



CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

NINE MONTHS ENDED 30 SEPTEMBER 2010

(Unaudited)

(Expressed in Canadian Dollars unless otherwise stated)

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

**ANOORAQ RESOURCES CORPORATION**

Condensed Consolidated Interim Statements of Financial Position

As at 30 September 2010

(Unaudited - Expressed in Canadian Dollars, unless otherwise stated)

		<b>Audited</b>	
	<b>Note</b>	<b>30 September 2010</b>	<b>31 December 2009</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	950,698,025	693,393,736
Capital work-in-progress	6	17,368,119	235,838,915
Mineral property interests		13,507,254	13,223,703
Goodwill		12,845,387	12,382,569
Platinum producers' environmental trust (restricted cash)		2,764,234	2,578,131
Other non-current assets		756	729
<b>Total non-current assets</b>		<b>997,183,775</b>	<b>957,417,783</b>
<b>Current assets</b>			
Inventories		3,860,278	1,091,860
Trade and other receivables		27,101,035	23,466,503
Cash and cash equivalents		30,904,750	30,947,511
Restricted cash		1,342,145	1,291,348
<b>Total current assets</b>		<b>63,208,208</b>	<b>56,797,222</b>
<b>Total assets</b>		<b>1,060,391,983</b>	<b>1,014,215,005</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share capital		229,694,788	229,631,388
Foreign currency translation reserve		(6,806,805)	(9,390,899)
Hedging reserve		(4,055,690)	(731,293)
Share-based payment reserve		21,349,459	19,770,786
Accumulated loss		(145,117,428)	(111,798,092)
<b>Total equity attributable to equity holders of the Group</b>		<b>95,064,324</b>	<b>127,481,890</b>
Non-controlling interest		55,509,078	82,025,730
<b>Total equity</b>		<b>150,573,402</b>	<b>209,507,620</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Loans and borrowings	7	664,055,977	555,509,417
Deferred taxation		208,046,275	213,484,109
Provisions		7,474,679	7,021,038
Derivative liability		4,823,719	1,590,945
<b>Total non-current liabilities</b>		<b>884,400,650</b>	<b>777,605,509</b>
<b>Current liabilities</b>			
Trade and other payables		25,417,931	26,948,647
Current tax payable		-	153,229
<b>Total current liabilities</b>		<b>25,417,931</b>	<b>27,101,876</b>
<b>Total liabilities</b>		<b>909,818,581</b>	<b>804,707,385</b>
<b>Total equity and liabilities</b>		<b>1,060,391,983</b>	<b>1,014,215,005</b>

Approved by the Board of Directors on 11 November 2010

/s/ Philip Kotze

Philip Kotze (Director)

/s/ Fikile De Buck

Fikile De Buck (Director)

**ANOORAQ RESOURCES CORPORATION**

Condensed Consolidated Interim Statements of Comprehensive Loss

For the period ended 30 September 2010

(Unaudited - Expressed in Canadian Dollars)

