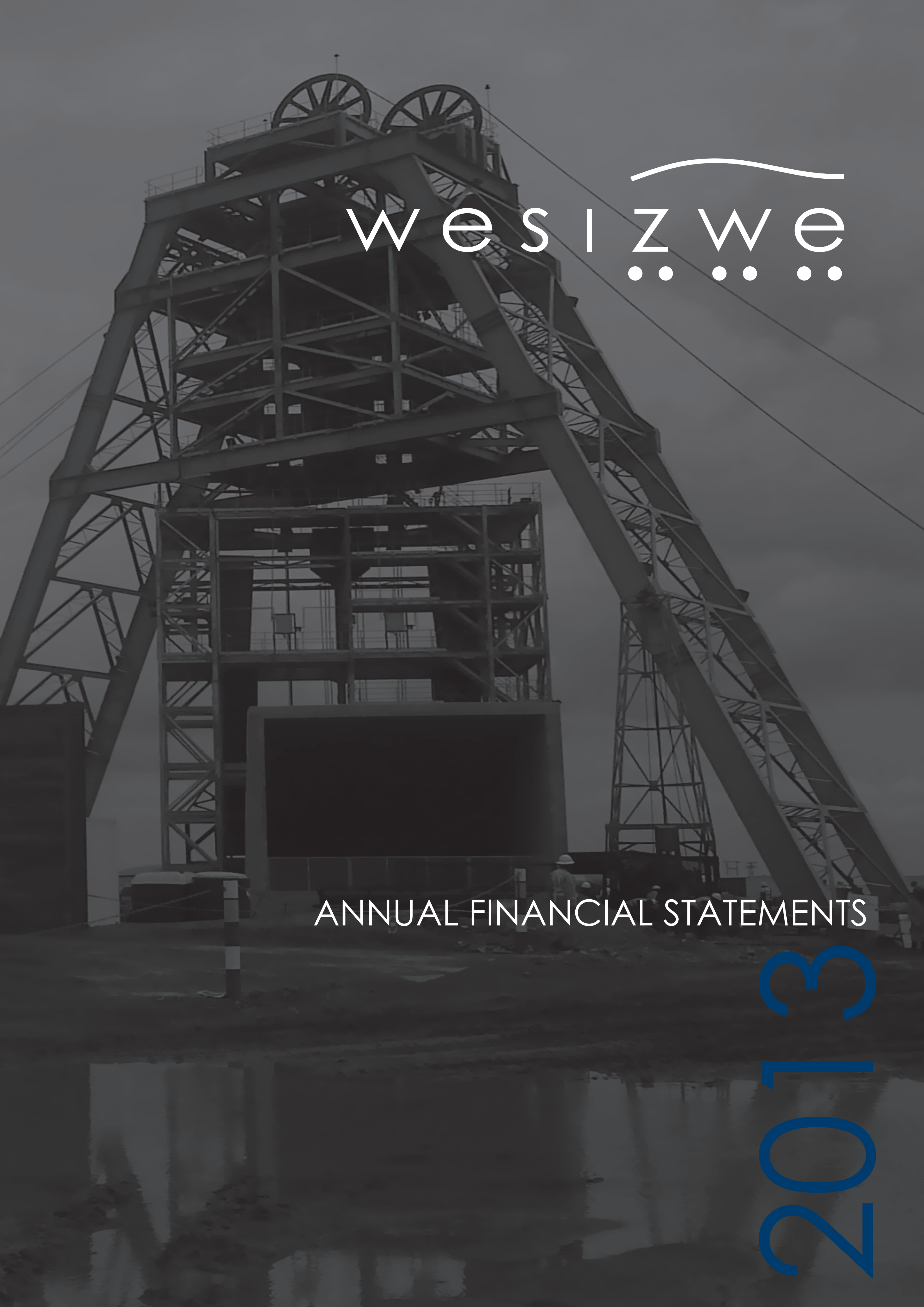

wesizwe

ANNUAL FINANCIAL STATEMENTS

2013

CONTENTS

The financial statements have been prepared under the supervision of the Finance Director, Mr W Ma and have been audited in compliance with the requirements of the Companies Act, 2008, as amended.

DIRECTORS' RESPONSIBILITY AND APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of the group annual financial statements and company annual financial statements of Wesizwe Platinum Limited, comprising the statements of financial position as at 31 December 2013, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards (IFRS), the Listings Requirements of the JSE Limited, the SAICA Financial Reporting Guides as issued by the Accounting Practices committee, the Financial Reporting Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act, 2008, as amended, of South Africa. In addition, the directors are responsible for preparing the directors' report.

The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for maintaining adequate accounting records and an effective system of risk management.

The directors have made an assessment of the ability of the company and its subsidiaries to continue as going concerns and have no reason to believe that the businesses will not be going concerns in the year ahead.

The auditor is responsible for reporting on whether the group financial statements and company financial statements are fairly presented in accordance with the applicable financial reporting framework.

Approval of group annual financial statements and company annual financial statements

The group annual financial statements and company annual financial statements of Wesizwe Platinum Limited, as identified in the first paragraph, were approved by the board of directors on 12 March 2014 and signed on its behalf by

Dawn Mokhobo	Jianke Gao
CHAIRMAN	CHIEF EXECUTIVE

CERTIFICATE BY THE COMPANY SECRETARY

In terms of section 88(2)(e) of the South African Companies Act, 2008, as amended, and the Companies Regulations, 2011, ("the Act"), I certify that, to the best of my knowledge and belief, the company has submitted to the Companies and Intellectual Properties Commission all such returns as are required by a public company in terms of the Act and that all such returns are true, correct and up to date.

Vasta Mhlongo
COMPANY SECRETARY
12 March 2014

REPORT OF THE AUDIT AND RISK COMMITTEE

INTRODUCTION

The audit and risk committee (the committee) is pleased to present its report in terms of the Companies Act and the JSE Listings Requirements for the financial year ended 31 December 2013. The committee has conducted its work in accordance with the written terms of reference approved by the board, information about which is recorded in the corporate governance report.

COMPOSITION

The composition of the committee remained unchanged during 2013. The committee comprises the following members, who have the necessary skills and experience to fulfil the duties of the committee:

- Ms Nosipho Molope (Independent non-executive director and Chairman)
- Mr James Ngculu (Independent non-executive director)
- Mr Mike Eksteen (Independent non-executive director)
- Mr Barrie van der Merwe (Non-independent non-executive director)
- Mr Jikang Li (Non-independent non-executive director)

The appointment of all members of the committee is subject to the shareholders' approval at the next annual general meeting to be held on 1 July 2014. The profiles of the members including their qualifications can be viewed in the integrated annual report.

FREQUENCY AND ATTENDANCE OF MEETINGS

During the year under review, four meetings were held and the attendance of the meetings can be viewed in the corporate governance section in the integrated report.

STATUTORY DUTIES

The committee is satisfied that it has performed statutory requirements for an audit and risk committee as set out in the Companies Act, 2008, as amended, as well as the functions set out in the terms of reference and that it has therefore complied with its legal, regulatory or other responsibilities as may be assigned by the board. The committee reports to both the board and the shareholders.

EXTERNAL AUDITOR

The committee nominated and recommended the appointment of the external auditor, KPMG Inc. to the shareholders in compliance with the Companies Act and the Listings Requirements of the JSE Limited ("Listings Requirements") and the appointment of Shaun van den Boogaard as designated auditor for the 2014 financial year.

The committee satisfied itself that the audit firm and designated auditor are accredited to appear on the JSE List of Accredited Auditors. The committee further satisfied itself that KPMG Inc. was independent of the company, which includes consideration of compliance with criteria relating to independence proposed by the Independent Regulatory board for Auditors. The committee, in consultation with executive management, agreed to the engagement letter, terms, audit plan and budgeted audit fees.

The committee has the following responsibilities for external audit:

Recommends the appointment of external auditor and to oversee the external audit process and in this regard the committee must:

- nominate the external auditor for appointment by the shareholders;
- approve the annual audit fee and terms of engagement of the external auditors;
- monitor and report on the independence of the external auditors in the annual financial statements;
- define a policy for non-audit services and pre-approve non-audit services to be provided by the external auditor;
- ensure that there is a process for the committee to be informed of any reportable irregularities as defined in the Auditing Profession Act, 2005, identified and reported by the external auditor;
- review the quality and effectiveness of the external audit process;
- consider whether the audit firm and where appropriate the individual auditor that will be responsible for performing the functions of auditor are accredited as such on the JSE list of Auditors and their advisors as required by the JSE Limited Listings Requirements.

INTERNAL AUDITOR

The committee has satisfied itself that the internal auditor, BDO Advisory Services (Pty) Limited was independent of the company, which includes consideration of compliance with criteria relating to the Institute of Internal Auditors. The internal audit plan was approved and the internal auditors have access to the committee, primarily through its chairman.

The committee has the following responsibilities for internal audit:

- the appointment, performance assessment and or dismissal of the internal auditor;
- to approve the internal audit charter and the internal audit plan;
- to ensure that the internal audit function is subject to an independent quality review as and when the committee determines appropriate.

INTERNAL FINANCIAL CONTROL

Nothing has come to the attention of the committee that caused it to believe that the company's system of internal controls and risk management is not effective and that the internal financial controls do not form a sound basis for the preparation of reliable financial statements. The committee reviewed and approved the policy for non-audit services that can be provided by external auditors.

DUTIES ASSIGNED BY THE BOARD

The committee oversees the preparation of the company's integrated annual report and the reporting process, including the system of internal financial control. During the year under review, the committee met with the external auditor without management being present. The committee is satisfied that it has complied with its legal, regulatory and other responsibilities.

EXPERTISE OF THE FINANCIAL DIRECTOR AND FINANCE FUNCTION

The committee has reviewed the current performance and future requirements for the financial management of the company and concluded that the current team has the appropriate skills, experience and expertise required to fulfil the finance function. In compliance with paragraph 3.84(h) of the Listings Requirements, the committee satisfied itself of the appropriateness of the expertise and experience of the financial management team as a whole. During the 2014 financial year, the committee will review the appropriateness of the expertise and experience of the Financial Director, Mr Wenliang Ma in compliance with the Listings Requirements.

GOING CONCERN

The committee reviewed the documents prepared by management in which they assessed the going concern status of the group at year-end and the foreseeable future. The committee resolved and recommended acceptance of the conclusion to the board.

ANNUAL FINANCIAL STATEMENTS

The committee has reviewed the financial statements of the group and company for the year ended 31 December 2013 and is satisfied that they comply with International Financial Reporting Standards and that areas of judgement were discussed to confirm accounting estimates.

RISK MANAGEMENT

The board has assigned oversight of the company's risk management function to the committee and the risk register, consisting of strategic, operational and IT risks is tabled at each meeting for discussion. The risk register also acts as a basis on which independent assurance activities were developed.

FRAUD PREVENTION

A fraud prevention plan has been implemented and an anonymous tip-off line is now functional. Monthly reports are provided by the independent service provider. The monitoring of reports from this service will be shared between this committee and the social and ethics committee.

INFORMATION TECHNOLOGY GOVERNANCE

The committee is responsible for :

- obtaining independent assurance on the effectiveness of the IT internal controls;
- overseeing the value delivery on IT and monitor the return on investments on significant IT projects;
- ensuring that IT forms an integral part of the company's risk management;

The IT steering committee submits reports on a quarterly basis to this committee on IT governance and management.

RECOMMENDATION OF THE ANNUAL INTEGRATED REPORT FOR APPROVAL BY THE BOARD

The committee recommended the integrated annual report for approval by the board.

CWN Molope
Chairman
12 March 2014

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2013

The directors have pleasure in presenting the group and company annual financial statements for Wesizwe Platinum Limited for the year ended 31 December 2013.

NATURE OF BUSINESS

Wesizwe Platinum Limited ("Wesizwe", "the company" or "group" depending on context) is a public company incorporated in the Republic of South Africa and its shares are listed on the JSE.

The group's main strategic project is to build and operate South Africa's next platinum group metals (PGM) mine at its Bakubung Platinum Mine (formerly known as Frischgewaagd-Ledig), firmly positioning the group as a significant mid-tier precious metals producer.

CAPITAL

AUTHORISED AND ISSUED STATED CAPITAL

The authorised and issued stated capital as at 31 December 2013 was 2 000 000 000 ordinary no par value shares, and 1 627 827 058 ordinary no par value shares, respectively.

No ordinary shares were issued during the period under review.

Further details of the authorised and issued share capital are set out in note 11 to the annual financial statements.

FUNDING AND GOING CONCERN

FUNDING BAKUBUNG

A second 12-month term loan of US$100million was taken up from China Development Bank (CDB) in June 2013 and the first 12-month term loan of US$100million from CDB was repaid in December 2013.

The project funding of US$650million from CDB, that Jinchuan and CAD Fund undertook to secure in terms of the subscription agreement, was finalised and the facility agreement was signed in December 2013. The first drawdown from this facility, in the amount of US$100million, was made in January 2014. The term of this loan is 15 years from the date of the first drawdown i.e. from January 2014. Repayments in "six-monthly instalments" only commence after 6 years from the date of the first drawdown. The instalments commence as relatively small amounts being 0.077% of outstanding balance at payment date of the first instalment, that increases with every consecutive repayment to a pre-final instalment of 8.5% to the outstanding balance at payment date of the first instalment. The final instalment will be equal to the balance outstanding on the final payment date. The variable interest rate is determined every six months, in advance, as the then ruling "six-month LIBOR rate" plus 3.5%. This project funding facility is exclusively available for the purposes of developing the Bakubung Project and based on current budgets will cover the funding requirements up to the first quarter of 2017. The board is currently considering funding options post 2017, such options will be a function of market conditions closer to the target date and additional funding requirements.

