



CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

THREE AND SIX MONTHS ENDED 30 JUNE 2011

(Unaudited)

(Expressed in Canadian Dollars unless otherwise stated)

ANOORAQ RESOURCES CORPORATION

Condensed Consolidated Interim Statements of Financial Position

As at 30 June 2011

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

		<u>Audited</u>	
	<u>Note</u>	<u>30 June 2011</u>	<u>31 December 2010</u>
Assets			
Non-current assets			
Property, plant and equipment	5	922,113,320	984,906,533
Capital work-in-progress	6	13,209,653	10,311,973
Intangible assets	7	2,744,463	3,280,056
Mineral property interests		13,271,299	13,716,383
Goodwill		12,461,161	13,185,952
Platinum producers' environmental trust (restricted cash)		3,047,831	2,862,075
Other non-current assets		364,896	348,076
Total non-current assets		967,212,623	1,028,611,048
Current assets			
Inventories		318,457	-
Trade and other receivables		28,530,133	36,190,110
Current tax receivable		154,271	163,244
Cash and cash equivalents		19,240,026	25,764,590
Restricted cash		1,329,607	1,377,263
Total current assets		49,572,494	63,495,207
Total assets		1,016,785,117	1,092,106,255
Equity and Liabilities			
Equity			
Share capital		71,967,083	71,852,588
Treasury shares		(4,991,726)	(4,991,726)
Convertible preference shares		162,910,000	162,910,000
Foreign currency translation reserve		(9,582,534)	(5,197,843)
Hedging reserve		-	(4,124,155)
Share-based payment reserve		22,907,685	22,032,571
Accumulated loss		(207,446,417)	(163,519,502)
Total equity attributable to equity holders of the Group		35,764,091	78,961,933
Non-controlling interest		8,023,868	42,404,014
Total equity		43,787,959	121,365,947
Liabilities			
Non-current liabilities			
Loans and borrowings	8	756,021,476	622,534,699
Deferred taxation		180,191,355	208,805,557
Provisions		8,059,085	8,184,494
Derivative liability		-	4,969,563
Total non-current liabilities		944,271,916	844,494,313
Current liabilities			
Trade and other payables		27,806,542	31,844,332
Short-term portion of loans and borrowings		918,700	94,401,663
Total current liabilities		28,725,242	126,245,995
Total liabilities		972,997,158	970,740,308
Total equity and liabilities		1,016,785,117	1,092,106,255

Approved by the Board of Directors on 15 August 2011

/s/ Harold Motaung

Harold Motaung (Director)

/s/ Wayne Kirk

Wayne Kirk (Director)

ANOORAQ RESOURCES CORPORATION

Condensed Consolidated Interim Statements of Comprehensive Loss

For the periods ended 30 June 2011

(Unaudited - Expressed in Canadian Dollars)

	<u>Note</u>	<u>Three months ended 30 June</u>		<u>Six months ended 30 June</u>	
		2011	2010	2011	2010
Revenue		35,916,397	38,354,910	66,614,625	70,561,013
Cost of sales		(56,204,989)	(40,919,441)	(102,440,742)	(76,551,589)
Gross loss		(20,288,592)	(2,564,531)	(35,826,117)	(5,990,576)
Administrative expenses	10	(10,139,254)	(3,609,512)	(13,885,092)	(6,281,150)
Transaction costs		-	(51,030)	-	(51,030)
Other income		3,947	(2,806)	54,238	82,617
Operating loss		(30,423,899)	(6,227,879)	(49,656,971)	(12,240,139)
Finance income		233,652	283,078	427,820	583,015
Finance expense		(23,395,734)	(17,336,496)	(43,504,754)	(27,596,502)
Net finance expense		(23,162,082)	(17,053,418)	(43,076,934)	(27,013,487)
Loss before income tax		(53,585,981)	(23,281,297)	(92,733,905)	(39,253,626)
Income tax		9,282,960	3,357,844	17,004,712	6,139,149
Loss for the period		(44,303,021)	(19,923,453)	(75,729,193)	(33,114,477)
Other comprehensive income/(loss)					
Foreign currency translation differences for foreign operations		(889,932)	314,175	(6,962,559)	(4,329,154)
Effective portion of changes in fair value of cash flow hedges		9,054	(444,297)	1,602,501	(1,935,823)
Reclassification to profit or loss on settlement of cash flow hedge		2,521,654	-	2,521,654	-
Other comprehensive loss for the period, net of income tax		1,640,776	(130,122)	(2,838,404)	(6,264,977)
Total comprehensive loss for the period		(42,662,245)	(20,053,575)	(78,567,597)	(39,379,454)
Loss attributable to:					
Owners of the Company		(27,309,152)	(10,825,637)	(43,926,915)	(17,823,544)
Non-controlling interest		(16,993,869)	(9,097,816)	(31,802,278)	(15,290,933)
Loss for the period		(44,303,021)	(19,923,453)	(75,729,193)	(33,114,477)
Total comprehensive loss attributable to:					
Owners of the Company		(25,463,071)	(11,055,662)	(44,187,451)	(22,279,504)
Non-controlling interest		(17,199,174)	(8,997,913)	(34,380,146)	(17,099,950)
Total comprehensive loss for the period		(42,662,245)	(20,053,575)	(78,567,597)	(39,379,454)

