GROUP ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

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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.

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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 ("Wesizwe", "the company" or "group" depending on context), comprising the statements of financial position at 31 December 2015, statements of profit or loss and other 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") and the requirements of the Companies Act of South Africa ("Companies Act"). 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 18 March 2016 and signed by

Dawn Mokhobo
Authorised director

Jianke Gao
Authorised director

CERTIFICATE BY THE COMPANY SECRETARY

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

Vasta Mhlongo
Company secretary
18 March 2016

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 2015. 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 section of the integrated report.

Composition

The composition of the committee changed during 2015. The committee comprised the following members, who have the necessary skills and experience to fulfil the duties of the committee:

- Mr Victor Mabuza (Independent non-executive director and chairperson)
- Mr James Ngculu (Independent non-executive director)
- Mr Mike Eksteen (Independent non-executive director) – resigned 6 July 2015
- Ms Dawn Mokhobo (Independent non-executive director) – appointed 2 September 2015

The appointment of all members of the committee is subject to the shareholders' approval at the next annual general meeting to be held on 4 May 2016. The profiles of the members including their qualifications can be viewed in the integrated report.

Frequency and attendance of meetings

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

Statutory duties

The committee is satisfied that it has performed the statutory requirements for an audit & risk committee as set out in the Companies Act 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 JSE Listings Requirements and the appointment of Shaun van den Boogaard as designated auditor for the 2015 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 oversees 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 auditor;
- monitor and report on the independence of the external auditor 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 Accredited Auditors and their advisors as required by the JSE Listings Requirements.

Internal auditor

The committee has satisfied itself that the internal auditor, Grant Thornton PS Advisory (Pty) Ltd 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 they have access to the committee, primarily through its chairperson.

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.

Duties assigned by the board

The committee oversees the preparation of the company's integrated 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 JSE Listings Requirements, the committee satisfied itself of the appropriateness of the expertise and experience of the financial management team as a whole. The committee has reviewed the performance, qualifications and expertise of the Finance Director, Mr Wenliang Ma, through a formal evaluation process and confirms his suitability for appointment as finance director in terms of the JSE Listings Requirements.

Going concern

The committee reviewed the documents prepared by management in which they assessed the going concern status of the company and its subsidiaries at year-end and the foreseeable future. Management had concluded that group was a going concern. The committee resolved and recommended acceptance of the conclusion to the board.

Financial statements

The committee has reviewed the financial statements of the group and company for the year ended 31 December 2015 and is satisfied that they comply with IFRS, the Companies Act 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 monitoring 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 financial statements for approval by the board

The committee recommended the group annual financial statements and company annual financial statements for approval by the board.

Victor Mabuza
Chairman – audit and risk committee

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors have pleasure in presenting the group annual financial statements and company annual financial statements for Wesizwe Platinum Limited for the year ended 31 December 2015.

NATURE OF BUSINESS

Wesizwe Platinum Limited 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 ("BPM"), which is owned by Bakubung Minerals (Pty) Ltd, 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 2015 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 12 to the financial statements.

FUNDING AND GOING CONCERN

Funding of BPM

The project funding of United Sates Dollars ("US$") 650million from China Development Bank ("CDB"), that Jinchuan and China-Africa Development ("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. A second drawdown of US$100million was made in August 2014. The first drawdown was utilized to repay the last outstanding US$100million from the previously utilized short-term facilities. A third drawdown of US$100million was made in July 2015. The term of this loan is 15 years from the date of the first drawdown i.e. from January 2014. Capital repayments in "six monthly installments" only commence after 6 years from the date of the first draw down. The installments commence as relatively small amounts being 0.077% of the outstanding balance at payment date of the first installment, which increases with every consecutive repayment to a pre-final installment of 8.5% of the outstanding balance at payment date of the second last installment. The final installment 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 BPM and based on current budgets will cover the funding requirements up to second quarter of 2018. The board is currently considering funding options post second quarter of 2018; 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 R1 398.8 million (2014: R1 066.1 million), 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 second quarter of 2018. Refer to note 25.

FINANCIAL RESULTS

Results of the group for the year

The Wesizwe group will not earn revenue from mining activities until such time as the BPM, and the mine being developed in Maseve, of which the Wesizwe group holds a 17.1% shareholding, are brought into production.

The loss before tax for the year under review was R756.1 million (2014: R170.4 million). These results take into account operational costs amounting to R29.9 million (2014: R31.8 million) and net financial expense amounting to R593.2 million (2014: net financial income of R21.0 million) as presented in detail in the statements of profit or loss and other comprehensive income.

Results of wholly-owned subsidiary companies

Bakubung Minerals (Pty) Ltd ("Bakubung") made a loss after tax of R623.1 million for the year under review (2014: R0.7 million). Africa Wide Mineral Prospecting and Exploration (Pty) Ltd ("Africa Wide") made a loss after tax of R108.9 million for the year under review (2014: profit after tax of R432.4 million). Vaviscan (Pty) Ltd has incurred a loss of R0.04 million (2014: R0.05 million) for the year under review. Wesizwe Properties (Pty) Ltd ("Wesizwe Properties") has incurred a loss after tax of R0.3 million (2014: R2.3 million) for the year under review.

LITIGATION STATEMENT

The directors are not aware of any legal or arbitration proceedings that may have an influence on the group's rights to explore or mine.

DIRECTORATE

Directors and changes in directors

The details of the current directors are provided in the integrated report. Mr Mike Eksteen resigned from the board of directors in 2015. Mr Jikang Li has resigned from the board of directors in 2016.

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 Liliang Teng, Mr Dexin Chen and Mr Lincoln Ngculu.

Directors' remuneration

Refer to the remuneration report on page 47 of the financial statements.

Directors' interest in contracts

During the financial year no material contracts were entered into in which directors and prescribed 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 6 July 2015 effective until the next annual general meeting, which will be held on 4 May 2016.

The board of directors of the group is to be authorised in terms of section 45(3)9(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 4 May 2016 together with a shareholder proxy form, and the notes explaining the various resolutions to be considered at that meeting is enclosed with the annual integrated report.

Dawn Mokhobo
(Chairman)
on behalf of the board of directors
18 March 2016

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Wesizwe Platinum Limited

Report on the Financial Statements

We have audited the group financial statements and financial statements of Wesizwe Platinum Limited, which comprise the statements of financial position at 31 December 2015, and the statements of profit or loss and other 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 8 to 49.

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 and the requirements of the Companies Act of South Africa, 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 2015, 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 2015, we have read the certificate by the company secretary, the report of the audit and risk committee and the directors' report 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.

Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 04 December 2015, we report that KPMG Inc. has been the auditor of Wesizwe Platinum Limited for 12 years.

KPMG Inc.
Registered Auditor

Per S van den Boogaard
Chartered Accountant (SA)
Registered Auditor
Director
18 March 2016

1226 Francis Baard Street
Hatfield
0083

STATEMENTS OF FINANCIAL POSITION

AT 31 DECEMBER 2015

		GROUP		COMPANY	
		2015	2014	2015	2014
	Notes	R'000	R'000	R'000	R'000
Assets					
Non-current assets					
Property, plant and equipment	3	5 395 023	4 120 176	5 513	5 904
Available-for-sale financial asset	4	628 000	788 700	-	-
Investment in subsidiaries	6	-	-	444 019	604 792
Intangible assets	7	5 871	7 448	-	-
Restricted cash	8	134 641	134 641	-	-
Loans receivable from subsidiaries	6	-	-	5 311 083	4 038 825
Total non-current assets		**6 163 535**	**5 050 965**	**5 760 615**	**4 649 521**
Current assets					
Other receivables	10	32 269	25 912	1 223	1 007
Taxation	16	4 916	4 363	4 916	4 363
Loans receivable from subsidiaries	6	-	-	1 391 842	353 074
Restricted cash	8	27 000	32 700	27 000	27 000
Cash and cash equivalents	11	1 398 823	1 066 094	454 457	520 162
Total current assets		**1 463 008**	**1 129 069**	**1 879 438**	**905 606**
Total assets		**7 626 543**	**6 180 034**	**7 640 053**	**5 555 127**
Equity and liabilities					
Capital and reserves					
Stated capital	12	3 425 544	3 425 544	3 425 544	3 425 544
Available-for-sale financial asset reserve		-	22 581	-	-
Accumulated loss		(621 103)	(64 318)	(350 512)	(190 813)
Total equity		**2 804 441**	**3 383 807**	**3 075 032**	**3 234 731**
Non-current liabilities					
Deferred tax liability	9	157 763	362 218	-	-
Interest-bearing borrowings	13	4 548 772	2 310 114	4 548 772	2 310 114
Mine closure and environmental rehabilitation obligation	14	16 620	39 618	-	-
Provision	28	3 540	-	3 540	-
Total non-current liabilities		**4 726 695**	**2 711 950**	**4 552 312**	**2 310 114**
Current liabilities					
Trade and other payables	15	95 407	84 277	12 551	10 251
Loans payable to subsidiaries	6	-	-	158	31
Total current liabilities		**95 407**	**84 277**	**12 709**	**10 282**
Total equity and liabilities		**7 626 543**	**6 180 034**	**7 640 053**	**5 555 127**

