CONDENSED CONSOLIDATED INTERIM FINANCIAL RESULTS

for the six months ended 30 June 2020

Highlights

The Bakubung Platinum Mine ("BPM") continues with mine development despite the numerous challenges associated with the COVID-19 lockdown and the 3 months' delays experienced. The COVID-19 pandemic compliance requirements imposed restrictions and required new and innovative ways of working, agile responses and constant review and change of plans when required.

Given the pandemic, all mine personnel were screened for COVID-19 at the beginning of May 2020 when the industry was allowed to restart. The COVID-19 positivity rate commenced at ZERO after the initial testing exercise of 1 036 tests. By the end of the reporting period, the Company experienced only 1 positive case. A specialist company was brought on board for the COVID-19 management and medical services supply to the mine.

The original targets set for 2020 and beyond have been affected by lockdown delays and slow start of teams upon return. BPM also had an unfortunate fall of ground incident on the 14th May 2020, which resulted in an unfortunate and regrettable loss of life. The current forecast for the 2020 production target is set to about 50% of the original plan. The Group's performance for the period under review, measured against the Group scorecard for 2020 are as follows:

1. **Safety Management**
   a) The mine had a fall of ground incident, resulting in a fatality on the 14th May 2020.
   b) The mine had a lost time injury frequency rate ("LTIFR") of zero for the reporting period, measured against an annual threshold of 0.59.
   c) The mine experienced a serious injury frequency rate ("SIFR") of 1.03 for the reporting period, versus a threshold of 0.45 for the year.
   d) In mitigation against safety risks, management increased the training and assessments for all of our workforce.
   e) There was also increased mine competency and awareness training which mostly focused on Hazard Identification for all our novice employees.
   f) A set of authority delegations and approvals up to mine manager level were developed to determine and ameliorate risks and to effectively manage permissions for all working places.
   g) During the first six months of the year the Group spent a total amount R6.9 million as a response to staff health risks posed by COVID-19.
2. **Human Resources**
   a) Vacancies filled in line with the approved revised labour plan as per the survival plan and budget.
   b) Initiated the process of the accreditation of the Learning and Development Centre for BPM with the Mining Qualifications Authority.
3. **Stakeholder Relations and Regulatory Compliance**
   a) All environmental permits and licenses are in order and there are no pending fines or penalties.
   b) Implementation of the Social and Labour Plan targets continues to be a key priority for the mine.
   c) Priority continues to be given to the maintenance of meaningful relations with our diverse stakeholders.
   d) The employees' housing plan continues to be implemented, with the initial 144 units currently under construction.
   e) BPM initiated a COVID-19 relief project. The main purpose was to provide some relief to the needy community households within the mining community of BPM during these trying times, and was in the form of food parcels coupled with sanitary essentials and face masks. A total amount of R1.4 million was spent on this project with R0.5 million being pledged by the BPM and R0.9 raised from BPM service providers.
4. **Engineering and Construction Management**
   a) The planned underground infrastructure commissioning dates for clear water dams, ore handling and pump stations have been deferred to later dates due to the slow-down in development rates during lockdown. Catch-up plans, which includes turn-key scope of works, are being implemented to ensure recovery of lost time.
   b) Surface commissioning of permanent services supply for water, ventilation, compressed air and diesel have been re-energised to improve on the latest forecast dates.
   c) Underground workshops, loading bays and ventilation cross overs are almost completed on 69 level & 72 level and will be ready before time to start of stoping in 2021.
5. **Process Plant Construction**
   a) Although the COVID-19 lockdown impacted adversely on the process plant construction schedule, design work, some procurement functions and administrative work could still be executed. The start of construction was however delayed until the partial re-opening of the industry in May 2020.