ANOORAQ RESOURCES CORPORATION

Condensed Consolidated Interim Statements of Changes in Equity

For the period ended 30 June 2011

(Unaudited - Expressed in Canadian Dollars)

	Attributable to equity holders of the Company							Total	Non-controlling interest	Total
	Share Capital	Treasury Shares	Convertible preference shares	Foreign currency translation reserve	Share-based payment reserve	Hedging reserve	Accumulated loss			
For the period ended 30 June 2010										
Balance at 1 January 2010	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
Total comprehensive income/(loss) for the period										
Loss for the period	-	-	-	-	-	-	(17,823,544)	(17,823,544)	(15,290,933)	(33,114,477)
Other comprehensive income/(loss)										
Foreign currency translation differences	-	-	-	(2,534,578)	-	14,441	-	(2,520,137)	(1,809,017)	(4,329,154)
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	-	(1,935,823)	-	(1,935,823)	-	(1,935,823)
Total other comprehensive loss	-	-	-	(2,534,578)	-	(1,921,382)	-	(4,455,960)	(1,809,017)	(6,264,977)
Total comprehensive loss for the period	-	-	-	(2,534,578)	-	(1,921,382)	(17,823,544)	(22,279,504)	(17,099,950)	(39,379,454)
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Share-based payment transactions	-	-	-	-	926,037	-	-	926,037	-	926,037
Share issue	63,400	-	-	-	-	-	-	63,400	-	63,400
Total contributions by and distributions to owners	63,400	-	-	-	926,037	-	-	989,437	-	989,437
Balance at 30 June 2010	71,776,514	(4,991,726)	162,910,000	(11,925,477)	20,696,823	(2,652,675)	(129,621,636)	106,191,823	64,925,780	171,117,603
For the period ended 30 June 2011										
Balance at 1 January 2011	71,852,588	(4,991,726)	162,910,000	(5,197,843)	22,032,571	(4,124,155)	(163,519,502)	78,961,933	42,404,014	121,365,947
Total comprehensive income/(loss) for the period										
Loss for the period	-	-	-	-	-	-	(43,926,915)	(43,926,915)	(31,802,278)	(75,729,193)
Other comprehensive income/(loss)										
Foreign currency translation differences	-	-	-	(4,384,691)	-	-	-	(4,384,691)	(2,577,868)	(6,962,559)
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	-	1,602,501	-	1,602,501	-	1,602,501
Reclassification to profit or loss on settlement of cash flow hedge	-	-	-	-	-	2,521,654	-	2,521,654	-	2,521,654
Total other comprehensive loss	-	-	-	(4,384,691)	-	4,124,155	-	(260,536)	(2,577,868)	(2,838,404)
Total comprehensive loss for the period	-	-	-	(4,384,691)	-	4,124,155	(43,926,915)	(44,187,451)	(34,380,146)	(78,567,597)
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Common shares issued	114,495	-	-	-	(51,495)	-	-	63,000	-	63,000
Share-based payment transactions	-	-	-	-	926,609	-	-	926,609	-	926,609
Total contributions by and distributions to owners	114,495	-	-	-	875,114	-	-	989,609	-	989,609
Balance at 30 June 2011	71,967,083	(4,991,726)	162,910,000	(9,582,534)	22,907,685	-	(207,446,417)	35,764,091	8,023,868	43,787,959

ANOORAQ RESOURCES CORPORATION
Condensed Consolidated Interim Statements of Cash Flows
For the periods ended 30 June 2011
(Unaudited - Expressed in Canadian Dollars)