	<u>Note</u>	<u>Three months ended 30</u>		<u>Nine months ended 30</u>	
		<u>September</u>		<u>September</u>	
		2010	2009	2010	2009
			<i>Restated</i>		<i>Restated</i>
			<b>(Note 4)</b>		<b>(Note 4)</b>
Revenue		<b>34,481,850</b>	27,805,577	<b>105,042,863</b>	27,805,577
Cost of sales		<b>(44,528,975)</b>	(40,491,600)	<b>(121,080,564)</b>	(40,491,600)
<b>Gross loss</b>		<b>(10,047,125)</b>	<b>(12,686,023)</b>	<b>(16,037,701)</b>	<b>(12,686,023)</b>
Administrative expenses		<b>(6,110,391)</b>	(2,913,138)	<b>(12,055,235)</b>	(8,838,747)
Other operating expenses		<b>(3,919)</b>	(31,943)	<b>(340,225)</b>	(91,665)
Transaction costs		<b>(595)</b>	(276,638)	<b>(51,625)</b>	(7,498,775)
Other income		<b>128,375</b>	78,927	<b>210,992</b>	105,234
<b>Operating loss</b>		<b>(16,033,655)</b>	<b>(15,828,815)</b>	<b>(28,273,794)</b>	<b>(29,009,976)</b>
Finance income		<b>273,545</b>	380,775	<b>856,560</b>	449,369
Finance expense		<b>(18,908,247)</b>	(8,793,750)	<b>(46,504,749)</b>	(9,985,062)
<b>Net finance expense</b>		<b>(18,634,702)</b>	(8,412,975)	<b>(45,648,189)</b>	(9,535,693)
Share of loss of equity accounted investees (net of income tax)		-	-	-	(212,423)
<b>Loss before income tax</b>		<b>(34,668,357)</b>	(24,241,790)	<b>(73,921,983)</b>	(38,758,092)
Income tax		<b>6,530,062</b>	5,495,022	<b>12,669,211</b>	5,495,022
<b>Loss for the period</b>		<b>(28,138,295)</b>	<b>(18,746,768)</b>	<b>(61,252,772)</b>	<b>(33,263,070)</b>
<b>Other comprehensive income/(loss)</b>					
Foreign currency translation differences for foreign operations		<b>8,118,906</b>	(10,138,564)	<b>3,789,752</b>	(21,592,220)
Effective portion of changes in fair value of cash flow hedges		<b>(1,177,448)</b>	(180,759)	<b>(3,113,271)</b>	(180,759)
<b>Other comprehensive income /(loss) for the period, net of income tax</b>		<b>6,941,458</b>	<b>(10,319,323)</b>	<b>676,481</b>	<b>(21,772,979)</b>
<b>Total comprehensive loss for the period</b>		<b>(21,196,837)</b>	<b>(29,066,091)</b>	<b>(60,576,291)</b>	<b>(55,036,049)</b>
<b>Loss attributable to:</b>					
Owners of the Company		<b>(15,495,792)</b>	(10,833,347)	<b>(33,319,336)</b>	(25,349,649)
Non-controlling interest		<b>(12,642,503)</b>	(7,913,421)	<b>(27,933,436)</b>	(7,913,421)
<b>Loss for the period</b>		<b>(28,138,295)</b>	<b>(18,746,768)</b>	<b>(61,252,772)</b>	<b>(33,263,070)</b>
<b>Total comprehensive loss attributable to:</b>					
Owners of the Company		<b>(11,780,135)</b>	(16,535,612)	<b>(34,059,639)</b>	(42,505,570)
Non-controlling interest		<b>(9,416,702)</b>	(12,530,479)	<b>(26,516,652)</b>	(12,530,479)
<b>Total comprehensive loss for the period</b>		<b>(21,196,837)</b>	<b>(29,066,091)</b>	<b>(60,576,291)</b>	<b>(55,036,049)</b>
<b>Earnings per share</b>					
Basic and diluted loss per share		<b>(0.04)</b>	(0.04)	<b>(0.08)</b>	(0.10)

**ANOORAQ RESOURCES CORPORATION**

Condensed Consolidated Interim Statement of Changes in Equity

For the period ended 30 September 2010

(Unaudited - Expressed in Canadian Dollars)

