wesizwe

REVIEWED CONDENSED CONSOLIDATED PROVISIONAL FINANCIAL RESULTS

for the year ended 31 December 2011

Wesizwe Registration number 2003/020161/06 Share code: WEZ ISIN: ZAE000075859
("Wesizwe" or "the Group")

HIGHLIGHTS

> **Conclusion of the transaction with China-Africa Jinchuan Investment Limited and Micawber 809 (Pty) Ltd resulting in the subscription of 829 884 460 new ordinary shares for an amount of US$227 million (R1 565,6 million).**

> **Development of the Bakubung Platinum Mine (previously known as the Frischgewaagd-Ledig project) officially launched.**

> **Development of the Maseve Platinum Mine on track to commence production by 2014.**

www.wesizwe.com

Condensed consolidated provisional statement of financial position
at 31 December 2011

	Notes	Group 2011 R'000	Group 2010 R'000
ASSETS			
Non-current assets		**2 664 691**	2 516 054
Property, plant and equipment	6	**1 734 383**	1 583 551
Available-for-sale financial asset		**13 760**	10 283
Investment in equity accounted investee	7	**916 548**	922 220
Current assets		**1 276 472**	56 237
Other receivables		**30 128**	9 271
Taxation		**9 544**	–
Loan to the Bakubung community	8	**–**	8 257
Restricted cash	9	**69 307**	27 852
Cash and cash equivalents		**1 167 493**	10 857
Total assets		**3 941 163**	2 572 291
EQUITY AND LIABILITIES			
Capital and reserves		**3 625 222**	2 105 860
Share capital	10	**16**	8
Share premium	11	**3 425 528**	1 955 159
Share-based payment reserve	12	**472 179**	65 384
Available-for-sale financial asset reserve		**1 529**	1 012
(Accumulated loss)/retained earnings		**(274 030)**	84 297
Non-current liabilities		**281 362**	290 113
Deferred tax liability	13.1	**268 775**	290 113
Decommissioning provision	14	**12 587**	–
Current liabilities		**34 579**	176 318
Trade and other payables		**33 299**	22 214
Bridging loan	15	**–**	33 270
Equalisation liability	16	**–**	120 834
Taxation		**1 280**	–
Total equity and liabilities		**3 941 163**	2 572 291

Condensed consolidated provisional statement of comprehensive income
for the year ended 31 December 2011

	Notes	Group 2011 R'000	Group 2010 R'000
Operations			
Administration expenses		**(51 895)**	(50 024)
Advisors' fees and commissions		**–**	(27 816)
Exploration and evaluation expenditure		**–**	(1 787)
Impairment of loan to Bakubung community	8	**(8 257)**	–
Impairment of mineral rights		**–**	(7 721)
Loss on dilution of interest in equity accounted investee	7	**(9 187)**	–
Net operating costs		**(69 339)**	(87 348)
Financial			
Interest income		**46 255**	6 122
Profit/(loss) of associate	7	**3 515**	(2 640)
Gain on purchase of investment in WBJV		**–**	378 083
Drawdown facility charges		**–**	(5 035)
Foreign exchange (loss)/gain	16	**(4 666)**	17 878
Interest expense		**(486)**	(522)
Net financial income		**44 618**	393 886
(Loss)/profit from operations		**(24 721)**	306 538
Equity financing			
Share-based payment expense	12	**(408 002)**	(2 802)
Foreign exchange gain on proceeds	17	**60 585**	–
Net equity financing costs		**(347 417)**	(2 802)
(Loss)/profit before tax		**(372 138)**	303 736
Income tax expense	13.2	**13 811**	(4 862)
(Loss)/profit for the year		**(358 327)**	298 874
Increase in fair value of available-for-sale asset		**517**	286
Total comprehensive (loss)/income for the year		**(357 810)**	299 160
(Loss)/earnings per share			
Basic (loss)/earnings per share (cents)	22	**(26,58)**	40,87
Diluted (loss)/earnings per share (cents)	22	**(26,58)**	40,85