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

		GROUP		COMPANY	
		2015	2014	2015	2014
	Notes	R'000	R'000	R'000	R'000
Operations					
Revenue	17	-	-	1 310 035	332 799
Administration expenses	18	(216 224)	(165 634)	(111 699)	(97 285)
Project related expenses capitalised		186 300	133 839	-	-
		(29 924)	(31 795)	1 198 336	235 514
Impairment of investment in subsidiary company	6	-	-	(160 773)	(74 631)
Loss on scrapping of property, plant and equipment		(13)	-	-	-
Profit on sale of property, plant and equipment		-	111	-	60
Share of loss in equity-accounted investee	5	-	(194)	-	-
Net operating (costs)/income		(29 937)	(31 878)	1 037 563	160 943
Loss on adjustment of interest in equity-accounted investee	5	-	(159 556)	-	-
Impairment of available-for-sale financial asset reclassified from other comprehensive income	4	(133 000)	-	-	-
Financial income/(expense)					
Finance income	19	83 153	56 413	30 204	24 200
Finance expense	19	(142 889)	(69 817)	(139 732)	(67 398)
Net foreign exchange loss	19	(1 087 759)	(199 935)	(1 087 734)	(199 852)
Finance costs capitalised	19	554 311	234 385	-	-
Net finance (expense)/income		(593 184)	21 046	(1 197 262)	(243 050)
Loss before tax		**(756 121)**	**(170 388)**	**(159 699)**	**(82 107)**
Income tax income/(expense)	16	199 336	(92 816)	-	-
Loss for the year		**(556 785)**	**(263 204)**	**(159 699)**	**(82 107)**
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	(160 700)	27 700	-	-
Tax on other comprehensive income	16	29 967	(5 119)	-	-
Reclassification of available-for-sale financial asset to profit or loss	4	133 000	-	-	-
Related tax		(24 848)	-	-	-
Total other comprehensive (loss)/income		(22 581)	22 581	-	-
Total comprehensive loss for the year		**(579 366)**	**(240 623)**	**(159 699)**	**(82 107)**
Loss per share					
Basic and diluted loss per share (cents)	20	(34.20)	(16.17)		

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2015

GROUP	Stated capital	Available -for-sale reserves	Retained Income / (accumulated loss)	Total
	R'000	R'000	R'000	R'000
Balance at 1 January 2014	**3 425 544**	**-**	**198 886**	**3 624 430**
Total comprehensive loss for the year				
Loss for the year	-		(263 204)	(263 204)
Other comprehensive income	-	22 581	-	22 581
	-	**22 581**	**(263 204)**	**(240 623)**
Balance at 31 December 2014	**3 425 544**	**22 581**	**(64 318)**	**3 383 807**
Total comprehensive loss for the year				
Loss for the year	-	-	(556 785)	(556 785)
Other comprehensive loss	-	(22 581)	-	(22 581)
	-	**(22 581)**	**(556 785)**	**(579 366)**
Balance at 31 December 2015	**3 425 544**	**-**	**(621 103)**	**2 804 441**

COMPANY	Stated capital	Available -for-sale reserves	(Accumulated loss)	Total
	R'000	R'000	R'000	R'000
Balance at 1 January 2014	**3 425 544**	**-**	**(108 706)**	**3 316 838**
Total comprehensive loss for the year				
Loss for the year	-	-	(82 107)	(82 107)
	-	**-**	**(82 107)**	**(82 107)**
Balance at 31 December 2014	**3 425 544**	**-**	**(190 813)**	**3 234 731**
Total comprehensive loss for the year				
Loss for the year	-	-	(159 699)	(159 699)
	-	**-**	**(159 699)**	**(159 699)**
Balance at 31 December 2015	**3 425 544**	**-**	**(350 512)**	**3 075 032**

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2015

		GROUP		COMPANY	
		2015	2014	2015	2014
	Notes	R'000	R'000	R'000	R'000
Cash flows from operating activities					
Cash receipts from customers		-	-	-	-
Cash paid to suppliers and employees		(9 104)	(36 528)	(23 014)	(26 566)
Cash utilised in operations	21	**(9 104)**	**(36 528)**	**(23 014)**	**(26 566)**
Finance income received		33 601	27 682	28 076	22 113
Finance cost paid		(86 825)	(8 822)	(226 398)	(69 469)
Taxation paid	16	(3 109)	(3 855)	(3 109)	(1 806)
Taxation received	16	2 556	-	2 556	-
Cash utilised in operating activities		**(62 881)**	**(21 523)**	**(221 889)**	**(75 728)**
Cash flows from investing activities					
Acquisition of property, plant and equipment as a result of increase in operations	21	(859 811)	(709 327)	-	(13)
Acquisition of intangible assets	7	(693)	(7 827)	-	-
Increase in amounts owed by group companies		-	-	(1 084 570)	(1 210 245)
Increase in amounts owed to group companies		-	-	127	31
Proceeds on disposal of property, plant and equipment		-	138	-	60
Net cash outflow from investing activities		**(860 504)**	**(717 016)**	**(1 084 443)**	**(1 210 167)**
Cash flows from financing activities					
Interest-bearing borrowings raised	13	1 238 500	2 125 523	1 238 500	2 125 523
Interest-bearing borrowings repaid	13	-	(1 022 460)	-	(1 063 000)
Net cash inflow from financing activities		**1 238 500**	**1 103 063**	**1 238 500**	**1 062 523**
Net increase/(decrease) in cash and cash equivalents		**315 115**	**364 524**	**(67 832)**	**(223 372)**
Cash at beginning of year		1 229 673	865 149	543 685	767 057
Cash at end of year		**1 544 788**	**1 229 673**	**475 853**	**543 685**
Cash at end of year comprises:					
Cash balances	11	1 398 823	1 066 094	454 457	520 162
Less: Interest accrued	11	(15 676)	(3 762)	(5 604)	(3 477)
Cash and cash equivalents		**1 383 147**	**1 062 332**	**448 853**	**516 685**
Restricted cash	8	161 641	167 341	27 000	27 000
Cash at end of year		**1 544 788**	**1 229 673**	**475 853**	**543 685**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES

Reporting entity

Wesizwe Platinum Limited is a company domiciled in the Republic of South Africa. The consolidated financial statements at 31 December 2015 comprise the company and its subsidiaries (together referred to as the group). The ordinary shares of the company are listed on the JSE. Wesizwe, through its wholly-owned subsidiary Bakubung is engaged in the development of its mine, located on the western limb of the Bushveld complex.

Basis of preparation of financial results

Statement of compliance

The group financial statements and company financial statements are prepared in accordance with International Financial Reporting Standards, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the Companies Act of South Africa.

Basis of measurement

The group financial statements and company financial statements for the year ended 31 December 2015 have been prepared on the historical cost basis except for available-for-sale financial assets measured at fair value.

Functional and presentation currency

These 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 Note 2: Judgements by Directors and Management.

Change in accounting policies

There were no changes in accounting policies during the year under review. Refer to page 17 for standards, amendments to standards and interpretations that have become effective or have been early adopted.

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 group 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 or an associate, 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 an 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. The group stops equity accounting associates when it does not exercise significant influence.

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.

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

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. 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%
Technical equipment	20.00%
Land	Not depreciated
Buildings	4.00%
Plant and equipment	5.00% - 33.33%
Mine development assets	Unit of production*

* Depreciated using the units-of-production method based on the estimated proved and probable mineral reserves.

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

e. Intangible assets

Software that is acquired by the group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure is only capitalised when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimate useful lives, and is recognised in profit or loss. Amortisation on software for the current and comparative period is provided on a straight-line basis over the estimated useful life of the asset at a rate of 33.33% per annum.

f. Financial instruments

Financial instruments are measured at fair value, including any directly attributable transaction costs, upon initial recognition when the group becomes party to the contractual terms of the instruments. Subsequent to initial recognition, these instruments are measured as follows:

i) Financial assets

The group's financial assets are loans receivable from subsidiaries, 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 other 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 receivable from subsidiaries 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 loans payable to subsidiaries, 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:

Loans and Trade and other payables

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

Interest-bearing borrowing

The interest-bearing borrowing is measured at amortised cost using the effective interest rate method.

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

g. Impairment

i) Property, plant and equipment

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 recognized 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) 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 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 when the accumulated fair value losses are significant or prolonged 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. 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. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment. In general, the group considers a decline of 20% to be 'significant' and a period of nine months to be 'prolonged'. However, in specific circumstances a smaller decline or a shorter period may be appropriate.

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 risk specifics of the liability.

i) Mine closure and environmental rehabilitation obligation

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 the group Environmental Management Plans, 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 or 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 or loss except to the extent that it relates to a business combination, or items recognized 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. Revenue also comprises 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.

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.

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 are restricted to such that total capitalised borrowing costs are in the range between:

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

n. 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. Subsequent 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. Earnings per share (EPS)

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 adjusted for any possible dilutive effects.

p. 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.

q. 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.

Deferred bonus plan ("DBP")

The fair value of the amount payable to employees in respect of DBP, which are settled in cash, is recognised as an expense with a corresponding increase in liabilities, over the period during which the employee renders the required service. The liability is remeasured at each reporting date and at settlement date based on the fair value of the DBP. Any changes in the liability are recognised in profit or loss.

