



## **WESTERN CLUSTER LIMITED**

### **AUDIT REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**MARCH 31, 2025**

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**Western Cluster Limited  
Board of Directors  
As at March 31, 2025**

The Board of Directors of Western Cluster Limited comprise one (1) member as mentioned below.

<b>Directors</b>	<b>Title</b>
Navin Kumar Jaju	Director
Leena Bhiku Verenkar	Director
Pushpender Singla	Director
Inayat Davangiri	Director
Registered Office:	Amir Building 18 <sup>th</sup> Street, Sinkor Tubman Boulevard Sinkor, Monrovia Liberia, West Africa
Bankers:	Standard Chartered UK Banking Standard Chartered Bank 1 Basinghall Avenue London EC2V 5DD Tel. No.: 02078858700  Guarantee Trust Bank (Liberia) Limited. 13th Street, Sinckor Monrovia, Liberia  Ecobank Liberia Ashmun and Randall Street P.O. Box 4825 1000 Monrovia, 10 Liberia  United Bank of Africa Broad & Nelson Streets Monrovia, Liberia
Legal Counsel:	Sherman & Sherman Law Firm R. Foley Sherman Law Building 17 <sup>th</sup> Street & Cheeseman Avenue Sinkor, Monrovia
Auditors:	PKF Liberia Lara Building, 4 <sup>th</sup> Floor Randall Street P. O. Box 10-3635 1000 Monrovia 10, Liberia

**Western Cluster Limited**  
**Statements of responsibilities of the Board of Directors**

1. The Board has general powers to manage the business of the Company.
2. The Board of Directors is responsible to ensure that the books of accounts of the Company are kept in a manner considered suitable for reporting and other relevant purposes.

In particular, the Board is responsible to:

- a. ensure that the accounting records of the Company are satisfactorily maintained and its financial statements presented in accordance with authoritative standards and other governing policies applicable in such regard.
  - b. select suitable accounting policies and apply them consistently;
  - c. state whether applicable accounting standards have been followed, subject to any material departures to be disclosed or explained in the financial statements;
  - d. ensure that the financial statements are prepared on the going-concern basis unless it is inappropriate to presume that the Company will continue in business;
3. In summary, the Board is responsible to ensure that proper accounting records are kept, which disclose with reasonable accuracy, at any time, the financial position of the Company. The Board is responsible to put in place the relevant mechanism for safeguarding the assets of the Company and to take reasonable steps for the prevention of fraud and other forms of irregularities, and the prompt detection of those that might nonetheless occur.
  4. The Board is also responsible to annually appoint competent auditors to examine the books of the Company, subject to ratification be ratified by an affirmative vote of the shareholders at their annual meeting. The Board shall cause to be printed a copy of the auditor's report, together with the relevant statements accompanying such report.
  5. The Board may appoint members of management committees as it may deem necessary; and may delegate to the committees such powers as the Board considers relevant and necessary.

The above statement of responsibilities of the Board with respect to the financial statements of the Company shall be read in conjunction with the statement of the Auditor's responsibilities set out on the next page of this document. This is necessary and is being done with the view to distinguishing for the benefit of shareholders and other users of the financial statements the respective responsibilities of the Board of Directors and the Auditors in relation to the audited financial statements of Western Cluster Limited (WCL).

  
\_\_\_\_\_  
Inayat Davangiri  
Director

28, 04, 2025



  
\_\_\_\_\_  
Pushpender Singla  
Director

28, 04, 2025



## PKF LIBERIA

Accountants & Business Advisers

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### Independent Auditor's report

To the Shareholders  
Western Cluster Limited (WCL)

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of the **Western Cluster Limited (WCL)**; which comprises the Statement of Financial Position as at March 31, 2025, the Income Statement, Statement of Changes in Shareholder's Equity and Statement of Cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes.

*In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Western Cluster Limited (WCL)** as at March 31, 2025, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).*

#### Basis for Opinion

We conducted our audit in accordance with **International Standards on Auditing (ISAs)**. Our responsibilities under those standards are further described in the Auditor's responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the **International Ethics Standards Board for Accountants (IESBA) Code of Ethics for Professional Accountants** together with the ethical requirements that are relevant to our audit of financial statements in Liberia, and have fulfilled our other responsibilities under those ethical requirements and **IESBA-Code**.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matter

Key audit matters are selected from matters, which are communicated with those charged with governance. Matters which are discussed with those charged with governance are then evaluated by the auditor who then determines those matters which required significant auditor attention during the course of the audit.

