wesizwe

the next name in platinum

harnessing our strengths to make resolute progress

ANNUAL REPORT 2008

Wesizwe Platinum Limited has delivered in the four years of its exploration and development programme, one of the highest quality new platinum projects on the Bushveld. The project is structurally superb with sound economic fundamentals and a highly flexible and cost effective mining regime. With management's hallmark of innovation and faultless delivery against targets, the Company will not only survive the prevailing economic travail, but will emerge a stronger entity with an enhanced competitive advantage.

HIGHLIGHTS

- The Bankable Feasibility Study on Wesizwe's Core Frischgewaagd-Ledig Project in March 2008, was successfully completed well ahead of initial schedule.

- Further strategic positioning achieved through a value accretive deal between Wesizwe Platinum Limited (Wesizwe), Anglo Platinum Limited (Anglo Platinum) and Platinum Group Metals (RSA)(Proprietary) Limited (PTM), will give Wesizwe 100% control of its Core Project and welcoming Anglo Platinum as a 26% shareholder on the effective date of the transaction.

- The Core Project is technically and economically sound and Wesizwe remains financially strong with R244 million cash on hand at the date of this report.

- Contractors are mobilised and ready to commence construction, in line with Wesizwe's reviewed staged approach, as detailed in November 2008.

- Long lead items for electricity and bulk water supply, winders and shaft sinking equipment have been secured.

- Market volatility during the course of 2008 prompted an internal review of the March 2008 Bankable Feasibility Study. The first review confirms the viability and strength of the Core Project at the peak cost levels prevailing up to September 2008 and the second, to be completed at the end of April 2009, is in progress and will assess the implications of post-September declines in key Capex and Opex inputs.

- The results of this review are expected to be released in early May 2009 and will inform strategic decisions and next steps.

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

CHALLENGES

- The turmoil in credit markets and subsequent global economic crisis significantly heightened liquidity risk and constrained our ability to raise funding:

  > As a result, project finance negotiations were put on hold and plans for major equity capital raising were shelved due to low share prices and our reluctance to unnecessarily dilute existing shareholder value.

  > We undertook a full review of overhead costs and all non-critical activities were halted.

  > We elected to proceed with our Core Project on a phased basis and have amended our approach and budget. The Core Project has been divided into modules, and required capital will be raised incrementally until the economic environment stabilises.

OUR DIRECTORS

EXECUTIVE DIRECTOR

Michael Solomon
Chief Executive Officer

Qualification: BSc (Eng) (Mining), Mine Manager's Certificate of Competency, Metalliferous, MDP (Mining)
Age: 56
Nationality: South African

After graduating, Michael worked for Anglovaal Mining Limited. He subsequently joined Steffen Robertson and Kirsten as a Senior Mining Engineer and then moved to the EL Bateman Group where he served as a Senior Mining Engineer and later as Principal Mining Engineer with Batepro/Van Eck and Lurie.

Prior to 1994, he served as a member of the Mineral and Energy Policy Group within the Department of Economic Planning for the African National Congress (ANC). He was a founding member of the non governmental organisation, the Minerals and Energy Policy Centre, where he headed the Minerals Division. In 1997 he was deployed to Alexkor Limited as Manager Business Development.

From 2001 he served as Principal Mining Engineer and Director of The Mineral Corporation, focusing on the management of transformation issues in the South African mining industry. In this capacity he served as an adviser to the Royal Bafokeng Nation and numerous other black empowerment interests. Before joining Wesizwe in October 2004, he was contracted to Anglo Platinum as Programme Director responsible for mineral and mining rights conversion.

Michael is a Fellow of both the South African Institute of Mining and Metallurgy and the Institute of Quarrying. He was recently appointed to the Mining and Metallurgy Advisory Group of the World Economic Forum.

NON-EXECUTIVE DIRECTORS

Robert Gordon Rainey
Acting Chairman (Independent Non-executive Director)

Qualification: BCom, CTA, CMA, CA(SA)
Age: 57
Nationality: South African

Robert is the Chief Financial Officer (CFO) of Toronto-listed Energem Resources Inc. His experience in the mining and energy sectors spans over 20 years and covers a range of commodities including platinum, gold, chrome, diamonds, copper/cobalt, vanadium and tin mining.

During his career, Robert has held the positions of CFO and CEO for several junior mining houses listed in Johannesburg, Canada, London and Australia including Southern Era Resources Ltd and listed companies within the JCI Group.

NON-EXECUTIVE DIRECTORS CONTINUED

Dr Iraj Abedian
Independent Non-executive Director

Qualification: BA (Hons), MA, PhD (Economics)
Age: 53
Nationality: South African

Iraj is the founder and Chief Executive of Pan-African Capital Holdings (Pty) Ltd. He was the founder and Director of the Applied Fiscal Research Centre (AFReC) at the University of Cape Town and has consulted on economic policy issues to public and private sector organisations in South Africa and internationally.

From September to December 1999, he was based at the International Marketing Fund (IMF) in Washington D.C., and worked on issues related to fiscal vulnerability assessment. In January 2000, he joined the Standard Bank Group as Group Economist and was appointed Director of the group in April 2000. From June 2003 to August 2004, he was an economic columnist for the Sowetan, a Johannesburg-based daily newspaper. In 2003, the Association of Black Securities and Investment Professionals (ABSIP) named him Top Economist of the Year. He is an honorary Professor of Economics at Pretoria University, and is a Director of a number of listed and unlisted companies.

Motshubela Ezekiel Monnakgotla
Non-executive Director

Qualification: Marketing Diploma
Age: 30
Nationality: South African

Ezekiel was elected Acting Kgosi for the Bakubung Tribe in 2004. He is an official of the Mankwe Development Foundation Youth Committee in North West province. He plays an active role in community projects and tourism in the greater Mankwe District. Further experience includes working as a negotiating consultant for Aprocot (African Prototype Communities for Tomorrow) Vision SA. He was also a member of the Aprocot Committee for Ethanol Production.

Dawn Mokhobo
Independent Non-executive Director

Qualification: BA (Social Science)
Age: 60
Nationality: South African

Dawn is a Director of companies including Engen Limited, Nozala Holdings Limited and Sabvest Limited. She is also Director of Empowerdex and the Financial Services Board Foundation Trust. She chairs African International Advisors, the Ombudsman's Council for Long term Insurance and is Deputy Executive Chairperson of Partnership Investments (Pty) Limited.

NON-EXECUTIVE DIRECTORS CONTINUED

Disele Johannes Phologane
Non-executive Director

Qualification:Health Diploma and Certificates in PR, Management and Leadership
Age: 39
Nationality: South African

Disele sits on the Bakubung-Ba-Ratheo Traditional Council and is Chairperson of the Advisory Committee to the Kgosi. He has certificates in Policy Development, Public Relations, Basic Management Principles, Development Leadership and Management. Previous experience includes being personal assistant to the Provincial ANC Secretary (North West) and Communications Manager, Office of the Executive Mayor. In addition he has served as a Youth Development Committee Secretary, IDP Officer and ANC Local Election Coordinator in the Rustenburg region. He is also a member of the Bojanala ANC Regional Committee in North West.

Prof Peter Gordon Gaylard
Non-executive Director

Qualification: Pr Eng. BSc Eng (Chemical)
Age: 66
Nationality: South African

Peter has 34 years experience in extractive metallurgy, mostly in the platinum industry, in which he held senior management and consultancy positions covering all stages of the platinum extraction and refining process. For the past 11 years he has been an Honorary Research Associate and Adjunct Professor in the Department of Chemical Engineering at the University of Cape Town and also worked as a Research Director for AMIRA International for the past 10 years.

Julian Christopher Williams
Non-executive Director

Qualification: MCom, CA (SA)
Age: 34
Nationality: South African

Julian was the founder of the Abante Group and has been its Chief Executive Officer since inception. The Abante Group provides hedge fund management, private equity, corporate finance advisory, securities finance and treasury outsourcing services.
Prior to forming the Abante Group, Julian ran a specialist securities lending business. He is the founder of Wesizwe.

Mlibo Gladly Mgudlwa
Non-executive Director

Qualification: B Juris, LLB, Postgraduate Diploma in Corporate Law
Age: 49
Nationality: South African

Mlibo's experience includes corporate governance, contracting, litigation and general business management. He has practiced as a Senior State Advocate for the High Court of Johannesburg and was admitted as an attorney in 2002. He holds an LLB degree from the University of Durban, Westville and a Postgraduate Diploma in Corporate Law from Rand Afrikaans University (now University of Johannesburg). After 12 years in the legal field, Mlibo ventured into business, holding the position of Executive Chairman of Pomashos Security, a black economic empowerment (BEE) company in the private and corporate security industry, and Director of Sarong Investment Holdings, a BEE company with interests in agriculture.

William Machiel Eksteen
Independent Non-executive Director

Qualifications: Registered Certificated Engineer National Higher Diploma in Mining, Mine Manager's Certificate of Competency
Age: 60
Nationality: South African

William is a retired mining engineer with 38 years of operating experience in a range of commodities, including platinum group metals, gold, diamonds and base metals.

He spent 34 years working in various positions in the Goldfields Group, including as Mine General Manager of O'Okiep Copper Company, Kloof Gold Mine and Northam Platinum. As General Manager he was responsible for all aspects of reserve development, mine planning, shaft sinking, budgeting and cost control. His last position was Senior Vice President and Chief Operating Officer of Southern Era Resources, a Canadian exploration and mining company in platinum and diamonds.

CHAIRMAN'S STATEMENT

Robert Gordon Rainey

The acquisition of 100% ownership of Frischgewaagd-Ledig has significant implications for the company in terms of its control and flexibility in its imperative of developing what will be, by any measure, a large-scale platinum mine.

Early in 2009 Klaus Schwab, founder of the World Economic Forum, was obliged to concede that this year's annual meeting was one of the "gloomiest" since the forum's creation almost four decades previously. Shortly afterwards, one of the forum's most creative and best informed contributors, the world-renowned economist Joseph Stiglitz, speaking specifically about the United States economy, opined that the beginning of a turnaround might come towards the end of 2009 but added the caveat that "we should be psychologically prepared for the notion that this time next year things will be worse than they are now".

While, like every single other business on this planet, the Wesizwe Board and its management have the unenviable task of navigating the Company through a difficult period of unprecedented global economic turmoil, Wesizwe Platinum has nevertheless recorded yet another year of sustained, steadfast achievement and progress. The Group has completed exploration of its Core Frischgewaagd-Ledig Project and is poised to begin the capital construction phase of the development of our core asset, the Frischgewaagd-Ledig Complex.

Wesizwe's management team deserve to be congratulated not only on the innovation and quality which they have consistently applied to the fast-track development of the Frischgewaagd-Ledig Complex but also on the progress made in the past year in a hostile environment for the commodities sector.

Apart from the critical milestones of completing the exploration programme and Bankable Feasibility Studies as well as obtaining all necessary permits in order to commence capital construction, corporate action and capital raising were equally accomplished during 2008. During the year Wesizwe had a successful capital raising of R203 million with the issue of 30 million shares. On the corporate action front the negotiation of a key transaction between Wesizwe and Anglo Platinum Limited and Wesizwe and Platinum Group Metals Limited (PTM) commenced. This transaction greatly simplifies these companies' respective interests in the Western Bushveld Joint Venture (WBJV), the details of which are examined in more detail in the Chief Executive's report. It bears stating here, however, that these transactions are of the utmost importance to Wesizwe. Upon the transaction being effective, the company will have 100% ownership of its Core Project whilst retaining an effective 26% interest in the WBJV's projects. The transaction will place Anglo Platinum as Wesizwe's largest single shareholder with an interest of some 26,6%.

The acquisition of 100% ownership of Frischgewaagd-Ledig has significant implications for the company in terms of its control and flexibility in its imperative of developing what will be, by any measure, a large-scale platinum mine.

A further significant benefit of this transaction is the simplification of the previously confusing issue of beneficial ownership of the intertwined and overlapping prospecting and mining rights.

This transaction marks a second critical step in the group's strategic imperative of using the Core Project as the key value card in a focused mergers and acquisitions strategy, and, in so doing, positioning this young company prominently in the ranks of the third tier Platinum Group Metals (PGM) players.

Due to the current economic crisis, the Company's equity has suffered a sustained and lamentable decline. It is extremely important for shareholders to appreciate that this decline in value has had nothing to do either with the level of management's achievement during the period under review nor is it reflective of the company's underlying value. The fact is that we are experiencing a time limited distortion in the equity markets that has negatively affected Wesizwe and most other PGM players, while the Frischgewaagd-Ledig mining project has a long term, 35 year, Life of Mine. Ultimately, the market will normalise and will follow value again. During this period of global uncertainty it is contingent on management and the Board to take whatever measures are necessary to protect shareholder value. Another factor that needs clarity is the impact of the retreat of the platinum price from its 2008 highs of US$2 000/oz. It has to be appreciated here that while the platinum price descended from these lofty heights, it has recovered to a level that is more or less equivalent to the beginning of 2008, a point at which we had just finalised our Bankable Feasibility Study, and is not far short of the US$1 125 base case used for that study. Juxtaposed with the fact that the project's underlying value is premised on longer term platinum price projections of between US$1 300 and US$1 500, this value underpin remains strong despite the current market travails. What has been at issue is the unavoidably deleterious impact that this has had on Wesizwe's efforts to raise the capital required for project construction. While project finance is scarce and expensive and our equity raising very dilutive under current market conditions, this remains the key issue facing management and the Board in terms of progressing the project.

While the economic circumstance governs every key decision that confronts us, paradoxically, this situation of intense global uncertainty will, we believe, considerably strengthen Wesizwe's hand. With an exhaustively tested and proven top quality ore body and an impeccable track record, Wesizwe is uniquely positioned to exploit the universally adverse conditions which are currently bedevilling the mining industry in general and non-cash generative development projects in particular.

In an environment of contraction of existing capacity, under investment and cancelled new investment, Wesizwe will reap the benefits of its pragmatic yet typically creative response to the global economic downturn, which few, if any, experts anticipate lasting until 2014.

By May 2008 Wesizwe had completed its exploration programme for the Core Project. During 2007 and 2008, the exploration programme focused on upgrading the resource inventory from Inferred to Indicated, and from Indicated to Measured. Of the total resource, 8,0% can now be classified as Measured (an increase from 6,7% in the previous annual report) while total PGE (4E) ounces declined slightly, not an untypical occurrence during the final estimation of total resources.

Buoyed by these positive outcomes, Wesizwe's Board resolved in November 2008 that the project should proceed according to plan but acknowledged that the effects of the worldwide slowdown were such that certain amendments were required to both the project structure and the envisaged financing arrangements.

Accordingly, it was decided that, instead of committing to the full engineering, procurement and contract management amount, the project would be broken down into a series of discrete phases, with the capital for each phase being raised on an incremental basis. Mindful of our responsibility to mitigate as far as possible the dilution of shareholder value, Wesizwe envisages raising the approximately US$200 million required for the first phase of shaft sinking in more than one tranche. We are confident that our capital raising objectives are achievable even in the prevailing environment.

Specifically, management and the Board appreciate and would like to thank the co-operative approach by our principal contractors TWP and Murray & Roberts Cementation, to co-operate fully in developing our innovative and unconventional modular approach to taking the project forward, given market constraints. We believe that their enthusiastic endorsement of the project amendments speaks volumes about the quality of the team assembled for development of our Core Project.

In conclusion, despite the gloom, Wesizwe has performed well and remains strong as a company. The underlying value of this exceptional project remains intact even under these arduous market conditions and we have cash in the bank to ride the storm. You have my assurance as Chairman that neither management nor the Board will take any step that will unreasonably dilute existing shareholder value, and will do their utmost to preserve your value in the business.

Finally, In November, Mrs Lorna Maloney resigned as a Director from the Board of Wesizwe Platinum Limited. I would like to thank Lorna for her positive contribution over the years and welcome Dr Iraj Abedian, Ms Dawn Mokhobo, Prof Peter Gaylard and Mr Mlibo Mgudlwa as Non-executive Directors.

CHIEF EXECUTIVE OFFICER'S REPORT

Michael Solomon

At the outset I would make it clear that the Company is in good shape despite the recessionary environment. However, it is this environment more than any other factor that will determine the decisions we make on the Company's future and the concomitant value implications for shareholders.

The principal objective of a company's annual report is to inform shareholders of progress and performance over the financial year in question. In my previous annual reports I have made a concerted effort to communicate clearly on technical issues to ensure that shareholders understood the nature of the project, its technical parameters and economic potential, as well as providing an overview of the Company's financial health. In this report I will do the same, but in the light of the economic crisis and the obvious concern of shareholders and the market about the ability of the Company to survive this situation, I will focus on the Company's response to the crisis and how we intend to navigate the prevailing storm.

At the outset, I would make it clear that the company is in good shape despite the recessionary environment. However, it is this environment more than any other factor that will determine the decisions we make on the Group's future and the concomitant value implications for shareholders.

In this report I intend to clarify for shareholders the implications of the crisis for the Company, its operations, underlying value and how we shall respond to the difficulties that face us.

Despite all, the company is inherently sound with good financials and has excellent underlying economic fundamentals...

In this respect, my report back is good and the Company's achievements during 2008 are notable:

- The Bankable Feasibility Study was completed and delivered on time and within budget in March 2008;
- Lead financial arrangers for the capital raising were appointed and engaged;
- Engineering, Procurement, Construction and Management (EPCM) and shaft sinking contracts were negotiated with TWP and Murray & Roberts Cementation respectively;
- All necessary statutory permissions were obtained for the project to proceed, including the mining permit which we anticipate will be executed in April 2009 and a positive environmental Record of Decision;
- The Company negotiated a highly value accretive deal with Anglo Platinum and Platinum Group Metals of Canada giving Wesizwe 100% control of and benefit from its Core Project while still maintaining its 26% stake in the Western Bushveld Joint Venture on the deal becoming effective; and
- As a result of this deal, Anglo Platinum will become the largest single shareholder in the Company.

Until September 2008, the Group's Core Project was on track, as were its capital raising efforts. However, these have been impacted significantly by the advent of the global economic crisis. While this has led, as with all companies in the PGM industry specifically and mining in general, to a marked fall-off in the Company's share prices, Wesizwe has nevertheless outperformed its peers on the whole in what has been a dismal, if not disastrous platinum market. Despite all this, the project is technically in good shape. My report will focus on the issues germane to the Company's situation, given the prevailing global economic crisis. These are prinicipally:

- The extent to which the Company has been impacted on by the economic crisis; and
- How we as management intend to manage the situation and take the Company forward.

The economic context governing the Company and its projects rule the day…

As a point of departure, we need to contextualise the economic outlook and locate Wesizwe within that framework. Amidst a sea of uncertainty about the extent and duration of the crisis, it is widely held that:

- The economic situation will in all likelihood deteriorate further in 2009;
- International fiscal stimulus measures of approximately US$1 trillion will be implemented in 2009 but the impacts are only likely to be felt in 2010 as some liquidity returns to the system; and
- This should lead to an anaemic recovery during 2010, with some traction in 2011 and recovery to 2006/2007 levels in 2012.

A general constraint of liquidity in the economy is therefore likely to be a feature of the next two to three years, fundamentally dictating our planning over this period. The cardinal planning horizon adopted here is that the crisis could last between a time of three years to five years. However, there are a number of other key factors that need to be taken into account in this planning:

- The fall-off in platinum and rhodium pricing has been disproportionate to the contraction in the automobile sector;
- The volatility of platinum and rhodium pricing over 2008 is a function of the relatively low levels of tradable inventories of platinum and rhodium compared to other commodities such as gold. This provides for very little price stability as low inventories result in rapid increases in price when there is any anomalous variation in demand such as was seen in the response to the Eskom announcements on electricity shortages in January 2008. Similarly, any overhang in the market for these two metals results in a sharp decline in prices. An exacerbating factor here is the high level of trade in these two metals on contract as opposed to the trade on the spot market which further constrains the liquidity of the metals and sharpens their response to supply/demand variations; and
- A supporting factor here is that the crisis has forced producers to shut down higher cost production units and defer new projects.

It should not be forgotten that until June 2008 South African producers had not (for a number of years) to a greater or lesser extent been meeting their production targets. This ongoing supply/demand tension had buoyed metal prices. Once demand returns, this supply demand tension will revive, most probably more strongly because of reduced production capacity. This should serve to boost platinum and rhodium prices disproportionately to a standard market, as manufacturers compete not only for existing production, but also for metal to rebuild depleted inventories.

Wesizwe's response to the economic crisis is realistic and far from defeatist…

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

As project finance literally evaporated there was little point in continuing the project finance negotiations with Absa Barclays Capital, and these discussions were put on hold until the turmoil in the capital markets settle down.
The planned major equity raise was also aborted as a result of the low prevailing share prices and the reluctance of management to unnecessarily dilute existing shareholders.

The Company is facing some daunting economic constraints that must be factored into our strategy, but there are opportunities as well…

It is against this backdrop of a global economic morass affecting demand and the availability of capital that Wesizwe's management has to make critical decisions about the Company's R5,6 billion capital development schedule. The principal market factors informing these decisions are that:

- All indications are that economic recovery will take three to five years to manifest;

- In the interim, higher-cost mining sections are being shut down, further restricting existing production capacity;
- Capital projects representing not only new productive capacity, but replacement capacity for depleting resources are being deferred by the major producers, exacerbating the lack of readily available overall production capacity in the industry;
- While platinum Electronic Traded Funds (ETFs) have to a certain extent recovered from their sell-offs to a level of 380 000 ounces at the time of writing, automobile manufacturers' inventories have on average reduced indicating significantly lower levels of metal inventories which must influence price reaction once recovery takes root; and
- It is therefore highly likely that platinum and rhodium prices will react strongly because of the general lack of buffer stock in the market and constraint in existing and readily available new production capacity. Inventories of palladium are somewhat higher than the other two metals and its price response may be more muted.

The Core Frischgewaagd-Ledig Project is in great shape…

At a technical level Wesizwe's project status, despite the economic travails, is very strong indeed. The Company has a highly attractive, fully developed "oven-ready" project with:

- An intensively drilled ore body;
- A sound and stable structural geology confirmed by a 3D Geoseismic Survey;
- One of the best economic geology in the industry with high head grades and very favourable PGM (4E) basket ratios;
- A relatively shallow working depth of 650 metres, against an indicative industry average of 1022 metres in 2017 once the project has reached steady state production, providing for highly competitive capital and operating costs;
- A completed Bankable Feasibility Study (BFS) released in March 2008. (The Group has commissioned an update to the current BFS because of the extreme volatility in commodity and other capital and working cost inputs since the one released in March 2008);
- A Competent Person's Report by The Mineral Corporation confirms a high level of confidence in the project's technical and economic merits;
- All statutory permissions, including execution of a Mining Permit in April 2009 and a positive Environmental Record of Decision, are in place;
- Final engineering design, to all intents and purposes, completed;
- Long lead items such as winders, electrical power and water having been secured;
- Contractors engaged and ready to proceed with construction at short notice; and
- Wesizwe management's proven track record of delivery.

The financial context affecting the decision to proceed with the project is, however, stark:

- In terms of the March 2008 Bankable Feasibility Study, the project capital required is R5,6 billion in total, of which R1,8 billion is required for the shaft-sinking component. (In the light of the market volatility over the last twelve months, these figures are being reviewed and the updated amounts should be available in April 2009);
- The debt component to project finance is, effectively, non-existent and, where it can be procured, it is extremely expensive and the terms very onerous; and
- At the very low prevailing share prices, equity finance is highly dilutive.

Juxtaposed with these negative economic and financial factors and highly positive project fundamentals are the encouraging facts that:

- The Company has, at the time of writing, R244 million in cash resources;
- A standby facility of R550 million;
- An established current underlying value of R5,6 billion;
- A buildup of underlying value of the project as it approaches steady state production; and
- The economic crisis should dampen capital input costs relative to the dramatic increases experienced at the height of the commodities boom during the second and third quarters of 2008.

The Company's strategic response to the economic constraints facing it is highly innovative and very aggressive…

Despite this uncomfortable economic situation, Wesizwe has achievable options available to it. There are a number of pertinent factors here that need to be taken into account in this respect. From project startup:

- The construction of the two shafts will take approximately two years;
- The plant construction in year three; and
- A buildup to full production between years three and ten.

The principal implications of these factors are:

- The project can be broken up into three logical phases from the perspective of capital raising, i.e. the capital cost of R5,6 billion is spread over a ten year period and need not be raised in its entirety immediately but can be progressively scheduled in accordance with these phases;

- The project will, in all likelihood, only become cash generative after the economy has emerged from the current crisis; and
- As the project is planned to be cash generative after 2014, the project's NPV is premised on long-term commodity prices, not prevailing prices.

Whatever we do, it will be carefully considered, and measured with an overriding eye to preserving shareholder value in a difficult market environment…

Given these positive and negative contexts, and recognising that the recovery of the market in 2016 will in all likelihood be accompanied by a strong rally in prices because of eroded platinum industry readily available production capacity, juxtaposed with low levels of inventory, our strategic imperative is to:

- Ensure, insofar as it is possible, that the project is producing and cash generative by this time to take advantage of the anticipated medium term price rally; and
- Take advantage of relatively low input cost during the recessionary period by building the project in a low cost environment, but, at all costs to reserve critical cash resources until capital markets improve and optimise shareholder value.

Wesizwe is in the extremely fortunate position to have options open to it…

There are effectively five strategic options open to the Company:

1. Seek a strategic partner who will have the balance sheet to raise the required capital;
2. Sell the Core Project to a larger company and distribute the profits to shareholders;
3. Consider mergers with other smaller companies to build the critical mass of the Company and enhance its ability to raise capital;
4. Defer the project until such time as the economy improves and capital becomes more easily available; or
5. Proceed with the project on a phased basis, raising the incremental amounts of capital required until such time as the capital markets normalise, project finance can be negotiated on reasonable terms and share prices recover to a less dilutive level to permit a sensible equity raise.

All of these options have been exhaustively interrogated and referred to the Board for decision.

Given the Company's project-ready situation, the opportunity presented of proceeding with the project during this period of a lower price environment and targeting the commencement of production to coincide as far as is possible with the anticipated recovery of the markets between 2014 and 2016. The Company has therefore elected to follow the fifth option outlined above. Wesizwe will proceed with the project on a phased basis with the following caveats:

- The capital project will be modularised into a series of smaller project components each with a separate contract;
- There should at all times be sufficient working capital in place to fund the selected project modules as well as to ensure that the Company has sufficient resources to ensure a three-year going concern;
- Contracts will only be signed and commissioned with the available capital in the bank thereby avoiding any unserviceable debt traps; and
- While commissioned project components proceed, smaller capital amounts will be progressively sought with which to commission further project elements.

The other strategic options will be pursued and continually evaluated during this process. Should interesting and value accretive opportunities arise during this programme that have the potential for better shareholder value, they will be considered by management and any appropriate proposals will be made to the Board of Directors for approval and referred back to shareholders for decision in instances where any such transactions fall outside the general authority granted to Directors by shareholders.

Revised project timelines

The revised project times are estimated to be as follows:

- Site establishment – second quarter 2009
- Pre-sink construction activities – last quarter 2009
- Construction phase complete – first quarter 2014 to 2018
- Production buildings – from first quarter 2014 to third quarter 2018
- Decommissioning phase – 2043 to 2048

It is an important consideration that the project timelines described are contingent on the project commencing during the course of 2009 and thereafter, the availability of capital for the progressive module phases to commence as planned. This approach is in line with our policy that contracts will only be signed for these modules once sufficient funding for the respective modules has been raised and banked. This policy will serve to conserve cash resources during this period of uncertainty and, in so doing, protect the Company from experiencing liquidity problems.

This said, Wesizwe is confident that the projects should commence during the course of 2009 once the remaining statutory permissions have been finalised and the capital for the first phase is in place.

Acquisition of 37% participation interest and mineral rights from Anglo Platinum Limited will be a value accretive deal…

The three way deal with our Western Bushveld Joint Venture (WBJV) shareholders, Anglo Platinum and the managing partner in the Platinum Group Metals, SA (PTM), will on conclusion of the few outstanding conditions precedent, result in a very value accretive deal for Wesizwe.

In essence, the deal straightens out the very complex overlapping and intertwining property boundaries, mineral rights and further rationalisation of the Pilanesberg Complex and ownership between the three parties.

In terms of the deal, Wesizwe gains 100% control of and benefit from its Core Project, while still maintaining an interest in the remaining existing WBJV projects. This was achieved by Anglo Platinum selling its participation interest and prospecting rights in respect of the WBJV project and will coincide with the simultaneous transfer of the rights in the remaining projects, together with PTM transferring their equivalent interest, into a new holding company, Maseve 11 Investments (Pty) Ltd. On conclusion of the transaction, Anglo Platinum will become the largest single shareholder in the company.

In terms of the agreement PTM will also have the option to subscribe for additional shares in the newly formed holding company to bring the economic interest of Wesizwe and PTM in the company to 26% and 74% respectively.

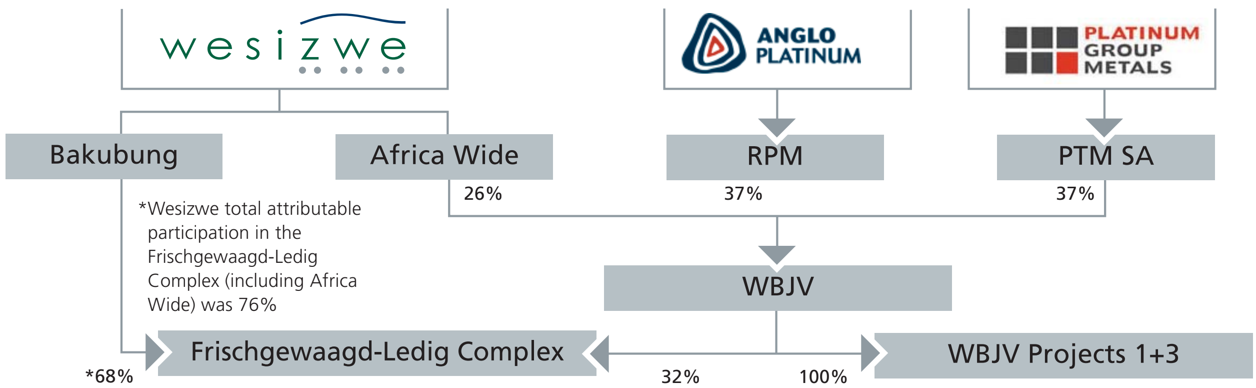


Figure 1 Original Ownership Structure of the Western Bushveld Joint Venture and the Wesizwe Core Frischgewaagd-Ledig Project

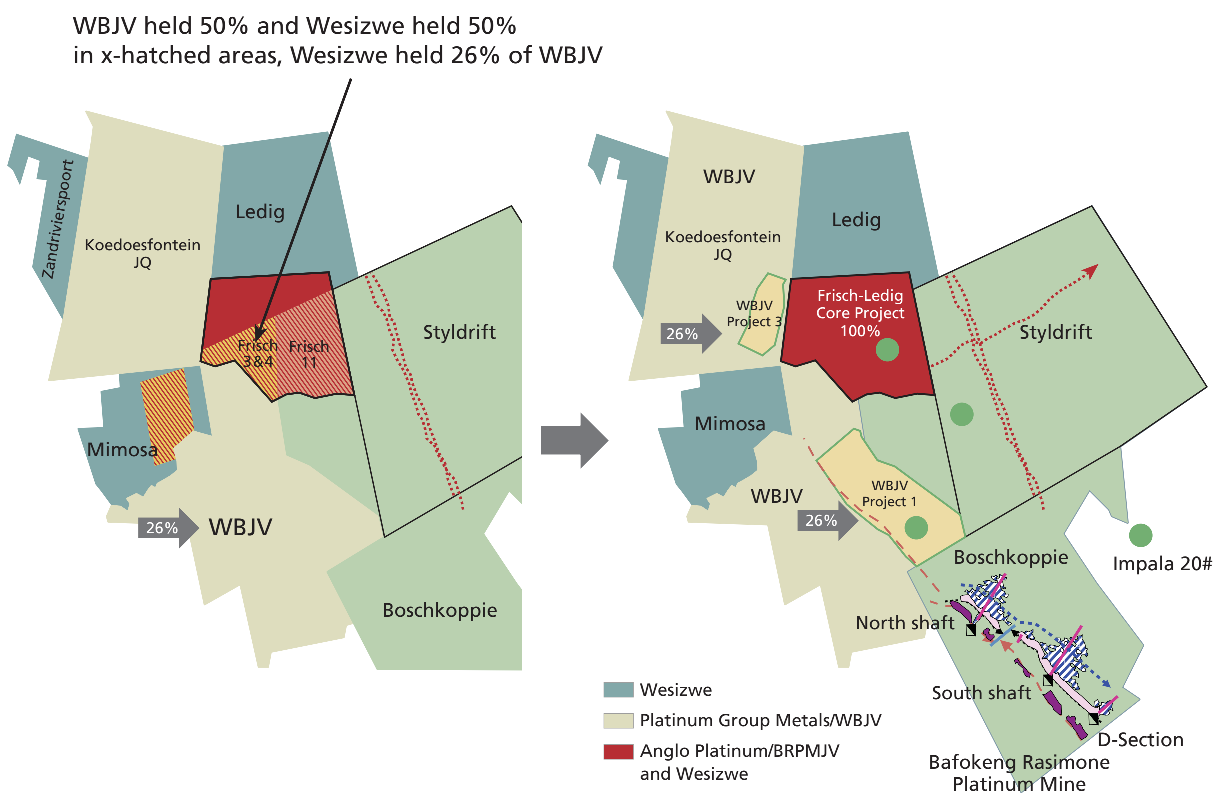


Figure 2 The straightening out of the intertwining and overlapping mineral rights and ownership

On conclusion ofthe transaction, Anglo Platinum will become the largest single shareholder in the company while PTM increases its share in Project 1 and Project 3 from 37% to 74%.