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

Accounting standards adopted having no impact on the annual financial statements

During the current year, the group adopted the following new and/or amendments to accounting standards and interpretations. The adoption of these did not have a material impact on these annual financial statements:

- Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)
- Annual Improvements to IFRSs 2010–2012 Cycle – various standards
- Annual Improvements to IFRSs 2011–2013 Cycle – various standards

Impact of standards not yet adopted

At the reporting date, the following new and/or revised accounting standards were in issue but not yet effective:

Effective for the financial year commencing 1 January 2016

- IFRS 14 Regulatory Deferral Accounts
- Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11)
- Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)
- Agriculture: Bearer Plants (Amendment to IAS 16 and IAS 41)
- Equity Method in Separate Financial Statements (Amendments to IAS 27)
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)
- Disclosure Initiative (Amendments to IAS 1)
- Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28)

Effective for the financial year commencing 1 January 2018

- IFRS 15 Revenue from Contracts with Customers
- IFRS 9 Financial Instruments

Effective for the financial year commencing I January 2019

- IFRS 16 Leases

All Standards and Interpretations will be adopted at their effective date (except for those Standards and Interpretations that are not applicable to the entity). The group has assessed the amendments and/or new standards and does not believe that the adoption of these will have a material impact on the financial results or disclosures of the group.

2. JUDGEMENTS BY DIRECTORS AND MANAGEMENT

2.1 Determination of mineral resource estimates

The group 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 mine closure and 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 obligation 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. Refer to note 14.

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 BPM 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 2014. 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 Oxford Economics 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 BPM starts producing saleable production in 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:

	2015	2014
US$ exchange rate (ZAR) up to 2025/2019	13.10 – 16.30	10.54 – 11.62
US$ exchange rate (ZAR) long-term	14.85	11.62
Pt price (US$/oz) up to 2025/2019	843 – 1 514	1 385 – 1 714
Pt price (US$/oz) long-term	1 526	1 714
Pd price (US$/oz) up to 2025/2019	566 – 1 043	859 – 1 016
Pd price (US$/oz) long-term	1 046	1 016
Rh price (US$/oz) up to 2025/2019	739 – 2 239	1 320 – 2 423
Rh price (US$/oz) long-term	3 069	2 423
Au price (US$/oz) up to 2025/2019	1 125	1 200 – 1 358
Au price (US$/oz) long-term	1 125	1 358
Pre-tax Discount rate/Weighted Average Cost of Capital (%) (Real)	11.79	11.41

2.4 Measurement of fair values

A number of the group's accounting policies and disclosures require the measurement of fair values, for financial assets and liabilities.

The fair value of financial instruments that are not traded in an active market (the investment in Maseve) is determined by using valuation techniques. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. The fair value of the unlisted equity securities are based on the discounted cash flows method. The valuation model considers the present value of estimated future cash flows, discounted using a risk-adjusted discount rate. The significant unobservable inputs are:

	2015	2014
US$ exchange rate (ZAR) up to 2025/2019	13.10 – 16.30	10.54 – 11.62
US$ exchange rate (ZAR) long-term	14.85	11.62
Pt price (US$/oz) up to 2025/2019	843 – 1 514	1 385 – 1 714
Pt price (US$/oz) long-term	1 526	1 714
Pd price (US$/oz) up to 2025/2019	566 – 1 043	859 – 1 016
Pd price (US$/oz) long-term	1 046	1 016
Rh price (US$/oz) up to 2025/2019	739 – 2 239	1 320 – 2 423
Rh price (US$/oz) long-term	3 069	2 423
Au price (US$/oz) up to 2025/2019	1 125	1 200 – 1 358
Au price (US$/oz) long-term	1 125	1 358
Pre-tax Discount rate/Weighted Average Cost of Capital (%) (Real)	14.94	14.91

2.5 Loss of significant influence

As at 31 December 2013, Wesizwe had a 21.3% interest in Maseve. The group had equity-accounted for Maseve as it concluded that the group had significant influence as it held more than 20% of the voting power of the investee and the group was entitled to appoint 2 directors to the board of Maseve. As at 30 September 2014, new shares had been issued by Maseve and the group's interest in the equity was diluted to 17.1%. As that date the group became entitled to appoint 1 director to the board of Maseve and management concluded that the group had lost significant influence on Maseve and discontinued reporting Maseve on the equity-accounted basis. The investment in Maseve was reclassified as an available-for-sale financial asset in September 2014 (refer to note 4).

2.6 Local market related interest rate

Wesizwe in discussions with various banks and financial institutions concluded that obtaining a loan in the current and previous prevailing market conditions with the same terms as the US$650million CDB loan is not achievable in South Africa. Since Bakubung is a start-up operation any funding would inevitably be viewed as equity and demand equity rates of return. Confirmed by an independent valuation, the nominal cost of equity for a start-up company similar to BPM is 18.2%. The appropriate long-term risk free rate is currently 9.67%. Consequently the risk premium is 11.94%. Based on the foregoing, management concluded that rate of prime plus 8.5% is a reasonable market related interest rate for the cost of loan funding for the BPM and the capitalised portion, referred to in note 3, is equal to the local market interest rate.

3. PROPERTY, PLANT AND EQUIPMENT

GROUP 2015

COST	Opening Balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
Land and buildings	49 087	7 162	-	56 249
Vehicles	4 078	1 130	(81)	5 127
Computer equipment	8 977	1 097	(201)	9 873
Furniture and fittings	3 168	108	(24)	3 252
Office equipment	1 050	950	(8)	1 992
Other office fittings	3 721	3 203	(91)	6 833
Technical equipment	362	222	-	584
Plant and equipment	1 238 380	288 029	-	1 526 409
Mine development assets	2 822 820	979 146	-	3 801 966
Total	**4 131 643**	**1 281 047**	**(405)**	**5 412 285**

ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES	Opening Balance R'000	Depreciation R'000	Disposals R'000	Closing Balance R'000
Land and buildings	2 253	1 475	-	3 728
Vehicles	1 035	924	(78)	1 881
Computer equipment	3 667	2 457	(191)	5 933
Furniture and fittings	2 620	211	(24)	2 807
Office equipment	530	346	(8)	868
Other office fittings	1 230	695	(91)	1 834
Technical equipment	132	79	-	211
Plant and equipment	-	-	-	-
Mine development assets	-	-	-	-
Total	**11 467**	**6 187**	**(392)**	**17 262**

CARRYING VALUE	Opening Balance R'000	Additions R'000	Depreciation R'000	Disposals R'000	Closing Balance R'000
Land and buildings	46 834	7 162	(1 475)	-	52 521
Vehicles	3 043	1 130	(924)	(3)	3 246
Computer equipment	5 310	1 097	(2 457)	(10)	3 940
Furniture and fittings	548	108	(211)	-	445
Office equipment	520	950	(346)	-	1 124
Other office fittings	2 491	3 203	(695)	-	4 999
Technical equipment	230	222	(79)	-	373
Plant and equipment	1 238 380	288 029	-	-	1 526 409
Mine development assets	2 822 820	979 146	-	-	3 801 966
Total	**4 120 176**	**1 281 047**	**(6 187)**	**(13)**	**5 395 023**

All property, plant and equipment are owned by group entities. Wesizwe holds full title of the land and buildings. The title deeds of all owned buildings are available for inspection at our registered office.

Bakubung has encumbered all its assets in favour of a South African Special Purpose Vehicle ("Security SPV") that holds the security for the benefit of the lender, CDB, and the guarantor Jinchuan. Wesizwe and Bakubung 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. This Security SPV is a wholly owned subsidiary of a trust of which the beneficiaries are the lender and the guarantor. Wesizwe and/or Bakubung do not have any interest, no managerial influence nor are they trustees of the Security SPV.

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 39.48% (2014: 14.22%) for the year taking into account all foreign exchange differences and finance costs incurred. Therefore not all borrowing costs incurred and foreign exchange differences incurred on the loan for the year ended 31 December 2015 have been capitalised to the cost of the asset; as the actual effective interest rate of the CDB loan is higher than a local market related interest rate (refer to note 2.6). A maximum of R554.3 million was capitalised.

