MINETECH RESOURCES BERHAD (575543-X) (Incorporated in Malaysia) INTERIM FINANCIAL STATEMENTS

Condensed Consolidated Statement Of Comprehensive Income For the quarter ended 30 June 2011 (The figures have not been audited)

	<u>Individ</u>	ual Quarter	Cumulative Quarter			
	Current Year Preceding Year		Current Year	Preceding Year		
		Corr.Quarter ended	Todate ended	Corr. Period ended		
	30 June 2011	30 June 2010	30 June 2011	30 June 2010		
	RM'000	RM'000	RM'000	RM'000		
Revenue	31,935	31,951	58,525	64,366		
Cost of sales	(28,854)	(28,779)	(52,778)	(57,921)		
Gross profit	3,081	3,172	5,747	6,445		
Other income	86	454	154	906		
Administrative expenses	(2,094)	(1,993)	(4,078)	(4,384)		
Selling and marketing expenses	(92)	(130)	(173)	(275)		
Finance costs	(925)	(1,103)	(1,880)	(2,173)		
Profit/ (Loss) Before Tax	56	400	(230)	519		
Tax expense	5	-	5	-		
Profit/ (Loss) for the period	61	400	(225)	519		
Other Comprehensive Income						
Foreign currency translation differences	(9)	(9)	(11)	(131)		
Total Comprehensive Income/ (Loss)	52	391	(236)	388		
Total Profit/(loss) attributable to:						
Equity holders of the Parent	83	510	(169)	778		
Minority interest	(22)	(110)	(56)	(259)		
	61	400	(225)	519		
Total Comprehensive Income/ (Loss)						
attributable to:						
Equity holders of the Parent	74	501	(180)	664		
Minority interest	(22)	(110)	(56)	(276)		
•	52	391	(236)	388		
			()			
Earning/ (loss) per share (sen)						
- Basic	0.03	0.17	(0.06)	0.26		
- Diluted	N/A	N/A	N/A	N/A		
	•		-	-		

N/A - Not Applicable

The Condensed Consolidated Income Statements should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for financial year ended 31 December 2010.

MINETECH RESOURCES BERHAD (575543-X) (Incorporated in Malaysia) INTERIM FINANCIAL STATEMENTS Condensed Consolidated Statement Of Financial Position As at 30 June 2011

	Unaudited As At 30 June 2011 RM'000	Audited As At 31 Dec 2010 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	60,190	62,367
Investment properties	2,846	2,853
Quarry development expenditure	12,144	13,218
	75,180	78,438
Current assets		
Inventories	14,095	12,182
Trade and other receivables	48,663	55,712
Current tax asset	195	335
Cash and bank balances	8,160	7,082
	71,113	75,311
TOTAL ASSETS	146,293	153,749
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the paren	ıt	
Share capital	60,494	60,494
Less:- Treasury shares, at cost	(48)	(48)
Reserves	(1,044)	(875)
	59,402	59,571
Minority interest	318	374
Total equity	59,720	59,945
Non-current liabilities		
Borrowings	25,002	29,921
Deferred tax liabilities	5,646	5,646
	30,648	35,567
Compant lightilities		
Current liabilities	34,150	36,922
Trade and other payables Borrowings	21,775	21,315
Borrowings	55,925	58,237
	33,823	30,237
Total liabilities	86,573	93,804
TOTAL EQUITY AND LIABILITIES	146,293	153,749
Net assets per share (RM)	0.197	0.198

The Condensed Consolidated Balance Sheets should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for financial year ended 31 December 2010.