Condensed consolidated provisional statement of changes in equity
for the year ended 31 December 2011

	Share capital R'000	Share premium R'000	Available-for-sale reserves R'000	Share based payment reserve R'000	(Accumulated loss)/retained earnings R'000	Total R'000
Balance at 1 January 2010	**6**	**1 489 091**	**726**	**62 582**	**(214 577)**	**1 337 828**
Total comprehensive income for the year						
Profit for the year	–	–	–	–	298 874	298 874
Other comprehensive income	–	–	286	–	–	286
	–	**–**	**286**	**–**	**298 874**	**299 160**
Transactions with owners recorded directly in equity						
Issue of shares	2	466 068	–	–	–	466 070
Share-based payment expense	–	–	–	2 802	–	2 802
	2	**466 068**	**–**	**2 802**	**–**	**468 872**
Balance at 31 December 2010	**8**	**1 955 159**	**1 012**	**65 384**	**84 297**	**2 105 860**
Total comprehensive loss for the year						
Loss for the year	**–**	**–**	**–**	**–**	**(358 327)**	**(358 327)**
Other comprehensive income	**–**	**–**	**517**	**–**	**–**	**517**
	–	**–**	**517**	**–**	**(358 327)**	**(357 810)**
Transactions with owners recorded directly in equity						
Issue of shares	**8**	**1 505 002**	**–**	**–**	**–**	**1 505 010**
Share issue expenses	–	(34 633)	–	–	–	(34 633)
Share-based payment expense	–	–	–	406 795	–	406 795
	8	**1 470 369**	**–**	**406 795**	**–**	**1 877 172**
Balance at 31 December 2011	**16**	**3 425 528**	**1 529**	**472 179**	**(274 030)**	**3 625 222**

Condensed consolidated provisional statement of cash flows
for the year ended 31 December 2011

	Notes	Group 2011 R'000	Group 2010 R'000
Cash flows from operating activities	21	**(60 109)**	(89 637)
Finance income received		**26 068**	6 122
Finance cost paid		**(156)**	(9)
Taxation paid		**(15 791)**	–
Cash utilised in operations		**(49 988)**	(83 524)
Cash flows utilised by investing activities			
Acquisition of property, plant and equipment as a result of increasing operations		**(139 571)**	(41 945)
Loan advanced to associate		**–**	(7 279)
Recovery of intangible exploration and evaluation expenditure		**–**	10 346
Purchase of available-for-sale financial asset		**(2 960)**	(2 835)
Loan advanced		**(1 439)**	(8 257)
Proceeds on disposal of property, plant and equipment		**–**	47
Net cash outflow from investing activities		**(143 970)**	(49 923)
Cash flows from financing activities			
Capital raised from issue of shares		**1 565 595**	–
Share issue expenses		**(34 633)**	–
Bridging loan raised		**17 800**	33 270
Bridging loan repaid		**(51 070)**	–
Equalisation liability repaid		**(125 830)**	–
Net cash inflow from financing activities		**1 371 862**	33 270
Net increase/(decrease) in cash and cash equivalents		**1 177 904**	(100 177)
Cash at the beginning of the year		**38 709**	138 886
Cash at the end of the year		**1 216 613**	38 709
Cash at the end of the year comprises:			
Restricted cash		**69 307**	27 852
Bank balances		**1 147 306**	10 857
Cash at end of year		**1 216 613**	38 709
Interest accrued		**20 187**	–
		1 236 800	38 709

Notes to the condensed consolidated provisional financial results
for the year ended 31 December 2011

1. Reporting entity

Wesizwe Platinum Limited ("Wesizwe" or "the Company") is a company domiciled in the Republic of South Africa. The condensed consolidated provisional annual financial results as at 31 December 2011 comprise the Company, its subsidiaries and the Group's interest in its equity accounted investee (together referred to as the "Group"). The consolidated financial statements of the Group for the year ended 31 December 2010 are available upon request from the Company's registered office at Unit 13, 2nd Floor, 3 Melrose Boulevard, Melrose Arch, Johannesburg, 2076 or at www.wesizwe.com.

