ANOORAQ RESOURCES CORPORATION

Consolidated Statements of Financial Position
As at 31 December 2011 and 2010
(Expressed in Canadian Dollars, unless otherwise stated)

	Note	2011	2010
Assets			
Non-current assets			
Property, plant and equipment	7	**798,924,420**	**984,906,533**
Capital work-in-progress	8	**20,826,290**	**10,311,973**
Intangible assets	9	**1,895,205**	**3,280,056**
Mineral property interests	10	**8,268,783**	**13,716,383**
Goodwill	11	**10,994,115**	**13,185,952**
Platinum Producers' Environmental Trust	12	**2,927,591**	**2,862,075**
Other non-current assets		**367,825**	**348,076**
Total non-current assets		**844,204,229**	**1,028,611,048**
Current assets			
Assets classified as held for sale	10	**4,101,654**	**-**
Inventories	13	**787,084**	**-**
Trade and other receivables	14	**27,048,591**	**36,190,110**
Current tax receivable		**136,109**	**163,244**
Cash and cash equivalents	15	**15,945,008**	**25,764,590**
Restricted cash	16	**786,291**	**1,377,263**
Total current assets		**48,804,737**	**63,495,207**
Total assets		**893,008,966**	**1,092,106,255**
Equity and Liabilities			
Equity			
Share capital	17	**71,967,083**	**71,852,588**
Treasury shares	17	**(4,991,726)**	**(4,991,726)**
Convertible preference shares	17	**162,910,000**	**162,910,000**
Foreign currency translation reserve		**(11,238,333)**	**(5,197,843)**
Hedging reserve		**-**	**(4,124,155)**
Share-based payment reserve		**24,042,711**	**22,032,571**
Accumulated loss		**(245,448,316)**	**(163,519,502)**
Total equity attributable to equity holders of the Company		**(2,758,581)**	**78,961,933**
Non-controlling interest		**(25,326,683)**	**42,404,014**
Total equity		**(28,085,264)**	**121,365,947**
Liabilities			
Non-current liabilities			
Loans and borrowings	18	**744,456,487**	**622,534,699**
Deferred taxation	19	**144,032,213**	**208,805,557**
Provisions	20	**8,383,708**	**8,184,494**
Derivative liability	21	**-**	**4,969,563**
Total non-current liabilities		**896,872,408**	**844,494,313**
Current liabilities			
Trade and other payables	22	**23,125,587**	**31,844,332**
Short-term portion of loans and borrowings	18	**1,096,235**	**94,401,663**
Total current liabilities		**24,221,822**	**126,245,995**
Total liabilities		**921,094,230**	**970,740,308**
Total equity and liabilities		**893,008,966**	**1,092,106,255**

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

Approved by the Board of Directors on 30 March 2012

/s/ Harold Motaung

/s/ Fikile De Buck

Harold Motaung (Director)

Fikile De Buck (Director)

ANOORAQ RESOURCES CORPORATION

Consolidated Statements of Comprehensive Income
For the years ended 31 December 2011, 2010 and 2009
(Expressed in Canadian Dollars, unless otherwise stated)

