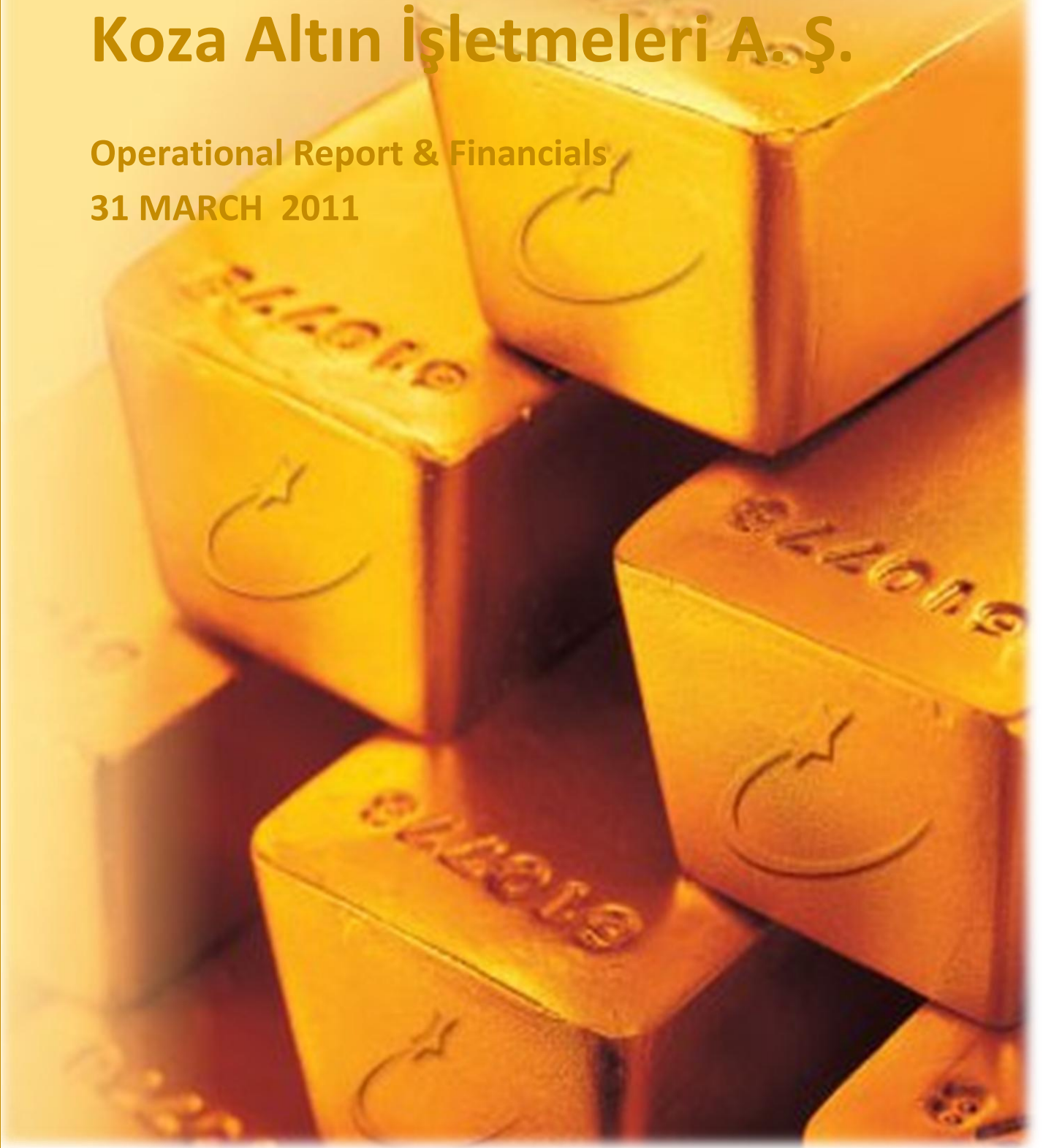


2011

Koza Altın İşletmeleri A. Ş.

Operational Report & Financials

31 MARCH 2011



Our Strategy

Our goal is to develop our portfolio of existing gold assets and find, develop and selectively acquire gold projects in Turkey to grow our resource base and maximise profitable production.

This goal aims to capitalise on our position as the leading gold producer in Turkey, our hub operating strategy and our track record of successfully growing resources and production.

We also seek to provide leadership in safety, stewardship

of the environment, including responsible rehabilitation of the completed areas, and social responsibility to local communities.

Koza Gold is a leading Turkish gold mining company with a track record of sustained profitability underpinned by low costs. We produced 62koz of gold in 2011 and generated revenues of TL 140.0m



Our Performance

2011 Jan-Mar

2010 Jan-Mar

Production	62koz of gold (6.54g/t) 17koz of silver (3.56g/t)	60koz of gold (5.96g/t) 39koz of silver (6.93g/t)
Cash Costs	\$368/oz	\$312/oz
Revenue	TL 140.0 million	TL 95.8 million
EBITDA	TL 101.4million	TL 68.0 million
EBIT	TL 92.3 million	TL 51.6 million



About Us

A leading Turkish Gold producer

We are a leading Turkish gold mining company based on our gold production of approximately 61.911 ounces in first three months of 2011. As at 31 March 2011, we had 29 operating licences and around 452 exploration licences throughout Turkey in the Aegean and Marmara regions, the Black Sea region and Central and Eastern Anatolia.

We currently own four operating mines: an underground mine at Ovacık, a mine at Mastra where we utilise both underground and open pit mining methods, a mine in Çukuralan where we utilise both underground and open pit mining methods and an open pit mine at Kaymaz. Our mining operations at Kucukdere, an open pit mine located 80 km from the Ovacık mine, completed in March 2010 and rehabilitation has been completed. The Site has been delivered to the Forestry Ministry.



In addition, the construction of third process plant in Kaymaz is still continuing. The production is planned to begin in the second half of 2011.

We have a pre-feasibility stage projects, Mollakara and Himmetdede, located near Ağrı in the north-east of Turkey. In addition, our properties also include 17 exploration prospects in Turkey, ranging from early-stage to advanced exploration prospects with resource estimations completed in 2010. At most of our exploration prospects, mapping and sampling programmes are ongoing or completed and drilling and geophysical surveys have already commenced or are planned for 2010. Additionally, we have identified several target exploration sites where the nature of the mineralised deposits suggests that there is potential for resource development.



Exposure to the gold price and gold fundamentals

Substantially all of our revenues are generated from the production and sale of gold, and as a result our financial performance is, and will continue to be, influenced by the market price of gold. Historically, we have not hedged our exposure to gold enabling us to benefit from the positive trend in gold prices in recent years. We intend to continue to operate as an unhedged producer. Between 1 January 2011 and 31 March 2011, the price of gold as quoted on the London Bullion Market ranged between a low of \$1,319.00 and a high of \$1,447.00 per ounce, based on the P.M. fixing price.



We are a leading Turkish gold mining company

We are a leading Turkish gold mining company producing approximately 61,911 ounces of gold in first three months of 2011. Turkey has a rich mining history which dates back thousands of years and today is one of the few underexplored developed countries in the world. According to SRK, as of 2006 Turkey's gold endowment was estimated at 31.5 million ounces of gold contained in 51 deposits. SRK believes that there is promising potential for greenfield exploration in Turkey because over half of the known gold resources in Turkey are in relatively recent discoveries.

"As of 2006, Turkey's gold endowment was estimated at 31.5moz gold contained in 51 deposits ... Since over half of the known gold resources in Turkey are in recent discoveries, there is great potential for greenfield exploration within Turkey." (SRK)

Sector

Changes in mining law Turkey, increasing gold price trend and developments in technology have led to the increase in gold potential in Turkey. Studies indicate that there are approximately 6500 tones of gold in Turkey.(resource:Turkey's Gold Potential and Mining Resources Cutting Methods, Ayhan Erler, METU, Geology Department,1997) Only 10% of this, which is 650 tones are classified as reserves. Therefore, when market's current situation is examined, it is seen that priority is given to gold exploration. " As per previous procedure, exploration license was to be issued for 3 years and extended for 2 years. It was required that this license was then to be changed to operational license. Under the new legal arrangements, total exploration period has been increased to 7 years. It covers 1 year for

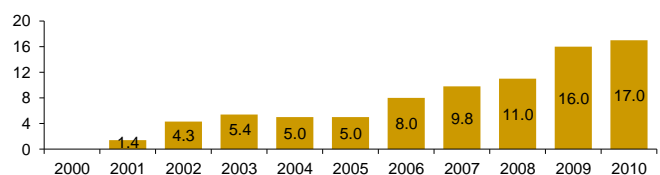
pre-exploration, 2 years for general exploration and 4 years for detailed exploration respectively."

With foregoing reasons, the competition in this sector has intensified on exploration activities. Koza Gold has been pursuing these two activities in paralel. In next three years, competition will be from domestic and foreign companies and intensify at West Anatolia. In the production areas, competition is expected to be from Eldorado(Tuprag, which is currently in production and Anatolia minerals (Alacer Gold,Cukurdere), currently in permitting stage. Domestic companies who are involved in exploration activities are thought to be starting production at later stages.

Despite 6500 tones of gold potential and 650 tones of reserves, Turkey only produces between 10 and 20 tones of gold and 250 -300 tones of gold need to be imported to meet the demand.

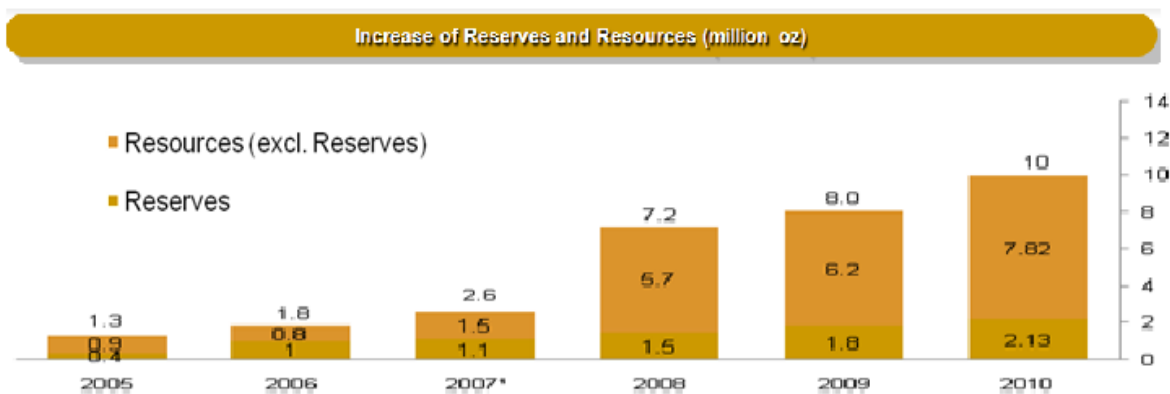
Company

Koza Gold Operations Company is a Turkish company formed by 100% Turkish capital to explore and operate gold mines in our country. ATP Construction and Trade A.Ş. and Koza-Ipek Holding A.Ş. have acquired all the shares of from Normandy Mining A.Ş. and Newmont Mining Corporation Limited in 3 March 2005 thus becoming first Turkish company in the history of Republic of Turkey to realize gold production in this country. Company's Ovacik Gold Mine situated at Bergama, Izmir has been a key factor in turning the country's big gold potential into economical gain and it is the first gold mine operated in the Republic of Turkey.