2. Statement of compliance

The condensed group provisional annual financial results are prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards and presented in accordance with the minimum content, including disclosures, prescribed by IAS 34 Interim Financial Reporting applied to year end reporting, and South African Statements and Interpretations of Statements of Generally Accepted Accounting Practice (AC 500 Series) and the Companies Act, 2008, of South Africa

3. Independent review

The condensed group provisional annual results of Wesizwe Platinum Limited for the year ended 31 December 2011 have been reviewed by the Company's auditor, KPMG Inc. In their review report dated 2 April 2012, which is available for inspection at the Company's registered office, KPMG Inc state that their review was conducted in accordance with the International Standard on Review Engagements 2410, Review of Interim Information Performed by the Independent Auditor of the Entity, which applies to a review of group provisional financial information, and have expressed an unmodified conclusion on the condensed group provisional annual financial results.

4. Significant accounting policies

The accounting policies applied by the Group in the condensed group provisional financial results are the same as those applied by the Group in its consolidated financial statements for the year ended 31 December 2010.

5. Estimates

The financial reports and commentary in this provisional report contain information and is based on calculations that require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the condensed group provisional financial results, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation, except as listed below, were the same as those that applied to the consolidated financial statements for the year ended 31 December 2010. Management engaged the services of various professional research and forecasting experts, including that of SFA (Oxford) Limited for product prices to prepare projections and forecasts regarding future economic outlook, exchange rates and product prices.

The following economic parameters were assumed:

US$ exchange rate (ZAR)	8.50
Pt price (US$/oz)	2 000
Pd price (US$/oz)	760
Rh price (US$/oz)	5 900
Au price (US$/oz)	1 400
MR basket price (US$/oz)	1 926
Discount rate/Weighted Average Cost of Capital (%) (Real)	8.20

Management acknowledges that the ZAR/US$ exchange rate and commodity prices have been volatile and movements would have an impact on the values as determined by management. Management is of the opinion that, given the fact that the NAV of the mining assets at year-end were below the determined fair values, the assets of the Group are not impaired. A 6.5% reduction, changing the MR basket price from US$1 926/oz to US$1 800/oz will result in the determined fair value approximating the NAV.

6. Property, plant and equipment

	Mine Assets R'000	Other R'000	Total R'000
Balance at 1 January 2010	**121 208**	**9 785**	**130 993**
Additions and transfers	1 454 238	234	1 454 472
Disposals	–	(47)	(47)
Depreciation	(354)	(1 513)	(1 867)
Balance at 31 December 2010	**1 575 092**	**8 459**	**1 583 551**
Additions (including decommissioning asset)	151 679	479	152 158
Depreciation	(293)	(1 033)	(1 326)
Balance at 31 December 2011	**1 726 478**	**7 905**	**1 734 383**

7. Investment in equity accounted investee

	Group 2011 R'000	Group 2010 R'000
Opening balance	**922 220**	668 732
Equalisation liability transferred to current liabilities		140 236
Adjustment to Equalisation liability		(2 037)
Acquisition of prospecting rights at fair value		143 730
Deferred taxation on prospecting rights		(40 244)
Gain on bargain purchase of previously held 26% interest		9 950
Deferred taxation on gain on bargain purchase		(2 786)
Additional net cash call		7 279
Share of profit/(loss) in associate	**3 515**	(2 640)
Loss on dilution of interest in equity accounted investee	**(9 187)**	–
Closing balance	**916 548**	922 220

8. Impairment of loan to the Bakubung community

	Group 2011 R'000	Group 2010 R'000
Opening balance	**8 257**	–
Loan advance	**–**	8 257
Impairment	**(8 257)**	–
Closing balance	**–**	8 257

As previously reported, the Company was requested by the DMR to assist the Community and the Royal Family in their efforts to obtain proper accounting for the Community's assets in relation to Wesizwe. Consequently, funds were advanced by way of direct payment to service providers. In 2010 the courts made a ruling in favour of the Community that the cost of legal proceedings be paid by the respondents.