   b) The delays on site establishment, earthworks and civils will delay the installation and commissioning of major equipment, which impacts on the ultimate hot commissioning date. The new date for hot commissioning is October 2021.
   c) The public consultations required for the Integrated Water Use License Application and Environmental Impact Assessment amendments have also been affected by the lockdown, but the proposed remote participation has been granted by the departments. This has been notified to stakeholders. The delayed process will affect the start of the tailings and stockpad commissioning dates, which are now envisaged to be in June and March 2021, respectively.
6. **Mine Development and Equipping**
   a) Due to the lockdown, the mine performance was adversely impacted as follows:
      a. Total development metres of 1 121m for the period under review was achieved against a proposed revised target of 3 654m for the year.
      b. The mine hoisted a total of 18 544 reef tonnes and 38 970 waste tonnes 66 994 reef tonnes and 86 809 waste tonnes.
      c. The mine operating unit costs per metre and per tonne are 251% and 216% higher than plan due to lower efficiencies in production and the overhead costs which remained flat. The additional costs for COVID-19 compliance also added to the variance.
   b) The business completed a revision of the definitive feasibility study ("DFS") document based on the latest business case. This was approved by the Technical Committee and Board in September 2020.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	Six months ended 30 June 2020 Reviewed R'000	Six months ended 30 June 2019 Reviewed R'000	Year ended December 2019 Audited R'000
ASSETS				
Non-current assets		**11 422 636**	9 402 663	9 963 981
Property, plant and equipment	6	**11 406 223**	9 344 986	9 946 189
Intangible assets		**285**	840	570
Other financial assets	8	**12 047**	12 009	17 222
Restricted cash	9	**–**	44 828	–
Deferred tax assets		**4 081**	–	–
Current assets		**2 238 166**	1 868 335	2 509 217
Other receivables		**139 995**	90 145	179 836
Inventories	7	**223 163**	18 276	120 796
Restricted cash	9	**81 028**	36 200	81 028
Cash and cash equivalents		**1 793 980**	1 723 714	2 127 557
Total assets		**13 660 802**	11 270 998	12 473 198
EQUITY AND LIABILITIES				
Capital and reserves		**2 016 542**	3 037 626	3 028 131
Stated capital	10	**3 425 544**	3 425 544	3 425 544
Market to market reserves		**2 217**	2 818	6 232
Accumulated loss		**(1 411 219)**	(390 736)	(403 645)
Non-current liabilities		**11 365 145**	8 129 897	9 227 788
Deferred tax liability		**–**	402 434	390 081
Interest-bearing borrowings		**11 310 335**	7 651 376	8 776 645
Mine closure and environmental rehabilitation obligation	15	**40 473**	57 116	47 361
Lease liability		**8 399**	14 355	7 664
Cash-settled share-based payment liability		**5 938**	4 616	6 037
Current liabilities		**279 115**	103 475	217 279
Trade and other payables		**157 730**	93 994	182 807
Interest-bearing borrowings		**86 372**	7 031	14 054
Taxation payable		**35 006**	971	20 411
Lease liability		**7**	1 479	7
Total liabilities		**11 644 260**	8 233 372	9 445 067
Total equity and liabilities		**13 660 802**	11 270 998	12 473 198

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Six months ended 30 June 2020 Reviewed R'000	Six months ended 30 June 2019 Restated* Reviewed R'000	Year ended December 2019 Audited R'000
Operations				
Administration expenditure		**(15 279)**	(14 989)	(65 638)
Net operating costs		**(15 279)**	(14 989)	(65 638)
Finance income and expenses				
Finance income	19	**182 332**	211 478	307 677
Finance expense	19	**(1 552 782)**	(43 030)	(95 664)
Net finance (expense)/income		**(1 370 450)**	168 448	212 013
(Loss)/profit before tax		**(1 385 729)**	153 459	146 375
Income tax income/(expense)	11	**378 155**	(43 747)	(49 572)
(Loss)/profit for the period		**(1 007 574)**	109 712	96 803
Other comprehensive income				
Items that will not be reclassified to profit or loss				
(Loss)/gain on fair value movements of equity instrument at FVOCI	8	**(5 175)**	2 818	8 031
Income tax relating to fair value movements of equity instrument		**1 160**	–	(1 799)
Total other comprehensive (loss)/income		**(4 015)**	2 818	6 232
Total comprehensive (loss)/income for the period		**(1 011 589)**	112 530	103 035
Basic and diluted (loss)/earnings per share (cents)	18	**(62.14)**	6.91	6.33