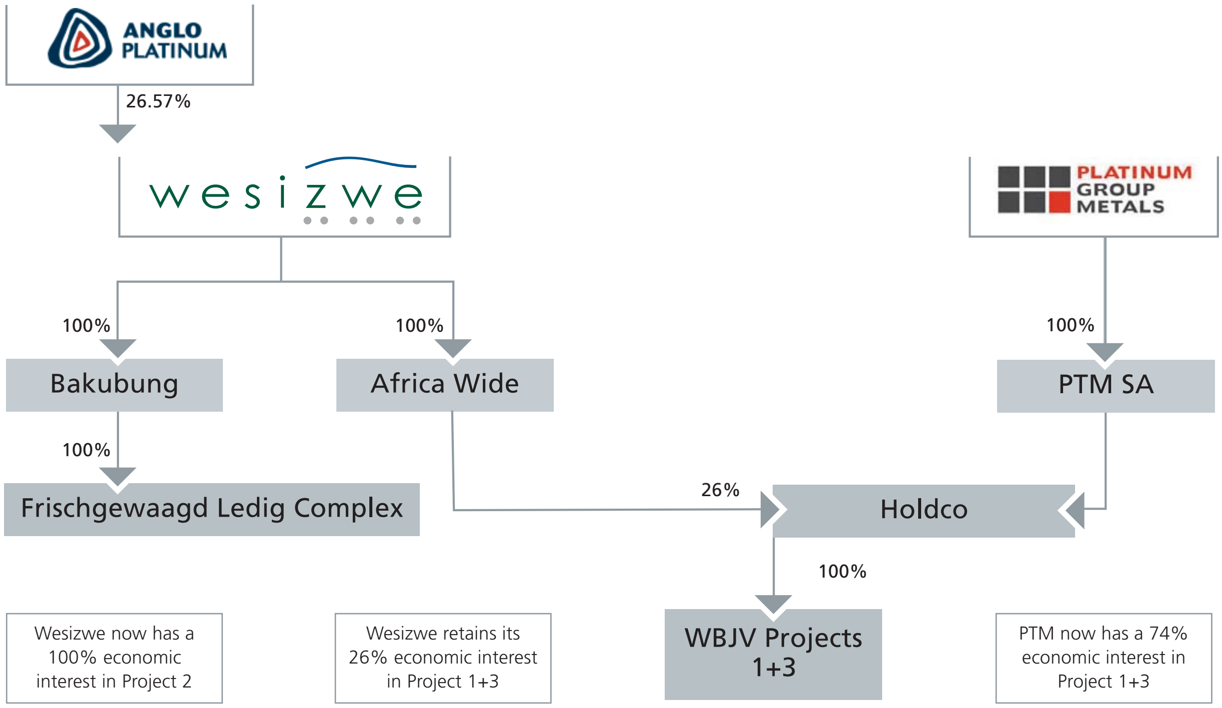


Figure 3 The rationalised shareholding and beneficial economic interest which will result from the acquisition

The deal with Anglo Platinum is being transacted in return for 211 850 125 million Wesizwe Platinum Limited shares and will result in Wesizwe gaining the outstanding share of the Frischgewaagd-Ledig Core Project, approximately 30%, to bring its ownership in the project to 100%. In terms of the project valuation as determined in the Bankable Feasibility Study, this stake has an underlying value of R1,65 billion and is thus clearly highly value accretive for Wesizwe.

The financial results are outstanding despite all…

In reviewing the financial results there is little point in bemoaning the economic crisis and dwelling on the negativities it brings with it. Wesizwe, like all other companies, has been affected. That said, over the financial period under review, the Company has continued to deliver on its commitments and is essentially ready to commence with its capital development project. One of the most disconcerting aspects of the investor response to the crisis has been the almost complete dismissal in the investment environment on actual achievement, commercial performance and underlying value, resulting in a differential between market capitalisation and underlying value that makes little sense. In Wesizwe's situation, this is markedly the case.

Wesizwe's 2008 results are impressive for a normal market, let alone the prevailing one. At the balance sheet date, Wesizwe had R316 million in the bank with no debt and minimal commitments, which bolster the Company against the difficult conditions that lie ahead and well beyond.

Over and above this, the Company has negotiated a R550 million standby equity facility that ensures that the Company has access to money at market prices over the next five years, juxtaposed on the policy that Wesizwe will not commission contracts until such time as the funding is secured.

In addition to this, management is undertaking an aggressive campaign to raise funding that is, in the first instance, premised on underlying value as opposed to share price, and in the second instance, has short term convertible or refinancing provisions that can be exercised once market conditions return to normal.

As an exploration and development focused entity, Wesizwe did not earn any revenue from its exploration activites. The Group made a loss of R27,8 million (compared to a loss of

R90,8 million for 2007), comprising administration expenses of R62,3 million (2007: R108,7 million) offset by net finance income of R34,3 million and other income of R200 000.

Capital expenditure for the year amounted to R182,8 million (2007: R181,3 million). This was expended on the acquisition of long-lead capital items, exploration and evaluation, engineering and designs and items of property, plant and equipment.

The financial statements on pages 56 to 96 fully set out the financial results of the Company and Group.

Significant measures are in place to conserve the Company's cash resources as a contingency against the economic uncertainty we are facing. More importantly, the Company's strategic planning is such that it covers a range of viable options, providing management with considerable manouverability in its task of navigating the Company and its projects through the current economic travail.

We enter 2009 in fighting form…

Notwithstanding the economic crisis, Wesizwe has had a good year in terms of operations and entered 2009 with a strong project in terms of geological, mining and economic fundamentals and in a sufficiently strong financial position to weather the storm for its anticipated duration. There will inevitably be impacts on the project scheduling resulting from the dismal state of the capital markets.

There is nothing that we as management can do about the current economic situation. It is, however, our responsibility to understand as best we can the dynamics of the current situation, its impact on platinum markets, and to navigate the Company through the morass with as little damage as possible. We have done our homework and have clear and appropriate ideas and strategies to deal with the contingent circumstances as they arise. Within this context, it is incumbent on us to do what we can to preserve shareholder value in the midst of a hostile and uncomfortable market.

In the gloom of the appalling stock markets, the overriding features of the Company are that its Core Project is fully explored and therefore relatively risk free at a geological level; exploration and many of the long lead items are paid for and the Company is without debt. We have over the last year entered into a valuable deal with Anglo Platinum. Most importantly, we have sufficient money in the bank to ride out the storm. This gives us significant flexibility in negotiating the difficult road ahead. Throughout the Company's short history, Wesizwe's management have shown themselves to be highly innovative and entrepreneurial, taking well managed risks that have paid off handsomely for the Company in producing a Core Project of twice the original target, a higher than anticipated grade and PGM basket and a fully designed and evaluated 350 000 ounce a year mining project with long lead items in place and contractors ready to be mobilised.

We have a Life of Mine of 35 years for what is one of the best projects in the industry. There is simply no point in throwing the baby out with the bathwater for short term gains in a market that is fixated on short term cash flow and takes no notice of future value. If we have to sit out the three years in order to preserve this shareholder value, we will do so. However, it is not in our nature to sit around and wait for better days, and in the interim we will take the project as far as it is sensible to do so.

Michael Solomon
Chief Executive Officer

EXPLORATION AND MINERAL RESOURCES

THE FRISCHGEWAAGD-LEDIG COMPLEX OF THE PILANESBERG PROJECT

Summary for the year January to December 2008

Location:
Western limb of the Bushveld Igneous Complex. The properties are situated near Rustenburg and are southwest of the Pilanesberg Game Reserve and Sun City, referred to as the Pilanesberg Project.

Farms:
Portions of the farms Frischgewaagd 96JQ, Ledig 909JQ, Mimosa 81JQ and Zandrivierspoort 210JP, which total 4 676 hectares. Frischgewaagd 96JQ and Ledig 909JQ abut the Styldrift BRPM joint venture project between the Royal Bafokeng Nation and Anglo Platinum Limited. The other properties are in the immediate vicinity.

Core focus:
Portions 1, 3, 4 and 11 of Frischgewaagd 96JQ, and portions 3, 4, 6 and 7 and the remaining extent of the farm Ledig 909JQ. These farms are referred to as the Frischgewaagd-Ledig Complex of the Pilanesberg Project.

Reefs:
Merensky and UG2 Reefs of the Bushveld Complex.

Mineral rights:
New order prospecting rights for the farms have been granted in terms of the Mineral and Petroleum Resources Development Act No. 28 of 2002.

Metres drilled:
- 15 086 metres (January – December 2008, last metres were drilled in April 2008)
- 172 425 metres in total since October 2004 (final project metres)

Boreholes drilled:
- 24 (January – December 2008)
- 179 in total since October 2004 (final number of holes drilled on the project)

Deflections drilled:
- 47 (January – December 2008)
- 439 in total since October 2004 (final number of deflections on the project)

Drill rigs in operation
Four drilling rigs were in operation in January 2008 reducing to nil in April 2008 when the last hole was completed.

Resource summary
The latest results from the August 2008 Competent Person's Report (CPR) show that 8,0% of total resources can now be classified as Measured and 58,3% as Indicated based on contained PGE(4) ounces. Total PGE(4) ounces have decreased 5,6% to 12,736 million ounces. Wesizwe's attributable Measured, Indicated and Inferred resources total 9,522 million ounces.

Mineral resource estimates
All the independent mineral resource estimates have been prepared in accordance with the SAMREC Code (2007) and have been substantiated by evidence obtained from site visits and observations. They are supported by details of drilling results, analyses and other evidence and they take account of all relevant information supplied by the Wesizwe Directors and management. The Mineral Resource update was prepared by The Mineral Corporation and the Mineral Resources are signed off according to the SAMREC Code (2007) by Mr David Young, a Director of The Mineral Corporation. Mr Young's qualifications are BSc (Hons), FGSSA, FAusIMM, Pr Sci Nat and his business address is Homestead Office Park, 65 Homestead Avenue, Bryanston 2021.

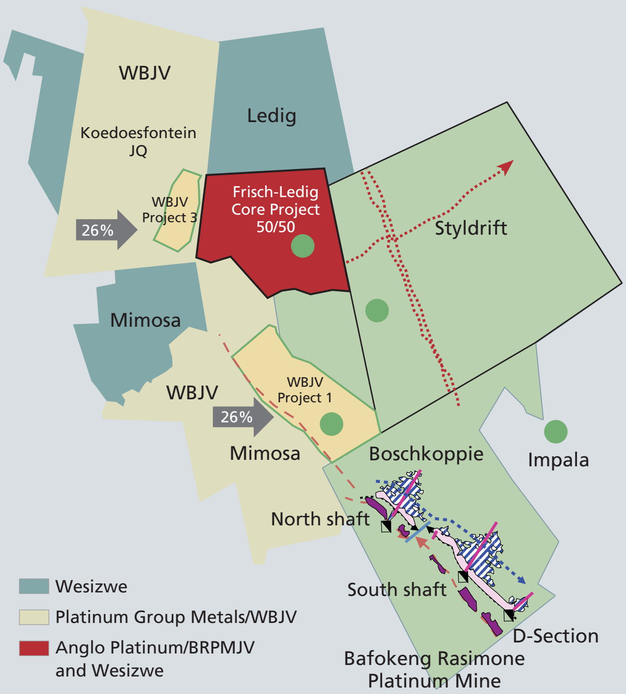


Figure 1: Wesizwe's mineral rights for the Pilanesberg Project

Exploration programme
The exploration properties are located within the Bushveld Complex immediately to the south of the intrusive Pilanesberg Complex. The well known Merensky and UG2 Reefs have been intersected by drillhole cores which have been sampled in a methodical and acceptable manner consistent with SAMREC requirements.

By the end of May 2008, Wesizwe had finalised its exploration programme for the Core Frischgewaagd-Ledig Complex. The focus of the exploration programme during 2007 and early 2008 was on upgrading the PGE(4) resource inventory from Inferred to Indicated, and Indicated to Measured rather than an increase in PGM ounces. The reason for this is that the results of the Pre-feasibility Study (PFS) had shown that Wesizwe had the resources to sustain a 25 year Life of Mine (LOM), and the project had already delivered almost double the original targets of tonnage and ounces for the Frischgewaagd-Ledig Complex of the Pilanesberg Project.

The project now has over 100% of the original target of 6,46 million ounces set in January 2005 in the Indicated and Measured categories (8,445 million ounces) with a total delivery of 12,736 million ounces. Of this, 9,522 million ounces are attributable to Wesizwe which will become effective on the conclusion of the acquisition of the 37% participation interest and mineral rights from Anglo Platinum. In addition, the exploration programme has yielded a total tonnage of 78,5 million tonnes against an initial target of 47 million tonnes.

The August 2008 results confirm 1,025 million ounces in the Measured category, 7,42 million ounces in Indicated and 4,292 million ounces in Inferred to give a Total Mineral Resource of 12,736 million ounces. The PGE(4) breakdown was 8,004 million ounces for platinum, 3,510 million ounces for palladium, 0,916 million ounces for rhodium and 0,307 million ounces for gold. Tonnage for copper and nickel were 0,026 million tonnes and 0,126 million tonnes respectively.

The latest results of the ongoing exploration campaign up to July 2008 have been employed in conjunction with the geological data reported in the August 2008 Competent Person's Report (CPR) to estimate Mineral Resources. The geological facies models of the Merensky and UG2 Reefs provided in the November 2005 Competent Person's Report (CPR) have not been required to change in concept. The only change is that the reef type boundaries have been modified by the new drillhole data. The updated reef type boundaries for the Merensky and UG2 Reef are contained in Figure 2 and Figure 3, respectively. These figures also depict the Mineral Resource classification achieved for both the Merensky and UG2 Reefs on the Frischgewaagd-Ledig Complex. In terms of Mineral Resource classification, the figures show an increased level of confidence with 8,0% of the total resources now classified as Measured and 58,3% as Indicated based on contained PGE(4) ounces.

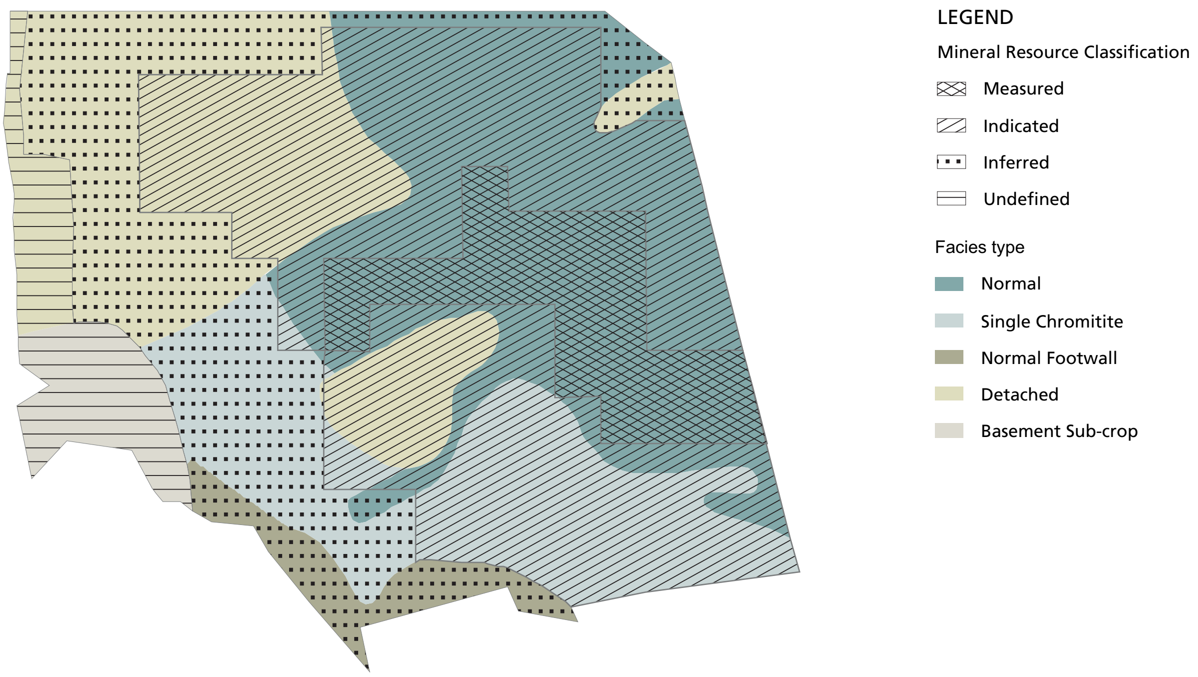


Figure 2: Merensky Reef type distribution and mineral resource classification

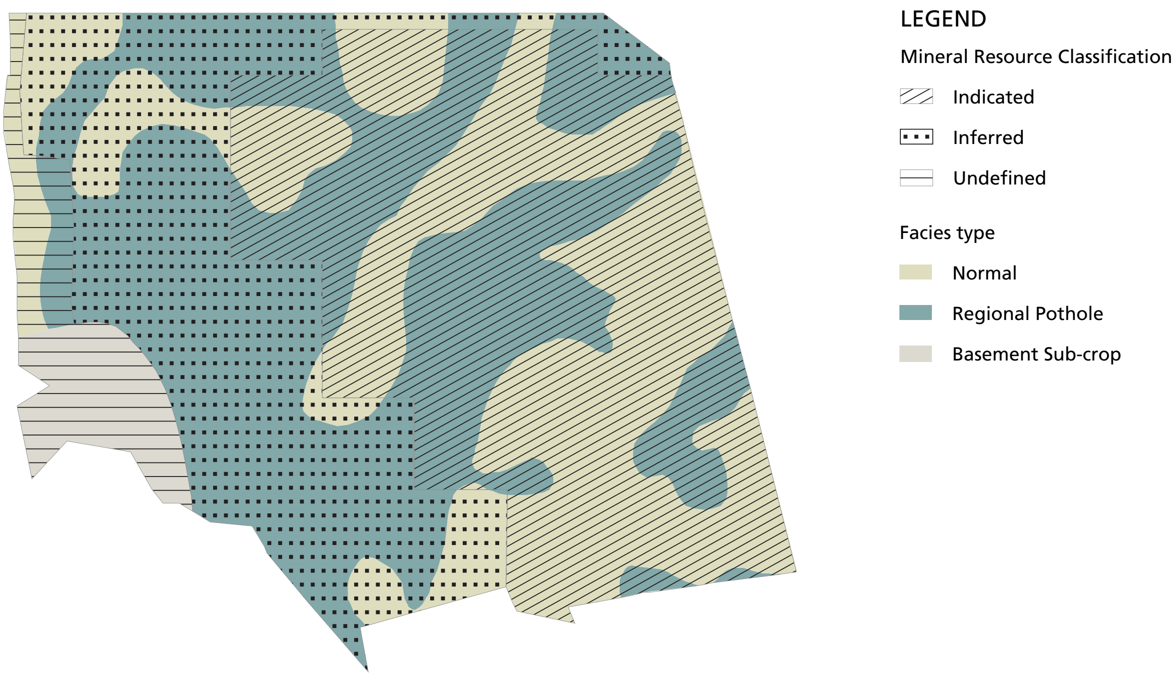


Figure 3: UG2 Reef type distribution plan and mineral resource classification

Merensky Reef

The Merensky Reef comprises four broad types. These have been named in accordance with a descriptive nomenclature as follows.

- *Normal reef*

  This reef type is bounded by narrow upper and basal chromitite layers and composed of an upper feldspathic pyroxenite pegmatoid and lower feldspathic olivine pegmatoid. The basal chromitite lies on a poikilitic anorthosite and the overlying rocks are medium grained feldspathic pyroxenites. Macroscopic base metal sulphide mineralisation is restricted to the pegmatoids and to a few centimetres into the overlying feldspathic pyroxenites. This is similar to the Normal/Pegmatoidal Merensky Reef as described from Impala and Rustenburg. However, the width is much greater at the Wesizwe project. Figure 4 depicts the nature of the Normal Reef as well as the other Merensky Reef types. The average mineralisation widths are also provided.

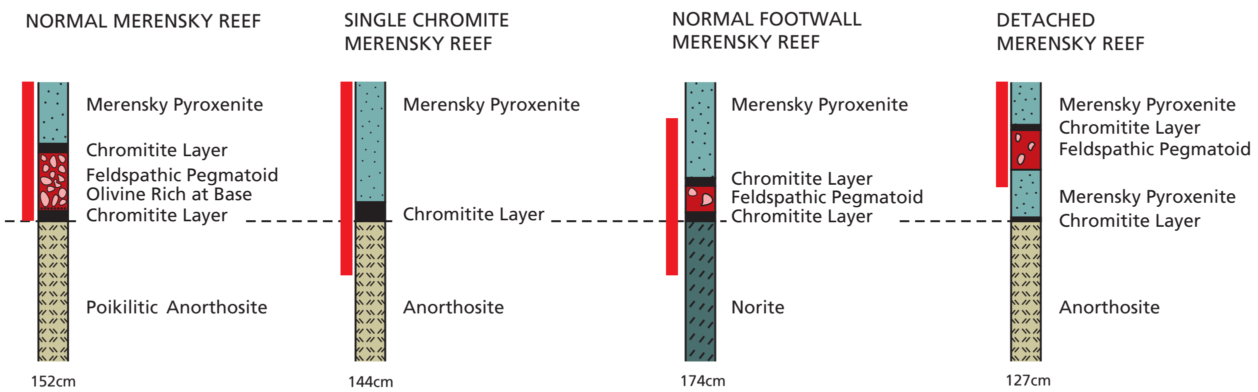


Figure 4: Merensky Reef types with location of mineralisation (red vertical bar) and average mineralisation widths (red cm)

– *Single chromitite reef*

This reef type is similar to the Contact Type Merensky Reef, in that it is generally a single chromitite layer with minor internal silicates. No pegmatoid is developed. It lies on footwall rocks from FW1 to FW6 and is overlain by feldspathic pyroxenite. Macroscopic base metal sulphide mineralisation occurs in the underlying anorthosites and norites, as well as in the overlying feldspathic pyroxenites. It is similar to the Contact Merensky Reef as described at Union Section. However, the pothole association implicit in this term at Union Section is not fully applicable to this reef type at Wesizwe as it is transgressive towards the southwest.

– *Detached reef*

This reef type is a pegmatoid of feldspathic pyroxenite and/or pyroxenite with an upper chromitite layer. It generally overlies several metres of fine to medium grained pyroxenite that has a basal chromitite layer, hence its high width. It is overlain by feldspathic pyroxenite of the Merensky Pyroxenite unit. Macroscopic base metal sulphides are generally restricted to the material below the upper chromitite layer for a width of only 1,15m. It is similar to the Merensky Reef as described at Union Section.

– *Normal footwall reef*

This reef type is bounded by two chromitite layers that define the upper and lower surfaces of the Merensky Reef and the intervening material is either a feldspathic pyroxenite pegmatoid or a pyroxenite that contains macroscopic base metal sulphide mineralisation. The footwall is generally composed of olivine norites of FW7 that also contain significant PGE mineralisation recognised macroscopically by the presence of base metal sulphides. This reef type is also transgressive towards the southwest.

UG2 Reef

The UG2 Reef is ubiquitous in that it is composed of a chromitite layer and generally has a basal feldspathic pyroxenite pegmatoid and certain overlying chromitite layers, termed the leader and triplets, in close proximity. Most of the intersections encountered in the Wesizwe exploration campaign have no basal pegmatoid but do have the overlying chromitite layers. The terms employed for the UG2 Reef are restricted to Normal Reef when it conforms to stable stratigraphic relationships and Regional Pothole Reef when it is underlain by, or close to, the UG1 pyroxenite over a large area. The UG2 Reef is also noted to be transgressive towards the southwest in a similar manner to the Single Chromitite and Normal Footwall Merensky Reefs.

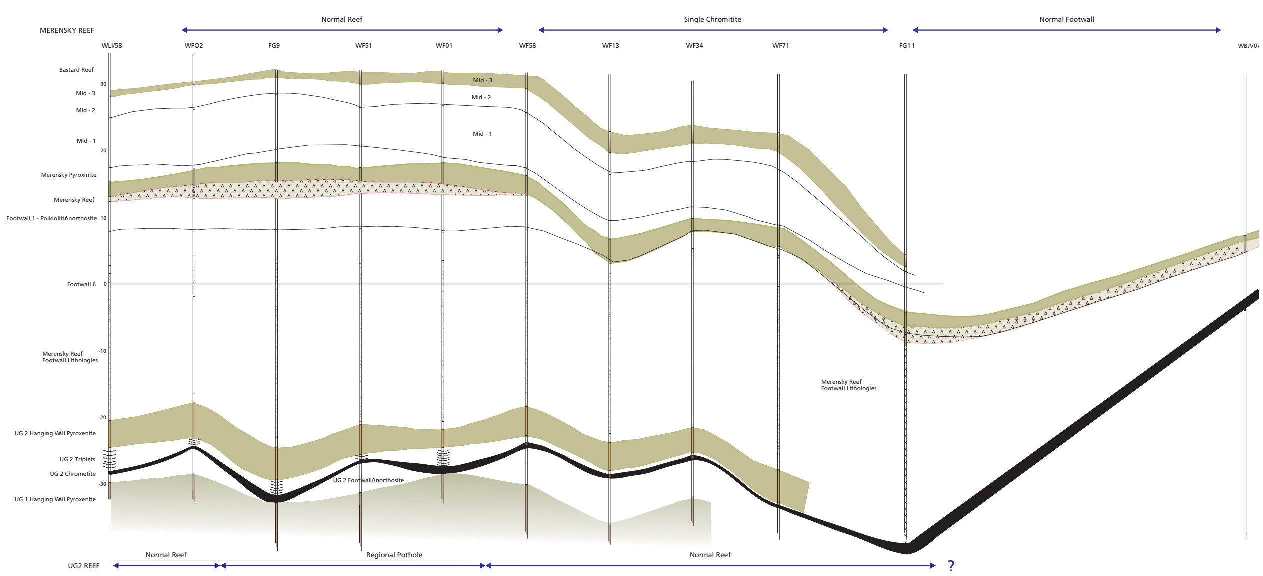


Figure 5: Transgressive nature of the Merensky and UG2 Reefs towards the south west (Note, vertical exaggeration is 20 times horizontal)

– *Structural interpretation*

The structural interpretation of the project as published in previous updates to the Competent Person's Report has been based on borehole data, surface mapping and aeromagnetic data. A three dimensional geoseismic survey (3D Survey) of the prospect was carried out as a joint venture between Anglo Platinum, the Western Bushveld Joint Venture and Wesizwe in 2007. A preliminary interpretation of this data has been completed by Anglo American Technical Division, Geosciences.

The final interpretation of the seismic data has recently been completed and presented by Rock Deformation Research Ltd (RDR). Dr. A. M. Killick has reviewed the field interpretation and it is considered acceptable for the purposes of generating an interim structural model. This preliminary interpretation has now been integrated with the May 2007 structural model (Figure 6).

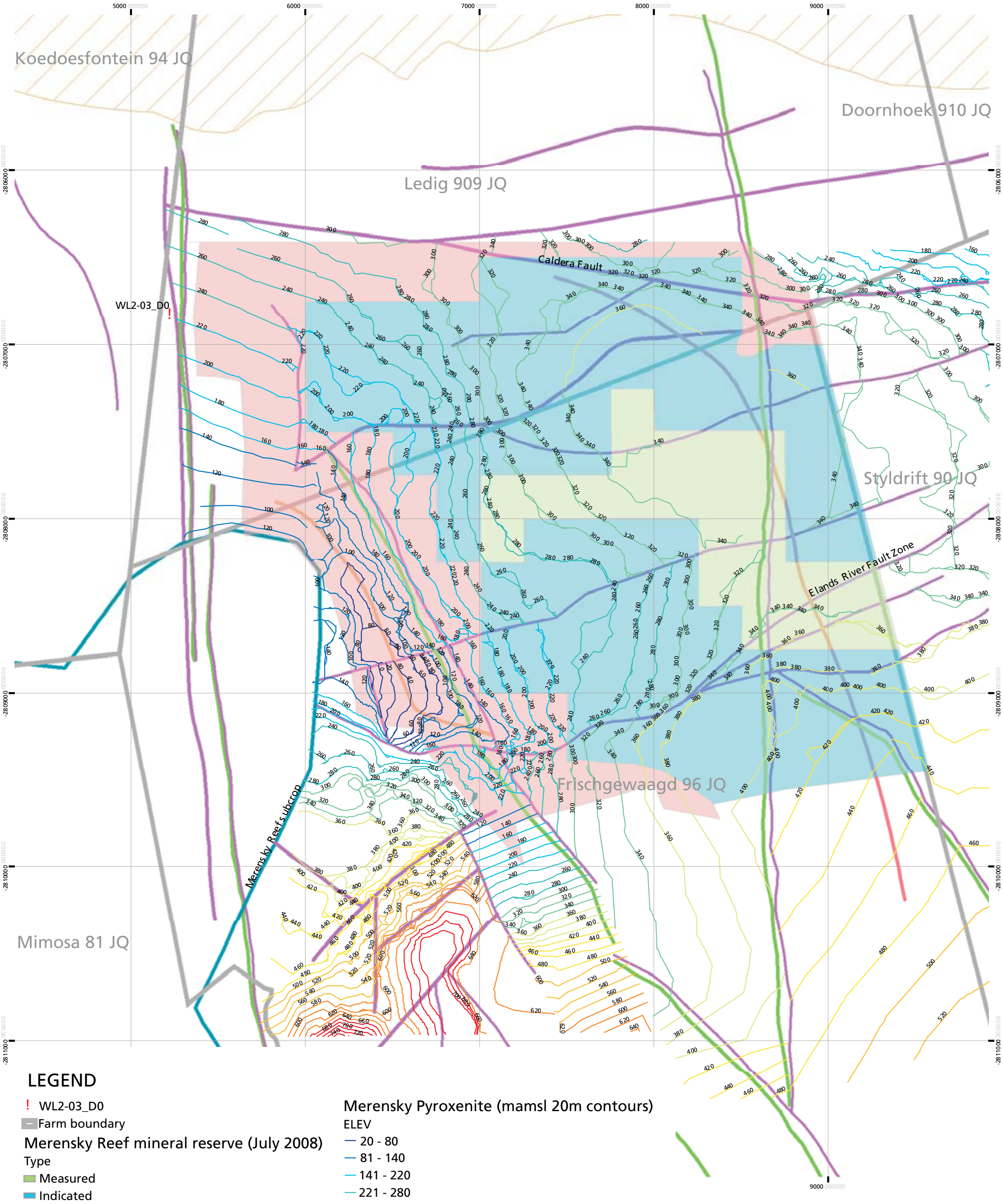
With respect to the Wesizwe core area, the final seismic interpretation has significantly increased confidence in and definition of the earlier structural interpretation without finding any further structural complexity.