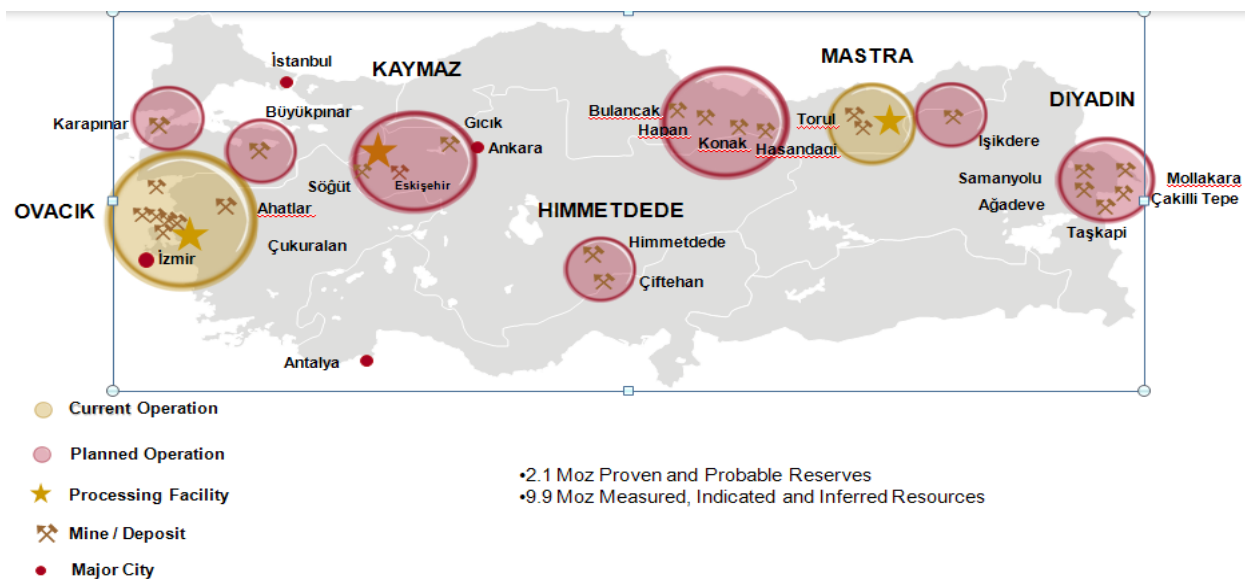
We have a track record of growing production, reserves and resources

We have demonstrated an overall trend of growing production levels since our inception in 2005, and we believe that our mines, development projects and exploration prospects provide significant potential for continued growth. In 2005, we successfully restarted ore production at the Ovacık mine after acquiring it. We developed and brought into full production the Kucukdere mine in 2006, the Mastra mine in 2008, the Gıcık mine in 2009, Çukuralan mine in 2010 and Kaymaz mine in 2011. We produced approximately 187,000 ounces of gold in each of 2006 and 2007. In 2008, our production dipped to approximately 167,000 ounces due to the depletion of the open-pit mine at Ovacık in 2007. We produced 228,000 ounces of gold in 2009 and 256,000 ounces in 2010. Open pit operations at Çukuralan, which has 1.45 million ounce of measured and indicated resources commenced the production at the end of 2010 and development in the underground operations will start in February 2011. Kaymaz open pit facilities, which has 511,000 ounces of gold reserves, commenced the production in March 2011. Since March 2005, we have successfully increased both our reserve and resource base as a result of acquisitions, exploration activities and the increase in gold prices. As at 31 December 2010, our total measured, indicated and inferred resource base had increased to 9.95 million ounces of gold from 1.8 million ounces, and our total proven and probable reserve base had increased to 2.1 million ounces of gold from 0.4 million ounces. As of 31 December 2007, 30 September 2009 and 31 December 2010 all of our reserves and resources were audited by SRK. It is planned to have an audit by SRK for the reserves and resources as of 31 December 2011.



Our business model focuses on a regional hub strategy to maximise profitable production

We are pursuing a strategy of using our processing facilities as hubs to process ore from regional deposits. We expect that this centralised processing will minimise our capital expenditure requirements, enabling us to develop relatively smaller deposits in each hub area that are high grade but not of sufficiently large scale to justify the construction of dedicated processing facilities. Our first application of this business model has been the development of the Ovacık hub and the Küçükdere deposit, located 80 km by road from the Ovacık processing plant. We plan to replicate this model for other deposits located in the vicinity of Ovacık, such as Çoraklık Tepe. In addition, we established a second processing hub at Mastra in 2009 and are planning to establish a third processing hub in Kaymaz in 2011.



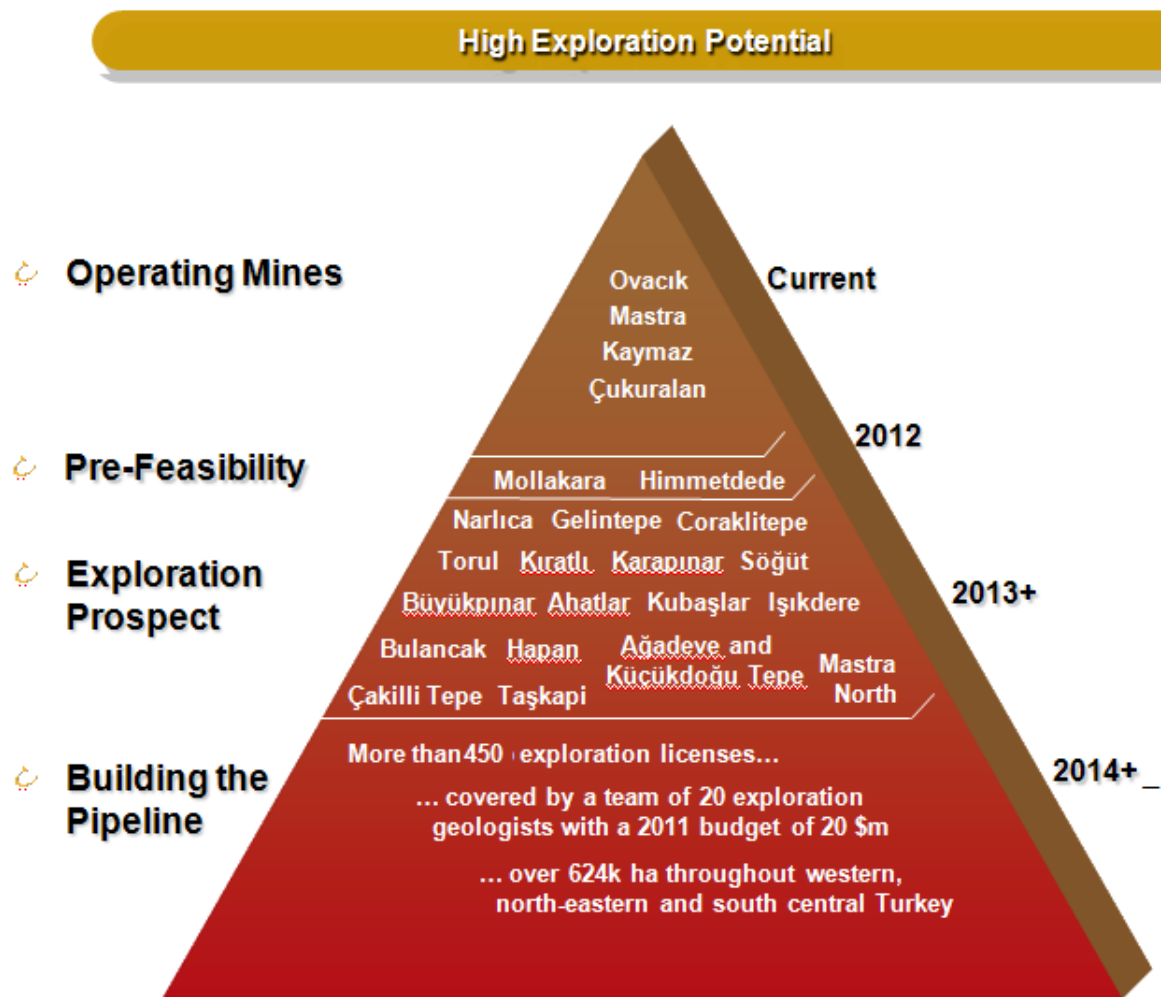
We have historically had low cash costs

Historically we have enjoyed relatively low cash costs, on an adjusted basis, in part as a result of our use of regional hubs for gold production, our reliance on third party contracting for open-pit mining, low logistics costs and sales of silver by-products. Our unit cash costs derived from our accounts for the first three months 2010 and first three months of 2011 amounted to 472 TL (\$312) and 578 TL (\$368) respectively.



Turkey Highly Prospective: We have a significant pipeline of development and exploration assets in Turkey

We believe that our growth opportunities include the expansion of existing operations through discovery of additional resources adjacent to currently delineated deposits as well as the development of our pipeline of projects and greenfield exploration .



Health and Safety

We are committed to the highest standards of safety and continuously seek to develop, improve and implement new safety programmes and procedures to protect the safety of our employees. We continuously improve the safety of our working conditions by implementing practices such as monthly workplace inspections and weekly safety committee meetings. We regularly conduct safety audits and assessment programmes to ensure the adequacy of our health and safety policies. We also strive to improve our employees' response to emergencies by maintaining an underground and a mine rescue team for each site. For example, at Ovacık we have two emergency response teams, an underground rescue team comprising 13 employees and a mine rescue team comprising 22 employees. We believe we are currently in material compliance with all health and safety regulations. We pay specific attention to include in our subcontractor agreements clauses regarding health and safety measures and guidelines that are required to be followed by the contracting parties



Environment

Our environmental department is responsible for filing EIA reports with the MEF and ensuring that our operations comply with all applicable environmental laws and regulations

The MEF considers several categories of environmental factors and compares the projected impact of the proposed mining activities to previously set environmental thresholds

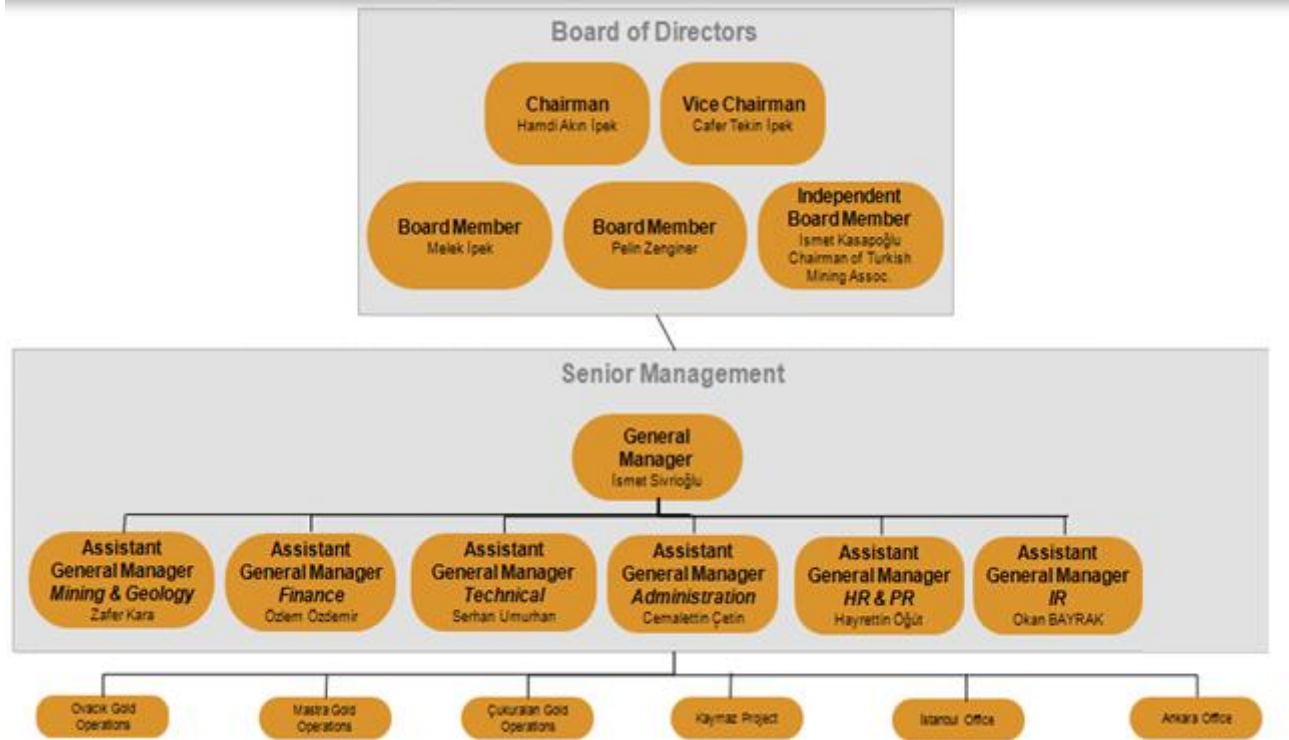
We ensure that our employees and contractors understand and comply with our environmental policies and management plans as well as our high level of commitment to environmental management. Our Environment Department at the same time has been providing training program since March 2007 on environmental awareness to all employees and as well as on environmental policies and implementations for newly recruited personnel at the mine site.

