REVIEWED CONDENSED CONSOLIDATED RESULTS

for the six months ended 30 June 2010 and Renewal of Cautionary Announcement

HIGHLIGHTS

- Negotiations are progressing with a Chinese consortium to secure a US$877 million financing package by way of debt and equity for the development of the Company's core asset, the Frischgewaagd-Ledig Project;
- In April 2010, the Department of Mineral Resources granted its approval enabling the Project Delta transaction to be concluded whereby Wesizwe is now the holder of 100% of the Frischgewaagd-Ledig Project ("Project 2"), while holding a 45,25% stake in a new company that houses Projects 1 and 3;
- An interim funding facility of R91 million secured with the Bank of China on favourable terms;
- Early-stage preparatory work underway at the Frischgewaagd-Ledig Project site;
- Corporate Governance review completed; and
- Mr Arthur Mashiatshidi appointed as CEO of the Group, taking over from Mr Michael Solomon.

wesizwe

Wesizwe Platinum Limited
(Registration no. 2003/020161/06)

COMMENTARY

As an exploration and development Group, Wesizwe Platinum Limited does not generate any operational revenues. Reported losses are made up of expenditure into capital development activities, which are intended to prompt capital growth. Therefore, reported losses reflect project investment expenditure that is the basis of the Group's value creation process until such time as the Group commences mining production activities that generate revenues.

Wesizwe's gross expenditure for the six months ended 30 June 2010 amounted to R46,7 million (R26,9 million for the six months ended 30 June 2009). The comprehensive profit for the six months under review was R334,8 million (compared to a loss of R14,9 million for the same period in 2009).

The basic earnings per share for the period was 50,47 cents per share (basic loss of 2,55 cents per share for the same period in 2009). The headline loss per share was 6,52 cents per share (headline loss of 2,56 cents per share for same period in 2009).

The total number of shares in issue at 30 June 2010 was 797 942 598 (30 June 2009: 585 489 846).

Long-Term Funding and Strategic Imperatives

Wesizwe's strategic intent is to build and operate a platinum group metals (PGMs) mine at the Frischgewaagd-Ledig Project, which has the potential of positioning the Group as a significant mid-tier precious metals producer.

In May 2010, the Group signed a term sheet with a Chinese consortium, consisting of the Jinchuan Group Limited ("JNMC") and the China-Africa Development Fund ("CAD Fund"), whereby the Chinese consortium will provide Wesizwe with a total financing solution of US$877 million by way of debt and equity for the development of its core asset.

Wesizwe and its advisors are advanced in the discussions relating to the conclusion of this transaction, and it is expected that legal agreements will be finalised over the coming months.

Short-Term Funding

At 30 June 2010, the Group had total cash on hand of R83 million, of which the restricted cash component amounted to R27,8 million, thus available cash amounted to R55,2 million. In addition to this, the Group has subsequently secured an interim debt draw-down facility of R91 million on favourable terms from the Bank of China. Funding from the Bank of China facility will be used exclusively for capital development activities on the Frischgewaagd-Ledig Project.

Going Concern

The Management of Wesizwe assesses the liquidity risk of the Group on a continuous basis and has adopted a cash preservation approach in dealing with operating costs of the Group. Where possible, capital commitments are deferred with the exception of long-lead items of a strategic nature to the project such as infrastructure for the provision of electricity and water.

The Western Bushveld Joint Venture ("WBJV") agreements require the payment of an equalisation payment by Africa Wide Mineral Prospecting and Exploration (Pty) Ltd ("Africa Wide") to Rustenburg Platinum Mines Limited ("RPM") of approximately R139 million to equalise the mineral resources and funding contribution of Africa Wide in relation to its historic 26% economic participation in the WBJV. It is expected that this liability shall be settled by way of cash from the anticipated financing package being negotiated with the Chinese consortium. RPM has the right to nominate settlement in Wesizwe shares. The number of shares to be issued if the current liability is settled in shares would be approximately 84,3 million shares at a share price of R1,65 (at the date of this report).

The Directors are of the opinion that the cash resources at the date of this report, together with the debt facilities, are sufficient to support the activities of the Group for the next twelve months.

Asset Consolidation and Development

In April 2010, approvals were received from the Department of Mineral Resources, which enabled the successful conclusion of Project Delta.