GOING CONCERN

The group's available cash resources of R751.4 million (2012: R1.4 billion), as reflected in the statement of financial position, as well as the facilities with CDB are sufficient to conduct operations and proceed with the project development up to the first quarter of 2017. Refer note 26 on page 61.

MASEVE

Maseve is developing its project, and as such made a cash call on its shareholders, in terms of the Maseve shareholder agreement. On review of the Maseve investment by Wesizwe, the Wesizwe board determined that Maseve did not meet Wesizwe's strategic objective, nor does the Project meet Wesizwe's required return on investment. As such the Wesizwe board resolved not to follow the Maseve cash call. As a result of this, Wesizwe's interest in Maseve was diluted down to 22.5%. Refer note 5 on pages 37 and 38.

FINANCIAL RESULTS

RESULTS FOR THE YEAR

The Wesizwe group will not earn revenue from mining activities until such time as the Bakubung Platinum Mine, and the mine being developed in Maseve Investments 11 (Pty) Limited, of which the Wesizwe group holds a 22.5% shareholding, are brought into production.

The group's loss before tax for the year under review was R11.4 million (2012: profit of R14.4 million). These results take into account operating costs amounting to R32.3 million (2012: R40.3 million) and net financial income amounting to R21.0 (2012: R54.7 million) as presented in detail in the statements of comprehensive income.

RESULTS OF WHOLLY OWNED SUBSIDIARY COMPANIES

Bakubung Minerals incurred a loss after tax of R5.7 million for the year under review (2012: loss of R6.61 million). Africa Wide incurred a profit after tax of R0.3 million for the year under review (2012: R2.28 million loss). Vaviscan (Pty) Limited has incurred a loss of R0.04 million (2012: R0.3 million) for the year under review. Wesizwe Properties has incurred a loss after tax of R0.6 million for the year under review (2012: Rnil as it is a new company).

Refer note 6 of the annual financial statements on subsidiary information. The losses incurred are a direct result of expenditure incurred in developing the Bakubumg Platinum Mine.

CAPITAL EXPENDITURE

Capital expenditure for the year includes acquisition of property, plant and equipment of R847.4 million (2012: R656.6 million).

CAPITAL COMMITMENTS

Capital commitments for the next 12 months amounts to R448.8 million (2012: R428 million).

LOAN TO THE BAKUBUNG COMMUNITY

As previously reported, the company was requested by the Department of Mineral Resources (DMR) to assist the community and the Royal Family of the Bakubung Ba-Ratheo 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, and whilst still pursuing recoverability, management is of the opinion that recoverability within the next 6 to 12 months is doubtful and has accordingly impaired the loan for accounting purposes. Refer note 8 in the annual financial statements.

DIVIDENDS

No dividend was declared or proposed during the year ended 31 December 2013 (2012: nil).

SEGMENTAL ANALYSIS OF ANNUAL RESULTS

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

LITIGATION STATEMENT

The directors, whose names are given in the integrated annual report of which this notice forms part, are not aware of any legal or arbitration proceedings that may have or have had in the recent past, being at least the previous 12 months, a material effect on the group's financial position.

EVENTS AFTER REPORTING DATE

The first drawdown of US$100 million was received by the group from the US$650 million loan facility that was secured from the CDB. The cash was received on 6 January 2014. No other material events have occurred after the reporting period and up to the date of this report that required further disclosure in these financial results.

DIRECTORATE

DIRECTORS AND CHANGES IN DIRECTORS

The details of the current directors are provided in the integrated report. No changes have taken place in the directorate since the previous reporting period.

In accordance with clause 5.1.8 of the company's memorandum of incorporation ("MOI") one-third of the non-executive directors shall retire at each annual general meeting on a rotational basis as determined in the said clause. Retiring directors are eligible for re-election. In terms of the company's MOI, new directors may hold office until the next annual general meeting at which they are required to retire and offer themselves up for re-election.

The directors retiring and seeking re-election at the annual general meeting are Mr James Ngculu, Mr Jikang Li and Mr Liliang Teng.

DIRECTORS' REMUNERATION

Refer to the remuneration section on page 60 of the annual financial statements.

DIRECTORS' INTEREST IN CONTRACTS

During the financial year no material contracts were entered into in terms of which directors and officers of the company had an interest and which significantly affected the business of the group. The directors had no interest in any third party or company responsible for managing any of the business activities of the group.

Directors are required to inform the board timeously of conflicts or potential conflicts of interest they may have in relation to particular items of business. Directors are obliged to excuse themselves from discussions or decisions on matters in which they have a conflicting interest. A conflict of interest policy was implemented to govern this conflicting interest, if applicable.

SPECIAL RESOLUTIONS

The remuneration payable to non-executive directors was approved at the annual general meeting that was held on 1 July 2013 effective until the next annual general meeting, which will be held on 1 July 2014.

The board of directors of the group is to be authorised in terms of section 45(3)(a)(ii) of the Companies Act, as general approval to authorise the group to provide any direct or indirect financial assistance to any related or inter-related companies of the group on the terms and conditions and for the amounts that the board of directors may determine.

ANNUAL GENERAL MEETING

The notice convening the annual general meeting to be held on 1 July 2014 together with a shareholder proxy form, and the notes explaining the various resolutions to be considered at that meeting is enclosed with this integrated annual report.

Dawn Mokhobo
(Chairman)
on behalf of the board of directors
12 March 2014

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF WESIZWE PLATINUM LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the group financial statements and company financial statements of Wesizwe Platinum Limited, which comprise the statements of financial position at 31 December 2013, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, as set out on pages 12 to 61.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, the Listings Requirements of the JSE Limited, the SAICA Financial Reporting Guides as issued by the Accounting Practices committee, Financial Reporting Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa, 2008, as amended, ("Companies Act"), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

OPINION

In our opinion, these financial statements present fairly, in all material respects, the consolidated and separate financial position of Wesizwe Platinum Limited at 31 December 2013, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

OTHER REPORTS REQUIRED BY THE COMPANIES ACT

As part of our audit of the financial statements for the year ended 31 December 2013, we have read the Report of the audit and risk committee, the Report of the Directors, and the company Secretary's Certificate for the purpose of identifying whether there are material inconsistencies between these reports and the audited financial statements. These reports are the responsibility of the respective preparers. Based on reading these reports we have not identified material inconsistencies between these reports and the audited financial statements. However, we have not audited these reports and accordingly do not express an opinion on these reports.

KPMG Inc.
Registered Auditor

Per S van den Boogaard
Chartered Accountant (SA)
Registered Auditor
Director
17 March 2014

1226 Francis Baard Street
Hatfield
0083

STATEMENTS OF FINANCIAL POSITION
AT 31 DECEMBER 2013

		GROUP		COMPANY	
		2013	2012	2013	2012
	Notes	R'000	R'000	R'000	R'000
Assets					
Non-current assets					
Property, plant and equipment	3	3 241 329	2 395 964	6 387	7 477
Available-for-sale financial asset	4	-	18 910	-	-
Investment in equity accounted investee	5	920 750	919 515	-	-
Investment in subsidiaries	6	-	-	679 423	679 423
Restricted cash	9	80 670	-	-	-
Loans receivable from subsidiaries	6	-	-	2 917 273	1 985 675
Deferred tax asset	14	-	400	-	400
Total non-current assets		**4 242 749**	**3 334 789**	**3 603 083**	**2 672 975**
Current assets					
Loan to the Bakubung community	8	-	-	-	-
Other receivables	7	11 606	21 590	297	287
Taxation		2 557	11 231	2 557	11 231
Restricted cash	9	34 458	95 189	34 458	95 189
Cash and cash equivalents	10	751 423	1 398 474	733 988	1 396 278
Total current assets		**800 044**	**1 526 484**	**771 300**	**1 502 985**
Total assets		**5 042 793**	**4 861 273**	**4 374 383**	**4 175 960**
Equity and liabilities					
Capital and reserves					
Stated capital	11	3 425 544	3 425 544	3 425 544	3 425 544
Share premium	12	-	-	-	-
Share-based payment reserve	13	-	472 179	-	472 179
Available-for-sale financial asset reserve	4	-	2 891	-	-
Retained income/ (accumulated loss)		198 886	(264 282)	(108 706)	(574 679)
Total equity		**3 624 430**	**3 636 332**	**3 316 838**	**3 323 044**
Non-current liabilities					
Deferred tax liability	14	264 289	267 265	-	-
Mine closure and environmental rehabilitation obligation	15	29 395	20 148	-	-
Total non-current liabilities		**293 684**	**287 413**	**-**	**-**
Current liabilities					
Interest-bearing borrowings	17	1 049 552	847 916	1 049 552	847 916
Trade and other payables	16	73 104	87 690	7 993	5 000
Taxation		2 023	1 922	-	-
Total current liabilities		**1 124 679**	**937 528**	**1 057 545**	**852 916**
Total equity and liabilities		**5 042 793**	**4 861 273**	**4 374 383**	**4 175 960**

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2013

		GROUP		COMPANY	
		2013	2012	2013	2012
	Notes	R'000	R'000	R'000	R'000
Operations					
Revenue	30	-	-	180 819	20 738
Administration expenses	18	(87 290)	(61 322)	(78 698)	(54 994)
Project-related expenses capitalised		53 691	20 738	-	-
Impairment of loan to Bakubung community	8	-	(2 744)	-	(2 744)
Impairment of investment in equity-accounted investee	5	-	(1 655)	-	-
Loss on scrapping of property, plant and equipment		(18)	-	(18)	-
Profit on sale of property, plant and equipment		70	91	-	-
Share of profit in equity-accounted investee	5	1 235	4 622	-	-
Net operating (costs)/income		(32 312)	(40 270)	102 103	(37 000)
Financial income/(expense)					
Finance income	19	77 970	56 612	76 776	56 803
Foreign exchange loss	19	(144 890)	-	(144 884)	-
Finance expense	19	(42 050)	(1 955)	(40 616)	(866)
Available-for-sale financial asset reclassified to profit or loss	4	1 651	-	-	-
Profit on disposal of available-for-sale financial asset		412	-	-	-
Finance costs capitalised		127 865	-	-	-
Net finance income/(expense)		20 958	54 657	(108 724)	55 937
(Loss)/profit before tax		**(11 354)**	**14 387**	**(6 621)**	**18 937**
Income tax income/(expense)	20	2 343	(4 639)	415	(6 813)
(Loss)/profit for the year		**(9 011)**	**9 748**	**(6 206)**	**12 124**
Other comprehensive income					
Items that are or may be reclassified to profit or loss					
(Loss)/gain on fair value movements of available-for-sale asset	4	(1 525)	2 026	-	-
Tax on other comprehensive income	20	285	(664)	-	-
Available-for-sale financial asset reclassified to profit or loss		(1 651)	-	-	-
Total other comprehensive (loss)/income		(2 891)	1 362	-	-
Total comprehensive (loss)/income for the year		**(11 902)**	**11 110**	**(6 206)**	**12 124**
(Loss)/Earnings per share					
Basic (loss)/earnings per share (cents)	22	(0.55)	0.60		
Diluted (loss)/earnings per share (cents)	22	(0.55)	0.60		

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2013

GROUP	Stated Capital	Share Premium	Available -for-sale Reserves	Share-based Payment Reserve	Retained Income/ (Accumu-lated Loss)	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Balance at 1 January 2012	**16**	**3 425 528**	**1 529**	**472 179**	**(274 030)**	**3 625 222**
Total comprehensive income for the year						
Profit for the year	-	-	-	-	9 748	9 748
Other comprehensive income	-	-	1 362	-	-	1 362
	-	**-**	**1 362**	**-**	**9 748**	**11 110**
Transactions with owners recorded directly in equity:						
Transfer of share premium to stated capital*	3 425 528	(3 425 528)	-	-	-	-
	3 425 528	**(3 425 528)**	**-**	**-**	**-**	**-**
Balance at 31 December 2012	**3 425 544**	**-**	**2 891**	**472 179**	**(264 282)**	**3 636 332**
Total comprehensive income for the year						
Loss for the year	-	-		-	(9 011)	(9 011)
Other comprehensive loss	-	-	(2 891)	-	-	(2 891)
	-	**-**	**(2 891)**	**-**	**(9 011)**	**(11 902)**
Transactions with owners recorded directly in equity:						
Transfer of share-based payment reserve to retained income**	-	-	-	(472 179)	472 179	-
	-	**-**	**-**	**(472 179)**	**472 179**	**-**
Balance at 31 December 2013	**3 425 544**	**-**	**-**	**-**	**198 886**	**3 624 430**

* On 3 September 2012 it was resolved in terms of regulation 31 of the Companies Act Regulations 2011, that all the ordinary shares in the share capital of the company, comprising 2 000 000 000 authorised and 1 627 827 058 issued ordinary shares with a par value of R0.00001 be converted into ordinary shares with no par value and that the share capital account and the share premium account of the company be transferred to a stated capital account.

** The share-based payment reserve was transferred to accumulated loss as no allocations in terms of the Long Term Incentive Plan would be made in future.