We have timely made all required emissions payments in full and have not faced any fines or penalties

According to the Competent Person's Report, in the seven years since the mining of ore began at Ovacık, no claims have been made against us by any governmental entity in respect of environmental non-compliances. We believe that we are in material compliance with all relevant environmental laws and regulations



Board & Management Structure



Board of Directors

Hamdi Akın İpek

Cafer Tekin İpek

Melek İpek

Pelin Zenginer

İsmet Kasapoğlu

Denetim Kurulu

*Enver İman

Atilla Arman

Şirket Yönetimi

İsmet Sivrioğlu

Zafer Kara

Özlem Özdemir

Serhan Umurhan

Hayrettin Öğüt

Okan Bayrak

Cemalettin Çetin

Hasan Giray

Ali Vedat Oygur

*Mr. Enver İman was appointed as auditor for one year in 25 April 2011.

Chairman

Vice Chairman

Board member

Board member

Independent Member

Auditor

Auditor

General Manager

Assistant General Manager- Mining and Geology

Assistant General Manager-Finance and Commercial

Assitant General Manager-Technical

Assistant General Manager-Administration

Assistant General Manager-Investor Relations

Assistant General Manager-Security

Operation Manager

Project Manager

Directors

Hamdi Akin İpek

Chairman

He worked as the marketing manager of Koza Anadolu Metal between 1992 and 1996, where he also serves as the chairman of the board of directors. Between 2004 and 2008, Mr. İpek has served as the chairman of the Board of Directors of Koza İpek Gazetecilik. Additionally, Mr. İpek also serves as the chairman of the Board of Directors of Koza Holding, ATP, ATP Havacılık, İpek Matbaacılık and Koza İpek Sigorta. In 1986, Mr. İpek received a Graduate degree in Economics from Harlaxton College, UK (British Campus of the University of Evansville, Indiana, USA) and a Bachelor's degree in Business Administration from Hacettepe University, Ankara, in 1990.

Cafer Tekin İpek

Vice Chairman

He worked as the finance manager for İpek Matbaacılık between 1992 and 1997 and was named its general manager in 1995. Since 2004, Mr. İpek has served on the Board of Directors of Koza Holding, Koza İpek Gazetecilik and Koza İpek Sigorta. Additionally, Mr. İpek is a member of the Board of Directors of Koza Anadolu Metal, ATP, ATP Havacılık and İpek Matbaacılık. In 1990, Mr. İpek received a Bachelor's degree in Economics from Harlaxton College, UK (British Campus of the University of Evansville, Indiana, USA).

Melek İpek

Board Member

Mrs. İpek is a philanthropist and has worked with many charitable organizations such as Hospital Volunteers Foundation and Children's Care. She is

the chairman of the Board of Directors of the Turkish charitable organization YOYAV. Mrs İpek also serves as a member of the Board of Directors of Koza Holding, İpek Matbaacılık, Koza Anadolu Metal, ATP and ATP Havacılık.

Pelin Zenginer

Board Member

Mrs. Zenginer is a member of the İpek family. She worked as the manager of foreign trade for İpek Matbaacılık between 1992 and 1997. In addition, starting from 2003, Mrs. Zenginer serves as a member of the Board of Directors of Koza Holding, Koza Anadolu Metal, ATP, ATP Havacılık and İpek Matbaacılık. She is also a board member of ATP. In 1992, Mrs. Zenginer received a Bachelor's degree in Business Administration from Hacettepe University, Turkey.

İsmet Kasapoğlu

Independent Board Member

Mr. Kasapoğlu has more than 40 years of mining experience at a variety of different domestic mining companies. Between 1985 and 2001, he worked as a manager, and later as a board member of Soma Local Operations; between 2001 and 2006, he served as the chairman of the Board of Directors of the trona and natural soda company, Eti Soda A.Ş. He has served as the TOBB(the Union of Chambers and Commodity Exchanges of Turkey) chairman of the Turkish Mining Assembly since 2006, the chairman of the Board of Directors of the Council of Chairmen of the Mining Sector since 1999 and the chairman of the Turkish Miners' Association since 1991. He received a master's degree in mining engineering from the İstanbul Technical University, Mining Faculty in 1963.

Management

İsmet Sivrioğlu

General Manager

Chemical Engineer with more than 40 years of experience in several production plants and management positions. Between 1970 and 1983, Mr.Sivrioğlu worked at the sulphuric acid, borax, asitboric and perborate plants of Etibank where he held numerous positions, including, as shift engineer, chief engineer and assistant general manager, technical. In 1984, he was appointed the general manager of Kütahya Silver Mine where he worked until 1994, supervising the plant's construction, commissioning and operational stages. He was promoted to Etibank Corporate and served as its assistant general manager between 1994 and 1998. During this time he also served as the chairman of the Board of Directors of Çayeli Copper Operations Inc. He served as the advisor to the Minister of State during 1997 and 1998. He joined Koza Gold in 1999 as the General Manager for community relations and government relations. Since 2005 he served as the General Manager of Koza Gold.

Zafer Kara

Assistant General Manager, Mining and Exploration

He has served as Assistant General Manager responsible for Mining and Geology since march 2007, but has worked for all of our predecessor entities since 1988. He has more than 20 years of mining experience, including from Newmont and Normandy, as a mine and exploration geologist. Additionally, he has been involved in exploration projects in Iran, Kazakhstan, Ghana and Australia. He is a member of Australian Institute of Geoscientists.

Özlem Özdemir

Assistant General Manager, Finance and Commerical

She has Bachelor's degree in Business Administration and serves the Company as CFO since 2007. She has worked for all of the predecessor entities since 1996. She served Newmont as the Financial Controller being responsible for the preparation of the budgets, forecasts and financial reports in accordance with US GAAP and Turkish Accounting Standards.

Serhan Umurhan

Assistant General Manager, Technical

He serves as Assistant General Manager, Technical, and is responsible for gold processing facilities, maintenance, environmental compliance and the assay laboratory. Between 2001 and 2005 he served in various positions with Normandy and Newmont during their respective ownership of Ovacık, including as project and infrastructure manager. He graduated in 1997 with a B.Sc. degree in Electrical and Electronical Engineering.

Hayrettin Ögüt

Assistant General Manager, Administration

He serves as Assitant General Manager of human resources and public relations. Between 1993 and 2005, he worked for Newmont and Normandy as their respective public relations manager. He obtained a B.Sc. degree in Chemistry.

Cemalettin Çetin

Assitant General Manager, Security

He serves as te Assistant General Manager in charge of administration. He has held various management positions in the public and private sectors. He has held senior management positions at İpek since 2001. He obtained a Bachelor's degree in Mechanics.

Okan Bayrak

Assitant General Manager, Investor Relations

Okan Bayrak, an Assistant General Manager in charge of Investor Relations in our Company has graduated from the Department of Economics of Middle East Technical University in 1995. He joined the Capital Market Board as an Expert in the same year. He has held an office as an Expert at CMB Partnership Finance Department in May 1999. Between 2002 - 2003, he has participated in the training programs covering US stock exchange arrangements, financial institutions and capital markets at the Wharton School of the University of Pennsylvania. On December, 2007, he started to work as a Deputy Head at the Department of Capital Market Board.

Okan Bayrak joined Koza Gold Operations as an Assistant General Manager in May 2010.

Financial Review

- Production increased to TL 61,911 koz in first three months of 2011 by % 3.6 when compared to TL 59,787 koz in first three months of 2010.
- Revenue increased to TL 140.0 million in first three months of 2011 by % 46.2 when compared to TL 95.8 million in first three months of 2010.
- EBIT increased to TL 92.3 million in first three months of 2011 by % 79 when compared to TL 51.6 million in first three months of 2010.

Production

We are a leading Turkish Gold Mining Company based on gold production of approximately 61,911 ounces in first three months of 2011. As at March 31, 2011 we had 29 operating licences and around 452 exploration licences throughout Turkey.

We currently have two processing plants. Our first processing plant at Ovacık has been operating since 2001. The plant is currently processing 900,000 tpa. In first three months of 2011 we produced 24,5 koz of gold and 11,7koz of silver from Ovacık processing plant. Our second processing plant at Mastra has been commissioned in 2009 and has been operating since March 2009. It is currently processing around 40,000-45,000 tpm. In first three months of 2011 we produced 37,5koz of gold and 5,4koz of silver from Mastra processing plant. We produced 61,9koz of gold in total in first three months of 2011 with an increase of %3.6 from 59.8koz of gold in first three months of 2010.

The increase in gold production in 2011 resulted principally from the fact that the processed gold grade and recovery had been at high levels.

Revenues

Our revenues increased by TL 44.2 million, or %46.2 to TL 140 million for the first three months ended 31 March 2011 from TL 95.8 million for the first three months ended 31 March 2010. We sold 63.068 ounces of gold in first three months of 2011 compared to 56.962 ounces of gold in first three months of 2010, a % 10.7 increase. Attributable production of 61,9koz was

higher than the first three months of previous year 59.8koz, following the start-up of production in our second process plant at Mastra. The average realized price per ounce for gold sold was TL 2,182.52 (\$1,390.94) in the first three months of 2011 compared to TL 1,664.09 (\$1,110,63) in first three months of 2010.

Cost of sales

Our cost of sales increased by TL 1.7 million or %5.4 to TL 34.0 million from TL 32.3 million in the first three months of 2011. Staff costs increased by TL 2.2 million, or % 68 , to TL 5.5 million in the first three months of 2011 from TL 3.3 million in the first three months of 2010. This increase was mainly attributable to additional employees hired by us with the commencement of operations at our Çukuralan open pit and underground mining operations and to a lesser extent an overall increase in wages which was generally in line with inflation. Direct materials costs increased by TL 1.7 million, or %58.4, to TL 4.6 million in the first three months of 2011 from TL 2.9 million in the first three months of 2010. Maintenance costs increased by TL 1.1 million, or %44.4 to TL 3.4 million in the first three months of 2011 from TL 2.4 million in the first three months of 2010. Utilities increased by TL 0.7 million, or %48.1 to TL 2.1 million in the first three months of 2011 from TL 1.4 million in the first three months of 2010. Increases in the general production, maintenance and energy expenditures have been mainly due to start of production at open pit mining at Çukuralan in August 2011, and Underground operations in February 2011.

Cash cost was 578 TL (US\$368) per ounce in the first three months of 2011, and 472 TL(US\$312) per ounce in the first three months of 2010

Selling and Marketing Costs

Our selling and marketing costs decreased by TL 1.0 million, or %79.1, to TL 0.3 million from TL 1.3 million in the first three months of 2010 .

General Administrative Expenses

Our general administrative expenses increased by TL 0.5 million, or %6.5, to TL 8.7 million in the first three months of 2011 from TL 8.2 million in the first three months of 2010. Our personnel costs increased by TL 0.6 million, or %20.7, to TL 3.74 million in the first three months of 2011 from TL 3.0 million in the first three months of 2010. The main reason for this increase is that all our gold mines and production facilities continue to expand throughout the Turkey and the head office had to be relocated and restructured in Ankara.

Exploration Costs

Exploration costs increased by TL 2.3 million, or %90.3, to TL 4.9 million in the first three months of 2011 from TL 2.6 million. This increase resulted primarily as a result of the increased scope of our exploration and surveying of various development and exploration projects.

Net Profit for the Period

As a result of the foregoing, our net profit for the first three months of 2011 increased by TL 42.1 million, or %102.4, to TL 83.1 million in the first three months of 2010 from TL 41.1 million in the first three months of 2010. Our profit margin for the first three months of 2011 increased to % 59.4 from %42.9 in the first three months of 2010.