GROUP 2014

COST	Opening Balance R'000	Additions R'000	Disposals R'000	Transfer R'000	Closing Balance R'000
Land and buildings	43 000	5 682	-	405	49 087
Vehicles	1 818	2 400	(140)	-	4 078
Computer equipment	3 292	5 726	(41)	-	8 977
Furniture and fittings	2 778	390	-	-	3 168
Office equipment	768	313	(31)	-	1 050
Other office fittings	928	2 407	-	386	3 721
Leasehold improvements	791	-	-	(791)	-
Technical equipment	-	362	-	-	362
Plant and equipment	981 410	256 970	-	-	1 238 380
Mine development assets	2 213 532	609 288	-	-	2 822 820
Total	**3 248 317**	**883 538**	**(212)**	**-**	**4 131 643**

ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES	Opening Balance R'000	Depreciation R'000	Disposalsw R'000	Transfer R'000	Closing Balance R'000
Land and buildings	1 038	1 215	-	-	2 253
Vehicles	588	587	(140)	-	1 035
Computer equipment	2 181	1 527	(41)	-	3 667
Furniture and fittings	1 801	819	-	-	2 620
Office equipment	394	139	(3)	-	530
Other office fittings	701	244	-	285	1 230
Leasehold improvements	285	-	-	(285)	-
Technical equipment	-	132	-	-	132
Plant and equipment	-	-	-	-	-
Mine development assets	-	-	-	-	-
Total	**6 988**	**4 663**	**(184)**	**-**	**11 467**

CARRYING VALUE	Opening Balance R'000	Additions R'000	Depreciation R'000	Disposals R'000	Transfer R'000	Closing Balance R'000
Land and buildings	41 962	5 682	(1 215)	-	405	46 834
Vehicles	1 230	2 400	(587)	-	-	3 043
Computer equipment	1 111	5 726	(1 527)	-	-	5 310
Furniture and fittings	977	390	(819)	-	-	548
Office equipment	374	313	(139)	(28)	-	520
Other office fittings	227	2 407	(244)	-	101	2 491
Leasehold improvements	506	-	-	-	(506)	-
Technical equipment	-	362	(132)	-	-	230
Plant and equipment	981 410	256 970	-	-	-	1 238 380
Mine development assets	2 213 532	609 288	-	-	-	2 822 820
Total	**3 241 329**	**883 538**	**(4 663)**	**(28)**	**-**	**4 120 176**

COMPANY 2015

COST	Opening Balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
Land and buildings	6 868	-	-	6 868
Computer equipment	1 612	-	(106)	1 506
Furniture and fittings	1 555	-	(22)	1 533
Office equipment	409	-	(8)	401
Other office fittings	548	-	-	548
Total	**10 992**	**-**	**(136)**	**10 856**

ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES	Opening Balance R'000	Depreciation R'000	Disposals R'000	Closing Balance R'000
Land and buildings	1 246	208	-	1 454
Computer equipment	1 489	112	(106)	1 495
Furniture and fittings	1 506	20	(22)	1 504
Office equipment	368	14	(8)	374
Other office fittings	479	36	-	515
Total	**5 088**	**390**	**(136)**	**5 342**

CARRYING VALUE	Opening Balance R'000	Additions R'000	Depreciation R'000	Disposals R'000	Closing Balance R'000
Land and buildings	5 622	-	(208)	-	5 414
Computer equipment	123	-	(112)	-	11
Furniture and fittings	49	-	(20)	-	29
Office equipment	41	-	(14)	-	27
Other office fittings	69	-	(36)	-	33
Total	**5 904**	**-**	**(390)**	**-**	**5 514**

All property, plant and equipment are owned by the company and the title deeds for the properties are available for inspection at our registered office.

COMPANY 2014

COST	Opening Balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
Land and buildings	6 868	-	-	6 868
Computer equipment	1 645	8	(41)	1 612
Furniture and fittings	1 555	-	-	1 555
Office equipment	406	5	(2)	409
Other office fittings	548	-	-	548
Total	**11 022**	**13**	**(43)**	**10 992**

ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES	Opening Balance R'000	Depreciation R'000	Disposals R'000	Closing Balance R'000
Land and buildings	1 038	208	-	1 246
Computer equipment	1 323	207	(41)	1 489
Furniture and fittings	1 484	22	-	1 506
Office equipment	349	21	(2)	368
Other office fittings	441	38	-	479
Total	**4 635**	**496**	**(43)**	**5 088**

CARRYING VALUE	Opening Balance R'000	Additions R'000	Depreciation R'000	Disposals R'000	Closing Balance R'000
Land and buildings	5 830	-	(208)	-	5 622
Computer equipment	322	8	(207)	-	123
Furniture and fittings	71	-	(22)	-	49
Office equipment	57	5	(21)	-	41
Other office fittings	107	-	(38)	-	69
Total	**6 387**	**13**	**(496)**	**-**	**5 904**

4. AVAILABLE-FOR-SALE FINANCIAL ASSET

	GROUP		COMPANY	
	2015	2014	2015	2014
	R'000	R'000	R'000	R'000
Unlisted equity securities:				
Opening Balance	788 700	-		
Investment in equity-accounted investee reclassified to available-for-sale financial asset	-	761 000	-	-
Fair value adjustments	(160 700)	27 700	-	-
Closing balance	**628 000**	**788 700**	**-**	**-**

In 2014, the investment in the equity-accounted investee was reclassified as an available-for-sale financial asset due to the loss of significant influence over the investment. The group currently holds 17.1% of Maseve. Refer to note 5 below for further details. Refer to note 2 for the judgement relating to the loss of significant influence.

The fair value is within level 3 of the fair value hierarchy (see note 23).

Impairment losses recognised:

	GROUP		COMPANY	
	2015	2014	2015	2014
	R'000	R'000	R'000	R'000
Other Comprehensive Income				
Loss on fair value movements of available-for-sale asset	(160 700)	-		
Gain on fair value movements of available-for-sale asset in prior year	27 700	27 700	-	-
Reclassification of available-for-sale financial asset to profit or loss	133 000	-	-	-
Net amount recognised in OCI before tax effect	**-**	**27 700**	**-**	**-**
Recognised in profit and loss				
Impairment of available-for-sale financial asset reclassified from other comprehensive income	(133 000)	-	-	-
Net amount recognised in profit and loss before tax effect	**(133 000)**	**-**	**-**	

The fair value loss has been transferred as an impairment loss to the Statement of Profit and Loss as the fair value loss is prolonged as we do not expect commodity prices to recover in the near future.

5. INVESTMENT IN EQUITY-ACCOUNTED INVESTEE

The investment refers to the group's investment in Maseve. Maseve is in the process of constructing a platinum mine adjacent to the BPM.

As announced on SENS on 22 August 2014, the arbitrator gave his ruling on 20 August 2014 and this ruling is binding on both parties. In terms of the ruling and with effect from the ruling date, Africa Wide's interest in Maseve was diluted, as a result of the first cash call made in October 2013, to 21.3% and further diluted to 17.1% as a result of the second cash call made in February 2014. As at 30 September 2014, the new shares had been issued by Maseve and the group's interest in the equity was diluted to 17.1%. As at that date the group had lost significant influence over Maseve and discontinued reporting Maseve on the equity-accounted basis (refer to note 2 regarding the conclusion on the loss of significant influence). As a result the investment in Maseve was reclassified as an available-for-sale financial asset (refer to note 4). A loss of R73.4 million was recognised at that date.

Maseve is currently developing the WBJV Project 1 Platinum Mine. As at 31 December 2014, the Maseve project is 82.9% held by Platinum Group Metals Limited ("PTM") and is managed by PTM. The project, at steady state, should produce 270,000 oz 4E platinum group metals per annum.

Wesizwe's management is of the opinion that there will be no further cash calls on the shareholders' of Maseve and that all future funding will be in the form of a loan from PTM.

	GROUP		COMPANY	
	2015	2014	2015	2014
	R'000	R'000	R'000	R'000
Opening balance	-	920 750	-	-
Share of loss in equity-accounted investee	-	(194)	-	-
Loss on adjustment of value in interest in equity-accounted investee	-	(159 556)	-	-
Investment in equity-accounted investee reclassified to available-for-sale financial asset	-	(761 000)	-	-
Closing balance	**-**	**-**	**-**	**-**

6. INVESTMENT IN SUBSIDIARIES

	Percentage shareholding	Subsidiary Issued Capital 2015
Bakubung Minerals (Pty) Ltd	100	1 000
Wesizwe Properties (Pty) Ltd	100	1
Africa Wide Mineral Prospecting and Exploration (Pty) Ltd	100	121
Indirectly held : Vaviscan (Pty) Ltd**	100	100

	COMPANY 2015 R'000	COMPANY 2014 R'000
Wesizwe investment in:		
Bakubung Minerals (Pty) Ltd	9 802	9 802
Wesizwe Properties (Pty) Ltd^	-	-
Africa Wide Mineral Prospecting and Exploration (Pty) Ltd%		
- Cost	669 621	669 621
- Accumulated Impairment	(235 404)	(74 631)
- Carrying amount	434 217	594 990
Sub Total	**444 019**	**604 792**
Shareholder loans:		
Non-current		
Bakubung Minerals (Pty) Ltd*	1 713 735	1 682 756
Bakubung Minerals (Pty) Ltd@	3 374 460	2 135 960
Wesizwe Properties (Pty) Ltd*	28 446	26 399
Africa Wide Mineral Prospecting and Exploration (Pty) Ltd*	194 442	193 710
	5 311 083	4 038 825
Current		
Bakubung Minerals (Pty) Ltd#	1 391 814	353 046
Wesizwe Properties (Pty) Ltd#	28	28
	1 391 842	353 074
Sub Total	**6 702 925**	**4 391 899**
Loans payable to subsidiaries:		
Wesizwe Properties (Pty) Ltd#	(158)	(31)
Sub Total	(158)	(31)
Total	7 146 786	4 996 660

* 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) Ltd is a wholly-owned subsidiary of Bakubung Minerals (Pty) Ltd. The company is held specifically for the farm Zwartkoppies which is to be utilised in a community project.

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

@ The shareholder loan is payable on the same terms as the loan with CDB and bears interest on the same terms as the loan with CDB. Refer to note 13.

The loans are short-terms loans payable on normal credit terms.

% The recoverable amount of the investment was calculated with reference to the fair value of the investment in Maseve. The impairment loss was as a result of the recoverable amount (fair value of Maseve) decreasing due to a fair value loss. Refer to notes 2.4, 4 and 23.1.

