></b>	<b><u>(616,333)</u></b>

## Consolidated Statement of Changes in Equity

	Called up share capital £	Share premium account £	Capital redemption reserve £	Translation reserve £	Retained losses £	Total equity £
<b>Balance at 1 January 2009</b>	2,435,796	2,007,339	27,000	169,200	(4,233,362)	405,973
Issue of share capital	850,000	–	–	–	–	850,000
Cost of shares issued	–	(155,000)	–	–	–	(155,000)
Transactions with owners	850,000	(155,000)	–	–	–	695,000
Loss for the financial year	–	–	–	–	(565,676)	(565,676)
<i>Other comprehensive expense</i>						
Exchange differences on translating foreign operations	–	–	–	(50,657)	–	(50,657)
Total comprehensive expense for the year	–	–	–	(50,657)	(565,676)	(616,333)
<b>Balance at 31 December 2009</b>	3,285,796	1,852,339	27,000	118,543	(4,799,038)	484,640
Loss for the financial year	–	–	–	–	(362,053)	(362,053)
<i>Other comprehensive expense</i>						
Exchange differences on translating foreign operations	–	–	–	(10,753)	–	(10,753)
Total comprehensive expense for the year	–	–	–	(10,753)	(362,053)	(372,806)
Recognition of foreign exchange gains on discontinued activities (note 4)	–	–	–	(107,790)	–	(107,790)
<b>Balance at 31 December 2010</b>	<b>3,285,796</b>	<b>1,852,339</b>	<b>27,000</b>	<b>–</b>	<b>(5,161,091)</b>	<b>4,044</b>

## Consolidated statement of financial position

	Note	2010 £	2009 £
<b>Current assets</b>			
Other receivables	13	8,578	29,696
Cash and cash equivalents	14	42,461	657,265
		<u>51,039</u>	<u>686,961</u>
<b>Total Assets</b>		<u>51,039</u>	<u>686,961</u>
<b>Current liabilities</b>			
Trade and other payables	15	46,995	112,852
Income tax payable		–	89,469
		<u>46,995</u>	<u>202,321</u>
<b>Net assets</b>		<u>4,044</u>	<u>484,640</u>
<b>Equity</b>			
Share capital	17	3,285,796	3,285,796
Share premium account		1,852,339	1,852,339
Capital redemption reserve		27,000	27,000
Translation reserve		–	118,543
Retained losses		(5,161,091)	(4,799,038)
<b>Total equity</b>		<u>4,044</u>	<u>484,640</u>

These Financial Statements were approved by the board of Directors on 22 June 2011 and were signed on its behalf by:

N Lee  
Director, Viridas plc

Company number: 269566

## Consolidated statement of cash flows

	Note	2010 £	2009 £
<b>Cash flows from operating activities</b>			
Loss before taxation - continuing operations	4	(471,419)	(682,205)
Profit before taxation - discontinued operations	4	2,306	119,368
Depreciation of property, plant and equipment		–	3,679
Interest receivable		(1,323)	(2,034)
Interest payable		–	2,129
Decrease in trade and other receivables		21,118	248,277
Decrease in trade and other payables		(65,857)	(80,592)
Foreign exchange movement		(10,753)	(50,657)
		<u>(525,928)</u>	<u>(442,035)</u>
Interest paid		–	(2,129)
Tax (paid)/received		(90,199)	36,821
<b>Net cash used by operating activities</b>	4	<u>(616,127)</u>	<u>(407,343)</u>
<b>Cash flows from investing activities</b>			
Interest received		1,323	2,034
<b>Net cash from investing activities</b>	4	<u>1,323</u>	<u>2,034</u>
<b>Cash flows from financing activities</b>			
Issue of shares - net proceeds		–	695,000
Repayment of loans		–	(384)
Repayment of finance leases		–	(3,220)
<b>Net cash generated from financing activities</b>	4	<u>–</u>	<u>691,396</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(614,804)</b>	<b>286,087</b>
Cash and cash equivalents at the beginning of the year		<b>657,265</b>	<b>371,178</b>
<b>Cash and cash equivalents at the end of the year</b>	16	<u><b>42,461</b></u>	<u><b>657,265</b></u>

# Notes to the consolidated financial statements

## 1 General information

During the year, the Group continued to develop its plantation model for the growing of *jatropha curcas* as a dedicated energy crop for the production of biofuels. The addresses of its registered office and principal place of business are disclosed on the Company information page.