Restated due to line items that were reclassified. Refer to note 20.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Stated capital R'000	Market to market Reserves R'000	Accumulated loss R'000	Total R'000
Balance at 1 January 2019	3 425 544	–	(500 448)	2 925 096
Profit for the period	–	–	109 712	109 712
Other comprehensive income		2 818	–	2 818
	–	2 818	109 712	112 530
Balance at 30 June 2019	3 425 544	2 818	(390 736)	3 037 626
Loss for the period	–	–	(12 909)	(12 909)
Other comprehensive income	–	3 414	–	3 414
	–	3 414	(12 909)	(9 495)
Balance at 31 December 2019	3 425 544	6 232	(403 645)	3 028 131
Loss for the period	**–**	**–**	**(1 007 574)**	**(1 007 574)**
Other comprehensive loss	**–**	**(4 015)**	**–**	**(4 015)**
	–	**(4 015)**	**(1 007 574)**	**(1 011 589)**
Balance at 30 June 2020	**3 425 544**	**2 217**	**(1 411 219)**	**2 016 542**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 30 June 2020 Reviewed R'000	Six months ended 30 June 2019 Reviewed R'000	Year ended December 2019 Restated* Audited R'000
Cash flows from operating activities			
Cash paid to suppliers and employees	**(44 011)**	(74 770)	(162 046)
Cash utilised in operations	**(44 011)**	(74 770)	(162 046)
Finance income received	**3 719**	6 354	15 874
Finance cost paid	**(2)**	(589)	(1 474)
Taxation paid	**(252)**	–	(538)
Cash (utilised in) operating activities	**(40 546)**	(69 005)	(148 184)
Cash flows from investing activities			
Acquisition of property, plant and equipment	**(544 322)**	(449 854)	(1 103 842)
Net cash outflow from investing activities	**(544 322)**	(449 854)	(1 103 842)
Cash flows from financing activities			
Interest-bearing borrowings repaid	**(7 042)**	–	–
Interest-bearing borrowings raised	**169 196**	1 661 584	2 815 607
Repayment of Lease Liability	**–**	(1 479)	(5)
Net cash inflow from financing activities	**162 154**	1 660 105	2 815 602
Net (decrease)/increase in cash and cash equivalents	**(422 714)**	1 141 246	1 563 576
Exchange gains/(losses) on cash and cash equivalents	**89 137**	–	(18 487)
Cash at beginning of the period	**2 127 557**	582 468	582 468
Cash and cash equivalents	**1 793 980**	1 723 714	2 127 557

Restated due to line items that were reclassified. Refer to note 21.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1. Reporting entity

Wesizwe Platinum Limited ("the Company") is a company domiciled in the Republic of South Africa. The condensed consolidated interim financial information ("Interim financial statements") of the Company as at 30 June 2020 comprises the Company and its subsidiaries (together referred to as the "Group"). The consolidated financial statements of the Group for the year ended 31 December 2019 are available at www.wesizwe.com.

2. Basis of preparation

The interim financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), (IAS) 34 Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Reporting Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act 71 of 2008, as amended as well as the Johannesburg Stock Exchange ("JSE") Listings Requirements. The accounting policies applied in the preparation of these interim financial statements are in terms of IFRS and are consistent with those applied in the previous annual financial statements.

3. Impact of the COVID-19 pandemic

On 11 March 2020, the World Health Organization officially declared the novel coronavirus, COVID-19, a pandemic. Governments across the world have taken extreme measures to curb the spread of the virus by introducing various forms of social distancing, lockdown regimes and forms of monetary and fiscal stimulus. These measures impacted the financial position of individuals, small and medium sized businesses as well as corporates to varying degrees.