	<u>Note</u>	<u>Three months ended 30 June</u>		<u>Six months ended 30 June</u>	
		2011	2010	2011	2010
Cash flows from operating activities					
Cash utilised by operations	9	(19,797,449)	(2,080,046)	(21,590,854)	(5,592,729)
Interest received		186,561	255,232	331,442	515,482
Interest paid		(3,030)	-	(528,340)	(12,754)
Taxation paid		-	-	-	(299,394)
Cash utilised by operating activities		(19,613,918)	(1,824,814)	(21,787,752)	(5,389,395)
Cash flows from investing activities					
Acquisition of property, plant and equipment		-	(1,961,027)	-	(1,961,027)
Acquisition of capital-work-in-progress	6	(6,714,422)	(4,650,009)	(14,488,974)	(8,884,890)
Acquisition of intangible assets	7	(244,595)	-	(244,595)	-
Proceeds on disposal of property, plant and equipment		-	47,002	-	47,002
Investment in environmental trusts		(300,028)	(668)	(300,028)	(668)
Cash utilised by investing activities		(7,259,045)	(6,564,702)	(15,033,597)	(10,799,583)
Cash flows from financing activities					
Settlement of interest rate swap	8	(3,691,604)	-	(3,691,604)	-
Funding loan raised – RPM	8	3,691,604	-	3,691,604	-
Long term borrowings raised – OCSF		23,722,587	10,906,147	31,981,790	16,410,632
Repayment of other loans		(492,311)	-	(492,311)	-
Common shares issued		-	-	63,000	25,800
Cash generated from financing activities		23,230,276	10,906,147	31,552,479	16,436,432
Effect of foreign currency translation		91,474	143,380	(1,255,694)	(502,473)
Net (decrease)/ increase in cash and cash equivalents		(3,551,213)	2,660,011	(6,524,564)	(255,019)
Cash and cash equivalents, beginning of period		22,791,239	28,032,481	25,764,590	30,947,511
Cash and cash equivalents, end of period		19,240,026	30,692,492	19,240,026	30,692,492

ANOORAQ RESOURCES CORPORATION

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended 30 June 2011

(Unaudited - Expressed in Canadian Dollars)

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 six months ended 30 June 2011 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. Its principal business activity is the mining and exploration of Platinum Group Metals ("PGM") through its mineral property interests. The Company focuses on mineral property interests located in the Republic of South Africa in the Bushveld Complex. Anooraq operates in South Africa through its wholly-owned subsidiary Plateau Resources (Proprietary) Limited ("Plateau") which historically owned the Group's various mineral property interests and conducted the Group's business in South Africa.

2. GOING CONCERN

The condensed consolidated financial statements are prepared on the basis that the Group will continue as a going concern which contemplates the realisation of assets and settlement of liabilities in the normal course of operations as they become due.

As a result of the acquisition of the operating mine in 2009, the Group secured various funding arrangements including securing a long-term credit facility, the Operating Cash Flow Shortfall Facility ("OCSF"), with Rustenburg Platinum Mines Limited ("RPM") for an amount of \$209.8 million (ZAR 1,470 million). The facility is used to fund operating cash and capital requirements for an initial period of three years. As at 30 June 2011, the Group utilised \$123.8 million (ZAR 867.8 million), excluding interest, thereof to fund operating requirements from 1 July 2009 as the mining operations are not currently generating sufficient cash flows to fund operations and operational projects. The Group has no obligation to repay significant interest and capital on its outstanding loans and borrowings during 2011 and 2012.

As a result of securing the financial resources and long-term funding, management expects that cash flows from the mining operations and the OCSF will be sufficient to meet immediate ongoing operating and capital cash requirements of the Group.

3. 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 2010. The consolidated financial statements of the Group as at and for the year ended 31 December 2010 are available upon request from the Company's registered office at 82 Grayston Drive, Sandton, South Africa or at www.sedar.com.

4. 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 2010, except for the following standards and interpretations, applicable to the Group, adopted in the current financial period:

- IAS 24 (revised), *Related Party Disclosures*
- 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.

ANOORAQ RESOURCES CORPORATION

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended 30 June 2011

(Unaudited - Expressed in Canadian Dollars)

	<u>Six months ended 30 June</u> <u>2011</u>	<u>Year ended 31 December</u> <u>2010</u>
5. PROPERTY, PLANT AND EQUIPMENT		
Summary		
Cost		
Balance at beginning of period	1,032,647,854	707,131,018
Additions	-	494,095
Transferred from capital work-in-progress	11,875,505	260,839,548
Disposals	(86,111)	(544,766)
Adjustment to rehabilitation assets	-	144,952
Effect of translation	(56,669,851)	64,583,007
Balance at end of period	<u>987,767,397</u>	<u>1,032,647,854</u>
Accumulated depreciation and impairment losses		
Balance beginning of period	47,741,321	13,737,282
Depreciation for the period	20,446,821	31,397,522
Disposals	(68,181)	(499,587)
Effect of translation	(2,465,884)	3,106,104
Balance at end of period	<u>65,654,077</u>	<u>47,741,321</u>
Carrying value	<u>922,113,320</u>	<u>984,906,533</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	10,311,973	235,838,915
Additions	14,488,974	28,193,472
Transfer to property, plant and equipment	(11,875,505)	(260,839,548)
Capitalisation of borrowing costs	824,322	8,271,379
Impairment	-	(345,123)
Effect of translation	(540,111)	(807,122)
Balance at end of period	<u>13,209,653</u>	<u>10,311,973</u>