## 2 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been applied consistently in dealing with items that are considered material to the Group's financial statements.

The Group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. A third statement of financial position has not been presented as required by IAS1 (revised) as the information is unchanged from the previously published financial statements. The financial statements have been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

### Going concern

The financial statements have been prepared on a going concern basis.

Overheads have been significantly reduced and comprise only the remuneration of the Directors, establishment costs, adviser costs and listing fees.

The company has raised £1,050,000 in additional funding in May 2011 which is sufficient to run the company and to pursue opportunities in line with its new strategy of seeking investments in the natural resources sector.

The Directors therefore believe that the going concern basis is appropriate for the preparation of the financial statements as they are in a position to meet all its liabilities as they fall due.

## Notes to the consolidated financial statements (continued)

### Summary of significant accounting policies (continued)

#### Critical accounting estimates and judgements

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. These estimates and assumptions are based upon management's knowledge and experience of the amounts, events or actions. Actual results may differ from such estimates. No significant estimates are included in the financial statements.

#### Standards and interpretations in issue not yet adopted

As of 31 December 2010, the following standards and interpretations are in issue but not yet adopted by the EU:

- IFRS 9 Financial Instruments (effective 1 January 2013)
- IFRS 10 Consolidated Financial Statements (effective 1 January 2013)
- IFRS 11 Joint Arrangements (effective 1 January 2013)
- IFRS 12 Disclosure of Interests in Other Entities (effective 1 January 2013)
- IFRS 13 Fair Value Measurement (effective 1 January 2013)
- IAS 27 (Revised), Separate Financial Statements (effective 1 January 2013)
- IAS 28 (Revised), Investments in Associates and Joint Ventures (effective 1 January 2013)
- Disclosures - Transfers of Financial Assets - Amendments to IFRS 7 (effective 1 July 2011)
- Deferred Tax: Recovery of Underlying Assets - Amendments to IAS 12 Income Taxes (effective 1 January 2012)
- Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters - Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards (effective 1 July 2011)
- IAS 24 (Revised 2009) Related Party Disclosures (effective 1 January 2011)

The Directors have considered these new standards and interpretations and do not expect them to have a material impact on the Group.

## Notes to the consolidated financial statements (continued)

### Summary of significant accounting policies (continued)

#### Basis of consolidation

The consolidated income statement and statement of financial position include the financial information of the Company and its subsidiary undertakings made up to 31 December 2010. Acquisitions of subsidiaries are dealt with by the purchase method. The purchase method involves the recognition at fair value of all identifiable assets and liabilities, including contingent liabilities of the subsidiary, at the acquisition date, regardless of whether or not they were recorded in the financial statements of the subsidiary prior to acquisition. On initial recognition, the assets and liabilities of the subsidiary are included in the consolidated statement of financial position at their fair values, which are also used as the bases for subsequent measurement in accordance with the Group accounting policies. Goodwill is stated after separating out identifiable intangible assets of the acquired subsidiary at the date of acquisition.

#### Segmental reporting

The accounting policy for identifying segments is now based on internal management reporting information that is regularly reviewed by the chief operating decision maker.

In identifying its operating segments, management generally follows the Group's service lines which represent the main products and services provided by the Group. The Directors believe that all continuing operations in the bio-fuel market relate to one segment.

#### Other intangible assets and development activities

Where the Directors are satisfied as to the technical, commercial and financial viability of individual projects, identifiable development expenditure is capitalised. Such intangible assets are amortised over fifteen years, being the period over which the Group is expected to derive benefits. Provision is made for any impairment

Development costs not meeting these criteria are expensed as incurred.

#### Leased assets

In accordance with IAS 17, the economic ownership of a leased asset is transferred to the lessee if the lessee bears substantially all the risks and rewards related to the ownership of the leased asset. The related asset is recognised at the time of inception of the lease at the fair value of the leased asset or, if lower, the present value of the minimum lease payments plus incidental payments, if any, to be borne by the lessee. A corresponding amount is recognised as a finance leasing liability.

