



Anooraq Resources Corporation

CONSOLIDATED FINANCIAL STATEMENTS

THREE AND SIX MONTHS ENDED JUNE 30, 2007

(Expressed in Canadian Dollars, unless otherwise stated)

(un-audited)

These financial statements have not been reviewed by the Company's auditors

ANOORAQ RESOURCES CORPORATION

Consolidated Balance Sheets

(Expressed in Canadian Dollars)

	June 30	December 31
	2007	2006
	(unaudited)	
ASSETS		
Current assets		
Cash and equivalents	\$ 10,120,266	\$ 12,775,145
Amounts receivable	156,131	159,079
Due from related parties (note 6)	146,558	138,616
Prepaid expenses	39,095	104,164
	10,462,050	13,177,004
Deferred financing costs	–	337,852
Equipment	71,467	73,315
Mineral property interests (note 4)	8,333,188	8,240,751
	\$ 18,866,705	\$ 21,828,922
LIABILITIES AND SHARHOLDERS' EQUITY		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 203,473	\$ 1,034,144
Current portion of term loan	1,082,065	–
	1,285,538	1,034,144
Term loan	10,246,110	11,818,677
	11,531,648	12,852,821
Shareholders' equity		
Share capital	50,864,798	50,207,363
Contributed surplus	4,728,353	4,849,043
Deficit	(48,258,094)	(46,080,305)
	7,335,057	8,976,101
Nature of operations (note 1)		
Subsequent event (note 8)		
	\$ 18,866,705	\$ 21,828,922

See accompanying notes to consolidated financial statements

Approved by the Board of Directors

/s/ Tumelo M. Motsisi

Tumelo M. Motsisi
Director

/s/ Popo Molefe

Popo Molefe
Director

ANOORAQ RESOURCES CORPORATION**Consolidated Statements of Operations**

(Unaudited - Expressed in Canadian Dollars)

	Three months ended June 30		Six months ended June 30	
	2007	2006	2007	2006
Expenses				
Accounting, audit and legal	\$ 37,457	\$ 216,438	\$ 140,242	\$ 383,250
Conference and travel	19,154	37,981	122,276	125,644
Consulting	6,705	26,844	85,434	79,397
Exploration (schedule)	48,868	465,674	81,888	557,668
Foreign exchange loss (gain)	(65,098)	10,131	(327,346)	19,532
Gain on disposal of fixed assets	–	(11,346)	–	(11,346)
Interest expense	542,127	–	1,011,251	–
Interest income	(212,261)	(11,856)	(432,039)	(39,502)
Office and administration	111,225	102,581	202,437	173,268
Salaries and benefits	633,466	407,990	963,220	783,384
Stock-based compensation - office and administration	–	(3,250)	1,044	9,717
Stock-based compensation - exploration	–	(6,247)	401	18,105
Shareholders communications	73,614	78,574	131,981	139,995
Trust and filing	57,403	14,788	199,001	98,904
Loss before the following	1,252,660	1,328,302	2,179,790	2,338,016
Future income tax recovery (note 4)	(1,000)	–	(2,000)	–
Loss for the period	\$ 1,251,660	\$ 1,328,302	\$ 2,177,790	\$ 2,338,016
Basic and diluted loss per share	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.02
Weighted average number of common shares outstanding	154,821,467	148,220,407	151,542,901	148,220,407

See accompanying notes to consolidated financial statements

ANOORAQ RESOURCES CORPORATION

Consolidated Statements of Shareholders' Equity and Deficit

(Expressed in Canadian Dollars)

	Six months ended June 30, 2007		Year ended December 31, 2006	
	<i>(unaudited)</i>			
	<u>Number of shares</u>		<u>Number of shares</u>	
Share capital				
Balance at beginning of the period	148,220,407	\$ 50,207,363	148,220,407	\$ 50,207,363
Share purchase options exercised at \$1.40 per share	314,500	440,300	–	–
Share purchase options exercised at \$0.95 per share	100,000	95,000	–	–
Fair value of stock options allocated to shares issued on exercise	–	122,135	–	–
Common shares issued (note 4(a)(i))	36,000,000	–	–	–
Balance at end of the period	184,634,907	\$ 50,864,798	148,220,407	\$ 50,207,363
Contributed surplus				
Balance at beginning of the period		4,849,043		4,824,697
Stock-based compensation		1,445		24,346
Fair value of stock options allocated to shares issued on exercise		(122,135)		–
Balance at end of the period		\$ 4,728,353		\$ 4,849,043
Deficit				
Balance at beginning of the period		(46,080,305)		(41,575,461)
Loss for the period		(2,177,790)		(4,504,844)
Balance at end of the period		\$ (48,258,094)		\$ (46,080,305)
TOTAL SHAREHOLDERS' EQUITY		\$ 7,335,057		\$ 8,976,101

The accompanying notes are an integral part of these consolidated financial statements.

