



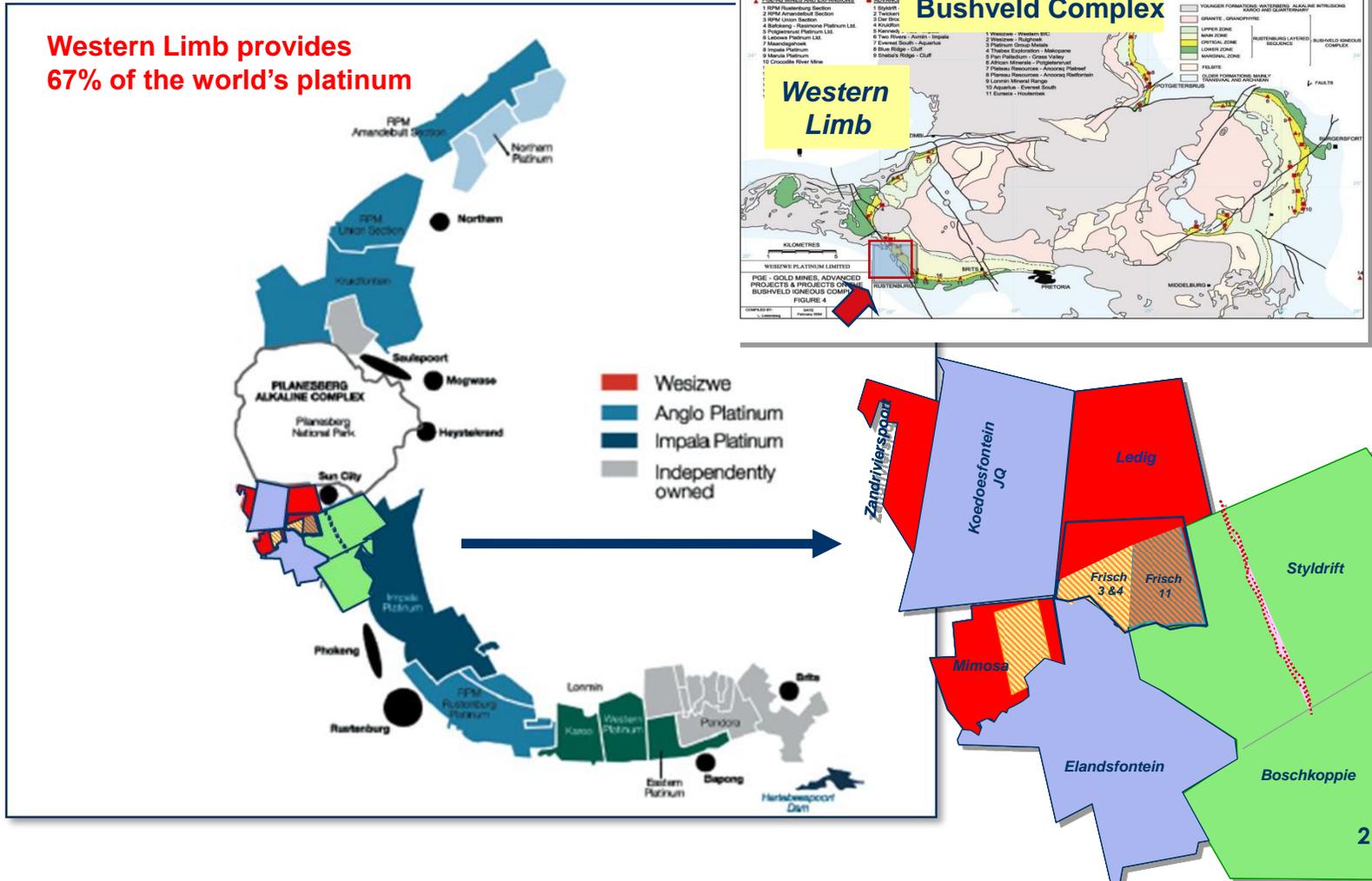
**wesizwe platinum limited**

***Annual Results***

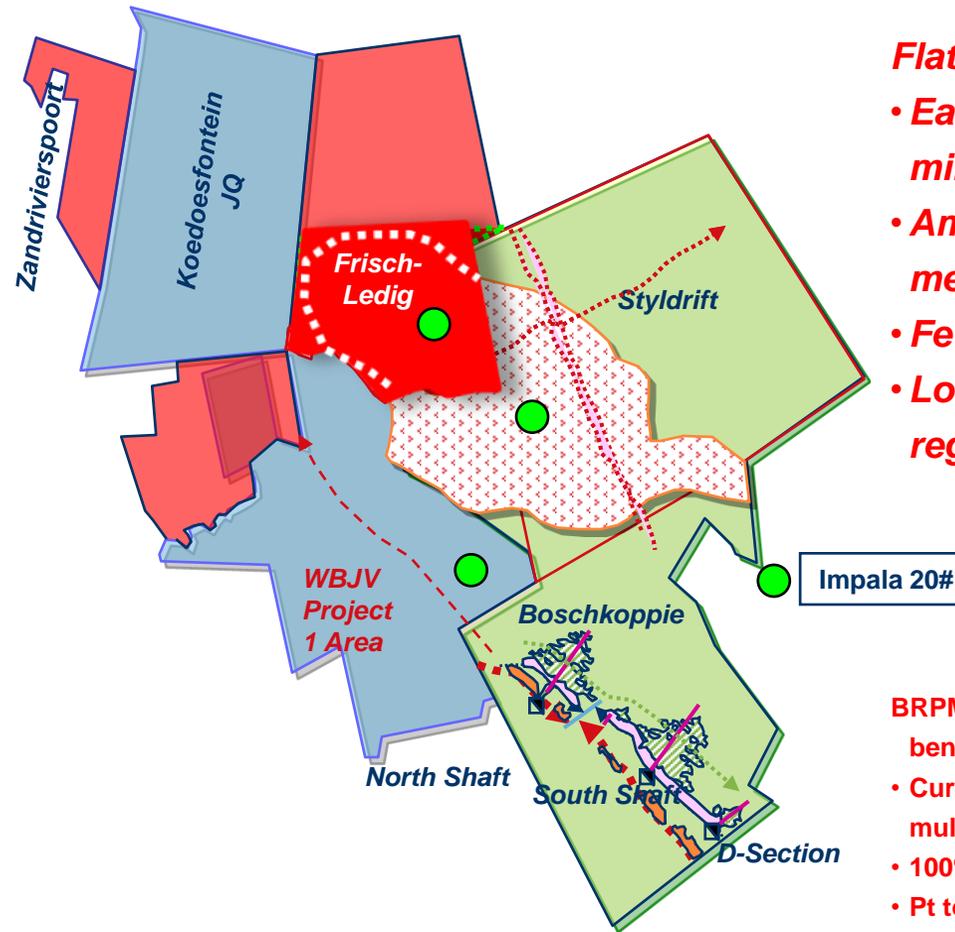
***Tuesday 31 March, 2009***

# Located on the PGM centre of gravity of the Western Limb of the Bushveld

Western Limb provides 67% of the world's platinum



# At the centre of a fully explored, quality new mining area



- Flat lying, thick reef =**
- **Easier, more efficient mining**
  - **Amenability to mechanisation**
  - **Fewer mining levels**
  - **Lower cost mining regime**

- BRPM (established benchmark)**
- **Current margin to cost multiple of 2:1**
  - **100% Merensky**
  - **Pt to Pd ratio = 2.2:1**
  - **Base metals increase revenues by 30%**

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**Highlights**

## ***Bankable feasibility studies***

- The Bankable Feasibility Study on Wesizwe's Core Frischgewaagd-Ledig Project in March 2008, was successfully completed well ahead of initial schedule
- Market volatility during the course of 2008 prompted an internal review of the March 2008 Bankable Feasibility Study. The first review confirms the viability and strength of the Core Project at the peak cost levels prevailing up to September 2008 and the second, to be completed at the end of April 2009, is in progress and will assess the implications of post-September declines in key Capex and Opex inputs
- The results of this review are expected to be released in early May 2009 and will inform strategic decisions and next steps