The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the income statement over the year of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the income statement on a straight line basis over the lease term. Lease incentives are spread over the term of the lease.

## Notes to the consolidated financial statements (continued)

### Summary of significant accounting policies (continued)

#### Taxation

Current taxation is the taxation currently payable on taxable profit for the year.

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Temporary differences include those associated with shares in subsidiaries and joint ventures and are only not recognised if the Group controls the reversal of the difference and it is not expected for the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the statement of financial position date. Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statement, except where they relate to items that are charged or credited to equity in which case the related deferred tax is also charged or credited directly to equity.

#### Foreign currency translation

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the statement of financial position reporting date. All exchange differences are dealt with through the profit or loss as they arise except where they arise from translation on consolidation, where they are recognised in other comprehensive income and reclassified to profit or loss on the disposal of the foreign operation. Following transition to IFRS1, the Group has disclosed a translation reserve, under the transitional rules this reflects only exchange gains and losses since 1 March 2006.

#### Financial assets

The Group's financial assets comprise primarily cash and bank deposits that arise from its operations.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

## Notes to the consolidated financial statements (continued)

### Summary of significant accounting policies (continued)

#### Financial liabilities

The Group's financial liabilities comprise trade payables. Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Group becomes a party to the contractual provisions of the instruments.

#### Trade payables

Trade payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

#### Share-based payments

No charge has arisen in respect of the Group's share based payments as it is not considered to be material.

#### Dividends

Dividend distributions payable to equity shareholders are included in "current financial liabilities" when the dividends are approved in general meeting prior to the statement of financial position date.

#### Equity

Equity comprises the following:

- "Share capital" represents the nominal value of equity shares.
- "Share premium" represents the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue.
- "Capital redemption reserve" represents the nominal value of shares repurchased or redeemed by the Company.
- "Translation reserve" represents the effect of retranslation of overseas subsidiaries.
- "Retained losses" represents retained losses.

#### Disposal of assets

The gain or loss arising on the disposal of an asset is determined as the difference between the disposal proceeds and the carrying amount of the asset and is recognised in the income statement. The gain or loss arising from the sale of non-current assets is generally included in "other income" or "other expense" in the income statement.

## Notes to the consolidated financial statements (continued)

### 3 Segmental information

The Group is organised around business class and the results are reported to the Chief Operating Decision Maker according to this class. There is one continuing class of business, being the Jatropa business, and discontinued activities relating to distribution of underwear and Ninaclip products (see note 4).

Given that there is only one continuing class of business, operating within the UK no further segmental information has been provided, other than geographical as set out below.

### 4 Discontinued operations

During the prior year, the previous business activities relating to distribution of underwear and Ninaclip products were discontinued. The income and expenditure account and cash flows have been split between continuing and discontinued activities in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations".

	Continuing 2010 £	Discontinued 2010 £	Total 2010 £	Continuing 2009 £	Discontinued 2009 £	Total 2009 £
Administrative expenses	(471,826)	–	(471,826)	(681,670)	–	(681,670)
Other income	–	1,390	1,390	–	118,928	118,928
<b>Operating (loss)/profit</b>	<b>(471,826)</b>	<b>1,390</b>	<b>(470,436)</b>	<b>(681,670)</b>	<b>118,928</b>	<b>(562,742)</b>
Net finance income/(expenses)	407	916	1,323	(535)	440	(95)
<b>(Loss)/profit before taxation</b>	<b>(471,419)</b>	<b>2,306</b>	<b>(469,113)</b>	<b>(682,205)</b>	<b>119,368</b>	<b>(562,837)</b>
Taxation (note 10)	–	(730)	(730)	–	(2,839)	(2,839)
<b>(Loss)/profit after taxation</b>	<b>(471,419)</b>	<b>1,576</b>	<b>(469,843)</b>	<b>(682,205)</b>	<b>116,529</b>	<b>(565,676)</b>
Recognition of foreign exchange gains on discontinued foreign operations	–	107,790	107,790	–	–	–
<b>(Loss)/profit for the year</b>	<b>(471,419)</b>	<b>109,366</b>	<b>(362,053)</b>	<b>(682,205)</b>	<b>116,529</b>	<b>(565,676)</b>
Net cash used by operating activities	(616,787)	660	(616,127)	(863,347)	456,004	(407,343)
Net cash from investing activities	407	916	1,323	–	2,034	2,034
Net cash generated from financing activities	–	–	–	691,396	–	691,386