In evaluating the recoverability of the loan, Management is of the opinion that the recoverability within the next 6 to 12 months is doubtful and, in adopting a conservative approach, has accordingly impaired the loan for accounting purposes.

9. Restricted cash

	Group 2011 R'000	Group 2010 R'000
Department of Mineral Resources – Rehabilitation provision	**27 370**	27 000
Landlord – Operating lease agreement	**896**	852
Eskom – Connection guarantees	**31 791**	–
Transferring attorneys – Purchase of land	**9 250**	–
Total	**69 307**	27 852

Call and short-term deposits have been encumbered as a result of issuing the above guarantees.

10. Share capital

	Group 2011 R'000	Group 2010 R'000
Authorised		
2 000 000 000 (2010: 1 500 000 000) ordinary shares of R0.00001 each	**20**	15
Issued		
1 627 827 058 ordinary shares of R0.00001 each (2010: 797 942 598 ordinary shares of R0.00001 each)	**16**	8

On 4 May 2011 the company issued 829 884 460 ordinary shares at a price per share of R1.81.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

There are no unissued ordinary shares under the control of the directors.

11. Share premium

	Group 2011 R'000	Group 2010 R'000
Opening balance	**1 955 159**	1 489 091
Premium on issue of 211 850 125 shares	**–**	466 068
Premium on issue of 829 884 460 shares	**1 505 002**	–
Share issue expenses	**(34 633)**	–
Closing balance	**3 425 528**	1 955 159

12. Share-based payment reserve

	Group 2011 R'000	Group 2010 R'000
Opening balance	**65 384**	62 582
	406 795	2 802
Share-based payment expense – share incentive scheme	**1 359**	2 802
Share-based payment expense on issue of shares	**406 643**	–
	408 002	2 802
Option exercised in terms of LTIP share scheme	**(1 207)**	–
Closing balance	**472 179**	65 384

- The share-based payment expense of R406,6 million relates to an IFRS 2 adjustment for the specific issue of 829 884 460 shares for cash. The issue price was set at R1.81. The closing price on 3 May 2011, which represents the fair value of the Wesizwe share was R2.30. The difference between the fair value at the date of mutual understanding and the strike price represents the share-based payment expense.
- Share-based payment expenditure of R1,4 million represents the IFRS2 expense for the Long Term Incentive Plan ("LTIP") and Share Appreciation Rights Scheme ("SARS").
- The R1,2 million represents the recognition of the options exercised in terms of the LTIP share scheme.

13. Taxation

13.1 Deferred taxation

	Group 2011 R'000	Group 2010 R'000
Opening balance	**290 113**	–
Current year changes	**(21 338)**	290 113
Unrealised exchange rate gains	**–**	4 862
Realised exchange rate gains	**(4 862)**	–
Acquisition of joint venture (WBJV)		285 251
Tax losses	**(16 476)**	–
Closing balance	**268 775**	290 113

13.2 Income tax expense

	Group 2011 R'000	Group 2010 R'000
Current year – normal taxation	**(7 527)**	–
Current year – deferred taxation	**21 338**	(4 862)
Total	**13 811**	(4 862)

14. Environmental rehabilitation obligation

This long-term obligation reflects the estimated future costs of closure, restoration and environmental rehabilitation (which include the dismantling and demolition of infrastructure, removal of residual materials and remediation of disturbed areas) in the accounting period when the related environmental disturbance occurs. An estimate is made of the escalated future rehabilitation cost based on environmental plans in accordance with current technology, environmental and regulatory requirements and is discounted using a pre-tax risk-free rate that reflects current market assessments of the time value of money. At the time of establishing the provision, a corresponding asset is recognised and depreciated over the future life of the asset to which it relates. The provision is re-assessed on an annual basis for changes in cost estimates, discount rates and useful lives.

15. Bridging loan

	Group 2011 R'000	Group 2010 R'000
Opening balance	**33 270**	–
Bank of China drawdown facility	**17 800**	33 270
Settlement of liability	**(51 070)**	–
Closing balance	**–**	33 270

The facility was used for the ongoing capital development of the Bakubung Platinum Mine. Interest was payable monthly at Jibar +250 basis points and was settled following the successful conclusion of the China-Africa Jinchuan and Micawber transaction.