The following notes are made with regards to the changes to the structural interpretation as a result of the seismic data:

- No new structures from those found in the field data have been found in the Wesizwe core area as a result of the extra processing and interpretation. Nevertheless, better definition has been achieved and some smaller splays and relay faults have been elucidated;
- Processing of the data had, however, enabled the area of seismic mapping to be extended into the Koedoesfontein and Mimosa areas where the data is of much poorer quality;
- Extrapolation of the seismic mapping has confirmed the existence of a horst-like structure to the west of the north-south fault lying along the Ledig / Koedoesfontein farm boundary;
- The block to the west of this fault, referred to as the Koedoesfontein Horst, has a gentle dip to the south immediately to the west of the fault. The western side to this block is not marked by a fault but a very steep slope down to the onlap with the Transvaal rocks to the west. Dips are expected to be in the range of 40 – 50º;
- On Mimosa, there is a surprising "hill" in the Critical Zone stratigraphy that is not reflected by any structure in the Transvaal basement, the origin of which is unclear;
- The feature to the east of the Koedoesfontein Horst and Mimosa Hill is referred to as the "Syncline" (predicted in the pre-seismic Wesizwe interpretation). However, this structure is also complicated by faults running sub-parallel to its axis. The anticline in the Wesizwe core area has been confirmed but represents a very low amplitude structure;
- Dips in the Wesizwe core area are generally less than 5º. The slopes on the western side of the Koedoesfontein Horst and on the Mimosa Hill exceed 40º;
- The prevailing assumption has been that all dykes would also represent faults in the pre-seismic structural interpretations. The seismic interpretation has not detected displacement across many of the dykes, suggesting that many of the dykes may have no associated displacement or that the apparent vertical displacement is less than 8m;
- The results do not support the existence of extensive normal listric fault fans with high degrees of rotation in the riders in the PTM area; and
- Major faults are generally about 700m apart whereas lesser faults have an average spacing of about 250m.

In conclusion, the final seismic interpretation is believed to have the following resolution characteristics:

- In the area of good seismic data (Wesizwe core area) it is believed that faults with an apparent vertical displacement down to 8m have been identified;
- The lateral position of faults is generally thought to be within 50m of the interpreted position. The position of the Caldera Fault is probably only accurate to within 80m, due to its position on the margin of the survey; and
- The elevation of the reefs within the Wesizwe core area is generally better than 10m. However, in the Mimosa area and distant from borehole control errors in elevation of about 45m can be anticipated.



LEGEND

! WL2-03_D0
Farm boundary

Merensky Reef mineral reserve (July 2008)
Type
- Measured
- Indicated
- Inferred

Structural Interpretation (c/o M Killick Sep '07)
- Dyke,
- Dyke, uncertain
- Fault,
- Fault, major
- Fault, minor
- Fold axis, anticlinal
- Fold axis, synclinal
- Geological unit,

Pilanesberg

Merensky Pyroxenite (mamsl 20m contours)
ELEV
- 20 - 80
- 81 - 140
- 141 - 220
- 221 - 280
- 281 - 340
- 341 - 400
- 401 - 480
- 481 - 560
- 561 - 640
- 641 - 740

Evaluation cuts

For the UG2 Normal and Regional Pothole reefs, and the Merensky Normal Reef, the basal contact has been used as a reference surface from which the cut is evaluated upwards only. In the case of the Merensky Single Chromitite and Normal Footwall reefs, the basal contact of the chromitite layer overlaying the footwall is employed, with cuts calculated above and below. In the case of the Merensky Detached Reef, the top contact of the upper chromitite layer is taken as the reference surface from which the cut is evaluated downwards only.

The cuts are visually composited in Datamine. In addition a minimum cut width of approximately 100 cm, which is considered the minimum 'mining width', is applied. The selected cut width for a hole and its deflections is scrutinised, and if necessary, adjusted to ensure a reasonably consistent thickness is taken within each cluster.

Composite samples for PGE(4) (the accumulated Pt, Pd, Rh and Au), Cu and Ni are weighted by both length and density. Where density values are not available, the sample is length weighted and the density calculated using a regression between PGE(4) and density within the facies.

Tables 1 and 2 contain the evaluation cuts for the Merensky and UG2 Reefs since the 2007 Annual Report until CPR August 2008.

Table 1: Merensky Reef intersection evaluations (interesection widths) from January to August 2008

BHID	LENGTH (m)	SG (t/m^2)	PT (g/t)	PD (g/t)	RH (g/t)	AU (g/t)	3PGE AU (g/t)	CU (%)	NI (%)	Facies
MAIN#_D1	1,58	3,20	4,45	2,50	0,25	0,24	7,44	0,12	0,34	Normal Reef
MAIN#_D2	1,51	3,22	3,59	1,64	0,20	0,31	5,74	0,09	0,27	Normal Reef
VENT#_D1	1,39	3,24	4,33	1,68	0,22	0,35	6,58	0,10	0,27	Normal Reef
VENT#_D4	1,22	3,20	3,38	1,23	0,22	0,15	4,97	0,07	0,20	Normal Reef
WF-27_D0	1,21	3,16	7,43	2,83	0,48	0,33	11,07	0,13	0,37	Normal Reef
WF-27_D2	1,06	3,19	3,04	1,26	0,26	0,22	4,78	0,07	0,20	Normal Reef
WF-27_D3	1,19	3,16	4,29	1,66	0,34	0,52	6,81	0,11	0,38	Normal Reef
WF-40_D0	1,40	3,21	4,27	1,63	0,37	0,22	6,49	0,08	0,23	Normal Reef
WF-40_D1	1,55	3,17	4,10	2,73	0,34	0,27	7,44	0,11	0,35	Normal Reef
WF-40_D2	1,51	3,10	8,86	3,16	0,37	0,42	12,81	0,12	0,41	Normal Reef
WF-41_D0	1,11	3,28	4,02	1,85	0,26	0,24	6,37	0,09	0,22	Normal Reef
WF-41_D1	1,24	3,28	4,49	1,55	0,27	0,22	6,54	0,09	0,22	Normal Reef
WF-41_D2	1,12	3,28	1,65	1,07	0,13	0,17	3,02	0,08	0,19	Normal Reef
WF-44_D0	1,97	3,17	3,69	1,26	0,19	0,24	5,38	0,07	0,22	Normal Reef
WF-44_D1	1,93	3,15	3,15	1,84	0,26	0,25	5,50	0,10	0,30	Normal Reef
WF-44_D2	1,78	3,21	8,93	2,81	0,51	0,40	12,64	0,11	0,32	Normal Reef
WF-47_D0	1,25	3,30	4,72	1,62	0,41	0,24	6,99	0,09	0,20	Normal Reef
WF-47_D1	1,25	3,29	7,01	3,07	0,48	0,40	10,97	0,14	0,31	Normal Reef
WF-47_D2	1,22	3,32	7,62	2,52	0,47	0,32	10,94	0,14	0,30	Normal Reef
WF-48_D0	1,35	3,22	4,99	2,48	0,25	1,04	8,77	0,10	0,27	Normal Reef
WF-48_D2	1,39	3,21	5,96	2,68	0,53	0,22	9,38	0,10	0,36	Normal Reef
WF-48_D3	1,36	3,20	2,64	0,85	0,16	0,14	3,79	0,05	0,20	Normal Reef
WF-52_D0	2,25	3,23	3,29	1,11	0,19	0,14	4,73	0,04	0,18	Normal Reef
WF-52_D1	2,32	3,22	2,05	0,88	0,14	0,13	3,21	0,05	0,20	Normal Reef
WF-52_D2	2,49	3,26	3,23	1,16	0,24	0,29	4,92	0,06	0,20	Normal Reef
WF-53_D0	1,43	3,36	4,96	1,62	0,43	0,18	7,20	0,06	0,20	Normal Reef
WF-53_D1	1,35	3,48	3,80	1,23	0,29	0,13	5,45	0,04	0,17	Normal Reef
WF-53_D2	1,30	3,39	6,35	2,90	0,44	0,24	9,93	0,08	0,22	Normal Reef
WF-54_D0	1,17	3,18	7,70	2,51	0,40	0,26	10,87	-	-	Normal Reef
WF-54_D2	1,08	3,22	3,36	1,32	0,27	0,15	5,10	0,05	0,27	Normal Reef
WF-54_D3	1,09	3,22	5,32	2,23	0,37	0,50	8,43	0,05	0,27	Normal Reef
WF-57_D0	1,71	3,20	6,62	2,36	0,39	0,28	9,66	0,09	0,24	Normal Reef
WF-57_D1	1,69	3,22	3,76	1,67	0,35	0,30	6,09	0,10	0,29	Normal Reef
WF-57_D2	1,83	3,15	1,77	0,90	0,12	0,10	2,89	0,05	0,17	Normal Reef

Figure 6: Structural plan based on the 3D Survey

Table 1: Merensky Reef intersection evaluations (intersection widths) from January to August 2008 *(continued)*

BHID	LENGTH (m)	SG (t/m^2)	PT (g/t)	PD (g/t)	RH (g/t)	AU (g/t)	3PGE AU (g/t)	CU (%)	NI (%)	Facies
WF-86_D0	1,91	3,19	2,30	1,03	0,16	0,08	3,57	0,02	0,22	Normal Reef
WF-86_D1	1,79	3,20	4,09	2,05	0,24	0,26	6,64	0,10	0,40	Normal Reef
WF-97_D0	1,06	3,16	3,31	1,69	0,18	0,26	5,43	0,08	0,23	Normal Reef
WF-97_D2	1,07	3,23	6,11	2,41	0,41	0,43	9,36	0,10	0,26	Normal Reef
WF-97_D3	1,12	3,18	4,45	2,02	0,29	0,25	7,02	0,09	0,28	Normal Reef
WFA-01_D0	1,80	3,22	2,99	1,45	0,23	0,32	4,99	0,12	0,26	Normal Reef
WFA-01_D1	1,74	3,29	2,97	1,07	0,11	0,31	4,46	0,17	0,30	Normal Reef
WFA-01_D2	1,93	3,27	3,06	1,44	0,20	0,22	4,93	0,07	0,22	Normal Reef
WFA-03_D0	1,42	3,26	3,24	1,48	0,29	0,22	5,23	0,07	0,17	Normal Reef
WFA-03_D1	1,36	3,34	4,35	2,28	0,36	0,22	7,22	0,04	0,19	Normal Reef
WFA-03_D2	1,47	3,28	4,04	1,74	0,22	0,32	6,32	0,04	0,19	Normal Reef
WFA-12_D0	0,96	3,20	6,04	1,44	0,55	0,07	8,10	0,01	0,06	Normal Reef
WFA-12_D1	1,55	3,26	5,75	2,37	0,41	0,38	8,92	0,06	0,18	Normal Reef
WFA-12_D3	1,99	3,19	5,23	2,02	0,38	0,22	7,84	0,08	0,23	Normal Reef
WFA-16_D0	1,34	3,31	3,38	1,48	0,25	0,22	5,34	0,10	0,27	Normal Reef
WFA-16_D2	1,37	3,25	3,76	1,74	0,32	0,23	6,05	0,13	0,30	Normal Reef
WFA-16_D4	1,44	3,20	2,89	1,32	0,15	0,33	4,69	0,11	0,25	Normal Reef
WFA-26_D0	0,96	3,31	4,67	1,76	0,32	0,25	7,01	0,12	0,31	Normal Reef
WFA-26_D2	1,12	3,24	3,13	1,34	0,25	0,23	4,96	0,09	0,25	Normal Reef
WFA-26_D3	1,15	3,36	4,45	1,72	0,22	0,26	6,65	0,06	0,22	Normal Reef
WFA-28_D1	2,42	3,30	2,45	1,06	0,14	0,18	3,84	0,06	0,18	Normal Reef
WFA-28_D2	2,70	3,22	3,26	1,35	0,15	0,21	4,96	0,06	0,19	Normal Reef
WFA-28_D3	2,59	3,15	2,98	1,11	0,20	0,15	4,43	0,04	0,13	Normal Reef
WFA-31_D0	1,55	3,26	4,72	1,94	0,27	0,22	7,15	0,08	0,20	Normal Reef
WFA-31_D1	1,44	3,29	3,79	1,33	0,24	0,16	5,52	0,07	0,16	Normal Reef
WFA-31_D3	1,28	3,35	2,45	0,86	0,22	0,14	3,67	0,06	0,15	Normal Reef
WL1-10_D0	1,25	3,13	11,00	4,18	0,39	0,36	15,93	0,11	0,30	Normal Reef
WL1-10_D2	1,35	3,13	4,10	1,95	0,31	0,31	6,67	0,09	0,29	Normal Reef
WL1-10_D3	1,36	3,14	5,35	2,30	0,37	0,47	8,50	0,12	0,31	Normal Reef
WL1-21_D0	1,05	3,16	1,17	0,81	0,09	0,26	2,33	0,06	0,15	Normal Reef
WL1-21_D1	1,07	3,25	4,11	1,68	0,13	0,27	6,19	0,10	0,22	Normal Reef
WL1-21_D3	1,11	3,23	1,31	0,52	0,08	0,12	2,04	0,06	0,16	Normal Reef
WL1-43_D0	1,39	3,21	2,83	1,11	0,16	0,19	4,30	0,09	0,20	Normal Reef
WL1-43_D2	1,43	3,21	2,89	1,00	0,25	0,18	4,31	0,08	0,20	Normal Reef
WL1-43_D3	1,49	3,28	4,67	1,70	0,24	0,25	6,86	0,13	0,26	Normal Reef
WF-17_D0	1,15	3,09	2,10	0,93	0,15	0,16	3,34	0,06	0,18	Single Chromitite
WF-17_D2	1,02	3,07	2,08	0,85	0,18	0,09	3,21	0,04	0,13	Single Chromitite
WF-32_D0	1,25	3,17	3,38	1,25	0,29	0,17	5,09	0,15	0,23	Single Chromitite
WF-32_D1	1,15	3,24	2,96	1,15	0,20	0,23	4,54	0,12	0,19	Single Chromitite
WF-32_D2	1,15	3,22	2,56	0,89	0,14	0,19	3,79	0,12	0,16	Single Chromitite
WF-35_D4	1,16	3,06	3,09	1,48	0,24	0,10	4,91	0,07	0,13	Single Chromitite
WF-38_D0	1,15	2,99	2,63	1,15	0,20	0,21	4,20	0,06	0,14	Single Chromitite
WF-66_D0	1,76	3,07	5,90	2,19	0,50	0,27	8,87	0,05	0,17	Single Chromitite
WF-66_D1	1,53	2,99	4,53	1,78	0,52	0,15	6,98	0,03	0,13	Single Chromitite
WF-66_D2	1,70	3,02	4,44	1,71	0,52	0,18	6,85	0,03	0,14	Single Chromitite
WF-73_D0	2,51	2,98	5,51	2,12	0,23	0,36	8,22	0,10	0,19	Single Chromitite

Table 1: Merensky Reef intersection evaluations (intersection widths) from January to August 2008 *(continued)*

BHID	LENGTH (m)	SG (t/m^2)	PT (g/t)	PD (g/t)	RH (g/t)	AU (g/t)	3PGE AU (g/t)	CU (%)	NI (%)	Facies
WF-73_D1	2,52	3,02	5,17	2,45	0,30	0,44	8,36	0,13	0,26	Single Chromitite
WF-73_D2	1,91	3,00	3,52	1,36	0,19	0,30	5,37	0,08	0,17	Single Chromitite
WF-92_D0	1,15	2,90	6,44	2,49	0,50	0,45	9,88	0,05	0,22	Single Chromitite
WF-93_D0	1,60	2,92	2,15	0,82	0,16	0,13	3,26	0,05	0,09	Single Chromitite
WF-93_D1	1,75	2,90	3,47	1,22	0,22	0,27	5,18	0,06	0,12	Single Chromitite
WF-93_D2	1,36	2,97	2,71	1,24	0,23	0,18	4,37	0,07	0,15	Single Chromitite
WF-95_D0	0,95	2,94	7,59	3,83	0,57	0,65	12,64	0,13	0,33	Single Chromitite
WF-95_D2	1,15	2,95	7,65	3,08	0,59	0,42	11,74	0,11	0,26	Single Chromitite
WF-95_D4	1,15	2,93	5,20	2,51	0,34	0,47	8,51	0,12	0,31	Single Chromitite
WFA-23_D1	1,19	3,69	2,43	0,52	0,06	0,04	3,05	0,02	0,07	Single Chromitite
WFA-23_D2	1,26	3,65	0,70	0,58	0,08	0,05	1,40	0,03	0,08	Single Chromitite
WL1-37_D0	1,27	3,27	3,30	1,04	0,17	0,17	4,68	0,06	0,16	Detached
WL1-37_D1	1,33	3,31	4,27	1,27	0,22	0,31	6,07	0,09	0,20	Detached
WL2-10_D0	1,53	3,25	3,75	1,61	0,26	0,16	5,78	0,05	0,16	Detached
WL2-10_D1	1,58	3,25	2,88	1,14	0,23	0,13	4,39	0,05	0,16	Detached
WL2-10_D2	1,12	3,29	5,57	1,77	0,21	0,22	7,76	0,07	0,23	Detached
WL2-11_D3	1,42	3,25	6,82	2,55	0,39	0,22	9,98	0,14	0,28	Detached
WL2-52_D0	0,99	3,24	5,15	1,61	0,40	0,20	7,36	0,07	0,17	Detached
WL2-52_D1	1,22	3,28	4,73	1,66	0,34	0,31	7,03	0,12	0,25	Detached
WL2-52_D3	1,23	3,26	4,38	1,67	0,44	0,24	6,74	0,08	0,20	Detached
WL2-57_D0	1,16	3,27	3,85	1,08	0,23	0,15	5,30	0,07	0,18	Detached
WL2-57_D1	1,26	3,35	2,41	1,17	0,11	0,18	3,87	0,07	0,18	Detached
WL2-57_D2	1,37	3,21	3,76	1,57	0,18	0,29	5,80	0,08	0,20	Detached
WL2-60_D0	1,12	3,19	4,51	1,58	0,43	0,25	6,76	0,09	0,27	Detached
WL2-60_D3	1,52	3,21	3,84	1,32	0,31	0,20	5,66	0,08	0,25	Detached
WL2-60_D4	1,08	3,22	2,55	1,04	0,18	0,12	3,89	0,06	0,21	Detached
WF-77_D0	0,98	3,11	3,62	1,56	0,21	0,28	5,67	0,09	0,23	Normal Footwall
WF-77_D1	9,75	3,12	1,24	0,55	0,07	0,12	1,98	0,05	0,12	Normal Footwall
WF-77_D2	1,12	3,11	2,92	1,35	0,16	0,24	4,68	0,08	0,22	Normal Footwall

Table 2: UG2 Reef intersection evaluations (intersection widths) from January to August 2008

BOREHOLE	LENGTH (m)	SG (t/m^2)	PT (g/t)	PD (g/t)	RH (g/t)	AU (g/t)	3PGE AU (g/t)	CU (%)	NI (%)	Facies
MAIN#_D1	1,100	3,919	3,123	1,400	0,442	0,024	4,989	0,010	0,103	Normal Footwall
MAIN#_D2	1,090	4,026	4,246	1,813	0,565	0,037	6,661	0,013	0,125	Normal Footwall
WFA-20_D3	1,870	3,754	2,536	1,464	0,305	0,027	4,332	0,012	0,115	Normal Footwall
WFA-26_D0	0,840	4,009	3,314	1,175	0,398	0,030	4,917	0,010	0,135	Normal Footwall
WFA-26_D2	1,130	4,075	3,683	1,834	0,575	0,026	6,118	0,012	0,145	Normal Footwall
WFA-31_D0	1,220	3,462	1,247	0,408	0,165	0,010	1,830	0,010	0,095	Normal Footwall
WFA-31_D1	1,180	3,539	1,680	0,638	0,232	0,013	2,564	0,010	0,102	Normal Footwall
WFA-31_D3	1,110	3,543	1,599	0,628	0,207	0,020	2,453	0,014	0,108	Normal Footwall
WF-17_D0	2,730	3,709	2,027	1,049	0,349	0,020	3,444	0,002	0,125	Normal Footwall
WF-17_D2	1,900	3,772	2,031	0,923	0,395	0,000	3,348	0,002	0,111	Normal Footwall
WF-17_D3	2,690	3,799	2,202	1,471	0,405	0,041	4,119	0,003	0,138	Normal Footwall
WF-20_D5	1,800	3,665	2,213	0,958	0,328	0,016	3,515	0,008	0,121	Normal Footwall

Table 2: UG2 Reef intersection evaluations (intersection widths) from January to August 2008 *(continued)*

BOREHOLE	LENGTH (m)	SG (t/m^2)	PT (g/t)	PD (g/t)	RH (g/t)	AU (g/t)	3PGE AU (g/t)	CU (%)	NI (%)	Facies
WF-27_D0	1,410	3,820	3,084	1,260	0,613	0,018	4,974	0,007	0,124	Normal Footwall
WF-27_D2	1,560	3,967	3,209	1,993	0,649	0,047	5,899	0,009	0,130	Normal Footwall
WF-27_D3	1,380	3,862	3,035	1,391	0,509	0,031	4,967	0,007	0,127	Normal Footwall
WF-28_D1	1,920	3,761	1,827	1,063	0,332	0,026	3,247	0,008	0,116	Normal Footwall
WF-28_D2	1,280	3,755	2,585	1,443	0,453	0,014	4,494	0,006	0,111	Normal Footwall
WF-35_D4	0,870	3,943	3,406	0,913	0,533	0,007	4,859	0,005	0,107	Normal Footwall
WF-40_D0	1,150	3,861	2,926	1,177	0,505	0,014	4,621	0,001	0,121	Normal Footwall
WF-40_D1	1,180	3,761	2,693	2,967	0,392	0,053	6,106	0,002	0,121	Normal Footwall
WF-40_D2	1,220	3,801	2,518	1,273	0,392	0,020	4,203	0,001	0,120	Normal Footwall
WF-41_D0	1,410	3,964	3,059	1,715	0,570	0,036	5,379	0,009	0,127	Normal Footwall
WF-41_D1	1,420	3,915	2,906	1,162	0,546	0,023	4,638	0,009	0,124	Normal Footwall
WF-41_D2	1,210	4,009	2,647	2,259	0,516	0,043	5,465	0,008	0,131	Normal Footwall
WF-47_D0	2,180	3,982	5,535	3,011	0,852	0,055	9,453	0,016	0,126	Normal Footwall
WF-47_D1	2,350	3,748	2,085	0,801	0,342	0,017	3,245	0,007	0,108	Normal Footwall
WF-47_D2	2,240	3,645	1,906	0,781	0,274	0,017	2,977	0,007	0,105	Normal Footwall
WF-73_D0	1,720	3,716	2,280	0,936	0,357	0,013	3,586	0,005	0,101	Normal Footwall
WF-73_D1	1,360	3,772	2,549	0,896	0,394	0,013	3,853	0,006	0,103	Normal Footwall
WF-73_D2	1,390	3,601	2,223	0,704	0,296	0,014	3,236	0,005	0,091	Normal Footwall
WF-93_D0	1,350	3,868	3,990	2,271	1,024	0,070	7,355	0,013	0,128	Normal Footwall
WF-93_D1	1,380	3,911	2,870	1,714	0,689	0,049	5,321	0,013	0,129	Normal Footwall
WF-93_D2	1,040	3,782	2,618	1,962	0,464	0,068	5,112	0,008	0,117	Normal Footwall
WF-94_D0	1,180	3,628	1,860	0,530	0,332	0,004	2,726	0,008	0,102	Normal Footwall
WF-94_D2	1,560	3,646	1,975	0,788	0,392	0,007	3,163	0,008	0,098	Normal Footwall
WF-94_D3	1,000	3,908	2,781	0,833	0,541	0,005	4,160	0,009	0,124	Normal Footwall
WF-95_D0	1,100	3,985	3,256	1,951	0,612	0,008	5,827	0,001	0,133	Normal Footwall
WF-95_D2	1,000	4,120	3,225	2,116	0,584	0,031	5,956	0,001	0,155	Normal Footwall
WF-95_D5	1,030	3,667	1,496	0,459	0,168	0,000	2,123	0,001	0,108	Normal Footwall
WL1-25_D2	1,390	3,776	2,517	0,994	0,476	0,006	3,993	0,008	0,118	Normal Footwall
WL1-25_D3	1,490	3,818	2,483	1,173	0,507	0,014	4,177	0,007	0,122	Normal Footwall
WL1-43_D0	1,070	3,842	3,409	1,544	0,436	0,016	5,405	0,005	0,110	Normal Footwall
WL1-43_D2	1,200	3,755	2,464	0,778	0,329	0,005	3,576	0,005	0,104	Normal Footwall
WL1-43_D3	1,020	3,911	2,751	1,221	0,304	0,008	4,285	0,005	0,108	Normal Footwall
WL1-46_D0	1,420	3,875	3,252	1,546	0,638	0,022	5,458	0,013	0,149	Normal Footwall
WL1-46_D1	1,900	3,648	3,272	1,457	0,645	0,021	5,395	0,011	0,132	Normal Footwall
WL1-46_D3	1,440	3,566	2,461	1,448	0,449	0,027	4,384	0,009	0,129	Normal Footwall
WFA-12_D0	1,390	3,893	2,731	0,939	0,412	0,022	4,104	0,017	0,098	Regional Pothole
WFA-12_D1	1,280	3,976	3,610	1,314	0,519	0,020	5,462	0,017	0,100	Regional Pothole
WFA-12_D3	1,880	3,721	1,855	0,912	0,242	0,017	3,026	0,019	0,101	Regional Pothole
WFA-18_D0	1,980	3,755	1,999	1,480	0,384	0,004	3,867	0,011	0,104	Regional Pothole
WFA-18_D3	1,630	3,798	2,855	0,921	0,414	0,009	4,199	0,010	0,120	Regional Pothole
WFA-28_D1	1,760	4,154	2,779	1,310	0,496	0,017	4,603	0,008	0,136	Regional Pothole
WFA-28_D2	1,110	4,013	2,501	1,011	0,536	0,021	4,068	0,007	0,132	Regional Pothole
WFA-28_D3	1,220	4,045	3,553	1,431	0,586	0,007	5,577	0,008	0,134	Regional Pothole
WF-48_D0	2,440	3,670	2,778	1,010	0,538	0,007	4,334	0,005	0,092	Regional Pothole
WF-48_D2	2,450	3,533	3,053	1,293	0,598	0,011	4,954	0,004	0,087	Regional Pothole
WF-48_D3	2,280	3,605	1,376	0,615	0,221	0,018	2,230	0,005	0,093	Regional Pothole

Table 2: UG2 Reef intersection evaluations (intersection widths) from January to August 2008 *(continued)*

BOREHOLE	LENGTH (m)	SG (t/m²)	PT (g/t)	PD (g/t)	RH (g/t)	AU (g/t)	3PGE AU (g/t)	CU (%)	NI (%)	Facies
WF-52_D0	1,400	3,870	2,637	1,166	0,417	0,028	4,247	0,007	0,108	Regional Pothole
WF-52_D1	1,030	3,936	2,583	1,018	0,360	0,020	3,981	0,007	0,110	Regional Pothole
WF-52_D2	1,500	4,263	4,727	2,242	0,834	0,034	7,836	0,011	0,137	Regional Pothole
WF-63_D0	1,920	3,745	2,445	0,926	0,372	0,012	3,755	0,008	0,099	Regional Pothole
WF-63_D1	1,990	3,903	3,504	2,461	0,482	0,056	6,503	0,013	0,110	Regional Pothole
WF-63_D2	1,840	3,877	3,261	1,371	0,584	0,013	5,229	0,012	0,094	Regional Pothole
WF-66_D0	1,350	3,812	2,551	1,653	0,523	0,034	4,761	0,006	0,144	Regional Pothole
WF-66_D1	1,830	3,487	4,813	1,633	1,115	0,008	7,569	0,002	0,105	Regional Pothole
WF-66_D2	2,050	3,389	3,241	1,324	0,710	0,001	5,277	0,002	0,111	Regional Pothole
WF-76_D5	1,160	4,158	3,373	1,470	0,531	0,037	5,410	0,021	0,133	Regional Pothole
WF-77_D0	2,340	3,920	3,282	1,624	0,611	0,046	5,563	0,018	0,143	Regional Pothole
WF-77_D1	2,600	3,968	4,360	2,750	0,849	0,078	8,037	0,011	0,133	Regional Pothole
WF-77_D2	2,530	3,945	3,091	1,530	0,654	0,031	5,305	0,018	0,147	Regional Pothole
WF-97_D0	2,450	3,909	2,133	1,057	0,343	0,016	3,549	0,006	0,121	Regional Pothole
WL1-10_D0	2,030	3,701	2,244	0,875	0,437	0,004	3,559	0,006	0,114	Regional Pothole
WL1-10_D2	1,880	3,670	2,719	1,709	0,496	0,006	4,930	0,004	0,109	Regional Pothole
WL1-10_D3	2,860	3,480	2,423	1,206	0,491	0,008	4,127	0,006	0,105	Regional Pothole
WL1-13_D0	1,040	3,419	4,197	1,085	0,838	0,004	6,125	0,006	0,083	Regional Pothole
WL1-13_D2	1,560	3,807	3,392	1,218	0,604	0,006	5,219	0,007	0,115	Regional Pothole
WL1-21_D0	1,440	3,829	2,525	0,951	0,382	0,001	3,859	0,007	0,104	Regional Pothole
WL1-21_D1	1,260	3,716	2,520	0,978	0,355	0,000	3,853	0,006	0,096	Regional Pothole
WL1-21_D3	1,680	3,674	2,393	0,840	0,340	0,008	3,581	0,005	0,094	Regional Pothole
WL1-37_D0	2,380	3,853	2,860	1,309	0,416	0,014	4,599	0,010	0,109	Regional Pothole
WL1-37_D1	2,540	3,746	2,584	1,281	0,339	0,014	4,219	0,008	0,100	Regional Pothole
WL1-37_D2	2,430	3,781	3,247	1,177	0,448	0,012	4,884	0,009	0,108	Regional Pothole
WL2-10_D0	2,190	3,755	1,539	0,661	0,277	0,008	2,486	0,009	0,114	Regional Pothole
WL2-10_D1	2,610	3,713	1,804	0,959	0,278	0,023	3,064	0,012	0,117	Regional Pothole
WL2-10_D2	2,600	3,836	2,884	1,466	0,546	0,013	4,909	0,011	0,123	Regional Pothole
WL2-11_D0	1,000	3,490	0,951	0,405	0,124	0,003	1,483	0,019	0,076	Regional Pothole
WL2-11_D2	1,670	3,458	0,913	0,327	0,145	0,000	1,385	0,003	0,081	Regional Pothole
WL2-57_D1	1,000	4,129	3,071	1,626	0,603	0,012	5,313	0,008	0,140	Regional Pothole
WL2-57_D2	1,160	4,012	3,126	1,274	0,560	0,014	4,973	0,010	0,137	Regional Pothole
WL2-60_D0	1,070	3,833	2,438	1,116	0,253	0,000	3,807	0,009	0,132	Regional Pothole
WL2-60_D3	1,180	3,379	1,822	0,898	0,281	0,000	3,001	0,006	0,073	Regional Pothole
WL2-60_D4	1,210	3,407	2,141	1,097	0,280	0,000	3,517	0,009	0,083	Regional Pothole

Assay quality control and assurance

Core samples were submitted to SGS Lakefield for chemical analysis. Quality assurance procedures are in place with adequate protocols to ensure quality control.