## ***Corporate action***

- Further strategic positioning achieved through a value accretive deal between the WBJV partners, Wesizwe, Anglo Platinum and Platinum Group Metals (PTM)
- This effectively gives Wesizwe 100% control of its Core Project and positions Anglo Platinum as one of Wesizwe's largest shareholders at over 26%

## ***The Core Frisch-Ledig Project: Oven ready***

- The Core Project is technically and economically sound
- Contractors are mobilised and ready to commence construction, in line with Wesizwe's reviewed staged approach, as detailed in November 2008
- Long lead items for electricity and bulk water supply, winders and shaft sinking equipment have been secured

## *Statutory permissions*

- The process of the various statutory permissions to commence mining activities was progressed during the year and will be concluded shortly

## Going concern

- Wesizwe remains financially strong with R244 million cash on hand at the date of this report
- Wesizwe has secured a standby facility of R550 million to ensure ongoing liquidity for the company



**Key elements of the report**

# ***Technical progress of the the Frischgewaagd-Ledig Complex***

- The company's exploration programme was successfully completed in the first quarter of 2008
- The underlying fundamentals of its Core Project, were reinforced and have been proven to be extremely attractive
- Head grades are high with very favourable PGM (4E) basket ratios
- The project has a very attractive and stable structural geology
- Working depth is relatively shallow at 650-850 m
- These fundamentals have been confirmed by a Bankable Feasibility Study undertaken by TWP and Murray and Roberts Cementation and a competent person's report on this study by The Mineral Corporation

## *Fund raising strategy*

- The strategy prior to the economic downturn had been to negotiate the terms of the required project finance by the end of 2008 and then to undertake equity capital raising during 2009
- This sequencing was upset by the sudden crash in the capital markets in September 2008, and the approach has had to be revised
- Fund raising will proceed instead on a phased approach whereby the capital project will be modularised into a series of smaller project components each with separate budgets and contracts

## ***Incremental approach to fund raising***

- The company will then raise the respective amounts of capital required on an incremental basis until such time as the capital markets normalise
- Project finance will only be negotiated and accepted on reasonable terms
- Equity finance on the basis of cash raised by means of new issue of shares will be contingent on share price recovery to a less dilutive level
- This will serve to mitigate dilution and preserve underlying shareholder value