The Group has been proactive in managing staff health risks through an early risk awareness campaign, cancellation of large gatherings, the introduction of hand sanitisers, implementation of work from home practices as well as a comprehensive staff wellness monitoring and support programme. As the BPM is still under development, the COVID-19 pandemic has delayed the development of the mine.

4. Estimates

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

The significant unobservable inputs are:

	Six months ended 30 June 2020 Reviewed	Six months ended 30 June 2019 Reviewed	Year ended December 2019 Audited
US$ exchange rate (ZAR) up to 2021/2025	**15.61 – 16.16**	14.43 – 15.78	14.73 – 14.96
US$ exchange rate (ZAR) long-term	**15.70**	16.48	14.99
Pt price (US$/oz) up to 2021/2025	**913 – 1 141**	883 – 963	962 – 1 009
Pt price (US$/oz) long-term	**1 199**	1 000	1 071
Pd price (US$/oz) up to 2021/2025	**1 418 – 1 907**	1 111 – 1 265	1 219 – 1 734
Pd price (US$/oz) long-term	**1 287**	1 080	1 414
Rh price (US$/oz) up to 2021/2025	**4 115 – 4 365**	1 896 – 2 222	4 115 – 4 365
Rh price (US$/oz) long-term	**6 626**	1 881	6 626
Au price (US$/oz) up to 2021/2025	**1 368 – 1 728**	1 275 – 1 321	1 308 – 1 476
Au price (US$/oz) long-term	**1 368**	1 269	1 300
Weighted Average Cost of Capital (%) (Real)	**10.84**	10.17	10.84

In determining the future cash flows, management reviewed all the key variables and sources of estimation. In preparing the interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation are based on the same principles as those that applied to the annual financial statements for the year ended 31 December 2019, except as listed above.

If all assumptions remain unchanged, a 10% decrease in the basket price of commodities would result in no impairment being recognised.

If all assumptions remain unchanged, a 10% decrease in the United States Dollar to the South African Rand would result in no impairment being recognised.

If all assumptions remain unchanged, a 10% increase in the weighted average cost of capital would result in no impairment being recognised.

5. Going concern

The Group's cash resources at the reporting date of R1 794 million (June 2019: R1 724 million) are sufficient, based on current budgets, to conduct operations and develop the BPM Project up to the end of the year. The ability of the Company to continue as a going concern is dependent on a number of factors. The most significant of these is the support of the majority shareholder. The majority shareholder has provided a letter of comfort supporting any shortfall in funding and guaranteed repayment of the China Development Bank ("CDB") loan. Accordingly, the interim financial statements are prepared on the basis of accounting policies applicable to a going concern. These conditions indicate that a material uncertainty exists which may cast significant doubt as to the ability of the Company and its subsidiaries to continue as a going concern in that they may be unable to realise their assets and discharge their liabilities in the normal course of business. COVID-19 did not have a material impact on the going concern assumption as the mine is still in the development phase (refer to note 3).

6. Property, plant and equipment

During the period under review an amount of R1 447 million was capitalised to Construction Work-in-progress as part of the activities to develop the mine and related construction activities.

At the reporting date, property, plant and equipment consisted of the following categories of assets:

June 2020

	Property, plant and equipment R'000	Right-of-use-asset R'000	Construction work-in-progress R'000	Mining rights R'000	Total R'000
Balance at 31 December 2019	54 869	7 769	8 825 822	1 057 729	**9 946 189**
Acquisitions during the period	16 520	–	1 447 430	–	**1 463 950**
Depreciation	(3 787)	(129)	–	–	**(3 916)**
Closing balance	**67 602**	**7 640**	**10 273 252**	**1 057 729**	**11 406 223**