	Note	2011	2010	2009
Revenue	23	**144,406,716**	148,286,833	62,627,868
Cost of sales	24	**(209,966,805)**	(173,151,188)	(80,966,467)
Gross loss		**(65,560,089)**	(24,864,355)	(18,338,599)
Administrative expenses		**(23,788,855)**	(18,291,753)	(11,781,689)
Transaction costs		**-**	(1,811,294)	(10,401,725)
Other income		**116,191**	426,617	1,138,850
Operating loss		**(89,232,753)**	(44,540,785)	(39,383,163)
Finance income	25	**745,590**	1,113,642	529,285
Finance expense	26	**(92,044,884)**	(67,521,703)	(20,340,287)
Net finance expense		**(91,299,294)**	(66,408,061)	(19,811,002)
Share of loss of equity accounted investees (net of income tax)		**-**	-	(219,849)
Loss before income tax	27	**(180,532,047)**	(110,948,846)	(59,414,014)
Income tax	28	**32,667,499**	17,290,040	7,633,485
Loss for the year		**(147,864,548)**	(93,658,806)	(51,780,529)
Other comprehensive (loss)/income				
Foreign currency translation differences for foreign operations		**(7,913,856)**	6,237,524	(14,072,611)
Effective portion of changes in fair value of cash flow hedges		**1,602,501**	(3,121,650)	(731,293)
Reclassification to profit or loss on settlement of cash flow hedge		**2,521,654**	-	-
Other comprehensive (loss)/income for the year, net of income tax	29	**(3,789,701)**	3,115,874	(14,803,904)
Total comprehensive loss for the year		**(151,654,249)**	(90,542,932)	(66,584,433)
Loss attributable to:				
Owners of the Company		**(81,928,814)**	(51,721,410)	(35,531,631)
Non-controlling interest		**(65,935,734)**	(41,937,396)	(16,248,898)
Loss for the year		**(147,864,548)**	(93,658,806)	(51,780,529)
Total comprehensive loss attributable to:				
Owners of the Company		**(83,923,552)**	(50,921,216)	(45,783,507)
Non-controlling interest		**(67,730,697)**	(39,621,716)	(20,800,926)
Total comprehensive loss for the year		**(151,654,249)**	(90,542,932)	(66,584,433)
Basic and diluted loss per share	30	**(19 cents)**	(12 cents)	(12 cents)

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

ANOORAQ RESOURCES CORPORATION

Consolidated Statements of Changes in Equity
For the years ended 31 December 2011, 2010 and 2009
(Expressed in Canadian Dollars, unless otherwise stated)