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2013

COMPANY	Stated Capital	Share Premium	Available -for-sale Reserves	Share-based Payment Reserve	Accumu-lated Loss	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Balance at 1 January 2012	**16**	**3 425 528**	**-**	**472 179**	**(586 803)**	**3 310 920**
Total comprehensive income for the year						
Profit for the year	-	-	-	-	12 124	12 124
	-	**-**	**-**	**-**	**12 124**	**12 124**
Transactions with owners recorded directly in equity:						
Transfer of share premium to stated capital*	3 425 528	(3 425 528)	-	-	-	-
	3 425 528	**(3 425 528)**	**-**	**-**	**-**	**-**
Balance at 31 December 2012	**3 425 544**	**-**	**-**	**472 179**	**(574 679)**	**3 323 044**
Total comprehensive income for the year						
Loss for the year	-	-	-	-	(6 206)	(6 206)
	-	**-**	**-**	**-**	**(6 206)**	**(6 206)**
Transactions with owners recorded directly in equity:						
Transfer of share-based payment reserve to retained income**	-	-	-	(472 179)	472 179	-
	-	**-**	**-**	**(472 179)**	**472 179**	**-**
Balance at 31 December 2013	**3 425 544**	**-**	**-**	**-**	**(108 706)**	**3 316 838**

* On 3 September 2012 it was resolved in terms of regulation 31 of the Companies Act Regulations 2011, that all the ordinary shares in the share capital of the company, comprising 2 000 000 000 authorised and 1 627 827 058 issued ordinary shares with a par value of R0.00001 be converted into ordinary shares with no par value and that the share capital account and the share premium account of the company be transferred to a stated capital account.

** The share-based payment reserve was transferred to accumulated loss as no allocations in terms of the Long Term Incentive Plan would be made in future.

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013

		GROUP		COMPANY	
		2013	2012	2013	2012
	Notes	R'000	R'000	R'000	R'000
Cash flows from operating activities					
Cash receipts from customers		-	-	-	-
Cash paid to suppliers and employees		(19 734)	(25 905)	(21 046)	(27 863)
Cash generated from/(utilised in) operations	21	**(19 734)**	**(25 905)**	**(21 046)**	**(27 863)**
Finance income received	19	19 731	75 148	76 391	75 339
Finance cost paid	19	(666)	(200)	(41 870)	(200)
Taxation paid	20	(2 557)	(9 418)	(2 557)	(9 418)
Taxation received	20	13 408	-	13 408	-
Cash generated from operating activities		**10 182**	**39 625**	**24 326**	**37 858**
Cash flows from investing activities					
Acquisition of property, plant and equipment as a result of increase in operations	3	(829 673)	(605 615)	(1 154)	(858)
Increase in amounts owed by group companies		-	-	(803 733)	(607 274)
Available-for-sale investment contributions	4	(2 744)	(3 124)	-	-
Proceeds on disposal of available-for-sale investment		20 162	-	-	-
Proceeds on disposal of property, plant and equipment		-	7	-	-
Net cash outflow from investing activities		**(812 255)**	**(608 732)**	**(804 887)**	**(608 132)**
Cash flows from financing activities					
Interest-bearing borrowings raised	17	1 022 460	849 810	1 022 460	849 810
Interest-bearing borrowings repaid	17	(847 250)	-	(964 658)	-
Loans paid on behalf of related party		-	(2 744)	-	(2 744)
Net cash inflow from financing activities		**175 210**	**847 066**	**57 802**	**847 066**
Net (decrease)/increase in cash and cash equivalents		**(626 863)**	**277 959**	**(722 759)**	**276 792**
Effects of exchange rate fluctuation on cash held		-	(2 560)	-	(2 560)
Cash at beginning of year		1 492 012	1 216 613	1 489 816	1 215 584
Cash at end of year		**865 149**	**1 492 012**	**767 057**	**1 489 816**
Cash at end of year comprises:					
Cash balances	10	751 423	1 398 474	733 988	1 396 278
Less: Interest accrued	10	(1 402)	(1 651)	(1 389)	(1 651)
Cash and cash equivalents		750 021	1 396 823	732 599	1 394 627
Restricted cash	9	115 128	95 189	34 458	95 189
Cash at end of year		**865 149**	1 492 012	**767 057**	1 489 816

1. ACCOUNTING POLICIES

REPORTING ENTITY

Wesizwe Platinum Limited ('Wesizwe') is a company domiciled in the Republic of South Africa. The consolidated financial statements of the company as at 31 December 2013 comprise the company, its subsidiaries and associate (together referred to as the group). The ordinary shares of the company are listed on the JSE. Wesizwe, through its wholly owned subsidiary Bakubung Minerals is engaged in the development of its mine, located in the western limb of the Bushveld complex.

BASIS OF PREPARATION OF FINANCIAL RESULTS

Statement of compliance

The group financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards board (IASB), the Listings Requirements of the JSE Limited, the SAICA Financial Reporting Guides as issued by the Accounting Practices committee, the Financial Reporting Pronouncements as issued by Financial Reporting Standards and the requirements of the Companies Act of South Africa, 2008, as amended.

Basis of measurement

The group financial statements for the year ended 31 December 2013 have been prepared on the historical cost basis except for available-for-sale financial assets measured at fair value.

Functional and presentation currency

These consolidated financial statements are presented in South African rand, which is the company's functional currency. All information presented in South African rand has been rounded to the nearest thousand.

Use of estimates and judgements

The preparation of financial statements in terms of IFRS requires management to use estimates and assumptions that may materially affect the reported amounts of assets and liabilities, as well as income and expenses. These estimates and judgements are based on historical experience, current and expected future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes.

Note 2: Judgements by Directors and Management

CHANGE IN ACCOUNTING POLICIES

There was no change in accounting policies during the year under review

a. Basis of consolidation

i) Business Combinations

The group accounts for business combinations using the acquisition method when control is transferred to the group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

ii) Non-controlling interests

NCI are measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date.

Changes in the group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iii) Subsidiaries

Subsidiaries are entities controlled by the group. The group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Subsidiaries are measured at cost, less any accumulated impairment losses, in the separate financial statements of the company.

iv) Loss of control

When the group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

v) Interests in equity-accounted investees

The group's interests in equity-accounted investees comprise an interest in associate.

Associates are those entities in which the group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the group's share of the profit or loss and OCI of equity accounted investees, until the date on which significant influence or joint control ceases.

vi) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

b. Segment reporting

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 components. All operating segments' operating results are reviewed regularly by the group's CEO (who is the Chief Operating Decision Maker) to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Currently reported information which management uses to run Wesizwe is based on only one mine development area.

c. Stated capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

d. Property, plant and equipment

Property, plant and equipment are initially measured at cost. The group recognises in the carrying amount of property, plant and equipment, the cost of replacing part of an item when that cost is incurred if it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use and capitalised borrowing cost.

Subsequently it is measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation methods and useful lives, as well as residual values are reviewed annually and adjusted if appropriate. Mine development and infrastructure cost are capitalised to property, plant and equipment. The recognition of costs in the carrying amount of an asset ceases when the item is in the location and condition necessary to operate as intended by management.

Depreciation is provided on a straight-line basis over the estimated useful lives of the assets at the following rates per annum for both the current and comparative periods:

Vehicles	20.00%
Computer equipment	33.33%
Furniture and fittings	20.00%
Office equipment	20.00%
Other office fittings	25.00%
Leasehold improvements	Period of the lease
Land	Not depreciated
Buildings	4.00%
Plant and equipment	5.00% - 33.33%
Mine development assets	Unit of production

No significant components have been identified for the asset categories above. Profit and loss on disposal is recognised in profit or loss and is calculated as the difference between the proceeds and the carrying value.

e. Tangible and intangible exploration and evaluation assets

Exploration and evaluation costs, including the costs of acquiring licenses, acquisition of rights to explore and geographical studies are capitalised as exploration and evaluation assets (E&E assets) on a project by project basis pending determination of the technical feasibility and commercial viability of the project. The capitalised costs are presented as either tangible or intangible E&E assets according to the nature of the assets acquired. When a licence is relinquished or a project is abandoned, the related costs are recognised in profit or loss. E&E assets are assessed for impairment on an annual basis.

The technical feasibility and commercial viability of extracting a mineral resource is considered to be determinable when proven and probable reserves are determined to exist. Upon determination of proven and probable reserves, E&E assets are first tested for impairment and then reclassified from E&E assets to a separate category within tangible assets. Expenditure incurred related to unsuccessful studies is recognised in profit or loss as incurred.

Tangible and intangible exploration and evaluation assets will be amortised only when production commences, on a unit of production basis.

Costs incurred in evaluating projects are expensed to profit or loss in the year incurred.

f. Financial instruments

Financial instruments are measured at fair value upon initial recognition when the group becomes party to the contractual terms of the instruments. Gains and losses relating to instruments at fair value are recognised in profit or loss. Subsequent to initial recognition, these instruments are measured as follows:

i) Financial assets

The group's financial assets are loans, other receivables, cash and cash equivalents and available-for-sale financial assets.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the other categories of financial assets. Available-for-sale financial assets are measured at fair value and changes therein, other than impairment losses (see note g), are recognised in other comprehensive income and presented in the available-for-sale reserve in equity.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents, loans receivables and other receivables.

The group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the group is recognised as a separate asset or liability.

ii) Financial liabilities

The group's financial liabilities are trade and other payables and an interest-bearing borrowing.

These liabilities are initially recognised at fair value plus any directly attributable costs. Subsequently these instruments are measured as follows:

Trade and other payables

All trade and other payables are measured at amortised cost, using the effective interest method.

Interest-bearing borrowings

The interest-bearing borrowing is denominated in US$ and is measured at amortised cost which approximates carrying amounts as the amounts will be received in the short-term. At year-end this liability is translated at the spot US$ rate to the company's functional currency.

The group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

iii) Cash and cash equivalents

Subsequent to initial recognition, cash and cash equivalents are measured at amortised cost. For statement of cash flow purposes, bank overdrafts are offset against bank and cash balances. Cash and cash equivalents comprise cash on hand and deposits held on call with banks.

Call and short-term deposits that have been ceded as security in favour of guarantees are disclosed separately as restricted cash.

g. Impairment

i) Property, plant and equipment, and tangible exploration and evaluation assets

At each reporting date, the group reviews the carrying amount of its property, plant and equipment to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the assets is estimated to determine the extent of the impairment (if any). Where the asset does not generate cash flows that are independent from other assets, the group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

Where an impairment subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised for the asset (or CGU) in prior years. A reversal of impairment is recognised as income immediately. An impairment loss in respect of goodwill is not reversed.

ii) Intangible exploration and evaluation assets

Impairment reviews for intangible exploration and evaluation assets are carried out on a project by project basis, with each project representing a potential single cash generating unit. An impairment review is undertaken when indicators of impairment arise but typically when one of the following circumstances applies:

- Unexpected geological occurrences that render the resource uneconomic.
- Title to the asset is compromised.
- Variations in metal prices that render the project uneconomic.

If any such indication exists, the recoverable amount of the assets is estimated to determine the extent of the impairment (if any). Where the asset does not generate cash flows that are independent from other assets, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment is recognised immediately as an expense.

Where an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised for the asset in prior years. A reversal of impairment is recognised as income immediately.

iii) Financial assets

The group assesses at each reporting date whether there is objective evidence that a financial asset is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of a loss event that occurred after the initial recognition of the asset, and that loss event has an impact on the estimated future cash flows of the asset that can be reliably estimated.

Loans and receivables

An allowance for impairment of other receivables, investments and loans is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the asset. Significant financial difficulties on the part of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event after the impairment was recognised, the previously recognised impairment loss shall be reversed either directly or by adjusting the allowance amount. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal shall be recognised in profit or loss.

Available-for-sale financial asset

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve in equity, to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss recognised previously in profit or loss. Changes in impairment allowances attributable to application of the effective interest method are reflected as a component of interest income. If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognised in profit or loss, then the impairment loss is reversed, with the amount of the reversal recognised in profit or loss. However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income.

h. Offsetting

Financial assets and financial liabilities are only offset if there is a legally enforceable right to set off the recognised amounts and there is an intention to either settle on a net basis or to realise the asset and settle the liability simultaneously.

i. Provisions

Provisions are recognised when the group has a present legal or constructive obligation as a result of a past event, for which it is probable that an outflow of resources will occur and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of the provision is discounted to its present value using a pre-tax rate that reflects the current market assessments of the time value of money and the risks specifics of the liability.

i) Mine closure and environmental rehabilitation provisions

This long-term provision results from environmental disturbances associated with the group's mining operations. This cost will arise from rectifying damage caused during the construction of the mine.

Estimated long-term environmental and decommissioning obligations, comprising pollution control, rehabilitation and mine closure are based on group Environmental Management Plans (EMP), in compliance with current environmental and regulatory requirements.

Provision is made for the present value of the decommissioning and environmental cost at the end of the mine's life. The estimates are discounted at a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the liability.

The increase in the decommissioning and environmental provision due to the passage of time is recognised as a finance expense in profit and loss.

j. Income tax

Income tax comprises current and deferred tax.

i) Current taxation

Current taxation comprises taxation payable or recoverable, calculated on the basis of the expected taxable profit or tax loss for the year, using the tax rates enacted or substantively enacted at the reporting date, and any adjustments of tax payable for previous periods. Current tax is recognised in profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

ii)Deferred taxation

Deferred taxation is provided at enacted or substantively enacted rates on all temporary differences between carrying amounts for financial reporting purposes and the carrying amounts for taxation purposes. Full provision is made for all temporary differences between the tax base of an asset or liability and its carrying amount. This excludes those amounts relating to goodwill which is not deductible for taxation purposes, and to the extent that it relates to the initial recognition of assets or liabilities which affect neither accounting nor taxable profit or loss in a transaction that is not a business combination, and differences relating to investments in subsidiaries, to the extent that they will not reverse in the foreseeable future.