Wesizwe has undertaken not to reduce its shareholding in Bakubung, 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 companies exceed their liabilities. Wesizwe has subordinated its loan to Bakubung, Africa Wide and Wesizwe Properties in favour of other creditors for as long as the liabilities of Bakubung, Africa Wide and Wesizwe Properties exceed their assets.

7. INTANGIBLE ASSETS

	GROUP		COMPANY	
	2015	2014	2015	2014
	R'000	R'000	R'000	R'000
Cost				
Opening balance	7 827	-	-	-
Additions	693	7 827	-	-
Closing balance	**8 520**	**7 827**	**-**	**-**
Accumulated amortisation				
Opening balance	379	-	-	-
Amortisation	2 270	379	-	-
Closing balance	**2 649**	**379**	**-**	**-**
Carrying amount	**5 871**	**7 448**	**-**	**-**

Intangible assets comprises of software that has been acquired by the group.

8. RESTRICTED CASH

	GROUP		COMPANY	
	2015	2014	2015	2014
	R'000	R'000	R'000	R'000
Non-current				
Eskom – Connection guarantees	77 641	77 641	-	-
Aveng Mining Ltd – Performance payment guarantee	57 000	57 000	-	-
Total Non-current	**134 641**	**134 641**	**-**	**-**
Current				
Department of Mineral Resources – Rehabilitation obligation	27 000	27 000	27 000	27 000
Land purchase guarantee	-	5 700	-	-
Total current	**27 000**	**32 700**	**27 000**	**27 000**
Total restricted cash	**161 641**	**167 341**	**27 000**	**27 000**

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

9. DEFERRED TAXATION

	GROUP		COMPANY	
	2015	2014	2015	2014
	R'000	R'000	R'000	R'000
Deferred taxation liability				
Opening balance	362 218	264 289	-	-
Current year charges	(204 455)	97 929	-	-
Property, plant and equipment	354 893	248 161	-	-
Available-for-sale financial asset	(29 967)	98 043	-	-
Unredeemed mining capex	(535 819)	(245 413)	-	-
Provisions	6 438	(2 862)	-	-
Closing balance	157 763	362 218	-	-
Deferred tax assets and liabilities are attributable to the following items:				
Deferred tax liabilities				
Recognised in profit or loss:				
Property, plant and equipment	1 205 201	850 308	-	-
Available-for-sale financial asset reserve	68 076	92 924	-	-
Recognised directly in equity:				
Acquisition of mineral rights in Bakubung	285 251	285 251	-	-
Available-for-sale financial asset reserve	-	5 119	-	-
	1 558 528	1 233 602	-	-
Deferred tax assets				
Recognised in profit or loss:				
Unredeemed exploration expenditure	(1 191)	(1 191)	-	-
Unredeemed mining capex	(1 394 920)	(859 101)	-	-
Provisions	(4 654)	(11 092)	-	-
	(1 400 765)	(871 384)	-	-
Total	**157 763**	**362 218**	**-**	**-**

	COMPANY	
	2015	2014
	R'000	R'000
Unrecognised deferred tax asset		
Provisions and minor assets	(2 087)	(1 209)
	(2 087)	**(1 209)**

The company has a deferred tax asset of R2.1 million (2014: R1.2 million) 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. No deferred tax assets have been raised for any of the other group companies due to the uncertainty of the asset being realised.

10. OTHER RECEIVABLES

	GROUP		COMPANY	
	2015	2014	2015	2014
	R'000	R'000	R'000	R'000
Value Added Tax receivable	28 927	24 241	-	-
Other receivables	3 341	1 183	1 223	1 007
Prepayments	-	488	-	-
Total	**32 268**	**25 912**	**1 223**	**1 007**

11. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2015	2014	2015	2014
	R'000	R'000	R'000	R'000
Bank balances	66 654	13 665	9 185	10 079
Call and short-term deposits	1 316 493	1 048 667	439 668	506 606
	1 383 147	1 062 332	448 853	516 685
Interest accrued	15 676	3 762	5 604	3 477
Total	**1 398 823**	**1 066 094**	**454 457**	**520 162**

12. STATED CAPITAL

	GROUP		COMPANY	
	2015	2014	2015	2014
	R'000	R'000	R'000	R'000
Stated Capital				
Authorised				
2 000 000 no par value shares (2014: 2 000 000 000 no par value shares)				
Issued				
1 627 827 058 no par value shares (2014: 1 627 827 058 no par value shares)	3 425 544	3 425 544	3 425 544	3 425 544

13. INTEREST BEARING BORROWINGS

	GROUP 2015 R'000	GROUP 2014 R'000	COMPANY 2015 R'000	COMPANY 2014 R'000
Current				
Opening balance	-	1 049 552	-	1 049 552
Interest accrued	-	7 496	-	7 496
China Development Bank - loan repayment	-	(1 022 460)	-	(1 063 000)
China Development Bank - interest repayment	-	(8 257)	-	(8 206)
Realised foreign exchange loss	-	-	-	14 158
Unrealised foreign exchange loss	-	(26 331)	-	-
Closing balance	**-**	**-**	**-**	**-**
Non-current				
Opening balance	2 310 114	-	2 310 114	-
China Development Bank - drawdown	1 238 500	2 125 523	1 238 500	2 125 523
Interest accrued	132 731	59 897	132 731	59 897
China Development Bank - interest repayment	(219 453)	(58 865)	(219 453)	(61 257)
Realised foreign exchange loss	(18 261)	(1 270)	(18 261)	1 122
Unrealised foreign exchange loss	1 105 141	184 829	1 105 141	184 829
Closing balance	**4 548 772**	**2 310 114**	**4 548 772**	**2 310 114**

The group has a secured US$300 million loan (2014: US$200 million) with a carrying amount of R4 548.8 million at 31 December 2015 (2014: R2 310.1 million). Refer to note 3 regarding the security for the loan. The total facility amounts to US$650 million. The interest rate on the facility is determined six monthly in advance as the six month LIBOR rate plus 3.5%. The term of the loan is 15 years and no capital repayments are due during the first six years. Repayments in semi-annual instalments over the last nine years of the facility commence at an amount equal to 0.077% of the outstanding balance at the end of the sixth year, after which every instalment increase until the second last payment amounts to 8.5% of the initial outstanding amount. The last instalment repays the total balance. The interest expense is payable bi-annually. A facility fee amounting to 0.5% of the unutilized balance is payable annually. The interest expense and facility fee is included in the effective interest rate calculation.

14. MINE CLOSURE AND ENVIRONMENTAL REHABILITATION OBLIGATION

	GROUP		COMPANY	
	2015	2014	2015	2014
	R'000	R'000	R'000	R'000
Opening balance	39 618	29 395	-	-
(Obligation reduced)/obligation recognised	(26 152)	7 804	-	-
Charged to interest expenses	3 154	2 419	-	-
Closing balance	**16 620**	**39 618**	**-**	**-**

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 and changes in the escalation and discount rates. This estimate is based on the current cost estimate and escalated to the future planned closure date 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 (2014: R27.0 million) is held with a financial institution (refer note 8). This investment had been ceded as security in favour of the guarantees which the bank issued on behalf of the Group. The guarantees has been provided 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 9.67% (2014: 7.96%) and the appropriate escalation rate is 4.30% (2014: 5.80%). The current cost rehabilitation estimate is R87.1 million (2014: R78.7 million).

15. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2015	2014	2015	2014
	R'000	R'000	R'000	R'000
Trade payables	755	4 124	1 833	754
Capital expenditure payables	83 934	70 656	-	-
Leave pay accrual	3 524	4 009	3 524	4 009
Value Added Tax payable	6 946	1 635	6 946	1 635
Salary accrual	248	3 853	248	3 853
Total	**95 407**	**84 277**	**12 551**	**10 251**

16. INCOME TAX (EXPENSE) / INCOME

	GROUP		COMPANY	
	2015	2014	2015	2014
	R'000	R'000	R'000	R'000
South African company tax	-	(6)	-	-
Under provision prior year	-	(6)	-	-
Deferred tax	199 336	(92 810)	-	-
Temporary differences	199 336	(92 810)	-	-
Total	**199 336**	**(92 816)**	**-**	**-**
Current year – deferred taxation	29 967	(5 119)	-	-
Tax on other comprehensive income	**29 967**	**(5 119)**	**-**	**-**

The group has unredeemed capital expenditure of R4 981.9 million (2014: R3 068.2 million) and unredeemed exploration expenditure of R4.3 million (2014: R4.3 million) for the year ended 31 December 2015. The unredeemed capital expenditure may be set-off against future taxable income.