## Notes to the consolidated financial statements (continued)

### 5 Operating loss

Operating loss is stated after charging

	2010 £	2009 £
Depreciation	–	3,679
Operating lease rentals		
- land and buildings	6,000	6,000
Audit services:		
- fees payable to Company auditor for the audit of parent Company and Consolidated Financial Statements	11,000	10,000
Non-Audit services:		
- fees relating to the audit of subsidiary companies	500	500
- tax services	4,000	3,000
	<u>4,000</u>	<u>3,000</u>

### 6 Finance income and costs

	2010 £	2009 £
<b>Finance costs:</b>		
Bank interest	–	535
	<u>–</u>	<u>535</u>
<b>Finance income:</b>		
Interest receivable	407	–
	<u>407</u>	<u>–</u>

### 7 Directors' emoluments

	2010 £	2009 £
<b>Directors' emoluments</b>		
Aggregate emoluments	275,163	244,494
Shares issued for remuneration	–	130,000
	<u>275,163</u>	<u>374,494</u>

**Highest paid Director**

	2010 £	2009 £
Aggregate emoluments	123,660	169,117
Shares issued for remuneration	–	25,000
	<u>123,660</u>	<u>194,117</u>

## Notes to the consolidated financial statements (continued)

### Directors' emoluments (continued)

Name of director	Fees	Benefits	2010 £	2009 £
S J Wootliff	110,262	13,398	123,660	194,117
M Brink	63,750	–	63,750	32,500
D Thompson	21,250	–	21,250	28,417
J L Posner	4,200	–	4,200	11,200
G Haselden	52,713	8,090	60,803	80,260
KM Robinson	1,500	–	1,500	28,000

### 8 Employee information

	2010 £	2009 £
Wages and salaries	253,675	223,638
Social security costs	28,993	26,537
Shares issued for remuneration	–	130,000
	<u>282,668</u>	<u>380,175</u>

Average number of persons employed:

	2010 Number	2009 Number
Office and management	<u>2</u>	<u>2</u>

### Compensation of key management personnel

There are no key management personnel other than the Directors of the Company.

### 9 Share based payments

#### Warrants

During the previous year, the Company issued warrants, each entitling the holder to subscribe in cash for one share at a price of 10p per share:

Number of warrants at 1 January 2010	Issued in the year	Exercised in the year	Number of warrants at 31 December 2010	Exercise price	Vesting Date	Expiry date
2,125,000	-	–	2,125,000	10p	20.11.2011	20.11.2014

The Directors do not consider the fair value of warrants to be material to the Company accordingly a charge has not been recognised in accordance with IFRS.

## Notes to the consolidated financial statements (continued)

### 10 Income tax expense

The tax charge relating to continuing operations for the year to 31 December 2010 is £Nil (2009: £nil).

	2010 £	2009 £
Current tax - discontinued operations	<u>730</u>	<u>2,839</u>

The tax on the Group's loss before tax differs from the theoretical amount that would arise using the weighted average rate applicable to profits of the Consolidated entities as follows:

	2010 £	2009 £
Loss before income tax from continuing operations	(471,419)	(682,205)
Profit before income tax from discontinued operations	<u>2,306</u>	<u>119,368</u>
Loss before income tax	(469,113)	(562,837)
Loss before income tax multiplied by rate of corporation tax in the UK of 28% (2009: 28%)	(131,352)	(157,594)
Expenses not deductible for tax purposes	-	7,100
Difference between capital allowances and depreciation	-	(2,584)
Increase in unused losses	130,622	155,554
Tax adjustments	-	363
Total tax	<u>730</u>	<u>2,839</u>

Unrelieved tax losses of £2,834,000 (2009: £2,365,000) remain available to offset against future taxable trading profits. No deferred tax asset has been recognised in respect of the losses as recoverability is uncertain.

### 11 Deferred tax

The unprovided deferred taxation asset calculated at a tax rate of 26% (2009 : 28%) is set out below:

	2010 £	2009 £
Accelerated capital allowances	-	(444)
Unutilised tax losses	<u>(793,520)</u>	<u>(661,756)</u>
	<u>(793,520)</u>	<u>(662,200)</u>

A deferred tax asset has not been recognised as its immediate recoverability is uncertain.