	Attributable to equity holders of the Company							Non-controlling interest	Total	
	Share Capital	Treasury Shares	Convertible preference shares	Foreign currency translation	Share-based payment reserve	Hedging reserve	Accumulated loss			
<b>For the period ended 30 September 2009 (Restated)</b>										
<b>Balance at 1 January 2009</b>	54,948,340	-	-	129,684	17,584,974	-	(76,266,461)	(3,603,463)	-	(3,603,463)
Arising from business acquisition	-	-	-	-	-	-	-	-	104,680,028	104,680,028
<b>Total comprehensive income/(loss) for the period</b>										
Loss for the period	-	-	-	-	-	-	(25,349,649)	(25,349,649)	(7,913,421)	(33,263,070)
<b>Other comprehensive income/(loss)</b>										
Foreign currency translation differences	-	-	-	(16,975,162)	-	-	-	(16,975,162)	(4,617,058)	(21,592,220)
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	-	(180,759)	-	(180,759)	-	(180,759)
Total other comprehensive loss	-	-	-	(16,975,162)	-	(180,759)	-	(17,155,921)	(4,617,058)	(21,772,979)
<b>Total comprehensive loss for the period</b>	-	-	-	(16,975,162)	-	(180,759)	(25,349,649)	(42,505,570)	(12,530,479)	(55,036,049)
<b>Transactions with owners, recorded directly in equity</b>										
<b>Contributions by and distributions to owners</b>										
Ordinary shares issued	16,502,324	(5,190,894)	-	-	-	-	-	11,311,430	-	11,311,430
Preference shares issued	-	-	162,910,000	-	-	-	-	162,910,000	-	162,910,000
Share-based payment transactions	895,657	-	-	-	1,875,536	-	-	2,771,193	-	2,771,193
<b>Total contributions by and distributions to owners</b>	17,397,981	(5,190,894)	162,910,000	-	1,875,536	-	-	176,992,623	-	176,992,623
<b>Balance at 30 September 2009</b>	72,346,321	(5,190,894)	162,910,000	(16,845,478)	19,460,510	(180,759)	(101,616,110)	130,883,590	92,149,549	223,033,139
<b>For the period ended 30 September 2010</b>										
<b>Balance at 1 January 2010</b>	71,713,114	(4,991,726)	162,910,000	(9,390,899)	19,770,786	(731,293)	(111,798,092)	127,481,890	82,025,730	209,507,620
<b>Total comprehensive income/(loss) for the period</b>										
Loss for the period	-	-	-	-	-	-	(33,319,336)	(33,319,336)	(27,933,436)	(61,252,772)
<b>Other comprehensive income/(loss)</b>										
Foreign currency translation differences	-	-	-	2,584,094	-	(211,126)	-	2,372,968	1,416,784	3,789,752
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	-	(3,113,271)	-	(3,113,271)	-	(3,113,271)
Total other comprehensive loss	-	-	-	2,584,094	-	(3,324,397)	-	(740,303)	1,416,784	676,481
<b>Total comprehensive loss for the period</b>	-	-	-	2,584,094	-	(3,324,397)	(33,319,336)	(34,059,639)	(26,516,652)	(60,576,291)
<b>Transactions with owners, recorded directly in equity</b>										
<b>Contributions by and distributions to owners</b>										
Share-based payment transactions	-	-	-	-	1,578,673	-	-	1,578,673	-	1,578,673
Share issue	63,400	-	-	-	-	-	-	63,400	-	63,400
<b>Total contributions by and distributions to owners</b>	63,400	-	-	-	1,578,673	-	-	1,642,073	-	1,642,073
<b>Balance at 30 September 2010</b>	71,776,514	(4,991,726)	162,910,000	(6,806,805)	21,349,459	(4,055,690)	(145,117,428)	95,064,324	55,509,078	150,573,402

**ANOORAQ RESOURCES CORPORATION**

Condensed Consolidated Interim Statements of Cash Flows

For the period ended 30 September 2010

(Unaudited - Expressed in Canadian Dollars)