Reconciliation of effective tax rate

	GROUP		COMPANY	
	2015	2014	2015	2014
	%	%	%	%
Standard tax rate	28.0	28.0	28.0	28.0
Non-deductible expenses	(0.3)	(1.2)	(29.4)	(27.7)
Deferred tax asset not raised	-	(0.5)	-	(0.3)
Deferred tax asset reversed	0.3	-	1.4	-
Fair value loss/gain on available-for-sale financial asset at CGT rate in the subsidiary	(1.6)	(80.8)	-	-
Effective rate	**26.4**	**(54.5)**	**-**	**-**

Taxation paid

	GROUP		COMPANY	
	2015	2014	2015	2014
	R'000	R'000	R'000	R'000
Balances receivable at beginning of year	(4 363)	(534)	(4 363)	(2 557)
Profit or loss charge	-	6	-	-
Tax penalties	-	20	-	-
Taxation refund received	2 556	-	2 556	-
Taxation paid	(3 109)	(3 855)	(3 109)	(1 806)
Balance receivable at end of year	**(4 916)**	**(4 363)**	**(4 916)**	**(4 363)**

17. REVENUE

	GROUP 2015 R'000	GROUP 2014 R'000	COMPANY 2015 R'000	COMPANY 2014 R'000
Revenue comprises of:				
- Management fees	-	-	83 580	68 418
- On-charge of borrowing costs	-	-	1 226 455	264 381
Total	**-**	**-**	**1 310 035**	**332 799**

18. ADMINISTRATION EXPENSES

	GROUP 2015 R'000	GROUP 2014 R'000	COMPANY 2015 R'000	COMPANY 2014 R'000
Administration expenses include:				
Internal and external auditor's remuneration	4 516	3 219	3 696	1 750
Depreciation	6 187	4 663	391	496
Amortisation	2 270	379	-	-
Directors fees - short term benefits	11 189	11 106	11 189	11 106
Directors fees – DBP (note 28)	1 322	-	1 322	-
Employee costs - short term benefits	79 894	62 667	79 755	62 555
Employee costs – DBP (note 28)	2 218	-	2 218	-
Operating lease - buildings	297	243	596	400
Legal fees	9 177	14 885	4 640	11 026
Statutory publications, corporate identity and investor relations	2 787	3 949	2 036	2 900
Travel and accommodation	2 277	2 284	1 545	1 883
Technical consulting fees	48 176	20 592	3 877	2 168
Security costs	11 149	8 535	-	2
Electricity and water	22 209	19 315	-	-
Communication costs	1 962	2 215	537	484
Municipal rates and services	(237)	1 128	-	-
Licence fees	3 159	1 084	1	21
Maintenance expenditure	2 285	4 130	-	1
Other administration expenses/(refunds)	5 387	5 240	(104)	2 493
Total	**216 224**	**165 634**	**111 699**	**97 285**

19. NET FINANCE INCOME AND NET FOREIGN EXCHANGE LOSS

	GROUP		COMPANY	
	2015	2014	2015	2014
	R'000	R'000	R'000	R'000
Finance income				
Interest earned on cash balances	67 477	52 651	24 600	20 723
Interest accrued on cash balances	15 676	3 762	5 604	3 477
Total finance income	83 153	56 413	30 204	24 200
Finance expense				
Interest on loan denominated in foreign currency	(139 576)	(67 393)	(139 576)	(67 393)
Finance costs for the year	(159)	(5)	(156)	(5)
Time value of money adjustment to rehabilitation obligation	(3 154)	(2 419)	-	-
Total finance expense	**(142 889)**	**(69 817)**	**(139 732)**	**(67 398)**
Net finance expense	**(59 736)**	**(13 404)**	**(109 528)**	**(43 198)**
Foreign exchange gain				
Realised gain on conversion of US$100 million to rands	9 020	1 270	9 020	1 270
Realised gain on supplier payment	-	175	-	258
Realised gain on payment of interest accruals denominated in foreign currency	9 241	-	9 241	-
Total foreign exchange gains	**18 261**	**1 445**	**18 261**	**1 528**
Foreign exchange losses				
Realised loss on suppliers payments	(879)	-	(854)	-
Realised loss on payment of interest accruals denominated in foreign currency	-	(2 330)	-	(2 330)
Realised loss on payment of loan denominated in foreign currency	-	(14 220)	-	(14 220)
Unrealised loss on conversion of interest accruals denominated in foreign currency	-	(54)	-	(54)
Unrealised loss on conversion of loan denominated in foreign currency	(1 105 141)	(184 776)	(1 105 141)	(184 776)
Total foreign exchange losses	**(1 106 020)**	**(201 380)**	**(1 105 995)**	**(201 380)**
Net foreign exchange losses	**(1 087 759)**	**(199 935)**	**(1 087 734)**	**(199 852)**
Net finance costs capitalised*				
Interest income	(37 636)	(26 371)	-	-
Interest expense	139 575	60 647	-	-
Net foreign exchange losses	452 372	200 109	-	-
Net finance costs capitalised	**554 311**	**234 385**	**-**	**-**

* The net finance costs capitalised are those that directly relate to the loan only.

20. LOSS PER SHARE

	Group 2015		Group 2014	
The basis of calculation of basic loss per share is :				
Attributable loss to ordinary shareholders (rand)		(556 784 945)		(263 203 837)
Weighted average number of ordinary shares in issue (shares)		1 627 827 058		1 627 827 058
Basic loss per share (cents)		**(34.20)**		**(16.17)**
The basis of calculation of diluted loss per share is :				
Attributable loss to ordinary shareholders (rand)		(556 784 945)		(263 203 837)
Weighted average number of ordinary shares in issue (shares)		1 627 827 058		1 627 827 058
Diluted loss per share (cents)		**(34.20)**		**(16.17)**
	Gross	**Net**	**Gross**	**Net**
The basis of calculation of headline loss and diluted headline loss per share is:				
Loss attributable to ordinary shareholders (rand)		(556 784 945)		(263 203 837)
Adjustment for:		108 160 935		252 400 311
Profit on disposal of property, plant and equipment	-	-	(110 539)	(79 588)
Loss on scrapping of property, plant and equipment	12 931	9 311	-	-
Reclassification of gains or losses upon impairment of available-for-sale financial asset	133 000 000	108 151 624		
Loss on adjustment of value in interest in equity-accounted investee	-	-	159 555 896	252 479 899
Headline loss	**-**	**(448 624 010)**	**-**	**(10 803 526)**
Weighted average number of ordinary shares in issue (shares)		1 627 827 058		1 627 827 058
Headline loss per share (cents)		**(27.56)**		**(0.66)**

21. NOTES TO THE STATEMENTS OF CASH FLOWS

	GROUP		COMPANY	
	2015	2014	2015	2014
	R'000	R'000	R'000	R'000
Reconciliation of loss for the year to cash flows from operating activities				
Loss before tax:	**(756 121)**	**(170 388)**	**(159 699)**	**(82 107)**
Finance income	(45 516)	(30 042)	(30 204)	(21 079)
Share of profit in equity-accounted investee	-	194	-	-
Finance expense	3 258	9 170	102	5
Foreign exchange loss	652 770	-	-	-
Adjustments for:				
- Depreciation	6 187	4 664	391	496
- Amortisation	2 270	378	-	-
- Impairment of investment in subsidiary	-	-	160 772	74 631
- Loss on adjustment of interest in equity-accounted investee	-	159 556	-	-
- Impairment of available-for-sale financial asset reclassifies from other comprehensive income	133 000	-	-	-
- Penalties relating to taxation	-	20	-	-
- Scrapping loss of property, plant and equipment	13	-	-	-
- Profit on disposal of property, plant and equipment	-	(111)	-	(60)
- Deferred Bonus Plan Provision	3 540	-	3 540	-
Loss before working capital changes	**(599)**	**(26 559)**	**(25 098)**	**(28 114)**
Changes in working capital	(8 505)	(9 969)	2 084	1 548
Increase in other receivables	(6 357)	(14 306)	(216)	(710)
(Decrease)/increase in trade and other payables	(2 148)	4 337	2 300	2 258
Cash utilised in operations	**(9 104)**	**(36 528)**	**(23 014)**	**(26 566)**
Reconciliation of the acquisition of property, plant and equipment				
Additions per property, plant and equipment note 3	1 281 047	883 538	-	13
Decrease/(increase) in decommissioning asset	26 152	(7 804)	-	-
Change in capital expenditure payables	(13 278)	(6 836)	-	-
Unrealised foreign exchange differences capitalised	(434 110)	(159 571)	-	-
Acquisition of property, plant and equipment	**859 811**	**709 327**	**-**	**13**

22. COMMITMENTS

22.1 Commitments at reporting date but not recognised in the financial statements are as follows:

	GROUP		COMPANY	
	2015	2014	2015	2014
	R'000	R'000	R'000	R'000
Commitments due within:				
- Next 12 months:	465 017	432 219	897	1 482
Operating expenses	939	2 123	897	1 482
Project capital commitments	464 078	430 096	-	-
- Next 13 to 24 months:				
Project capital commitments	259 238	293 884	-	-
- Next 25 to 36 months:				
Project capital commitments	38 889	115 924	-	-
- Next 37 to 48 months:				
Project capital commitments	-	-	-	-
- Next 49 to 60 months:				
Project capital commitments	-	-	-	-
Total commitments				
Operating expenses	939	2 123	897	1 482
Project capital commitments	762 205	839 904	-	-
Total	**763 144**	**842 027**	**897**	**1 482**

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

23. FINANCIAL INSTRUMENTS

23.1 Financial risk management

The group is exposed to the following risks:

- Credit risk
- Liquidity risk
- Market risk (currency risk, interest rate risk and other equity price risk)

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

	Note	Loans and receivables R'000	Available-for-sale R'000	Total R'000
Group 2015				
Financial assets				
Cash and cash equivalents	11	1 398 823	-	1 398 823
Restricted cash (non-current)	8	134 641	-	134 641
Restricted cash (current)	8	27 000	-	27 000
Other receivables	10	3 342	-	3 342
Available-for-sale financial asset	4	-	628 000	628 000
		1 563 806	**628 000**	**2 191 806**
Group 2014				
Financial assets				
Cash and cash equivalents	11	1 066 094	-	1 066 094
Restricted cash (non-current)	8	134 641	-	134 641
Restricted cash (current)	8	32 700	-	32 700
Other receivables	10	1 183	-	1 183
Available-for-sale financial asset	4	-	788 700	788 700
		1 234 618	**788 700**	**2 023 318**