Capital Expenditures

We primarily incur capital expenditures to build new mines and processing plants, expand, upgrade and improve existing mines, processing plants, and related infrastructure, purchase mining and processing equipment to replace aged, inefficient, or obsolete machines and explore our licence areas for new resources. Our mining and non-mining capital expenditures for the first three months of 2011 are as below with comparison the first three months of 2010. As operation has started in Çukuralan there is an increase in the capital expenditure. Additionally, the construction of Kaymaz Process Plant has started in 2010.

	2011 1.Q	2010 1.Q
Ovacık	8.631.766,3	4.702.814,4
Mastra	6.211.184,7	7.976.479,9
Küçükdere	85.229,7	693.967,1
Kaymaz	9.085.155,3	853.492,7
Çukuralan	6.562.174,3	1.841.950,8
Gıcık	0,0	3.269,4
Other	1.047.078,8	544,3
Total	31.622.589,1	16.072.518,5

Cash flow

Net cash generated from operating activities increased TL 199.9 million or %364.6 to TL 254.7 million for the first three months ended 31 March 2011 from TL 54.8 million for the first three months ended 31 March 2010. Mainly as a result of increased gold sales by increased gold production and gold price. Our corporate tax for the first three months of 2011 has increased to 15.6M TL from 11.0M TL due to the higher revenue in the first three months of 2011 when compared to the first three months of 2010 . The reason for this is the increase in production effected by Mastra Plant and high gold prices. (Average gold price for the first three months of 2010 was 1664.09 TL(\$1,110.63); average of 2,182.52TL (\$1,390.94) for the first three months of 2011.).

Currently we are financing our capital expenditures from cash that we are generating from operations.

With the construction of our third processing plant in Kaymaz, our plan is to increase our production in 2011 with maintaining strong balance sheet and debt structure.

RATIOS	31 March 2011	31 March 2010
Net Sales	139.990.991	95.785.014
EBIT	92.341.641	51.571.689
EBITDA	101.447.736	68.008.771
Net profit	83.144.792	41.087.507
EBITDA Margin	72.5%	71.0%
Liquidity Ratios		
Current Ratio	4,8	3,3
Quick Ratio	4,1	2,0
Cash ratio	3,9	1,2
Financial Leverage Ratios		
Debt Ratio	0,2	0,3
Debt-to-Equity Ratio	0,2	0,3
Profitability Ratios		
Return On Equity	0,2	0,2
Return On Assets	0,1	0,1
EBIT/Sales	0,7	0,5
Net profit/Sales	0,6	0,4

Investment Policy

Exploration activities of the Company consist of exploring new gold and silver deposits, calculating resources by sampling and modelling; and directing the pre-production process for the areas that are economically feasible. Company's exploration team is continuously exploring the potential areas. In case of any positive result, the Company applies for an exploration licence, and the exploration team is sampling and modelling the licenced area. All the samples taken are analyzed by the Company and by the international consultants for resource calculation. If any economically feasible resource deposit is explored, the production is planned by a construction of a new process plant or by processing the ore in the nearest hub.

Dividend Policy

Our company firstly aims to grow in present areas of production and operational facilities, to make strategic investments in new gold fields and to weigh on exploration activities within current exploration licenses. Within this framework, our Company has been targeting to meet all these investments by cash inflow derived from production areas

Within the framework of strategically targets, growth trend, investment policies, profitability and cash status and the provisions of Turkish Trade Act, Capital Market Regulations, Taxation Regulation and relevant clause of our principal contract related to the distribution of profit, Our Company will pay the dividend in the form of cash and/or unpaid shares in minimum proportion of it as basically specified by the Capital Market Board. The dividend, which will be distributed in pursuant to the

decision to be taken at General Board meeting may be paid in full or in the form of unpaid shares or be determined to be as partially in cash and unpaid shares.

In parallel with the profit distribution policy of the recent years, it is always possible for the Board of Directors to decide proportion of profit distribution to be above the minimum ratio and submit this to the General Board for the approval.

Payments of dividend will be effected within the legal period based on the articles of associations.

Financial Risk Management

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, existing and prospective debt requirements, the Group treasury aims to maintain flexibility in funding by keeping committed credit lines available. The ability to fund the existing and prospective debt requirements is managed by maintaining the availability of adequate committed funding lines from high quality lenders.

In addition, the Group's liquidity management policy involves projecting cash flows, considering the level of liquid asset, monitoring balance sheet liquidity ratios against the budgets, maintaining debt financing plans. Cash flow forecasting is performed for each operating mines and aggregated by the Group treasury and finance. Such forecasting takes into consideration the Group's financing plans.

Foreign exchange risk

As the Group's trade receivables and bank borrowings are mainly denominated in USD, foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the Group's functional currency. The price in global gold market predominately is USD which also exposes the Group to the foreign exchange risk. The Group is exposed to foreign exchange risk through the impact of rate changes on translation into TL of foreign currency denominated assets and liabilities. These risks are monitored by analysis of the foreign currency position.

Price risk

The main operational risk is derived from gold price risk. Gold price risk arises from the risk of an adverse effect on current or future earnings resulting from fluctuations in the price of gold. The profitability of the Group's operations, and the cash flows generated by those operations, are affected by changes in the market price of gold, such that a fall in the price of gold relative to the Group's operating cost of production for any period may lead to a decrease in operational profitability of the Group. The Group does not anticipate that prices in global gold markets will decrease significantly in the foreseeable future, and therefore, has not entered into derivative or other contracts to manage the risk of a decline in prices in global gold markets. Furthermore, the Group reviews its outlook for the market prices regularly in considering need for active financial risk management. This risk is closely monitored by analysis of the prices in global gold markets.

Interest rate risk

The Group's interest rate risk arises mainly from long-term borrowings. Borrowings issued at variable rates and other interest bearing liabilities expose the Group to cash flow interest rate risk which is partially offset by interest bearing assets. The interest rate risk is partially managed through the balancing of assets and liabilities that are responsive to the fluctuations in interest rates.

Credit risk

Credit risk arises from cash and cash equivalents, deposits in banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. Risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. As the Group sells the ores to only refineries, one in Turkey other in Europe, with a maturity of less than one month, the credit risk for the Group is very low. The Group management, in line with the past experiences, there were never defaults or delays in payments, thus, believes that the credit risk is well managed and monitored effectively and credit risk is limited to carrying amounts of the financial assets.

Personnel

Personnel details are below:

Location	2006	2007	2008	2009	2010	2011 – FIRST 3 MONTHS
Ovacık Exploration	25	29	18	51	81	41
Ovacık Production	122	123	158	134	139	111
Ovacık Other	152	183	236	213	207	168
Head Office						87
Mastra Mine Geology	-	10	11	21	20	21
Mastra Production	4	27	71	145	131	137
Mastra Other	28	25	101	107	117	117
Küçükdere Mine Geology	-	7	7	8	-	-
Küçükdere Production	3	6	11	14	-	-
Küçükdere Other	10	11	18	18	10	-
Kaymaz Mine Geology	-	-	-	-	10	15
Kaymaz Production	-	-	-	-	4	23
Kaymaz Other	-	-	-	-	22	36
Cukuralan Mine Geology	-	-	-	-	11	13
Cukuralan Production	-	-	-	-	24	60
Cukuralan Other	-	-	-	-	38	48
TOTAL	344	421	631	711	814	877

Incentives

The Province of Gumushane where Mastra Gold Mine is situated has been one of the provinces which are covered under Investment and Employment Incentive Act 5084. 80% of the income tax is borne by the Treasury. The amount met by the

Treasury must not exceed 80% of the sum as calculated by multiplying number of employees with income tax commuted on the minimum wage. Minimum living reduction total for the personnel calculated should be deducted from this amount. We also benefit from Employer incentive premium applied within the same Act. Treasury meets 20 % of the energy expenditure. For companies employing more than 10 people, 0.5% is added for each additional employee. Energy Support share paid by the Treasury can not exceed 40%. As 10% of the investment has been completed as at 31.12.2010 for investment granted with Incentive Certificate at Gumushane, contribution rate to investment is 60% and corporate tax reduction rate is 90%.

For our workplaces other than Gumushane, we also benefit 5% employer premium incentive based on the Act 5510.

As 10% of the investment has been completed as at 31.12.2010 for investment granted with Incentive Certificate at Çukuralan, contribution rate to investment is 20% and corporate tax reduction rate is 50%.

As 10% of the investment has been completed as at 31.12.2010 for investment granted with Incentive Certificate at Kaymaz, contribution rate to investment is 20% and corporate tax reduction rate is 50%.

Events after date of Balance Sheet

Following decisions were taken at the General Assembly held on 25 April 2011:-

1. The Activity Report and Auditor's Report prepared by the Company's Board of Directors for the year 2010 were presented to the General Assembly and both reports were accepted by unanimous decision
2. The Balance of Statement and Profit/Loss accounts prepared by the Board of Directors for the year 2010 were accepted by unanimous decision.
3. Each member of the Board of Directors and the auditors were unanimously acquitted
4. - Discussion started for distribution of the profits for the year 2010. Following decisions have been reached by the majority of votes:-
 - To pay shareholders first cash dividend gross 22,514,826.85 TL and distribute cash dividend of 2,251,482.69 to the members of the board of directors elected to represent Group A,
 - To set aside the amount of 1,714,130.95 TL as 2nd Tranche legal reserve and the amount of 196,971,554.03 as the extraordinary legal reserve fund and,
 - To set the commencement date to be 06 May 2011 for distribution of dividends.
5. It was accepted by the majority of votes to elect Ismet Kasapoğlu, whose term has expired to hold an office as the independent member of the Board of Directors and Atilla Arman and Enver İman each to serve as the members of the Auditing Committee for one year
6. - In pursuant to the article 14 of Capital Market Board's Regulation for External Independent Auditing, the General Assembly has unanimously accepted approval of Independent Auditing Institution designated by the Board of Directors

Changes in the Articles of Association

In the first quarter of 2011, no change had been made in primary contract.

BALANCE SHEETS**AT 31 MARCH 2011 AND 31 DECEMBER 2010**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

	31 March 2011	31 December 2010
ASSETS		
Current assets:	311.195.709	253.616.534
Cash and cash equivalents	254.741.648	196.691.766
Trade receivables	1.957.738	0
Other receivables	7.413.331	7.908.689
Inventories	42.318.302	45.584.149
Other current assets	4.764.690	3.431.930
Non-current assets:	317.664.221	292.139.087
Property, plant and equipment	281.747.996	261.659.147
Intangible assets	766.202	809.353
Goodwill	14.017.036	14.017.036
Deferred income tax assets	11.531.317	8.993.534
Other non-current assets	9.601.670	6.660.017
TOTAL ASSETS	628.859.930	545.755.621

BALANCE SHEETS**AT 31 MARCH 2011 AND 31 DECEMBER 2010**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

	31 March 2011	31 December 2010
LIABILITIES		
Current liabilities:	65.358.518	62.038.878
Borrowings	12.023.695	12.013.902
Trade payables	16.288.015	17.711.964
Other payables	855.256	796.005
Current income tax liabilities	15.608.399	15.835.619
Provisions	17.883.083	12.692.147
Other Current liabilities	2.700.070	2.989.241
Non-current liabilities:	41.737.471	45.097.594
Borrowings	14.887.500	17.838.462
Provisions	16.223.478	16.780.654
Provision for employment benefits	2.110.843	1.975.478
Other non-current liabilities	8.515.650	8.503.000
TOTAL LIABILITIES	107.095.989	107.136.472
EQUITY	521.763.941	438.619.149
Share capital	152.500.000	152.500.000
Adjustment to share capital	3.578.596	3.578.596
Legal reserves	44.334.842	44.334.842
Accumulated losses/Retained earnings	238.205.711	2.654.148
Net period income	83.144.792	235.551.563
TOTAL LIABILITIES AND EQUITY	628.859.930	545.755.621

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE PERIODS ENDED 31 MARCH 2011 AND 31 MARCH 2010
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