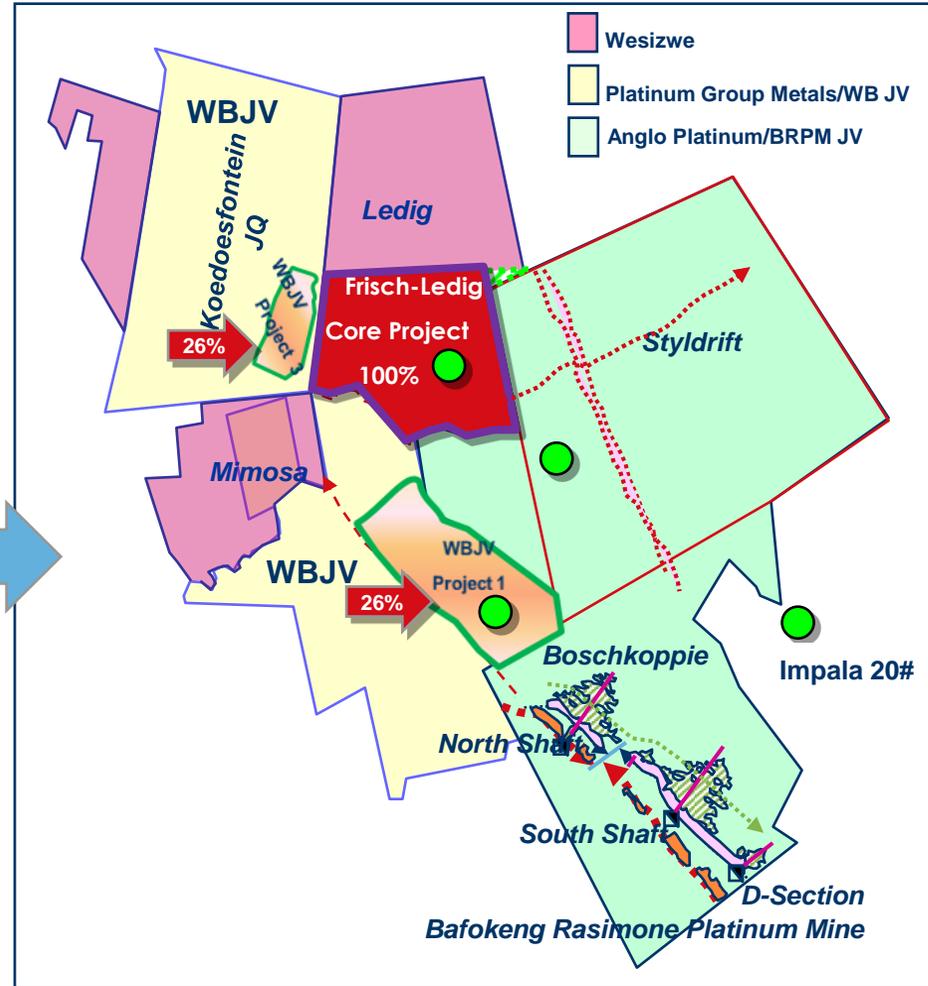
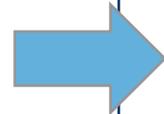
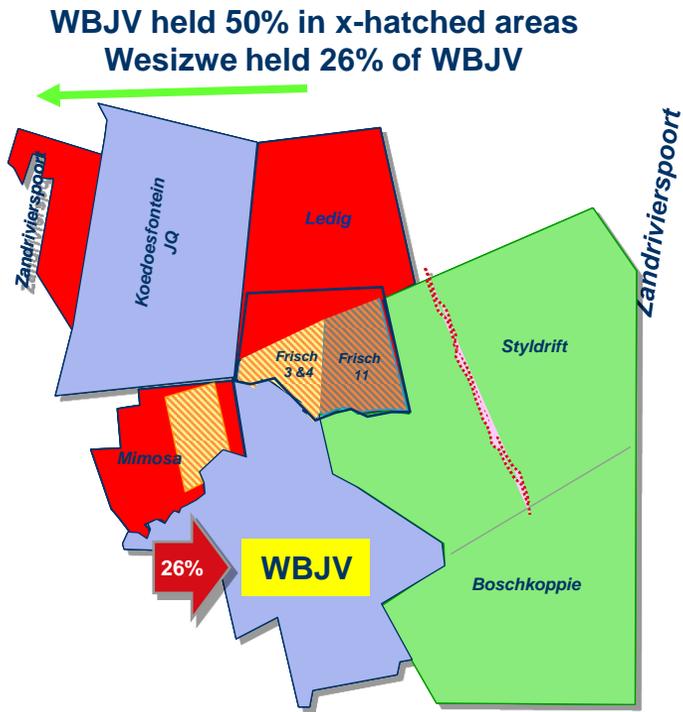
## ***The impact of prevailing economic conditions***

- Wesizwe's approach has always been aggressive and continues to be so
- The fact that we are progressing carefully in this uncertain environment is not a sign of project weakness but a highly cautionary approach taken in the interests of protecting shareholder value
- We have a world-class deposit the underlying value of which remains intact despite the economic crisis
- The economic crisis presents a three to five year distortion in a 35 year life of mine
- These measures are being taken to navigate the Company through the storm by making sensible decisions and weighing options to this end