16. Equalisation liability

	Group 2011 R'000	Group 2010 R'000
Opening balance	**120 834**	–
Equalisation liability transferred from investment in equity accounted investee	**–**	140 236
Adjustment of liability following agreement to fix the liability in US$ terms	**–**	(2 037)
Interest	**330**	513
Exchange rate fluctuation	**4 666**	(17 878)
Settlement of liability	**(125 830)**	–
Closing balance	**–**	120 834

The equalisation liability was settled on 20 May 2011. The final amount settled included interest due up to the payment date and an exchange rate adjustment.

17. Gain on foreign exchange rate fluctuation

On 4 May 2011 829 884 460 shares were issued for a cash consideration of US$227 million. On the day of subscription, the ZAR/US$ exchange rate traded at an average of R6.63. The foreign exchange was converted over a period of 30 days and was converted at an average exchange rate of R6.90, realising an exchange gain of R60,6 million. The total cash introduced amounted to R1 565,6 million resulting in cash and cash equivalents reflecting a significant increase.

18. Mineral resources

There was no change to the mineral resources for the year ended 31 December 2011.

19. Segment reporting

No segment reporting has been produced as the Group is conducting activities in one geological location which represents its only business activity.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other companies. The operating results for the Group as a whole are reviewed regularly by the Group's CEO to make decisions about resources to be allocated and to assess its performance.

20. Subsequent events

There were no events that occurred after the reporting period that require further disclosure in these financial results.

21. Reconciliation of (loss)/profit for the period to cash flows from operating activities

	Group 2011 R'000	Group 2010 R'000
(Loss)/profit from operations after taking the following into account:	**(24 721)**	306 538
Interest income	**(46 255)**	(6 122)
Profit/(loss) of associate	**(3 515)**	2 640
Interest expense	**486**	522
(Loss)/profit from operations	**(74 005)**	303 578
Adjustments for:		
– Depreciation	**1 326**	1 867
– Gain on bargain purchase	**–**	(378 083)
– Loss on dilution of interest in equity accounted investee	**9 187**	–
– Loss/(Profit) on re-measurement of liability denominated in a foreign currency	**4 666**	(17 878)
– Impairment of mineral rights	**–**	7 721
– Impairment of loan to Bakubung community	**8 257**	–
– Share-based payment expense	**(1 207)**	–
Operating loss before working capital changes	**(51 776)**	(82 795)
Changes in working capital	**(8 333)**	(6 842)
Increase in other receivables	**(19 418)**	(4 401)
Increase/(decrease) in trade and other payables	**11 085**	(2 441)
Cash flow from operating activities	**(60 109)**	(89 637)

22. (Loss)/earnings per share

	Group 2011	Group 2010
The basis of calculation of basic (loss)/earnings per share is:		
Attributable (loss)/profit to ordinary shareholders (Rand)	**(358 326 233)**	298 873 679
Weighted average number of ordinary shares in issue (shares)	**1 348 167 363**	731 195 298
Basic (loss)/earnings per share (cents)	**(26,58)**	40,87
The basis of calculation of diluted (loss)/earnings per share is:		
Attributable (loss)/profit to ordinary shareholders (Rand)	**(358 326 233)**	298 873 679
Adjusted weighted average number of ordinary shares in issue (shares)	**1 348 167 363**	731 611 765
Weighted average number of ordinary shares in issue (shares)	**1 348 167 363**	731 195 298
LTIP and SARS outstanding	**–**	416 467
Diluted (loss)/earnings per share (cents)	**(26,58)**	40,85
The basis of calculation of headline loss and diluted headline loss per share is:		
Attributable (loss)/profit to ordinary shareholders (Rand)	**(358 326 233)**	298 873 679
	17 444 287	(370 362 219)
Impairment of loan to Bakubung community	**8 257 330**	–
Impairment of mineral rights	**–**	7 720 825
Gain on bargain purchase	**–**	(378 083 044)
Loss on dilution of interest in equity accounted investee	**9 186 957**	–
Headline loss	**(340 881 946)**	(71 488 540)
Weighted average number of ordinary shares in issue (shares)	**1 348 167 363**	731 195 298
Headline loss and diluted headline loss per share (cents)	**(25,28)**	(9,78)