Project Delta relates to the consolidating and rationalising of the various projects adjacent to and near the Group's core project area. Following the conclusion of Project Delta, the Group now has full ownership of its core Frischgewaagd-Ledig Project (Project 2), whilst holding a 45,25% shareholding in a new company, Maseve Investments 11 (Pty) Ltd ("Maseve"), which holds Projects 1 and 3 as they existed in the WBJV with the remaining 54,75% being held by Platinum Group Metals (RSA) (Pty) Ltd ("PTM"). In settlement of the transaction, 211 850 125 shares at the market price of R2,20 per share, were issued to RPM, a company wholly owned by Anglo Platinum Limited. RPM is currently the largest single shareholder in Wesizwe with a 26,9% interest.

With the adoption of IFRS 3 Business Combinations and IAS 27 Consolidated and Separate Financial Statements, the abovementioned transaction was accounted for using the purchase method. Any difference between the acquisition-date fair value and the consideration paid was recognised as goodwill.

In accounting for Project Delta, the fair value of the 37% interest in the WBJV far exceeded the consideration payment ("bargain purchase"); therefore a gain on the bargain purchase was recognised through the Statement of Comprehensive Income.

This transaction further resulted in the Net Asset Value of the Group exceeding the current market capitalisation. Management is of the opinion that the investment acquired is fairly valued and no impairment is required.

Frischgewaagd-Ledig Project Update

The level of activity at the project site is consistent with the level of capital currently available to the Group. Over the last six months, significant ground-breaking work began in preparation for the full-scale development of the project into a mine. Terracing and road works are under construction to be completed before the onset of the rainy season.

The interim funding from the Bank of China will ensure the continuation of the steady-state development work. This paves the way for the sinking of the shaft to commence in 2011 when capital becomes available.

Community Issues

The ongoing conflict among the Community members (which members are comprised in structures that make-up a significant BEE partner to the Group) pertaining to the transfer and/or monetisation of the Community's shares have led to multiple legal proceedings, which are currently underway in the Courts to resolve. The conflicts culminated in the Group's Annual General Meeting ("AGM") intended for 19 August 2010 being postponed by an order of the Court, flowing from an urgent application to determine who has the right to vote the community shares. The Group is cited as a Respondent in the matter and has taken counsel on the appropriate response. Management awaits the directive from the Court, which will dictate the timing of the resumption of the postponed AGM.

In addition to the normal liaison activities with the Community, and in order to be more responsive to Community issues, the Group has been party to the formation of a Steering Committee comprising the Department of Mineral Resources, the North West Government, the Royal Family and representatives of the Concerned Groups in the Community. The Group has committed to work through the Steering Committee structure to speedily resolve issues that affect the Community. Through this structure, the Group has been requested to assist the Community and the Royal Family in their efforts to obtain an Accounting Audit for the Community's assets in relation to Wesizwe. The Group has, consequently, advanced funds to the Community and the Royal Family by way of payment for the execution of legal process to account for the Community assets. The Group expects to be refunded as soon as control of the Community's assets is vested appropriately.

Alleged Governance and Misconduct

Deloitte (Accounting) and Deneys Reitz (Legal) have concluded their forensic investigation on the allegations levelled against Mr Michael Solomon and Mr Robert Rainey. The findings of the investigation found deficiencies in Controls and Governance matters, but exonerated Mr Solomon and Mr Rainey of any wrong doing. The results of these findings have been publicised and widely reported on by the media.

Corporate Governance

The Group has committed to addressing Governance deficiencies identified by the forensic review. In their final submission, Deloitte and Deneys Reitz have acknowledged the positive progress made in improving controls, procedures and a delegation of authority framework to guide the activities of the executives and directors of the Group. The Group continues to work on improving governance standards in an effort to reach full compliance with King III and all other relevant regulations.

Board and Management Changes

The Group's current Chief Executive Officer, Mr Michael Solomon, will not renew his contract. As a consequence, the Board has announced that, with effect from 1 October 2010, Mr Arthur Mashiatshidi, the Group's current Finance Director, will assume the position of Chief Executive Officer. The Group's Chief Financial Officer, Mr Jacques de Wet, will succeed Mr Mashiatshidi as the Finance Director. Mr Solomon has committed to continue to serve the Group in an advisory capacity for a further six months and will remain as a non-executive director.