	<u>Note</u>	<u>Three months ended 30</u> <u>September</u>		<u>Nine months ended 30 September</u>	
		2010	2009 <i>Restated</i> <b>(Note 4)</b>	2010	2009 <i>Restated</i> <b>(Note 4)</b>
<b>Cash flows from operating activities</b>					
Cash utilised by operations	8	<b>(6,133,339)</b>	(26,343,943)	<b>(11,722,149)</b>	(23,674,579)
Interest received		<b>249,047</b>	380,775	<b>764,530</b>	449,369
Interest paid		<b>(665)</b>	-	<b>(13,419)</b>	-
Taxation paid		-	-	<b>(299,394)</b>	-
<b>Cash utilised by operating activities</b>		<b>(5,884,957)</b>	(25,963,168)	<b>(11,270,432)</b>	(23,225,210)
<b>Cash flows from investing activities</b>					
Additions to property, plant and equipment		<b>(7,427,473)</b>	(10,370,098)	<b>(18,273,390)</b>	(10,371,927)
Acquisition of cash in a business combination- Bokoni		-	3,576,912	-	3,576,912
Bokoni Mine acquisition		-	(119,956,365)	-	(119,956,365)
ESOP Trust contribution		-	(6,741,102)	-	(6,741,102)
Asset acquisition		-	(6,592,523)	-	(6,592,523)
Proceeds on disposal of property, plant and equipment		<b>548</b>	-	<b>47,550</b>	-
Deferred acquisition costs		-	-	-	(6,192,571)
Investment in environmental trusts		-	-	<b>(518)</b>	-
<b>Cash utilised by investing activities</b>		<b>(7,426,925)</b>	<b>(140,083,176)</b>	<b>(18,226,358)</b>	(146,277,576)
<b>Cash flows from financing activities</b>					
Vendor claims settled		-	(251,770,000)	-	(251,770,000)
Common shares issued		-	15,869,148	-	15,869,148
"A" Preference shares issued		-	177,720,000	-	177,720,000
"A" Preference shares repaid		-	(1,066,320)	-	(1,066,320)
"B" Preference shares issued		-	162,910,000	-	162,910,000
Long term borrowings raised – Senior debt		-	74,050,000	-	74,050,000
Long term borrowings raised – OCSF		<b>12,031,289</b>	29,531,388	<b>28,441,921</b>	29,531,388
Interest free loan raised – RPM		-	4,267,913	-	4,267,913
Repayment of Anglo Platinum loan		-	(18,079,846)	-	(18,079,846)
Loan costs capitalised		-	(5,006,755)	-	(5,006,755)
Common shares issued		-	-	<b>25,800</b>	-
<b>Cash generated from financing activities</b>		<b>12,031,289</b>	188,425,528	<b>28,467,721</b>	188,425,528
<b>Effect of foreign currency translation</b>		<b>4,152,862</b>	6,857,831	<b>986,308</b>	6,915,200
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>2,872,269</b>	29,237,015	<b>(42,761)</b>	25,837,942
<b>Cash and cash equivalents, beginning of period</b>		<b>28,032,481</b>	451,601	<b>30,947,511</b>	3,850,674
<b>Cash and cash equivalents, end of period</b>		<b>30,904,750</b>	29,688,616	<b>30,904,750</b>	29,688,616

## **ANOORAQ RESOURCES CORPORATION**

Notes to the Condensed Consolidated Interim Financial Statements

For the period ended 30 September 2010

(Unaudited - Expressed in Canadian Dollars)

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### **1. REPORTING ENTITY**

Anooraq Resources Corporation (the "Company" or "Anooraq") is incorporated in the Province of British Columbia, Canada. The condensed consolidated interim financial statements of the Company as at and for the three and nine months ended 30 September 2010 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interests in associates and jointly controlled entities. The consolidated financial statements of the Group as at and for the year ended 31 December 2009 are available upon request from the Company's registered office at 82 Grayston Drive, Sandton, South Africa or at [www.sedar.com](http://www.sedar.com).

### **2. STATEMENT OF COMPLIANCE**

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*. They do 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 as at and for the year ended 31 December 2009.

### **3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2009, except for the following standards and interpretations adopted in the current financial interim period:

- Amendments to IAS 39, *Eligible hedged items*
- Amendments to IFRS 2, *Share-based payments: vesting conditions and cancellations*
- IFRIC 17, *Distribution of Non-cash assets to owners*
- Various improvements to IFRS 2010

There was no significant impact on these condensed consolidated interim financial statements as a result of adopting these standards and interpretations.

### **4. RESTATEMENT OF 30 SEPTEMBER 2009 RESULTS**

As a result of an inadvertent accounting error during the quarter ended 30 September 2009, other income was overstated by \$3.9 million. Loans and borrowings at 30 September 2009 were understated by \$4.1 million as a result of the error. The restated loss for the nine months ended 30 September 2009 is \$33.3 million compared to \$29.4 million as previously reported (for the three months ended 30 September 2009, the restated loss is \$18.7 million compared to the \$14.9 million as previously reported).