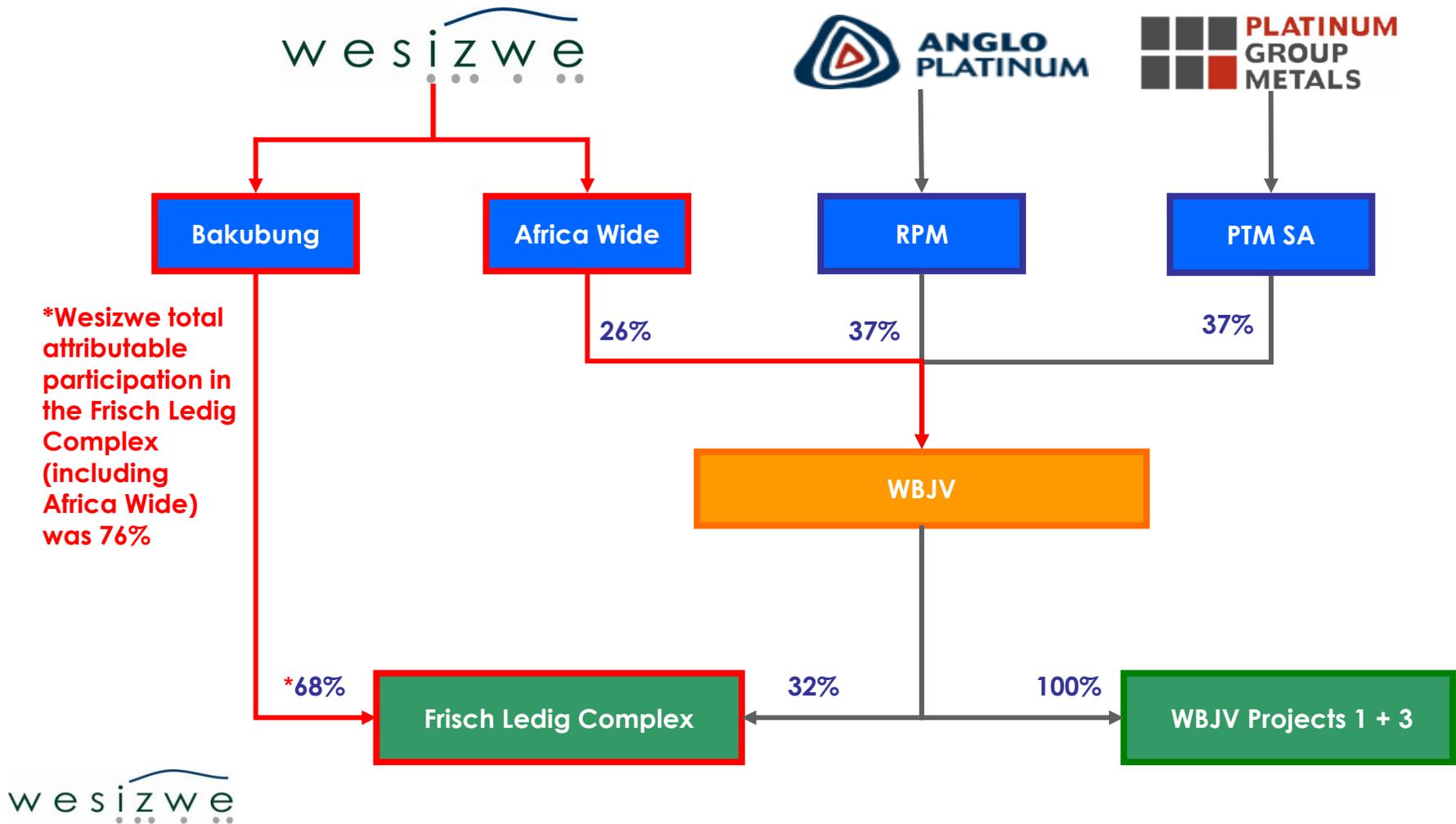
## ***The Anglo Platinum WBJV Deal***

- During the past year Wesizwe negotiated a highly value accretive deal with Anglo Platinum and PTM
- This will effectively give Wesizwe 100% control of and benefit from its Core Project, while maintaining its 26% stake in the Western Bushveld Joint Venture
- As a result of this transaction, Anglo Platinum will become the largest single shareholder in the Company