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

7. INTANGIBLE ASSETS

Cost		
Balance at beginning of period	3,473,000	-
Additions	244,595	3,328,100
Effect of translation	(189,000)	144,900
Balance at end of period	<u>3,528,595</u>	<u>3,473,000</u>
Accumulated amortisation and impairment losses		
Balance beginning of period	192,944	-
Amortisation for the period	597,154	180,039
Effect of translation	(5,966)	12,905
Balance at end of period	<u>784,132</u>	<u>192,944</u>
Carrying value	<u>2,744,463</u>	<u>3,280,056</u>

ANOORAQ RESOURCES CORPORATION

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended 30 June 2011

(Unaudited - Expressed in Canadian Dollars)

	<u>Six months ended 30 June 2011</u>	<u>Year ended 31 December 2010</u>
8. LOANS AND BORROWINGS		
Senior Term Loan Facility	-	93,412,907
Capitalised transaction costs	-	(4,251,970)
Redeemable "A" preference shares (related party)	414,990,269	418,050,018
Rustenburg Platinum Mines – Funding loans (related party)	186,570,439	89,370,192
Rustenburg Platinum Mines – OCSF (related party)	146,782,575	111,208,925
Rustenburg Platinum Mines – Interest free loan (related party)	4,125,567	4,365,567
Rustenburg Platinum Mines – commitment fees (related party)	1,308,815	1,122,854
Other	3,162,511	3,657,869
	756,940,176	716,936,362
<i>Short-term portion</i>		
Senior Term Loan Facility	-	(93,412,907)
Other	(918,700)	(988,756)
	(918,700)	(94,401,663)
	756,021,476	622,534,699
<i>Non-current liabilities</i>		

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

Balance at beginning of the period	716,936,362	555,509,417
Rustenburg Platinum Mine – OCSF	31,981,790	39,043,300
Rustenburg Platinum Mine – Interest free loan	-	599,442
Loans repaid	-	(590,537)
Loans repaid – other	(492,311)	-
Commitment fee capitalised	(245,780)	(640,086)
Finance expenses accrued	39,318,814	74,436,897
Funding loan raised – Rustenburg Platinum Mine (related party)	3,691,604	-
Capitalisation transaction costs written-off	3,968,918	-
Amortisation of loan costs	18,360	631,929
Commitment fee liability	245,780	640,086
Interest rate swap adjustment	355,852	(354,093)
Other	-	3,328,100
Effect of translation	(38,839,213)	44,331,907
Balance at end of the period	756,940,176	716,936,362
<i>Short-term portion</i>		
Senior Term Loan Facility	-	(93,412,907)
Other	(918,700)	(988,756)
	(918,700)	(94,401,663)
	756,021,476	622,534,699
<i>Non-current portion</i>		

Senior Term Loan Facility

On 28 April 2011, the Senior Term Loan Facility with Standard Chartered Bank ("SCB") and FirstRand Bank acting through its division, Rand Merchant Bank ("RMB") was ceded to Anglo Platinum Limited ("Anglo") through its subsidiary, Rustenburg Platinum Mines Limited ("RPM"). The outstanding interest rate swap was settled with funding obtained from RPM.

ANOORAQ RESOURCES CORPORATION

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended 30 June 2011

(Unaudited - Expressed in Canadian Dollars)

The debt ceded to RPM has similar terms as the Senior Term Loan Facility except for certain revisions. The revised terms of the loan is a reduction in the interest rate from a 3 month JIBAR plus applicable margin (4.5%) and mandatory cost (11.735% at 31 December 2010) to 3 month JIBAR plus 4% (9.575% at 30 June 2011). The total facility has been increased from \$107 million (ZAR 750 million) to \$132.7 million (ZAR 930 million). The commencement of re-payments has been deferred by one year from 31 January 2013 to 31 January 2014. RPM has also waived the loan covenants on the debt until 30 June 2012.

Transaction costs capitalised of \$4 million (ZAR 28 million) were written off to finance expense on the cession of the Senior Term Loan Facility.