In addition to the restatement of the loss for the three and nine months ended 30 September 2009, basic and diluted loss per share have also been restated for a change in the weighted average number of shares due to an inadvertent error in the calculation of the weighted average number of shares. The restated basic and diluted loss per share for the nine months ended 30 September 2009 is \$0.10 compared to \$0.16 as previously reported (for the three months ended 30 September 2009, the restated basic and diluted loss per share is \$0.04 compared to the \$0.08 as previously reported).

The statement of cash flows for the three and nine months ended included errors relating to deferred acquisition costs previously capitalised, loan costs capitalised, ESOP Trust contribution, common shares issued and the disclosure of finance income. As a result, the restated cash utilised by operating activities, cash utilised by investing activities and cash generated from financing activities for the nine months ended 30 September 2009 are, \$23,225,210, \$146,277,576 and \$188,425,528 respectively, compared to \$20,928,615, \$138,427,721 and \$173,295,222 respectively, as previously reported (for the three months ended 30 September 2009, the restated cash utilised by operating activities, cash utilised by investing activities and cash generated from financing activities are \$25,963,168, \$140,083,176 and \$188,425,528 respectively, compared to \$22,078,614, \$126,600,972 and \$173,295,222 respectively, as previously reported).

Depreciation was also reclassified to cost of sales as it is more closely aligned to the production process. The reclassification had no impact on earnings. The restated cost of sales for both the nine months and three months ended 30 September 2009 is \$40.5 million compared to the \$34.6 million as previously reported.

**ANOORAQ RESOURCES CORPORATION**

Notes to the Condensed Consolidated Interim Financial Statements

For the period ended 30 September 2010

(Unaudited - Expressed in Canadian Dollars)

	<u>Nine months ended 30 September 2010</u>	<u>Year ended 31 December 2009</u>
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Summary</b>		
<b>Cost</b>		
Balance at beginning of period	707,131,018	540,482
Arising from business combinations	-	725,226,891
Additions	463,723	31,478
Transferred from capital work-in-progress	239,729,800	9,382,489
Disposals	(251,530)	(49,072)
Adjustment to rehabilitation assets	-	2,691,883
Effect of translation	40,591,237	(30,693,133)
Balance at end of period	<u>987,664,248</u>	<u>707,131,018</u>
<b>Accumulated depreciation</b>		
Balance beginning of period	13,737,282	70,847
Charge for the period	21,578,891	13,557,111
Disposals	(125,799)	-
Effect of translation	1,775,849	109,324
Balance at end of period	<u>36,966,223</u>	<u>13,737,282</u>
<b>Carrying value</b>	<u>950,698,025</u>	<u>693,393,736</u>

**6. CAPITAL WORK-IN-PROGRESS**

Capital work-in-progress consists of mine development and infrastructure costs relating to the Bokoni mine and will be transferred to property, plant and equipment when the relevant projects are commissioned.

Balance at beginning of period	235,838,915	-
Arising from business combination	-	216,194,965
Additions	17,809,667	24,418,832
Transfer to property, plant and equipment	(239,729,800)	(9,382,489)
Capitalisation of borrowing costs	7,644,609	13,580,559
Impairment	(340,225)	-
Effect of translation	(3,855,047)	(8,972,952)
Balance at end of period	<u>17,368,119</u>	<u>235,838,915</u>

Capital work-in-progress is funded through cash generated from operations and available loan facilities.