Over the last six months, Mr Mashiatshidi has played a central role in strengthening the executive team at Wesizwe and bolstering the finance and administrative function, including the implementation of sound governance practices and policies.

Consequent to the conclusion of Project Delta, Mr Mike Rogers was nominated by RPM to act as its representative on the Wesizwe Board. Due to a conflict of interests, Mr Rogers has subsequently resigned as non-executive director and RPM has nominated Mr Barrie van der Merwe be the representative of RPM, on the board of the Group.

The Board further advises that, due to other commitments and time constraints, Mr Goleele Mosinyi resigned as a non-executive director of the Group with effect from 17 September 2010.

Company Secretary Changes

Routledge Modise Inc. practising as Eversheds, has given notice that it will be closing down its Corporate Governance department and this has resulted in Eversheds tendering its resignation as Company Secretary. The Board subsequently announced the appointment of Ms Sirkien van Schalkwyk as Company Secretary with effect from 17 September 2010.

Ms van Schalkwyk completed her BLC in 1996 and entered the company secretarial market where she completed her LLB part time. With more than 12 years' secretarial experience, including acting as Company Secretary for a number of listed entities, the Board believes that she is suitably qualified and experienced and that she will add value on various levels within the organisation.

Renewal of Cautionary Announcement

Further to the detailed cautionary announcement dated 24 May 2010 and the renewal of cautionary announcements dated 6 July 2010 and 17 August 2010, shareholders are advised that negotiations on the formal transaction documents are still progressing.

Accordingly, shareholders are therefore advised to continue exercising caution when dealing in the Company's securities until a full announcement is made.

By order of the Board

DAWN MOKHOBO, Chairman

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended June 2010 Reviewed R'000	Six months ended June 2009 Reviewed R'000	Year ended December 2009 Audited R'000
Revenue			
Other income	**71**	95	176
Gain on bargain purchase	**378 083**	–	–
Administration expenditure	**(46 663)**	(26 890)	(56 910)
Profit on sale of property, plant and equipment	**–**	49	49
Impairment of environmental deposit	**–**	–	(436)
Exploration and evaluation expenses	**(7)**	(353)	(363)
Profit/(loss) from operations	**331 484**	(27 099)	(57 484)
Finance income	**4 218**	12 173	18 553
Finance expense	**(901)**	–	–
Profit/(loss) before taxation	**334 801**	(14 926)	(38 931)
Income tax expense	**–**	–	–
Profit/(loss) for the period	**334 801**	(14 926)	(38 931)
Net change in fair value of the available-for-sale financial asset	**–**	–	726
Other comprehensive income	**–**	–	726
Total comprehensive income/(loss) for the period	**334 801**	(14 926)	(38 205)
Basic earnings/(loss) per share (cents)	**50,47**	(2,55)	(6,65)
Diluted earnings/(loss) per share (cents)	**50,45**	(2,55)	(6,65)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Six months ended June 2010 Reviewed R'000	Six months ended June 2009 Reviewed R'000	Year ended December 2009 Audited R'000
ASSETS				
Non-current assets		**2 493 775**	1 194 419	1 218 727
Property, plant and equipment		**134 240**	124 565	130 993
Tangible exploration and evaluation assets		**147 191**	134 457	143 473
Intangible exploration and evaluation assets	11	**1 284 774**	261 151	268 367
Environmental deposit		**–**	436	–
Loans and long term receivables		**1 429**	–	–
Available-for-sale financial asset		**8 560**	5 078	7 162
Investment in equity accounted investee	7	**917 581**	668 732	668 732
Current assets		**104 026**	215 205	143 756
Other receivables	5	**20 958**	4 258	4 870
Restricted cash	10	**27 828**	27 780	27 802
Cash and cash equivalents		**55 240**	183 167	111 084
TOTAL ASSETS		**2 597 801**	1 409 624	1 362 483
EQUITY AND LIABILITIES				
Capital and reserves		**2 139 880**	1 355 349	1 337 828
Share capital		**8**	6	6
Share premium		**1 955 159**	1 487 934	1 489 091
Share-based payment reserve		**63 763**	57 981	62 582
Available-for-sale financial asset reserve		**726**	–	726
Retained earnings/ (accumulated loss)		**120 224**	(190 572)	(214 577)
Non-current liabilities				
Deferred tax liability		**285 251**	–	–
Current liabilities		**172 670**	54 275	24 655
Trade and other payables		**33 573**	54 275	24 655
Equalisation liability	8	**139 097**	–	–
TOTAL EQUITY AND LIABILITIES		**2 597 801**	1 409 624	1 362 483