Deferred tax assets are not recognised unless it is probable that future taxable profits will be available in the foreseeable future against which the associated unused tax losses and deductible temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and when they relate to income taxes levied by the same taxation authority and taxable entity.

k. Revenue

Revenue derived from rendering management services to subsidiary companies is recognised at the fair value of the consideration received or receivable after deducting value added tax. Management fees also comprise of the on-charge of qualifying borrowing costs.

l. Finance income

Finance income consists of interest income which is accrued on a time basis, by reference to the principle outstanding and the effective interest rate applicable. Finance income is recognised using the effective interest method.

m. Finance costs

Finance costs consist of interest expense which is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable. Finance costs are recognised using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalised as part of the cost of that asset. All other borrowing costs are expensed in the period they occur. The group has elected to capitalise foreign exchange losses that are directly attributable to borrowing costs incurred for the acquisition, construction or production of a qualifying asset.

Foreign exchange differences have been included in the capitalised borrowing costs to the extent that they represent an adjustment to the interest rate. Therefore foreign exchange differences to be capitalised should be restricted to such that total capitalised borrowing costs are in the range between:

- interest incurred at the contractual rate (translated into the entity's functional currency).
- interest that would have been incurred on a borrowing with identical terms in the entity's functional currency (local market related rate had the loan been issued in locally).

n. Operating leases

Assets held under leases which transfer substantially all of the risks and rewards of ownership are classified as finance leases. On initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequently to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to the asset.

Assets held under other leases are classified as operating leases and are not recognised in the statement of financial position. Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease.

o. Share-based payments

The group issues equity-settled share-based instruments to settle certain transactions in shares and not cash. Equity-settled share-based payments are measured at the fair value of the service received. If the fair value of the service cannot be determined, the share-based payment is measured at the fair value of the equity instrument at the grant date.

The cost of providing equity-settled share-based payments to employees is charged to the profit or loss over the vesting period of the related share options or share allocations, with a corresponding increase in equity. The cost is based on the fair value of the options or shares allocated and the number of awards expected to vest. The fair value of each option or share is determined using Black-Scholes Option Pricing Model. Market related performance conditions are reflected in the fair value of the share. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet such conditions at vesting date.

p. Earnings per share (EPS)

The group presents basic EPS data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted number of ordinary shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and weighted average number of shares outstanding adjusting for any possible dilutive effects.

q. Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies of group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year. Foreign currency differences are generally recognised in profit or loss.

r. Employee benefits

Short-term employee benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term if the group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Long term incentive plan ('LTIP') and Share appreciation rights scheme ('SARS')

Currently there are no outstanding awards, made to key management personnel, in terms of LTIP or SARS while both these schemes are being reviewed for possible future implementation.

Termination benefits

Termination benefits are recognised as an expense when the group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the group has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

NEW STANDARDS AND AMENDMENTS AND INTERPRETATIONS UNDER IFRS

The following standards, amendments to standards and interpretations have become effective or have been early adopted.

Standards Amendments Interpretations	**Nature of Change**	**Effective Date**	**Salient Features of the Change and Impact**	**Impact**
IAS 1 *Presentation of Financial Statements*	Amendment	31 December 2013	The company will present those items of other comprehensive income that may be reclassified to profit and loss in the future separately from those that would never be reclassified to profit or loss. The related tax effects for the two sub-categories will be shown separately. This is a change in the presentation and will have no impact on the recognition or measurement of items in the financial statement. This amendment will be applied retrospectively and the comparative information will be restated.	No impact
IAS 27 (2011) *Separate Financial Statements*	Amendment	31 December 2013	IAS 27 (2011) supersedes IAS 27 (2008). IAS 27 (2011) carries forward the existing accounting and disclosure requirements for separate financial statements, with some minor clarifications.	No impact
IAS 28 (2011) *Investments in Associates and Joint Ventures*	Amendment	31 December 2013	The amended standard prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.	No impact
IFRS 10 *Consolidated Financial Statements*	New standard	31 December 2013	IFRS10 introduces a single control model to assess whether an investee should be consolidated. This requires entities to perform the following in determining whether controls exist: • Identify how decisions about the relevant activities are made. • Assess whether the entity has power over the relevant activities by considering only the entity's substantive rights. • Assess whether the entity is exposed to variability in returns, and Assess whether the entity is able to use its power over the investee to affect returns for its own benefit. It should be assessed on a continuous basis and should be reassessed as facts and circumstances change.	No impact

The following standards, amendments to standards and interpretations have become effective or have been early adopted.

Standards Amendments Interpretations	Nature of Change	Effective Date	Salient Features of the Change and Impact	Impact
IFRS 11 *Joint Arrangements*	New standard	31 December 2013	IFRS 11 establishes the classification of the joint arrangement depends on whether parties have rights to and obligations for the underlying assets and liabilities. Joint operations whereby the jointly controlling parties, known as joint operators, have rights to assets and obligations for the liabilities, relating to the arrangement. Joint ventures whereby the joint controlling parties, known as joint ventures have rights to the net assets of the arrangement. In terms of IFRS 11, all joint venture will have to equity accounted.	No impact
IFRS 12 *Disclosure of Interest in other Entities*	New standard	31 December 2013	Combines in a single standard, the disclosure requirements for subsidiaries, associates and joint arrangements as well as unconsolidated entities. These enable users to evaluate the nature risk associated with an entity's financial position, financial performance and cash flows. It will increase the level of disclosure provided for the entity's interests in subsidiaries, joint arrangements, associates and structured entities.	No impact
IFRS 13 *Fair Value Measurement*	New standard	31 December 2013	Introduces a single source of guidance on fair measurement for both financial and non-financial assets and liabilities by defining fair value, establishing a framework for measuring fair value and setting out disclosure requirements for fair value measurements. The key principle in IFRS 13 is that fair value is an exit price. Measurement considers characteristics of the assets or liability and not entity-specific characteristics. Measurement assumes a transaction in the entity's principle (or most advantageous) market between market participants. Price is not adjusted for transaction costs. Measurement maximises the use of relevant observable inputs and minimises the use of unobservable inputs. The three fair value hierarchy is extended to all fair value measurements.	No impact
IFRIC 20 *Stripping Costs in Production Phase of a Surface Mine*	New Interpretation	01 January 2013	The Interpretation applies to waste removals costs that are incurred in surface mining activity during the production phase of the mine	No impact

The following standards, amendments to standards and interpretations are not effective yet and have not been early adopted.

Standards Amendments Interpretations	**Nature of Change**	**Effective Date**	**Salient Features of the Change and Impact**	**Impact**
IFRS 9 (2009) *Financial Instruments*	New standard	1 January 2017	IFRS 9 addresses the initial measurements and the classification for Financial Assets and will replace the relevant sections of IAS 39. Under IFRS 9 there are two options in respect of classification of financial assets, namely, financial assets measured at amortised cost or at fair value. Financial assets are measured at amortised cost when the business model is to hold assets in order to collect contractual cash flows and when they give rise to cash flows that are solely payments of principal and interest on the principal outstanding. All other financial assets are measured at fair value. Embedded derivatives are no longer separated from hybrid contracts that have a financial asset host.	No significant impact. Financial assets will be classified in terms of IFRS 9 from implementation date.
IFRS 9 (2010) *Financial Instruments*	New standard	1 January 2017	The accounting and presentation for financial liabilities and for derecognising financial instruments has been relocated from IAS 39 Financial Instruments: Recognition and Measurement, without change, except for financial liabilities that are designated as fair value through profit and loss. The amendment introduces new requirements that address the problem of volatility in profit or loss (profit and loss) arising from an issuer choosing to measure its own debt at fair value. With the new requirements, an entity choosing to measure a liability at fair value will present the portion of the change in its fair value due to changes in the entity's own credit risk in the other comprehensive income section of the statement of comprehensive income rather than within profit or loss.	No significant impact. Financial liabilities will be presented and recognised in terms of IFRS 9 from implementation date.
IAS 32 *Financial Instruments: Presentation*	Amendment	1 January 2014	Amendments to application guidance on the offsetting of financial assets and financial liabilities. The new disclosures will require entities to disclose gross amounts subject to rights of set-off, amounts set off in accordance with the accounting standards followed, and the related net credit exposure. This information will help investors understand the extent to which an entity has set off in its balance sheet and the effects of rights of set-off on the entity's rights and obligations.	No significant impact.

The following standards, amendments to standards and interpretations are not effective yet and have not been early adopted.

Standards Amendments Interpretations	Nature of Change	Effective Date	Salient Features of the Change and Impact	Impact
IFRS 10 *Consolidated Financial Statements* **IFRS 12** *Disclosure of Interests in Other Entities* **IAS 27** *Separate Financial Statements*	Amendment	1 January 2014	Amendments that relate specifically to investment entities. These amendments include: • the creation of a definition of an investment entity; • the requirement that such entities measure investments in subsidiaries at fair value through profit or loss instead of consolidating them; • new disclosure requirements for investment entities; and • requirements for an investment entity's separate financial statements.	No significant impact.
IFRIC 21 *Levies*	New Interpretation	1 January 2014	The interpretation addresses the accounting for a liability to pay a levy if that liability is within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets. It also addresses the accounting for a liability to pay a levy the timing and amount of which is certain.	No significant impact.
IAS 36 *Impairment of Assets*	Amendment	1 January 2014	The amendment aligns the disclosure requirements in IAS 36 with that of IFRS 13 Fair Value Measurement. The amended standard requires disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.	No significant impact.
IAS 39 *Financial Instruments: Recognition and Measurement*	Amendment	1 January 2014	The amendment clarifies whether an entity is required to discontinue hedge accounting for hedging relationships in which a derivative has been designated as a hedging instrument in accordance with IAS 39 in a circumstance in which that derivative is novated to a central counterparty following the introduction of a new law or regulation.	No significant impact.
IAS 19 *Employee Benefits*	Amendment	1 January 2015	This amendment addresses the accounting for contributions from employees or third parties when the requirement for such contributions is set out in the formal terms of a defined benefit plan. It proposes that such contributions may be recognised as a reduction in the service cost in the same period in which they are payable if, and only if, they are linked solely to the employee's service rendered in that period.	No significant impact.

2. JUDGEMENTS BY DIRECTORS AND MANAGEMENT

2.1 DETERMINATION OF MINERAL RESOURCE ESTIMATES

The company estimates its mineral resources based on information compiled by Competent Persons. Reserves determined in this way will be used in the calculation of depreciation, amortisation and impairment charges, and for forecasting the timing of the payment of mine closure and environmental rehabilitation obligation. In assessing the life of a mine for accounting purposes, mineral resources are only taken into account where there is a high degree of confidence of economic extraction. There are numerous uncertainties inherent in estimating ore reserves, and assumptions that are valid at the time of estimation may change significantly when new information becomes available. Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and may, ultimately, result in reserves being restated. Such changes in reserves could impact on depreciation and amortisation rates, asset carrying values and provisions for environmental rehabilitation costs.

2.2 MINE CLOSURE AND ENVIRONMENTAL REHABILITATION OBLIGATION

Mining and exploration activities are subject to various laws and regulations governing the protection of the environment. Management estimates the expected total expenditure for the rehabilitation and remediation of negative environmental impacts at closure at the end of the life of the mine. The amount recorded for the mine closure and environmental rehabilitation provision requires management to make estimates, assumptions and judgements relating to the future. These estimates are based on engineering studies of the work that is required by current environmental legislation. These estimates include the rate at which costs may inflate, life of mine estimates and discount rates.

2.3 REVIEW OF ASSET CARRYING VALUES AND IMPAIRMENT

In accordance with our accounting policies, each asset or cash-generating unit is evaluated every reporting period to determine whether there are any indications of impairment. If any such indication exists, a formal estimate of recoverable amount is performed and an impairment loss is recognised to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset or cash-generating group of assets is measured at the higher of fair value less costs to sell and value in use.

The determination of fair value and value in use requires management to make estimates and assumptions about expected production, commodity prices, reserves, operating costs, closure and rehabilitation costs and future capital expenditures. The estimates and assumptions are subject to risk and uncertainty; hence there is the possibility that changes in circumstances will alter these projections, which may impact the recoverable amount of the assets. In such circumstances some or all of the carrying value of the assets may be further impaired or the impairment charge reduced with the impact recorded in profit or loss.

The most significant review relates to the carrying value of the property, plant and equipment that relates to the Bakubung Platinum Mine project and the investment in equity accounted investee that relates to the group's 22.5% interest in the Maseve platinum mine project. The fair value for these projects was determined by using the cash flow approach. The cash flow approach relies on the "value in use" principle and requires determination of the present value of future cash flows over the useful life of the asset. The asset is valued using the free cash flow capitalisation, i.e. the discounted cash flow (DCF) methodology.

In determining the future cash flows, management reviewed all the key variables and sources of estimation and, except as listed below, were based on the same principles as those that applied to the consolidated financial statements for the year ended 31 December 2012. Management engaged the services of various professional research and forecasting experts, including that of SFA (Oxford) Limited regarding projections of supply, demand and real prices for internationally traded commodities and Thomson Reuters Knowledge regarding general economic outlook and specifically South African interest, exchange and inflation rates.

Management concurred with the expert opinions regarding the longer-term positive outlook and improvement in the prices by the time that the projects start production in 2015 and 2018.

On this basis the determined fair value exceeds the net asset value ('NAV') of the relevant mining assets and management is of the opinion that the assets of the group are not impaired.

The following economic parameters were assumed for Bakubung:

	2013	2012
US$ exchange rate (ZAR)	10.79	9.06
Pt price (US$/oz)	2 098	2 297
Pd price (US$/oz)	1 190	761
Rh price (US$/oz)	2 091	5 656
Au price (US$/oz)	1 355	1 400
MR basket price (US$/oz)	1 825	2 040
Discount rate/Weighted average cost of capital (%) (Real)	9.77	8.20

The economic parameters assumed for Maseve do not differ significantly from the economic parameters above.