June 2019

	Property, plant and equipment R'000	Right-of-use-asset R'000	Construction Work-in-progress R'000	Mining Rights R'000	Total R'000
Balance at 31 December 2018	60 591	–	7 739 782	1 057 729	8 858 102
Acquisitions during the period	1 478	–	472 666	–	474 144
Adjustment on transition to IFRS 16	–	16 991	–	–	16 991
Depreciation	(3 939)	(312)	–	–	(4 251)
Closing balance	58 130	16 679	8 212 448	1 057 729	9 344 986

No additions have been made in respect of mineral rights during the period under review. The recoverable amount of the Construction Work-in-progress is based on the discounted cash flows method. The valuation model considers the present value of estimated future cash flows, discounted using a risk-adjusted discount rate. The present value of the discounted cash flows is greater than the carrying amount of the Construction Work-in-progress, which means that the asset is not impaired.

7. Inventories

	Six months ended 30 June 2020 Reviewed R'000	Six months ended 30 June 2019 Reviewed R'000	Year ended December 2019 Audited R'000
Metal inventories	**142 410**	–	86 166
Stores and materials	**80 753**	18 276	34 630
Total carrying amount	**223 163**	18 276	120 796

Inventories comprises of metal inventories and stores and materials.

(i) Metal inventories

Costs incurred in the production process are appropriately accumulated as stockpiles. The average cost of normal production includes total costs incurred on mining.

(ii) Stores and materials

Stores and materials are valued at the lower of cost or net realisable value, on a weighted average basis. Obsolete, redundant and slow-moving stores are identified and written down to net realisable value which is the estimated selling price in the ordinary course of business, less selling expenses.

8. Other financial assets

	Six months ended 30 June 2020 Reviewed R'000	Six months ended 30 June 2019 Reviewed R'000	Year ended December 2019 Audited R'000
Opening balance	**17 222**	9 191	9 191
(Loss)/gain on fair value adjustments	**(5 175)**	2 818	8 031
Closing balance	**12 047**	12 009	17 222

Investment in equity is measured at fair value in the condensed consolidated statement of financial position. Fair values of the listed shares have been calculated by reference to quoted bid prices in active markets at the reporting date and are categorised within Level 1 of the fair value hierarchy. The shares in Royal Bafokeng Platinum Limited are listed on the JSE, and the Group is satisfied that there is an active market, the transactions take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Investment in equities during the period was designated at fair value through other comprehensive income ("FVOCI") as management deemed this the method to be most consistent with the treatment of such securities in previous periods.

9. Restricted cash

Restricted cash covers the following guarantees:

Current:

- R81 million (December 2019: R81 million current) in favour of the Department of Mineral Resources and Energy for environmental obligation and Eskom for phase 1 and phase 2 bulk power supply to the BPM.

10. Stated capital

	Six months ended 30 June 2020 Reviewed R'000	Six months ended 30 June 2019 Reviewed R'000	Year ended December 2019 Audited R'000
Authorised			
2 000 000 000 no par value ordinary shares (2019: 2 000 000 000 no par value ordinary shares)	**–**	–	–
Issued			
1 627 827 058 no par value ordinary shares (2019: 1 627 827 058 no par value ordinary shares)	**3 425 544**	3 425 544	3 425 544

11. Taxation

	Six months ended 30 June 2020 Reviewed R'000	Six months ended 30 June 2019 Reviewed R'000	Year ended December 2019 Audited R'000
Current year – normal taxation	**(14 847)**	(1 252)	(21 229)
Current year – deferred taxation	**393 002**	(42 495)	(28 343)
Total	**378 155**	(43 747)	(49 572)
Reconciliation of effective tax rate	**%**	%	%
Standard tax rate	**(28.0)**	28.0	28.0
Non-deductible expenses	**0.5**	1.0	(0.2)
Deferred tax asset not raised	**28.5**	27.0	(14.9)
Deferred tax asset utilised	**(28.2)**	(27.0)	20.4
Fair value gain on financial asset at CGT rate in the subsidiary	**–**	(0.5)	–
Under provision in prior years	**–**	–	0.6
Effective rate	**(27.2)**	28.5	33.9

12. Report of the Independent Auditor

The condensed consolidated interim financial results for the six months ended 30 June 2020 have been reviewed by SizweNtsalubaGobodo Grant Thornton Inc., who expressed an unmodified review conclusion. The auditor's report does not necessarily report on all of the information contained in these financial results. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement the report is available for inspection at the Company's registered address or they can obtain a copy of the auditor's report together with the accompanying financial information from the issuer's registered office.