		Attributable to equity holders of the Company											
		Share capital		Treasury shares									
	Note	Number of shares	Amount	Number of shares	Amount	Convertible preference shares	Foreign currency translation reserve	Share-based payment reserve	Hedging reserve	Accumulated loss	Total	Non-controlling interest	Total equity
Balance at 1 January 2009		186,640,007	54,948,341	–	–	–	129,684	17,584,974	–	(76,266,461)	(3,603,462)	–	(3,603,462)
Arising from business acquisition	33	–	–	–	–	–	–	–	–	–	–	102,826,656	102,826,656
Total comprehensive loss for the year													
Loss for the year		–	–	–	–	–	–	–	–	(35,531,631)	(35,531,631)	(16,248,898)	(51,780,529)
Total other comprehensive loss	29	–	–	–	–	–	(9,520,583)	–	(731,293)	–	(10,251,876)	(4,552,028)	(14,803,904)
Total comprehensive loss for the year		–	–	–	–	–	(9,520,583)	–	(731,293)	(35,531,631)	(45,783,507)	(20,800,926)	(66,584,433)
Transactions with owners, recognised directly in equity													
Contributions by and distributions to owners													
Common shares issued		14,296,567	15,869,148	(4,497,062)	(4,991,726)	–	–	–	–	–	10,877,422	–	10,877,422
Preference shares issued		–	–	–	–	162,910,000	–	–	–	–	162,910,000	–	162,910,000
Share options re-priced		–	–	–	–	–	–	1,117,441	–	–	1,117,441	–	1,117,441
Share-based payment transactions		806,898	895,625	–	–	–	–	1,068,371	–	–	1,963,996	–	1,963,996
Total contributions by and distributions to owners		15,103,465	16,764,773	(4,497,062)	(4,991,726)	162,910,000	–	2,185,812	–	–	176,868,859	–	176,868,859
Balance at 31 December 2009		201,743,472	71,713,114	(4,497,062)	(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 loss for the year													
Loss for the year		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(51,721,410)**	**(51,721,410)**	**(41,937,396)**	**(93,658,806)**
Total other comprehensive loss	29	**–**	**–**	**–**	**–**	**–**	**4,193,056**	**–**	**(3,392,862)**	**–**	**800,194**	**2,315,680**	**3,115,874**
Total comprehensive loss for the year		**–**	**–**	**–**	**–**	**–**	**4,193,056**	**–**	**(3,392,862)**	**(51,721,410)**	**(50,921,216)**	**(39,621,716)**	**(90,542,932)**
Transactions with owners, recognised directly in equity													
Contributions by and distributions to owners													
Common shares issued		**70,000**	**139,474**	**–**	**–**	**–**	**–**	**(71,665)**	**–**	**–**	**67,809**	**–**	**67,809**
Share-based payment transactions		**–**	**–**	**–**	**–**	**–**	**–**	**2,333,450**	**–**	**–**	**2,333,450**	**–**	**2,333,450**
Total contributions by and distributions to owners		**70,000**	**139,474**	**–**	**–**	**–**	**–**	**2,261,785**	**–**	**–**	**2,401,259**	**–**	**2,401,259**
Balance at 31 December 2010		**201,813,472**	**71,852,588**	**(4,497,062)**	**(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 loss for the year													
Loss for the year		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**(81,928,814)**	**(81,928,814)**	**(65,935,734)**	**(147,864,548)**
Total other comprehensive loss	**29**	**–**	**–**	**–**	**–**	**–**	**(6,040,490)**	**(78,403)**	**4,124,155**	**–**	**(1,994,738)**	**(1,794,963)**	**(3,789,701)**
Total comprehensive loss for the year		**–**	**–**	**–**	**–**	**–**	**(6,040,490)**	**(78,403)**	**4,124,155**	**(81,928,814)**	**(83,923,552)**	**(67,730,697)**	**(151,654,249)**
Transactions with owners, recognised directly in equity													
Contributions by and distributions to owners													
Common shares issued		**75,000**	**114,495**	**–**	**–**	**–**	**–**	**(51,495)**	**–**	**–**	**63,000**	**–**	**63,000**
Share-based payment transactions		**–**	**–**	**–**	**–**	**–**	**–**	**2,140,038**	**–**	**–**	**2,140,038**	**–**	**2,140,038**
Total contributions by and distributions to owners		**75,000**	**114,495**	**–**	**–**	**–**	**–**	**2,088,543**	**–**	**–**	**2,203,038**	**–**	**2,203,038**
Balance at 31 December 2011		**201,888,472**	**71,967,083**	**(4,497,062)**	**(4,991,726)**	**162,910,000**	**(11,238,333)**	**24,042,711**	**–**	**(245,448,316)**	**(2,758,581)**	**(25,326,683)**	**(28,085,264)**

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

ANOORAQ RESOURCES CORPORATION

Consolidated Statements of Cash Flows
For the years ended 31 December 2011, 2010 and 2009
(Expressed in Canadian Dollars, unless otherwise stated)