	1 January - 31 March 2011	1 January 31 March 2010
Revenue	139.990.991	95.785.014
Cost of sales	(33.994.623)	(32.266.639)
Gross profit	105.996.368	63.518.375
General administrative expenses	(8.702.755)	(8.172.973)
Exploration costs	(4.903.922)	(2.577.043)
Selling and marketing costs	(268.309)	(1.285.901)
Other operating income	226.524	89.247
Other operating expenses	(6.266)	(16)
Operating profit	92.341.640	51.571.689
Finance income	8.287.347	2.986.174
Finance expense	(4.407.173)	(3.152.616)
Profit before taxation on income	96.221.814	51.405.247
Income tax Expense	(13.077.022)	(10.317.740)
Deferred Tax Income	(15.614.805)	(10.955.386)
	2.537.783	637.646
Profit for the year	83.144.792	41.087.507
Other comprehensive income for the period/year, net of tax	0	0
Total comprehensive income for the period/year	83.144.792	41.087.507
Earnings per share	0,5452	0,2694

STATEMENTS OF CASH FLOWS

FOR THE PERIODS AND YEARS ENDED 31 MARCH 2011 AND 31 MARCH 2010

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated)

	1 January - 31 March 2011	1 January - 31 March 2010
Cash flows from operating activities:		
Profit before taxation on income	96.221.814	51.405.247
Adjustments to reconcile profit to net cash generated from operating activities:		
Depreciation and amortisation	9.106.095	16.437.082
Interest income	(7.950.738)	(570.910)
Interest expense	571.582	328.735
Provision for Rodevans benefitsı	0	0
Provision for employment benefits	142.293	240.640
Exploration costs	4.903.922	2.577.043
Depletion cost	282.893	328.367
(Gain)/ loss from sales of property, plant and equipment and intangible assets-net	(21.775)	0
Taxes paid	(15.842.025)	(16.478.532)
Net cash generated before changes in assets and liabilities	87.414.061	54.267.672
Changes in assets and liabilities:		
Decrease in trade receivables	(400.414)	0
Increase in inventories	5.791.140	(1.153.084)
Increase in due from the related parties- trade receivables	(1.557.324)	10.389.218
Decrease / (increase) in other assets and receivables	(286.968)	(659.915)
(decrease)/ increase in trade payables	(539.029)	(8.075.888)
(Decrease)/ increase in due to the related parties- trade receivables	(103.644)	(697)
Increase / (decrease) in other short term liabilities	4.087.974	(397.845)
Payment for rehabilitation activities	0	(201.092)
Payment for exploration activities	(5.685.198)	(3.052.908)
Employment benefits paid	(6.928)	(22.414)
Unrealized Foreign exchange (losses)/gains	(87.835)	356.187
Net cash generated from operating activities	88.625.835	51.449.234
Cash flows from investing activities:		
Interest received	7.405.176	590.275
Purchases of property, plant and equipment and order advances given	(34.630.708)	(19.784.459)
Proceeds from sales of property, plant and equipment and intangibles	33.744	0
Proceeds from the related parties- non-trade receivables	(4.871)	7.074.301
Loans granted to the related parties- non-trade receivables	0	(4.822.993)
Increase in other liabilities related to subsidiary acquisition		
Increase in other liabilities related to subsidiary acquisition		
The cash out of during the acquisition of Subsidiaries		
Net cash used in investing activities	(27.196.659)	(16.942.876)
Cash flows from financing activities:		
Redemption of bank borrowings	(2.933.269)	(200.964)
Interest paid	(579.483)	(320.078)
Loans granted by the related parties- non-trade payables	0	0
Repayment to the related parties- non-trade payables	45.623	(28.383)
Dividends paid	0	0
Unrealized Foreign exchange (losses)/gains	0	0
Net cash used in financing activities	(3.467.129)	(549.425)
Net increase/ (decrease) in cash and cash equivalents	57.962.047	33.956.933
Cash and cash equivalents at start of year	196.691.766	20.826.910
Foreign exchange gains/ (losses) on cash and cash equivalents	87.835	43.316
Cash and cash equivalents at the end of year	254.741.648	54.827.159

STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIODS ENDED 31 MARCH 2011 AND 31 MARCH 2010
(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated)

	Share Capital	Adjustment to Share capital	Legal Reserves	(Accumulated losses)/ Retained earnings	Net Period income	Total Equity
1 January 2010	60.000.000	3.578.596	29.504.842	(9.335.604)	146.819.752	230.567.586
Transfer to previous period profit of previous year profit	0	0	0	146.819.752	(146.819.752)	0
Net period income	0	0	0	0	41.087.507	41.087.507
31 March 2010	60.000.000	3.578.596	29.504.842	137.484.148	41.087.507	271.655.093
1 January 2011	152.500.000	3.578.596	44.334.842	2.654.148	235.551.563	438.619.149
Transfer to previous period profit of previous year profit	0	0	0	235.551.563	(235.551.563)	0
Net period income	0	0	0	0	83.144.792	83.144.792
31 March 2011	152.500.000	3.578.596	44.334.842	238.205.711	83.144.792	521.763.941

Operational Review

- 60koz gold production in first three month of 2010,
62koz gold production in first three month of 2011.

We currently own four operating mines: an Underground mine at Ovacık, a mine at Mastra where we utilise both underground and open pit mining methods, a mine at Mastra where we utilise both underground and open pit mining methods and an open pit mine in Kaymaz. Our mining operations at Küçükdere, an open pit mine located 80 km from the Ovacık Mine, completed in March 2010 and rehabilitation work is continuing. Upon completion of Rehabilitation works, the area has been returned to Ministry of Forestry.

As feasibility projects, we have, Mollakara, which is near city of Agri which is in the North east of Turkey and Himmetdede Project. In addition to this, and within our own properties, we have 12 projects ranging from early developed to exploration stages with resources estimates have been completed. We are currently focused on developing our resources in the exploration areas at Ovacık, Mastra, Kaymaz, Çukuralan, Söğüt, Diyadin and Himmetdede.



Mining Operations

Ovacık

The Ovacık mine is located near Ovacık village in western Turkey, approximately 100 km north of İzmir. It is an underground and open pit mine complex. Material from the open pit operation was depleted in September 2007. The open pit has been partially backfilled and no further production is currently planned. The current underground ore reserves give operations at Ovacık an expected lifespan through the end of December 2018; however drilling is currently being undertaken with the aim of increasing the ore reserve at depth to extend the mine life.

The table below presents an overview of our mining operations at the Ovacık mine:

	2011 Jan-Mar	2010 Jan-Mar
Ore mined (t)	60.618	43.036
Open pit (t)	0	0
Underground (t)	60.618	43.036
Au average head grade (g/t)	5,72	8,63
Ag average head grade (g/t)	4,07	4,23

The table below presents an overview of our processing operations at Ovacık (including processing ore from Küçükdere and Çukuralan):

	2011 Jan-Mar	2010 Jan-Mar
Ore milled (t)	190.194	216.797
Recovery rate, Au %	93,03%	94,11%
Au Grade (g/t)	4,30	4,98
Au poured (oz)	24.428	33.629
Ag poured (oz)	11.989	29.002

The Ovacık processing plant is our regional processing hub for ore located in the Ovacık area. It is currently operating mainly on feed from the Küçükdere ore stockpile along with some materials from the Ovacık underground mine. Ore production at Cukuralan project's open pit commenced in the last quarter of 2010.

Ovacık & Surrounding Properties



Mastra

Our mining operations at Mastra are located 80 km south of the Black Sea, in northeastern Turkey. Mastra comprises both open pit and underground mining operations. Mining operations at the Mastra open pit are scheduled to complete in July 2011.

The table below presents an overview of our mining operations at the Mastra mine:

	2011 Jan-Mar	2010 Jan-Mar
Ore mined (t)	81.489	111.435
Open pit (t)	27.058	69.661
Underground (t)	54.431	41.774
Au average head grade (g/t)	8,92	9,30
Ag average head grade (g/t)	3,09	6,87

The table below presents an overview of our processing operations at Mastra:

	2011 Jan-Mar	2010 Jan-Mar
Ore milled (t)	125.040	116.055
Recovery rate, Au %	93,87%	93,49%
Au Grade (g/t)	9,95	7,78
Au poured (oz)	38.635	27.533
Ag poured (oz)	5.338	11.243

The construction of the processing plant has been completed and the commissioning has began in March 2009. Feed to the plant is blended from open pit and underground material from Mastra. Plant throughput is currently around 40,000-45,000 tpm.



Çukuralan

Çukuralan is in the Ovacık area and is located approximately 40km northwest of the Ovacık mine. This exploration property is low sulfidation, epithermal gold vein system. Since 2005, we performed extensive work on the project, including detailed mapping, stream sediment and soil sampling, resulting in identification of a vein system. Open pit mining ore at Çukuralan started in last quarter of 2010. Underground activities started on February 2011 and it's being planned to commence ore production on July 2011. The ore is transported 40 km on trucks to the Ovacık processing plant. The project Environmental Impact Assessment(EIA) report was issued in September 2009 and the relevant EIA affirmative certificate has been granted to begin deforestation of the pit area. We plan to follow the Küçükdere model for grade control, contract mining and stockpile management.

	2011 Jan-Mar	2010 Jan-Mar
Çıkartılan cevher (t)	85.232	0
Açık ocak (t)	85.232	0
Yeraltı (t)	0	0
Altın- ortalama tenör (g/t)	4,82	0,00
Gümüş-ortalama tenör (g/t)	3,02	0,00

We plan to transport high grade and run-of-mine ores to the Ovacık processing plant based on demand and to stockpile surplus low grade material for processing at a later date. The current production schedule is based on a 35,000 tpm total mining rate with a stripping ratio of 14:1 (ore:waste). The underground mine at Çukuralan will be accessed at the beginning of 2011, with ore mining planned to begin in the same year.

Kaymaz

The Kaymaz project is located in north western Turkey, approximately 150 km from Ankara. The Kaymaz deposits comprises a number of different mineralisation styles, including manto-type mineralisation, quartz stock works, quartz veinlets and episodic brecciation adjacent to the granite dike. Open Pit mining at our Kaymaz Project started in March 2011. We plan to complete construction of our planned third processing plant, with commissioning in second half of 2011. We have elected to use a processing plant flowsheet and design almost identical to those installed at Ovacık and Mastra. It is envisaged that the Kaymaz processing plant will be able to process around 50 tph and this will result in an annual nominal treatment rate of around 400,000 tpy. We are currently targeting gold recoveries of around 84.0%.

Pre-feasibility Projects

Mollakara

The Mollakara Project is approximately 55 km southeast of Ağrı adjacent to the village of Mollakara and is located in Diyarbakır area in Eastern Anatolia. The Mollakara Project was held by Newmont between 2005 and 2008. Mineralisation at Mollakara is both structurally and lithologically controlled. We have not satisfactorily identified the feeder zones for this project and this is currently a focus for our exploration activities at Mollakara. In addition, we are searching for potential structural extensions. Exploration at Mollakara will include deeper drilling, additional mapping and resource modeling.

Depending on the grade and mineralogy of the deposit, cyanide heap leaching is likely to be used for gold extraction. We plan to set up heap leach facility at Mollakara to serve as a central processing plant for other nearby deposits as well. We have already started the works on Mollakara project including pre-feasibility. The works carried out by SGS and the first stage of rock mechanics were completed. Detailed metallurgical tests and process designing will be conducted by McClelland company in USA. Pre-feasibility of the project will be carried out by SRK Denver Office in America and it is planned to be concluded at the end of 2011.

The payment of 2% of royalty from production in pursuant to the contract signed with Newmont in November 2008, has been cancelled as the 99.84% of the company was acquired on 28 June 2010.

Himmetdede

The Himmetdede project is a new project found by Koza. The property is identified as thrust related low sulfidation epithermal mineralization. Depending on the grade and mineralogy of the deposit, works are underway for possible methods of ore enrichments to extract gold. As in Mollakara project, Himmetdede project will also have a central processing plant to cover nearby deposits. Required metallurgical tests and process designing will be conducted by McClelland company in USA. Prefeasibility studies will follow it. Himmetdede ore deposit offers very suitable conditions in terms of its location, land conditions and logistic capabilities and other mining activities.