Calculation of weighted average number of shares:

Date of share Issues	Description	Number of shares issued	Number of days in issue	Weighted average number of shares
01 January 2010	Opening balance	797 942 598	365	797 942 598
04 May 2011	Shares issued	829 884 460	242	550 224 765
Total		**1 627 827 058**		**1 348 167 363**

Commentary

Project development

After the equity injection and associated funding commitment secured in May 2011, the Company officially launched the Bakubung Platinum Mine in July 2011 and settled its equalisation liability related to its minority shareholding in Maseve Investments 11 (Pty) Ltd ("Maseve"). As a result of these milestones the Company has made the full transformation from its original focus on exploration to becoming a significant mid tier mining company.

Bakubung Platinum Mine project

Production is planned to commence by 2018 with designed annual production of 4E (3PGM + Au) averaging 350 000 ounces per annum expected from 2023 onwards. The Bakubung Platinum Mine ore body remains one of the best un-mined PGM deposits in South Africa, with above-average grades. The planned mining operation will be at an average depth of 850 metres and a very competitive operating cost is envisaged over the 35 year life-of-mine.

The project was reviewed in detail to validate the, capital budget estimates and life of mine financial projections. The current capital budget estimate of R7,9 billion is only marginally higher than the previous inflation adjusted estimate and on-going improvement is likely to be derived from the redesign and continuous process improvement on the concepts. The current year expenditure on this project related predominantly to the Engineering, Procurement and Construction Management ("EPCM") and other consultants costs relating to early works, cost of this validation, tender processes and the required site establishment, earth and civil works in preparation to commence with shaft sinking. Capital commitments relating to mine development amounted to R305 million at year end.

The provision of bulk supplies (power and water) is on schedule and the necessary supporting guarantees have been provided. The owner's team and the EPCM contractor were secured and appointed. The successful sinking contractor Aveng Grinaker-LTA was announced on the 28 March with the order to be placed on Thursday 5th April to commence work on site as soon as possible.

The Company's management is continuing to evaluate potential infrastructure synergies with the mine's neighbours and will focus on achieving continuous improvement.

Maseve Platinum Mine project

The project being developed by Maseve, under the management of the majority shareholder, Platinum Group Metals (RSA) (Pty) Ltd ("PTM"), is expected to commence production by 2014 and reach full production of 275 000 ounces per annum of 4E (3PGM + Au) by 2019.

Funding

The Company received an equity injection of US$227 million (R1 565,6 million) by means of allotting 732 522 177 ordinary shares to China-Africa Jinchuan Investment Limited ("China-Africa Jinchuan") and 97 362 283 ordinary shares to Micawber 809 (Pty) Ltd ("Micawber") for a subscription price of US$200 368 295 and US$26 631 705 respectively. This transaction also resulted in a share-based payment expense and a related exchange rate gain that is reflected in the financial reports. China-Africa Jinchuan is the nominated shareholder of the Chinese Consortium comprising the Jinchuan Group Limited ("Jinchuan" or "JNMC") and China-Africa Development Fund ("CADFund") and are the parties to the subscription agreement in terms of which the shares were issued and in terms of which the Chinese Consortium undertakes to provide the additional funding that may be required in order to achieve operational completion of the Bakubung Platinum Mine project. As such, the current Wesizwe shareholders will not be called upon to provide further funding or be subject to dilution. This funding will be provided either by JNMC and CADFund directly or through the provision of third party funding on terms similar to those of the funding to be provided by the China Development Bank. To this end a facility of US$650 million with China Development Bank is in the process of being set up with reference to the relevant term sheets. The Company is committed to a fee of 1% on the additional funding when it is actually received in cash.