	Note	Other financial liabilities R'000	Total R'000
Group 2015			
Financial liabilities			
Trade payables	15	(92 000)	(92 000)
Interest-bearing borrowings	13	(4 548 772)	(4 548 772)
		(4 640 772)	(4 640 772)
Group 2014			
Financial liabilities			
Trade payables	15	(82 642)	(82 642)
Interest-bearing borrowings	13	(2 310 114)	(2 310 114)
		(2 392 756)	(2 392 756)

	Note	Loans and receivables R'000	Total R'000
Company 2015			
Financial assets			
Cash and cash equivalents	11	454 457	454 457
Restricted cash	8	27 000	27 000
Other receivables	10	1 223	1 223
Loans receivable from subsidiaries (non-current)	6	5 311 083	5 311 083
Loans receivable from subsidiaries (current)	6	1 391 842	1 391 842
		7 185 605	**7 185 605**
Company 2014			
Financial assets			
Cash and cash equivalents	11	520 162	520 162
Restricted cash	8	27 000	27 000
Other receivables	10	1 007	1 007
Loans receivable from subsidiaries (non-current)	6	4 038 825	4 038 825
Loans receivable from subsidiaries (current)	6	353 074	353 074
		4 940 068	**4 940 068**

	Note	Other financial liabilities R'000	Total R'000
Company 2015			
Financial liabilities			
Trade payables	15	(9 145)	(9 145)
Interest-bearing borrowings	13	(4 548 772)	(4 548 772)
Loans payable to subsidiaries	6	(158)	(158)
		(4 558 075)	**(4 558 075)**
Company 2014			
Financial liabilities			
Trade payables	15	(8 616)	(8 616)
Interest-bearing borrowings	13	(2 310 114)	(2 310 114)
Loans payable to subsidiaries	6	(31)	(31)
		(2 318 761)	**(2 138 761)**

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 investments 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 R3.3 million (2014: R1.2 million). This relates to other receivables. The group has exposure to cash and cash equivalents of R1 398.8 million (2014: R1 066.1 million) and restricted cash of R161.6 million (2014: R167.3 million).

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 and restricted cash for the group are invested with the following institutions at 31 December 2015.

Investments:	**Group**	
	2015 R'million	**2014 R'million**
Bank of China	1 073.0	488.6
China Construction Bank	96.7	476.4
Investec	185.7	174.3
Standard Bank	205.2	94.1

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 developing the mine 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 2020.

Various funding options for the balance required from 2018 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 focussed 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. Once the repayments of the loan commences and company begins to earn US$ denominated revenue, it will provide a natural hedge and losses on the restatement of the US$ loan should be met with improved net rand income if the rand weakens, and vice versa if the rand strengthens.

■ 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 R13.6 million (2014: R10.4 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 that are denominated in United States Dollars in the 2015 financial year.

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

	US dollar US$'000	**ZAR R'000**
Group 2015		
Financial liabilities:		
Interest-bearing borrowings	(292 915)	(4 548 772)
Company 2015		
Financial liabilities:		
Interest-bearing borrowings	(292 915)	(4 548 772)

Exchange rates at year end	**2015**	**2014**
ZAR/US$	15.5293	11.6017

Exchange rate sensitivity analysis

A weakening of 10% in the foreign exchange rate will result in a loss of R454.9 million (2014: R231.0 million) on the interest-bearing borrowings. A strengthening of 10% in the exchange rate would have an equal but opposite effect.

Other market price risk

The group is exposed to equity securities price risk because of investments held by the group and classified on the consolidated balance sheet as an available-for sale financial asset at fair value. The group is exposed price risks due to the various inputs used for the discounted cash flows method (refer to note 2.4).

A 10% increase or decrease in either the US$ exchange rate or the platinum price will result in the following increases/ (decreases) to the carrying amount of R628 million:

	2015 R'million	2014 R'million
10% increase in the US$ exchange rate	211.5	209.3
10% decrease in the US$ exchange rate	(214.4)	(213.2)
10% increase in the platinum price	137.6	137.8
10% decrease in the platinum price	(139.6)	(138.6)

23.2 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 2015								
Trade payables	15	-	(88 461)	(88 461)	-	-	-	-
Interest-bearing borrowings	13	4.09	(6 317 141)	(131 354)	(102 268)	(226 343)	(821 937)	(5 035 239)
			(6 405 602)	(219 815)	(102 268)	(226 343)	(821 937)	(5 035 239)
Group 2014								
Trade payables	15	-	(82 642)	(82 642)	-	-	-	-
Interest-bearing borrowings	13	3.94	(3 083 670)	(29 004)	(45 321)	(88 830)	(355 226)	(2 565 289)
			(3 166 312)	(111 646)	(45 321)	(88 830)	(355 226)	(2 565 289)

	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 2015								
Trade payables	15	-	(5 605)	(5 605)	-	-	-	-
Interest-bearing borrowings	13	4.09	(6 317 141)	(131 354)	(102 268)	(226 343)	(821 937)	(5 035 239)
			(6 322 746)	(136 959)	(102 268)	(226 343)	(821 937)	(5 035 239)
Company 2014								
Trade payables	15	-	(8 616)	(8 616)	-	-	-	-
Interest-bearing borrowings	13	3.94	(3 083 670)	(29 004)	(45 321)	(88 830)	(355 226)	(2 565 289)
			(3 092 286)	(37 620)	(45 321)	(88 830)	(355 226)	(2 565 289)

23.3 FAIR VALUES

The fair values together with the carrying amounts shown in the balance are as follows:

		Group 2015		Group 2014	
	Note	Carrying amount R'000	Fair value R'000	Carrying amount R'000	Fair value R'000
Cash and cash equivalents	11	1 398 823	1 398 823	1 066 094	1 066 094
Restricted cash (non-current)	8	134 641	134 641	134 641	134 641
Restricted cash (current)	8	27 000	27 000	32 700	32 700
Other receivables	10	3 342	3 342	1 183	1 183
Available-for-sale financial asset	4	628 000	628 000	788 700	788 700
Trade payables	15	(88 461)	(88 461)	(82 642)	(82 642)
Interest-bearing borrowing	13	(4 548 772)	(4 548 772)	(2 310 114)	(2 310 114)
		(2 445 427)	(2 445 427)	(369 438)	(369 438)

		Company 2015		Company 2014	
		Carrying amount	Fair value	Carrying amount	Fair value
	Note	R'000	R'000	R'000	R'000
Cash and cash equivalents	11	454 457	454 457	520 162	520 162
Restricted cash	8	27 000	27 000	27 000	27 000
Other receivables	10	1 223	1 223	1 007	1 007
Loans receivable from subsidiaries (non-current)	6	5 311 083	4 044 669	4 038 825	2 771 231
Loans receivable from subsidiaries (current)	6	1 391 842	1 391 842	353 074	353 074
Trade payables	15	(5 605)	(5 605)	(8 616)	(8 616)
Interest-bearing borrowing	13	(4 548 772)	(4 548 772)	(2 310 114)	(2 310 114)
Loans payable to subsidiaries	6	(158)	(158)	(31)	(31)
		2 631 070	1 364 656	2 621 307	1 353 713

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.

There were no transfers between levels 1 and 2 during the year.

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 current 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. Valuation method – Level 2: Fair value is determined at discounting the carrying amount at the prime lending rate for nine to thirteen years depending on the expected payback of the loan.

Available-for-sale financial assets are measured at fair value. Valuation method – Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Level 3 fair values

- Reconciliation of Level 3 fair values

The following table shows a reconciliation from the opening balance to the closing balances for Level 3 fair values:

Equity securities available-for-sale	**GROUP**	
	2015	**2014**
	R'000	**R'000**
Opening balance	**788 700**	
Transfer into Level 3		761 000
Loss included in OCI		
- Fair value adjustments	(160 700)	27 700
Closing balance	**628 000**	**788 700**

23.4 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 160.8% (2014: 65.3%). The company has loan covenants in that the net worth of the group will not be less than 2 billion rands and that the financial indebtedness of the group shall not exceed US$700 million. The group is managing the capital of the group to ensure that neither of these loan covenants are defaulted on.