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended June 2010 Reviewed R'000	Six months ended June 2009 Reviewed R'000	Year ended December 2009 Audited R'000
Cash flows from operating activities	**(51 882)**	(65 048)	(118 690)
Finance income	**4 218**	12 173	18 553
Finance expense	**(4)**	–	–
Cash utilised from operations	**(47 668)**	(52 875)	(100 137)
Cash flows utilised by investing activities			
Acquisition of property, plant and equipment as a result of expanding operations	**(3 953)**	(29 554)	(36 766)
Acquisition of tangible exploration and evaluation assets as a result of expanding operations	**(3 718)**	(12 014)	(21 030)
Acquisition of intangible exploration and evaluation assets as a result of expanding operations	**(7 959)**	(9 592)	(16 808)
Recovery of intangible exploration and evaluation expenditure	**10 306**	–	–
Loans and long term receivables advanced	**(1 429)**	–	–
Capital invested in the available-for-sale financial asset	**(1 397)**	(1 279)	(2 636)
Proceeds on disposal of property, plant and equipment	**–**	78	80
Net cash outflow from investing activities	**(8 150)**	(52 361)	(77 160)
Net (decrease) in cash and cash equivalents	**(55 818)**	(105 236)	(177 297)
Cash and cash equivalents at the beginning of the period	**138 886**	316 183	316 183
Cash and cash equivalents at the end of the period	**83 068**	210 947	138 886
Cash and cash equivalents	**55 240**	183 167	111 084
Restricted cash	**27 828**	27 780	27 802

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital R'000	Share premium R'000	Share-based payment reserve R'000	Available-for-sale reserves R'000	Retained earnings/ (accumulated loss) R'000	Total R'000
Balance at 1 January 2009	**6**	**1 487 934**	**57 269**	**–**	**(175 646)**	**1 369 563**
Share-based payment expenditure	–	–	712	–	–	712
Net loss and total comprehensive loss for the period	–	–	–	–	(14 926)	(14 926)
Balance at 30 June 2009	**6**	**1 487 934**	**57 981**	**–**	**(190 572)**	**1 355 349**
LTIP shares issued	–	1 157	(1 157)	–	–	–
Share-based payment expenditure	–	–	6 470	–	–	6 470
Share-based payment reversal	–	–	(712)	–	–	(712)
Total comprehensive loss for the period	–	–	–	726	(24 005)	(23 279)
Balance at 31 December 2009	**6**	**1 489 091**	**62 582**	**726**	**(214 577)**	**1 337 828**
Shares issues – Project Delta	2	466 068	–	–	–	466 070
Share-based payment expenditure	–	–	1 181	–	–	1 181
Total comprehensive income for the period	–	–	–	–	334 801	334 801
Balance at 30 June 2010	**8**	**1 955 159**	**63 763**	**726**	**120 224**	**2 139 880**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the six months ended 30 June 2010

1. Reporting entity

Wesizwe Platinum Limited ("Wesizwe" or "the Company") is a company domiciled in the Republic of South Africa. The condensed consolidated interim financial information of the Company as at 30 June 2010 comprise the Company, its subsidiaries and the Group's interests in equity accounted investee (together referred to as the "Group"). The consolidated financial statements of the Group for the year ended 31 December 2009 are available upon request from the Company's registered office at Unit 13, 2nd Floor, 3 Melrose Boulevard, Melrose Arch, Johannesburg, 2076 or at www.wesizwe.com.

2. Statement of compliance

The condensed consolidated interim financial information has been prepared in accordance with IAS 34 Interim Financial Reporting and AC 500 standards issued by the International Accounting Standards Audit Board. It does not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2009. The condensed consolidated interim financial information was approved by the Board of Directors on 23 September 2010.