	<u>Three months ended 30 June</u>		<u>Six months ended 30 June</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
9. CASH (UTILISED BY)/GENERATED FROM OPERATIONS				
Loss before income tax	(53,585,981)	(23,281,297)	(92,733,905)	(39,253,626)
Adjustments for:				
Finance expense	23,395,734	17,336,496	43,504,754	27,596,502
Finance income	(233,652)	(283,078)	(427,820)	(583,015)
Non-cash items:				
Depreciation and amortisation	10,841,854	6,134,925	21,043,975	12,192,443
Equity settled share-based compensation	510,294	453,497	926,609	963,637
Impairment of assets	-	336,306	-	336,306
Loss/(profit) on disposal of property, plant and equipment	17,929	(5,077)	17,929	(5,077)
Profit and loss impact of cash flow hedge	2,673,963	-	2,640,465	-
Other	-	(50,959)	-	(150,540)
Cash utilised before working capital changes	(16,379,859)	640,813	(25,027,993)	1,096,630
Working capital changes				
(Increase)/decrease in trade and other receivables	(5,701,111)	(5,173,384)	6,314,527	(4,116,199)
Increase /(decrease) in trade and other payables	1,528,988	714,277	(2,561,386)	(3,232,222)
Decrease/(increase) in inventories	754,533	1,738,248	(316,002)	659,062
Cash (utilised by)/generated from operations	(19,797,449)	(2,080,046)	(21,590,854)	(5,592,729)

10. ADMINISTRATION COSTS

Administration costs include the reclassification of the hedge reserve on settlement of the interest rate swap. The amount expensed was \$2.6 million (ZAR18.6 million).

11. 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.

The CEO considers earnings before net finance expense, income tax, depreciation and amortisation ("EBITDA") to be an appropriate measure of each segment's performance. Accordingly, the EBITDA for each segment is included in the segment information. All external revenue is generated by the Bokoni Mine segment.

	<u>Six months ended 30 June</u>						Note
	<u>2011</u>			<u>2010</u>			
	Bokoni Mine	Projects	Total	Bokoni Mine	Projects	Total	
EBITDA	(21,718,585)	(546,032)	(22,264,617)	1,978,836	(20,891)	1,957,945	(i)
Total Assets	1,023,655,871	11,002,363	1,034,658,234	1,004,266,950	11,708,140	1,015,975,090	(ii)
	<u>Three months ended 30 June</u>						Note
	<u>2011</u>			<u>2010</u>			
	Bokoni Mine	Projects	Total	Bokoni Mine	Projects	Total	
EBITDA	(13,821,169)	(261,456)	(14,082,625)	1,165,505	(1,756)	1,163,749	(i)

ANOORAQ RESOURCES CORPORATION

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended 30 June 2011

(Unaudited - Expressed in Canadian Dollars)

	<u>2011</u>	<u>2010</u>
(i) EBITDA – six months ended		
EBITDA for reportable segments	(22,264,617)	1,957,945
Net finance expense	(43,076,934)	(27,013,487)
Depreciation and amortisation	(21,043,975)	(12,192,443)
Corporate and consolidation adjustments	(6,348,379)	(2,005,641)
Consolidated loss before income tax	(92,733,905)	(39,253,626)
EBITDA - three months ended		
EBITDA for reportable segments	(14,082,625)	1,163,749
Net finance expense	(23,162,082)	(17,053,418)
Depreciation and amortisation	(10,841,854)	(6,134,925)
Corporate and consolidation adjustments	(5,499,420)	(1,256,703)
Consolidated loss before income tax	(53,585,981)	(23,281,297)
(ii) Total assets		
Assets for reportable segments	1,034,658,234	1,015,975,090
Corporate and consolidation adjustments	(17,873,117)	(10,458,596)
Consolidated total assets	1,016,785,117	1,005,516,494

12. SUBSEQUENT EVENTS

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

13. EARNINGS PER SHARE

The basic and diluted loss per share for the three and six months ended 30 June 2011 was 6 cents (2010: 3 cents) and 10 cents (2010: 4 cents) respectively.

The calculation of basic loss per share for the three months ended 30 June 2011 of 6 cents (2010: 3 cents) is based on the loss attributable to owners of the Company of \$27,309,152 (2010: \$10,825,637) and a weighted average number of shares of 424,745,795 (2010: 424,658,123).

The calculation of basic loss per share for the six months ended 30 June 2011 of 10 cents (2010: 4 cents) is based on the loss attributable to owners of the Company of \$43,926,915 (2010: \$17,823,544) and a weighted average number of shares of 424,745,795 (2010: 424,658,123).

Share options were excluded in determining diluted weighted average number of common shares as their effect would have been anti-dilutive.