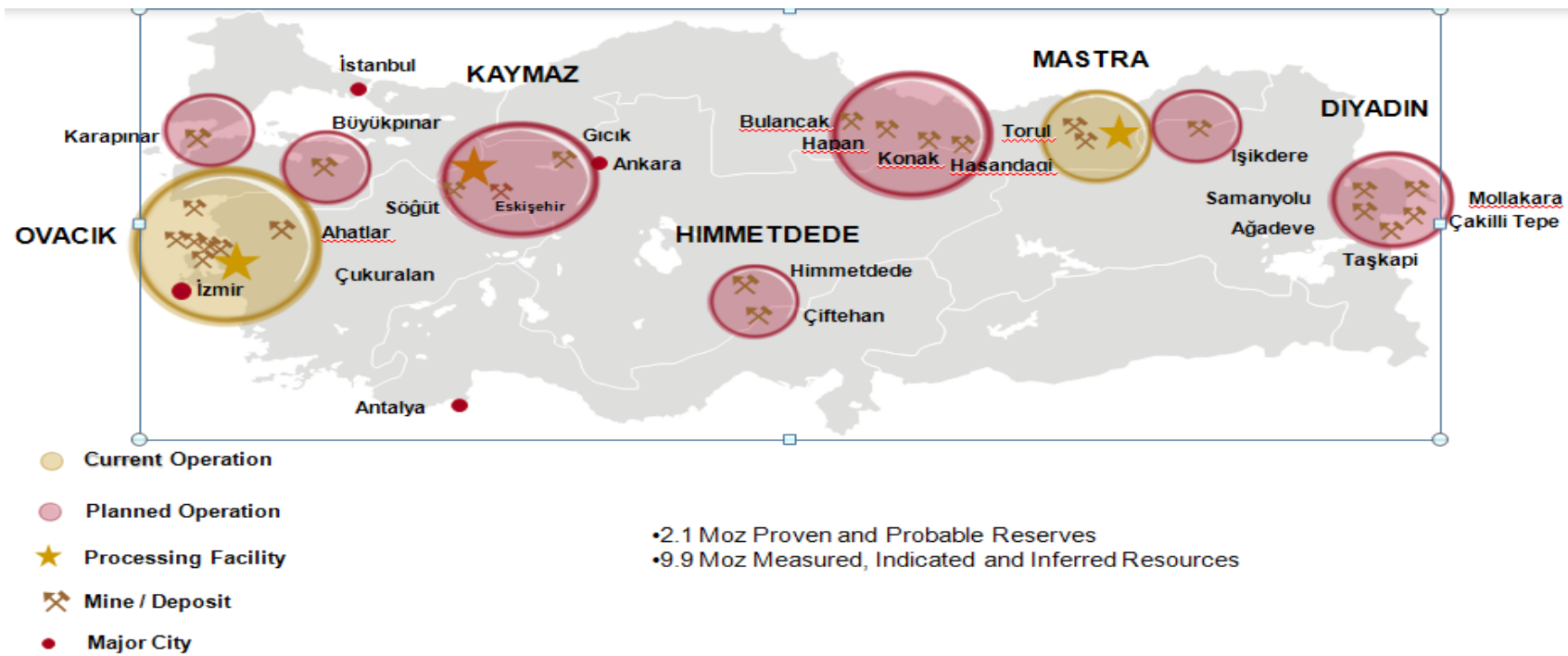
Reserves and Resources

As 31 December 2010 we had 29 operating licences and around 452 exploration licences throughout Turkey in the Aegean and Marmara regions, the Black Sea region and Central and Eastern Anatolia.

We have a pre-feasibility stage project, Mollakara, located near Ağrı in the north-east of Turkey. In addition our properties also include 12 exploration prospects in Turkey, ranging from early-stage to advanced exploration prospects with resource estimations completed in 2009. At most of our exploration prospects, mapping and sampling programmes are ongoing or completed and drilling and geophysical surveys have already commenced or are planned for 2010. Currently our exploration activities are focused on the expansion of resources surrounding our current and planned mining operations in Ovacık, Mastra and Kaymaz mine areas and in the Diyarin and Himmetdede exploration areas.

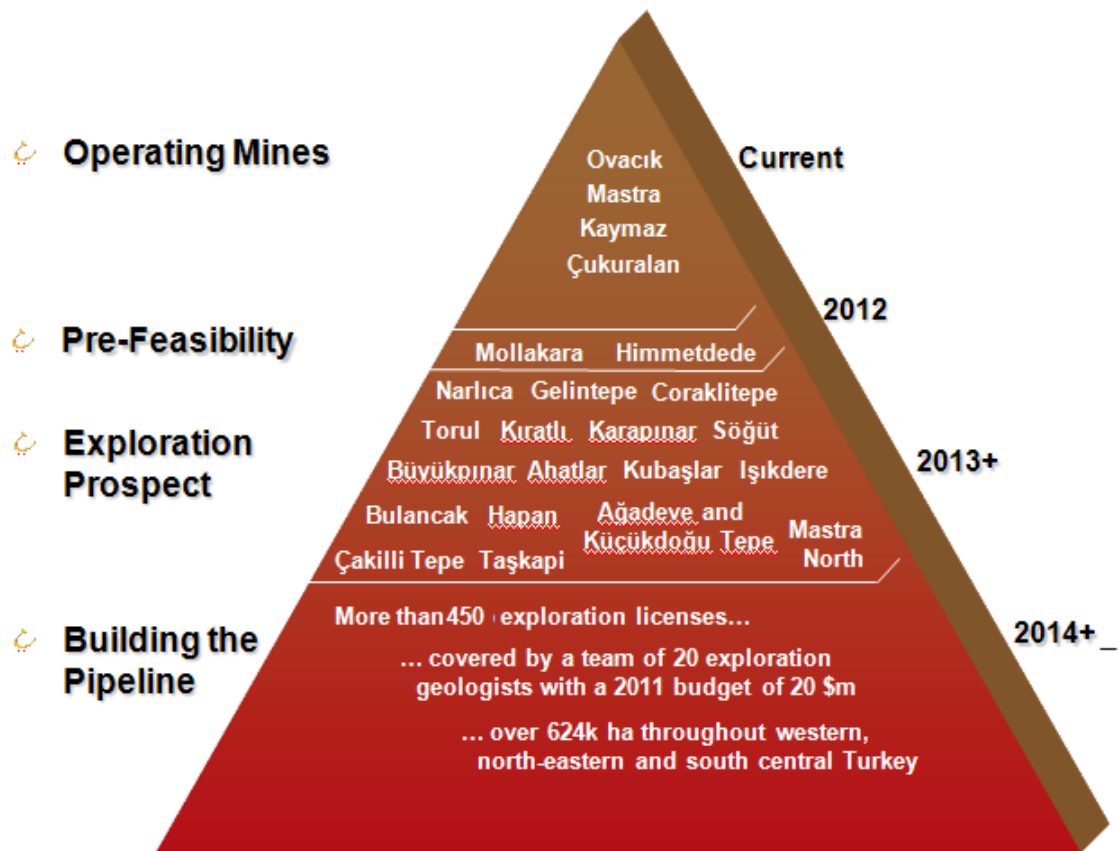
As a result of acquisitions and exploration activities, from our inception in March 2005 to 31 December 2010 our total gold resource base increased more than sixfold to 10.0 million ounces from 1.3 million ounces. Over the same period, our total reserve base increased to 2.1 million ounces from 0.4 million ounces, also benefiting from increasing gold prices. Almost half of the resources consist of inferred material. Therefore, Koza is planning to utilize 8 rigs during the year to continue exploration programme and to convert the inferred resources into the higher confidence categories of measured and indicated allowing economic assessments to be made on the resources.





- ☺ A Hub strategy = a central processing plant, surrounded by satellite mining operations
- ☺ A Hub strategy is central to Koza Gold achieving its production and resource objectives
 - Enables profitable acquisition and development of smaller, high-grade deposits, Significantly reduces capital costs
- ☺ Turkey remains largely untapped relative to regions with similar gold resource endowments
 - Combination of high-grade small deposits (e.g. epithermal veins) and lower grade large deposits (e.g. Porphyry)
- ☺ Koza Gold's local operating expertise is a distinct competitive advantage
 - The Ovacık Hub currently has one processing plant with two mining operations
 - A second processing plant is in operation at the Mastra Hub
 - A third hub in Kaymaz is being planned
 - 3 other potential areas for hubs have been identified –Diyadin (proposed Mollakara mine, Himmetdede, Hapan)

High Exploration Potential



- Our current operations are supported by a significant pipeline of development and exploration projects
 - In 2010, we aim to add Çukuralan to the Ovacık hub and aim to establish Kaymaz as the 3rd hub in 2011
- Proven track record of discovering resources, with the intention of continuing to explore our large portfolio and advanced projects

MINERAL RESERVES

31 December 2010 Proven	Tonnage (Mt)	Grade (Au g/t)	Grade (Ag g/t)	Content (Au Toz)	Content (Ag Toz)
Ovacık Underground	750.82	4.6	3.4	110	82
Çukuralan Underground	831.0	6.5	2.31	174	62
Çukuralan Open Pit	1,970.8	6.0	2.93	383	186
Mastra Underground	629.6	6.0	3.6	122	73
Mastra Open Pit	165.1	15.5	6.91	82	37
Kaymaz Damdamca	1,173.3	6.2	5.27	234	199
Kaymaz Main Zone	812.2	4.2	5.28	109	138
Çoraklık Tepe	41.5	9.4	12.66	13	17
Ovacık Run-of-Mine ("RoM") Stockpile	45.9	4.3	3.03	6	4
Çukuralan RoM Stockpile	14.0	5.3	2.7	2	1
Küçükdere RoM Stockpile	-	-	-	-	-
Mastra RoM Stockpile	223.4	9.3	5.07	88	48
Gıcık RoM Stockpile	26.2	3.5	14.4	3	12
Ovacık Processing Plant Emergency Stockpile	20.6	4.0	4.98	3	3
Mastra Processing Plant Emergency Stockpile	16.1	9.3	5.00	5	3
Total Proven Reserves	6,843.4	6.1	3.95	1,350	869

31 December 2010 Probable	Tonnage (Mt)	Grade (Au g/t)	Grade (Ag g/t)	Content Proven	Content (Mt)
Ovacık Underground	210.9	5.3	2.03	36	14
Çukuralan Underground	1,035.5	5.2	1.68	172	56
Çukuralan Open Pit	1,652.8	5.2	2.68	276	142
Mastra Underground	527.	3.9	3.87	66	66
Mastra Open Pit	15.8	9.7	5.98	5	3
Kaymaz Damdamca	504.3	4.9	4.50	79	73
Kaymaz Main Zone	471.2	5.8	6.63	88	100
Çoraklık Tepe	109.9	9.2	12.35	33	44
Ovacık Low Grade ("LG") Stockpile	176.1	1.5	1.57	9	9
Çukuralan LG Stockpile	3.0	0.9	1.00	.000	.000
Küçükdere LG Stockpile	389.1	1.4	6.28	17	79
Mastra LG Stockpile	135.9	1.1	2.35	5	10
Gıcık LG Stockpile	28.3	1.5	9.23	1	8
Total Probable Reserves	5,255.6	4.6	3.57	785	604

Total Proven and Probable Reserves	12,050.7	5.5	2.79	2,120	1,468
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Mineral Resources (Inclusive of Reserves)