13. Segment reporting

No segment reporting has been produced as the Group is conducting construction activities in one geological location which represents its only business activity with no revenue yet.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. The operating results for the Group as a whole are reviewed regularly by the Group's CEO to make decisions about resources to be allocated and to assess its performance.

14. Mineral resources

There were no changes to the mineral resources for the six months ended 30 June 2020.

15. Mine closure and environmental rehabilitation obligation

The change in the obligation of R6.9 million is due to the time value of money and inflation adjustment for the period being recognised.

16. Subsequent events

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

17. Commitments

At 30 June 2020 the Group had commitments to the value of R1 162.5 million (December 2019: R1 285.1 million). This amount includes capital commitments amounting to R1 162.0 million.

18. (Loss)/earnings per share

	Six months ended 30 June 2020 Reviewed	Six months ended 30 June 2019 Reviewed	Year ended December 2019 Audited
The basis of calculation of basic (loss)/ earnings per share is:			
Attributable (loss)/earnings to ordinary shareholders (Rand)	**(1 011 589 451)**	112 530 242	103 034 868
Weighted average number of ordinary shares in issue (shares)	**1 627 827 058**	1 627 827 058	1 627 827 058
Basic (loss)/earnings per share (cents)	**(62.14)**	6.91	6.33
The basis of calculation of diluted (loss)/earnings per share is:			
Attributable (loss)/earnings to ordinary shareholders (Rand)	**(1 011 589 451)**	112 530 242	103 034 868
Weighted average number of ordinary shares in issue (shares)	**1 627 827 058**	1 627 827 058	1 627 827 058
Diluted (loss)/earnings per share (cents)	**(62.14)**	6.91	6.33
The basis of calculation of headline (loss)/ earnings per share is:			
Attributable (loss)/earnings to ordinary shareholders (Rand)	**(1 011 589 451)**	112 530 242	103 034 868
Adjustments:	**4 015 306**	(2 818 314)	(6 232 444)
Loss/(gain) on adjustment of value in interest in equity financial asset	**4 015 306**	(2 818 314)	(6 232 444)
Headline (loss)/earnings (Rand)	**(1 007 574 145)**	109 711 928	96 802 424
Weighted average number of ordinary shares in issue (shares)	**1 627 827 058**	1 627 827 058	1 627 827 058
Headline and diluted headline (loss)/earnings per share (cents)	**(61.90)**	6.74	5.95

19. Finance income and finance expense

	Six months ended 30 June 2020 Reviewed R'000	Six months ended 30 June 2019 Reviewed R'000	Year ended December 2019 Audited R'000
Finance income from financial institutions			
Interest earned on cash balances	**56 672**	26 508	87 963
Interest accrued on cash balances	**66**	601	166
Total	**56 738**	27 109	88 129
Foreign exchange gains			
Realised gain on conversion of loan denominated in foreign currency	**12 747**	43 926	43 926
Realised gain on payment of interest accruals denominated in foreign currency	**–**	–	8 139
Unrealised gain on conversion of interest accruals denominated in foreign currency	**23 710**	–	308
Realised gain on conversion of dollar bank account	**89 137**	–	–
Unrealised gain on conversion of loan denominated in foreign currency	**–**	140 443	167 175
Total	**125 593**	184 369	219 548
Total finance income	**182 332**	211 478	307 677
Finance expense			
Finance expense for borrowings at amortised cost	**(346 386)**	(223 739)	(475 218)
Finance costs other	**–**	(675)	(3)
Lease liability finance costs	**(385)**	–	(1 104)
Time value of money adjustment to rehabilitation obligation	**(409)**	(1 778)	(3 634)
Total	**(347 180)**	(226 192)	(479 959)
Foreign exchange losses			
Realised loss on conversion of dollar bank account	**–**	–	(18 487)
Unrealised loss on conversion of interest accruals denominated in foreign currency	**–**	(2 244)	–
Unrealised loss on conversion of loan denominated in foreign currency	**(2 130 178)**	–	–
Total	**(2 130 178)**	(2 244)	(18 487)
Finance costs capitalised*			
Interest income	**(53 019)**	(20 668)	(72 436)
Interest expense	**346 386**	206 074	475 218
Net foreign exchange losses	**631 209**	–	–
Net finance costs capitalised	**924 576**	185 406	402 782
Total Finance Expense	**(1 552 782)**	(43 030)	(95 664)