24. RELATED PARTIES

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

24.1 Transactions with subsidiaries

	GROUP		COMPANY	
	2015	2014	2015	2014
	R'000	R'000	R'000	R'000
Non-Current Assets				
Bakubung Minerals*				
Opening balance	-	-	1 682 756	2 702 491
Loan advanced	-	-	30 979	-
Transfer to current	-	-	-	(147 614)
Loan repaid	-	-	-	(872 121)
Closing balance	**-**	**-**	**1 713 735**	**1 682 756**
Bakubung Minerals**				
Opening balance	-	-	2 135 960	-
Loan advanced	-	-	1 238 500	2 135 960
Closing balance	**-**	**-**	**3 374 460**	**2 135 960**
Wesizwe Properties*				
Opening balance	-	-	26 399	22 763
Loan advanced	-	-	2 047	3 636
Closing balance	**-**	**-**	**28 446**	**26 399**
Africa Wide*				
Opening balance	-	-	193 710	192 019
Loan advanced	-	-	732	1 691
Closing balance	**-**	**-**	**194 442**	**193 710**
Bakubung Minerals***				
Opening balance	-	-	353 046	-
Management fees	-	-	95 634	68 418
On-charge of qualifying borrowing costs	-	-	1 229 858	264 381
Transfer from non-current	-	-	-	147 614
On-charge of costs	-	-	-	13 082
Payments received	-	-	(286 724)	(140 449)
Closing balance	**-**	**-**	**1 391 814**	**353 046**
Wesizwe Properties***				
Opening balance	-	-	28	-
Cost Recovery	-	-	195	28
Payments received	-	-	(195)	-
Closing balance	**-**	**-**	**28**	**28**
Current Liabilities				
Wesizwe Properties***				
Opening balance	-	-	(31)	-
Rental charges	-	-	(406)	(369)
On-charge of costs			(124)	(6)
Payments made	-	-	403	344
Closing balance	**-**	**-**	**(158)**	**(31)**

* Inter-group loans are interest free and have no fixed repayment terms. Management fees were charged at arm's length.
** The shareholder loan is payable on the same terms as the loan with CDB and bears interest on the same terms as the loan with CDB.
*** Management fees were charged at arm's length. The borrowing costs are payable as the borrowing costs become due to CDB. The loans are payable on normal credit terms.

24.2 Transactions with key management

	GROUP		COMPANY	
	2015	2014	2014	2014
	R'000	R'000	R'000	R'000
Salaries and bonuses	30 857	28 606	30 857	28 606
Total	**30 857**	**28 606**	**30 857**	**28 606**

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

Service contracts of directors

Name	Executive / Non-Executive Director	Position
Dawn Mokhobo	Independent Non-Executive Director	Chairman
William Eksteen	Independent Non-Executive Director	
Dexin Chen	Non-Executive Director	Deputy Chairman
Lilang Teng	Non-Executive Director	
Jikang Li	Non-Executive Director	
Lincoln Ngculu	Non-Executive Director	
Wenliang Ma	Executive Director	Financial Director
Jianke Gao	Executive Director	Chief Executive Officer
Victor Mabuza	Independent Non-Executive Director	
Kenny Mokoka	Non-Executive Director	

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:

2015	Direct Ordinary Shares	Indirect Ordinary Shares
Mike Eksteen	5 000 000	-
James Ngculu	-	5 795 888
Jacob Mothomogolo	177 041	-
Paul Smith	213 000	-
Hamlet Morule	245 280	-
	5 635 321	5 795 888

2014	Direct Ordinary Shares	Indirect Ordinary Shares
Mike Eksteen	3 000 000	-
James Ngculu	-	5 795 888
Paul Smith	213 000	-
Hamlet Morule	245 280	-
	3 458 280	5 795 888

Remuneration paid to directors and prescribed officers.

Remuneration for executive directors

Name	No of months	2015				2014		
		Salaries R'000	Bonuses R'000	DBP R'000	Total R'000	Salaries R'000	Bonuses R'000	Total R'000
Jianke Gao	12	3 401	1 145	876	5 422	3 051	2 226	5 277
Wenliang Ma	12	2 358	736	446	3 540	2 076	1 302	3 378

Remuneration for non-executive directors

Name	2015				2014			
	Directors Fees R'000	Attendance fees R'000	Other (travel) R'000	Total R'000	Directors Fees R'000	Attendance fees R'000	Other (travel) R'000	Total R'000
Dawn Mokhobo	321	497	11	829	321	136	-	457
Dexin Chen	82	60	-	142	109	79	-	188
Mike Eksteen	78	309	2	389	134	322	6	462
Jikang Li	82	69	-	151	109	96	-	205
James Ngculu	134	732	-	866	134	178	-	312
Nosipho Molope	-	-	-	-	67	34	-	101
Liliang Teng	9	-	-	9	109	96	-	205
Victor Mabuza	140	813	-	953	45	74	-	119
Barrie van der Merwe	-	-	-	-	66	19	-	85
Kenny Mokoka	109	142	-	251	16	10	-	26

Remuneration for prescribed officers (members of the Executive Committee)

Name	No of months	2015					2014		
		Salaries R'000	Bonuses R'000	DBP R'000	Contract Termination R'000	Total R'000	Salaries R'000	Bonuses R'000	Total R'000
Jacob Mothomogolo	12	2 543	766	486	-	3 795	2 293	1 451	3 744
Kgomotso Tshaka	12	2 138	541	331	-	3 010	1 929	968	2 897
Hamlet Morule	12	2 065	516	314	-	2 895	1 840	910	2 750
Basetsana Ramaboa	12	1 863	482	176	-	2 521	1 683	256	1 939
Paul Smith	6	1 303	896	-	1 609	3 808	2 679	1 130	3 809
Vasta Mhlongo	12	1 511	304	-	-	1 815	1 376	266	1 642
Eddie Mohlabi	12	2 730	823	498	-	4 051	2 423	747	3 170

All remuneration, excepting DBP (which represents long term benefits), paid to directors and prescribed officers represents short-term benefits.

25. GOING CONCERN

The group's cash resources at the reporting date of R1 398.8 million (2014: R1 066.1 million) together with the available drawdown facility from the loan funding secured from CDB are sufficient, based on current budgets, to conduct operations and develop the Bakubung Mine Project up to second quarter of 2018. Accordingly, the financial statements are prepared on the basis of accounting policies applicable to a going concern.

26. EVENTS AFTER REPORTING DATE

No material events have occurred after the reporting period and up to the date of this report that required further disclosure in these financial results.

27. 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.

28. DEFERRED BONUS PLAN

During July 2015, the Wesizwe board, on recommendation of the remuneration and nominations committee approved the implementation of a deferred bonus plan ("DBP"). The purpose of the plan is to attract, retain, motivate and reward executives and senior managers who are able to influence the performance of Wesizwe on a basis which aligns their interest with those of the company's shareholders. Under the DBP, the participants of the company and its subsidiaries will be offered annually:

A deferred bonus linked in value to, and matching according to prescribed ratio(s), the value of the actual cash bonus earned and paid out to an individual as the result of the prior year performance;

- The prescribed ratio(s) are to be driven by a balanced reward strategy pay mix which favours short term and long term incentive rewards similarly;
- The value of the deferred bonus award will be linked to the Wesizwe Platinum Limited share price at the time of the award and a "nominal" number of share units will be calculated at this time for each participant;
- Vesting will occur in equal thirds by the number of share units on the 3rd, 4th and 5th anniversaries of their award;
- On vesting, the value of the cash bonus accruing to a participant will be this "nominal" number of share units multiplied by the Wesizwe Platinum Limited share price on vesting date;
- The vesting period(s) are time based and will have no other performance conditions linked to the vesting;
- For the first award, a "main performance condition" for the vesting period 2014 to 2017 is the achievement of the first ore production during the second quarter of 2017;
- If the time performance condition is not met, the rights to the cash-settled bonus will be forfeited.

The first cycle of the vesting period will be in 2017 based on 2016 performance and assessment of whether the main performance condition relating to ore production has been met.

	2015	2014
Reconciliation of nominal shares		
Opening balance	-	-
Number of nominal shares granted (2013 year)	9 289 314	-
Number of nominal shares granted (2014 year)	7 322 799	-
Number of nominal shares which have vested	-	-
Closing balance	16 612 113	-

The number of participants at 31 December 2015 amount to 9.

Valuation date	31 December 2015
Fair value of share price at valuation date	R 0.41
Vesting period	3 – 5 years
Type of settlement	Cash

During the year ended 31 December 2015, Wesizwe recognised an expense of R 3.5m (2014: Zero) relating to the cash settled deferred bonus plan which is equal to the total liability recognised as at year end.

Non-current liability:

	2015 R'000	2014 R'000
Opening balance	-	-
Provision for liability raised	3 540	-
Closing balance	**3 540**	-

Our Contacts

Wesizwe Platinum Limited

Incorporated in the Republic of South Africa
Registration number: 2003/020161/06
Share code: WTL
ISIN: ZAE000075859
www.wesizwe.co.za
Wesizwe House
9 Autumn Road
Sandton
2128

Legal adviser

Mkhabela Huntley Adekeye Incorporated
Registration Number: 2000/029792/21
Block C, 7 Eton Road,
Sandhurst, Johannesburg
P.O. Box 1049, Gallo manor,
2052

Company Secretary and registered office

Vasta Mhlongo
Wesizwe House, Devcon Park, 9 Autumn Road,
Rivonia Extension 3, 2128

Auditors

KPMG Inc.
Registration number: 1999/021543/21
Registered Accountants and Auditors
Chartered Accountants (SA)
KPMG Crescent, 85 Empire Road, Parktown, 2193
Private Bag X9, Parkview, 2122

Sponsor

PSG Capital (Pty) Limited
Registration number: 2006/015817/07
First Floor, Building 8, Inanda Greens Business Park
54 Wierda Road West, Wierda Valley, Sandton, 2196
PO Box 650957, Benmore, 2010

Transfer secretaries

Trifecta Capital Services
Trifecta Capital House
31 Beacon Road
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1709
Postal address:
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