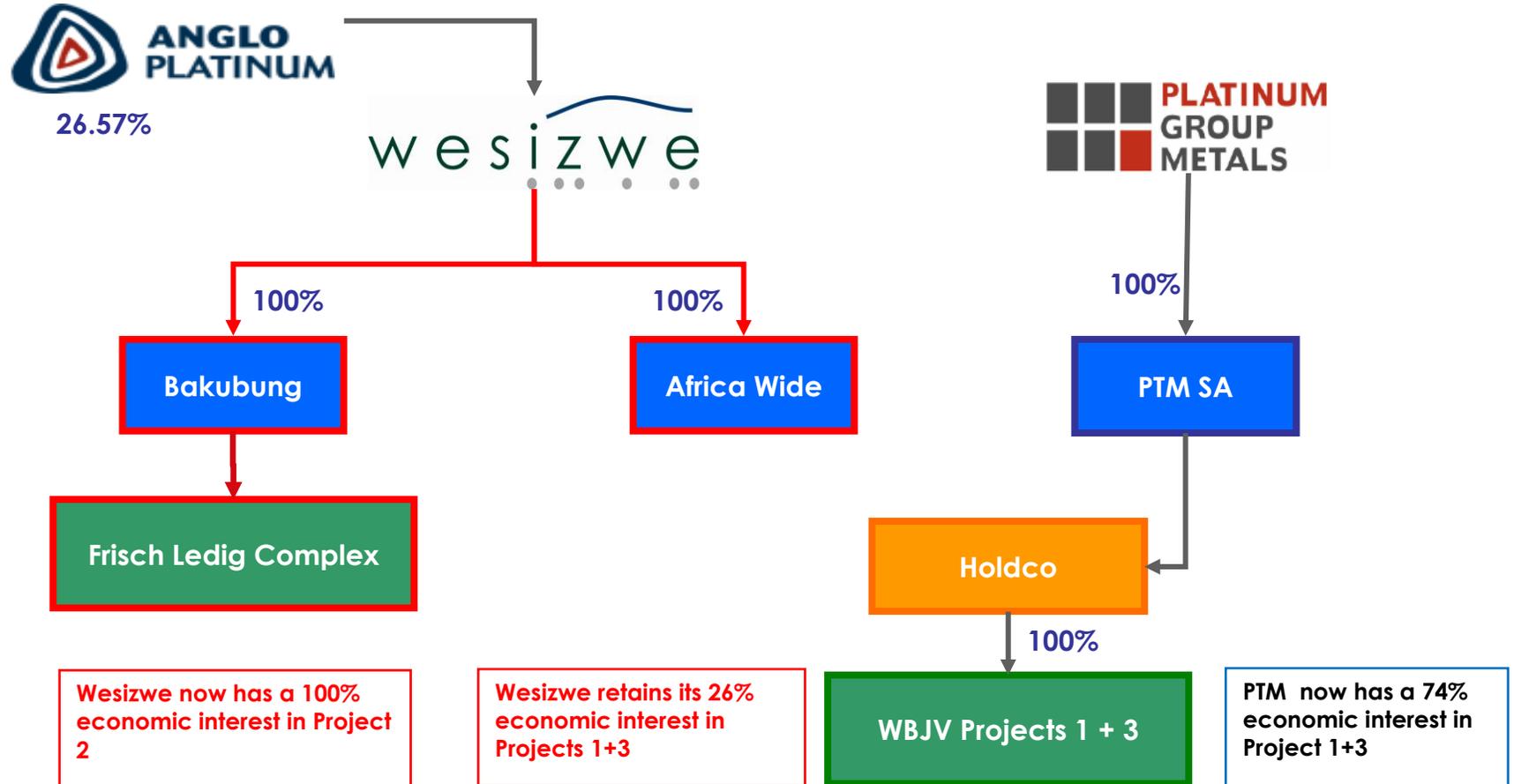
# The components of the deal



# Pre-transaction ownership structure



# Post-transaction ownership structure



## ***Conditions precedent remaining***

- Obtaining Section 11 approval from the Minister for transfer of title; and
- Obtaining approval of Wesizwe's Shareholders for the transaction