Based on our audit of these financial statements of the Company, we did not identify any key audit matter that is required to be reported as key audit matter.

#### Other information

The directors of the Company are responsible for other information. The other information comprises all of the information included in the annual report other than the financial statements and our auditor's report thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Based on the work we have performed; we conclude that there is no material inconsistency in other information. We therefore have nothing to report in this regard.



## **Going Concern**

The financial statements of the Company have been prepared using the going concern basis of accounting. The use of this basis of accounting is appropriate unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

As part of our audit of the financial statements, we have concluded that management's use of the going concern basis of accounting in the preparation of the Company's financial statements is appropriate.

## **Responsibilities of management and those charged with Governance for the financial statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## **Auditor's responsibilities for the audit of the financial statements**

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the planning and performance of the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company's audit. We remain solely responsible for our audit opinion.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We are also required to provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

*PKF-Liberia*  
PKF Liberia  
Accountants &  
Business advisers



Date: *29/04/25*

Monrovia

**Western Cluster Limited**  
Statement of Financial Position  
As at March 31, 2025

	Note	March 2025 US\$	March 2024 US\$
<b>ASSETS:</b>			
<b>Non-Current Assets</b>			
Development Cost	6	105,574,430	106,417,664
Property, Plant, & Equipment	7	<u>14,597,094</u>	<u>9,210,723</u>
<b>Total Non-Current Assets</b>		<b><u>120,171,524</u></b>	<b><u>115,628,387</u></b>
<b>Current Assets</b>			
Cash and bank balances	3	5,408,125	2,879,615
Receivables and Advances	4	2,349,049	3,514,655
Inventory		41,818,980	27,822,777
Prepayments	5	<u>736,178</u>	<u>2,183,577</u>
<b>Total Current Assets</b>		<b><u>50,312,332</u></b>	<b><u>36,400,624</u></b>
<b>Total Assets</b>		<b><u>170,483,856</u></b>	<b><u>152,029,011</u></b>
<b>LIABILITIES AND SHAREHOLDER'S EQUITY</b>			
<b>Shareholder's Equity</b>			
Accumulated losses brought forward		(37,770,853)	(38,317,531)
Result for the year		<u>(3,285,900)</u>	<u>546,678</u>
<b>Total Shareholder's Equity</b>		<b><u>(41,056,753)</u></b>	<b><u>(37,770,853)</u></b>
<b>Non-Current Liabilities</b>			
Inter-company payables	9	141,950,723	127,425,481
Other Financial Liabilities		<u>24,183,224</u>	<u>32,437,768</u>
<b>Total Non-Current Liabilities</b>		<b><u>166,133,947</u></b>	<b><u>159,863,249</u></b>
<b>Current Liabilities</b>			
Accounts payables		3,656,769	7,120,191
Financial Liabilities		11,988,400	3,100,000
Interest payable		2,860,809	1,297,317
Salaries payable		134,380	68,474
Taxes payable	8	68,796	836,005
Other liabilities		<u>26,697,508</u>	<u>17,514,627</u>
<b>Total Current liabilities</b>		<b><u>45,406,662</u></b>	<b><u>29,936,614</u></b>
<b>Total Liabilities</b>		<b><u>211,540,609</u></b>	<b><u>189,799,863</u></b>
<b>Total Liabilities and Shareholder's Equity</b>		<b><u>170,483,856</u></b>	<b><u>152,029,011</u></b>

The accompanying notes are an integral part of the financial statements

  
Inayat Davangiri  
Director

28 / 04 / 2025



  
Pushpender Singla  
Director

28 / 04 / 2025

**Western Cluster Limited**  
Income Statement  
For the Year Ended March 31, 2025

	Note	March 2025 US\$	March 2024 US\$
<b>Revenue:</b>			
Sale of Iron Ore (Exports)		24,630,612	33,141,692
MTM Gain or Loss		<u>-</u>	<u>(1,046,891)</u>
		<b>24,630,612</b>	<b>32,094,801</b>
Other Income		<u>505,256</u>	<u>400,000</u>
		<b><u>25,135,868</u></b>	<b><u>32,494,801</u></b>
<b>Expenditures:</b>			
Change in Inventory		(13,996,205)	(18,860,176)
Employee Benefits Expense	10	2,010,696	1,597,951
Finance Charges	11	4,647,121	4,901,873
Depreciation, Depletion and Amortisation Expenses		1,183,804	1,467,357
Other Expenses	12	<u>34,576,352</u>	<u>42,841,117</u>
<b>Total Expenses</b>		<b><u>28,421,768</u></b>	<b><u>31,948,123</u></b>
Profit / (loss) before tax		(3,285,900)	546,678
Exceptional Items		<u>-</u>	<u>-</u>
<b>Profit / (loss) for the Year</b>		<b><u>(3,285,900)</u></b>	<b><u>546,678</u></b>