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

20. Reclassification of finance income and finance expense

In prior year interim results, the line item "finance income from financial institutions" was presented separately in the condensed consolidated statement of profit or loss and other comprehensive income for the Group. There is also "foreign exchange gains" within the same statement for the Group. As these line items are similar in function, it was decided to improve presentation by aggregating them and, present it as "finance income".

In prior year interim results, the line item "finance cost capitalised" was presented separately in the condensed consolidated statement of profit or loss and other comprehensive income for the Group. There is also "finance expense" within the same statement for the Group. As these line items are similar in function, it was decided to improve presentation by aggregating them and, together with foreign exchange losses, present it as "finance expense".

Group 30 June 2019

	Notes	As previously reported R'000	Reclassification R'000	Restated R'000
Operations				
Administration expenditure		(14 989)	–	(14 989)
Net operating costs		(14 989)	–	(14 989)
Finance income and expenses				
Finance income		–	211 478	211 478
Finance income from financial institutions		27 109	(27 109)	–
Finance expense		(226 192)	183 162	(43 030)
Net foreign exchange gain/(loss)		182 125	(182 125)	–
Finance costs capitalised		185 406	(185 406)	–
Net finance (expense)/ income		168 448	–	168 448
(Loss)/profit before tax		153 459	–	153 459
Income tax income/(expense)	11	(43 747)	–	(43 747)
(Loss)/profit for the period		109 712	–	109 712
Other comprehensive income				
Items that will not be reclassified to profit or loss				
(Loss)/gain on fair value movements of equity instrument at FVOCI	8	2 818	–	2 818
Total other comprehensive (loss)/income		2 818	–	2 818
Total comprehensive (loss)/income for the period		112 530	–	112 530
Basic and diluted (loss)/earnings per share (cents)	18	6.91	–	6.91

21. Reclassification of exchange losses on cash and cash equivalents

In prior year end results, exchange losses on cash and cash equivalents was presented as part of "Cash utilised from operations" statement of cash flows for the Group. It was decided to improve presentation by disclosing this line item separately as "exchange losses on cash and cash equivalents". The revised presentation is consistent IAS 7 requirements "The effect of exchange rate changes on cash and cash equivalents held or due in a foreign currency is reported in the statement of cash flows in order to reconcile cash and cash equivalents at the beginning and the end of the period. This amount is presented separately from cash flows from operating, investing and financing activities."