31 December 2010 Measured	Tonnage (Mt)	Grade		Content	
		(Au g/t)	(Ag g/t)	Proven	(Mt)
Ovacık	2,087.3	5.28	3.67	355	247
Çukuralan Open Pit	2,766.5	5.02	2.45	446	218
Çukuralan Underground	924.7	7.82	2.96	232	88
Çoraklık Tepe	41.6	9.40	12.65	13	17
Gelintepe				-	-
Narlıca				-	-
Kıratlı				-	2 -
Kaymaz	2,288.5	4.97	5.18	366	381
Mastra Open Pit	168.2	15.23	6.86	82	37
Mastra Underground	715.5	8.83	7.20	203	166
Himmetdede -oxide				-	-
Mollakara Leach -oxide	3,747.5	0.81	0.21	97	25
Mollakara Leach -sulphide	10,110.4	1.08	0.16	350	51
Söğüt				-	-
Kubaşlar				-	-
Ovacık RoM	45.9	4.28	3.03	6	4
Çukuralan RoM	14.0	5.31	2.70	2	1
Mastra RoM	293.4	9.28	5.07	88	48
Gıcık RoM	26.2	3.47	14.40	3	12
Ovacık Processing Plant	20.6	4.00	4.98	3	3
Mastra Processing Plant	16.1	9.31	5.00	5	3
Ovacık LG				-	-
Küçükdere LG				2 -	-
Mastra LG				-	-
Gıcık LG				-	-
Total Measured Resources	23,266.4	3.01	1.74	2,251	1,301

31 December 2010 Indicated	Tonnage (Mt)	Grade (Au g/t)	Grade (Ag g/t)	Content Measured	Content (Mt)
Ovacık	1,344.4	4.05	2.08	175	90
Çukuralan Open Pit	7,225.7	2.53	1.11	587	258
Çukuralan Underground	1,847.1	5.89	2.23	350	132
Çoraklık Tepe	110.4	9.21	12.34	33	44
Gelintepe					
Narlıca	428.4	2.44	10.61	34	146
Kıratlı					
Kaymaz	1,284.4	4.77	5.26	191	211
Mastra Open Pit	16.5	9.40	5.84	6	3
Mastra Underground	679.3	5.65	7.97	123	174
Himmetdede -oxide	24,123.4	0.69		538	
Himmetdede -sulphide	1,848.6	0.82		49	
Mollakara Leach -oxide	12,630.0	0.76	0.19	310	78
Mollakara Leach -sulphide	35,794.4	0.97	0.20	1,120	228
Söğüt				-	-
Gıcık				-	?
Ovacık RoM				?	-
Küçükdere RoM				-	-
Mastra RoM				-	-
Gıcık RoM				-	?
Ovacık Processing Plant				-	?
Mastra Processing Plant				-	-
Ovacık LG	176.1	1.53	1.57	9	9
Çukuralan LG	3.0	0.88	1.00	.000	.000
Küçükdere LG	389.1	1.36	6.28	17	79
Mastra LG	135.9	1.14	2.35	5	10
Gıcık LG	28.3	1.49	9.23	1	8
Total Indicated Resources	88,029	1.25	0.52	3,547	1,470

31 December 2010 Inferred	Tonnage (Mt)	Grade (Au g/t)	Grade (Ag g/t)	Content Measured	Content (Mt)
Ovacık	309.7	4.63	2.04	46	20
Çukuralan Open Pit	3,665.7	2.97	1.04	350	122
Çukuralan Underground	2,336.9	4.63	1.47	348	110
Çoraklık Tepe	54.2	8.74	11.70	15	20
Gelintepe	59.8	3.12	5.99	6	12
Narlıca	140.5	3.02	11.01	14	50
Kıratlı	2,106.4	2.13	37.42	138	2,426
Kaymaz	713.2	3.60	6.80	83	156
Mastra Open Pit	1.60	4.33	3.85	.000	.000
Mastra Underground	531.0	5.26	7.20	90	123
Himmetdede	4,452.4	0.48		69	
Himmetdede Sulphide	1,423.9	0.61		28	
Mollakara	16,246.3	0.51	0.08	264	43
Mollakara Sulphide	88,919.4	0.83	0.16	2,373	460
Söğüt	820.5	6.12	1.44	161	38
Kubaşlar	3,086.2	1.63	12.05	161	1,195
Total Inferred Resources	124,777.7	1.03	1.19	4,146	4,777

Corporate Governance Report

Corporate Governance Statement

Our Company in principal adopts “Principles of Corporate Governance” accepted by the resolution 35/385 of Capital Market Board on 04 July 2003. Company is aware that implementation of these principles will derive benefit for our company, stakeholders and ultimately our country. Therefore, our Company has initiated implementation of Corporate Governance principles.

SECTION I – SHAREHOLDERS

1. Relationship Unit with Shareholders

Our Company has set up an investor’s relations unit to reach the investors. This section will be operated under the coordination of Okan Bayrak, Assistant General Manager, Investor Relations. It is full-time position for promoting it to domestic and international corporates and individuals, to inform them accurately, fully and correctly, to answer questions immediately. Interviews conducted for a position to assume responsibilities of this section are underway and appropriate candidate will soon be recruited for related position. This section will be available for individual and corporate investors by telephone, fax, e-mail at all times. Any significant developments in connection with company’s business affairs if required will be shared with the public via press releases. It is planned the copies of press bulletins released and presentations shared by the research experts and all documents not in nature of trade secret of the company’s affairs will be available on the internet. This section can be accessed at yatirimciiliskileri@kozagold.com and telephone no: 0 232 641 80 17 or fax no: 0 232 641 80 19

2. Right of receiving information of the investors

A section is reserved in the internet website under the heading of “Investors Relations”. Without any prejudice, all information publicly disclosed are available on the website for shareholders who will have easily and equally access to company information. An internal operating system was set up to quickly reply any queries directed to Investors Relations Unit verbally or written within the information disclosed to the public.

3. Information on General Meeting

Following decisions were taken at the General Assembly held on 25 April 2011:-

1. The Activity Report and Auditor's Report prepared by the Company's Board of Directors for the year 2010 were presented to the General Assembly and both reports were accepted by unanimous decision
2. The Balance of Statement and Profit/Loss accounts prepared by the Board of Directors for the year 2010 were accepted by unanimous decision.
3. Each member of the Board of Directors and the auditors were unanimously acquitted
4. - Discussion started for distribution of the profits for the year 2010. Following decisions have been reached by the majority of votes. -
 - To pay shareholders first cash dividend gross 22,514,826.85 TL and distribute cash dividend of 2,251,482.69 to the members of the board of directors elected to represent Group A,
 - To set aside the amount of 1,714,130.95 TL as 2nd Tranche legal reserve and the amount of 196,971,554.03 as the extraordinary legal reserve fund and,
 - To set the commencement date to be 06 May 2011 for distribution of dividends.
5. It was accepted by the majority of votes to elect Ismet Kasapoğlu, whose term has expired to hold an office as the independent member of the Board of Directors and Atilla Arman and Enver İman each to serve as the auditors for one year
6. - In pursuant to the article 14 of Capital Market Board's Regulation for External Independent Auditing, the General Assembly has unanimously accepted approval of Independent Auditing Institution designated by the Board of Directors

4. Voting Rights

The holders of Group A shares have right of privilege to nominate candidates for the Board of Directors and Auditor.

5. Profit Distribution Policy

Our company firstly aims to grow in present areas of production and operational facilities, to make strategic investments in new gold fields and to weigh on exploration activities within current exploration licenses. Within this framework, our Company has been targeting to meet all these investments by cash inflow derived from production areas

Within the framework of strategically targets, growth trend, investment policies, profitability and cash status and the provisions of Turkish Trade Act, Capital Market Regulations, Taxation Regulation and relevant clause of our principal contract related to the distribution of profit, Our Company will pay the dividend in the form of cash and/or unpaid shares in minimum proportion of it as basically specified by the Capital Market Board. The

dividend, which will be distributed in pursuant to the decision to be taken at General Board meeting may be paid in full or in the form of unpaid shares or be determined to be as partially in cash and unpaid shares.

In parallel with the profit distribution policy of the recent years, it is always possible for the Board of Directors to decide proportion of profit distribution to be above the minimum ratio and submit this to the General Board for the approval.

Payments of dividend will be effected within the legal period based on the articles of associations.

6. Transfer of Shares

Clause 6 of the Company's Articles of Association states: "Transfer of share certificates of the company is allowed provided that the provisions of Turkish Trade Code, Capital Market legislation and these articles of association are reserved".

SECTION II - PUBLIC DISCLOSURE AND TRANSPARENCY

7. Company's Information Policy

Koza Gold will observe and fulfill corporate governance principles mainly Capital Market Act and the arrangements related with this legislation and all kinds financial information and other explanations and announcements and generally accepted accounting principles within frameworks of Turkish Trade Act and its related procedures and follow a detailed Information and Public Disclosure Policy within this scope.

Basic aim of information policy is to ensure shareholders, employees, customers, creditors and stakeholders are disclosed information and explanations, not in the nature of trade secret, through easily accessible at low cost, accurate, complete, comprehensible at equal condition.

In connection with all practices of public informing, it complies with Capital Market procedures and arrangements of ISE and aims to implement most effective communication policy within CMB Corporate Governance Principles.

8. Disclosing Significant Events

20.01.2011 11:16:- Our Company announces results to the investors with Statement of Mineral Resources and Mineral Reserves it owns as at 31 December 2010, which has been produced in accordance with the JORC Code. Resource and reserve figures are audited by SRK Consulting USA . In 2010, 96.650 meters of drilling is made by our geological team and the results are analyzed by the ALS Chemex (Australian Laboratory Service). As at 31.12.2010, our resources have reached 9.995 million tones and reserves reached 2.127 million tones At the end of 2009, these figures were 8 million tones for the resources and 1.9 million tones for our reserves. When taking into the consideration of 256.000 of production carried out in 2010, annual increase rate for our resources have been 29% and annual increase rate our reserves have been 38%. Furthermore, as the result of the works carried out, it is envisaged that there is an approximately 50% increase in potential for the resources

we own.(5 million tones) The data for resources, reserves and potential increase disclosed in mentioned report covers 51 licensed areas of the Koza Gold Company. It does not include Company's 500 licensed areas throughout Turkey.

26.01.2011 16:06 AGENDA

1. Opening of the meeting and observing a minute of silence
2. Election of the committee to chair the meeting and authorize committee chairman to sign general assembly documents.
3. In accordance with the Capital Markets Board's approval, dated January 25, 2011 No: B.02.1.SPK.0.13-105.03.01157-1021 and permitted by the Directorate of Internal Trade of the Ministry of Industry and Trade, dated January 26, 2011 and no:535, proposal is put forward at the General Assembly for it's decision to approve our Company's switchover from the principle capital system to the registered capital system with 500.000.000 TL ceiling and amendment of article 6 of Articles of Association titled Capital and Type of Shares" in the same form.
4. In order to inform the shareholders, to read a report dated 29.11.2010, which was compiled by expert committee appointed by 5th Instance Trade Court of Ankara with filing no:2010/677 and verdict no:2010/643
5. taking over Koza İpek Madencilik AS in an integrated form with active and passive assets in pursuant to the articles 146,147,148,149,150,151 and 451 of Turkish Commerce Act and the articles 19 and 20 of Corporate Tax Regulations by the way of entire transfer of rights through dissolving without liquidation and Merger (Takeover) Agreement (Undertaking) prepared for this purpose on 26.01.2011 between Koza Altın İşletmeleri Anonim Şirketi (Transferee) and Koza İpek Madencilik Anonim Şirketi (transferor) and balance sheets and undertaking as enclosures are submitted to General Assembly's approval.
6. Submitting of Undertaking for Debt Repayment prepared for merging to the General Assembly's approval. Upon approval by the General Assembly, Undertaking for Debt Repayment is to be published in Trade Registry Gazette of Turkey.
7. Closing

01.03.2011 09:09 –Decisions taken / Matters discussed

Following decisions were taken at the Extraordinary General Assembly of Koza Altın İşletmeleri A.Ş. ("our Company") held on 28.02.2011.

- 1) In accordance with the Capital Markets Board's approval, dated January 25, 2011 No: B.02.1.SPK.0.13-105.03.01157-1021 and permitted by the Directorate of Internal Trade of the Ministry of Industry and Trade, dated January 26, 2011 and no:535, proposal was put forward at the General Assembly for amendment of

article 6 of Articles of Association titled Capital and Type of Shares". General Assembly has approved switchover from the principle capital system to the registered capital system by majority of votes.