## Notes to the consolidated financial statements (continued)

### 12 Loss per share

The basic loss per share is based on the loss of £362,053 (2009: £565,676) and 32,857,956 (2009: 25,336,038) ordinary shares of 10p each, being the weighted average number of shares in issue during the year. The weighted average number of ordinary shares for the year ended 31 December 2010 assumes that all shares have been included in the computation based on the weighted average number of days since issue.

	2010	2009
Loss attributable to equity holders of the Group (£)	<b>(362,053)</b>	(565,676)
Weighted average number of ordinary shares in issue	<b>32,857,956</b>	25,336,038
Loss per share (pence)	<b>(1.10)</b>	(2.23)

The share options in issue are anti-dilutive in respect of the basic loss per share calculation and have therefore not been included.

On the same basis as above the loss per share for continuing activities is 1.43 pence (2009: 2.69 pence) and the profit per share for discontinued activities is 0.33 pence (2009: profit per share 0.46 pence).

### 13 Other receivables

	2010	2009
	£	£
Prepayments and accrued income	5,561	21,989
Other receivables	3,017	709
VAT recoverable	–	6,998
	<u>8,578</u>	<u>29,696</u>

### 14 Cash and cash equivalents

	2010	2009
	£	£
Cash and cash equivalents	<u>42,461</u>	<u>657,265</u>

### 15 Trade and other payables

	2010	2009
	£	£
Trade payables	–	80,672
Social security and other taxes	6,444	21,380
Other payables	–	712
Accrued expenses	40,551	10,088
	<u>46,995</u>	<u>112,852</u>

## Notes to the consolidated financial statements (continued)

### 16 Financial instruments

#### Financial instruments

The Group uses financial instruments, other than derivatives, comprising cash to provide funding for the Group's operations.

The main risk arising from the Group financial instruments is liquidity risk. The company does not have any significant other risks. The Directors agree policies for managing each of these risks and they are summarised below.

#### Liquidity risk

The Group seeks to manage financial risk, to ensure sufficient liquidity is available to meet foreseeable needs.

An analysis of trade and other payables is given in note 15. These payables are payable within a year.

#### Net foreign currency monetary assets

	Euro £	Brazilian Real £	Total £
Sterling	38,647	36	38,683

The Directors do not consider they have significant exposure to movements in foreign currency with their monetary assets

The Group is mainly exposed to the movements in the Euro. The following table details the Group's sensitivity to a 10% increase and decrease in sterling against the Euro. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 10% change in foreign currency rates.

	2010 £	2009 £
Profit or loss	3,864	13,517
Other equity	32,667	114,794

#### Fair value

There was no material difference between the book values and fair values of the Group's financial assets and liabilities.

#### Categories of financial instruments

	2010 £	2009 £
<b>Financial assets</b>		
Other assets	3,077	709
Cash and cash equivalents	42,461	657,265
<b>Financial liabilities: amortised cost</b>		
Trade payables	-	80,672

## Notes to the consolidated financial statements (continued)

### 17 Share capital

	2010 Number of shares	2010 Share capital £	2009 Number of shares	2009 Share capital £
<b>Authorised</b>				
Ordinary shares of 10p each	<u>80,000,000</u>	<u>80,000,000</u>	<u>80,000,000</u>	<u>8,000,000</u>
<b>Issued and fully paid</b>				
Balance brought forward	32,857,956	3,285,796	24,357,956	2,435,796
Proceeds from placing	–	–	8,500,000	850,000
Balance carried forward	<u>32,857,956</u>	<u>3,285,796</u>	<u>32,857,956</u>	<u>3,285,796</u>

### 18 Operating lease commitments - minimum lease payments

The Group leases an office under a non-cancellable operating lease agreement.