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. A 13,3% (2012: 10,5%) reduction in gross revenue resulting from changes in either exchange rates or US$ prices will reduce the determined fair value to a level that approximates the net asset value. A 13,3% (2012: 10,5%) price reduction across the board will result in the MR basket price dropping to US$1 582 (2012: US$1 826) per ounce. The price of rhodium and palladium has proven to be the most volatile in the recent past and a 100% (2012: 70%) reduction in the projected price of Rhodium and a 45.9% (2012: nil) reduction in the projected price of Palladium will equal the effect of a 13,3% (2012: 10,5%) reduction in price across all products.

3. PROPERTY, PLANT AND EQUIPMENT

GROUP 2013

COST	Opening Balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
Land and buildings	22 068	20 932	-	43 000
Vehicles	1 349	698	(229)	1 818
Computer equipment	3 148	997	(853)	3 292
Furniture and fittings	1 803	975	-	2 778
Office equipment	809	374	(415)	768
Other office fittings	794	134	-	928
Leasehold improvements	2 761	-	(1 970)	791
Plant and equipment	558 242	423 168	-	981 410
Mine development assets	1 813 428	400 104	-	2 213 532
Total	**2 404 402**	**847 382**	**(3 467)**	**3 248 317**

ACCUMULATED DEPRECIATION	Opening Balance R'000	Depreciation R'000	Disposals R'000	Closing Balance R'000
Land and buildings	830	208	-	1 038
Vehicles	466	351	(229)	588
Computer equipment	2 264	770	(853)	2 181
Furniture and fittings	1 668	133	-	1 801
Office equipment	683	109	(398)	394
Other office fittings	582	119	-	701
Leasehold improvements	1 945	309	(1 969)	285
Plant and equipment	-	-	-	-
Mine development assets	-	-	-	-
Total	**8 438**	**1 999**	**(3 449)**	**6 988**

CARRYING VALUE	Opening Balance R'000	Additions R'000	Depreciation R'000	Disposals R'000	Closing Balance R'000
Land and buildings	21 238	20 932	(208)	-	41 962
Vehicles	883	698	(351)	-	1 230
Computer equipment	884	997	(770)	-	1 111
Furniture and fittings	135	975	(133)	-	977
Office equipment	126	374	(109)	(17)	374
Other office fittings	212	134	(119)	-	227
Leasehold improvements	816	-	(309)	(1)	506
Plant and equipment	558 242	423 168	-	-	981 410
Mine development assets	1 813 428	400 104	-	-	2 213 532
Total	**2 395 964**	**847 382**	**(1 999)**	**(18)**	**3 241 329**

All property, plant and equipment are owned by group entities. Wesizwe holds full title of the land and buildings. During the year under review a building was acquired to be used as the head office of the group. The title deeds of all owned buildings are available for inspection at our head office.

Bakubung Minerals (Pty) Limited have encumbered all its assets in favour of a South African Special Purpose Vehicle (the "Security SPV") that holds the security for the benefit of the lender, China Development Bank, ("CDB") and the guarantor Jinchuan. Wesizwe Platinum and Bakubung Minerals (Pty) Limited have agreed to jointly and severally indemnify the Security SPV harmless in respect of claims and losses which the Security SPV may suffer by reason or in consequence of the Security SPV having issued the debt guarantees.

There has been no impairment or impairment reversals.

Plant and equipment and mine development assets are currently not being depreciated as the mine is not yet in production.

The effective interest rate of the CDB loans has been calculated at 11.9% taking into account all foreign exchange differences and finance costs incurred. Therefore all borrowing costs incurred and foreign exchange differences incurred on the loan for the year ended 31 December 2013 have been capitalised to the cost of the asset; as the actual effective interest rate of the CDB loan is lower than a local market-related interest rate.

GROUP 2012

COST	Opening Balance R'000	Additions R'000	Changes in Estimates R'000	Disposals R'000	Closing Balance R'000
Land and buildings	11 288	10 780	-	-	22 068
Vehicles	610	899	-	(160)	1 349
Computer equipment	2 228	920	-	-	3 148
Furniture and fittings	1 726	77	-	-	1 803
Office equipment	781	28	-	-	809
Other office fittings	804	-	-	(10)	794
Leasehold improvements	2 761	-	-	-	2 761
Plant and equipment	194 338	363 904	-	-	558 242
Mine development assets	1 526 906	280 050	6 472	-	1 813 428
Total	**1 741 442**	**656 658**	**6 472**	**(170)**	**2 404 402**

ACCUMULATED DEPRECIATION	Opening Balance R'000	Depreciation R'000	Disposals R'000	Closing Balance R'000
Land and buildings	622	208	-	830
Vehicles	467	159	(160)	466
Computer equipment	1 944	320	-	2 264
Furniture and fittings	1 429	239	-	1 668
Office equipment	551	132	-	683
Other office fittings	466	119	(3)	582
Leasehold improvements	1 580	365	-	1 945
Plant and equipment	-	-	-	-
Mine development assets	-	-	-	-
Total	**7 059**	**1 542**	**(163)**	**8 438**

CARRYING VALUE	Opening Balance R'000	Additions and Changes in Estimates R'000	Depreciation R'000	Disposals R'000	Closing Balance R'000
Land and buildings	10 666	10 780	(208)	-	21 238
Vehicles	143	899	(159)	-	883
Computer equipment	284	920	(320)	-	884
Furniture and fittings	297	77	(239)	-	135
Office equipment	230	28	(132)	-	126
Other office fittings	338	-	(119)	(7)	212
Leasehold improvements	1 181	-	(365)	-	816
Plant and equipment	194 338	363 904	-	-	558 242
Mine development assets	1 526 906	286 522	-	-	1 813 428
Total	**1 734 383**	**663 130**	**(1 542)**	**(7)**	**2 395 964**

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Bakubung Minerals (Pty) Limited have encumbered all its assets in favour of a South African Special Purpose Vehicle (the "Security SPV") that holds the security for the benefit of the lender, China Development Bank ("CDB"), and the guarantor Jinchuan. Wesizwe Platinum and Bakubung Minerals (Pty) Limited have agreed to jointly and severally indemnify the Security SPV harmless in respect of claims and losses which the Security SPV may suffer by reason or in consequence of the Security SPV having issued the debt guarantees.

There has been no impairment or impairment reversals.

Plant and equipment and mine development assets are currently not being depreciated as the mine is not yet in production.

COMPANY 2013

COST	Opening Balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
Land and buildings	6 868	-	-	6 868
Computer equipment	2 405	93	(853)	1 645
Furniture and fittings	1 521	34	-	1 555
Office equipment	760	61	(415)	406
Other office fittings	548	-	-	548
Leasehold improvements	1 970	-	(1 970)	-
Total	**14 072**	**188**	**(3 238)**	**11 022**

ACCUMULATED DEPRECIATION	Opening Balance R'000	Depreciation R'000	Disposals R'000	Closing Balance R'000
Land and buildings	830	208	-	1 038
Computer equipment	1 627	549	(853)	1 323
Furniture and fittings	1 431	53	-	1 484
Office equipment	666	81	(398)	349
Other office fittings	337	104	-	441
Leasehold improvements	1 704	265	(1 969)	-
Total	**6 595**	**1 260**	**(3 220)**	**4 635**

CARRYING VALUE	Opening Balance R'000	Additions R'000	Depreciation R'000	Disposals R'000	Closing Balance R'000
Land and buildings	6 038	-	(208)	-	5 830
Computer equipment	778	93	(549)	-	322
Furniture and fittings	90	34	(53)	-	71
Office equipment	94	61	(81)	(17)	57
Other office fittings	211	-	(104)	-	107
Leasehold improvements	266	-	(265)	(1)	-
Total	**7 477**	**188**	**(1 260)**	**(18)**	**6 387**

All property, plant and equipment are owned by group entities and the title deeds are available for inspection at our head office.

COMPANY 2012

COST	Opening Balance R'000	Additions R'000	Closing Balance R'000
Land and buildings	6 868	-	6 868
Computer equipment	1 598	807	2 405
Furniture and fittings	1 485	36	1 521
Office equipment	745	15	760
Other office fittings	548	-	548
Leasehold improvements	1 970	-	1 970
Total	**13 214**	**858**	**14 072**

ACCUMULATED DEPRECIATION	Opening Balance R'000	Depreciation R'000	Closing Balance R'000
Land and buildings	622	208	830
Computer equipment	1 314	313	1 627
Furniture and fittings	1 218	213	1 431
Office equipment	542	124	666
Other office fittings	227	110	337
Leasehold improvements	1 386	318	704
Total	**5 309**	**1 286**	**6 595**

CARRYING VALUE	Opening Balance R'000	Additions R'000	Depreciation R'000	Closing Balance R'000
Land and buildings	6 246		(208)	6 038
Computer equipment	284	807	(313)	778
Furniture and fittings	267	36	(213)	90
Office equipment	203	15	(124)	94
Other office fittings	321	(110)	-	211
Leasehold improvements	584	(318)	-	266
Total	**7 905**	**858**	**(1 286)**	**7 477**

All property, plant and equipment are owned by group entities and the title deeds are available for inspection at our head office.

4. AVAILABLE-FOR-SALE ASSET

	GROUP		COMPANY	
	2013	2012	2013	2012
	R'000	R'000	R'000	R'000
Capital invested (cost)				
Opening balance	15 355	12 231	-	-
Current year investment	2 744	3 124	-	-
Investment repaid	(18 099)	-	-	
Closing balance	**-**	**15 355**	**-**	**-**
Return on investments (fair value movements)				
Opening balance	2 891	1 529	-	-
Current year fair value adjustment	(1 525)	2 026	-	-
Deferred tax on fair value movements	285	(664)	-	-
Available-for-sale financial asset reclassified to profit or loss	(1 651)	-	-	-
Closing balance	**-**	**2 891**	**-**	**-**
Total	**-**	**18 246**	**-**	**-**

The group invested in a collective investment scheme through a registered financial service provider in 2008. The monthly premium included a contribution towards administration fees and did not contribute towards the fund value. It was decided to terminate the investment in 2013 and the market value of the fund was paid to the group.

5. INVESTMENT IN EQUITY-ACCOUNTED INVESTEE

The investment refers to the group's investment in Maseve Investments 11 (Pty) Limited ("Maseve"). Maseve is in the process of constructing a platinum mine adjacent to the Bakubung Mine.

Platinum group Metals ("PTM") exercising its option to increase its shareholding in Maseve to 74% in 2012 and during the 2013 year PTM completed it cash contribution of approximately R1.6 billion towards the project cost as required by the dilution transaction.

During 2013, Maseve secured a funding transaction with a banking consortium. The terms of the funding transaction required a further capital injection from shareholders and Wesizwe's share thereof amounted to approximately R214million. Wesizwe did not see its way clear to make this contribution at the time. In terms of a pre-determined clause in the shareholders' agreement Wesizwe shareholding will be diluted as a result of the non-contribution. PTM presented a dilution calculation to Wesizwe that indicates Wesizwe being diluted from a 26% to about a 21% shareholding. Wesizwe maintains that some qualifying amounts have not been taken into account in the PTM calculation and that after having taken that into account Wesizwe should only be diluted to about 22.5%. The resulting dispute has been referred to arbitration based on the terms of the shareholders agreement.

Based on the Wesizwe application of the shareholders agreement, it is calculated that there is no dilution loss. Should the outcome of the arbitration not be in favour of Wesizwe then a dilution loss amounting to R6.6 million for a further 1.5% dilution will be recognised in subsequent years. From post balance events, it became necessary for Maseve to make another cash call of the same magnitude. It is expected that after this cash call, the reported loan funding will be secured and will be sufficient to complete the project.

Maseve earned income from non-core assets resulting in the current year reflecting a profit.

Management assessed its investment in Maseve for impairment based on the discounted cash flow method (refer to note 2).

	GROUP		COMPANY	
	2013	2012	2013	2012
	R'000	R'000	R'000	R'000
Opening balance	919 515	916 548	-	-
Share of profit in equity-accounted investee	1 235	4 622	-	-
Impairment of investment	-	(1 655)	-	-
Closing balance	**920 750**	**919 515**	**-**	**-**

Shareholding	**2013**	**2012**
	R'000	**R'000**
Number of shares		
Ordinary shares	17 404	17 398
Effective holding	22.5%	26%

Maseve has a reporting date of 31 August. The equity accounting is done using its management accounts as at 31 December.

Summarised financial information	**2013**	**2012**
	R'000	**R'000**
Capital and reserves	3 653 432	2 379 302
Non-current liabilities	215 086	529 101
Current liabilities	118 058	103 177
	3 986 576	**3 011 580**
Non-current assets	3 945 587	2 950 118
Current assets	41 732	61 462
	3 987 319	**3 011 580**
Revenue	-	-
Profit for the year	**7 922**	**17 776**

6. INVESTMENT IN SUBSIDIARIES

	Percentage Shareholding	Subsidiary Issued Capital
		2013
Bakubung Minerals (Pty) Limited	100	1 000
Wesizwe Properties (Pty) Limited	100	1
Africa Wide Mineral Prospecting and Exploration (Pty) Limited	100	121
Indirectly held : Vaviscan (Pty) Limited**	100	100

	COMPANY	
	2013	2012
	R'000	R'000
Wesizwe investment in:		
Bakubung Minerals (Pty) Limited	9 802	9 802
Wesizwe Properties (Pty) Limited***	-	-
Africa Wide Mineral Prospecting and Exploration (Pty) Limited	669 621	669 621
Sub total	**679 423**	**679 423**
Shareholder loans*		
Bakubung Minerals (Pty) Limited	2 702 491	1 793 667
Wesizwe Properties (Pty) Limited	22 763	-
Africa Wide Mineral Prospecting and Exploration (Pty) Limited	192 019	192 008
Sub total	**2 917 273**	**1 985 675**
Total	**3 596 696**	**2 665 098**

* Shareholder loans are payable on demand, subject to the subordination referred to herein, and bear no interest. These loans have been subordinated in favour of external creditors.