The accompanying notes are an integral part of the financial statements

**Western Cluster Limited**  
Statement of Cash Flows  
For the Year Ended March 31, 2025

	<b>March 2025 US\$</b>	<b>March 2024 US\$</b>
<b>Operating activities:</b>		
<b>Net operating profit/(loss) for the period</b>	(3,285,900)	546,678
Depreciation	340,570	328,080
Development Cost - amortization	843,234	1,139,277
<b>Adjustments required to present cash flow from operating activities</b>		
Changes in operating assets and liabilities (Appendix A) :	<u>4,086,849</u>	<u>(9,738,805)</u>
<b>Net cash flows from operating activities</b>	<u>1,984,753</u>	<u>(7,820,946)</u>
<b>Investing activities:</b>		
(Purchase)/sale of long-term assets	(5,726,941)	(938,736)
Development Cost - addition	<u>-</u>	<u>(96,175)</u>
<b>Net cash flows from investing activities</b>	<u>(5,726,941)</u>	<u>(1,034,911)</u>
<b>Financing activities:</b>		
Additional financing from group	14,525,242	7,733,481
Short -term borrowing (repayment)	-	(251,644)
Financing from other sources	<u>(8,254,544)</u>	<u>2,633,856</u>
<b>Net cash flows from financing activities</b>	<u>6,270,698</u>	<u>10,115,693</u>
Net change in cash and cash equivalent	2,528,510	1,356,011
Cash and cash equivalent beginning of period	<u>2,879,615</u>	<u>1,523,603</u>
<b>Cash and cash equivalents at the end of the year</b>	<u><u>5,408,125</u></u>	<u><u>2,879,615</u></u>

The accompanying notes are an integral part of the financial statements

**Western Cluster Limited****Appendix A**

For the year ended March 2024

	<b>March 2025 US\$</b>	<b>March 2024 US\$</b>
<b>Changes in operating assets and liabilities:</b>		
Receivables	1,165,606	(779,432)
Inventory	(13,996,203)	(18,860,177)
Prepayments	1,447,399	(680,785)
Accounts payable	(3,463,422)	1,399,818
Other Assets	-	2,225,743
Financial Liabilities	8,888,400	(5,000,000)
Interest payable	1,563,492	535,541
Salaries payable	65,907	17,004
Taxes payable	(767,210)	752,054
Other liabilities	<u>9,182,881</u>	<u>10,651,428</u>
<b>Net cash used in operating activities</b>	<b><u>4,086,849</u></b>	<b><u>(9,738,805)</u></b>

The accompanying notes are an integral part of the financial statements

**Western Cluster Limited**  
Notes to the financial statements  
For the year ended March 31, 2025

## **1. Establishment**

Western Cluster Limited is a 100% owned subsidiary of Bloom Fountain Limited, a company formed under the laws of Mauritius. The Company was incorporated in Liberia on October 18, 2010 to explore investment opportunities in the iron ore sector in the Western Region of Liberia. Its Mineral Development Agreement with the Government of Liberia was ratified by the National Legislature of Liberia on August 3, 2011.

The principal activities of Western Cluster Limited are to prospect, explore, mine and market iron ore and to manage investments in other companies. The Company is also engaged in importing and exporting goods and services related to the exploitation and processing of iron ore in Liberia.

The Company's concession agreement with the Government of Liberia gives Western Cluster Limited exclusive rights to iron ore deposits in the Western Region of Liberia, specifically Bomi Hills, Bea Mountain and Mano River.

## **2. Significant accounting policies**

### **2.1 Basis of preparation**

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), under the historical cost convention.

### **2.2 Currency of reporting**

These financial statements are expressed in United States dollars. Cash and near cash assets as well as all liabilities denominated in other currencies are translated to United States dollars at the applicable year-end rates of exchange. Transactions occurring in other currencies during the period are brought into the books at the prevailing rates of exchange on the dates of the respective transactions.