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**Going concern**

## ***Fund raising strategy prior to the onset of the crisis***

- The strategy in progress prior to the economic downturn was to negotiate the terms of the project finance by the end of 2008 and on the back of this raise to undertake the equity capital raised during the course of this year
- Once this was in place, the Company intended to utilise the equity for the capital development programme and once exhausted, to draw down on the debt component as close to cash generation as possible in order to mitigate the roll-up of interest charges on this debt
- This sequencing was of course upset by the sudden crash in the capital markets in September 2008, and the approach had to be revisited

## *Fund raising going forward*

- Project finance literally evaporated after September 2008
- There was little purpose in continuing the project finance negotiations with ABSA Barclays Capital, and these discussions have been deferred until the turmoil in the capital markets has settled down
- The planned major equity raised was also aborted as a result of the low prevailing share prices and the reluctance of management to unnecessarily dilute existing shareholders

## *Standby facility*

- In addition to the R244m cash in hand, we are busy concluding the agreement for the standby facility mentioned in the highlights, which will underpin company liquidity while the market corrects
- Details of this will be released once the agreement is signed



## Financial Results

## Overall results

- The Group made a net loss for the year of R27,8 million (compared to a loss of R90,8 million for 2007), comprising administration, transaction and other expenses of R62,3 million, offset by the net finance income of R34,3 million and other income of R0,2 million
- Expenses of R62,3 million include the following:
  - *Depreciation* *R1,1 million*
  - *Shared-based payment expense* *R0,5 million*
  - *Bonus for past services rendered* *R2,2 million*
  - *Impairment charge* *R1,2 million*
  - *Exploration and evaluation expense* *R8,2 million*
  - *Other administration overheads* *R49,1 million*

## ***Notes on financials***

- Share-based payment expense relates to shares and options issued to staff under the Long Term Incentive Plan (LTIP)
- The impairment charge of R1,2 million relates to write-off of exploration costs of the Groblersdal and GaRankuwa Projects. Initial drilling results indicated that the resource in these areas cannot be exploited economically and the decision not to continue with the projects was taken
- Other administration overheads of R49,1 million comprise of salaries, marketing, transaction expenses and community sustainability projects

# Capital Expenditure

- Intangible exploration and evaluation expenses capitalised at R42,5 million (2007: R102,1 million)
- Long-lead items consisting of plant and equipment R54,5 million (2007: R28,8 million)
- Tangible exploration and evaluation assets (engineering and drawings) R79,0 million (2007: R43,5 million); and
- Other property, plant and equipment items R6,8 million (2007: R6,9 million)

## ***Subsequent events: ROD appeal***

- The EIA Record of Decision (RoD) was received by Wesizwe in November 2008
- In February 2009, the Sun International Group in concert with the North West Eco Forum and the Legacy Group instituted an appeal is against the RoD challenging certain aspects of Wesizwe's EIA
- Objections are a common part of any EIA and IAP process
- Wesizwe believes there is nothing unusual or unexpected about this
- Outside the statutory IAP process Wesizwe has initiated dialogue with all relevant parties
- Wesizwe is however in possession of a positive RoD which entitles Wesizwe to proceed with mining and has no intention of delaying the project to accommodate these late objections

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**Share capital**

# Shares on issue

<b>Date</b>	<b>Price per share (cents)</b>	<b>2008 shares issued</b>	<b>Total shares issued</b>
Opening balance at 1 January 2008			<b>554 829 167</b>
<b>2008</b>			
22 April*	934	660 679	660 679
8 July**	675	30 000 000	30 000 000
<b>Total shares on issue to date</b>			<b>584 829 167</b>

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new name  
in  
platinum

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