	Note	2011	2010	2009
Cash flows from operating activities				
Cash receipts from customers		**148,279,469**	138,546,181	41,293,161
Cash paid to suppliers and employees		**(189,597,810)**	(154,336,968)	(69,086,487)
Cash utilised by operations	31	**(41,318,341)**	(15,790,787)	(27,793,326)
Interest received		**544,825**	985,573	426,621
Interest paid		**(510,447)**	(13,731)	(1,258,710)
Tax paid		**-**	(299,394)	-
Cash utilised by operating activities		**(41,283,963)**	(15,118,339)	(28,625,415)
Cash flows from investing activities				
Investment in environmental trusts		**(505,440)**	-	(216,245)
Acquisition of cash in a business combination - Bokoni Mine	33	**-**	-	3,576,912
Bokoni Mine acquisition	33	**-**	-	(119,956,375)
Asset acquisition	33	**-**	-	(6,592,523)
ESOP Trust contribution	33	**-**	-	(6,741,102)
Proceeds on disposal of property, plant and equipment		**-**	-	118,311
Acquisition of property, plant and equipment	7	**(2,238)**	(494,095)	(31,478)
Acquisition of capital work-in-progress	8	**(28,678,042)**	(28,193,472)	(24,418,832)
Acquisition of intangible assets	9	**(236,304)**	(3,328,100)	-
Other		**-**	(335,800)	14
Cash utilised by investing activities		**(29,422,024)**	(32,351,467)	(154,261,318)
Cash flows from financing activities				
Loans and borrowings raised	18	**68,543,022**	41,382,644	125,380,745
Common shares issued		**63,000**	67,809	15,869,148
Settlement of interest rate swap		**(3,691,604)**	-	-
"A" Preference shares issued		**-**	-	177,720,000
"A" Preference shares repaid		**-**	-	(1,066,320)
"B" Preference shares issued		**-**	-	162,910,000
Transaction costs paid		**-**	-	(4,857,128)
Vendor claims settled	33	**-**	-	(251,770,000)
Interest-free loan raised	18	**-**	599,442	4,267,913
Other loans repaid	18	**(716,371)**	-	-
Loans repaid	18	**-**	(590,537)	(16,790,368)
Cash generated from financing activities		**64,198,047**	41,459,358	211,663,990
Effect of foreign currency translation		**(3,311,642)**	827,527	(1,680,420)
Net (decrease) /increase in cash and cash equivalents		**(9,819,582)**	(5,182,921)	27,096,837
Cash and cash equivalents, beginning of the year		**25,764,590**	30,947,511	3,850,674
Cash and cash equivalents, end of the year	15	**15,945,008**	25,764,590	30,947,511

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

1. NATURE OF OPERATIONS

Anooraq Resources Corporation ("Company" or "Anooraq") is incorporated in the Province of British Columbia, Canada. The Company has a primary listing on the TSX Venture Exchange ("TSX-V") and a secondary listing on the New York Stock Exchange ("NYSE") and the JSE Limited ("JSE"). The consolidated financial statements of the Company as at 31 December 2011 and 2010 and for the years ended 31 December 2011, 2010 and 2009 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interest in associates, special purpose entities 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 owns the Group's various mineral property interests and conducted the Group's business in South Africa.

2. GOING CONCERN

The 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 (refer note 33) in 2009, the Group secured various funding arrangements (refer note 18) in order to fund the purchase consideration and to fund its planned business objectives. The funding agreements included securing a long-term credit facility, the Operating Cash Flow Shortfall Facility ("OCSF"), with Rustenburg Platinum Mines Limited ("RPM") (a related party) for an amount of $185 million (ZAR1,470 million). The facility is used to fund operating cash and capital requirements for an initial period of three years. As at 31 December 2011, the Group utilised $138.5 million (ZAR1,100 million) thereof to fund operating requirements from 1 July 2009 as the mining operations are currently not generating sufficient cash flows to fund operations and capital projects. In addition, RPM has extended the terms of the OCSF facility to fund cash shortfalls up to 31 January 2013. The Group also has no significant obligation to repay interest and capital on its outstanding loans and borrowings during 2012.

As a result of securing the financial resources and the terms of the long-term funding, the directors expect that cash flows from mining operations and the extended OCSF will be sufficient to meet immediate ongoing operating and capital cash requirements of the Group, and accordingly the financial statements have been prepared on a going concern basis.

The Company is in the process of completing a proposed refinancing and restructuring transaction (refer note 38). The proposed transaction will among others significantly reduce and restructure the total debt of the Group and thereby significantly improve its financial position as well as providing new debt facilities to fund operations and capital projects.

3. BASIS OF PRESENTATION

3.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

3.2 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis as set out in the accounting policies below. Certain items, including derivative financial instruments, are stated at fair value.

3.3 Use of estimates and judgements

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the notes to the financial statements where applicable.