**ANOORAQ RESOURCES CORPORATION**

Notes to the Condensed Consolidated Interim Financial Statements

For the period ended 30 September 2010

(Unaudited - Expressed in Canadian Dollars)

	<u>Nine months ended 30 September 2010</u>	<u>Year ended 31 December 2009</u>
<b>7. LOANS AND BORROWINGS</b>		
<i>Non-current liabilities</i>		
Senior Term Loan Facility	<b>83,531,205</b>	71,506,306
Redeemable "A" preference shares (related party)	<b>396,815,860</b>	352,664,289
Rustenburg Platinum Mines – Funding loans (related party)	<b>84,123,708</b>	72,778,897
Rustenburg Platinum Mines – OCSF (related party)	<b>93,793,197</b>	54,050,064
Rustenburg Platinum Mines – Interest free loan (related party)	<b>4,848,208</b>	4,099,586
Rustenburg Platinum Mines – commitment fees (related party)	<b>943,799</b>	410,275
	<b>664,055,977</b>	555,509,417

**The carrying value of the Group's loans and borrowings changed during the period as follows:**

Balance at beginning of the period	<b>555,509,417</b>	14,703,416
Senior Term Loan Facility	-	74,050,000
Rustenburg Platinum Mine – Operating Cash flow Shortfall Facility ("OCSF")	<b>28,441,921</b>	51,330,745
Arising from business combination	-	493,666,666
Rustenburg Platinum Mine – Interest free loan	<b>599,442</b>	4,267,913
Repaid as part of acquisition	-	(251,770,000)
Redeemable "A" preference shares	-	177,720,000
Redemption of "A" preference shares	-	(1,066,320)
Loans repaid	-	(18,049,078)
Loan costs capitalised	-	(4,857,128)
Commitment fee capitalised	<b>(489,302)</b>	(407,076)
Finance expenses accrued	<b>53,689,563</b>	33,028,228
Amortisation of loan costs	<b>459,096</b>	449,149
Commitment fee liability	<b>489,302</b>	407,076
Interest rate swap adjustment	<b>(262,709)</b>	-
Effect of translation	<b>25,619,247</b>	(17,964,174)
Balance at end of period	<b>664,055,977</b>	555,509,417



**ANOORAQ RESOURCES CORPORATION**

Notes to the Condensed Consolidated Interim Financial Statements

For the period ended 30 September 2010

(Unaudited - Expressed in Canadian Dollars)

	<u>Three months ended 30</u> <u>September</u>		<u>Nine months ended 30</u> <u>September</u>	
	<u>2010</u>	<u>2009</u> <i>Restated</i>	<u>2010</u>	<u>2009</u> <i>Restated</i>
<b>8. CASH UTILISED BY OPERATIONS</b>				
Loss before income tax	<b>(34,668,357)</b>	(24,241,790)	<b>(73,921,983)</b>	(38,758,092)
<b>Adjustments for:</b>				
Finance expense	<b>18,908,247</b>	8,793,750	<b>46,504,749</b>	9,985,062
Finance income	<b>(273,545)</b>	(380,775)	<b>(856,560)</b>	(449,369)
<b>Non-cash items:</b>				
Depreciation	<b>9,386,448</b>	5,927,746	<b>21,578,891</b>	5,987,468
Equity settled share-based compensation	<b>652,636</b>	-	<b>1,616,273</b>	1,875,536
Loss from equity accounted investees	-	-	-	212,423
Acquisition costs previously capitalized	-	-	-	1,587,959
Impairment of assets	-	-	<b>340,225</b>	-
Loss on disposal of property, plant and equipment	<b>83,258</b>	-	<b>78,181</b>	-
Common shares issued as compensation	-	-	-	895,657
Other	<b>(35,958)</b>	(170,257)	<b>(186,498)</b>	(156,592)
<b>Cash utilised before working capital changes</b>	<b>(5,947,271)</b>	(10,071,326)	<b>(4,846,722)</b>	(18,819,948)
Working capital changes				
Decrease/(Increase) in trade and other receivables	<b>3,319,738</b>	(4,539,384)	<b>(796,460)</b>	(4,626,235)
Decrease in trade and other payables	<b>(271,185)</b>	(11,733,233)	<b>(3,503,408)</b>	(228,396)
Increase in inventories	<b>(3,234,621)</b>	-	<b>(2,575,559)</b>	-
<b>Cash utilised by operations</b>	<b>(6,133,339)</b>	(26,343,943)	<b>(11,722,149)</b>	(23,674,579)