3. Significant accounting policies

Except as described below, the accounting policies applied by the Group in the condensed consolidated interim financial information are the same as those applied by the Group in its consolidated financial statements for the year ended 31 December 2009.

a) Change in accounting policy

Accounting for business combinations

The Group has adopted IFRS 3 Business Combinations (2008) and IAS 27 Consolidated and Separate Financial Statements (2008) for business combinations occurring in the financial year starting 1 January 2010. All business combinations occurring on or after 1 January 2010 are accounted for by applying the purchase method. The change in accounting policy was applied prospectively and had no material impact on earnings per share.

The Group has applied the purchase method for the transactions that occurred during the interim period ended 30 June 2010 as disclosed in note 6.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another.

The Group measures the gain on bargain purchase as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as at the acquisition date.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group.

Transaction costs that the Group incurs in connection with a business combination, such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

4. Estimates

The preparation of the interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Except as described below, in preparing the condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation were the same as those that applied to the consolidated financial statements for the year ended 31 December 2009.

During the six months ended 30 June 2010 management reassessed its estimates in respect of:

- Business combinations (refer to note 6);
- The recoverable amount of intangible exploration and evaluation assets (refer to note 11); and
- Reserve on share-based payments.

5. Financial risk management

Credit risk – other receivables

The Group has credit exposure to receivables of R11,2 million. This relates to cost recovery of R11,1 million from PTM, and sundry debtors of R0,1 million.

Market risk – current liabilities

Market risk is the risk of changes in market prices, such as foreign exchange rates, interest rates and equity prices and how this affects the Group's income or the value of its holdings or financial instruments. The Group faces foreign exchange rate exposure as well as interest rate exposure on the equalisation liability of R139 million that is denominated in US$ and carries interest at the monthly US Treasury Bill rate (refer to note 8).

Other aspects of the Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements for the year ended 31 December 2009.

6. Acquisition of Joint Venture

Business combination

On 22 April 2010 the Group acquired an additional 37% ownership interest in the WBJV from RPM, together with certain prospecting rights held by RPM. Prior to this acquisition, the Group held a 26% interest in the WBJV. The carrying amount of the Group's investment in the WBJV's net assets in the consolidated financial statements on the date of the acquisition was R668 731 946.

Following the acquisition of RPM's 37% in the WBJV and the transfer of RPM's prospecting rights to the Group, the WBJV structure unwound and all participation interest in the WBJV terminated.

The acquisition from RPM enabled for the transfer of prospecting rights in Project 2 to Bakubung Minerals (Pty) Ltd ("Bakubung") and the prospecting rights in Projects 1 and 3 were transferred to Africa Wide Mineral Prospecting and Exploration (Pty) Ltd ("Africa Wide"). Africa Wide in turn transferred the acquired rights, together with its existing rights to a new company, Maseve in exchange for a 45,25% shareholding.

The other 54,75% shareholding in Maseve was acquired by PTM who will control the new entity. PTM has the right to subscribe for additional shares to increase its percentage shareholding to 74% by contributing R408 606 555 into an interest bearing escrow account in favour of the Group and will count as part of the Group's contribution towards the development of Project 1 and 3.

The re-organisation and consolidation of projects within the Pilansberg complex provide the following benefits:

- The Group now holds 100% interest in its core asset, the Frischgewaagd-Ledig Project (Project 2);
- A clarified format for the capital markets to assess the value of the Group;
- Has increased PGM resources attributable to the Group;
- Facilitates close co-operation between the Group and PTM (shareholder in Maseve) to achieve cost savings in relation to engineering, environmental impact, tailings, power and other social infrastructure requirement; and
- Provides for a regional and unified approach to community economic development.

The following summarises the consideration transferred, and the recognised amounts of the investment acquired at the acquisition date:

	R'000
Consideration transferred	
Equity instruments (211 850 125 ordinary shares)	**466 070**
The value of the ordinary shares issued was based on the listed share price of the Company at 22 April 2010 of R2,20 per share.	
The following fair values have been determined for the investments acquired:	
Fair value of intangible assets (Prospecting rights in Project 2)	**1 018 754**
Fair value of intangible assets (Prospecting rights in Projects 1 and 3)	**143 730**
Total fair value acquired	**1 162 484**
Gain on bargain purchase	
a) Gain on bargain purchase was recognised as follows:	
Fair value of 37% interest in the WBJV at acquisition	**1 162 484**
Less: Total consideration transferred	**(466 070)**
Gain on bargain purchase before deferred taxation	**696 414**
Less: Deferred taxation (28%)	**(325 495)**
Gain on bargain purchase in acquiring 37% of the WBJV	**370 919**
b) Gain on bargain purchase on the initial 26% was recognised as follows:	
At acquisition date fair value of previously held 26% interest in the WBJV	**816 881**
Less: Current net asset value of 26% interest in the WBJV	**(806 931)**
Gain on bargain purchase of previously held 26% interest before deferred taxation	**9 950**
Less: Deferred taxation (28%)	**(2 786)**
Gain on bargain purchase on previously held 26% interest in the WBJV	**7 164**
Total gain on bargain purchase as a result of the acquisition a) + b)	**378 083**

The re-measurement of the fair value of the Group's existing 26% interest in the WBJV resulted in a gain of R7,164 million after deducting deferred taxation of R2,786 million.

Gain on bargain purchase is the difference between the purchase consideration and the fair value of the investment acquired. The gain on bargain purchase arose as a result of the purchase price being fixed in shares of 211 850 125 at the monthly average share price as determined in September 2008. With the decline in the share price from an average of R5,50 in 2008 to R2,20 at acquisition date, a gain on bargain purchase has arisen. Management is confident that the fair value of the assets remained unchanged since the acquisition date.

7. Investment in equity accounted investee

On 22 April 2010 the last suspensive condition to the restructuring of the WBJV assets and the acquisition of RPM's 37% interest in the WBJV, which required the final approval by the Minister of the Department of Mineral Resources, was met.

Following the unwinding of the WBJV structure and the acquisition of Prospecting Rights from RPM, the Group contributed certain of these Prospecting Rights (Project 1 and 3 Prospecting Rights) to a new company Maseve, in exchange for a 45,25% shareholding, whilst the remaining Prospecting Rights in Project 2 were transferred to Bakubung (a 100% subsidiary of Wesizwe that held the remaining Prospecting Rights in Project 2).

Investment in Equity Accounted Investee:	R'000
a) Original consideration paid for 26% interest in WBJV	
Recorded value of 26% investment in the WBJV as at 31 December 2009	**668 732**
Plus: Equalisation liability transferred to current liabilities (refer note 8)	**140 236**
Less: Adjustment to equalisation liability and assets (refer note 8)	**(2 037)**
Current value of 26% interest in the WBJV	**806 931**
b) Additional acquisition of Prospecting rights at fair value	
Acquisition of Prospecting rights in Project 1 and 3 at fair value	**143 730**
Less: Deferred tax on Project 1 and 3	**(40 244)**
Acquisition of Project 1 and 3 Prospecting rights after providing for deferred taxation	**103 486**
c) Gain on bargain purchase of previously held 26% interest in the WBJV	
Gain on bargain purchase of previously held 26% interest before deferred taxation	**9 950**
Less: Deferred taxation (28%)	**(2 786)**
Gain on bargain purchase on previously held 26% interest in the WBJV	**7 164**
Total Investment in Equity Accounted Investee a)+b)+c)	**917 581**

8. Equalisation liability

The WBJV agreements required the payment/receipt of an equalisation payment by the partners of the WBJV to equalise the mineral resources and funding contribution of each party in relation to its economic participation in the WBJV. An estimated equalisation liability of R140 million payable to RPM by Africa Wide was recognised as part of Investment in Equity Accounted Investee in the Consolidated Financial Statements of the Group. Subsequent to the unwinding of the WBJV structure this liability is still due by Africa Wide to RPM.

On 25 February 2010 an agreement was reached with RPM to fix the equalisation liability in US$ terms at US$18 million. This resulted in a revision of the equalisation liability to R138,2 million. The equalisation liability, which remains in US$, carries interest at the monthly US-Treasury Bill rate. This liability exposes the Group to exchange rate risk. Management have taken a decision not to hedge this exposure.