MINETECH RESOURCES BERHAD (575543-X) (Incorporated in Malaysia) INTERIM FINANCIAL STATEMENTS

Condensed Consolidated Statements of Changes in Equity For the quarter ended 30 June 2011 (The figures have not been audited)

	Attributable to equity holders of the parent							
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Forex Reserve RM'000	Retained Earnings RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
At 1 Jan 2011	60,494	1,921	(48)	313	(3,109)	59,571	374	59,945
Total Comprehensive income	0	0	0	11	(180)	(169)	(56)	(225)
Balance as at 30 June 2011	60,494	1,921	(48)	324	(3,289)	59,402	318	59,720
At 1 Jan 2010	60,494	1,921	(48)	410	(5,336)	57,441	990	58,431
Total Comprehensive income	0	0	0	(114)	778	664	(276)	388
Balance as at 30 June 2010	60,494	1,921	(48)	296	(4,558)	58,105	714	58,819

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited statements for financial year ended 31 December 2010.

MINETECH RESOURCES BERHAD (575543-X) (Incorporated in Malaysia) INTERIM FINANCIAL STATEMENTS

Condensed Consolidated Statement Of Cash Flows For the quarter ended 30 June 2011 (The figures have not been audited)

CASH FLOWS FROM OPERATING ACTIVITIES CISSI) Profit before tax	he figures have not been audited)	Current Year Todate ended 30 June 2011 RM'000	Preceding Year Todate ended 30 June 2010 RM'000
Adjustment for:- Depreciation and amortisation 5,810 6,869 Interest expenses 1,714 1,799 Other non-cash items (118) (880) Operating profit before changes in working capital 7,176 8,307	CASH FLOWS FROM OPERATING ACTIVITIES		
Depreciation and amortisation 1,810 1,799 1,799 1,799 1,799 1,799 1,799 1,799 1,716 1,799 1,799 1,799 1,716 1,799 1,79		(230)	519
Interest expenses	·	5 910	6 960
Other non-cash items (118) (880) Operating profit before changes in working capital 7,176 8,307 Changes in working capital 5,135 7,620 Decrease in current assets 5,135 7,620 Decrease in current liabilities (2,771) (7,284) Net cash flow from operations 9,540 8,643 Tax refunded Interest paid (205) (244) Net cash flow from operating activities 9,480 8,626 CASH FLOWS FROM INVESTING ACTIVITIES Variant and activities (914) (270) Purchase of property, plant & equipment (914) (270) Purchase of investment properties 0 1,0398 Proceeds from disposal of property, plant & equipment 462 863 Proceeds from disposal of investmant properties 0 109 Proceeds from disposal of non-current assets held for sale Quarry development expenditure incurred 0 - Quarry development expenditure incurred 0 - Net cash flow used in investing activities (1,509) (1,555) Interest paid (1,509) <td></td> <td></td> <td>•</td>			•
Operating profit before changes in working capital 7,176 8,307 Changes in working capital Decrease in current assets Decrease in current liabilities			
Decrease in current liabilities			
Decrease in current liabilities (2,771) (7,284) Net cash flow from operations 9,540 8,643 Tax refunded Interest paid 145 227 Interest paid (205) (244) Net cash flow from operating activities 9,480 8,626 CASH FLOWS FROM INVESTING ACTIVITIES Purchase of property, plant & equipment (914) (270) Purchase of investment properties 0 (1,398) Proceeds from disposal of property, plant & equipment 462 863 Proceeds from disposal of investmant properties 0 109 Proceeds from disposal of non-current assets held for sale Quarry development expenditure incurred 0 - Net cash flow used in investing activities (452) (696) CASH FLOWS FROM FINANCING ACTIVITIES (1,509) (1,555) Interest paid (1,509) (1,555) Interest paid (1,509) (1,555) Interest paid (1,509) (1,555) Interest paid (2,985) (2,352) Repayment of term loans (2,985) (2,352)			
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Interest paid (205)	·	9,540	8,643
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Effect on foreign exchange rate changes (234) 248 Cash and Cash Equivalents at end of period Note 6,791 2,926 Note RM'000 RM'000 Fixed deposit with licensed banks 2,439 1,810 Cash and bank balances 5,721 3,264 Bank overdrafts 0 (802) Less: Fixed deposits pledged to a licensed bank (1,369) (1,346)	Cash and Cash Equivalents at beginning of period	5,252	3,123
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The Condensed Consolidated Cash Flow Statements should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for financial year ended 31 December 2010.