Maxwell Geoservices (Pty) Ltd (Maxwell) provide a database warehousing and data analysis service to Wesizwe, through which an analysis of the analytical Quality Assurance and Quality Control (QA/QC) is compiled upon each batch of analytical results. The Mineral Corporation has verified Maxwell's observations and has performed an independent analysis of the QC data and is satisfied that they meet the Competent Person requirements.

Included in the assay batches are Certified Reference Materials (CRM), which the Wesizwe field team submits as part of the quality control programme which will appear to the analytical laboratories as unknown samples in the normal sample stream. The number of new samples assayed in the batches discussed is 4 540 with the total number of samples in the sampling stream now totaling 18 621. Certified Reference Materials submitted as "Blinds" (i.e. samples submitted to the analytical laboratory within the sample stream, with sample numbers unrelated to their CRM status) comprise approximately 8% of the total samples submitted for the entire exploration programme. The analytical results from these materials are compared to their certified values and the certified allowable deviations from the accepted concentrations for Pt, Pd, Rh, Au, Cu and Ni. The resulting data is used to estimate both accuracy and precision.

Materials that have been shown to have concentrations of the assayed elements below their lower detection limits for the analytical procedures employed are submitted as "Blanks". The data obtained gives an indication of possible contamination prior to and/or during sample processing. The data obtained from Blanks submitted by Wesizwe and employed internally by the laboratories has been examined and is discussed below.

In the updated August 2008 CPR, the appointed Competent Person found that the levels of precision and accuracy were acceptable and could be employed for Mineral Resource estimation.

Mineral resources

The data obtained by Wesizwe allows for a geostatistical evaluation of the majority of the project area. Ordinary kriging has been applied for the estimation within the Merensky Normal, Single Chrome and Detached Facies and the UG2 Normal and Regional Pothole Facies. Where there is a paucity of data such that there is insufficient data to meet the criteria for kriging, de-clustered means are used for estimation. In the Merensky Normal-Footwall Facies, only de-clustered means are used.

Table 3 contains the average grades, widths and specific gravities estimated for the various reef types. The variables estimated are:

- PGE(4) g/m^2 Vertical Intersection Width x PGE(4) grade x SG
- $Tonne/m^2$ Vertical Intersection Width x SG
- Width Vertical Intersection Width
- $Cu\%/m^2$ Vertical Intersection Width x Cu grade x SG
- $Ni\%/m^2$ Vertical Intersection Width x Ni grade x SG

Table 3: Average Merensky and UG2 results from the datamine model

Parameter	Normal	Single Chromitite	Normal Footwall	Detached	Normal UG2	Regional Pothole UG2
PGE(4) grade (g/t)	6,12	4,80	6,98	5,75	4,56	4,38
Average width (m)	1,52	1,44	1,74	1,27	1,30	1,60
Average SG (t/m^3)	3,16	3,11	3,15	3,24	3,81	3,75
Pt Grade (g/t)	3,93	3,10	4,64	3,86	2,77	2,62
Pd Grade (g/t)	1,66	1,28	1,88	1,43	1,29	1,28
Rh Grade (g/t)	0,28	0,23	0,25	0,26	0,48	0,43
Au Grade (g/t)	0,24	0,19	0,21	0,19	0,02	0,05
Cu Grade (%)	0,08	0,06	0,03	0,07	–	–
Ni Grade (%)	0,25	0,15	0,10	0,20	0,12	0,12
Pt % of Precious Metals	64,30%	64,6%	66,6%	67,1%	60,6%	59,9%
Pd % of Precious Metals	27,1%	26,6%	26,9%	24,9%	28,4%	29,1%
Rh % of Precious Metals	4,6%	4,7%	3,5%	4,6%	10,6%	9,8%
Au % of Precious Metals	4,0%	4,1%	3,0%	3,4%	0,5%	1,2%

** Based on de-clustered averages*

Figures 7 and 8 contain the borehole positions for the Merensky and UG2 Reef evaluations, respectively. Also displayed in these figures are the PGE(4) contents in terms of g/m^2 for each borehole cluster.

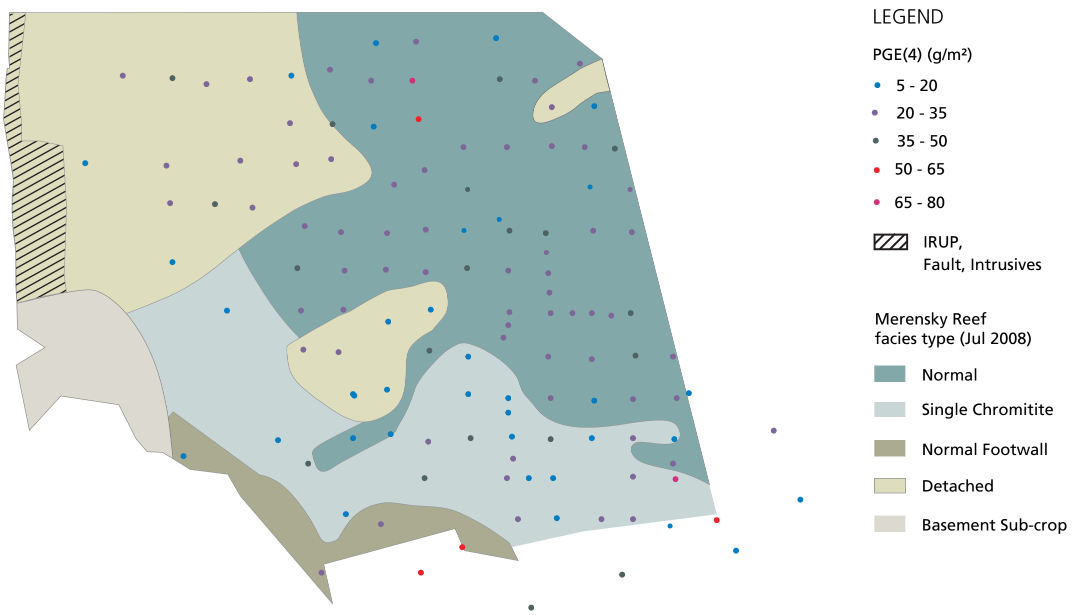


Figure 7: Average Merensky Reef PGE(4) gm^2 values in boreholes

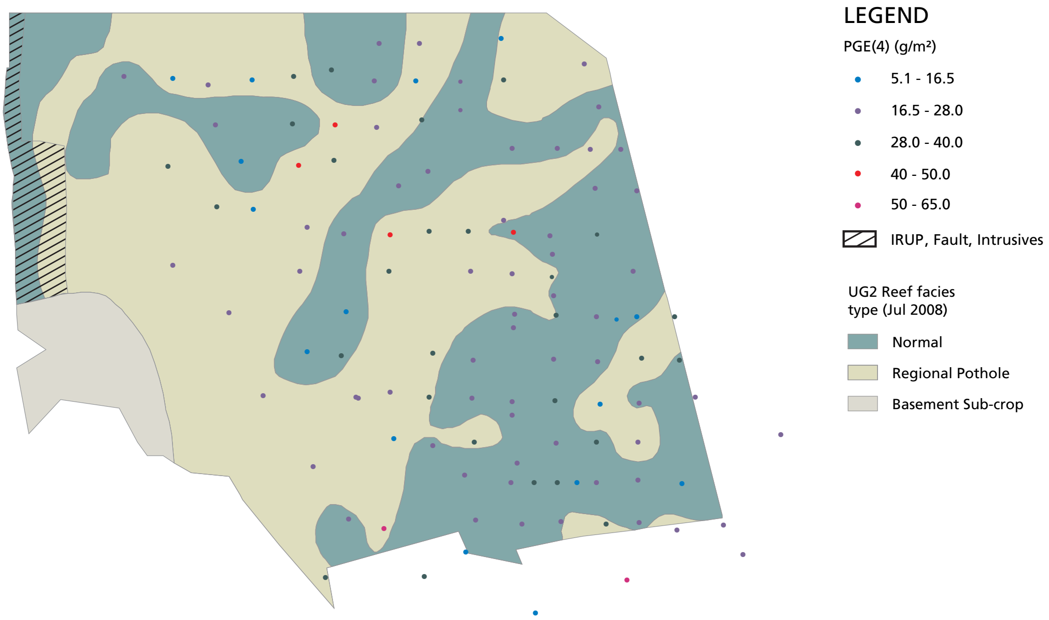


Figure 8: Average UG2 Reef PGE(4) gm^2 values

Geological losses

A percentage geological loss has been applied to the tonnage estimate for each block. The geological loss is estimated by considering the geological losses encountered while drilling as a percentage of the completed holes. The percentage of geological losses encountered due to drilling is below 20% in both the Merensky and UG2. However, based on the experience of The Mineral Corporation in dealing with other Merensky Reef and UG2 Reef projects in this area, a minimum geological loss of 25% is applied to the Merensky Reef and 27,5% to the UG2 Reef.

Mineral Resource estimates

The estimated Mineral Resources for the various classifications, reef types and farm areas are contained in Tables 4 to 6. It should be noted that for Frischgewaagd portions 4, 3 and 11, Wesizwe has an additional 13% mineral ownership through its ownership of Africa Wide; 26% participants in the Western Bushveld Joint Venture.

Table 4: Mineral Resource estimate per reef type and classification

Reef Type	Classification	Tonnage Resource Mt	PGE(4) g/t	Pt g/t	Pd g/t	Rh g/t	Au g/t	Cu %	Ni %	Width m	SG t/m^3
Merensky	**Measured**	5,142	6,20	3,98	1,68	0,29	0,25	0,08	0,25	1,52	3,17
	Normal	5,142	6,20	3,98	1,68	0,29	0,25	0,08	0,25	1,52	3,17
	Indicated	19,937	5,82	3,79	1,54	0,27	0,22	0,08	0,21	1,48	3,15
	Detached	4,939	5,97	4,01	1,49	0,27	0,20	0,07	0,21	1,29	3,23
	Normal	9,654	6,09	3,92	1,65	0,28	0,24	0,08	0,25	1,54	3,16
	Single Chromitite	5,344	5,19	3,36	1,38	0,24	0,21	0,07	0,16	1,54	3,05
	Inferred	10,937	5,42	3,59	1,41	0,24	0,19	0,06	0,17	1,35	3,23
	Detached	4,858	5,53	3,72	1,38	0,25	0,19	0,07	0,20	1,25	3,26
	Normal	1,017	5,96	3,83	1,62	0,28	0,24	0,08	0,25	1,42	3,17
	Normal Footwall	1,916	6,98	4,64	1,88	0,25	0,21	0,03	0,10	1,74	3,15
	Single Chromitite	3,147	4,13	2,67	1,10	0,19	0,17	0,05	0,13	1,26	3,26
UG2	**Indicated**	24,788	4,63	2,79	1,33	0,47	0,04	–	0,12	1,44	3,75
	Normal	13,165	4,58	2,78	1,30	0,48	0,02	–	0,12	1,31	3,81
	Regional Pothole	11,624	4,68	2,81	1,36	0,46	0,06	–	0,12	1,58	3,69
	Inferred	17,652	4,20	2,52	1,22	0,42	0,05	–	0,12	1,55	3,82
	Normal	3,233	4,49	2,72	1,27	0,47	0,02	–	0,13	1,25	3,86
	Regional Pothole	14,419	4,14	2,48	1,20	0,40	0,05	–	0,11	1,62	3,81

Table 5: Mineral Resource estimate for PGE(4) ounces with classification

Classification	Reef Type	PGE(4) ozs (M)	Pt ozs (M)	Pd ozs (M)	Rh ozs (M)	Au ozs (M)	Cu Tonne (M)	Ni Tonne (M)
Measured								
	Merensky	1,025	0,659	0,278	0,047	0,041	0,004	0,013
Indicated								
	Merensky	3,730	2,428	0,986	0,173	0,143	0,015	0,043
	UG2	3,690	2,224	1,060	0,376	0,031	–	0,031
Inferred								
	Merensky	1,907	1,262	0,495	0,083	0,066	0,007	0,018
	UG2	2,385	1,431	0,691	0,237	0,026	–	0,021

Table 6: Mineral Resource estimates with attributable PGE(4) ounces

Farm	Reef Type	Classification	Tonnage Mt	PGE(4) g/t	PGE(4) Moz	Attributable %	Attributable ozs	Width m	SG t/m^3
Frischgewaagd 1			0,593	3,77	0,072	100%	0,072		
	Merensky		0,243	3,20	0,025			1,09	3,28
		Indicated	0,025	5,65	0,005			1,34	3,14
		Inferred	0,218	2,91	0,020			1,06	3,30
	UG2		0,350	4,17	0,047			1,40	3,80
		Indicated	0,023	3,75	0,003			1,21	3,71
		Inferred	0,327	4,20	0,044			1,41	3,81
Frischgewaagd 11			36,831	5,25	6,221	63%	3,919		
	Merensky		17,348	5,90	3,292				
		Indicated	11,381	5,69	2,080			1,50	3,11
		Inferred	1,497	6,20	0,298			1,53	3,12
		Measured	4,469	6,36	0,914			1,48	3,17
	UG2		19,484	4,67	2,928				
		Indicated	17,049	4,69	2,568			1,45	3,73
		Inferred	2,434	4,60	0,360			1,52	3,77
Frischgewaagd 3			0,424	3,64	0,050				
	Merensky		0,165	2,96	0,016	63%	0,010		
		Indicated	0,048	3,38	0,005			1,25	3,29
		Inferred	0,117	2,79	0,011			1,14	3,21
	UG2		0,259	4,08	0,034				
		Inferred	0,259	4,08	0,034			1,64	3,72
Frischgewaagd 4			15,907	4,61	2,359	63%	1,486		
	Merensky		7,068	5,17	1,175				
		Indicated	2,022	5,19	0,338			1,52	3,19
		Inferred	4,372	5,17	0,727			1,40	3,19
		Measured	0,674	5,11	0,111			1,74	3,22
	UG2		8,839	4,17	1,184				
		Indicated	1,802	4,09	0,237			1,52	3,60
		Inferred	7,037	4,19	0,948			1,61	3,85
Ledig 1			14,469	4,88	2,269	100%	2,269		
	Merensky		6,323	5,82	1,184				
		Indicated	2,436	6,28	0,492			1,31	3,21
		Inferred	3,887	5,54	0,692			1,25	3,27
	UG2		8,146	4,14	1,085				
		Indicated	1,355	4,58	0,199			1,28	3,71
		Inferred	6,791	4,06	0,886			1,52	3,75
Ledig 2			10,233	5,37	1,765	100%	1,765		
	Merensky		4,870	6,19	0,969				
		Indicated	4,024	6,26	0,810			1,50	3,16
		Inferred	0,846	5,84	0,159			1,41	3,14
	UG2		5,363	4,62	0,796				
		Indicated	4,560	4,66	0,684			1,43	3,75
		Inferred	0,803	4,37	0,113			1,46	3,64
Grand total			**78,457**	**5,05**	**12,736**		**9,522**		

Note:
- *Attributable pre-acquisition of 37% participation interest and mineral rights from Anglo Platinum*
- *Wesizwe's attribution post transaction will be 100%*

The total Mineral Resources in terms of tonnage and contained metal have reduced to 78,457 million tonnes and containing 12,736 Moz since the 2007 Annual Report (81,006 million tons and 13,491 Moz) and are explained as follows:

- The average PGE(4) grade has reduced from 5,18 g/t to 5,05g/t. This has the effect of reducing the overall contained metal by 0,339 Moz of PGE(4).
- The mineral resource footprint for both the Merensky and UG2 Reefs has reduced from 1 614 ha to 1 546 ha due to a loss of ground in the western portion of the Detached Merensky Reef area adjacent to the western boundary of the mineral resource area. This has been necessary as a significant portion of the boreholes drilled into this area have intersected IRUP and/or faults. Minor changes to average widths has also occurred. The combined net effect of these changes has resulted in the reduction of estimated tonnage by 2,459 million tonnes and the contained PGE(4) metal by 0,416 Moz.

In addition to the core Wesizwe project which is refered to as Project 2, Wesizwe Platinum through its 100% owned subsidiary Africa Wide owns a 26% interest of the Western Bushveld Joint Venture (WBJV). Platinum Group Metals, (RSA) (Pty) Ltd owns 37% of the WBJV and is the manager. WBJV manages two projects namely Project 1 and 3. The respective resource statements of the projects are listed below.

Measured Mineral Resource (4E)			Cut-off (cm,g/t)	Million Tonnes (Mt)	Grade 4E (g/t)	Mining Width (m)	Tonnes PGE(4)	Moz PGEs (4)
Project 1 MR			300	5,491	7,94	1,08	43,599	1,402
Project 1 UG2			300	6,539	3,91	1,41	25,568	0,822
Total Measured			300	12,030	5,75	1,26	69,173	2,224
Prill Splits	**Pt**	**Pt (g/t)**	**Pd**	**Pd (g/t)**	**Rh**	**Rh (g/t)**	**Au**	**Au (g/t)**
Project 1 MR	64%	5,08	27%	2,14	4%	0,318	5%	0,398
Project 1 UG2	63%	2,46	26%	1,02	10%	0,39	1%	0,04
Indicated Mineral Resource (4E)			**Cut-off (cm,g/t)**	**Million Tonnes (Mt)**	**Grade 4E (g/t)**	**Mining Width (m)**	**Tonnes PGE(4)**	**Moz PGEs (4)**
Project 1 MR			300	10,814	7,75	1,09	83,809	2,695
Project 1 UG2			300	17,464	4,13	1,34	72,126	2,319
Total Indicated			300	28,278	5,51	1,24	155,812	5,010
Prill Splits	**Pt**	**Pt (g/t)**	**Pd**	**Pd (g/t)**	**Rh**	**Rh (g/t)**	**Au**	**Au (g/t)**
Project 1 MR	64%	4,96	27%	2,09	4%	0,31	5%	0,39
Project 1 UG2	63%	2,60	26%	1,08	10%	0,41	1%	0,04
Inferred Mineral Resource (4E)			**Cut-off (cm,g/t)**	**Million Tonnes (Mt)**	**Grade 4E (g/t)**	**Mining Width (m)**	**Tonnes PGE(4)**	**Moz PGEs (4)**
Project 1 MR			300	0,217	7,95	0,93	1,725	0,055
Project 1 UG2			300	2,311	4,47	1,34	10,330	0,332
Project 1A MR			300	1,871	6,48	1,15	12,124	0,390
Project 1A UG2			300	2,973	5,00	1,57	14,865	0,478
Total inferred			300	7,372	5,30	1,37	39,072	1,256
Prill Splits	**Pt**	**Pt (g/t)**	**Pd**	**Pd (g/t)**	**Rh**	**Rh (g/t)**	**Au**	**Au (g/t)**
Project 1 MR	64%	5,09	27%	2,15	4%	0,32	5%	0,40
Project 1 UG2	63%	2,82	26%	1,16	10%	0,45	1%	0,04
Project 1A MR	64%	4,15	27%	1,75	4%	0,26	5%	0,32
Project 1A UG2	63%	3,15	26%	1,30	10%	0,50	1%	0,05

Project 3

	Cut-off (cm g/t)	Million Tonnes	Grade g/t (4E)	Potential mining width (metre)	Tonnes PGM(4E)	Million ounces PGM (4E)
Project 3 MR (1)	100	4 040	6,26	112	25 307	0,814
Project 3 UG2 (2)	100	6 129	5,51	122	3 781	1 086
Total inferred	100	10 169	5,81		59 088	1 900

Prill splits	Pg	Pt g/t	Pd	Pd g/t	Rh	Rh g/t	Au	Au g/t
Project 3 MR (1)	64%	4,01	27%	1,69	4%	0,25	5%	0,31
Project 3 UG2 (2)	62%	3,42	28%	1,54	9%	0,50	1%	0,06

A summary of the two tables is shown below.

	Measured			Indicated			Measured		
	Million Tonnes	Grade 4E (g/t)	Moz PGE (4)	Million Tonnes	Grade 4E (g/t)	Moz PGE (4)	Million Tonnes	Grade 4E (g/t)	Moz PGE (4)
Project 1	12,03	5,75	2,224	28 278	5,51	5,010	7 372	5,01	1,256
Project 3	0			0			10 169	5,01	1,900
Total	12,03	5,75	2,224	28 278	5,510	5,01	17 541	5,01	3,156

The attributed resouces to Wesizwe through Africa Wide 2,7014 Moz PGE (4E).

Other exploration

Groblersdal project

This project is located on the Groblersdal extension of the eastern limb of the Bushveld Complex. The prospecting permit lease area includes various portions of the following farms: Grootkop 185 JS, Doornpoort 171 JS, Buffelsvlei 170 JS, Rooikraal 188 JS, Diepkloof 186 JS, Roodewal 193 JS and Nicolton 192 JS. Exploration was focused on Roodewal and Buffelsvlei with the main target horizon being the UG2 chromitite layer, downdip from known occurrences.

Three boreholes were drilled in total and no traces of the UG2 were found. Two holes were drilled on Roodewal with deflections in lithologies that showed mineralisation. Both holes intersected Transvaal basement prematurely which indicates a basement high with no UG2 development. The third borehole was drilled further to the north on Buffelsvlei. This hole intersected faulted ground and progressed from the Main Zone into basement without any UG2.

This project has been abandoned and closure will be applied for at the Department of Minerals and Energy (DME).

Ga Rankuwa project

This project is located on the eastern extremity of the western limb of the Bushveld Complex. The prospecting permit lease area includes various portions of the following farms: Oskraal 248 JQ, Kameelfontein 257 JR and Sjambok Zijn Oude Kraal (SZOK) 258 JR.

One borehole, WGR 2 was drilled on SZOK to test the geological model created for this area. The borehole was successful in that both the Merensky and the UG2 Reef were intersected. These reefs are unfortunately poorly developed and poorly mineralised.

The excessive depth of the target horizons and its low PGE content precludes Wesizwe from doing any further exploration. This project has thus been suspended and permit closure is being applied for from the DME.

SUSTAINABLE DEVELOPMENT

Wesizwe establishes and maintains stature as an ethical company and also ensures compliance with the internationally accepted AA 1000 stakeholder engagement standards (AA 1000 SES) based on the principles of knowing, understanding and responding to stakeholders' material concerns.

OUR APPROACH TO SUSTAINABLE DEVELOPMENT

At Wesizwe Platinum Limited (Wesizwe), we share the commonly accepted view that a balance must be found between economic growth, social development and environmental protection. We also believe that sustainable development should contribute not only to stable communities but also to long term business success. This calls for strategic planning and responsible action to minimise negative social and environmental impacts as well as timeous response to societal concerns. Our approach to the Frischgewaagd-Ledig project, which demonstrates this balance between social and environmental factors and economic considerations, highlights our understanding that sustainable development is a key business driver and very much part of our operating strategy.

Given that corporate governance is the foundation on which the three pillars of sustainable development stand, we have established a governance framework which is modified and improved as necessary as we develop. This framework is underpinned by our code of ethics based on the principles of integrity, efficiency, responsibility, transparency and accountability. More information can be found in our Corporate Governance Report on pages 50 to 54.

An Environmental Impact Assessment (EIA), Environmental Management Plan (EMP) and associated Social Impact Assessment (SIA) were conducted to examine impacts of the Frischgewaagd-Ledig project in terms of the environment and of nearby individuals, communities and other stakeholders. The evaluation of the possible impacts and benefits on both the natural and social environment was conducted in terms of the different stages of the proposed project: namely construction, operation and decommissioning phases. Impacts and benefits were then evaluated according to their status, durability, reversibility, spatial extent, severity, certainty and significance.

The EMP includes methods and techniques that the mine will employ to minimise the negative impacts and enhance the positive effects of the project, as well as to promote the interests of local communities. Already Wesizwe is translating this EMP into action, monitoring programmes and initiating social engagement processes.

In our sustainability reporting, we have agreed to work towards incorporating the guidelines of the Global Reporting Initiative (GRI) into our non-financial reporting processes. As a young mining company that has recently completed the exploration stage, we recognise that we still have some way to travel in this regard, but we remain committed to continuous improvement in developing our reporting processes based on this internationally recognised standard.

We welcome feedback from all our stakeholders on our sustainability reporting. Please email your comments to enquiries@wesizwe.com.

THE SUSTAINABLE BUSINESS CYCLE OF THE FRISCHGEWAAGD-LEDIG PROJECT

EXPLORATION PROCESS

Two reefs, the Merensky Reef and the UG2, will be mined for platinum, palladium, rhodium and gold, with copper and nickel as by-products. Wesizwe will produce 230,000 tonnes per month (tpm) with a total run of mine (ROM) production of 2,76 million tonnes of ore per annum, producing some 350,000 ounces of platinum, palladium, rhodium and gold in concentrate at full production.

Elements of the EMP are already being implemented before start of construction and production.

MITIGATION OF EXPLORATION IMPACTS

The potential impact of dissolved hydrocarbons contained in the drilling effluent (by-product of drilling grease) was bio-remediated in situ by use of environmentally friendly products.

Every drill site completed has been successfully rehabilitated according to the EMP closure requirements and audited by an independent concern, Synergistics Environmental Services (Pty) Ltd.

A tailings facility will be built on the nearby Mimosa farm four years after the start of construction.

A shaft complex for mining the ore will consist of two vertical shafts, the main shaft and the ventilation shaft.

The mining method will be a combination of conventional breast mining and mechanised mining of the two platinum reefs. Mining layout allows flexibility to overcome unforeseen geological conditions.

PROJECT TIMELINE

- Site establishment – second quarter 2009.
- Pre-sink construction activities – last quarter 2009.
- Construction phase complete – first quarter 2014 to 2018.
- Production build-up – from first quarter 2014 to third quarter 2018. 2043 – 2048 - decommissioning phase.

Planning has taken the end of the life of the mine into account – buildings, for example, will be converted into classrooms. The footprint of the area of impact will be kept as small as possible. The final land use upon closure will be determined through collaborative discussion that involves all stakeholders.

COMPLIANCE TIMELINE

- Environmental Management Plan (EMP) completed May 2008.
- Environmental Impact Assessment (EIA) completed May 2008.
- Social and Labour Plan (SLP) submitted to the Department of Minerals and Energy (DME) August 2008.
- Bankable Feasibility Study (BFS) completed in March 2008, a year ahead of schedule. The financial results of the study confirmed that the project is commercially viable with an Internal Rate of Return (IRR) of 18% and a Net Present Value (NPV) of R9,5 billion. In addition, all third party reviews by independent consultants confirm that there are no major technical risks associated with the proposed designs.

Smelting and refining will be conducted by a third party and will take place off site.

INPUTS

WATER FROM MAGALIES WATER BOARD

Anticipated volume of water is 23,593 megalitres (ML) per day, of which 16,285 ML will be in permanent circulation or recycled. The balance will be provided by the Magalies Water Board.

ENERGY FROM ESKOM

Eskom has supplied 2 megawatts (MW) for the construction phase and the power line for this supply has already been brought to site. Permanent power supply is contracted with Eskom for supply in June 2010.

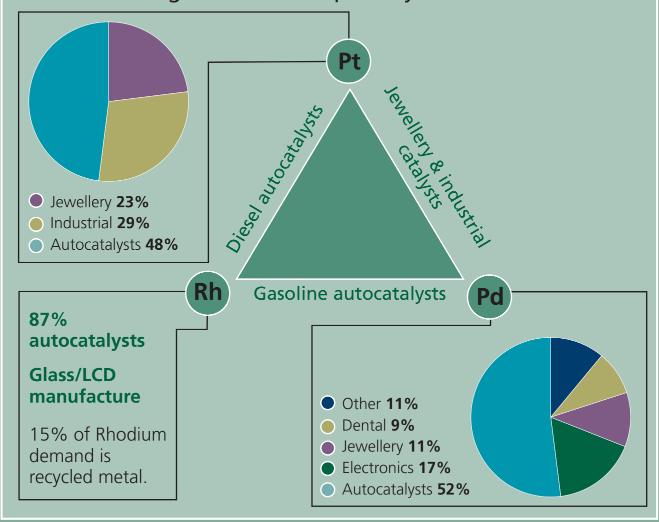
LABOUR

Labour required during construction will vary between 600 and 1 400 people. Labour force requirements at full production will be 3 300 people. Safety is a top priority, as is health. We are planning to implement the ISO 14001 and OHSAS 18001 standards.

END PRODUCT

Platinum Group Metals (PGMs) are primarily used in autocatalysts and jewellery, and are also used in chemical, electrical, electronic, glass and petroleum industries and medical applications.

The PGM triangle: the uses of primary PGMs



Source: SFA Oxford

MITIGATION OF OPERATIONAL IMPACTS

AIR – no smelter on site, therefore no related gaseous emissions. Greenhouse gases will, however, be produced by the diesel fleet and any temporary generators used on site. Fall-out dust, PM10, SO2 and NO2 monitoring programmes are being implemented.

WASTE MATERIAL

- The waste rock quantities are very low and will be disposed of on rock dump adjacent to the mine site.
- Tailings from the concentrator plant will be directed to the tailings storage facility planned for Mimosa.
- All domestic and industrial waste will be collected at appropriately designated areas on site, sorted and removed by a registered contractor to be disposed of at an approved landfill site.

HAZARDOUS MATERIALS – will be collected and disposed of by a registered waste carrier and disposed of at a registered site and a certificate for the disposal will be supplied to the mine.

LAND USE AND BIODIVERSITY – soils will be stripped, stockpiled, stablised and monitored to ensure that they can be used for future rehabilitation of the disturbed sites. They will be replaced on disturbed areas during the decommissioning phase. Rehabilitation will take place on an ongoing basis.

NOISE AND VIBRATIONS

- The crushing plant has been placed underground as part of the mine design.
- If necessary, noise attenuation barriers will be constructed.
- Safety equipment to mitigate against noise will be provided for mine employees.
- Strict blasting protocols are in place for the initial earthworks and pre-sink phase.
- Underground blasting will not produce vibrations that will affect manmade structures.

Best practice standards will be adopted as a minimum, but innovative new solutions will be sought on an ongoing basis.

MATERIAL SUSTAINABILITY ISSUES

We have identified a number of material issues which could potentially impact on our sustainability as a business. We see these issues not only as risks that must be managed, but as opportunities to improve our triple bottom line performance.