Group 31 December 2019

	As previously reported R'000	Reclassification R'000	Restated R'000
Cash flows from operating activities			
Cash paid to suppliers and employees	(180 533)	18 487	(162 046)
Cash utilised in operations	**(180 533)**	**18 487**	**(162 046)**
Finance income received	15 874	–	15 874
Finance cost paid	(1 474)	–	(1 474)
Taxation paid	(538)	–	(538)
Cash utilised in operating activities	**(166 671)**	**18 487**	**(148 184)**
Cash flows from investing activities			
Acquisition of property, plant and equipment	(1 103 842)	–	(1 103 842)
Net cash outflow from investing activities	**(1 103 842)**	**–**	**(1 103 842)**
Cash flows from financing activities			
Interest-bearing borrowings raised	2 815 607	–	2 815 607
Repayment of Lease Liability	(5)	–	(5)
Net cash inflow from financing activities	**2 815 602**	**–**	**2 815 602**
Net (decrease)/increase in cash and cash equivalents	1 545 089	18 487	1 563 576
Exchange losses on cash and cash equivalents	–	(18 487)	(18 487)
Cash at beginning of the period	582 468	–	582 468
Cash and cash equivalents	**2 127 557**	**–**	**2 127 557**

COMMENTARY

1. Financial overview

The Group is currently in the development phase of the BPM.

The total comprehensive loss for the six months under review is R1 011.6 million (compared to comprehensive income of R112.5 million for the same period in 2019) as set out in the condensed consolidated statement of profit or loss and other comprehensive income.

Total administration expenses are made up of Administration expenses of R295.8 million (June 2019: R170.7 million) less capitalised cost of R280.5 million (June 2019: R155.7 million). Administration expenses of R295.8 million (June 2019: R170.7 million) include the following:

- Depreciation and amortisation – R4.2 million (June 2019: R4.5 million);
- Professional fees – R80.9 million (June 2019: R31.9 million);
- Maintenance – R38 million (June 2019: R9.1 million);
- Directors' expenses – R6.2 million (June 2019: R6.1 million);
- Salaries and payroll related expenses – R73.2 million (June 2019: R79.9 million);
- Marketing expenses and investor relations – R0.4 million (June 2019: R0.6 million);
- Electricity and water – R19.9 million (June 2019: R15 million);
- Consumables utilised – R14.1 million (June 2019: R12 million); and
- Other administrative overheads – R55.1 million (June 2019: R6.6 million).
- Lease expenses relating to low value assets and short term leases is R3.8 million (2019: R5 million)

During the six months under review, the administration expenses (before deducting capitalised costs) increased by 73.3% compared to the corresponding period in 2019 as a result of increased activity in getting the mine to completion and production starting to take place.

The basic loss per share for the period was 62.14 cents per share (2019: 6.91 cents earnings per share for the same period). The headline loss per share was 61.90 cents per share (2019: 6.74 cents headline earnings per share for the same period).

1.1 These interim financial statements were prepared by Sibongile Madlodlo (Financial Manager) under the supervision of Mr Jianguo Liu (Financial Director).

1.2 The directors take full responsibility for the preparation of the report and that the financial information has been correctly extracted from the underlying interim financial statements.

2. Project funding

As previously reported, Wesizwe concluded and signed all Project Financing Agreements for the US$650 million loan facility with CDB. As at the 30th of June 2020, drawdowns amounting to US$650 million have occurred.

3. Dividends

No dividends were declared in the current period.

4. Board changes

Mr Feng Tao has resigned from his position as Financial Director on 31 March 2020. Mr Jianguo Liu has been appointed as Financial Director on 1 April 2020.

As published on:
30 September 2020

Sponsor
PSG Capital

By order of the board on 29 September 2020:

Dawn Mokhobo *(Chairman)* Zhimin Li *(Chief Executive Officer)*

Wesizwe Platinum Limited
(Incorporated in the Republic of South Africa)
(Registration number 2003/020161/06)
JSE code: WEZ ISIN: ZAE000075859
(the "Company" or "Wesizwe" or the "Group")
Directors: DNM Mokhobo *(Chairman)**, Z Li *(Chief Executive Officer)*#, J Liu (Finance Director)#, LV Ngculu*, TV Mabuza*, S Pingan*#, L Pengfei*#, H Guo*#
*(*Non-executive, #Chinese)*
Company Secretary: V Mhlongo
Transfer Secretaries: 4 Africa Exchange,Hill on Empire, 4th Floor Building A, 16 Empire Road, Parktown, 2193
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