The future aggregate minimum lease payments are:

	2010 £	2009 £
	<b>Buildings</b>	Buildings
Within one year	3,000	6,000
More than one year and less than five years	–	3,000
	<u>3,000</u>	<u>9,000</u>

### 19 Related party transactions

Transactions between the company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

### 20 Non adjusting post balance sheet event

On 20 January 2011, the company entered into an option agreement with a group of South African investors with a view to them subscribing for 14,000,000 new shares resulting in them taking a 29.9% shareholding in the business. It was subsequently announced on 16 March 2011 that this option agreement had lapsed as these investors had decided not to pursue this investment. On 31 March 2011, the Group announced that it had entered into an agreement to raise £750,000 in the form of unsecured convertible loan notes on the basis that it changed its strategy to that of making investments in the natural resources sector. This change of strategy was to be approved by shareholders at a general meeting. On 5 April 2011 it was announced that the level of funds being raised had been increased to £1,050,000.

On 10 May 2011, the necessary resolutions to effect the fund raising and change the Group's strategy were approved at the Group's general meeting and the convertible loan notes were converted into equity in accordance with their terms.

## Company balance sheet

	Note	2010 £	2009 £
<b>Fixed assets</b>			
Investments	22	-	49,000
		<u>-</u>	<u>49,000</u>
<b>Current assets</b>			
Debtors	23	5,561	74,955
Cash at bank and in hand		3,008	476,635
		<u>8,569</u>	<u>551,590</u>
<b>Creditors: amounts falling due within one year</b>	24	<u>(38,008)</u>	(151,609)
<b>Net current (liabilities)/assets</b>		<u>(29,439)</u>	<u>399,981</u>
<b>Total assets less current liabilities</b>		<u>(29,439)</u>	<u>448,981</u>
<b>Net (liabilities)/assets</b>		<u><u>(29,439)</u></u>	<u><u>448,981</u></u>
<b>Capital and reserves</b>			
Called up share capital	25	3,285,796	3,285,796
Share premium account	26	1,852,339	1,852,339
Capital redemption reserve	26	27,000	27,000
Profit and loss account	26	(5,194,574)	(4,716,154)
<b>Shareholders (deficit)/funds</b>	27	<u><u>(29,439)</u></u>	<u><u>448,981</u></u>

The financial statements were approved by the Board of Directors on 22 June 2011.

N Lee  
 Director, Viridas Plc  
 Company number: 269566

# Notes to the company balance sheet

## 21 Principal accounting policies - UK GAAP

### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The principal accounting policies of the company are set out below. The Directors have reviewed the accounting policies in accordance with FRS18 "Accounting Policies" and consider them to be most appropriate to the company's circumstances.

### **Research and development**

Development expenditure is written off, except where the Directors are satisfied as to the technical, commercial and financial viability of individual projects. In such cases, the identifiable expenditure is capitalised and amortised over fifteen years, the period during which the Company is expected to benefit. Provision is made for any impairment.

### **Investments**

Fixed asset investments are stated at cost less provision for impairment.

### **Deferred taxation**

Deferred tax is recognised on all timing differences where the transaction or events that give the Company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using the rates of tax that have been enacted or substantively enacted by the balance sheet date.

### **Foreign currency**

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

### **Leases**

Assets held under finance leases, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the year of the leases to produce a constant rate of charge on the balance of capital repayments outstanding.

Rentals under operating leases are charged on a straight line basis over the lease term, even if the payments are not made on such a basis.

## Notes to the company balance sheet (continued)

### 22 Fixed asset investments

	Subsidiary undertakings £
<b>Cost</b>	
As at 1 January 2010	2,072,098
Additions	68,000
Disposals	(660,000)
As at 31 December 2010	<u>1,480,098</u>
<b>Provisions</b>	
As at 1 January 2010	2,023,098
Provision in the year	117,000
Disposals	(660,000)
As at 31 December 2010	<u>1,480,098</u>
<b>Net book value</b>	
As at 31 December 2010	<u>—</u>
As at 31 December 2009	<u>49,000</u>

## Notes to the company balance sheet (continued)

### Fixed asset investments (continued)

The Company has investments in the following subsidiary undertakings :

Name	Date of incorporation	Status of Company	Country of incorporation and principal country of operation	Nature of business	Description of holding	Proportion held
<i>Subsidiary undertakings</i>						
Viridas Trading Limited	22 March 1997	Private	Great Britain	Handles international currency transactions for the Group	£100,000 Ordinary shares	100%
Viridas GmbH (previously Nissel Textilien GmbH)	4 March 1987	Private	Germany	Dormant	EURO 25,000 Registered shares	100%
Viridas Brasil Agronegocios Ltd	25 July 2007	Private	Brazil	Distribution and production of crude Jatropha oil	R\$ 100,000	100%
Viridas Enterprises Brasil Limited	3 October 2008	Private	Great Britain	Distribution of crude Jatropha oil	£1 Ordinary shares	100%

Ninaclip plc was dissolved during the year, the investments in the subsidiary undertakings had been treated as disposals in the financial statements.