The United States dollar is legal tender in Liberia and circulates freely in the Liberian economy alongside the Liberian dollar. Rates of exchange between these two currencies are market determined.

### **2.3 Related party disclosure**

Entities are considered to be related when one entity exercises control over the other or the entities are under common control. Transactions from related parties are recognized on arm length basis.

## Western Cluster Limited

Notes to the financial statements

For the year ended March 31, 2025

### 2.4 Use of estimates and Judgments

The preparation of financial statements in conformity with IFRS requires the Directors to make judgments, estimates and assumptions that affect the application of policies and the valuation of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimates is revised and in any future periods affected. However, estimates and associated assumptions are not applicable for these financial statements.

### 2.5 Property and equipment

Property, plant and equipment are stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment losses. Replacement or major inspection costs are capitalized when incurred if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

An item of property and equipment is derecognized upon disposal or when no further future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognized.

Depreciation is provided on a straight-line basis so as to allocate the cost less their residual values over the estimated useful lives of the following classes of assets

Computer & Laptops	-	4 years
Furniture & fittings	-	5 years
Office equipment	-	5 years
Motor vehicle	-	5 years
Plant & Machinery	-	25 years
Buildings	-	20 - 50 years

The assets' residual values, and useful lives and method of depreciation are reviewed and adjusted, if appropriate, at each financial year end and adjusted prospectively, if appropriate.

Impairment reviews are performed when there are indicators that the carrying value may not be recoverable. Impairment losses are recognised in profit or loss as an expense, while reversals of impairment losses are also stated in profit or loss.

**Western Cluster Limited**

Notes to the financial statements

For the year ended March 31, 2025

- 2.5.1 During the year ended 2016, due to outbreak of the ebola epidemic the operations were stopped completely and also there was drastic fall in the International Iron ore prices due to which WCL had impaired its assets and capital work in progress to the extent of USD 104.14 Mn.

However, during the year 2022 various activities took place towards re-start of operations at Bomi (obtaining of Class A Mining License for a period of 25 years, signing of an MOU with GOL, ground-breaking, start of transportation activities between mine and port, successful completion of multiple shipments). Parallely International Iron Ore Market prices also rose and stabilized over long term view at optimum levels. Considering all of the above, an impairment reversal to the extent of expenses incurred/capitalized in Bomi amounting to around ~82 Mn USD is done in the books of WCL.

**2.6 Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation models, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Impairment losses are recognised in profit or loss in those expense categories consistent with the function of the impaired asset. An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company makes an estimate of the asset's or CGU's recoverable amount.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of amortisation, had no impairment loss been recognised for the asset in prior year.

**Western Cluster Limited**

Notes to the financial statements

For the year ended March 31, 2025

**2.7 Borrowings**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs to the extent that it is probable that some or all of the facility will be drawn down.

**2.9 Provisions**

Provisions are recognised when there is a present legal or constructive obligation as a result of a past event for which it is more likely than not that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision to pay a levy is not recognised until the obligating event specified in the legislation occurs, even if there is no realistic opportunity to avoid the obligation.

Provisions are not recognised for future operating losses. Provisions are measured at the present value of the expected outflow of resources required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as a finance cost.

Decommissioning provision relates to the estimate of the costs of dismantling and removing items of property, plant and equipment and restoring the item and site on which the items are located to their original condition. The Company only recognises these decommissioning costs for the proportion of its overall number of sites for which it expects decommissioning to take place. The expected percentage has been based on actual experience in the respective operations.

**2.10 Employment benefits**

The Company operates a defined contribution pension plan. The contribution payable to a defined contribution plan is in proportion to the services rendered to the Company by the employees. Unpaid contributions are recorded as a liability.

**(I) Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the income can be reliably measured. Income is measured at the fair value of the consideration received or receivable. The Company earns income in from of sale of iron ores.