PTM exercised its option, in terms of the shareholders' agreement, to subscribe for additional shares in Maseve and caused Wesizwe's effective share in Maseve to be diluted from 45,25% down to 26% and resulted in the recognition of a loss on dilution in Maseve (equity accounted investee) of R9,2 million. In terms of the shareholders' agreement Wesizwe will not be required to make further cash contributions towards the project until PTM has contributed a total of R1,57 billion in cash for the development of the project. Any remaining balance of funding required will have to be provided by shareholders proportionally to shareholding but it is currently envisaged that this funding will be secured as loan funding from financial institutions.

Financial overview

The Group recorded a loss before tax amounting to R372 million (2010 – profit of R304 million). These results takes account of operational cost amounting to R69 million (2010 – R87 million) and net financial income amounting to R45 million (2010 – R394 million) and the cost related to equity financing amounting to R347 million (2010 – R3 million) as presented in more detail in the condensed group statement of comprehensive income.

Community issues

Challenges continue to be present in the Community largely due to a long standing leadership vacuum. Despite this, Wesizwe continues to be committed to sustainable community development and empowerment. Our strategic intent is to restore community confidence in Wesizwe as a business partner and have made significant contributions to the Community and the resolution and formalisation of the Communities' affairs. The Company acknowledges the Community as one of its important stakeholders and strives to have a healthy relationship with the Community. To this end, Wesizwe conducted a community stakeholder perception survey to probe perceptions of the Ledig community on the mine project being developed in Ledig. The feedback received is used to formulate future interaction and plans.

Directorate and changes to the board

There were a number of significant changes to the Wesizwe board during the course of 2011. In accordance with the terms and conditions of the transaction between Jinchuan, CADFund, Micawber and China-Africa Jinchuan, Mr Dexin Chen, Mr Jianke Gao, Mr Jikang Li, Mr Wenliang (Michael) Ma, Mr Lincoln (James) Ngculu, Mr Liliang Teng and Mr Qiyin (James) Zhang were appointed to the board on 4 May 2011. To facilitate these board changes, Prof Peter Gaylard and Mr Jacques de Wet resigned as directors of the Company at the same meeting. Mr Rob Rainey, Mr Mike Solomon and Mr Julian Williams stepped down from the board during the course of the year.

Mr Arthur Mashiatshidi resigned as chief executive officer in May 2011 but stayed on as Joint Chief Executive Officer with Mr Qiyin (James) Zhang until Mr Jianke Gao officially assumed the position on 2 August 2011. Mr Wenliang (Michael) Ma's appointment as finance director was confirmed on 23 August 2011. Mr Mlibo Mgudlwa resigned from his position as corporate affairs executive director, and remains on the board as a non-executive director. Mr Arthur Mashiatshidi resigned as a non-executive director of the Company with effect from 19 September 2011. Prof Wiseman Nkuhlu and Prof Robert Garnett were appointed as independent non-executive directors of the Company with effect from 17 October 2011.

Sadly, Mr Arthur Mashiatshidi passed away in February 2012. The board expresses its sincere condolences to his family and friends.

Going forward

While Wesizwe remains focused on the development of the projects reported on, the board has initiated the formalisation of the Company's vision and the finalisation of a longer term strategic plan that will be communicated after the board approval.

By order of the Board:

Dawn Mokhobo Chairman **Jianke Gao** Chief Executive Officer

Sponsors: PSG Capital Proprietary Limited

Directors: DNM Mokhobo (Chairman)*, D Chen (Deputy Chairman)*#, J Gao (Chief Executive Officer)#, W Ma (Financial Director)#, WM Eksteen*, J Li#, RP Garnett*, MG Mgudlwa*, LV Ngculu*, LW Nkuhlu*, L Teng*#, BJ van der Merwe*, Q Zhang*#
*Non Executive #Chinese

Company secretary: S van Schalkwyk

Registered address: Unit 13, 2nd Floor, 3 Melrose Boulevard, Melrose Arch, 2076

The financial statements have been prepared under the supervision of the Finance Director, Mr Wenliang (Michael) Ma.

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