Challioner & Walker Limited was dissolved on 17<sup>th</sup> May 2011.

## Notes to the company balance sheet (continued)

### 23 Debtors

	2010 £	2009 £
Amounts owed by other subsidiary undertakings	–	45,968
Other debtors	–	6,998
Prepayments and accrued income	5,561	21,989
	<u>5,561</u>	<u>74,955</u>

### 24 Creditors : amounts falling due within one year

	2010 £	2009 £
Amounts owed to subsidiary undertakings	–	49,557
Other taxes and social security costs	–	21,380
Accruals and deferred income	38,008	80,672
	<u>38,008</u>	<u>151,609</u>

### 25 Share capital

	2010 Number of shares	2010 Share capital £	2009 Number of shares	2009 Share capital £
<b>Authorised</b>				
Ordinary shares of 10p each	<u>80,000,000</u>	<u>8,000,000</u>	80,000,000	8,000,000
<b>Issued and fully paid</b>				
Balance brought forward	32,857,796	3,285,796	24,357,956	2,435,796
Proceeds from placing	–	–	8,500,000	850,000
Balance carried forward	<u>32,857,796</u>	<u>3,285,796</u>	<u>32,857,956</u>	<u>3,285,796</u>

## Notes to the company balance sheet (continued)

### 26 Reserves

	Share premium account £	Capital redemption reserve £	Profit and loss account £
At 1 January 2010	1,852,339	27,000	(4,716,154)
Loss for the year	–	–	(478,420)
At 31 December 2010	<u>1,852,339</u>	<u>27,000</u>	<u>(5,194,574)</u>

As permitted by section 408 Companies Act 2006, the profit and loss account of Viridas plc is not separately presented in these accounts. A loss of £478,420 (2009: £833,036) is attributable to the Company.

### 27 Reconciliation of movements in shareholders' (deficit)/ funds

	2010 £	2009 £
Loss for the financial year	(478,420)	(833,036)
Issue of shares - net proceeds	–	695,000
Net decrease in shareholders' funds	<u>(478,420)</u>	<u>(138,036)</u>
Opening shareholders' funds	448,981	587,017
Closing shareholders' (deficit)/funds	<u>(29,439)</u>	<u>448,981</u>

### 28 Guarantees and financial commitments

#### Operating leases

Annual commitments under non-cancellable operating leases are as follows :

	2010 £	2009 £
<b>Land and buildings</b>		
Expiry date:		
Less than 1 year	3,000	–
Between 1 and 2 years	–	6,000
	<u>3,000</u>	<u>6,000</u>

### 29 Related party disclosures

The Company has taken advantage of the exemption in Financial Reporting Standard 8 "Related Party Disclosures" so as not to disclose transactions between wholly owned subsidiaries within the Group.

## Notice of Annual General Meeting

Notice is hereby given that the seventy ninth Annual General Meeting of the Company will be held at Arbutnot Securities Limited, Arbutnot House, 20 Ropemaker Street, London EC2Y 9AR at 11.00 a.m. on Tuesday 26 July 2011 for the following purposes :

### As ordinary business

1. To receive and consider the Directors' Report and the audited financial statements for the year ended 31 December 2010.
2. To elect N. Lee as a Director.
3. To re-appoint Grant Thornton UK LLP as Auditors to the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.