The following table highlights the movement in the Equalisation Liability:	R'000
Equalisation liability transferred from Investment in Equity Accounted Investee	**140 236**
Adjustment of liability following agreement to fix the liability in US$ terms	**(2 037)**
Equilisation liability transferred to current liabilities	**138 199**
Interest capitalised	**352**
Exchange rate fluctuation	**546**
	139 097

The agreement with RPM requires the equalisation liability to be settled in cash by Africa Wide before April 2010, failing which Wesizwe will assume the liability. RPM has the right to request full settlement of the liability in Wesizwe shares at that stage. The number of shares to be issued if the current liability is settled in shares would be approximately 84,3 million at a share price of R1,65 (at the date of this report). It is Management's intention to settle this liability in cash once the funding from the Chinese Consortium is secured.

9. Financial results

As an exploration and development Group, Wesizwe will not earn revenue from mining activities until such time as a mine is brought into production.

The total comprehensive income for the six months under review was R334,8 million (compared to a loss of R14,9 million for the same period in 2009). The total comprehensive income for the period comprises administration expenses of R 46,7 million, offset by the gain on bargain purchase of R378 million, net finance income of R3,3 million and other income of R0,1 million.

Administration expenses of R46,7 million include the following:

- Depreciation – R0,7 million
- Other administrative overheads – R2,4 million
- Corporate advisory and success fee on Project Delta – R26,4 million
- Consulting and professional fees – R4,1 million
- Directors expenses – R3,6 million
- Salaries – R3,7 million
- Marketing expenses and investor relations – R2,3 million
- Community sustainable projects – R2,3 million
- Share-based payment – R1,2 million

The basic earnings per share for the period was 50,47 cents per share (June 2009: basic loss of 2,55 cents per share). The headline loss per share was 6,52 cents per share (June 2009: headline loss of 2,56 cents per share).

No dividend was declared during the period ended 30 June 2010. (June 2009: Nil).

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

Capital Expenditure includes: intangible exploration and evaluation expenses capitalised of R7,9 million; purchase of long-lead items consisting of plant and equipment to the value of R3,9 million and tangible exploration and evaluation expenses capitalised (engineering and drawings) to the value of R3,7 million.

The total number of shares in issue at 30 June 2010 was 797 942 598 (30 June 2009: 585 489 846).

Capital commitments as at 30 June 2010 were R277 million (30 June 2009: R3 million). This figure included an amount of R22 million payable to Eskom for the supply of 2x20 MVA transformers as well as an amount of R34 million that was payable to ABB South Africa (Pty) Ltd for design work on a single drum winder.

10. Restricted cash

Restricted cash covers the guarantee of R27 million in favour of the DMR on issue of the mining licence and R0,8 million guaranteed to the landlord for the operating lease agreement.

11. Intangible exploration and evaluation assets

The following table highlights the movement in Intangible exploration and evaluation assets:	R'000
Opening balance – 1 January 2010	**268 367**
Plus: Transfer of Project 2 Prospecting rights to Bakubung (refer note 6)	**1 018 754**
Additions during the year	**7 959**
Recovery of intangible exploration and evaluation asset	**(10 306)**
Closing balance – 30 June 2010	**1 284 774**

12. Independent review

The condensed consolidated statement of financial position at 30 June 2010 and related condensed consolidated statements of comprehensive income, changes in equity and cash flows for the period have been reviewed by KPMG Inc. Their unmodified review report is available for inspection at the Company's registered office.

13. Significant changes to Mineral Resources

Following the conclusion of Project Delta and the re-organisation of assets in the WBJV structure with RPM and PTM, the attributable resource ounces of Wesizwe increased substantially to 17,835 million ounces from 12,529 million ounces (42,36%).

	Wesizwe attributable resource ounces (4E) before/after Project Delta					
	Bakubung		Africa Wide		Totals	
	Before (Moz) Various %'s	After (Moz), 100%	Before (Moz), 26% WBJV	After (Moz), 45,25% Maseve	Before (Moz)	After (Moz)
Inferred	2,700	3,473	0,506	0,881	3,206	4,354
Indicated	6,330	8,436	1,394	2,426	7,724	10,862
Measured	0,871	1,352	0,728	1,267	1,599	2,619
Total	9,900	13,261	2,628	4,574	12,529	17,835
Ounces increase after Project Delta					5,307	42,36%

Notes: All figures rounded to 3 decimals. All figures in million ounces (Moz)

14. Judgements by Directors and Management

Consideration on the impairment of assets

Following the recent volatility in the ZAR/US$ exchange rates as well as an indication of a possible reduction in capital cost, a decision was taken to formally update the financial models before year end by an independent third party.