4. ACCOUNTING POLICIES

These consolidated financial statements are presented in (unless stated otherwise) Canadian Dollars ("$"), which is also the Company's functional currency.

The accounting policies set out below are applied consistently to all years presented in these consolidated financial statements and have been applied consistently by Group entities.

4.1 Basis for consolidation

(i) Business combinations

All business combinations are accounted for by applying the acquisition method.

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, consideration is given to potential voting rights that are currently 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.

Goodwill is measured 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 at the acquisition date. To the extent that the fair value exceeds the consideration transferred, the excess is recognised in profit or loss.

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. Consideration transferred also includes the fair value of any contingent consideration and share-based payment awards of the acquiree that are replaced mandatorily in the business combination.

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.

Non-controlling interest is measured at its proportionate interest in the fair value of the identifiable net assets of the acquiree.

Transaction costs incurred in connection with a business combination, such as legal fees, due diligence fees and other professional and consulting fees are expensed as incurred, unless it is debt related. Directly attributable transaction costs related to debt instruments are capitalised.

If the Group obtains control over one or more entities that are not businesses, then the bringing together of those entities are not business combinations. The cost of acquisition is allocated among the individual identifiable assets and liabilities of such entities, based on their relative fair values at the date of acquisition. Such transactions do not give rise to goodwill and no non-controlling interest is recognised.

(ii) Acquisitions of non-controlling interests

Acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders and therefore no goodwill is recognised as a result of such transactions.

(iii) Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

(iv) Investments in jointly controlled entities (equity accounted investees)

Jointly controlled entities are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions.

Investments in jointly controlled entities are accounted for using the equity method ("equity accounted investees") and are recognised initially at cost. The Group's equity investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The consolidated financial statements include the Group's share of the income and expenses and equity movements of equity accounted investees, after adjustments to align accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest, including any long-term investments, is reduced to nil, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

(v) Special purpose entities

A Special Purpose Entity ("SPE") is consolidated if, based on an evaluation of the substance of its relationship with the Group and the SPE's risks and rewards, the Group concludes that it controls the SPE. SPE's controlled by the Group were established under terms that impose strict limitations on the decision-making powers of the SPE's management and that result in the Group receiving the majority of the benefits related to the SPE's operations and net assets, being exposed to the majority of risks incident to the SPE's activities, and retaining the majority of the residual or ownership risks related to the SPE's or their assets.

(vi) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

4.2 Foreign currencies

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year. Such gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity investments, a financial liability designated as a hedge of the net investment in a foreign operation that is effective, or qualifying cash flow hedges, which are recognised in other comprehensive income.

(ii) Foreign operations

The financial results of Group entities that have a functional currency different from the presentation currency are translated into the presentation currency. The presentation currency of the Company is Canadian Dollars. Income and expenditure transactions of foreign operations are translated at the average rate of exchange for the year except for significant individual transactions which are translated at the rate of exchange in effect at the transaction date. All assets and liabilities, including fair value adjustments and goodwill arising on acquisition, are translated at the rate of exchange ruling at the reporting date.

Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve ("FCTR") in equity. However, if the foreign operation is a non-wholly owned subsidiary, then the relevant proportion of the translation difference is allocated to non-controlling interests.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of the net investment in a foreign operation and are recognised in other comprehensive income and are included in the foreign currency translation reserve.

On disposal of part or all of the operations, the proportionate share of the related cumulative gains and losses previously recognised in the FCTR through the statement of comprehensive income are included in determining the profit or loss on disposal of that operation recognised in profit or loss.

4.3 Financial instruments

(i) Non-derivative financial assets

Non-derivative financial assets comprise loans and receivables.

Loans and receivables are recognised on the date of origination. All other financial assets are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or the Group transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred. Any interest in transferred financial assets that is created or retained is recognised as a separate asset or liability.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise trade and other receivables, restricted cash, investment in the Platinum Producer's Environmental Trust and cash and cash equivalents.