ECONOMIC		Page reference
Difficulty accessing finance due to current global economic crisis	In November 2008, we announced that the construction phase of our first mining project would not be delayed, as this would be detrimental to shareholder value, but that the project had been split into smaller contracts for which capital would be raised as required. This modular approach will allow us to incrementally lower the financial risk over successive stages of construction, which will facilitate capital raising. It will also allow for Wesizwe's debt to be broken up into small tranches to maintain liquidity and ensure that the project can continue.	6 – 8
Volatile platinum price (which dropped from a high of US$2 000/oz at beginning of 2008 to US$922/oz at year end)	The Bankable Feasibility Study, completed in March 2008, used a platinum price of US$1,125/oz as a base. Medium to long term platinum price projections average US$1,300/oz to US$1,500/oz. Demand-side projections indicate peaking demand in 2018, the year that Wesizwe will achieve steady state production. We will have a further advantage over other new mines in that our reefs are relatively shallow, at 650 metres.	8
Quality of ore	Our attributable resource base is estimated to be 9,52 million ounces, with a total resource base of 12,74 million ounces. Anticipated head grade ore quality is considered to be one of the highest in the industry as is the PGM basket. The ore body is thick, flat and structurally stable, which means mining will be easier and more cost effective. The thicker reefs result in less dilution of the ore, and less waste rock will be mined through on reef development of the UG2.	8 14 – 17
Power shortages	Temporary power supply of 2MW is already available on site – sufficient to cover pre-sink activity. Shaft sinking will require 10MW of power. Eskom has committed to infrastructure to support the project's development by the third quarter of 2009.	Not detailed elsewhere
Lack of contractor capacity in the mining industry	The Murray & Roberts Cementation team was included on the BFS team to provide continuity and ensure that the design engineers, project managers and shaft sinking contractors would be aligned on critical issues such as costs and schedules. This helped to reduce the level of project risk. Murray & Roberts Cementation was selected specifically on the basis of their work at Impala 20 Shaft, an almost identical configuration to the shaft intended for Wesizwe's Frischgewaagd-Ledig project. TWP were appointed as designer engineers and project managers. This is virtually the identical team that successfully built Impala 20 Shaft on time and on budget.	Not detailed elsewhere

SOCIAL		Page reference
Stakeholder concerns	We take a structured and consultative approach to stakeholder engagement. The largest stakeholder in the mine is the Bakubung-Ba-Ratheo community and as their sustainable development is underpinned by the development of our mine, we have established the structures to operate effectively on a partnership basis.	38
Skills development	A high level of knowledge and skills is required to realise our strategy and related goals. We have a proactive internal and external skills development programme in place to support our human capital requirements. We also invest in initiatives to deepen the skills pool in the sector as a whole.	41 – 42
ENVIRONMENTAL		
Environmental liabilities	We will continue to minimise our impact on the natural environment by adhering to regulatory requirements, adopting industry best practice in environmental management and by finding better ways of doing things, exemplified by our use of environmentally friendly products to biodegrade drilling effluent produced in the exploration process.	32 – 33
Preparation for construction	The EMP commitments have already been unpacked for the design and construction phases and have been incorporated into the contracts with the early works contractors. The monitoring programmes to which we committed have been developed and have been put out to tender. Fallout dust monitoring has already been implemented. All legal and other commitments are in process of being incorporated into an integrated SHEC database.	32 – 33

MESSAGE FROM MANAGEMENT

We are not just building a mine, but building a community, with a sustainable future that extends well beyond the life of the mine.

At Wesizwe, sustainable development is integral to the way we do business. We focus on enhancing shareholder value by continuously improving technology and processes through innovation, while creating meaningful employment in safe, healthy environments and promoting eco-efficiency to reduce our environmental footprint.

Our approach to sustainable development incorporates the harnessing of revenues made by exploiting a depleting resource through mining, and reinvesting these revenues in sustainable economic activities such as tourism, agriculture and infrastructure development. This forms the basis of the Bakubung-Ba-Ratheo community's (the community's) economic development imperative, which is underpinned by the commercial success of the mine.

Mining is classified as a high impact activity in sustainable development terms, and we are mindful of our responsibilities which cover areas such as compensation for affected grazing rights, environmental impacts, community liaison structures and health and safety management systems. We are confident we have satisfied the requirements set out by the International Finance Corporation, the World Bank and the Equator Principles, a series of global benchmarks for managing environmental and social issues responsibly.

We share international concerns about the impact of climate change and in 2008, participated in the Carbon Disclosure Project, even though we are not yet operational. We acknowledge the need for compiling a greenhouse gas inventory of our emissions profile going forward, and will proactively seek to minimise the risks and maximise the opportunities inherent in climate change.

The mining industry has been at the core of the South African economy for over a century and it continues to reflect historic imbalances, which broad-based black economic empowerment seeks to redress. We recognise that transformation is not a static concept, but is about building a sustainable business compatible with all stakeholders. Wesizwe establishes and maintains stature as an ethical Company, and also ensures compliance with the internationally accepted AA 1000 stakeholder engagement standards (AA 1000 SES) based on the principles of knowing, understanding and responding to stakeholders' material concerns.

Our aim is to develop Wesizwe Platinum as an open, empowered Company in which citizens of all races can progress and realise their full potential. We are in the process of establishing an internal transformation scorecard to assist us to make measurable progress toward this objective.

Establishing a mutually respectful relationship with the Bakubung Traditional Council (the Traditional Council) and community is fundamental to our reputation and our licence to operate. Through our stakeholder engagement strategy, we initiate open, two-way dialogue that seeks to build an understanding of and solutions to issues of mutual concern to the Company and our stakeholders. We involve the community every step of the way, consulting on and discussing matters in structured meetings and open informal interaction. The issues we have covered in our engagement with the community are detailed on pages 38 – 39 of this report.

Our employees have a central role to play in shaping our business culture and our future. As with our community partners, we continue to engage with our employees as partners in our business. To facilitate this interaction we plan to establish a Future Forum for management and workers in accordance with the stipulations of the Mineral and Petroleum Resources Development Act, 2002, (Act No 28 of 2002) (MPRDA).

"We received, with great appreciation, your presentation for the Platinum Centre. I personally want to congratulate you, especially Mr Mike Solomon and the entire team, for the passion and commitment with which you are pursuing this venture. The support, participation and benefit of affected communities is something we consider crucial to our support for any initiative." – Darkey Africa (MEC: Economic Development and Tourism) 13 October 2008.

We are not just building a mine, but developing a community, with a sustainable future that extends well beyond the life of the mine – and beyond our core business. Ensuring that the land and infrastructure needed for mining are concurrently developed to serve post-mine use is fundamental to our approach and has informed our decision to use our property, infrastructure and assets to complement and supplement the tourism industry in the area rather than compete with it.

The tourism sector is an integral part of South Africa's development and a major contributor to the local economy of the area surrounding the mine. Our vision is to establish a world-class Platinum Centre close to Sun City which will provide an educational resource for local residents and an interactive experience for visitors to the area (this is dependent on the participants on this project raising capital from donors). Wesizwe is the lead partner on the project, which enjoys the support of the Bakubung-Ba-Ratheo Traditional Council, Johnson Matthey plc, Invest North West, North West Province, Sun International, Wilson Bayley Holmes Ovcon (WBHO) and the University of the Witwatersrand. The project has also been endorsed by Mr Darkey Africa, MEC for the Department of Economic Development and Tourism.

Subsequent to year end, Sun City, Legacy Resorts and the North West Eco-forum, a non-governmental organisation, gave notice of their intention to appeal the positive environmental authorisation issued for the Frischgewaagd-Ledig project by North West Department of Agriculture, Conservation and the Environment (NWDACE). We will continue to engage with these parties in the same consultative spirit in which we work with the local community, to understand their objections.

Businesses around the world are asking tough questions about sustainability in the face of the current global economic crisis. It is in times like these that the importance of agility and innovation is heightened. Some examples which demonstrate that Wesizwe has these attributes include:

- The innovative reverse engineering strategy that allowed us to complete the Bankable Feasibility Study one year ahead of schedule; and
- The agility shown in keeping the R5,6 billion Frischgewaagd-Ledig project on track by splitting it into smaller contracts for which capital will be raised as required.

I am confident our agility, flexibility and willingness to engage with our stakeholders will continue to underpin our strategic approach to responsible corporate citizenship, and hence the sustainability of our business.

Kgomotso Tshaka
Executive Sustainable Futures

Ledig beneficiaries – bricklaying and carpentry project

Surface Rights Resolution 13 September 2008 Community meeting in Ledig, Bakubung traditional office

STAKEHOLDER ENGAGEMENT

We are mindful of the fact that our mining project has a finite life span and that the community in the area is, effectively, our host. To ensure that the Frischgewaagd-Ledig project and our other projects contributes to sustainable development, we recognise that they must enhance local human and social capital.

Wesizwe's reputational capital with the Bakubung community is enhanced through our responsiveness to stakeholders' material concerns. We follow a structured stakeholder engagement process (SEP) to determine issues and concerns and establish an effective working relationship with communities and authorities. We have put in place a strategy focused on the following:

- Complaints and suggestions scheme which provides an effective two-way communication channel between the community and Wesizwe;
- Wesizwe Mining Committee, established as a consultation forum to discuss with community leadership the mutual impact that the mine and communities have on each other and ways to leverage benefits and mitigate risks;
- Regular meetings with the Traditional Council to address matters arising;
- Planned quarterly community meetings and Wesizwe News, a monthly newsletter, to create broad-based awareness and understanding of the progress of the mining project, provide feedback to the community and promote open, constructive dialogue; and
- Application of the Wesizwe Engagement Protocol to create clarity with regard to roles and responsibilities in managing relationships with community stakeholders.

We introduced the SEP in April 2007 with a site visit to the area surrounding the mine and the identification of stakeholders. A database of key interested and affected parties (I&APs) was compiled, identifying relevant authorities, non-governmental and community based organisations, local interest groups, local tourism agencies, tribal structures, as well as the private sector and general public.

Key stakeholders were informed of the project through newspaper advertisements, posters, invitation letters, radio announcements and a widely distributed non-technical document that provided detailed, understandable information regarding the locality and extent of the proposed project, a description of the project, as well as the stakeholder engagement process. A comment and registration sheet was included as part of the Background Information Document (BID). This provided I&APs with an opportunity to raise any issues, comments and concerns regarding the proposed project, and to register as I&APs. The document was translated from English into Setswana, IsiZulu and Afrikaans, to ensure full understanding of the information provided.

Interaction with key stakeholders included public meetings, focus groups and further consultation involving one-on-one discussions and feedback sessions. Minutes were taken at all meetings and the issues and concerns raised were incorporated into an Issues and Response Report (IRR). The main concerns raised and our strategies to avoid, mitigate or manage these are summarised in the table below:

CONCERNS	RESPONSE
Impact of the mine on tourism in the area The nearby Pilanesberg National Park (PNP), encapsulated within the remnants of an ancient volcano, hosts a large bio-diversity that includes the Big Five. The PNP is a major drawcard to tourism in the province with several large leisure resorts on its borders frequented by international tourists. The famous million dollar golf challenge is hosted by Sun City which lies approximately 6 km north west of the mine site. Concerns were raised about the potential impact that the mine concentrator plant would have on tourism in the area. These issues are related to visual impacts, affects on bio-diversity, increased traffic, the proliferation of informal settlements and noise.	The EIA undertook a thorough study of these specific issues and concluded that: • Despite increased urbanisation and the development of new mine shaft complexes in the greater area, growth in tourism in the Pilansberg has been 24% per annum over the last ten years. • The proposed mine is far enough away not to impact on tourist facilities. • The mine will not be visible from the major tourist resorts. It will, however, be visible along the major routes through the Ledig area. Wesizwe will, as far as is possible and reasonable, screen the operation from sensitive receptors. • The air quality and noise assessments concluded that neither the resorts nor the PNP will be affected. • Bio-diversity within the PNP will not be affected. • The small increase in traffic on the major routes will be mitigated by specifically designed intersections at the mine entrance. • A commitment to the establishment of an environmental forum with key affected stakeholders was also made in the EMP. • In addition, although not contained in the EIA/EMP, Wesizwe plans to promote local tourism through the development of a Platinum Centre, described on page 38 of this report.

<table>
<tr><th>CONCERNS</th><th>RESPONSE</th></tr>
<tr><td>Air quality impacts
The air quality in the area of Rustenburg, approximately 18 km south of the site, has over the years been negatively impacted by the cumulative effects of mining and industrial processes combined with poor farming practices, urbanisation, wood and coal burning, and veld fires. Significant strides have been made in improving industrial emissions with the result that the air quality in the area has significantly improved.

The SEP process identified specifically the tailings storage facility on Mimosa as a potential contributor of emissions to the atmosphere; this concern being all the greater as a result of the increasing shortage of water experienced in the area due rapid growth, both urban and mining.</td><td>Air quality in the Ledig area is already compromised because of numerous unpaved roads, a lack of ground cover in yards, the use of wood and coal in homes and veld fires. The potential impacts of the proposed Wesizwe mine, concentrator and tailings storage facility on air quality were investigated. Potential sources of emissions, dust, PM10, SO_2 and NO_2 were identified, quantified and the potential area of impact modelled. The latter elements are likely to be insignificant. Mitigation measures were developed to avoid, reduce and manage residual impacts for fallout dust and PM10 emissions.

• In the early mine design stages, the ore crushing plant was designed to be underground to mitigate both dust emission and to reduce potential noise impacts on surface.
• All mine and plant roads will be surfaced.
• Water or dust suppressants will be used where necessary.
• The disposal options for the tailings storage facility will be investigated during the detailed design phase with specific focus on the use of water and energy throughout the lifecycle of the facility, with the intention of effectively managing dust emissions and facilitating simultaneous rehabilitation.

The air quality monitoring programme currently being implemented will provide feedback on the success of the air quality impact and management strategy.</td></tr>
<tr><td>Water related impacts
Although the majority of households have stand pipes in their yards, the supply of water to the area is erratic and totally unreliable and little progress had been achieved in resolving the issue.</td><td>Wesizwe reported last year on our initiatives to help alleviate the problems with water in the local community by providing 30 water tanks at points within the affected areas. We continue to replenish water in these tanks on a daily basis and have initiated the Ledig Water Supply project to provide a reliable permanent supply of water to the community (see page 42).</td></tr>
<tr><td>Traffic related impacts</td><td>• An estimated additional 330 vehicles per week will be directly attributable to the mine.
• Highly visible traffic signage will indicate the presence of heavy vehicle traffic.
• Mine and contractor vehicles will be prevented from overloading.
• Wherever possible, deliveries will be scheduled outside peak traffic times.</td></tr>
<tr><td>Influx of jobseekers</td><td>Our aim is to stipulate the use of local labour as far as possible and to provide training for local residents to develop the required skills levels.</td></tr>
<tr><td>Pressure on housing infrastructure leading to development of informal settlements</td><td>We will work closely with the Rustenburg Local Municipality, the Moses Kotane Local Municipality and the Traditional Council to prevent the development of informal settlements. People wishing to live in the area will first have to apply to the relevant local authorities for land on which to build. In addition, we are investigating alternative forms of accommodation.

While the main shaft sinking contractor will provide their own construction camp during construction, it will be established, managed and audited according to pre-determined standards.</td></tr>
<tr><td>Environmental management</td><td>Extensively detailed in accordance with the Equator Principles and International Finance Corporation guidelines (see page 48 of this report).</td></tr>
</table>

ECONOMIC DIMENSION

The proposed mine will have a favourable economic impact on the local and regional economy, especially through the local community's shareholding in the mine and the various development trusts that have been established. Currently, unemployment in the area is 58,2%. Additionally, 43,5% of households have a monthly income of R212 per person and 21,2% of people have no income (Wesizwe Social Health Survey 2007).

Economic benefits will include:

- Direct employment
  The labour required during the construction phase is estimated to vary between 600 and 1 400 people. Labour force requirements at full production will be approximately 3 300 people.
- Indirect employment
  A higher rate of employment in the community and the presence of other workers will promote demand for goods and services which is expected to support the development of small and medium enterprises (SMEs).

The negative impacts of retrenchments at the end of the life of the mine have been provided for in the Social and Labour Plan.

Applying a leveraged community economic development model

This model is a key feature of Wesizwe's corporate design and provides for a sustainable community economic development programme premised on leveraging the community's mineral resource asset. This model allows for:

- The creation of a significant balance sheet for the community underpinned by a liquid and growing asset;
- Diversification of the underlying investment in Wesizwe into non-mining assets to provide for sustainability as well as to reduce risk; and
- Bringing forward by a decade the economic benefits for the community which would otherwise only have materialised in 2018.

This was achieved by:

- Involving the community at corporate level rather than at project level – the latter being the convention in mining projects. The community were given 33% of Wesizwe Platinum Limited in return for certain mineral rights which belonged to the community at the time of signing the Shareholders' Agreement between the company and the community in December 2005. The community now owns 24,54% following dilution as a result of successive capital raising required to develop the company's assets.
- Introducing the community to financial advisers to ensure their assets are managed professionally. This gives the community ownership and discretion over their asset, an important aspect of sustainability, and means that the community is not solely dependent on Wesizwe for its economic benefit and sustainable future.

SOCIAL DIMENSION

Local social and economic development

The purpose of the Mineral and Petroleum Resources Development Act, 2002, (Act No 28 of 2002) (MPRDA) is in the main to transform the mining and production industries. To ensure effective transformation, the Act requires the submission of a Social and Labour Plan (SLP) as a prerequisite for granting mining rights. The SLP requires applicants to develop and implement comprehensive human resources development programmes including employment equity plans, local economic development programmes, as well as processes to save jobs and manage downscaling and closure.

Wesizwe's social investment programme is structured according to the requirements of the SLP and is based on the findings of the extensive social impact assessment survey undertaken in conjunction with the EIA process. In terms of the plan, our spending over five years is expected to total R23,5 million. The SLP is aligned to the Millennium Development Goals to which South Africa is a signatory. It is also aligned to specific national priorities such as assisting previously disadvantaged communities and individuals in alleviating poverty and addressing socioeconomic challenges through capacity building and enterprise development. We are working closely with the Ledig community to mitigate the potentially negative impacts of our operations and provide local economic benefits through our business activities and social investment. Our aim is to build strong, positive relationships with the communities in which we operate, based on mutual respect, partnership and building long term relationships.

Bakubung Economic Development Unit (BEDU) will be supported by the Wesizwe corporate social investment programme by approximately R5 million a year, which is at the discretion of Wesizwe Management. This amount will be reviewed annually in line with Wesizwe's fundraising efforts for the mine project and as Wesizwe becomes cash generative.

THE MILLENNIUM DEVELOPMENT GOALS

Goal 1: Eradicate extreme poverty and hunger

Goal 2: Achieve universal primary education

Goal 3: Promote gender equality and empower women

Goal 4: Reduce child mortality

Goal 5: Improve maternal health

Goal 6: Combat HIV/Aids, malaria and other diseases

Goal 7: Ensure environmental sustainability

Goal 8: Develop a global partnership for development

Promoting local development

"For policymakers, the poverty of choices and opportunities is often more relevant than the poverty of income, for it focuses on the causes of poverty and leads directly to strategies of empowerment and other actions to enhance opportunities for everyone. Poverty must be addressed in all its dimensions, not income alone."

UNDP Human Development Report, 1997

According to the Southern African regional poverty network, although 70% of South Africa's poor live in rural areas, only 4% of the incomes of the poor are derived from agriculture. This highlights the importance of developing skills in promoting local development and alleviating poverty. Our skills development projects currently underway in terms of the SLP include:

- Bricklaying and carpentry training – an initial six week training course involving teaching 12 participants basic bricklaying and carpentry skills was completed in December 2008;
- First Aid training – 13 beneficiaries were trained by St John Ambulance Service;
- ABET assessments were conducted in November 2008 for training to begin in February 2009, taking the form of computer assisted tuition overseen by a facilitator;
- Computer skills – there was high demand for computer skills, with 112 people registering for the training which began in January 2009; and
- Bursaries to community members – described in more detail on page 44 – 45 of this report.

"What I like is the hunger, everyone really wants to learn and every day is a new challenge."

Sampie Green, training supervisor

"I can say the training is very good. The people here are very helpful and we have few problems."

Patrick King, participant in the carpentry course

Beneficiaries participating in the Bricklaying Project

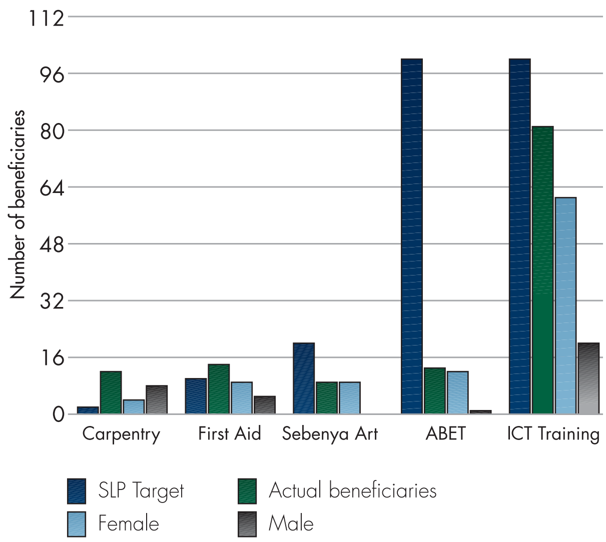
Promoting entrepreneurial skills

"I think it is good to learn, it is new, different, and I think we are going to succeed."

Lebogang Seloi, a Sebenya project supervisor

The word "Sebenya", meaning "shine" in Sotho is an apt name for the Sebenya beadmaking and design project in Ledig which is off to a shining start. The project, which falls under the tourism category in the SLP, is staffed by nine women from the Tapologo Support Group in Ledig, an HIV/Aids support group. Three women manufacture handmade glass beads from recycled glass, while six women are involved in fashioning the beads into beautiful designs. The women, who currently receive a monthly stipend from Wesizwe, are confident that they will soon be self sufficient. They received their first order in October 2008, from a shop in nearby Sun City. They are not stopping there; they are currently working on a range which complements traditional Sotho cloth and are hoping to participate in the DTI's Mzansi Collection, an initiative involving high-end design craft, homeware and personal accessories.

SLP Projects Implemented



Projects in progress

Providing water

Clean potable water is essential for health and productivity and the lack of access to water in Ledig has long been a major problem. In partnership with Bigen Africa, Wesizwe conducted a feasibility study to asses the water shortage in the area and found that the recently built reservoir did not provide access for water flow to Ledig. In consultation with the Moses Kotane Local Municipality and the Bakubung Traditional Council, Wesizwe and Bigen Africa initiated the Ledig Water Supply project. The project involves the construction of a 2,3 km water supply pipeline from the reservoir to Ledig and yard connections to the community. The contractor is working with the Traditional Council to ensure that local labour is utilised. The first phase was completed on 3 March 2009.

Wesizwe continues to subsidise the daily filling of service water tanks twice a day situated throughout Ledig pending the final commissioning of the pipeline.

ICT Basic Computer Skills Training

The ICT course is aimed at high school learners, out of school youth and community members who are using computers for the first time to enable them to learn new skills and improve their employment prospects. Participants are able to produce documents, use email and access the internet.

Community members learning new skills.

Employees

Transformation – creating a diverse workplace

Our approach to diversity is that it is not simply about targets, but about winning the hearts and minds of our staff so that diversity becomes a way of life. In recruiting new talent we look for specific skills and a high level of potential, balancing this against the need to employ candidates who reflect the demographics of our country. To enhance diversity in the organisation, the sourcing of talent is addressed through recruitment and through our bursary scheme.

Wesizwe Platinum views employment equity as a moral and business imperative, and as a driver of the Group's sustainable growth. We are taking steps to increase the involvement of Historically Disadvantaged Individuals (HDIs) across managerial, technical and specialist occupational categories. This is being achieved through ongoing training and capacity development initiatives.

Transforming the Wesizwe workplace

	Male				Female				Foreign Nationals		
	A	C	I	W	A	C	I	W	Male	Female	Total
Legislators, senior officials and managers	5		1	6	2			1			
Professionals	3			5	3			1			12
Technicians and associate professionals				1			1				2
Clerks				2							2
Service and sales workers											
Skilled agricultural and fishery workers											
Craft and related trades workers											
Plant and machine operators and assemblers	14										14
Elementary occupations				2							2
Total permanent											47

Working with labour

The Wesizwe workforce is not unionised. Due to its small size, consultations take place on issues that require consensus, for example the introduction of the Medical Aid and Group Life Scheme. The Human Resources (HR) and Organisational Development Consultant and site management engage in the process with the workforce.

A detailed handbook of all HR policies and procedures is made available to staff, which includes disciplinary, poor work performance and grievance procedures. All policies have been summarised and translated into Setswana.

Developing skills

In common with the mining sector the world over, Wesizwe has to contend with a short supply of key skills. According to a recent report by Ernst & Young, HIV/Aids has the biggest impact on the mining skills shortage in South Africa, followed by the emigration of skilled, experienced workers. The severity of the situation has been exacerbated by the inequities of the apartheid schooling system which left a legacy of poor mathematics and science teaching and that in turn has meant that the education system is still battling to produce sufficient professionals for the sector's requirements.

We take a long term view on skills development. Recognising that a highly trained, engaged workforce is a key driver for sustained success, we focus on building skills at every level of the organisation as well as promoting training and development in the wider community.

Internal training initiatives are aimed at entrenching a culture of lifelong learning and giving our employees life and technical skills that will facilitate personal and career development. All our skills development plans focus on the skills we require, including technical skills development as well as management and leadership training. In 2008, the majority of training interventions and spending was aimed at management, junior management and semi-skilled employees.

Our total spending on training and development for 2008 was R367,810 (2007: R496,395). This amounted to 1,8% of total payroll cost, significantly higher than the Skills Development Levies Act, which stipulates that 1% of total payroll is spent on training and development. Extropoloted per employee total training hours in 2008 amounted to 95 hours. In 2008, we submitted our first Workplace Skills Plan and Workplace Skills Implementation report and received the first rebate from the Mining Qualification Authority (MQA), a Sector Education Training Authority for the Mining and Minerals Sector.

Simulating operating conditions

Training for the construction of the mine will be conducted at Murray & Roberts' Bentley Park Training Academy, which is accredited by the Mining Qualification Authority (MQA). In a simulated environment at the training facility, four mock-up shafts have been constructed to teach the construction crew best practice methodology in the correct operating conditions. The four shaft sinking mock-ups vary in depth from 6m to 15m. While the real environment is usually noisy and often hostile, the quieter, more relaxed situation in the mock-ups allows training to be done at the pace of the individual learner.

Securing skills for the future

Our bursary programmes for employees offer financial assistance for tertiary education at universities and technikons in disciplines including BSc Geology, Chartered Accounting, Commerce, Environmental Science and Mining Engineering. We have four full time bursars and one part time bursar. The company pays the full cost of university registration and tuition fees and accommodation for the approved course of study. In addition, each bursar receives a living allowance.

Course of study	Academic year of study	University	Studies commenced	Full time or part time study
Bachelor or Environmental Sciences Degree (BSc)	3rd year	University of Venda	2007	Full time
BSc Geology	2rd year	Rhodes University	2007	Full time
BSc Geology and Geography	2nd Year	University of Johannesburg	2008	Full time
B Com Degree Accounting	1st Year	University of Johannesburg	2009	Full time
B Com Management	2nd Year	UNISA	2009	Part time

Wesizwe's internship programme creates an opportunity for students who have finished their studies or are in the process of completing their studies, to familiarise themselves with the working environment and gain practical experience. To date, the company has hosted five BSc Geology interns who are mentored and paid a monthly stipend.

An internship provides a short term professional, practical outcomes based experiential learning experience in the workplace for senior students requiring work experience to complement their academic studies in Geology and/or Mining and Environmental Geology disciplines, or an equivalent qualification.

Wesizwe allocates a mentor to support the student to achieve set objectives. The mentor evaluates the student according to the criteria provided by the university. The learning objectives include a written report completed by the intern at the end of the internship.

Managing performance

Talent is a key differentiator of successful businesses. In terms of our performance management system, Key Performance Areas (KPAs) are documented, agreed and signed off by each member of staff. Performance is reviewed annually against these KPAs by the relevant supervisor or manager, based on performance and salary reviews are awarded based on annual guidelines aligned to standard of performance, and factors such as CPIX, current salary structure, financial position of the company and market premiums for scarce skills.

Developing a strong leadership bench

We have invested in several leadership development programmes including:

- Corporate Taxation;
- Corporate Law;
- Coaching for Excellence;
- Health and Safety;
- International Financial Reporting Standards;
- Management and Leadership Management Advancement Programme (MAP86);
- Master of Business Administration (MBA);
- Personal Effectiveness through Emotional Intelligence Leadership Course; and
- Skills Development Facilitator Programme.

Retaining key skills

In addition to skills and leadership development, staff retention is based on:

- Remuneration and benefits, in line with or above industry norms. A discretionary bonus is awarded based on individual performance and Company performance and all staff members are eligible to participate in this bonus scheme. There is a Long Term Share Incentive Plan (LTIP) in place for executives and staff members in key positions. These shares are awarded annually in June and are conditional on performance. They include an allocation of LTIP shares and Share Appreciation Rights Scheme (SARS) shares. Comprehensive benefits include medical aid, group life, disability cover and a funeral plan.
- Our integrated performance management system allows individuals to identify opportunities for personal and career growth.

Promoting a safe workplace

Safety is a top priority and our aim is zero harm. The Wesizwe Safety Management System (WSMS) uses a risk-based approach which ensures that safety, health and environmental risks can be identified, assessed for impact, controlled and addressed. The WSMS, introduced in 2006, has been successfully implemented by all contractors and incorporated into their own risk assessments to promote a safe working environment.

Specific safety key hazards identified for the construction phase of the Frischgewaagd-Ledig project include:

- People falling from height;
- Non-compliance with procedures by contractor companies;
- Exposure to stored energy sources;
- Adverse ground conditions;
- Unsafe lifting practices;
- Objects falling from heights;
- Machine interface; and
- Excessive noise and dust, which can lead to noise induced hearing loss and lung disease respectively.

Strategies to mitigate these risks include safety inductions attended by both the Wesizwe workforce and contractors. In addition, contractors are required to submit safety plans to the Chief Safety Officer including hazard identification and risk analysis, risk assessment, appropriate control measures, guidance on emergency response actions, monitoring and reporting. Internal safety audits are conducted every quarter and reported to the Chief Safety Officer who in turn reports to the Executive Sustainable Futures.

The understanding employees have of our Safety Health Environment and Community (SHEC) policy is tested in the individual's first language. All safety suggestions received during Toolbox Talks and Risk Communication meetings are tabled for action at the Safety Health and Environment Committee monthly meeting. These meetings include employer and employee representatives, an occupational health specialist, an environmental specialist and the Chief Safety Officer.

Our strategy for continuous improvement in safety performance is based on:

- A behaviour based safety approach which involves teams in risk identification and remediation;
- Reviewing management systems and structures on an ongoing basis;
- Ensuring senior management visibility and involvement in safety programmes; and
- Involving all employees in our safety improvement efforts.

Shifts from October 2004 to 13 January 2009

	Wesizwe Geological Centre	Pilanesberg	Ga Rankuwa	Groblersdal	Total
Hours	139 306	763 502	9 324	23 304	935 436
Shifts	15 295	94 764	1 243	2 915	114 217
*Only 1 lost time injury was incurred					LTIR = 1.07

An integrated safety reporting system is integral to managing safety performance. Wesizwe's system is still being developed, but it will be structured according to the following principles: incidents will be captured, recorded and investigated by a team who will report back to the Executive Sustainable Futures and in a monthly report to executive committee; risk assessments will determine the reason for the incident and rigorously examine the proposed risk mitigation measures established; if necessary, additional measures will be introduced to ensure that the incident does not recur.

Going forward, our aim is to achieve top ratings against internationally recognised safety benchmarks such as OHSAS 18001 and to implement a recognition system for achievements against specific targets.