ANOORAQ RESOURCES CORPORATION

Consolidated Statements of Cash Flows

(Unaudited - Expressed in Canadian Dollars)

	Three months ended June 30		Six months ended June 30	
	2007	2006	2007	2006
Operating activities				
Loss for the period	\$ (1,251,660)	\$ (1,328,302)	\$ (2,177,790)	\$ (2,338,016)
Items not involving cash				
Amortization included in exploration expenses	4,534	6,961	9,268	19,833
Amortization of deferred finance costs	(21,757)	–	–	–
Future income tax recovery	(1,000)	–	(2,000)	–
Accrued interest on term loan	487,620	–	903,719	–
Stock-based compensation	–	(9,497)	1,445	27,822
Unrealized foreign exchange gain	61,000	–	(102,000)	–
Equity loss in exploration expenditures (note 4)	17,667	281,852	36,470	291,055
Changes in non-cash operating working capital	–	–	–	–
Amounts receivable	(27,749)	19,382	2,948	103,546
Amounts due to and from related parties	16,176	(397,566)	(7,942)	(358,810)
Prepaid expenses	41,353	58,486	65,069	57,340
Accounts payable and accrued liabilities	(34,556)	36,569	(830,671)	(68,002)
Cash and equivalents used by operating activities	(708,372)	(1,332,115)	(2,101,484)	(2,265,232)
Investing activities				
Purchase of equipment	(4,864)	(9,731)	(7,420)	(9,731)
Disposal of fixed assets	–	61,124	–	61,124
Equity investment (note 4)	(12,194)	–	(24,907)	–
Cash and equivalents (provided by) used by investing activities	(17,058)	51,393	(32,327)	51,393
Financing activities				
Issuance of common shares	416,300	–	535,300	–
Cash and equivalents provided by financing activities	416,300	–	535,300	–
Effect of exchange rate changes on cash and equivalents	(524,659)	–	(1,056,369)	–
Increase (decrease) in cash and equivalents	(833,789)	(1,280,722)	(2,654,880)	(2,213,839)
Cash and equivalents, beginning of period	10,954,055	3,657,167	12,775,145	4,590,284
Cash and equivalents, end of period	\$ 10,120,266	\$ 2,376,445	\$ 10,120,266	\$ 2,376,445

Supplementary information

Interest paid	\$ –	\$ 12,790	\$ –	\$ 26,755
Interest received	\$ (212,261)	\$ (24,646)	\$ (432,039)	\$ (66,257)
Taxes paid	\$ –	\$ –	\$ –	\$ –

Non-cash operating, financing and investing activities

Fair value of options allocated to shares issued on exercise	\$ 65,292	\$ –	\$ 122,135	\$ –
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See accompanying notes to consolidated financial statements

ANOORAQ RESOURCES CORPORATION

Consolidated Schedules of Exploration Expenses

(Unaudited - Expressed in Canadian Dollars)

Republic of South Africa	Three months ended June 30		Six months ended June 30	
	2007	2006	2007	2006
Northern Limb of the Bushveld Complex				
Amortization	\$ 4,534	\$ 6,961	\$ 9,268	\$ 19,833
Assays and analysis	(2,227)	16,394	200	18,245
Engineering	11,407	28,844	19,784	52,115
Environmental and socioeconomic	–	12,545		12,545
Geological and consulting	21,436	(15,390)	26,561	13,574
Graphics	100	118	2,084	472
Property fees and assessments	(22,599)	8,434	(22,599)	(8,507)
Property option payments	26,940	–	32,548	32,548
Site activities	3,348	1,841	5,429	22,223
Transportation	3,358	834	3,358	2,242
	46,297	60,581	76,633	165,290
Eastern Limb of the Bushveld Complex				
Assays and analysis	–	22,829	–	22,829
Drilling	–	347,771	–	321,751
Engineering	–	12,812	–	25,624
Geological and consulting	2,571	21,681	5,255	22,174
	2,571	405,093	5,255	392,378
Exploration expenses before the following	48,868	465,674	81,888	557,668
Stock-based compensation	–	(6,247)	401	18,105
Exploration expenses	48,868	459,427	82,289	575,773
Cumulative expenditures, beginning of period	23,646,735	22,963,126	23,613,314	22,846,780
Cumulative expenditures, end of period	\$ 23,695,603	\$ 23,422,553	\$ 23,695,603	\$ 23,422,553

See accompanying notes to consolidated financial statements