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(ii) Non-derivative financial liabilities

The Group initially recognises debt securities issued and subordinated liabilities on the date that they originated. All other financial liabilities are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

Financial liabilities are derecognised when the contractual obligations are discharged, cancelled or expire.

Non-derivative financial liabilities comprise loans and borrowings, bank overdrafts, trade and other payables.

Financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

(iii) Derivative financial instruments, including hedge accounting

The Group held derivative financial instruments to hedge its interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through profit or loss.

On initial designation of the hedge, the Group formally documents the relationship between the hedging instrument(s) and hedged item(s), including the risk management objectives and strategy in undertaking the hedge transaction, together with the methods that will be used to assess the effectiveness of the hedging relationship. The Group makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, whether the hedging instruments are expected to be "highly effective" in offsetting the changes in the fair value or cash flows of the respective hedged items during the year for which the hedge is designated, and whether the actual results of each hedge are within a range of 80-125 percent. For a cash flow hedge of a forecast transaction, the transaction should be highly probable to occur and should present an exposure to variations in cash flows that could ultimately affect reported net income.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

Cash flow hedges

When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to particular risk associated with a recognised asset or liability or a highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and presented in the hedging reserve in equity. The amount recognised in other comprehensive income is removed and included in profit or loss in the same period as the hedged cash flows affects profit or loss under the same line item in the statement of comprehensive income as the hedged item. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated, exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in other comprehensive income and presented in the hedging reserve in equity remains there until the forecast transaction affects profit or loss. When the hedged item is a non-financial asset, the amount recognised in other comprehensive income is transferred to the carrying amount of the asset when the asset is recognised. If the forecast transaction is no longer expected to occur, then the balance in other comprehensive income is recognised immediately in profit or loss. In other cases the amount recognised in other comprehensive income is transferred to profit or loss in the same period that the hedged item affects profit or loss.

Separate embedded derivatives

Changes in the fair value of separated embedded derivatives are recognised immediately in profit or loss.

Other derivatives

When a derivative financial instrument is not held for trading purposes and is not designated in a qualifying hedge relationship, all changes in its fair value are recognised immediately in profit or loss.

(iv) Share capital

Common shares

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and share options are recognised as a deduction from equity, net of any tax effects.

Preference share capital

Preference share capital is classified as equity if it is non-redeemable, redeemable for a fixed number of the Company's shares, or redeemable only at the Company's option, and any dividends are discretionary. Dividends thereon are recognised as distributions within equity upon approval by the Company's Board of Directors.

Preference share capital is classified as a liability if it is redeemable on a specific date or at the option of the holders, or if dividend payments are not discretionary. Dividends thereon are recognised as finance expense in profit or loss as accrued.

Treasury shares

Shares issued to subsidiaries or SPE's are reflected as treasury shares on consolidation.

4.4 Accounting for borrowing costs

In respect of borrowing costs relating to qualifying assets the Group capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The Group has capitalised borrowing costs with respect to property, plant and equipment under construction.

4.5 Property, plant and equipment

Mining assets, including mine development cost and infrastructure costs, mine plant facilities and buildings are measured at historical cost less accumulated depreciation and impairment losses.

Mining assets are capitalised to capital work-in-progress and transferred to mining property, plant and equipment when the mining venture reaches commercial production.

Capitalised mine development and infrastructure costs include expenditure incurred to develop new mining operations and to expand the capacity of the mine to the extent that it gives rise to future economic benefit. Costs include borrowing costs capitalised during the construction period where qualifying expenditure is financed by borrowings, the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use as well as an estimate of the costs of dismantling and removing the items and restoring the site on which they are located. Items of mining property, plant and equipment, excluding capitalised mine development and infrastructure costs, are depreciated on a straight-line basis over their expected useful life. Capitalised mine development and infrastructure are depreciated on a units of production basis. Depreciation is charged on mining assets from the date on which they are available for use.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment are depreciated over their estimated useful lives as follows:

Mine development and infrastructure	units of production
Plant and equipment	1 – 30 years
Buildings	5 – 30 years
Motor vehicles	1 – 5 years
Furniture and fittings	1 – 10 years

Items of property, plant and equipment that are withdrawn from use, or have no reasonable prospect of being recovered through use or sale, are regularly identified and written off.