**Western Cluster Limited**  
Notes to the Financial Statements  
For the Year Ended March 31, 2025

	<b>March 2025 US\$</b>	<b>March 2024 US\$</b>
<b>3.0 Cash and bank balances</b>		
<b>3.1 Foreign bank:</b>		
Standard Chartered Bank (Mauritius) Limited	4,203	4,203
<b>3.2 Local banks:</b>		
Ecobank	5,246,725	2,807,718
Guaranty Trust Bank	1,991	143
International Bank (Liberia) Ltd.	-	1,499
United Bank of Africa	155,206	66,052
	<u>5,403,922</u>	<u>2,875,412</u>
<b>Total banks</b>	<b><u>5,408,125</u></b>	<b><u>2,879,615</u></b>
<b>4.0 Receivables and Advances</b>		
<b>4.1 Trade Debtors</b>		
Trade Advances	2,300,000	3,500,000
	<u>2,300,000</u>	<u>3,500,000</u>
<b>4.2 Advances</b>		
Prajyot Kamat	-	1,200
Sudhansu Patro	-	37
James Tarpeh	-	12,144
Jayvel G	-	750
Madhev Varak	-	414
Samarjeet Miiitra	-	112
Joseph Coelho	2,000	-
Sagar Bandodkar	3,124	-
Vinod Kolambakar	7,500	-
Inayatulla Davangiri	16,500	-
Aniket Raiker	1,525	-
N Devaraj	500	-
Parth Kaushal	4,000	-
Eknath Zore	4,000	-
James Tarpeh	800	-
Hendry Sibozza	5,000	-
Y Amaranath Reddy	100	-
Saurabh Mishra	4,000	-
	<u>49,049</u>	<u>14,655</u>
<b>Total Receivables and Advances</b>	<b><u>2,349,049</u></b>	<b><u>3,514,655</u></b>
<b>5.0 Prepayments</b>		
Prepaid Expenses (Insurance)	111,178	58,577
Prepaid Expense	625,000	2,125,000
	<u>736,178</u>	<u>2,183,577</u>
<b>6 Development Cost</b>		
Minning Reserves & Development Cost		
Opening balance	108,434,211	108,338,036
Additions	-	96,175
<b>Closing balance</b>	<b><u>108,434,211</u></b>	<b><u>108,434,211</u></b>
<b>DEPRECIATION</b>		
Opening balance	(2,016,547)	(877,270)
Charge for the year	(843,234)	(1,139,277)
<b>Closing Accumulated Depreciation</b>	<b><u>(2,859,781)</u></b>	<b><u>(2,016,547)</u></b>
<b>BALANCE AS AT MARCH 31, 2025</b>	<b><u>105,574,430</u></b>	<b><u>106,417,664</u></b>

The Company along with Bloom Fountain Limited, Sesa Goa Ltd and Elenitlo Minerals Inc. signed a Minerals Development Agreement (MDA) with the Government of Liberia (GOL) on 3rd August, 2011. The MDA defines the terms and conditions under which the GOL grants the Company exploration rights for the Bomi Hills, Bea Mountain and Mano River iron ore deposits. In consideration of the rights granted to it through the exploration licenses, the company was obliged to make certain payments as defined in the MDA. The company has made the payments noted above, as required under the MDA and has also incurred other expenses on the project relating to topographical, geological, geochemical and geophysical studies, exploratory drilling, trenching and activities in relation to evaluating the technical feasibility of the project. The company has capitalised the above expenditure as per company's accounting policy in accordance with IFRS - 6 "Exploration and Evaluation of Mineral Resources". The related expenditure shall be assessed for impairment on an annual basis.

**Western Cluster Limited**  
Notes to the Financial Statements  
For the Year Ended March 31, 2025

**7.0 Long -term assets**

	Computers & Laptops US\$	Furniture US\$	Office Equipment US\$	Vehicles US\$	Plant & Machinery US\$	Buildings US\$	Capital Work in US\$	Total US\$
<b>COST</b>								
Balance at beginning of the year	312,055	120,736	161,007	423,447	7,486,662	4,254,415	20,497,065	33,255,387
Additions	30,500	-	39,888	-	40,136	-	5,616,417	5,726,941
Deletions	-	-	-	12,448	-	-	-	12,448
<b>Balance at end of the year</b>	<b>342,555</b>	<b>120,736</b>	<b>200,895</b>	<b>410,999</b>	<b>7,526,798</b>	<b>4,254,415</b>	<b>26,113,482</b>	<b>38,969,880</b>
<b>DEPRECIATION</b>								
Balance at beginning of the year	208,011	77,581	157,188	422,572	458,564	2,568,470	20,152,278	24,044,664
Depreciation (Impairment reversal (IAS 36))	-	-	-	-	-	-	-	-
Charge for the year	15,178	-	6,739	-	318,653	-	-	340,570
Provision for Impairment	-	-	-	-	-	-	-	-
Disposals	-	-	-	12,448	-	-	-	12,448
<b>Balance at end of the year</b>	<b>223,189</b>	<b>77,581</b>	<b>163,927</b>	<b>410,124</b>	<b>777,217</b>	<b>2,568,470</b>	<b>20,152,278</b>	<b>24,372,786</b>
<b>NET BOOK VALUE</b>								
<b>As at March 31, 2025</b>	<b>119,366</b>	<b>43,155</b>	<b>36,968</b>	<b>875</b>	<b>6,749,581</b>	<b>1,685,945</b>	<b>5,961,204</b>	<b>14,597,094</b>
<b>As at March 31, 2024</b>	<b>104,044</b>	<b>43,155</b>	<b>3,819</b>	<b>875</b>	<b>7,028,098</b>	<b>1,685,945</b>	<b>344,787</b>	<b>9,210,723</b>