**Vaviscan (Pty) Limited is a wholly owned subsidiary of Bakubung. The shelf company was acquired in 2011 specifically to purchase the farm Zwartkoppies to be utilised in a community project.

*** Wesizwe Platinum Limited holds a R1 investment in Wesizwe Properties (Pty) Limited.

Bakubung Minerals (Pty) Limited has incurred a loss of R5.7 million (2012: R6.6 million) for the year under review.
Africa Wide has incurred a profit of R0.3 million (2012: R2.3 million) for the year under review.
Vaviscan (Pty) Limited has incurred a loss of R0.04 million (2012: R0.3 million) for the year under review.
Wesizwe Properties (Pty) Limited has incurred a loss of R0.6 million (2012: nil) for the year under review.

Wesizwe has undertaken not to reduce its shareholding in Bakubung Minerals, Africa Wide and Wesizwe Properties and to provide the necessary financial support to meet their obligations as and when they become due, until such time as the assets of the two companies exceed their liabilities.

Wesizwe has subordinated its loan to Bakubung Minerals, Africa Wide and Wesizwe Properties in favour of other creditors for as long as the liabilities of Bakubung Minerals and Africa Wide exceed their assets.

7. OTHER RECEIVABLES

	GROUP		COMPANY	
	2013	2012	2013	2012
	R'000	R'000	R'000	R'000
Value added tax receivable	11 097	20 878	-	-
Other receivables	141	490	119	105
Prepayments	368	222	178	182
Total	**11 606**	**21 590**	**297**	**287**

8. LOAN TO THE BAKUBUNG COMMUNITY

	GROUP		COMPANY	
	2013	2012	2013	2012
	R'000	R'000	R'000	R'000
Opening balance	-	-	-	-
Loan advanced	-	2 744	-	2 744
Impairment	-	(2 744)	-	(2 744)
Closing balance	**-**	**-**	**-**	**-**

As previously reported, the company was requested by the Department of Mineral Resources ("DMR") to assist the community and the Royal Family of the Bakubung Ba-Ratheo 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 recoverability is doubtful and, has accordingly impaired the loan for accounting purposes.

9. RESTRICTED CASH

	GROUP		COMPANY	
	2013	2012	2013	2012
	R'000	R'000	R'000	R'000
Non-current				
Eskom – Connection guarantees	23 670	-	-	-
Aveng Mining Limited – Performance payment guarantee	57 000	-	-	-
Total Non-current	**80 670**	**-**	**-**	**-**
Current				
Department of Mineral Resources – Rehabilitation obligation	27 000	27 000	27 000	27 000
Landlord – Operating lease agreement	611	940	611	940
Eskom – Connection guarantees	6 847	10 249	6 847	10 249
Aveng Mining Limited – Performance payment guarantee	-	57 000	-	57 000
Total current	**34 458**	**95 189**	**34 458**	**95 189**
Total restricted cash	**115 128**	**95 189**	**34 458**	**95 189**

Call and short-term deposits have been encumbered as a result of guarantees issued to certain service providers.

10. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2013	2012	2013	2012
	R'000	R'000	R'000	R'000
Bank balances	62 975	22 886	51 726	20 690
Call and short-term deposits	687 046	1 373 937	680 873	1 373 937
	750 021	1 396 823	732 599	1 394 627
Interest accrued	1 402	1 651	1 389	1 651
Total	**751 423**	**1 398 474**	**733 988**	**1 396 278**

11. STATED CAPITAL

	GROUP		COMPANY	
	2013	2012	2013	2012
	R'000	R'000	R'000	R'000
Stated capital				
Authorised				
2 000 000 no par value shares (2012: 2 000 000 000 no par value shares)	-	-	-	-
Issued				
1627 827 058 no par value shares (2012 : 1 627 827 058 no par value shares)	3 425 544	3 425 544	3 425 544	3 425 544

On 3 September 2012 it was resolved in terms of regulation 31 of the Companies Act Regulations 2011, that all the ordinary shares in the share capital of the company, comprising 2 000 000 000 authorised and 1 627 827 058 issued ordinary shares having a par value of R0.00001 be converted into ordinary shares having no par value and that the whole of the amounts in the share capital account and the share premium account of the company be transferred to the stated capital account.

12. SHARE PREMIUM

	GROUP		COMPANY	
	2013	2012	2013	2012
	R'000	R'000	R'000	R'000
Opening balance	-	3 425 528	-	3 425 528
Transfer of share premium to stated capital	-	(3 425 528)	-	(3 425 528)
Total	**-**	-	**-**	-

During 2012 the authorised and issued share capital were converted from ordinary par value shares into ordinary shares of no par value.

13. SHARE-BASED PAYMENT RESERVE

	GROUP		COMPANY	
	2013	2012	2013	2012
	R'000	R'000	R'000	R'000
Opening balance	472 179	472 179	472 179	472 179
Transfer to retained income	(472 179)	-	(472 179)	-
Closing balance	**-**	**472 179**	**-**	**472 179**

The share-based payment reserve of R472.2 million was transferred to retained income as the share-based payment, amounting to R55.0 million which relates to shares issued to Vuyani Capital in 2007 has long past; Long Term Incentive Plan (LTIP) and Share Appreciation Rights Scheme (SARS), both amounting to R10.5 million, has been cancelled and the share-based payment expense, amounting to R406.7 which relates to the issue of shares to China-Africa Jinchuan Inv Limited in 2011 has long past.

14. DEFERRED TAXATION

	GROUP 2013 R'000	GROUP 2012 R'000	COMPANY 2013 R'000	COMPANY 2012 R'000
Deferred taxation liability				
Opening balance	267 265	268 775	-	-
Current year charges	(2 976)	(1 510)	-	-
Property, plant and equipment	230 796	182 448	-	-
Available-for-sale financial asset	(664)	664	-	-
Unredeemed exploration expenditure	(1 191)	-	-	-
Unredeemed mining capex	(229 329)	(182 505)	-	-
Provisions	(2 588)	(2 117)	-	-
Closing balance	264 289	267 265	-	-
Deferred taxation asset				
Opening balance	(400)	-	(400)	-
Current year charges	400	(400)	400	(400)
Provisions	400	(400)	400	(400)
Closing balance	-	(400)	-	(400)
Total	264 289	266 865	-	(400)
Deferred tax assets and liabilities are attributable to the following items:				
Deferred tax liabilities				
Recognised directly in profit or loss:				
Property, plant and equipment	602 147	371 351	-	-
Recognised directly in equity:				
Acquisition of equity-accounted investee	285 251	285 251	-	-
Available-for-sale financial asset reserve	-	664	-	-
	887 398	657 266	-	-
Deferred tax assets				
Recognised directly in profit or loss:				
Unredeemed exploration expenditure	(1 191)	-	-	-
Unredeemed mining capex	(613 688)	(384 359)	-	-
Provisions	(8 230)	(6 042)	-	(400)
	(623 109)	(390 401)	-	(400)
Total	**264 289**	**266 865**	**-**	**(400)**

	COMPANY	
	2013	2012
	R'000	R'000
Provisions, prepayments and minor assets	(951)	-
Exploration cost	-	2 440
Unredeemed mining expenditure	-	339
	(951)	**2 779**

The company has a deferred tax asset of R950 640 (2012: R2 779 578) which has not been raised due to the uncertainty of the asset being realised. Amounts that have been recognised are assumed to be recovered at a rate of 28%. Losses still in doubt have not been recognised because a trend of profitability is not yet fully established.

15. MINE CLOSURE AND ENVIRONMENTAL REHABILITATION OBLIGATION

	GROUP		COMPANY	
	2013	2012	2013	2012
	R'000	R'000	R'000	R'000
Opening balance	20 148	12 587	-	-
Additional obligation recognised	7 812	6 472	-	-
Charged to interest expenses (Note 21)	1 435	1 089	-	-
Closing balance	**29 395**	**20 148**	**-**	**-**

This long-term obligation reflects the net present value of closure, restoration and environmental rehabilitation (which includes the dismantling and demolition of infrastructure, removal of residual materials and remediation of disturbed areas) cost. The annual changes can be ascribed to additional disturbances caused during the year, changes in the escalation and discount rates. This estimate is based on the current cost estimate and escalated to the future planned closure dated and then discounted at an appropriate rate. The current estimates are based on environmental plans in accordance with current technology, environmental and regulatory requirements and the measurements of an independent professional surveyor. The discount rate is based on a pre-tax risk-free rate available in the current market.

At the time of establishing the provision, a corresponding asset is recognised that will be 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.

As required by the Department of Mineral Resources, a deposit of R27.0 million (2012: R27.0 million) is held with a financial institution (refer note 9). The deposit has been guaranteed to the Department of Mineral Resources for the mine closure and environmental rehabilitation.

The discount rate regarded as an appropriate long-term risk-free rate is 8.23% (2012: 7.12%). The escalation rate is 5.81% (2012: 5.30%).

Current cost rehabilitation estimate is R64.8 million (2012: R37.4 million).

16. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2013	2012	2013	2012
	R'000	R'000	R'000	R'000
Trade payables	2 730	2 692	1 439	121
Capital expenditure payables	63 820	81 085	-	966
Leave pay accrual	2 988	1 466	2 988	1 466
Value added tax payable	3 006	2 204	3 006	2 204
Salary accrual	560	243	560	243
Total	**73 104**	**87 690**	**7 993**	**5 000**

17. INTEREST-BEARING BORROWINGS

	GROUP		COMPANY	
	2013	2012	2013	2012
	R'000	R'000	R'000	R'000
Opening balance	847 916	-	847 916	-
China Development Bank – drawdown	1 022 460	849 810	1 022 460	849 810
Interest accrued	40 820	666	40 820	666
China Development Bank – loan repayment	(847 250)	-	(964 658)	-
China Development Bank – interest repayment	(40 725)		(41 870)	
Foreign exchange loss	26 331	(2 560)	144 884	(2 560)
Closing balance	**1 049 552**	**847 916**	**1 049 552**	**847 916**

The group has an unsecured a loan of US$100 million with a carrying amount of R1 049.6 million at 31 December 2013 (2012: R847.9 million). According to terms of the agreement, this loan is repayable on 21 June 2014. Interest is payable six monthly in arrears at a rate equal to the six month LIBOR on the first day of the interest cycle plus 2.3% per annum. The facility will be used for ongoing capital development of the Bakubung Platinum Mine.

18. ADMINISTRATION EXPENSES

	GROUP		COMPANY	
	2013	2012	2013	2012
	R'000	R'000	R'000	R'000
Administration expenses include :				
Internal and external auditor's remuneration	3 628	632	1 762	-
Depreciation	1 999	1 542	1 260	1 286
Directors' fees – short-term benefits	8 095	7 958	8 095	7 958
Employee costs – short-term benefits	43 221	26 625	43 196	25 499
Operating lease – buildings	3 471	2 965	3 312	2 808
Professional fees				
– Legal fees	2 767	1 419	2 643	1 104
– Secretarial fees and sponsor cost	449	540	449	540
Statutory publications, corporate identity and investor relations	3 889	3 286	3 016	2 133
Travel and accommodation	2 738	1 425	2 144	1 265
Technical consulting fees	6 105	5 826	4 084	5 336
Other administration expenses	10 928	9 104	8 737	7 065
Total	**87 290**	**61 322**	**78 698**	**54 994**

19. NET FINANCE INCOME AND NET FOREIGN EXCHANGE LOSS

	GROUP		COMPANY	
	2013	2012	2013	2012
	R'000	R'000	R'000	R'000
Finance income				
Interest earned on cash balances	76 568	54 961	75 387	55 152
Interest accrued on cash balances	1 402	1 651	1 389	1 651
Total finance income	**77 970**	**56 612**	**76 776**	**56 803**
Finance expense				
Interest on loan denominated in foreign currency	(40 820)	(666)	(40 820)	(666)
Finance costs for the year	205	(200)	204	(200)
Time value of money adjustment to rehabilitation obligation	(1 435)	(1 089)	-	-
Total finance expense	**(42 050)**	**(1 955)**	**(40 616)**	**(866)**
Net finance income	**35 920**	**54 657**	**36 160**	**55 937**
Foreign exchange gain				
Realised gain on conversion of US$100 million to rands	24 010	-	24 010	-
Total foreign exchange gains	**24 010**	**-**	**24 010**	**-**
Foreign exchange losses				
Realised loss on conversion of US$100 million to rands	(2 460)	-	(2 460)	-
Realised loss on suppliers payments	(6)	-	-	-
Realised loss on conversion of interest accruals denominated in foreign currency	(1 145)	-	(1 145)	-
Realised loss on conversion of loan denominated in foreign currency	(138 958)	-	(138 958)	-
Unrealised loss on conversion of interest accruals denominated in foreign currency	(11)	-	(11)	-
Unrealised loss on conversion of loan denominated in foreign currency	(26 320)	-	(26 320)	-
Total foreign exchange losses	**(168 900)**	**-**	**(168 894)**	**-**
Net foreign exchange losses	**(144 890)**	**-**	**(144 884)**	**-**

20. INCOME TAX EXPENSE/INCOME

	GROUP 2013 R'000	GROUP 2012 R'000	COMPANY 2013 R'000	COMPANY 2012 R'000
South African company tax	430	(7 213)	815	(7 213)
Current year	(385)	(7 213)	-	(7 213)
Overprovision prior year	815	-	815	-
Deferred tax	1 913	2 574	(400)	400
Temporary differences	2 313	-	-	-
Overprovision prior year	(400)	2 574	(400)	400
Total	**2 343**	**(4 639)**	**415**	**(6 813)**
Current year – deferred taxation	285	(664)	-	-
Tax on other comprehensive income	**285**	**(664)**	**-**	**-**

The group has unredeemed capital expenditure of R2 191.7 million (2012: R1 372.3 million) and unredeemed exploration expenditure of R4.3 million (2012: Rnil) for the year ended 31 December 2013. The unredeemed capital and unredeemed exploration expenditure may be set-off against future taxable income.