Subsequent to the decision to formally update the financial model supporting the Bankable Feasibility Study in the last quarter of 2010, a decision was taken by Management to perform a reasonability check on the assets of the company based on current market multiples (ZAR resource value/4E ounce). The following guidelines were obtained from an independent third party on resources of a similar nature:

- Measured Resources – R490/4E ounce
- Indicated Resources – R210/4E ounce
- Inferred Resources – R 28/4E ounce

Based on the financial models at year end and the reasonability checks performed at half-year end, Management is confident that the assets of the Group are not impaired.

15. Subsequent event

Subsequent to the end of the interim reporting period, the Group signed a short-term bridging facility of R91 million with the Bank of China ("BOC"). This facility is to progress with the development of the Frischgewaagd-Ledig Project whilst the company is concluding negotiations for the comprehensive funding of the Project. The Facility was agreed at very favourable terms and will be repaid once the Primary Funding is secured.

RECONCILIATION OF PROFIT/(LOSS) FOR THE PERIOD TO CASH FLOWS FROM OPERATING ACTIVITIES

	Six months ended June 2010 Reviewed R'000	Six months ended June 2009 Reviewed R'000	Year ended December 2010 Audited R'000
Profit/(loss) from operations	**331 484**	(27 099)	(57 484)
Adjustment for:			
Share-based payment expenditure	**1 181**	712	6 470
Impairment of environment deposit	**–**	–	436
Depreciation	**706**	817	1 599
Gain on bargain purchase	**(378 083)**	–	–
Profit on disposal of property, plant and equipment	**–**	(49)	(49)
Operating loss before working capital changes	**(44 712)**	(25 619)	(49 028)
Changes in working capital	**(7 170)**	(39 429)	(69 662)
(Increase)/decrease in other receivables	**(16 088)**	7 740	7 128
Increase/(decrease) in trade and other payables	**8 918**	(40 207)	(69 828)
Movement in non current liability	**–**	(6 962)	(6 962)
Cash flow from operating activities	**(51 882)**	(65 048)	(118 690)

EARNINGS/LOSS PER SHARE

	Six months ended June 2010 Reviewed	Six months ended June 2009 Reviewed	Year ended December 2009 Audited
The basis of calculation of basic earnings/(loss) per share is:			
Attributable profit/(loss) to ordinary shareholders (Rand)	**334 800 854**	(14 926 164)	(38 930 756)
Weighted average number of ordinary shares in issue (shares)	**663 341 690**	585 489 846	585 592 210
Basic earnings/(loss) per share (cents)	**50,47**	(2,55)	(6,65)
The basis of calculation of diluted earnings/(loss) per share is:			
Attributable profit/(loss) to ordinary shareholders (Rand)	**334 800 854**	(14 926 164)	(38 930 756)
Adjusted weighted average number of ordinary shares outstanding (shares)	**663 673 245**	585 489 846	585 592 210
Weighted average number of ordinary shares in issue	**663 341 690**	585 489 846	585 592 210
LTIP and SARS options outstanding	**331 555**	–*	–*
Diluted earnings/(loss) per share (cents)	**50,45**	(2,55)	(6,65)
The basis of calculation of headline earnings/(loss) per share is:			
Attributable profit/(loss) to ordinary shareholders (Rand)	**334 800 854**	(14 926 164)	(38 930 756)
	(378 083 044)	(48 871)	401 195
Impairment of environmental deposit	**–**	–	436 382
Taxation on above	**–**	–	–
Profit on disposal of property, plant and equipment	**–**	(48 871)	(48 871)
Taxation on above	**–**	–	13 684
Gain on bargain purchase	**(378 083 044)**	–	–
Taxation on above	**–**	–	–
Headline loss	**(43 282 190)**	(14 975 035)	(38 529 561)
Weighted average number of ordinary shares in issue	**663 341 690**	585 489 846	585 592 210
Headline loss per share (cents)*	**(6,52)**	(2,56)	(6,58)

**The outstanding LTIP and SARS options were not taken into account for the purpose of calculating diluted headline loss per share as they have an anti-dilutive effect*

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