Health

Standard health procedures include training, the implementation of occupational hygiene measures and the development of a medical surveillance system for people joining and leaving the company. On site health management is addressed through pre-employment medicals and annual medical examinations for all employees, including contractors.

HIV/Aids

According to the International Labour Organisation (ILO), the number of people living with HIV in sub-Saharan Africa increased from 20 million in 2001 to 22 million in 2007. More than two-thirds of all adults (68%) and the majority of children (90%) living with HIV live in sub-Saharan Africa. What's more, 35% of all people living with HIV globally are concentrated in southern Africa. HIV/Aids typically affects individuals between the ages of 14 and 45, who represent the most economically active sector of the population.

Against this sobering backdrop, we at Wesizwe take a proactive approach to the HIV/Aids pandemic. This is particularly important considering the rate of HIV/Aids prevalence in the platinum mining industry is estimated to be between 20% and 30%. In common with other rural areas throughout South Africa, it is anticipated that the prevalence in the Ledig community from where we draw our labour is high. We do have estimates of the percentage of our workforce that is HIV-positive, but as we are a small workforce, it would be premature to extrapolate the associated financial risk.

Wesizwe's HIV/Aids policy provides for:

- The promotion of a non-discriminatory working environment in terms of which people who are open about their HIV or Aids status are not unfairly discriminated against or stigmatised;
- Awareness, education and training on the rights of all persons with regard to HIV and Aids;
- The provision of support for all employees infected or affected by HIV and Aids in the workplace; and
- Grievance procedures and disciplinary measures to deal with related complaints.

The Company contributes a set amount towards membership of the Discovery Medical Aid scheme on behalf of all employees, providing access to Discovery's HIV Care Programme. The programme establishes a partnership between members and their doctors to ensure that members have access to the most clinically sound and cost effective treatment plans available. The programme, which includes the provision of anti-retroviral medication, also provides counselling, compliance monitoring and lifestyle support. These protocols are endorsed by the South African HIV Clinicians Society.

In late 2007 and early 2008, Wesizwe and Sinqobile Training conducted a pre-training assessment workshop to determine the level of knowledge of HIV/Aids among employees. The assessment related to HIV/Aids knowledge, behaviour, attitudes and values, and 16 employees at the Ledig site participated in the assessment. The assessment showed that 98% of staff had little knowledge of HIV and Aids. In response, we structured the training curriculum to cover basic awareness of HIV/Aids on a range of relevant topics. The training was conducted in IsiZulu, Setswana and English and will continue in 2009. The basic HIV/Aids awareness training programme ensures that all participants are equipped with a minimum level of knowledge regarding HIV/Aids and the skills to make informed decisions regarding their own sexual behaviour and to live productive lives.

HIV testing is the entry point for both prevention and care. Early diagnosis of HIV infection gives the best prospects for proper care, support and correctly timed access to treatment. It is also crucial to help break the cycle of new infections. Accordingly, we plan to actively promote voluntary counselling and testing in our workforce and the community surrounding the mine. This will involve the training of peer educators.

As Wesizwe moves into construction and steady state production, the holistic wellness programme that began with HIV/Aids education in 2007, will be expanded in accordance with the wellness needs of our employee base.

Participants in the Ledig beadmaking and design project

ENVIRONMENTAL DIMENSION

Launched in 2003 by private sector banks in consultation with the International Finance Corporation (IFC), the Equator Principles are modelled on the environmental standards of the World Bank and the social policies of the IFC. As a global standard, they provide guidelines for social and environmental responsibility in granting project finance. Issues considered under Principle 3: Applicable Social and Environmental Standards, include:

- Baseline environmental and social conditions;
- Requirements under host country laws and regulations;
- Applicable international treaties and agreements;
- Sustainable development and use of renewable natural resources;
- Biodiversity;
- Efficient production, delivery and use of energy; and
- Pollution prevention and waste minimisation, as well as solid and chemical waste management.

Wesizwe's Environmental Management Plans (EMPs) are conducted in accordance with the guidelines set out in the Equator Principles and the IFC's industry specific management of impacts. Potential environmental issues associated with mining activities identified by the IFC include:

- Water use and quality;
- Waste;
- Hazardous materials;
- Land use and biodiversity;
- Air quality;
- Noise and vibration;
- Energy use; and
- Visual impacts.

The IFC sets out very specific practices for managing each of these issues. For example, in the case of water, the recommended practice is to consult with key stakeholders to understand any conflicting water use demands and the community's dependence on water resources and conservation requirements that may exist in the area. As set out on page 42 of this report, we have been extensively involved in resolving the water issues affecting the community of Ledig. Other issues have all been dealt with in the EMP and are detailed on pages 32 – 33 of this report, and in the chart below.

In the year ahead we will continue to mitigate our environmental impacts by using the best available technologies and, where necessary, developing new ones.

The table below details the management, monitoring and mitigation of our environmental and other impacts not detailed in the Sustainable Business Cycle on pages 32 and 33 and the chart detailing our response to stakeholder concerns on pages 38 – 39.

CURRENT STATUS	IMPACT OF PROPOSED MINE AND ASSOCIATED INFRASTRUCTURE	MANAGEMENT
Soil and land use		
Soil fertility is classified as moderate to high with the soil potential for irrigation being low. The existing land use is grazing.	Soils will be compacted as they will be removed during the construction phase. Some of the soils will also be compacted and there is a possibility that any remaining soils could be contaminated through accidental chemical, hydrocarbon or tailings spills.	• Soils will be stripped, stockpiled, stablised and monitored to ensure that they can be used for future rehabilitation of the disturbed sites. • Any contaminated soils that cannot be rehabilitated on site will be removed to a hazardous waste disposal facility. Hazardous substances and waste will be handled, stored, transported and disposed of in the correct manner. • Soils will be replaced on disturbed areas during the decommissioning phase and rehabilitated to facilitate the establishment of vegetation and also to limit potential erosion.

CURRENT STATUS	IMPACT OF PROPOSED MINE AND ASSOCIATED INFRASTRUCTURE	MANAGEMENT
Surface water		
The mine falls into the Elands River catchment area, a tributary of the Crocodile drainage system which in turn forms part of the Limpopo drainage system. Surface water quality is good to very good.	Water will be contained on the site.	• The entire mine area will operate according to a zero-discharge policy for all dirty process water. • Rainwater falling onto the disturbed areas will be controlled, so that the dirty water and clean water are kept separate and the dirty water is contained and managed. • Pollution control dams will be situated downslope of the shaft and plant area and have been designed to contain all stormwater runoff from the plant area and any spillage, whether accidental or intentional.
Groundwater		
Groundwater quality has been assessed as good.	The possible lowering of groundwater levels during the early phases of shaft sinking may have a very localised effect on nearby boreholes. The potential for groundwater contamination as a result of mining and its related infrastructure could be significant if not properly managed. The platinum bearing host rocks are not acid generating and hence problems associated with acid mine drainage are not anticipated.	• The ground below the pollution control dams, waste rock dump and the Tailings Storage Facility (TSF) will be compacted to improve the already high impermeability of the underlying material and so further reduce the rate of flow of contaminants (mainly salts) below these structures. • To avoid potential pollution of ground water resources, all hazardous and inflammable materials will be handled, stored, transported and disposed of in accordance with legislative requirements. • Groundwater testing of local boreholes utilised by communities and farmers will be conducted on an ongoing basis. If there is draw down directly attributable to construction or mining activities, then we will assist affected communal borehole water users with an alternative temporary water supply.
Heritage sites		
Out of 24 sites of heritage value within the area, only four fall within the proposed mining and related infrastructure footprint. The sites are predominantly iron age sites, the majority of which have a medium to low heritage significance. Sites identified with high heritage significance include four stone cairns and two modern graveyards, one of which is within the mine infrastructure footprint.	There is a possibility that the four sites that fall within the proposed mining complex footprint will have to be destroyed.	The four affected sites will be investigated further to determine their heritage significance. If the significance proves to be low then a destruction permit will be applied for and the sites will be removed before construction begins. The identified grave sites, although outside the mine infrastructure footprint, will be fenced for additional protection. In addition, we will work with the community in establishing blasting schedules to facilitate planning of funerals.
Visual impact		
Although several mining activities are visible to the south of the proposed mining area, the area is considered to have high visual quality	The mine is not likely to be visible from tourist routes within the Pilanesberg National Park or from Sun City.	• The construction of alternative forms of screening to reduce the visibility of the mine from the community will be investigated. • The use of bright colours and highly reflective surfaces will be avoided. • Lighting will be designed and directed to reduce impacts.

CORPORATE GOVERNANCE

INTRODUCTION

Wesizwe's Board of Directors, executives and employees are devoted to achieving the highest standards of corporate governance, and corporate and social responsibility. We strive to add value by addressing the needs of our employees and other stakeholders and fulfilling our responsibility to society, while growing and ensuring the profitability of our business.

COMPLIANCE WITH THE PROVISIONS OF KING II

The Board has endorsed and continues to enhance compliance with the principles and recommendations of the second King Report on Corporate Governance for South Africa 2002 (King II) and the Listings Requirements of the JSE Limited.

The Board recognises that an effective system of corporate governance is fundamental to achieving financial objectives as well as corporate responsibility, and affirms its commitment to the principles of openness, accountability, fairness, discipline, transparency, integrity and social responsibility.

CODE OF ETHICS

Wesizwe strives to uphold the highest standards of professional and business ethics. All our corporate governance practices are based on principles set out in our code of ethics.

Wesizwe's code of ethics applies to Directors, management and employees and dedicates them to the principles of integrity, efficiency, responsibility, accountability, transparency and compliance with legislative and regulatory provisions.

The code also specifically addresses conflicts of interest, protecting confidential information, and the duty to act honestly and with care and skill.

THE BOARD

Board composition

The Board consists of one Executive Director and nine Non-executive Directors of which four are independent. JSE Listings Requirements and King II provide the following criteria to define Executive, Non-executive and independent Non-executive Directors. Currently the board is evaluating candidates for the appointment of a financial director to Wesizwe Board of Directors by 30 June 2009.

Executive Directors:

Executive Directors are full time salaried employees of the Company involved in the day-to-day management and running of the business.

Non-executive Directors:

Non-executive Directors are employed by the Company on a contractual basis but are not involved in the day-to-day management of the business.

Independent Non-executive Directors:

Independent Non-executive Directors are Directors who have not been employed by the Company for the preceding three years; are in no way related to the Company or to any shareholder, supplier, customer or other Director of the Company in a way that would lead a reasonable and informed third party to conclude that the integrity, impartiality or objectivity of that Director is compromised by that relationship; and who expresses opinions, exercises judgment and makes decisions impartially.

Board operation

The Wesizwe Board:

- operates in accordance with a Board Charter which, amongst other things, regulates the division of responsibilities at board level to ensure a balance of power and authority, such that no one individual has unfettered powers of decision-making;
- ensures that the Company complies with all relevant laws, regulations and codes of business practice, and that it communicates with its stakeholders openly and promptly;
- retains full and effective control over the Company, and monitors management's implementation of Board plans and strategies;
- has unrestricted access to all Company information, records, documents and property; and
- is responsible for the total process of risk management, as well as for forming its own opinion on the effectiveness of the process.

Matters reviewed by the Board include:

- directing, approving, implementing and monitoring the Company's strategic objectives, and delegating their planning and implementation, within relevant risk parameters, to management whose conformance with the agreed parameters is monitored through performance reports and budget updates;
- authorising expenditure of major capital or disposals, material contracts, material acquisitions and developments;
- communicating with shareholders, including approving circulars, prospectus and major public announcements;
- reviewing critical accounting policies and accounting judgments and prospects in line with the Group's financial position, and approving the financial statements;

- instilling creditable corporate governance throughout the Company;
- maintaining and reviewing the effectiveness of Board committees;
- defining the authority and responsibilities of Board committees and executives; and
- designing and implementing internal control systems to safeguard, verify and maintain accountability, integrity and reliability of the Company's financial statements and to detect fraud, potential liability, loss and material misstatement in compliance with applicable laws and regulations.

The roles of Chairman and Chief Executive Officer are separate, with separate responsibilities agreed by the Board of Directors.

The Directors have unrestricted access to the advice and services of the company secretary and are entitled to seek independent, professional advice at the Company's expense, should they need to do so.

Rotation of Directors

In terms of the Company's Articles of Association, the retirement of Directors is staggered. One third of Directors, who have served longest since the previous election, retire in rotation at each annual general meeting.

Messrs WM Eksteen, DJ Phologane and EM Monnakgotla are the three retiring Directors and are free to make themselves available for re-election at the next annual general meeting.

The Articles of Association authorise the Board to appoint new Directors between annual general meetings, who automatically retire and stand for re-election at the following annual general meeting.

Dr I Abedian, Professor PG Gaylard, Mr MG Mgudlwa and Mrs DNM Mokhobo were appointed to Wesizwe's Board on 1 December 2008 and are eligible for re-election at the next annual general meeting.

The credibility and calibre of Non-executive Directors standing for re-election are considered by the Remuneration and Nomination committee and endorsed by the Board to ensure that a balance of power is maintained, that they are independent of management on issues of strategy, performance, resources, transformation and diversity and that they have the right skills to discharge their responsibility.

Board committees

Board committees assist the Board in discharging its duties and responsibilities. Specific responsibilities have been allocated to four committees, namely, the Audit and Risk committee, the Finance and Investment committee, the Remuneration and Nomination committee and the Technical committee.

All Board committees are chaired by Non-executive Directors and Non-executive Directors form the majority of members of each committee. In all instances there is at least an Independent Non-executive Director on every committee.

Committees are free to seek independent, professional advice at the Company's expense, if so required.

Board Meetings for the 2008 calendar year

	26/03/2008	28/05/2008	03/09/2008	04/11/2008
RG Rainey, Mr	√	√	√	√
MH Solomon, Mr	√	√	√	√
I Abedian, Dr*	n/a	n/a	n/a	n/a
WM Eksteen, Mr	√	√	√	√
PG Gaylard, Prof*	n/a	n/a	n/a	n/a
WM Eksteen, Mr	√	√	√	√
L Maloney, Mrs+=	√	X	√	√
MG Mgudlwa, Mr*	n/a	n/a	n/a	n/a
DNM Mokhobo, Mrs*	n/a	n/a	n/a	n/a
EM Monnakgotla, Mr	√	X	X	X
DJ Phologane, Mr	√	√	√	X
JC Williams, Mr	√	√	√	√

*√ present X apologies n/a not applicable * appointed to the Board on 1 December 2008*
+= resigned on 30 November 2008

Audit and Risk committee

Membership: RG Rainey (Chairman), WM Eksteen, DJ Phologane, JC Williams

The Board, when establishing this committee, considered the Company too small to have separate committees for audit and risk. This will be reconsidered as the Company grows.

Control environment

The committee maintains adequate systems of internal control over financial reporting and assists the Board in safeguarding the Company's assets, reviewing the economical and efficient use of resources, overseeing the implementation and maintenance of systems of control, and evaluating the control environment.

The committee reviews the accuracy of financial reports and statements in compliance with all applicable legal requirements and recommends measures to enhance the reliability, integrity, objectivity and fair presentation of the Company's annual financial statements, interim and provisional reports.

The committee also reviews the scope and nature of the audit function, the audit procedures and engages with the external auditors. The committee is responsible for evaluating the performance, independence and effectiveness of the external auditor and considers any non-audit services that may impair the external auditors' independence. The committee also considers documents such as prospectuses and offering documents, and significant transactions that do not form part of the Company's normal business.

Internal audit

The Company has an internal audit function tasked with examining and evaluating internal control systems and mitigating identified business risks. An internal auditor was appointed by the company in 2008.

Risk management

The Audit and Risk committee in conjunction with management reviews non-audited financial and related matters to assess and manage the risks affecting Wesizwe, and develops relevant corporate guidelines and policies. Risk is assessed according to the likelihood of occurrence and the quantification of the probable impact in terms of physical and operational risks, earnings and material losses, cash flows, business continuity and disaster recovery, human resource management, due diligences and compliance. The Audit and Risk committee liaises with the Technical committee on operational risk and reports back to the Board. The Audit and Risk committee and the Board met four times during the year.

Audit & Risk Committee Meetings for the 2008 calendar year

	26/03/2008	12/08/2008
RG Rainey, Mr	√	√
WM Eksteen, Mr	√	√
DJ Phologane, Mr	X	X
JC Williams, Mr	√	√

√ present X apologies

Finance and Investment committee

Membership: JC Williams (Chairman), WM Eksteen, DJ Phologane, RG Rainey, MH Solomon, N Tengawarima

During the year Mr Rainey and Mr Tengawarima were appointed as members of the Finance and Investment committee.

The committee's primary objective is to review proposals, evaluate different methods of capital raising, joint ventures, mergers, corporate acquisitions/disinvestment, acquisitions and disposal of assets against certain criteria and make recommendations to the Board.

Finance & Investment Committee Meetings for the 2008 calendar year

	21/04/2008	11/2008
JC Williams, Mr	√	√
WM Eksteen, Mr	√	√
DJ Phologane, Mr	√	√
RG Rainey, Mr	√	√
MH Solomon, Mr	√	√
N Tengawarima, Mr	√	X

√ present X apologies

Remuneration and Nomination committee

Membership: RG Rainey (Chairman), WM Eksteen, DJ Phologane, JC Williams

The JSE requirement for the two functions undertaken by this committee to be separate has not been followed because of Wesizwe's size, and they are grouped as human resources matters. The Board will consider splitting the committee into two parts as the Company grows.

Remuneration

The objective of the remuneration function of the committee is to assist the Board in developing remuneration policies and practices to attract and retain executives and Directors, as well as determining the remuneration of executives and Non-executive Directors.

Nominations

The Board are mindful that its members must comprise individuals best able to discharge their advisory roles and legal responsibilities while embracing the highest standards of governance. The objectives set by the Board charter includes assessing the skills required by the Board and evaluating individual Directors, as well as developing the processes to identify suitable candidates as Directors of the Company.

Remuneration and Nomination Committee Meetings for the 2008 calendar year

	4/11/2008
RG Rainey, Mr	√
WM Eksteen, Mr	√
L Maloney, Mrs*	√
DJ Phologane, Mr	X
JC Williams, Mr	√

*√ present X apologies *resigned 30 November 2008*

Technical committee

Membership: WM Eksteen (Chairman), L Maloney, DJ Phologane, MH Solomon

The committee assists the Board in managing safety, health and environment, community responsibilities and technical matters. The objectives as set out in the committee's terms of reference for these three functions are considered below.

Safety, health and environment (SHE)

Fundamental to the committee's function is to identify strategic and operating SHE risks, evaluate the Company's SHE policies and practices, monitor SHE performance and ensure that thorough incident investigations are conducted, particularly in the event of serious SHE incidents.

The Company's HIV/AIDS programme, focused on awareness and prevention, was developed during the year under the auspices of the committee.

Community responsibilities

These include sustainability related programmes with the Bakubung-Ba-Ratheo community and ensuring that approved community development programmes adjacent to other Company properties are honoured.

Technical matters

The committee oversees compliance with statutory and regulatory requirements on the Company's properties, in its activities and in the development of a mine. Its principal function is to assist the Board in managing operational risk, identifying operational, business and environmental risks, and ensuring that the process of risk management is undertaken according to adopted risk policies and practices which are continuously evaluated and improved. This includes pro-active mitigation of risk events and their probable impact. The committee is also responsible for and currently developing a black employment equity plan and a procurement programme in compliance with the Mining Charter.

Technical Committee Meetings for the 2008 calendar year

	2/02/2008	10/06/2008	13/08/2008	3/11/2008
WM Eksteen, Mr	√	√	√	√
DJ Phologane, Mr	√	√	X	X
L Maloney, Mrs*	√	X	X	√
MH Solomon, Mr	√	√	√	√
JC Williams, Mr	√	√	√	√

*√ present X apologies *resigned 30 November 2008*

DIRECTORS' FEES

Full details of the Directors' remuneration are reflected in the Directors' report on page 65.

ANNUAL FINANCIAL STATEMENTS

The Directors' responsibility statement and approval of the annual financial statements for the year ending 31 December 2008 can be found on page 56, and the report of the independent auditors can be found on page 57.

Details of the various accounting policies adopted by Wesizwe can be found in the notes to the annual financial statements.

COMMUNICATIONS AND CONTROL OF PRICE SENSITIVE INFORMATION

The Company communicates with institutional and private investors as and when required. We strive for promptness, relevance, transparency, and substance over form in our communication, with due regard to statutory, regulatory, and other directives prohibiting the dissemination of unpublished and price sensitive information by the Company and its officers.

The Board has adopted a policy on dealings in securities which is applicable to all Directors and employees of the Company. This policy relates to trading in the Company's securities and in particular to closed periods, being those periods during which persons that possess price sensitive information may not trade in the Company's shares.

Closed periods are as follows:

- Between 1 January and the date on which the year end results are published;
- Between 1 July and the date on which the interim results are published; and
- While the Company is in the process of price sensitive negotiations, acquisitions, or while the Company is trading under cautionary or pending any price sensitive announcements.

Directors and the company secretary are required to obtain prior clearance in writing of any proposed share transactions (which includes any transactions under the Company's share option scheme and share plans) from the Chairman of the Board, or failing him, the Chairman of the Audit & Risk Committee, or failing him any member of the Remuneration and Nomination committee, before dealing outside of the closed periods to ensure no price sensitive negotiations are taking place. Requests for clearance are routed through the company secretary who also maintains a written record of requests for dealing and clearances.

Details of any transactions by Directors and the company secretary in the shares of the Company (including transactions under the share option scheme and share plans) are communicated to the JSE through the Company's sponsor and published on the Stock Exchange News Service (SENS).

ANNUAL FINANCIAL STATEMENTS
for the year ended 31 December 2008

CONTENTS

DIRECTORS' RESPONSIBILITY AND APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 December 2008

The Directors are responsible for the preparation and fair presentation of the Group annual financial statements and Company annual financial statements of Wesizwe Platinum Limited, comprising the balance sheets at 31 December 2008, the income statements, the statements of changes in equity, cash flow statements for the year then ended and the notes to the annual financial statements, which include a summary of significant accounting policies and other explanatory notes in accordance with International Financial Reporting Standards and in the manner required by the Companies Act No 61 of 1973 (as amended) in South Africa.

The Directors' responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Directors' responsibility also includes maintaining adequate accounting records and an effective system of risk management as well as the supplementary schedules included in these financial statements.

The Directors have made an assessment of the Group and Company's ability to continue as a going concern and there is no reason to believe the businesses will not be a going concern in the year ahead.

The auditor is responsible for reporting on whether the Group annual financial statements and annual financial statements of Wesizwe Platinum Limited are fairly presented in accordance with the applicable financial reporting framework.

APPROVAL OF GROUP ANNUAL FINANCIAL STATEMENTS AND ANNUAL FINANCIAL STATEMENTS

The Group annual financial statements and annual financial statements of Wesizwe Platinum Limited, as identified in the first paragraph, were approved by the Board of Directors on 30 March 2009 and are signed on their behalf by

RG Rainey	MH Solomon
(Acting Chairperson)	*(Chief Executive Officer)*

SECRETARY'S CERTIFICATE

I, the undersigned, in my capacity as company secretary, do hereby confirm in terms of the Companies Act No. 61 of 1973 (as amended) in South Africa that for the year ended 31 December 2008, Wesizwe Platinum Limited has lodged with the Registrar of Companies all such returns as required by a public company in terms of this Act and that all such returns are true, correct and up-to-date.

Routledge Modise Attorneys.

2nd Floor, Wanderers Building
The Campus, 7 Sloane Street
Bryanston

30 March 2009

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WESIZWE PLATINUM LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the Group annual financial statements and the separate Company annual financial statements of Wesizwe Platinum Limited, which comprise the balance sheets at 31 December 2008, the income statements, the statements of changes in equity, cash flow statements for the year then ended and the notes to the annual financial statements, which include a summary of significant accounting policies and other explanatory notes and the Directors' report as set out on pages 56, 58 to 96.

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 in the manner required by the Companies Act of South Africa. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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. These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making these 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 2008, 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 in the manner required by the Companies Act No 61 of 1973 (as amended) in South Africa.

KPMG Inc.
Registered Auditor

Per J Erasmus
Chartered Accountant (SA)
Registered Auditor
Director

30 March 2009

Parktown Johannesburg

REPORT OF THE DIRECTORS
for the year ended 31 December 2008

The Directors have pleasure in presenting the Group and Company annual financial statements for Wesizwe Platinum Limited (Wesizwe or the Company) for the year ended 31 December 2008.

NATURE OF BUSINESS

Wesizwe is a public company incorporated in the Republic of South Africa and its ordinary shares are listed on the JSE Limited (JSE) under the Platinum and Precious Metals sector. Its principal interest is the development of platinum rights held by its wholly-owned subsidiaries, Bakubung Minerals (Proprietary) Limited (Bakubung Minerals) and Africa Wide Mineral Prospecting and Exploration (Proprietary) Limited (Africa Wide).

FUNDING AND GOING CONCERN

Wesizwe completed its exploration programme during the first quarter of 2008. The exploration programme was funded by means of equity.

Until September 2008, the Company's Core Project was on track, as were its capital raising efforts. However, these have been impacted significantly by the advent of the global economic crisis.

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

As project finance literally evaporated at that point there was little point in continuing the project finance negotiations with ABSA Barclays Capital, and these discussion were put on hold until the turmoiled capital markets has settled down. The planned major equity raise was also aborted as a result of the low prevailing share prices and the reluctance of management to unnecessarily dilute existing shareholders.

The Company has cash reserves of R244 million at the date of this report and has negotiated and signed a term sheet with YA Global Investments, L.P. for R550 million, for a three year standby equity distribution facility. In terms of the facility YA Global Investments, L.P. will subscribe for up to R550 million, in minimum of approximately R50 million, in respect of ordinary shares of Wesizwe Platinum Limited.

The management of Wesizwe assessed the liquidity risk of the Company as high, and its ability to raise funding as low given the current financial crisis. This assessment led management to formulate a project budget that will mitigate the liquidity risk of the Company.

The following are the principles underlying the budget.

- All overheads were reviewed and non-critical activities have halted. The Company has put sufficient cash aside to be able to meet its overheads and obligations as they become due and payable for the next twelve months. Management will progressively monitor the Company overheads and has the flexibility to still cut back on certain overheads should it become necessary. The facility mentioned above is to cover any unexpected expenses that may become due and to fund unexpected opportunities;
- Given the Company's project ready situation, the opportunity presented to proceed with the project in a low-cost environment, and the target of being in production in time for the recovery to levels before the crisis of the market between 2014 and 2016, the Company has elected to proceed with the project on a phased basis, raising the incremental amounts of capital required until such time as the capital markets normalise, project finance can be negotiated on reasonable terms as share prices recover to a less dilutive level to permit a sensible equity raise, with the following caveats:
  - o The capital project will be modularised into a series of smaller project components each with a separate contract;
  - o There should at all times be sufficient working capital in place to fund the selected project modules as well as to ensure that the Company has sufficient resources to ensure going concern;

- o Contracts will only be signed and commissioned with the available capital in the bank thereby avoiding any unserviceable debt traps; and
- o While commissioned project components proceed, smaller capital amounts will be progressively sought with which to commission further project elements.

- Save for the commitments disclosed in note 19, at the date of writing this report, the Company has not contracted nor committed to any other contract.

The Directors are of the opinion that the cash resources at the date of this report, amounting to R244 million, as well as a facility for R550 million, is sufficient to fund activities of the Company for the next twelve months.

SHARE CAPITAL

Authorised share capital

There was no change to the authorised share capital during the year. At 31 December 2008 the authorised share capital comprised:

	2008 R'000	2007 R'000
1 000 000 000 ordinary shares of 0.001 cents	10	10

Issued share capital

A summary of the issues made during the year under review are reflected below:

Date	Price per share (cents)	2008 shares issued	Total shares issued
Opening balance at 1 January 2008			554 829 167
2008			
22 April*	934	660 679	660 679
8 July**	675	30 000 000	30 000 000
Balance at 31 December 2008			585 489 846

Shares were issued to employees under the Long Term Incentive Plan.

***The Company issued shares and received gross proceeds of R202 million.*

Unissued share capital

In terms of an ordinary resolution passed at the Company's last annual general meeting held on 12 August 2008, 20% of the Company's unissued share capital was placed under the control of the Directors until the next annual general meeting of shareholders. Shareholders' approval will be sought at the next annual general meeting for the placing of 15% of unissued share capital to be placed under the control of Directors.

SHAREHOLDER SPREAD

In accordance with the JSE Listings Requirements, the following is an analysis of shareholders beneficially holding, directly or indirectly, in excess of 5% of the ordinary share capital of the Company and non-public shareholders of the Company at 31 December 2008.

Major beneficial shareholders	Number of shares held	% of issued equity
Bakubung-Ba-Ratheo Community	73 630 000	12,58
Newshelf 925 (Pty) Ltd	70 000 000	11,96
Africa Wide Investment Holdings Ltd	57 421 643	9,81
Liberty Life Assurance of Africa Ltd	45 918 937	7,84
Vunani Capital (Pty) Ltd	30 000 000	5,12
Directors	23 269 850	3,97
Split between Non-public and Public Shareholders		
Non-public shareholders	219 196 338	37,44
Public shareholders	366 293 508	62,56
Total issued share capital	585 489 846	100,0

As at 31 December 2008, 44,09% of the issued share capital of the Company was owned by historically disadvantaged persons.

There were 5 297 public shareholders holding the ordinary shares of the Company at 31 December 2008.

ACTIVITIES

During the year ended 31 December 2008 and up to the date of this report the Company completed its exploration of the Frischgewaagd-Ledig Complex of the Pilanesberg Project. Details of the exploration activities on the Pilanesberg Project are reflected in the Exploration and Mineral Resources Sections on pages 13 to 30 of the annual report. In addition, the Company was given the Record of Decision (RoD) in November 2008 and Mining Permission in March 2009 which will be executed in April 2009. The RoD and the Mining Permission enables the Company to commence with the construction phase of the project. Currently, the Company is finalising both the mine designs and other pre-construction processes such as the winder refurbishments. Once the Company has secured resources to fund the project, mine construction will commence.

MINERAL RIGHTS

Through its wholly-owned subsidiary, Bakubung Minerals, Wesizwe has seven prospecting rights in the Pilanesberg area. Of these, five are converted old order to new order rights while two are new order rights. In addition, Bakubung Minerals has four other new order prospecting rights registered under the North West office of the Department of Minerals and Energy (DME). Of these, two have been granted closure and one is awaiting the granting of closure. Wesizwe has one new order prospecting right in the Mpumalanga Province. In addition, a new order prospecting right on the Farm Mahobieskraal was ceded to Bakubung Minerals by Gemini Pumps (Pty) Ltd.