Reconciliation of effective tax rate

	GROUP 2013 %	GROUP 2012 %	COMPANY 2013 %	COMPANY 2012 %
Standard tax rate	28.0	28.0	28.0	28.0
Non-taxable income	10.5	-	18.0	-
Non-deductible expenses	(6.5)	16.2	(9.4)	9.5
Deferred tax asset not raised	(19.8)	0.6	(36.6)	-
Deferred tax asset reversed	(3.5)	-	(6.0)	-
Share of profit of equity-accounted investee	3.0	(9.0)	-	-
Prior year deferred tax asset not raised	-	(2.0)	-	(1.5)
CGT rate on disposal of available-for-sale financial asset	1.7	-	-	-
Overprovision prior year	7.2	(1.5)	12.3	-
Effective rate	**20.6**	**32.3**	**6.3**	**36.0**

Taxation paid

	GROUP 2013 R'000	GROUP 2012 R'000	COMPANY 2013 R'000	COMPANY 2012 R'000
Balances receivable at beginning of year	(9 309)	(8 264)	(11 231)	(9 544)
Profit or loss charge	(430)	7 213	(815)	7 213
Additional charges	(1 646)	1 160	(1 362)	518
Taxation refund received	13 408	-	13 408	-
Taxation paid	(2 557)	(9 418)	(2 557)	(9 418)
Balance receivable at end of year	**(534)**	**(9 309)**	**(2 557)**	**(11 231)**

21. NOTES TO THE STATEMENTS OF CASH FLOWS

	GROUP		COMPANY	
	2013	2012	2013	2012
	R'000	R'000	R'000	R'000
Reconciliation of (loss)/profit for the year to cash flows from operating activities				
(Loss)/Profit from operations:	**(11 354)**	**14 387**	**(6 621)**	**18 937**
Finance income	(20 131)	(56 612)	(18 937)	(56 803)
Share of profit in equity-accounted investee	(1 235)	(4 622)	-	-
Finance expense	1 230	1 955	(204)	866
Foreign exchange loss	6	-	-	-
(Loss)/profit from operations	**(31 484)**	**(44 892)**	**(25 762)**	**(37 000)**
Adjustments for:				
– Depreciation	1 999	1 542	1 260	1 286
– Impairment of investment in equity-accounted investee	-	1 655	-	-
– Impairment of loan to Bakubung community	-	2 744	-	2 744
– Penalties relating to taxation	(797)	1 160	(511)	518
– Scrapping loss of PPE	18	-	18	-
– Profit on disposal of PPE	(70)	-	-	-
– Profit on disposal of financial asset	(2 063)	-	-	-
Operating profit/(loss) before working capital changes	**(32 397)**	**(37 791)**	**(24 995)**	**(32 452)**
Changes in working capital	12 663	11 886	3 949	4 589
Decrease/(increase) in other receivables	9 984	8 538	(10)	1 498
Increase in trade and other payables	2 679	3 348	3 959	3 091
Cash generated/(utilised) in operations	**(19 734)**	**(25 905)**	**(21 046)**	**(27 863)**

22. EARNINGS/(LOSS) PER SHARE

	GROUP 2013		GROUP 2012	
The basis of calculation of basic (loss)/earnings per share is :				
Attributable (loss)/profit to ordinary shareholders (rand)		(9 011 003)		9 747 918
Weighted average number of ordinary shares in issue (shares)		1 627 827 058		1 627 827 058
Basic (loss)/earnings per share (cents)		**(0.55)**		**0.60**
The basis of calculation of diluted (loss)/earnings per share is :				
(Loss)/profit attributable loss to ordinary shareholders (rand)		(9 011 003)		9 747 918
Weighted average number of ordinary shares in issue (shares)		1 627 827 058		1 627 827 058
Diluted (loss)/earnings per share (cents)		**(0.55)**		**0.60**
	Gross	**Net**	Gross	Net
The basis of calculation of headline (loss)/earnings and diluted headline (loss)/earnings per share is:				
(Loss)/profit attributable to ordinary shareholders (rand)		(9 011 003)		9 747 918
Adjustment for:		(1 710 621)		1 647 528
Profit on disposal of property plant and equipment	(70 175)	(50 526)	(7 000)	(7 000)
Profit on disposal of available-for-sale financial asset	(2 062 634)	(1 677 609)	-	-
Loss on scrapping of property, plant and equipment	17 514	17 514	-	-
Impairment of investment in equity-accounted investee	-	-	1 654 528	1 654 528
Headline (loss)/earnings per share (cents)	**-**	**(10 721 624)**	**-**	**11 395 446**
Weighted average number of ordinary shares in issue (shares)		1 627 827 058		1 627 827 058
Headline (loss)/earnings and diluted headline (loss)/earnings per share (cents)		**(0.66)**		**0.70**

23. COMMITMENTS

23.1 COMMITMENTS AT REPORTING DATE BUT NOT RECOGNISED IN THE FINANCIAL STATEMENTS ARE AS FOLLOWS:

	GROUP		COMPANY	
	2013 R'000	2012 R'000	2013 R'000	2012 R'000
Commitments due within:				
– Next 12 months:	448 758	430 122	-	1 997
Rental of premises	-	1 997	-	1 997
Project capital commitments	448 758	428 125	-	-
– Next 13 to 24 months:				
Project capital commitments	264 291	287 088	-	-
– Next 25 to 36 months:				
Project capital commitments	354 280	265 991	-	-
– Next 37 to 48 months:				
Project capital commitments	-	370 927	-	-
– Next 49 to 60 months:				
Project capital commitments	-	38 007	-	-
Rental of premises	-	1 997	-	1 997
Project capital commitments	1 067 329	1 390 138	-	-
Total	**1 067 329**	**1 392 135**	**-**	**1 997**

Project capital commitments comprise the aggregate of the outstanding portion of contracts awarded to various contractors and suppliers for the development of the Bakubung Platinum Mine. There are no other commitments that had been authorised but not contracted for.

24. FINANCIAL INSTRUMENTS

24.1 FINANCIAL RISK MANAGEMENT

The group is exposed to the following risks:

- Credit risk
- Liquidity risk
- Market risk (currency risk and interest rate risk)

This note presents information about the group's exposure to each of the above risks, the group's objectives, policies and processes for measuring and managing each of the above risks. Further quantitative disclosures are included throughout these group financial statements.

	Note	Loans and Receivables R'000	Available-for-sale R'000	Total R'000
Group 2013				
Financial assets				
Cash and cash equivalents	10	751 423	-	751 423
Restricted cash	9	34 458	-	34 458
Other receivables	7	141	-	141
Available-for-sale financial asset	4	-	-	-
		786 022	**-**	**786 022**
Group 2012				
Financial assets				
Cash and cash equivalents	10	1 398 474	-	1 398 474
Restricted cash	9	95 189	-	95 189
Other receivables	7	490	-	490
Available-for-sale financial asset	4	-	18 910	18 910
		1 494 153	**18 910**	**1 513 063**

	Note	Other Financial Liabilities R'000	Total R'000
Group 2013			
Financial liabilities			
Trade payables	16	(70 098)	(70 098)
Interest-bearing borrowings	17	(1 049 552)	(1 049 552)
		(1 119 650)	**(1 119 650)**
Group 2012			
Financial liabilities			
Trade payables	16	(84 020)	(84 020)
Interest-bearing borrowings	17	(847 916)	(847 916)
		(931 936)	**(931 936)**

	Note	Loans and Receivables R'000	Total R'000
Company 2013			
Financial assets			
Cash and cash equivalents	10	733 988	733 988
Restricted cash	9	34 458	34 458
Other receivables	7	119	119
Loans receivable from subsidiaries	6	2 917 273	2 917 273
		3 685 838	**3 685 838**
Company 2012			
Financial assets			
Cash and cash equivalents	10	1 396 278	1 396 278
Restricted cash	9	95 189	95 189
Other receivables	7	105	105
Loans receivable from subsidiaries	6	1 985 675	1 985 675
		3 477 247	**3 477 247**

	Note	Other Financial Liabilities R'000	Total R'000
Company 2013			
Financial liabilities			
Trade payables	16	(4 987)	(4 987)
Interest-bearing borrowings	17	(1 049 552)	(1 049 552)
		(1 054 539)	**(1 054 539)**
Company 2012			
Financial liabilities			
Trade payables	16	(1 330)	(1 330)
Interest-bearing borrowings	17	(847 916)	(847 916)
		(849 246)	**(849 246)**

The board of directors has overall responsibility for the establishment and oversight of the group's risk management framework. The board has established the audit and risk committee which is responsible for developing and monitoring the group's risk management policies. The committee reports regularly to the board of directors on its activities.

The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly by management to reflect changes in market conditions and the group's activities. The group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit and risk committee also oversees how management monitors compliance with the group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the group.

CREDIT RISK

Credit risk is the risk of financial loss to the group if a counterparty to a financial instrument fails to meet its contractual obligations. The group's counterparty exposure arises from investment in money market instruments, and the risk is limited by dealing with reputable financial institutions.

Receivables and cash

The group has exposure to receivables of R0.5 million (2012: R0.7 million). This relates to other receivables. The group has exposure to cash and cash equivalents of R751.4 million (2012: R1 398.5 million).

When necessary, the group establishes an allowance for impairment that represents its estimate of incurred losses in respect of other receivables and investments. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified.

Investments

The group limits its exposure to credit risk by only investing in liquid securities and only with counterparties that have a credit rating of at least "A". Cash and cash equivalents, restricted cash and available-for-sale financial assets for the group are invested with the following institutions at 31 December 2013.

	2013	**2012**
Bank of China	R327.7 million	R1 206.2 million
Investec	R181.0 million	R154.3 million
Standard Bank	R235.0 million	R16.2 million
Rand Merchant Bank	R122.9 million	R116.9 million

LIQUIDITY RISK

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. The group's approach to manage this risk is to ensure, as far as possible, that it will always have sufficient cash resources to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

The company will continue investing in the development mining capacity while significant revenue from operations is only expected from 2019 onwards. Consequently the company is projecting negative cash flows, before funding, until about 2020. The repayment terms of the US$650 million funding facility is favourable and will only commence in 2018.

Various funding options for the balance required from 2017 onwards are being considered and will be pursued nearer the time that it is required.

MARKET RISK

Market risk is the risk of changes in foreign currency rates and interest rates which can affect the group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

At the current stage of the project development, management is focused on the currency rate risks relating to US$ denominated loans and the imported content of the project. Various mitigating options have been identified with the assistance of specialists and will be implemented when required.

Interest rate risk

The group manages its interest rate risk by entering into prime-linked investments.

The primary goal of the group's investment strategy is to maximise investment returns on temporary surplus cash Management is assisted by external advisors in this regard. Management assessed the market risk as low.

Interest rate sensitivity analysis

A decrease of 100 basis points on interest on the cash balance at year end will decrease annual interest income by R16.0 million (2012: R14.9 million). An increase of 100 basis points would have the equal but opposite effect.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rate. The group is exposed to currency risk on borrowings and bank balances that are denominated in United States dollars ('USD') in the 2013 financial year.

The carrying amounts of the group's foreign currency-denominated monetary assets and liabilities at reporting date are as follows:

	US dollar R'000	ZAR R'000
Group 2013		
Financial assets:		
Cash and cash equivalents	-	751 423
Financial liabilities:		
Interest-bearing borrowings	(100 074)	(1 049 552)
Company 2013		
Financial assets:		
Cash and cash equivalents	-	733 988
Financial liabilities:		
Interest-bearing borrowings	(100 074)	(1 049 552)

Exchange rates at year-end	**2013**	**2012**
USD/ZAR	10.4878	8.4725

Exchange rate sensitivity analysis

A weakening of 10% in the foreign exchange rate will result in a loss of R104.9 million on the interest-bearing borrowings. A strengthening of 10% in the exchange rate will result in a gain of R104.9 million interest-bearing borrowings.