### As special business

4. To consider and, if thought fit, pass the following Resolution which will be proposed as an Ordinary Resolution :

That, in substitution for all existing authorities for the allotment of shares by the Directors, which are hereby revoked, but without prejudice to any allotment, offer or agreement already made pursuant thereto, the Directors be and they are hereby generally and unconditionally authorised, pursuant to section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into such shares (all of which transactions are hereafter referred to as an allotment of 'relevant securities') up to an aggregate nominal amount of £4,500,000 generally, in each case for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) 15 months after the date of the passing of this resolution or at the conclusion of the next annual general meeting of the Company following the passing of this resolution, whichever occurs first, provided that the Company may before such expiry, variation or revocation make an offer or agreement which would or might require such relevant securities to be allotted after such expiry, variation or revocation and the Directors may allot relevant securities pursuant to such an offer or agreement as if the authority conferred hereby had not expired or been varied or revoked.

5. To consider and, if thought fit, pass the following Resolution which will be proposed as a Special Resolution :

That conditional upon the passing of resolution 4 above, the Directors be and are hereby empowered pursuant to section 570 of the 2006 Act, to allot equity securities as defined by section 560 of the 2006 Act for cash pursuant to the authority conferred by Resolution 4 above as if section 561 of the 2006 Act did not apply to any such allotments provided that this power shall be limited to :

- a) the grant of options in respect of ordinary shares up to a nominal amount of £45,000 and
- b) the allotment of equity securities up to an aggregate nominal amount being 10% of the Company's issued share capital

## Notice of Annual General Meeting (continued)

5. To consider and, if thought fit, pass the following Resolution which will be proposed as a Special Resolution : (continued)

Such power shall, subject to the continuance of the respective authority conferred by Resolution 4, expire fifteen months after the passing of this resolution or at the conclusion of the next annual general meeting of the Company following the passing of this resolution, whichever occurs first, but may be previously revoked or varied from time to time by Special Resolution but so that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require equity securities to be allotted after such expiry, revocation or variation and the Directors may allot equity securities in pursuance of such offer or agreement as if such power had not expired or been revoked or varied.

By order of the Board

**G. Haselden**  
Secretary

Registered Office:  
31 Harley Street  
London  
W1G 9QS

## Notice of Annual General Meeting (continued)

**Viridas plc  
 Form of Proxy  
 Annual General Meeting  
 26 July 2011 at 11.00 a.m.**

**Before completing this form, please read the explanatory notes [below OR overleaf]**

I /We

.....  
 (Name in full in block capitals please)

of

.....  
 (address)

being a member of the Company appoint the Chairman of the meeting or (see note 3)

as my/our proxy to attend, speak and vote on my/our behalf at the Annual General Meeting of the Company to be held on 26 July 2011 at 11.00 a.m. and at any adjournment of the meeting.

I/We direct my/our proxy to vote on the following resolutions as I/we have indicated by marking the appropriate box with an 'X'. If no indication is given, my/our proxy will vote or abstain from voting at his or her discretion and I/we authorise my/our proxy to vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

RESOLUTIONS	For	Against
<b>ORDINARY BUSINESS</b>		
1. To approve the financial statements		
2. To elect N. Lee as a Director		
3. To re-appoint Grant Thornton UK LLP as Auditors and authorise the Directors to fix their remuneration		
<b>SPECIAL BUSINESS</b>		
4. To grant the Directors authority to allot shares under section 551 Companies Act 2006		
5. To disapply statutory pre-emption rights under section 570 Companies Act 2006		

<b>Signature</b>	<b>Date</b>

### Notes to the proxy form

- As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. You can only appoint a proxy using the procedures set out in these notes.

## Notice of Annual General Meeting (continued)

2. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
3. A proxy does not need to be a member of the Company but must attend the meeting to represent you. To appoint as your proxy a person other than the Chairman of the meeting, insert their full name in the box. If you sign and return this proxy form with no name inserted in the box, the Chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions. If you wish you proxy to make any comments on your behalf, you will need to appoint someone other than the Chairman and give them the relevant instructions directly.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, contact Share Registrars Ltd on 01252 821390.
5. To direct your proxy how to vote on the resolutions mark the appropriate box with an 'X'. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.
6. To appoint a proxy using this form, the form must be:
  - completed and signed;
  - sent or delivered to Share Registrars Ltd at Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey, GU9 7LL; and
  - received by Share Registrars Ltd no later than 11.00 a.m. on 24 July 2011.
7. In the case of a member which is a company, this proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
8. Any power of attorney or any other authority under which this proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
9. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
10. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
11. For details of how to change your proxy instructions or revoke your proxy appointment see the notes to the notice of meeting.