**Western Cluster Limited**

Notes to the Financial Statements  
For the Year Ended March 31, 2025

	<b>March 2025 US\$</b>	<b>March 2024 US\$</b>
<b>8.0 Taxes payable</b>		
Employees withholding taxes payable	46,932	52,859
Social security payable	19,236	22,920
Other withholding taxes payable	2,628	760,227
	<b><u>68,796</u></b>	<b><u>836,005</u></b>
<b>9.0 Inter-company payable</b>		
90Day Facility Ecobank @7.5%	-	3,501,799
Loan From Bloom Fountain Ltd	125,125,520	103,692,000
Loan From Cairn India Holdings Limited	15,825,203	15,825,203
Loan from THL ZINC Holding BV	1,000,000	1,000,000
Term Loan - Ecobank (18 M @ 7.5%)	-	3,406,479
	<b><u>141,950,723</u></b>	<b><u>127,425,481</u></b>
<p>The Company has availed total US \$ 110 Million Loan of non-interest bearing from the existing loan facility with Bloom Fountain Limited. Through a Board resolution company has got a facility of US\$ 50 Million with an Interest rate of 8%, from this interest bearing facility company has availed US\$15.12 Million.</p>		
<p>9.1 The Loan Agreement with THL Zinc Holding BV for an amount of US \$ 50 Million, out of which US \$ 1 Million has been drawn so far. This loan bears interest at rate of 8% p.a..</p>		
<p>The Loan agreement with Cairn India Holdings Limited for an aggregate amount of US \$ 15 Million, the whole of which has been drawn down. This loan bears interest at rate of 8.62% p.a.</p>		
<b>10.0 Employee Benefits Expense</b>		
Basic Salaries	1,795,908	1,378,795
Staff Welfare	190,488	173,841
Long-term Incentive Plan	24,300	45,315
	<b><u>2,010,696</u></b>	<b><u>1,597,951</u></b>
<b>11.0 Finance Charges</b>		
Interest Expense	4,570,367	4,496,654
Bank Charges	76,754	405,219
	<b><u>4,647,121</u></b>	<b><u>4,901,873</u></b>
<b>12.0 Other Expenses</b>		
Mining and Exploration expenses	18,707,262	26,955,771
Transportation Charges	4,300,506	3,107,804
Royalty, Rate and Taxes (excluding taxes on income)	997,909	1,360,689
Insurance	122,043	68,344
Barge operation & maintenance	1,263,924	1,617,337
Conveyor runing & maintenance	508,529	325,148
Conveyance and Travelling Expenses	271,891	63,994
Port Expenses	2,075,428	2,379,049
Rent	195,994	387,076
Consultancy Expenses	747,564	125,994
Security charges	210,805	202,910
MDA Fees and Dues	741,692	600,000
Demurrage over despatch	-	109,111
Dead Freight	-	74,235
Road Rehabilitaion	1,500,000	2,375,000
Rental (Machinery)	-	127,977
Repairs & Maintainence	64,582	83,232
Printing & Stationery	32,669	9,075
Misc. Expenses	808,023	404,609
Other Expenses	2,027,531	2,707,470
	<b><u>34,576,352</u></b>	<b><u>42,841,117</u></b>

**Western Cluster Limited**  
Notes to the financial statements  
For the year ended March 31, 2025

**13 Financial commitments**

The Directors are of the opinion that all known liabilities and commitments, which are relevant in assessing the state of affairs of the company, have been taken into consideration in the preparation of these financial statements (2025: Nil).

**14 Pending litigation and claims**

There are no pending litigations against the company as at March 31, 2025.

**15 Events after reporting date**

The directors are of the opinion that there are no events that will have impact on the financial statements after the reporting date.