Group 2008

Converted old order prospecting rights

Region	Farm	Portion	Status	Date of conversion	Expiry date	Registration data
NW	Ledig 909 JQ	Former 2 and 3	Mining Right application Submitted 29 – 06 – 2007	01 – 10 – 2005	30 – 09 – 2010	Registered 30 – 10 – 2006 481/2006 PR
NW	Zandrivierspoort 210 JP	Former 1, 2, 4 and 5	Converted (Protocol 337)	22 – 10 – 2005	21 – 10 – 2010	Registered 03 – 04 – 2007 438/20071
NW	Frischgewaagd 96 JQ	Portion 11	Mining Right application Submitted 29 – 06 – 2007	23 – 03 – 2006	22 – 03 – 2011	Registered 17 – 01 – 2007 84/2007 PR
NW	Mimosa 81 JQ	Portion of remainder	Mining Right application Submitted 29 – 06 – 2007	06 – 12 – 2005	05 – 12 – 2010	Registered 14 – 02 – 2006 76/2006 PR
NW	Ledig 909 JQ	Former 1, 4, 5 and 6	Mining Right application Submitted 29 – 06 – 2007	22 – 10 – 2005	21 – 10 – 2010	Registered 03 – 07 – 2006 259/2006 PR

New order prospecting rights

Region	Farm	Portion	Status	Date permit granted	Expiry date	Registration data
NW	Frischgewaagd 96 JQ	Portions 3 and 4	Mining Right application 29 – 06 – 2007	01 – 10 – 2005	30 – 09 – 2010	Registered 21 – 04 – 2006 194/2006 PR
NW	Mahobieskraal 211 JP, Zandrivierspoort 210 JP	Portions 3 and 5	Granted, notarially executed. Cession granted to Wesizwe 20 – 07 – 2007	23 – 01 – 2007	22 – 01 – 2012	Registered 09 – 05 – 2007 512/2007 PR
NW	Frischgewaagd 96 JQ	Portion 1	Mining Right application 29 – 06 – 2007	26 – 08 – 2006	25 – 08 – 2008	Registered 19 – 09 – 2006 381/2006 PR
MP	Grootkop 185 JS, Doornpoort 171 JS, Buffelsvlei 170 JS, Rooikraal 188 JS, Diepkloof 186 JS, Roodewaal 193 JS, Nicolton 192 JS	Whole farm	Granted, notarially executed	08 – 12 – 2006	07 – 12 – 2011	Registered 09 – 03 – 2007 321/2007 PR
NW	Oskraal 248 JQ Kameelfontein 257 JR and Sjambok Zijn Oude Kraal 258 JR	Whole farm	Granted, notarially executed 15 – 03 – 2007, Protocol 299	07 – 03 – 2007	06 – 03 – 2012	Registered 20 – 02 – 2008 100/2007 PR
NW	Zandfontein 112 JP	Whole farm	Closure granted on 20 – 11 – 2007	23 – 03 – 2006	22 – 03 – 2011	Registered 17 – 01 – 2007 86/2007 PR
NW	Grootfontein 225 JP	Whole farm	Closure granted on 20 – 11 – 2007	23 – 03 – 2006	22 – 03 – 2011	Registered 17 – 01 – 2007 81/2007 PR
NW	Palmietfontein 227 JQ	Whole farm	Application for closure 16 – 07 – 2007	28 – 03 – 2006	25 – 08 – 2011	Registered 17 – 01 – 2007 83/2007 PR

Company 2008

New order prospecting rights

Region	Farm	Portion	Status	Date permit granted	Expiry date	Registration data
MP	Grootkop 185 JS, Doornpoort 171 JS, Buffelsvlei 170 JS, Rooikraal 188 JS, Diepkloof 186 JS, Roodewaal 193 JS, Nicolton 192 JS	Whole farm	Granted, notarially executed	08 – 12 – 2006	07 – 12 – 2011	Registered 09-03-2007 321/2007 PR
NW	Mahobieskraal 211 JP, Zandrivierspoort 210 JP	Portions 3 and 5	Granted, notarially executed. Cession granted to Wesizwe 20 – 07 – 2007	23 – 01 – 2007	22 – 01 – 2012	Registered 09 – 05 – 2007 512/2007 PR

FINANCIAL RESULTS

Results for the year

As an exploration and development focused entity, Wesizwe did not earn any revenue from exploration activities during the year under review and is not forecasting any revenue from mining activities until a mine is brought into production on the Frischgewaagd-Ledig Complex of the Pilanesberg Project.

The Group made a net loss for the year of R27,8 million (compared to a loss of R90,8 million for 2007), comprising administration expenses of R62,3 million, offset by the net finance income of R34,3 million and other income of R200 000.

Administration expenses of R62,3 million include the following:

- Depreciation – R1,5 million
- Share-based payment expense – R500 000
- Bonus for past services rendered – R2,2 million
- Impairment charge – R1,2 million
- Exploration and evaluation expense (not capitalised in terms of IFRS 6) – R8,2 million
- Other administration overheads – R48,7 million
- Share-based payment expense relates to shares and options issued to staff under the Long Term Incentive Plan (LTIP).
- The impairment charge of R1,2 million relates to write-off of exploration costs of the Groblersdal and Ga Rankuwa Projects. Initial drilling results indicated that the resource in these areas cannot be exploited economically and the decision not to continue with the projects was taken.
- Other administration overheads of R48,7 million comprise of salaries, marketing expenses and community sustainable projects.

Refer to note 10 for details of the bonus expenditure of R2,2 million mentioned above.

CAPITAL EXPENDITURE

Capital expenditure for the year includes: intangible exploration and evaluation expenses capitalised at R42,5 million (2007: R102,1 million); long-lead items consisting of plant and equipment R54,5 million (2007: R28,8 million); tangible exploration and evaluation assets (engineering and drawings) R79,0 million (2007: R43,5 million); and other property, plant and equipment items R6,8 million (2007: R6,9 million).

DIVIDENDS

No dividend was declared or proposed during the year ended 31 December 2008 (2007: R Nil).

SEGMENTAL ANALYSIS OF ANNUAL RESULTS

No segmental report has been prepared as the Group is conducting exploration activities in one geological location, which represents only one business activity.

RESULTS OF WHOLLY OWNED SUBSIDIARY COMPANIES

Bakubung Minerals incurred a loss of R9,3 million for the year under review (2007: R4,08 million). Africa Wide did not earn a profit or incur a loss for the year under review (2007: R Nil) as all expenses have been capitalised as per Group policy regarding exploration and evaluation activities.

Refer to note 22 on subsidiary information.

CAPITAL COMMITMENTS

Capital commitments as at 31 December 2008 amounts to R61,8 million (2007: R Nil).

SUBSEQUENT EVENTS AND LITIGATIONS

- **Appeal of the Record of Decision (RoD)**

  On 16 February 2009, Sun International (South Africa) Limited trading as Sun City and North West Eco Forum instituted an appeal directed to the MEC for Agriculture, Conservation and Environment, in terms of Chapter 7 of the National Environmental Management Act, 1998 (Act No. 107 of 1998) National Environmental Management Assessment (NEMA) regulations (Government Notice No. R385, R386 and R387 in Government Gazette of April 2006) (NEMA EIA Regulations). The appeal is against the RoD that was granted to Wesizwe by the NW Department of Agriculture, Conservation and Environment, challenging certain aspects of Wesizwe's Environmental Impact Assessment.

  As objections are part of the Environmental Impact Assessment (EIA) and Interested and Affected Parties (IAP) process, Wesizwe believes there is nothing unusual or unexpected about this. Outside the statutory IAP process Wesizwe has initiated dialogue with all relevant parties in the same consultative manner in which the Company has worked with the local community. Wesizwe is however in possession of a positive RoD which entitles Wesizwe to proceed with mining and have no intention of delaying the project to accommodate these late objections.

- **Acquisition of Participation Interest**

  On 5 December 2008 Wesizwe signed a "Sale of Participation Interest and Prospecting Rights Agreement" and a "Disposal Agreement" with the following parties:

  - Africa Wide Mineral Prospecting and Exploration (Proprietary) Limited – (Africa Wide)
  - Bakubung Minerals (Proprietary) Limited – (Bakubung)
  - Maseve Investments 11 (Proprietary) Limited – (Maseve)
  - Platinum Group Metals (RSA) (Proprietary) Limited – (PTM)
  - Rustenburg Platinum Mines Limited – (RPM)

In terms of the "Sale of Participation Interest and Prospecting Rights Agreement", Wesizwe will acquire 37% of RPM Prospecting Rights and 37% of its Participation Interest in the Western Bushveld Joint Venture (WBJV) (shareholding in the WBJV before the transaction is as follows: 37% RPM, 37% PTM and 26% AW). Wesizwe will settle the purchase consideration by issuing 211 850 125 new Wesizwe Platinum Limited ordinary shares.

In terms of the "Disposal Agreement", Wesizwe will dispose certain Mineral Rights and Participation Interest to its wholly owned subsidiaries, Africa Wide and Bakubung. Africa Wide will then dispose of Mineral Rights and Participation Interest in the WBJV to Maseve.

The WBJV will then terminate.

As at 31 December 2008, the following suspensive conditions had not been fulfilled.

- Obtaining Section 11 approval of the Mineral Petroleum Resources Development Act (MPRDA) transfer of title and/or Ministerial Consent from the DME to the extent necessary for the execution and implementation of the RPM Transaction; and
- Obtaining approval of Wesizwe's Shareholders for the RPM Transaction.

The transaction will only be effective once above outstanding suspensive conditions have been fulfilled.

At the date of writing this report, the accounting effects of this transaction have not yet been determined.

DIRECTORATE

Composition of the Board of Directors

On 30 November 2008, Mrs L Maloney resigned as a Director from the Board. Dr Iraj Abedian, Prof Peter Gaylard, Mrs Dawn Mokhobo and Mr Mlibo Mgudlwa, were appointed as Non-executive Directors to the Board on 1 December 2008.

The composition of the Board at 31 December 2008 and at the date of this report is reflected below.

	Appointed	Resigned
RG Rainey, Mr (Acting Chairman)†	29 November 2006	
MH Solomon, Mr (Chief Executive Officer)#	1 October 2004	
I Abedian, Dr†	1 December 2008	
WM Eksteen, Mr*	1 September 2004	
PG Gaylard, Prof*	1 December 2008	
L Maloney, Mrs*	2 January 2004	30 November 2008
MG Mgudlwa, Mr*	1 December 2008	
DNM Mokhobo, Mrs†	1 December 2008	
EM Monnakgotla, Mr*	6 May 2005	
DJ Phologane, Mr*	6 May 2005	
JC Williams, Mr*	30 September 2003	

*#Executive *Non-executive †Independent non-executive*

In terms of the Company's Articles of Association, new Directors may hold office only until the next annual general meeting at which they are required to retire and offer themselves for re-election. One third of the Directors who have served longest in office since last election retire by rotation at least once in three years at the annual general meetings of shareholders. The Directors retiring and seeking re-election at the annual general meeting are Messrs Eksteen, Monnakgotla and Phologane.

Mr MH Solomon's, (Chief Executive Officer) contract commenced on 1 October 2007 for a three year period and is subject to one month's notice with benefits payable on early termination, subject to negotiation with the Board.

Mr MG Mgudlwa and Mr WM Eksteen have contracts with the Company which are renewed on a month to month basis.

Prof PG Gaylard and Mr DJ Phologane's contracts with the Company expired on 31 December 2008. No extensions to their contracts have been arranged.

Directors' emoluments

Directors' remuneration paid by the Company for the year ended 31 December 2008:

	Director's Fees R'000	Attendance Fees R'000	Salaries R'000	Advisory Fees R'000	Bonus R'000	**Total 2008 R'000**	Total 2007 R'000
RG Rainey, Mr+	240	104	–	–	–	**344**	231
MH Solomon, Mr#	–	–	2 753	–	3 731	**6 484**	4 290
I Abedian, Dr+	7	–	–	–	–	**7**	–
WM Eksteen, Mr*	84	101	–	372	468	**1 025**	674
PG Gaylard, Prof*	7	–	40	–	–	**47**	–
L Maloney, Mrs*^	77	42	–	–	–	**119**	112
MG Mgudlwa, Mr*	7	–	51	–	–	**58**	–
DNM Mokhobo, Mrs+	7	–	–	–	–	**7**	–
EM Monnakgotla, Mr*	84	9	–	–	–	**93**	111
DJ Phologane, Mr*	84	47	–	612	–	**743**	625
TE Skweyiya, Mrs^^	–	–	–	–	–	**–**	240
JC Williams, Mr*	84	56	–	–	–	**140**	186
Total	681	359	2 844	984	4 199	**9 067**	6 469

*#Executive *Non-Executive †Independent Non-Executive ^resigned on 30 November 2008 ^^ resigned on 18 December 2007*
No Director's remuneration was paid by subsidiary companies.

In the 2007 financial year, the Board of Directors approved an end of contract bonus of R14,8 million to be awarded to Mr MH Solomon. This bonus payment was to be spread over a three year period to minimise the impact on the Company's cash flow. The first payment of this bonus, R2,9 million included above, was paid to Mr MH Solomon in the 2008 financial year as set out in note 10 to the annual financial statements.

Directors' fees

The following remuneration structure for Non-executive Directors was approved by members at the annual general meeting of shareholders held on 8 September 2006:

	Chairman	Directors
Annual fees payable monthly in arrears	R240 000	R84 000
Attendance fees, per meeting, payable quarterly in arrears	R20 000	R9 000

The Directors at their meeting of 13 June 2006 approved the Remuneration and Nomination committee's recommendation that the following meeting attendance fees be paid to Board committee members from the date of approval.

Committees	Chairman	Member
Audit and Risk	R10 000	R7 500
Finance and Investment	R8 000	R5 750
Remuneration and Nomination	R8 000	R5 750
Technical	R10 000	R7 500

Interest of Directors in shares of the Company

The direct, indirect and deemed interest of the Directors of the Company, after due enquiry in this regard, in the issued share capital of the Company as at the date of this report was as follows:

2008	Direct		Indirect	
Ordinary Share	Beneficial	Non-beneficial	Beneficial	Non-beneficial
MH Solomon, Mr	–	–	**5 250 000**	–
WM Eksteen, Mr	**1 750 000**	–	–	–
L Maloney, Mrs*	–	–	–	–
MG Mgudlwa, Mr	–	–	**9 761 679**	–
JC Williams, Mr	–	–	**6 508 171**	–
	1 750 000	–	**21 519 850**	–

resigned on 30 November 2008

2007	Direct		Indirect	
Ordinary Share	Beneficial	Non-beneficial	Beneficial	Non-beneficial
MH Solomon, Mr	–	–	5 250 000	–
WM Eksteen, Mr	1 750 000	–	–	–
L Maloney, Mrs*	12 250 000	–	–	–
TE Skweyiya, Mrs**			26 150 000	
JC Williams, Mr	–	–	7 945 738	–
	14 000 000	–	39 345 738	–

*resigned 30 November 2008   **resigned 18 December 2007*

During the year under review, shares were awarded to key employees of Wesizwe in terms of a Long Term Incentive Plan (LTIP) and a Share Appreciation Rights Scheme (SARS).

On 1 June 2008, Mr MH Solomon was awarded 554 241 shares. The share awards were for LTIP and SARS awards (387 969 and 166 272 respectively). 50% of the awards vest on the second anniversary and the balance vests on the third anniversary.

Directors' interest in contracts

Other than the related party transactions described in note 18 to the annual financial statements, there were no contracts awarded during or at the end of the financial year in which the Directors of the Company had a material interest.

SPECIAL RESOLUTIONS

No special resolutions were passed during the financial year.

RELATED PARTY TRANSACTION

Until May 2008, Mr JC Williams, a Non-executive Director had the ability to exercise significant influence over certain companies in making financial decisions and transactions which might relate to the Company. These companies are accordingly recorded as related party entities. Details of the related party transactions by these companies insofar as they relate to Wesizwe are set out in note 18 to the annual financial statements.

AUDITOR

In accordance with section 270 (2) of the Companies Act, KPMG Inc. will continue in office as auditors of the Company.

SPONSOR

Investec Bank Limited.

SECRETARY

Routledge Modise Attorneys were appointed as Company Secretary with effect 30 April 2007.

BUSINESS ADDRESS AND REGISTERED OFFICE

Unit 13, 2nd Floor
3 Melrose Boulevard
Melrose Arch
Johannesburg
2076

POSTAL ADDRESS

Private Bag X16
Northlands
2116

REGISTRATION NUMBER

The Company is incorporated in the Republic of South Africa, Registration Number 2003/020161/06 and ISIN: ZAE000075859.

TRANSFER SECRETARIES

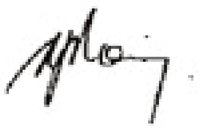
Computershare Investor Services (Proprietary) Limited
Ground Floor, 70 Marshall Street, Johannesburg, 2001
P O Box 61051, Marshalltown 2107
Telephone: +27 11 370 7700
Fax: +27 11 688 5238
E-mail: web.enquiries@computershare.co.za

ANNUAL GENERAL MEETING

The notice convening the Annual General Meeting scheduled to be held on 12 August 2009, together with a shareholder proxy form, and the notes explaining the various resolutions to be considered at that meeting, is enclosed with this annual report.

FORWARD LOOKING STATEMENTS

Certain statements included in this report constitute "forward looking statements" that are not profit forecasts or estimates in any way as defined by JSE Listings Requirements. Such forward looking statements do however involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements expressed or implied by those forward looking statements. Wesizwe is subject to the effect of changes in platinum group metals prices, currency and the risks involved in mining and exploration operations.



RG Rainey
(Acting Chairman)

on behalf of the Board of Directors

30 March 2009

BALANCE SHEETS
at 31 December

	Notes	Group 2008 R'000	Group 2007 R'000	Company 2008 R'000	Company 2007 R'000
ASSETS					
Non-current assets		**1 142 827**	950 172	**632 673**	628 801
Property, plant and equipment	2	**95 857**	36 207	**10 875**	5 791
Tangible exploration and evaluation assets	3	**122 443**	43 454	**–**	–
Intangible exploration and evaluation assets	3	**251 559**	210 226	**–**	1 212
Environmental deposits – restricted cash	4	**436**	436	**–**	–
Other investments – restricted cash	20	**3 800**	–	**–**	–
Investment in equity accounted investee	21	**668 732**	659 849	**–**	–
Investment in subsidiaries	5			**621 798**	621 798
Current assets		**328 181**	285 409	**761 512**	595 403
Loans receivable from subsidiaries	5	**–**	–	**470 124**	347 813
Other receivables	6	**11 998**	37 911	**233**	780
Cash and cash equivalents	15.1	**316 183**	247 498	**291 155**	246 810
Total assets		**1 471 008**	1 235 581	**1 394 185**	1 224 204
EQUITY AND LIABILITIES					
Capital and reserves		**1 369 563**	1 200 163	**1 369 563**	1 200 163
Share capital	7	**6**	6	**6**	6
Share premium	8	**1 487 934**	1 285 035	**1 487 934**	1 285 035
Share-based payment reserve	9	**57 269**	62 929	**57 269**	62 929
Accumulated losses		**(175 646)**	(147 807)	**(175 646)**	(147 807)
Long term liabilities		**6 962**	11 825	**6 962**	11 825
Other long term liabilities	10	**6 962**	11 825	**6 962**	11 825
Current liabilities		**94 483**	23 593	**17 660**	12 216
Trade and other payables	11	**94 483**	23 593	**17 660**	12 216
Total equity and liabilities		**1 471 008**	1 235 581	**1 394 185**	1 224 204

INCOME STATEMENTS

for the year ended 31 December

	Notes	Group 2008 R'000	Group 2007 R'000	Company 2008 R'000	Company 2007 R'000
Revenue		–	–	16 818	12 537
Other income		196	–	196	–
Administration expenditure		(52 935)	(108 721)	(60 494)	(117 175)
Loss on sale of non-current assets		(7)	–	(7)	–
Impairment of capitalised exploration and evaluation asset	3	(1 212)	–	(1 212)	–
Exploration and evaluation expenses		(8 199)	–	(8 199)	–
Impairment of loan to subsidiary		–	–	(9 256)	(4 083)
Loss from operations	12	(62 157)	(108 721)	(62 154)	(108 721)
Finance income	13	34 319	17 920	34 316	17 920
Finance costs		(1)	(6)	(1)	(6)
Loss before taxation		(27 839)	(90 807)	(27 839)	(90 807)
Income tax expense	14	–	–	–	–
Loss for the year		(27 839)	(90 807)	(27 839)	(90 807)
Loss per share					
Basic loss per share (cents)	17	(4,89)	(19,17)		
Diluted loss per share (cents)	17	(4,89)	(19,17)		

STATEMENTS OF CHANGES IN EQUITY

for the year ended 31 December

	Share capital R'000	Share premium R'000	Share-based payment reserve R'000	Accumulated loss R'000	Total R'000
GROUP AND COMPANY					
Balance at 1 January 2007	4	201 624	730	(57 000)	145 358
Issue of shares	1	1 097 224	–	–	1 097 226
Share issue expenses written-off	–	(13 813)	–	–	(13 813)
Share-based expense	–	–	62 199	–	62 199
Loss for the year	–	–	–	(90 807)	(90 807)
Balance at 31 December 2007	**6**	**1 285 035**	**62 929**	**(147 807)**	**1 200 163**
Issue of shares	1	202 500	–	–	202 501
LTIP shares vested	–*	6 170	(6 170)	–	–
Share issue expenses written-off	–	(5 771)	–	–	(5 771)
Share-based expense	–	–	510	–	510
Loss for the year	–	–	–	(27 839)	(27 839)
Balance at 31 December 2008	**6**	**1 487 934**	**57 269**	**(175 646)**	**1 369 563**

** Actual amount of share capital is R6,61 rounded to the nearest thousand is nil.*

CASH FLOW STATEMENTS

for the year ended 31 December

	Notes	Group 2008 R'000	Group 2007 R'000	Company 2008 R'000	Company 2007 R'000
Cash flows utilised by operating activities					
Cash generated/(utilised) by operations	15	33 016	(53 992)	(48 979)	(21 807)
Finance cost	13	(1)	(6)	(1)	(6)
Net cash inflow/(outflow) from operating activities		33 015	(53 998)	(48 980)	(21 813)
Cash flows utilised by investing activities					
Acquisition of property, plant and equipment as a result of increasing operations		(61 355)	(36 224)	–	(5 777)
Acquisition of tangible exploration and evaluation assets as a result of increasing operations		(78 989)	(43 454)	(6 349)	–
Expenditure on intangible exploration and evaluation assets as a result of increasing operations		(42 545)	(102 074)	–	(1 212)
Environmental guarantee deposit as a result of increasing operations		(3 800)	–	–	–
Investment equity accounted investee		(8 884)	(47 853)	–	–
Acquisition of Africa Wide loan accounts		–	–	–	(4 083)
Increase in amounts owed by group companies		–	–	(131 566)	(251 398)
Acquisition of subsidiary, net of cash		–	(10 217)	–	(10 217)
Proceeds on disposal of property, plant and equipment		195	–	195	–
Investment income	13	34 319	17 920	34 316	17 920
Net cash outflow from investing activities		(161 059)	(221 902)	(103 404)	(254 767)
Cash flows from financing activities					
Net proceeds from share issues		196 729	481 633	196 729	481 633
Decrease in current portion of interest bearing liabilities		–	(18 403)	–	(18 403)
Net cash inflow from financing activities		196 729	463 230	196 729	463 230
Net increase in cash and cash equivalents		68 685	187 330	44 345	186 650
Cash and cash equivalents at the beginning of the year		247 498	60 168	246 810	60 160
Cash and cash equivalents at the end of the year	15.1	316 183	247 498	291 155	246 810

1. ACCOUNTING POLICIES

Reporting entity

Wesizwe Platinum Limited is a company domiciled in the Republic of South Africa. The consolidated financial statements of the Company as at 31 December 2008 comprise the Company, its subsidiaries and associates (together referred to as the Group).

The ordinary shares of the Company are listed on the JSE under the Platinum and Precious Metals sector. Its principal interest is the development of platinum rights held by its wholly-owned subsidiaries, Bakubung Minerals (Proprietary) Limited and Africa Wide Mineral Prospecting And Exploration (Proprietary) Limited.

Basis of preparation

Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board (IASB) and in a manner required by the Companies Act of South Africa.

Basis of measurement

The financial statements for the year ended 31 December 2008 has been prepared on the historical cost basis except where fair value accounting is applied.

Functional and presentation currency

These financial statements are presented in South African Rand (ZAR), 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 judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. 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 judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Note 4: Environmental deposits
- Note 9: Share-based payment reserve
- Note 21: Business combination
- Note 23.1: Consideration on impairment of assets

Significant accounting policies

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Group financial statements, and have been applied consistently by the Group companies.

a. Basis of consolidation

The consolidated financial statements reflect the financial results of the Group after the elimination of inter-Group transactions and balances. The financial results of all subsidiaries are consolidated into Group results from date of acquiring control to date of loss of control.

i) Transactions eliminated on consolidation

Intra-Group balances and transactions, and any unrealised income and expenses arising from intra-Group transactions, are eliminated in preparing the consolidated statements. Unrealised gains arising from transactions with equity accounted investee 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.

ii) Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity to the exclusion of all others, so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences or up to the effective date of disposal at which date control ceases.

iii) Equity accounted investee

An equity accounted investee is an entity in which the Group has an equity interest and over which it has the ability to exercise significant influence 'but not control' over their financial and operating policies.

Significant influence is presumed to exist when the Group holds between 20% to 50% of voting power of another entity. Associates are accounted for using the equity method and are initially measured at cost. The Group's investment includes goodwill identified on acquisition, net of any impairment losses.

iv) Goodwill

At the date of a subsidiary undertaking or an equity investee undertaking, fair values are attributable to the acquired identifiable assets, liabilities and contingent liabilities. Goodwill, which represents the difference between the fair value of the purchase consideration and the acquired interest in the fair value of assets, is subject to annual impairment testing. Goodwill is allocated to cash generating units (CGU) for purposes of impairment testing. Impairment write-downs on goodwill may not be reversed.

b. Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and returns that are different from those of other segments. Segment information is presented in respect of the Group's business and geographical segments. The Group's primary format for segment reporting is based on business segments. The business segments are determined based on the Group's management and internal reporting structure.

c. Share capital and share premium

Ordinary shares and associated share premiums 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 is initially measured at 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.

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

Vehicles	20,00%
Computer equipment	33,33%
Furniture and fittings	20,00%
Office equipment	20,00%
Other office fittings	25,00%
Leasehold improvements	Term of lease
Land	Not depreciated
Buildings	Over life of mine

No significant components have been identified for the asset categories above. Profit and loss on disposal are recognised in the income statement.

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. All other costs are recognised in the income statement as an expense as and when incurred.

e. Tangible and intangible exploration and evaluation assets

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

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

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

Costs not meeting IFRS 6 requirements are written to Income Statement in the year incurred.

Financial instruments – non derivatives

Financial instruments are, upon initial recognition when the Group becomes party to the contractual terms of the instruments, measured at fair value including transaction costs. Instruments not at fair value gains and losses are recorded in the Income Statements. Subsequent to initial recognition, these instruments are measured as follows:

a. Financial assets

The Group's financial principal assets are loans receivable, trade and other receivables, cash and cash equivalents and environmental guarantee.

Financial assets held by the Group are initially recognised at fair value which equates market value and subsequently measured at ammortised cost less accumulated impairment losses.

b. Financial liabilities

The Group's principal financial liabilities are non-interest bearing borrowings and trade and other payables.

i) Interest bearing loans and borrowings

Interest bearing borrowings are measured at amortised cost, using the effective interest method.

ii) Trade and other payables

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

c. Cash and cash equivalents

Subsequent to initial recognition, cash and cash equivalents are measured at cost which equates fair value. For cashflow statement purposes, bank overdrafts are offset against bank and cash balances. Cash and cash equivalents comprise cash on hand and deposits held on call with banks.

Impairment

a. Property, plant and equipment, and tangible exploration and evaluation of assets

At each balance sheet date, the Group reviews the carrying amount of its property, plant and equipment and financial assets 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 is recognised immediately as an expense.

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.

b. Intangible exploration and evaluation assets

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

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

c. Financial assets

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset is impaired.

A provision for impairment of other receivables, held to maturity investments and loans is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the asset. Significant financial difficulties on the part of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments are considered indicators that the trade receivables is impaired. The amount of provision 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.

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.

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 balance sheet 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 pre-tax that reflects the current market assessments of the time value of money and the risks specifics of the liability.

a. environmental deposits

Subsequent to initial recognition, environmental deposits are measured at cost.

b. environmental rehabilitation provisions

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

Income tax

Income tax comprises current and deferred tax.

a. 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 balance sheet date, and any adjustments of tax payable for previous periods. Current tax is recognised in profit and loss except to the extent that it relates to equity.

b. deferred taxation

Deferred taxation is provided at enacted or substantively enacted rates using the balance sheet method 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 balance sheet carrying amount. This exclude those amounts relating to goodwill which is not deductible for taxation purposes, and to the extent that it relates to initial recognition of assets or liabilities which affect neither accounting nor taxable profit or loss and differences relating to investments in subsidiaries, to the extent that they will not reverse in the foreseeable future. Deferred tax assets are not raised 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.

Revenue

Revenue derived from the rendering management services to subsidiary companies is recognised at fair value of consideration received or receivable after deducting value added tax.

Finance income

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

Finance costs

Finance expenses consists of interest expense which is accrued on a time basis, by reference to the principle outstanding and the effective interest rate applicable.

Operating leases

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease.

Share-based payments

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

The cost of providing equity-settled and equity share-based payments to employees is charged to the income statement over the vesting period of the related share options or share allocations. The cost is based on the fair value of the options or shares allocated and the number of awards expected to vest. The fair value of each option or share is determined using Black-Scholes Option Pricing Model. Market related performance conditions are reflected in the fair value of the share. Non-market related performance conditions are allowed for using a separate assumption about the number of awards expected to vest. The final charge made reflects the numbers actually vested on the basis that market conditions are met.

Earnings per share

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted number of ordinary shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and weighted average number of shares outstanding for the effects of all dilutive ordinary shares, which comprise convertible notes and share options granted to employees.

New standards and amendments in the year

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 December 2008 and have not been applied in preparing these consolidated financial statements:

- Revised IAS 1 – Presentation of Financial Statements: The revised statement requires presentation of all non-owners change in equity as follows:
  - In a single statement of comprehensive income (which includes income statement line items); or
  - In a statement of comprehensive income (which includes only non-owners equity changes).

The statement is effective for periods commencing on or after 1 January 2009. Implementation of the revised statement is not expected to have a material impact on the Group's results.

- IAS 27 – Consolidated and Separate Financial Statements: The amendments relate mainly to the accounting for changes in the non-controlling (minority) interest in a subsidiary and the loss of control in a subsidiary. Effective date is for period commencing on or after 1 July 2009. Implementation of this standard is not expected to have a material impact on the Group's results, assets and liabilities.
- IFRS 2 – Share-based Payment: Vesting Conditions and Cancellation. The amendments apply to equity-settled share-based payment transactions and clarify what are vesting and "non-vesting". Effective date is for period commencing on or after 1 January 2009. Implementation of this statement is not expected to have a material impact on the Group's results, assets and liabilities.
- IFRS 3 – Business Combinations: The standard introduces various terminology and scope changes. In addition, the statement states that:
  - the acquirer can elect to measure any non-controlling (minority) interest on acquisition of subsidiary, on a transaction by transaction basis, at either:
- the fair value as determined at the acquisition date, or
- the proportionate interest of the non-controlling interest in the fair value of the identifiable assets and liabilities of the acquiree.

The standard applies to all business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. The impact that this statement will have on implementation cannot be accurately determined, but may affect the transaction value of the proposed 37% acquisition of PTM.

- IFRS 8 – Operating Segments: In terms of this IFRS, segment reporting will be based on the information that management uses internally for evaluating segment performance and when deciding how to allocate resources to operating segments. Such information may be different from what is used to prepare the financial statements. Implementation of this standard is not expected to have an impact on the Group's results.
- IFRIC 11 – group and Treasury Share Transaction: this interpretation addresses how to apply IFRS 2 (Share-based Payment) to share-based payment arrangements involving an equity's own equity instruments or equity instruments of another entity in the same group. Effective date is for period commencing on or after 1 January 2009. As the Group accounts for the share-based payment transaction of its own equity instruments as equity-settled, the implementation of this interpretation will have no impact on the Group's results.
- IFRIC 12 and 13 is not relevant to the Group and as such have no impact.