24.2 FINANCIAL INSTRUMENTS

Remaining contractual maturities at the end of the reporting period of financial liabilities, including estimated interest payments, are as follows:

	Note	Contractual Interest Rate %	Total R'000	6 Months or Less R'000	6 -12 Months R'000	1 - 2 Years R'000	2 - 5 Years R'000	More than 5 Years R'000
Group 2013								
Trade payables	16	-	(70 098)	(70 098)	-	-	-	-
Interest-bearing borrowings	17	2.65%	(1 049 552)	(1 049 552)	-	-	-	-
			(1 119 650)	**(1 119 650)**	**-**	**-**	**-**	**-**
Group 2012								
Trade payables	16	-	(84 020)	(84 020)	-	-	-	-
Interest-bearing borrowings	17	2.83%	(871 227)	(11 989)	(859 238)	-	-	-
			(955 247)	**(96 009)**	**(859 238)**	**-**	**-**	**-**

	Note	Contractual Interest Rate %	Total R'000	6 Months or Less R'000	6 -12 Months R'000	1 - 2 Years R'000	2 - 5 Years R'000	More than 5 Years R'000
Company 2013								
Trade payables	16	-	(4 987)	(4 987)	-	-	-	-
Interest-bearing borrowings	17	2.65%	(1 049 552)	(1 049 552)	-	-	-	-
			(1 054 539)	**(1 054 539)**	**-**	**-**	**-**	**-**
Company 2012								
Trade payables	16	-	(84 020)	(84 020)	-	-	-	-
Interest-bearing borrowings	17	2.83%	(871 227)	(11 989)	(859 238)	-	-	-
			(955 247)	**(96 009)**	**(859 238)**	**-**	**-**	**-**

24.3 FAIR VALUES

The fair values of all financial instruments are identical to the carrying amounts reflected in the statements of financial position. The fair values together with the carrying amounts shown in the balance are as follows:

		Group 2013		Group 2012	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
	Note	R'000	R'000	R'000	R'000
Cash and cash equivalents	10	751 423	751 423	1 398 474	1 398 474
Restricted cash	9	34 458	34 458	95 189	95 189
Other receivables	7	141	141	490	490
Available-for-sale financial asset	4	-	-	18 910	18 910
Trade payables	16	(70 098)	(70 098)	(84 020)	(84 020)
Interest-bearing borrowing	17	(1 049 552)	(1 049 552)	(847 916)	(847 916)
		(333 628)	**(333 628)**	**581 127**	**581 127**

		Company 2013		Company 2012	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
	Note	R'000	R'000	R'000	R'000
Cash and cash equivalents	10	733 988	733 988	1 396 278	1 396 278
Restricted cash	9	34 458	34 458	95 189	95 189
Other receivables	7	119	119	105	105
Loans receivable from subsidiaries	4	2 917 273	960 439	1 985 675	1 686 742
Trade payables	16	(4 987)	(4 987)	(1 330)	(1 330)
Interest-bearing borrowing	17	(1 049 552)	(1 049 552)	(847 916)	(847 916)
		2 631 299	**674 465**	**2 628 001**	**2 329 068**

Cash and restricted cash, which although carried at amortised cost subsequent to initial recognition will equal the amount receivable from the third-party financial institutions, thus fair value.

The fair value of other receivables, trade payables and the interest-bearing borrowing is carried at amortised cost which approximates carrying amounts as the amounts will be received or settled in the short-term.

Loans received from subsidiaries are carried at amortised cost. Fair value is determined at discounted at the prime lending rate for one year at which time the loan agreement will be re-visited.

Available-for-sale financial assets are measured at fair value. Valuation method – Level 2: inputs other than quoted prices included with Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

The levels are classified as follows:

Level 1 – fair value is based on quoted prices in active markets for identical financial assets or liabilities.

Level 2 – fair value is determined using directly observable inputs other than Level 1 inputs.

Level 3 – fair value is determined on inputs not based on observable market data.

24.4 CAPITAL MANAGEMENT

The board defines capital as equity issued to shareholders. There were no changes in the capital management strategies from the prior year. There are no external imposed capital requirements.

The company's debt-equity ratio is currently 29.0%(2012: 23.3%).

25. RELATED PARTIES

Transactions with related parties were made on terms equivalent to those that prevail in arm's length transactions.

The aggregate amounts brought to account in respect of the following types of transactions and each class of related party involved were as follows:

25.1 TRANSACTIONS WITH SUBSIDIARIES

	GROUP		COMPANY	
	2013	2012	2013	2012
	R'000	R'000	R'000	R'000
Bakubung Minerals				
Opening balance	-	-	1 793 666	1 186 393
Management fees	-	-	180 819	20 738
Loan advanced	-	-	728 006	586 535
Closing balance	**-**	**-**	**2 702 491**	**1 793 666**
Wesizwe Properties				
Opening balance	-	-	-	-
Loan advanced	-	-	22 763	-
Closing balance	**-**	**-**	**22 763**	**-**
Africa Wide				
Opening balance	-	-	192 008	192 008
Loan advanced	-	-	11	-
Closing balance	**-**	**-**	**192 019**	**192 008**

Inter-group loans are interest free and have no fixed repayment terms. Management fees were charged at arm's length.

25.2 TRANSACTIONS WITH SHAREHOLDERS

	GROUP		COMPANY	
	2013	2012	2013	2012
	R'000	R'000	R'000	R'000
Bakubung community				
Opening balance	-	-	-	-
Loan advanced	-	2 744	-	2 744
Loan impaired	-	(2 744)	-	(2 744)
Closing balance	**-**	**-**	**-**	**-**

25.3 TRANSACTIONS WITH KEY MANAGEMENT

	GROUP		COMPANY	
	2013	2012	2013	2012
	R'000	R'000	R'000	R'000
Salaries and bonuses	19 036	14 186	19 036	14 186
Total	**19 036**	**14 186**	**19 036**	**14 186**

Key management consists of executive directors and selected members of the Executive committee.

SERVICE CONTRACTS

Name	Start Date	Exec/Non-exec	Position
Ms Dawn Nonceba Merle Mokhobo	17-Dec-09	Non-Executive Director	Chairman
Mr William Machiel (Mike) Eksteen	17-Dec-09	Non-Executive Director	
Mr Barend Johannes (Barrie) van der Merwe	7-Sep-10	Non-Executive Director	
Mr Dexin Chen	4-May-11	Non-Executive Director	Deputy Chairman
Mr Liliang Teng	4-May-11	Non-Executive Director	
Mr Jikang Li	4-May-11	Non-Executive Director	
Mr Lincoln Vumile (James) Ngculu	4-May-11	Non-Executive Director	
Mr Wenliang (Michael) Ma	4-May-11	Executive Director	Financial Director
Mr Jianke Gao	4-May-11	Executive Director	Chief Executive Officer
Mrs Nosipho Molope	1-Nov-12	Non-Executive Director	

In accordance with clause 5.1.8 of the company's memorandum of incorporation ("MOI") one-third of the non-executive directors shall retire at each annual general meeting on a rotational basis as determined in this article. Retiring directors are eligible for re-election.

In terms of the company's MOI, new directors may hold office until the next annual general meeting at which they are required to retire and offer themselves for re-election.

Interest of directors and prescribed officers in shares of the company

The beneficial interest of the directors and prescribed officers of the company in the issued share capital of the company as at the date of this report is as follows:

2013	Direct Ordinary Shares	Indirect Ordinary Shares
Mr Mike Eksteen	3 000 000	-
Mr James Ngculu	5 795 888	-
Mr Paul Smith	213 000	-
Mr Hamlet Morule	155 199	-
	9 164 087	**-**

2012	Direct Ordinary Shares	Indirect Ordinary Shares
Mr Mike Eksteen	1 750 000	-
Prof Robert Garnett	15 000	-
Mr Mlibo Mgudlwa	-	9 761 679
	1 765 000	**9 761 679**

REMUNERATION PAID TO RELATED PARTIES

Remuneration for executive Directors

Name	No of Months	2013 Salaries R'000	2013 Bonuses R'000	2013 Total R'000	2012 Salaries R'000	2012 Other R'000	2012 Total R'000
Jianke Gao	12	2 810	460	3 270	2 554	-	2 554
Wenliang Ma	12	1 875	256	2 131	1 704	396	2 100

Remuneration for non-executive Directors

Name	2013 Directors' Fees R'000	2013 Attendance Fees R'000	2013 Total R'000	2012 Total R'000
Dawn Mokhobo	309	147	456	452
Mike Eksteen	129	198	327	375
Barrie van der Merwe	105	84	189	247
Dexin Chen	118	81	199	185
Liliang Teng	105	122	227	218
Jikang Li	118	160	278	226
James Ngculu	129	167	296	184
Nosipho Molope	129	136	265	43
Mlibo Mgudlwa	-	-	-	119
Robert Garnett	-	-	-	449
Wiseman Nkhulu	-	-	-	169
James Zhang	-	-	-	637

Remuneration for prescribed officers (members of the Executive committee)

Name	No of Months	2013 Salaries R'000	2013 Bonuses R'000	2013 Total R'000	2012 Salaries R'000	2012 Bonuses R'000	2012 Total R'000
Jacob Mothomogolo	12	2 076	288	2 364	1 929	-	1 929
Kagisho Reid	2	267	-	267	1 609	-	1 609
Kgomotso Tshaka	12	1 794	190	1 984	1 732	100	1 832
Hamlet Morule	12	1 696	176	1 872	1 607	200	1 807
Basetsana Ramaboa	11	1 186	129	1 315	-	-	-
Paul Smith	12	2 450	-	2 450	-	-	-
Vasta Mhongo	12	1 300	-	1 300	-	-	-
Eddie Mohlabi	11	2 083	-	2 083	-	-	-
Manie Blignaut	12	-	-	-	1 395	-	1 395
Sirkien van Schalkwyk	-	-	-	-	671	-	671

All remuneration paid to key management personnel represents only short-term benefits.

26. GOING CONCERN

The group's cash resources at the reporting date of R751.3 million (2012: R1.4 billion) together with the available drawdown facility from the loan funding secured from China Development Bank are sufficient, based on current budgets, to conduct operations and develop the Bakubung Mine Project up to the first quarter of 2017.

27. EVENTS AFTER REPORTING DATE

The first draw down of US$100 million was received by the group from the US$650 million loan facility that was secured from the China Development Bank. No other material events have occurred after the reporting period and up to the date of this report that required further disclosure in these financial results. A further cash call of the same magnitude as the first one from Maseve may result in further dilution has been made, for further information refer to note 5.

28. DIVIDENDS

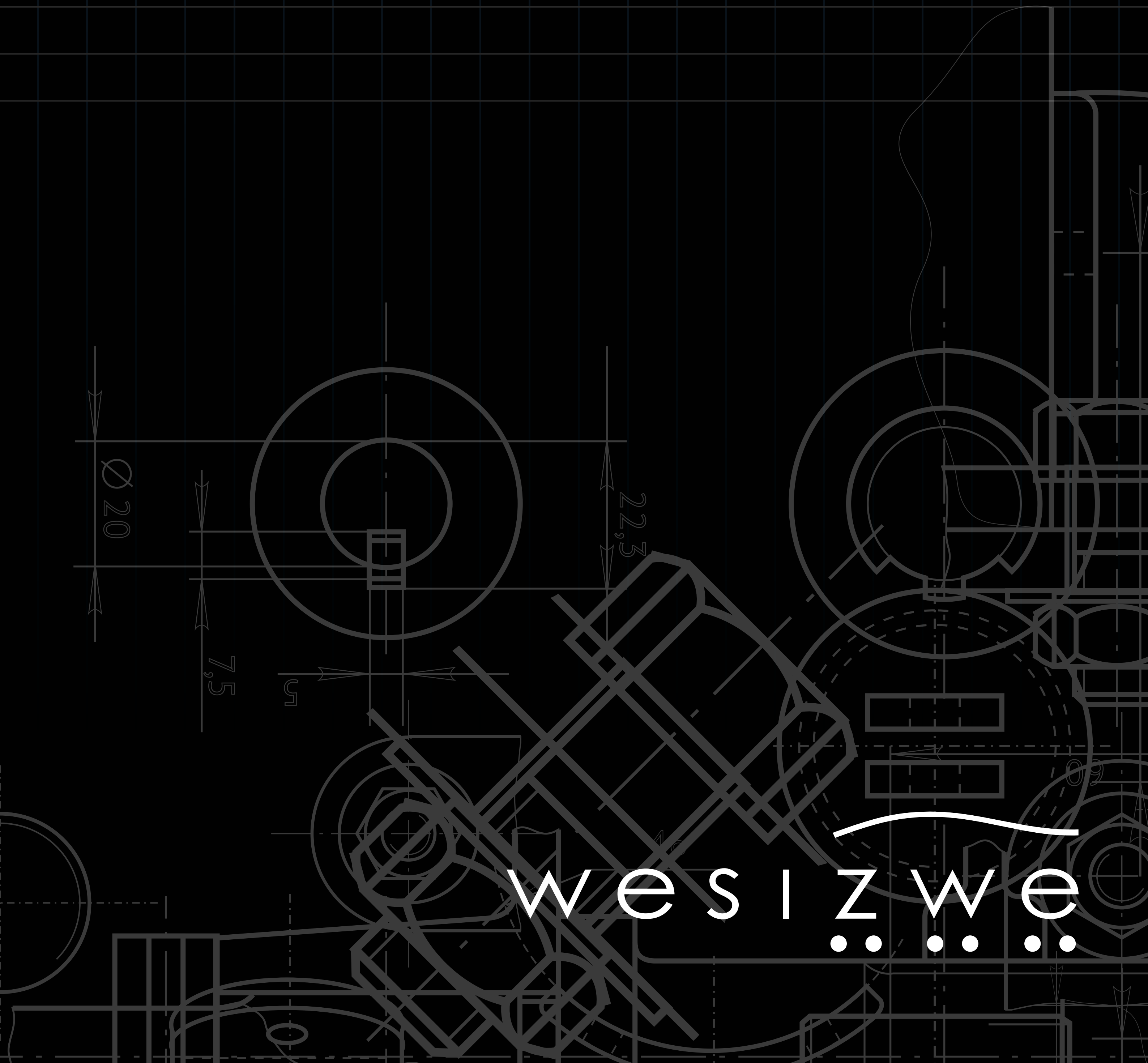
The group has never declared nor paid dividends. The group has no intention of paying dividends in the immediate future as it anticipates that all available funds will be invested to finance its business.

29. CONTINGENCIES

Wesizwe Platinum Limited is defending a claim brought by an advisory firm. Although liability is not admitted, if the defence against the claim is unsuccessful, then commission costs could amount to US$2 million. The directors do not expect the claim to be successful.

30. REVENUE

	GROUP		COMPANY	
	2013 R'000	2012 R'000	2013 R'000	2012 R'000
Revenue comprises of:				
– Management fees	-	-	52 954	20 738
– On-charge of qualifying borrowing costs	-	-	127 865	-
Closing balance	**-**	**-**	**180 819**	**20 738**



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