**ANOORAQ RESOURCES CORPORATION**

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For the period ended 30 September 2010

(Unaudited - Expressed in Canadian Dollars)

**9. SEGMENT INFORMATION**

The Group has two reportable segments as described below. These segments are managed separately based on the nature of operations. For each of the segments, the Group's CEO (the Group's chief operating decision maker) reviews internal management reports monthly. The following summary describes the operations in each of the Group's reportable segments:

- Bokoni Mine - Mining of PGM's.
- Projects - Mining exploration in Boikgantsho, Kwanda, and Ga-Phasha exploration projects.

The majority of operations and functions are performed in South Africa. An insignificant portion of administrative functions are performed in the Company's country of domicile.

During the period, the CEO considered earnings before net finance expense, income tax, depreciation and amortisation ("EBITDA") to be a more appropriate measure of each segment's performance as compared to "Loss before income tax". Accordingly, the EBITDA for each segment has been included. All external revenue is generated by the Bokoni Mine segment.

**Nine months ended 30 September**

	<u>2010</u>			<u>2009 (Restated)</u>			<b>Note</b>
	<b>Bokoni Mine</b>	<b>Projects</b>	<b>Total</b>	<b>Bokoni Mine</b>	<b>Projects</b>	<b>Total</b>	
EBITDA	<b>(2,142,732)</b>	<b>(244,957)</b>	<b>(2,387,689)</b>	(5,867,468)	(172,604,152)	(178,471,620)	(i)
Total Assets	<b>1,062,249,751</b>	<b>12,423,598</b>	<b>1,074,673,349</b>	1,004,287,569	10,800,037	1,015,087,606	(ii)

**Three months ended 30 September**

	<u>2010</u>			<u>2009 (Restated)</u>			<b>Note</b>
	<b>Bokoni Mine</b>	<b>Projects</b>	<b>Total</b>	<b>Bokoni Mine</b>	<b>Projects</b>	<b>Total</b>	
EBITDA	<b>(163,896)</b>	<b>(224,066)</b>	<b>(387,962)</b>	(5,867,468)	(172,604,152)	(178,471,620)	(i)

**(i) EBITDA – nine months ended**

EBITDA for reportable segments	<b>(2,387,689)</b>	(178,471,620)
Net finance expense	<b>(45,648,189)</b>	(9,535,693)
Depreciation	<b>(21,578,891)</b>	(5,987,468)
Corporate and consolidation adjustments	<b>(4,307,214)</b>	155,236,689
Consolidated loss before income tax	<b>(73,921,983)</b>	(38,758,092)

**EBITDA - three months ended**

EBITDA for reportable segments	<b>(387,962)</b>	(178,471,620)
Net finance expense	<b>(18,634,702)</b>	(8,412,975)
Depreciation	<b>(9,386,448)</b>	(5,927,746)
Corporate and consolidation adjustments	<b>(6,259,245)</b>	168,570,551
Consolidated loss before income tax	<b>(34,668,357)</b>	(24,241,790)

**(ii) Total assets**

Assets for reportable segments	<b>1,074,673,349</b>	1,015,087,606
Corporate and consolidation adjustments	<b>(14,281,366)</b>	(9,181,734)
Consolidated total assets	<b>1,060,391,983</b>	1,005,905,872

**10. RELATED PARTIES**

At 31 December 2009, Hunter Dickinson Services Inc. ("HDSI") was a related party as it was a private company owned equally by several public companies, one of which was the Company. During the period Hunter Dickinson Inc (a corporation incorporated under the laws of British Columbia) negotiated the repurchase of all the outstanding shares of HDSI from other HDSI shareholders, including Anooraq Resources Corporation. The purchase price was \$1. As at 30 September 2010, HDSI is not considered a related party.

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For the period ended 30 September 2010

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**11. SUBSEQUENT EVENTS**

There have been no events that have occurred after the reporting date that would have a material impact on the reported results.