2. PROPERTY, PLANT AND EQUIPMENT

Group – 2008

Cost

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Owned:				
Land and Buildings	1 677	5 191	–	6 868
Plant	28 767	54 525	–	83 292
Vehicles	389	–	–	389
Computer equipment	1 357	480	–	1 837
Furniture and fittings	1 315	363	–	1 678
Office equipment	491	312	(109)	694
Other office fittings	119	470	–	589
Leasehold improvements	2 919	14	(125)	2 808
Total	37 034	61 355	(234)	98 155

Accumulated depreciation and impairment losses

	Opening balance R'000	Depreciation R'000	Disposals R'000	Closing balance R'000
Owned:				
Land and Buildings	–	–	–	–
Plant	–	–	–	–
Vehicles	72	79	–	151
Computer equipment	440	565	–	1 005
Furniture and fittings	170	298	–	468
Office equipment	61	109	(33)	137
Other office fittings	21	60	–	81
Leasehold improvements	63	393	–*	456
Total	827	1 504	(33)	2 298

**Assets were disposed before depreciation commenced*

Carrying value

	Opening balance R'000	Additions R'000	Disposals R'000	Depreciation R'000	Closing balance R'000
Owned:					
Land and Buildings	1 677	5 191	–	–	6 868
Plant	28 767	54 525	–	–	83 292
Vehicles	317	–	–	(79)	238
Computer equipment	917	480	–	(565)	832
Furniture and fittings	1 145	363	–	(298)	1 210
Office equipment	430	312	(109)	(76)	557
Other office fittings	98	470	–	(60)	508
Leasehold improvements	2 856	14	(125)	(393)	2 352
Total	36 207	61 355	(234)	(1 471)	95 857

No property, plant and equipment are encumbered.

Wesizwe holds full title to the building, which is available at our office for inspection.

2. PROPERTY, PLANT AND EQUIPMENT *(continued)*

Company – 2008

Cost

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Owned:				
Land and Buildings	1 677	5 191	–	6 868
Plant	–	–	–	–
Vehicles	–	–	–	–
Computer equipment	994	207	–	1 201
Furniture and fittings	1 152	294	–	1 446
Office equipment	481	312	(109)	684
Other office fittings	–	331	–	331
Leasehold improvements	2 128	14	(125)	2 017
Total	6 432	6 349	(234)	12 547

Accumulated depreciation and impairment losses

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Owned:				
Land and Buildings	–	–	–	–
Plant	–	–	–	–
Vehicles	–	–	–	–
Computer equipment	380	347	–	727
Furniture and fittings	143	258	–	401
Office equipment	60	109	(33)	136
Other office fittings	–	5	–	5
Leasehold improvements	59	344	–	403
Total	642	1 063	(33)	1 672

**Assets were disposed before depreciation commenced*

Carrying value

	Opening balance R'000	Additions R'000	Disposals R'000	Depreciation R'000	Closing balance R'000
Owned:					
Land and Buildings	1 677	5 191	–	–	6 868
Plant	–	–	–	–	–
Vehicles	–	–	–	–	–
Computer equipment	615	207	–	(347)	475
Furniture and fittings	1 009	294	–	(258)	1 045
Office equipment	421	312	(109)	(76)	548
Other office fittings	–	331	–	(6)	325
Leasehold improvements	2 069	14	(125)	(344)	1 614
Total	5 791	6 349	(234)	(1 031)	10 875

No property, plant and equipment are encumbered.

2. PROPERTY, PLANT AND EQUIPMENT *(continued)*

Group – 2007

Cost

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Owned:				
Land and Buildings	–	1 677	–	1 677
Plant	–	28 767	–	28 767
Vehicles	–	389	–	389
Computer equipment	430	927	–	1 357
Furniture and fittings	295	1 020	–	1 315
Office equipment	57	434	–	491
Other office fittings	28	91	–	119
Leasehold improvements	–	2 919	–	2 919
Total	810	36 224	–	37 034

Accumulated depreciation and impairment losses

	Opening balance R'000	Depreciation R'000	Disposals R'000	Closing balance R'000
Owned:				
Land and Buildings	–	–	–	–
Plant	–	–	–	–
Vehicles	–	72	–	72
Computer equipment	175	265	–	440
Furniture and fittings	58	112	–	170
Office equipment	16	45	–	61
Other office fittings	1	20	–	21
Leasehold improvements	–	63	–	63
Total	250	577	–	827

Carrying value

	Opening balance R'000	Additions R'000	Disposals R'000	Depreciation R'000	Closing balance R'000
Owned:					
Land and Buildings	–	1 677	–	–	1 677
Plant	–	28 767	–	–	28 767
Vehicles	–	389	–	(72)	317
Computer equipment	255	927	–	(265)	917
Furniture and fittings	237	1 020	–	(112)	1 145
Office equipment	41	434	–	(45)	430
Other office fittings	27	91	–	(20)	98
Leasehold improvements	–	2 919	–	(63)	2 856
Total	560	36 224	–	(577)	36 207

No property, plant and equipment are encumbered.

2. PROPERTY, PLANT AND EQUIPMENT *(continued)*

Company – 2007

Cost

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Owned:				
Land and Buildings	–	1 677	–	1 677
Plant	–	–	–	–
Vehicles	–	–	–	–
Computer equipment	357	637	–	994
Furniture and fittings	241	911	–	1 152
Office equipment	57	424	–	481
Other office fittings	–	–	–	–
Leasehold improvements	–	2 128	–	2 128
Total	655	5 777	–	6 432

Accumulated depreciation and impairment losses

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Owned:				
Land and Buildings	–	–	–	–
Plant	–	–	–	–
Vehicles	–	–	–	–
Computer equipment	172	208	–	380
Furniture and fittings	57	86	–	143
Office equipment	16	44	–	60
Leasehold improvements	–	59	–	59
Total	245	397	–	642

Carrying value

	Opening balance R'000	Additions R'000	Disposals R'000	Depreciation R'000	Closing balance R'000
Owned:					
Land and Buildings	–	1 677	–	–	1 677
Plant	–	–	–	–	–
Vehicles	–	–	–	–	–
Computer equipment	186	637	–	(208)	615
Furniture and fittings	184	911	–	(86)	1 009
Office equipment	41	424	–	(43)	422
Leasehold improvements	–	2 128	–	(60)	2 068
Total	411	5 777	–	(397)	5 791

No property, plant and equipment are encumbered.

3. TANGIBLE AND INTANGIBLE EXPLORATION AND EVALUATION ASSETS

Group – 2008

Cost

	Opening balance R'000	Additions R'000	Impairments R'000	Closing balance R'000
Tangible exploration and evaluation asset	43 454	78 989	–	122 443
Intangible exploration and evaluation asset	210 226	42 545	(1 212)*	251 559
Total	253 680	121 534	(1 212)	374 002

**The impairment charge of 2008 represents the full write-off on exploration drilling costs of the Groblersdal and Ga Rankuwa Project, previously capitalised.*

Initial drilling results indicated that the resources in these areas cannot be exploited economically and the decision not to continue with the project was taken.

Carrying value

	Opening balance R'000	Additions R'000	Impairment R'000	Amortisation R'000	Closing balance R'000
Tangible exploration and evaluation asset	43 454	78 989	–	–	122 443
Intangible exploration and evaluation asset	210 226	42 545	(1 212)	–	251 559
Total	253 680	121 534	(1 212)	–	374 002

Company – 2008

Cost

	Opening balance R'000	Additions R'000	Impairments R'000	Closing balance R'000
Tangible exploration and evaluation asset	–	–	–	–
Intangible exploration and evaluation asset	1 212	–	(1 212)	–
Total	1 212	–	(1 212)	–

3. TANGIBLE AND INTANGIBLE EXPLORATION AND EVALUATION ASSETS *(continued)*

Group – 2007

Cost

	Opening balance R'000	Additions R'000	Impairment loss R'000	Closing balance R'000
Tangible exploration and evaluation asset	–	43 454	–	43 454
Intangible exploration and evaluation asset	108 152	102 074	–	210 226
Total	108 152	145 528	–	253 680

Carrying value

	Opening balance R'000	Additions R'000	Impairment loss R'000	Amortisation R'000	Closing balance R'000
Tangible exploration and evaluation asset	–	43 454	–	–	43 454
Intangible exploration and evaluation asset	108 152	102 074	–	–	210 226
Total	108 152	145 528	–	–	253 680

Company – 2007

Cost

	Opening balance R'000	Additions R'000	Closing balance R'000
Tangible exploration and evaluation asset	–	–	–
Intangible exploration and evaluation asset	–	1 212	1 212
Total	–	1 212	1 212

Tangible and intangible exploration and evaluation assets will be amortised only when production commences.
A register of all prospecting permits is maintained at the registered office of the Company.

4. ENVIRONMENTAL DEPOSITS

Environmental deposits are placed with the Department of Minerals and Energy (DME) for rehabilitation of the land after exploration activities. The amount of the environmental deposits was approved by the DME. The deposits are reviewed annually by the DME, and if necessary, the Company is required to increase the amount of the deposits. Judgment is applied by management in calculating the amounts of the deposits to be submitted to the DME.

The Directors and management of Wesizwe evaluated the environmental rehabilitation obligation that may be required in future as a result of exploration activities undertaken. The evaluation was based on the parameters set by the DME. As at 31 December 2008, the Directors and management of Wesizwe were satisfied that no obligation exists with regards to future environmental rehabilitation as drilling sites are rehabilitated as and when drilling is completed. The results of the evaluation exercise were verified by an Independent Competent Person.

	Group 2008 R'000	Group 2007 R'000	Company 2008 R'000	Company 2007 R'000
Environmental deposits	436*	436	–	–

Restricted cash

5. INVESTMENT IN SUBSIDIARIES

	Percentage Shareholders %	*Company 2008 R'000	Company 2007 R'000
Investment in:			
Bakubung Minerals (Propriety) Limited	100	9 802	9 802
Africa Wide Mineral Prospecting and Exploration (Propriety) Limited	100	611 996	611 996
Sub Total		621 798	621 798
Shareholders' loans			
Bakubung Minerals		440 283	317 599
– Impairment of shareholders' loan		(26 875)	(17 619)
Africa Wide		56 716	47 833
Sub Total		470 124	347 813
Total		1 091 922	969 611

Shareholders' loans are payable on demand and bear no interest.
** Impaired to the extend that losses have been incurred in subsidiary companies.*
** These loans have been subordinated in favour of the 3rd party creditors.*

6. OTHER RECEIVABLES

	Group 2008 R'000	Group 2007 R'000	Company 2008 R'000	Company 2007 R'000
Value added tax refunds	**11 758**	25 907	**–**	670
Other	**240**	12 004	**233**	110
Total	**11 998**	37 911	**233**	780

7. SHARE CAPITAL

	Company/ Group 2008 R'000	Company/ Group 2007 R'000
Authorised		
1 000 000 000 ordinary shares of R0.00001 each	**10**	10
Issued		
585 489 846 ordinary shares of R0.00001 each		
(2007: 554 829 167 ordinary shares of R0.00001 each)	**6**	6

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

The Company issued 30 660 679 ordinary shares during the year under review at the following strike prices:

Date issued	Number of shares issued as per LTIP	Number of shares issued for cash	Price per share (cents)
March	660 679		934
July		30 000 000	675*
Total	660 679	30 000 000	

**The share issue price was determined by applying a 10% discount to the weighted average traded price on the JSE of those shares over the 30 business days prior to the date the price of the issue was determined and agreed by the Directors.*

None of the above shares were issued for cash to Directors or their families during the year under review. There are 82 902 031 unissued ordinary shares under the control of the Directors until the next annual general meeting.

8. SHARE PREMIUM

	Company/ Group 2008 R'000	Company/ Group 2007 R'000
Authorised		
Opening balance	**1 285 035**	1 314 617
Reallocation from share-based payment reserve	**6 170**	–
Premium on issue of 30 000 000 shares	**202 500**	–
Less: share issue and related expenditure	**(5 771)**	(29 582)
Total	**1 487 934**	1 285 035

9. SHARE-BASED PAYMENT RESERVE

The Long Term Incentive Plan (LTIP) and Share Appreciation Rights Scheme (SARS) were established by Wesizwe in terms of which selected executive Directors and employees of the Company and its subsidiaries will receive a conditional right to receive a cash award or a fixed number of Wesizwe shares subject to certain service and performance-related conditions.

	Company/ Group 2008 R'000	Company/ Group 2007 R'000
Opening balance	62 929	730
Movement during the year	(5 660)	62 199
– Issued share value reallocated to share premium	(6 170)	–
– LTIP share award	510	–
Closing balance	57 269	62 929

9.1 Share-based payment transactions

The following share-based payment transactions occurred during the 2008 financial year.

	Company/ Group 2008 R'000	Company/ Group 2007 R'000
Shares issued to Vunani	–	54 300
Shares issued based on Long Term Incentive Plan (LTIP)	(5 660)	7 899
– reallocated to share premium	(6 170)	–
– LTIP share award	510	7 899
Movement for the year	(5 660)	62 199

10. OTHER LONG TERM LIABILITIES

	Group 2008 R'000	Group 2007 R'000	Company 2008 R'000	Company 2007 R'000
Opening balance – bonus accrual*	17 929	–	17 929	–
Additional bonus accrued**	2 168	17 929	2 168	17 929
Bonus paid out	(6 104)	–	(6 104)	–
Sub-total	13 993	17 929	13 993	17 929
Short term portion^	(7 031)	(6 104)	(7 031)	(6 104)
Total	6 962	11 825	6 962	11 825

**The opening balance of R17,9 million relates to R14,8 million awarded to Mr MH Solomon and R3,2 million awarded to Ms MS Low in 2007 for past services rendered.*

***The additional bonus for the current year's accrual relates to a bonus of R2,2 million awarded to Ms MS Low for past services rendered.*

^The short term portion is payable in October 2009 with the balance payable in October 2010.

11. TRADE AND OTHER PAYABLES

	Group 2008 R'000	Group 2007 R'000	Company 2008 R'000	Company 2007 R'000
Leave pay accrual	872	865	872	865
Trade payables	84 205	16 624	7 382	5 247
VAT payable	2 375	–	2 375	–
Bonus accrual (refer note 10)	7 031	6 104	7 031	6 104
Total	94 483	23 593	17 660	12 216

12. LOSS FROM OPERATIONS

The following items have been charged in arriving at the loss from operations:

	Group 2008 R'000	Group 2007 R'000	Company 2008 R'000	Company 2007 R'000
Expenses				
Accounting fees	–	243	–	243
Professional fees	4 695	7 141	5 296	7 141
Auditors' remuneration	1 466	995	1 466	995
– audit fees (current year)	813	417	813	417
– audit fees (under provision prior year)	358	256	358	256
– other services	295	322	295	322
Corporate social investment expenditure	9 244	4 138	–	72
Depreciation of property, plant and equipment	1 504	577	1 063	397
Employee costs	10 012	27 849	21 539	27 849
Legal fees and secretaries fees	5 854	1 160	5 854	1 160
Operating lease: buildings	1 780	927	2 179	927
Travel and accommodation	2 613	2 142	2 611	2 136
Share-based payment expense	510	62 199*	510	62 199
Corporate affairs and public relations	6 472	5 551	7 034	5 551
Loss on disposal of PPE	7	–	7	–

**The R62,2 million share-based payment expense comprises of:*

- *Issue of 30 000 000 shares valued at R54,3 million to Vunani Capital (Pty) Limited ("Vunani").*
- *Issue of 832 379 shares under the Long Term Incentive Plan to employees valued at R7,9 million.*
- *R54 300 000 relates to an IFRS 2 adjustment for the specific issue for cash of 30 million shares to Vunani Capital (Pty) Limited ("Vunani"), a black-owned financial institution. On 8 February 2007, a mutual shared understanding of the terms and conditions of the issue was reached. The strike price for the issue was set at R3,36. This was determined by applying 10% discount to the 30 day Volume Weighted Trade Average Price as at 30 November 2006 when initial discussion with Vunani was held. The price was agreed to by the Board of Directors of Wesizwe on 29 November 2006. The difference between fair value at the grant date and the strike price of R3,36 represents a share-based payment expense. The closing price on 8 February 2007, which represents the fair value of the Wesizwe share was R5,17. Wesizwe and Vunani had a planned understanding of the terms and conditions of the transaction on 8 February 2007.*
- *R7 899 355 represents the Wesizwe Long Term Incentive Plan (LTIP) that was approved at the annual general meeting held on 16 August 2007.*

12.1 Directors' emoluments

Directors' emoluments have been disclosed in the Directors' report.

13. NET FINANCE INCOME

	Group 2008 R'000	Group 2007 R'000	Company 2008 R'000	Company 2007 R'000
Interest earned on cash balances	**34 319**	17 920	**34 316**	17 920
Finance charges for the year	**(1)**	(6)	**(1)**	(6)
Net finance income	**34 318**	17 914	**34 315**	17 914

14. INCOME TAX EXPENSE

No provision for South African normal taxation has been made. The Group and Company have an estimated tax loss of R34 million and R33 million respectively (2007: Group and Company R35,7 million and R33,6 million) for the year ended 31 December 2008, which may be deductable from future taxable income. The 2004 and 2005 tax losses are under dispute and management has responded to SARS and is awaiting a response.

Unredeemed capital expenditure

The Group has unredeemed capital expenditure of R412,2 million (2007: R235,7 million) for the year ended 31 December 2008. The unredeemed capital expenditure may be set-off against future taxable income.

Deferred tax

Unrecognised deferred tax assets.

No deferred tax assets have been recognised, in the year under review and prior years. Deferred tax assets may be recognised once a mine has been brought into operation.

15. NOTES TO THE CASH FLOW STATEMENT

	Group 2008 R'000	Group 2007 R'000	Company 2008 R'000	Company 2007 R'000
Reconciliation of loss for the year to cash utilised by operations:				
Loss from operations	**(62 157)**	(108 721)	**(62 154)**	(108 721)
Adjustments for:				
– depreciation	**1 504**	577	**1 063**	397
– impairment of loan to subsidiary			**9 256**	4 083
– share-based payment expense	**510**	62 199	**510**	62 199
– impairment of exploration and evaluation asset	**1 212**	–	**1 212**	–
– loss on disposal of PPE	**7**	–	**7**	–
Operating loss before working capital changes	**(58 924)**	(45 945)	**(50 106)**	(42 042)
Changes in working capital	**91 940**	(8 047)	**1 127**	20 235
Decrease/(increase) in other receivables	**25 914**	(34 113)	**547**	175
Increase in trade and other payables	**70 889**	14 241	**5 443**	8 235
Movement in other long term liability	**(4 863)**	11 825	**(4 863)**	11 825
Cash generated/(utilised) by operations	**33 016**	(53 992)	**(48 979)**	(21 807)

15. NOTES TO THE CASH FLOW STATEMENT *(continued)*

15.1 Cash and cash equivalents

	Group 2008 R'000	Group 2007 R'000	Company 2008 R'000	Company 2007 R'000
Bank balances	**28 194**	7 494	**3 166**	6 806
Call and short term deposits	**287 989**	240 004	**287 989**	240 004
Total	**316 183**	247 498	**291 155**	246 810

16. FINANCIAL INSTRUMENTS

16.1 Financial risk management

The Group has limited exposure to the following risks:

- Credit risk
- Liquidity risk
- Market risk

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

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. The committee 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, and arises principally from the Group's investment activities.

Other receivables

The Group has receivables of R11 million. This relates to SARS VAT receivable.

When necessary, the Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of other receivables and investments. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. Currently, this is not necessary as the money due from SARS has been received after year end.

16. FINANCIAL INSTRUMENTS *(continued)*

16.1 Financial risk management *(continued)*

Investments

The Group limits its exposure to credit risk by only investing in liquid securities and only with counterparties that have a credit rating of at least "A". Cash and cash equivalents for the Group are invested with the following institutions at 31 December 2008.

– Standard Bank	R127,5 million
– Investec	R125,8 million
– ABSA	R62,9 million
– Sanlam (Environmental Rehabilitation)	R3,8 million

Management assessed the credit risk of the above institutions and are comfortable that they will not be greatly impacted by the current financial crisis.

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 managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. (Refer Directors' report for going concern assessment).

The Group uses budgetary control costing which assists it in monitoring cash flow requirements and optimising its cash return on investments. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing and financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the Group has various options of raising additional funding.

Market risk

Market risk is changes in market prices, such as foreign exchange rates, interest rates and equity prices which 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.

Interest rate risk: The Group manages its interest rate risk by entering into prime-linked borrowings or fixed interest borrowings.

Other market price risk: Funds are placed at a number of South African domiciled banking institutions with an "A" credit rating. Funds are invested over periods that match our forecast cash flow requirements.

The primary goal of the Group's investment strategy is to maximise investment returns on temporary surplus cash arising from the issuing of shares for cash. Management is assisted by external advisors in this regard. Management assessed the market risk as low. No capital equipment is purchased in foreign currency.

Interest rate sensitivity analysis

The Group does not have any foreign exchange and derivative contracts outstanding at year end. A decrease of 100 basis points on interest on the cash balance at year end will decrease annual interest income by R3,4 million.

16. FINANCIAL INSTRUMENTS *(continued)*

16.2 Financial instruments

Effective interest rates and price analysis are as follows:

Group 2008

	Note	Effective 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
Cash and cash equivalents	16.1	12.18%	316 183	316 183	–	–	–	–
Other receivables	6	–	11 998	11 998	–	–	–	–
Trade and other payables		–	(94 483)	(87 718)	(6 765)	–	–	–
Total			233 698	240 463	(6 765)	–	–	–

Group 2007

	Note	Effective 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
Cash and cash equivalents	16.1	10,87%	247 498	247 498	–	–	–	–
Other receivables	6	–	37 911	37 911	–	–	–	–
Trade and other payables		–	(23 594)	(23 594)	–	–	–	–
Total			261 815	261 815	–	–	–	–

16.3 Fair values

The fair values of all financial instruments estimates the carrying amounts reflected in the balance sheet.
The fair values together with the carrying amounts shown in the balance are as follows:

		Group 2008		Group 2007	
	Note	Carrying amount R'000	Fair value R'000	Carrying amount R'000	Fair value R'000
Cash and cash equivalents	16.1	316 183	316 183	247 498	247 498
Other receivables	6	11 998	11 998	37 911	37 911
Trade and other payables		(94 483)	(94 483)	(23 594)	(23 594)
		233 698	233 698	261 815	261 815

- Fair value of other receivables, other long term liabilities, trade and other payables is equal to carrying amounts as the amounts will be settled in the short term and the effect of discounting is immaterial.

16.4 Classifications

Other receivables, interest bearing borrowings and trade and other payables are carried at amortised cost.

17. LOSS PER SHARE

	Group 2008	Group 2007
The basis of calculation of basic loss per share is:		
Attributable loss to ordinary shareholders (Rand)	**27 839 000**	90 807 000
Weighted number of ordinary shares outstanding during the year (shares)	**569 795 868**	473 594 696
Basic and diluted loss per share (cents)*	**4,89**	19,17
The basis of calculation of headline loss per share is:		
Attributable loss to ordinary shareholders (Rand)	**27 839 000**	90 807 000
	(1 219 000)	–
Loss on disposal of asset	**(7 000)**	–
Impairment of exploration and evaluation asset	**(1 212 000)**	–
Headline loss	**26 620 000**	–
Weighted number of ordinary shares outstanding during the year (shares)	**569 721 121**	473 594 696
Headline loss per share (cents)	**4,67**	19,17

**During the year the Group granted 1 851 306 shares under its LTIP and SARS schemes. These shares were not taken into account for the purpose of calculating diluted loss per share as they have an anti-dilutive effect.*

Calculation of weighted average number of shares:

Dates of share issues	Description	Number of shares issued	Number of days in issue	Weighted average number of shares
01 January 2008	Opening balance	554 829 167	366	554 829 167
22 April 2008	Shares issued	660 679	254	485 504
08 July 2008	Shares issued	30 000 000	177	14 508 197
Total				**569 795 868**

18. RELATED PARTIES

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

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

18.1 Transactions with entities

Group and company

The following transactions were entered into:

		Group and Company 2008		Group and Company 2007	
Related party	Transaction type	Transaction amount R'000	Outstanding amount R'000	Transaction amount R'000	Outstanding amount R'000
Asset Liability Management (Pty) Ltd (common director with significant influence)	Treasury services	226	–	381	87

The following transactions were entered into:

Company

		Company 2008		Company 2007	
Related party	Transaction type	Transaction amount R'000	Outstanding amount R'000	Transaction amount R'000	Outstanding amount R'000
Bakubung Minerals	Loan advanced	122 684	440 283	207 647	317 599
	Management fees	16 818	–	12 537	–
Africa Wide	Loan advanced*	8 883	56 716	47 833	47 833

The above transactions were all at arms' length.

**Loans advanced were used to pay for exploration for the WBJV project.*

18.2 Transactions with key management*

	Group 2008 R'000	Group 2007 R'000	**Company 2008 R'000**	Company 2007 R'000
Salaries and bonuses	**6 811**	3 147	**6 811**	3 147
LTIP share awards	**510**	7 900	**510**	7 900
Total	**7 321**	11 047	**7 321**	11 047

**Key management consists of selected executive Directors, members of executive committee and other senior managers.*

Details of the LTIP awards to key management personnel made during the year under review, are as follows:

	Number of shares	Exercise price of outstanding shares (cents)	Remaining contracted life (years)	Weighted average fair value of shares (ZAR)
Granted during the year	1 851 306	2,64	2,30	7,50
– LTIP	1 112 899	2,64	2,30	7,50
– SARS	738 407	2,64	2,30	7,50
Vested during the year	660 679	2,64	–	–
Lapsed during the year	–	–	–	–
Outstanding at 31 December 2008	2 023 006	2,64	2,30	7,50
Exercisable at 31 December 2008	–	–	–	–

The fair value of options at grant date was R8,95.
For transactions with directors refer to the Directors' report.
No shares were forfeited during the year.
The fair value of LTIP and SARS is determined using the Black Scholes Option Pricing Model.

19. COMMITMENTS

Commitments at balance sheet date but not recognised in the financial statements are as follows:

	Group 2008 R'000	Group 2007 R'000	Company 2008 R'000	Company 2007 R'000
The following commitments are due within the next 12 months:				
Rental of premises	1 649	1 513	1 649	1 513
Vehicle maintenance lease	–	248	–	248
Commitments due within months 13 to 24 months				
Rental of premises	1 798	1 649	1 798	1 649
Vehicle maintenance lease	–	41	–	41
Contracted and not committed project long-lead items	61 832	–	–	–
Commitments due within months 25 to 36 months				
Rental of premises	1 959	1 798	1 959	1 798
Vehicle maintenance lease	–	–	–	–

20. OTHER INVESTMENTS

In terms of section 41 of the MPRDA, a financial provision is required by the holder of a Prospecting Right, Mining Right or Mining Permit to achieve the total quantum for rehabilitation and remediation of environmental impacts and associated damage as well as closure-out for cost.

The DME approved the EMP for Wesizwe and the following amounts have been invested for closure cost purposes based on the approved figures.

	2008 R'000	2007 R'000
Capital invested	3 800	–
Return on investments	–	–
Total	3 800	–

21. INVESTMENT IN EQUITY ACCOUNTED INVESTEE

During the prior year, the Group acquired 100% of Africa Wide for R611 million (including capitalised expenses of R10 217 337 incurred on acquisition) at 1 048 cents per share. The purchase consideration was settled by issuing 57 421 643 new Wesizwe Platinum Limited shares. The primary asset of Africa Wide is a 26% shareholding in the WBJV. The other parties are Anglo Platinum Limited holding 37% and Platinum Group Metals Limited holding 37%. The effective date of the transaction was 14 September 2007. Since acquisition all exploration and evaluation expenditure has been capitalised in accordance with the Group's accounting policy.

Notwithstanding the 100% acquisition of Africa Wide, the underlying investment in WBJV is accounted for as an investment in equity accounted investee, using the equity method of accounting.

The assets and liabilities of Africa Wide and the fair values attributed to these at acquisition date were as follows. The only asset at the date of acquisition was the equity accounted investee in the WBJV.

	Total
Intangible assets	808 626
Trade and other payables	(38 323)
Loan accounts	(4 083)
Equalisation liability*	(140 236)
At acquisition	(128 871)
Additional top-up	(11 365)
Total assets and liabilities acquired	625 984
Deferred tax liability	(234 502)
Goodwill	220 514
Consideration at acquisition date settled by share issue	611 996
Subsequent expenditure capitalised – 2007	47 853
Total 31 December 2007	659 849
Subsequent expenditure capitalised – 2008	8 883
Total 31 December 2008	**668 732**

**Upon completion of a Bankable Feasibility Study for the WBJV the respective deemed capital contribution of each party will be credited based on their contribution of Measured, Indicated and Inferred PGM ounces from the contributing properties comprising the WBJV, determined in accordance with the SAMREC code. The three partners will either make equalisation payments or receive equalisation receipts from other partners so that the percentage holding interest among the three parties in the WBJV remains 37% Anglo Platinum Limited, 37% Platinum group Metals, 26% Africa Wide. Management estimate that the equalisation liabilities, which represent equalising cash payments to be paid by Africa Wide to the other WBJV partner(s) in future, to be R140 million as at the effective date of the transaction and recognised as part of the business combination.*

Goodwill relates to capital and operational synergistic benefits that will arise as the WBJV properties are next to Wesizwe's Core Project properties.

22. INVESTMENTS IN SUBSIDIARIES

Name of company	Issued capital 2008	Effective % held directly 2008	Investment at cost 2008	Loan from holding company 2008	Nature of Business
Bakubung Minerals	1 000	100	9 802	440 283	The acquisition and possession of mineral rights, the use thereof by prospecting exploration, mining and sale of minerals
Africa Wide	120	100	611 996	56 716	The acquisition and possession of mineral rights, the use thereof by prospecting exploration, mining and sale of minerals

Bakubung Minerals has incurred a loss of R9,3 million for the year under review (2007: R4,08 million). As a result of the loss, the loan from the holding company to the subsidiary has been impaired by R26,9 million (2007: R17,6 million) with losses incurred since inception.

Africa Wide did not earn a profit or a loss nor incur a R Nil loss.

Wesizwe has undertaken not to reduce its shareholding in Bakubung Minerals and Africa Wide and to provide the necessary financial support to meet their obligations as and when they become due until such time as the assets of the two companies exceed their liabilities. Wesizwe has also subordinated its loan to Bakubung Minerals and Africa Wide in favour of other creditors for as long as the liabilities of Bakubung Minerals and Africa Wide exceed their assets.

23. JUDGMENTS BY DIRECTORS AND MANAGEMENT

23.1 Consideration of impairment of assets

Except for assets disclosed as impaired above, the management of Wesizwe is confident that the assets of the Group are not impaired. The major assets of the Group (intangible exploration and evaluation assets), are believed not to be impaired due to the following reasons:

- The PFS and BFS for the Pilanesberg have been completed and published. The BFS results of the Pilanesberg Project indicate an economically viable mine of 230 000 tons per month with an estimated life of mine of 35 years. The Directors of Wesizwe have approved the construction phase of the mine.
- The DME inspects drilling sites and, if satisfied with rehabilitation undertaken, will issue closure certificates. Upon the issuance of a closure certificate the DME refunds environmental deposits to Wesizwe.
- Although the commodity market deteriorated during the year under review, management assessed the long term prospects of the commodity market and are of the view that the market will recover in two to three years time. This recovery period will coincide with the mine production phase.

23.2 Consideration of impairment of goodwill

The goodwill disclosed in note 22 relates to capital and operational synergistic benefits that will arise as the WBJV properties are next to Wesizwe's Core Project. Management assessed the CGU that is expected to benefit from the synergies and is of the view that goodwill is not impaired.

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