2) The General Assembly has approved the balance sheet and income chart of Koza Ipek Madencilik AS for the fiscal period ending on September 30, 2010, with regards to the share transfer agreement amalgamating with all assets and liabilities completely.

3) The General Assembly has approved the merger agreement signed by the authorized officers of the company for taking over by our Company of all the assets and liabilities and rights and responsibilities of Koza Ipek Madencilik AS

4) In accordance with the Merger Agreement, Koza Altin's General Assembly has approved unanimously, the proposal to takeover Koza Ipek Madencilik AS active and passive assets as stated in the articles 146,147,148,149,150,151 and 451 of Turkish Commerce Act and the articles 19 and 20 of Corporate Tax Regulations by the way of entire transfer of rights through dissolving without liquidation in pursuant to the provisions of Circular serial no:41 on Procedures of Merging Transactions

01.03.2011 14: DISCLOSURE

Koza Gold announces the commencement of ore production in the open pit at Kaymaz Gold Mine as of today. The company plans to pour gold in the second half of 2011 upon completion of the construction of the processing plant.

Koza Gold also discloses that a new vein in the Kaymaz Hub, minimum 300 m length from the surface and 5.5 m width, is discovered which will increase the resources in the Hub. The initial drilling results for the new vein is given in the below table. The studies imply that the mineralization in the new zone will allow open pit mining in the mentioned zone.

Drill Hole	From (m)	To (m)	Interval (m)	Au Average (ppm)
KZ153	1.00	7.00	6.00	5.95
KZ154	1.00	8.20	7.20	4.40
	11.60	15.00	4.40	12.03
KZ155	1.00	5.00	4.00	2.53
	8.80	10.60	1.80	4.45
	12.10	14.70	2.60	6.66
KZ156	1.60	3.40	1.80	1.83
KZ158	1.30	3.00	1.70	4.72
	10.00	22.00	12.00	4.81

Exploration and reserve development activities have been intensively carried out in all our licensed areas and we will continue to share any significant results with public and investors.

24.03.2011 19:46 Disclosure

Special Event/ Disclosure:

Our Company's partners İpek Matbaacılık Sanayi ve Ticaret A.Ş., Koza anadolu Metal Madencilik A.Ş., Koza İpek Holding A.Ş and ATP İnşaat ve Ticaret A.Ş have taken board decisions in relation with selling of their shares they have purchased during initial public offer and afterwards stabilization transactions to the corporate investors at Istanbul Stock Exchange Bulk Sales Market.

Total nominal amount of the shares, which is the subject matter to sale is 16.828.532 TL and public will be informed with special disclosure once the selling price is determined.

Distributional breakdown of the shares' nominal amount for each partner, which has decided to proceed with selling process is as follows:- Koza Anadolu Metal Madencilik İşletmeleri A.Ş. 3.033.395 TL, İpek Matbaacılık Sanayi ve Ticaret A.Ş. 2.912.061, Koza İpek Holding A.Ş. 5.441.538 TL ve ATP İnşaat ve Ticaret A.Ş. 5.441.538 TL

In the case of realization of planned sales, controlling 70 % of the company's shares will continue to be in the hands of Koza-Ipek Holding and its partners.

25.03.2011 13:47- Disclosure

Special Event to be disclosed/Events:

As published in Public Disclosure Platform on Thursday, 24.03.2011 at 19:46, board decisions taken by our company's partners İpek Matbaacılık Sanayi ve Ticaret A.Ş., Koza Anadolu Metal Madencilik A.Ş., Koza İpek Holding A.Ş and ATP İnşaat ve Ticaret A.Ş., in relation with selling of their shares they have purchased during initial public offer and afterwards stabilization transactions to the corporate investors at Istanbul Stock Exchange Bulk Sales Market have been amended as the sales transactions are to be realized by "special order" method

25.03.2011 13:53 –Disclosure:

Disclosure

Special Event to be disclosed / Events

The board decisions of our Company's partners İpek Matbaacılık Sanayi ve Ticaret A.Ş., Koza Anadolu Metal Madencilik A.Ş., Koza İpek Holding A.Ş and ATP İnşaat ve Ticaret A.Ş taken in relation with selling of their shares they have purchased during initial public offer and afterwards stabilization transactions to the corporate investors were disclosed to the public through special event disclosure.

Total nominal amount of the shares which are the subject matter of to the sale is 16.828.533 TL, and sale was realized as 19.50 per share with 3.7% discount at 1st session closing price.

The breakdown of nominal amounts of shares to be sold among the companies are as follows:

Koza Anadolu Metal Madencilik İşletmeleri A.Ş. 3.033.395 TL, İpek Matbaacılık Sanayi ve Ticaret A.Ş. 2.912.061, Koza İpek Holding A.Ş. 5.441.538 TL ve ATP İnşaat ve Ticaret A.Ş. 5.441.538 TL.

The purpose of those sales was towards to increase liquidation and at the end of sale controlling 70 % of the company's shares will continue to be in the hands of Koza-Ipek Holding and its partners.

28.03.2011 09:12 – NOTIFICATION FOR SHARE BUYING AND SELLING

Within the scope of the Capital Market Board's Circulation no 54 Serial no: VIII, disclosure in relation to the transactions of share buying and selling set to the our Stock Exchange by ATP İnşaat and Ticaret A.Ş. is enclosed. Any notification referred by our Stock Exchange to Public Disclosure Platform for disclosing the public does not mean the contents have been examined, confirmed or guaranteed.

28.03.2011 09:12 – NOTIFICATION FOR SHARE BUYING AND SELLING

Within the scope of the Capital Market Board's Circulation no 54 Serial no: VIII, disclosure in relation to the transactions of share buying and selling set to the our Stock Exchange by Koza İpek Holding A.Ş. is enclosed. Any notification referred by our Stock Exchange to Public Disclosure Platform for disclosing the public does not mean the contents have been examined, confirmed or guaranteed.

30.03.2011 09:12 – NOTIFICATION FOR SHARE BUYING AND SELLING

Within the scope of the Capital Market Board's Circulation no 54 Serial no: VIII, disclosure in relation to the transactions of share buying and selling set to the our Stock Exchange by Goldman Sachs International is enclosed. Any notification referred by our Stock Exchange to Public Disclosure Platform for disclosing the public does not mean the contents have been examined, confirmed or guaranteed.

9. Company's web site and contents

Our company's web site is www.kozaaltin.com.tr A section is included for Investor Relations on the web site and preparations are on the way to have dialog box and constant information service to be provided on the web site. Various information is comprehensively placed open the internet website, updated in line with developments. And there is a section "investors relations" which has minimum matters as outlined by CMB.

10. Statement for Real Personalities Final Dominant Shareholder(s)

December 2010	Share Group	TL	%
ATP İnşaat ve Ticaret A.Ş.	(A,B)	68.635.336	45,01
Koza İpek Holding A.Ş.	(A,B)	38.114.664	24,99
Halka Arz-Other	(B)	45.750.000	30,00
Melek İpek	(A)	-	1'den az
Hamdi Akın İpek	(A)	-	1'den az
Cafer Tekin İpek	(A)	-	1'den az
Pelin Zenginer	(A)	-	1'den az
İsmet Kasapoğlu	(B)	-	1'den az
Total		152.500.000,00	100,00

11. Public Disclosure of Persons who provide information from inside

The persons who can reach to the information, which may be in the nature of effecting the value of company's capital market instruments may be identified in Activity Report as the persons holding offices in Board of Management, Members of Auditing Committee and executives therefore who can be in position to learn from inside. In order to maintain balance between transparency policies and protecting investors' interests with informing public fully and accurately, it should be significantly emphasized that all company employees and directors must comply with legal arrangements in using information obtained from inside. All employees and directors should not directly or indirectly use the company related inside information and they are fully aware of all the limitations to the legal arrangements and the nature of information and they act in accordance with these limitations and prohibitions.

SECTION III – STAKEHOLDERS

12. Informing the Stakeholders

Koza corporate governance practices secure the stakeholders of the procedures, monthly arrangements and their rights arranged by mutual agreements. Company employees, partners and third person or institutions that have business relations can directly communicate with company directors any proposals or violations on this matter.

Stakeholders are being informed through e-mail or telephone on the matters related to themselves or company-related issues.

13. Stakeholders' Participation in the Management

Employees' participation in the management is realized through the periodic meetings conducted within the Company and target defining and performance assessment meetings held each year.

14. Human Relations Policy

Company's Recruitment policy is defined with priority given to development of local region. There is a recruitment process starting from nearest village neighboring the mine site. When there is need to recruit a personnel, according to the nature of position required, candidates are assessed from the nearest village then to nearest towns and provinces. If no suitable local candidates are selected, nation-wide candidates are sought.

As the gold mining industry is new sector in Turkey, it is sometimes difficult to find qualified personnel. Newly graduated personnel who are possessed with required qualifications are selected and when they are employed, on the job training occupational training have been provided.

As Koza respects the people in gold mining sector, it has been a choice and priority of those who received training in this sector.

Considering the mining industry, the workforce recycle has been on low levels, is a clear indication of employee satisfaction as well as good implementation of company's human resources policy.

15. Information on Customer and Suppliers Relations

As part of our Company's main business activity, doré, which contains gold and silver are produced and sent to refineries to be refined. All marketing and sales works are carried out by the refineries.

16. Social Responsibility

Our Company, while operating, shows great care for the principles of transparency, values its employees and locals and continuously develops itself and follows and implements technological changes. The company has been involved in to concentrate on the problems of local communities and has produced and continues to produce number of projects to assist their economical as well as social developments. As a part of its "Social Responsibility", Koza Altın İşletmeleri A.Ş has adopted attitude which will provide local region with highest economical and social contribution.

SECTION IV – BOARD OF DIRECTORS

17. Structure, Formation and Independent Members

Company's Board of Directors consists of 5 members, elected by General Board.

Hamdi Akin İpek	Chairman
Cafer Tekin İpek	Vice Chairman
Melek İpek	Member
Pelin Zenginer	Member
İsmet Kasapoğlu	Independent Member

18. Qualifications of Members of Board of Directors

Entire members of the Board of Directors have vast knowledge backed with education and experience and exemplifying professionals in the sector as well in the world of business.

19. Company's Mission and Vision and Strategic Goals

Our Vision

To be the first Turkish international company in gold mining sector.

Our Mission

To carry out gold mining operations by using best available technology and displaying highest environmental performance and showing respect to local people in a mutual trust.

Our Strategies

- To be one of the most important international gold producer in world's gold market.
- To further develop current Environment and Job Safety standards.
- To increase annual gold production to 1 million ounces.

20. Risk Management and Internal Control Mechanism

An Auditing Committee will be formed at Board of Directors. Upon forming of the Committee, internal auditing department will be set up. Stages will be determined to effectively implement internal auditing and procedures will be prepared and implemented.

21. Authorities and Responsibilities of the Board of Directors

Company's management rights and authorities of representation are defined in the Articles of Association.

22. Activities of Board of Directors

Our Board of Directors have held number of meetings to discuss several issues and have taken decisions during the first six months of 2010. All kinds of opinions were raised in those meetings and no different opinions were expressed against the member of the Board of Directors during these meetings in 2010.

23. Committees

The amendments about our company's Articles of Association's 7/B titled "Committees attached to Board Management", and 10/A titled "Auditing Committee" have been approved by the CMB dated 16.04.2010 with resolution no:10/329. The changes to these articles 7, and 10 have also been permitted by the Ministry of Trade and Industry with their reference letter no:2262.

24. Code of Ethics

Procedure, which contains the code of ethics, is in process of preparation.

25. Financial Rights provided to the Board of Directors

Attendance fee to be paid to Company's Board of Directors is determined by General Board. The members of the Board receive attendance fee of net 30.000TL. ber 2009

Furthermore, as the result of the General Assembly's decision reached on 25 April 2011, it was decided to distribute cash dividend of %1 to the members of the board of directors elected to represent Group A.