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Non-mining assets are measured at historical cost less accumulated depreciation and impairment losses. Depreciation is charged on the straight-line basis over the useful lives of these assets.

Subsequent expenditure relating to an item of property, plant and equipment is capitalised when it is probable that future economic benefits from the use of the assets will be increased.

Repairs and maintenance are recognised in profit or loss during the period in which they are incurred.

Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of the asset and are recognised net within profit or loss.

4.6 Intangible assets

(i) Goodwill

Goodwill is measured at cost less accumulated impairment losses and is not amortised. In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity accounted investee.

(ii) Other intangible assets

Other intangible assets include mineral property interests (refer note 4.18 below) and purchased software. These intangible assets are recognised if it is probable that future economic benefits will flow to the entity from the intangible assets and the costs of the intangible assets can be reliably measured.

Mineral property interests are carried at cost less impairment losses.

Purchased software is stated at cost less amortisation and impairment losses and is amortised on a straight line basis over its estimated useful life. The amortisation method and estimated useful life are reviewed at least annually.

4.7 Impairment of assets

(i) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the “cash-generating unit”). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating units exceed its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(ii) Financial assets (including receivables)

A financial asset not measured at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

The Group considers evidence of impairment for loans and receivables at both a specific asset and collective level. All individually significant assets are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics. In assessing collective impairment the Group uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management’s judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less that suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset’s original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

4.8 Inventories

Inventories, comprising ore stockpiles, are measured at the lower of cost and net realisable value.

The cost of inventories is based on the average cost of ore in stockpiles and comprises all costs incurred to the stage immediately prior to stockpiling, including costs of extraction and crushing, as well as processing costs associated with ore stockpiles, based on the relevant stage of production.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

4.9 Employee benefits

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the years during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due more than 12 months after the end of the year in which the employees render the service are discounted to their present value.

(ii) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(iii) Share-based payment transactions

The grant date fair value of share-based payment awards granted to employees is recognised as an employee cost, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date.

For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of the amount payable to employees in respect of the share appreciation rights, which are settled in cash, is recognised as an expense with a corresponding increase in liabilities over the period that the employees unconditionally become entitled to payment. The liability is remeasured at each reporting date and at settlement date. Any changes in the fair value of the liability are recognised as employee costs in profit or loss.

Share-based payment arrangements in which the Group receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions, regardless of how the equity instruments are obtained by the Group.

(iv) Termination benefits

Termination benefits are recognised as an expense as and when the Group is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

If benefits are payable more than 12 months after the reporting year, the benefits are discounted to their present value.

4.10 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance expense ("notional interest").

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic benefits will be required, the provision is reversed.

(i) Environmental rehabilitation provisions

Estimated environmental provisions, comprising pollution control, rehabilitation and mine closure, are based on the Group's environmental policy taking into account current technological, environmental and regulatory requirements. The provision for rehabilitation is recognised as and when the environmental liability arises. To the extent that the obligations relate to the construction of an asset, they are capitalised as part of the cost of those assets. The effect of subsequent changes to assumptions in estimating an obligation for which the provision was recognised as part of the cost of the asset is adjusted against the asset. Any subsequent changes to an obligation which did not relate to the initial construction of a related asset are recognised in profit or loss.

(ii) Restructuring

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring has either commenced or has been announced publically. Future operating losses are not provided for.

4.11 Platinum Producers' Environmental Trust

The Group contributes to the Platinum Producers' Environmental Trust annually. The trust was created to fund the estimated cost of pollution control, rehabilitation and mine closure at the end of the lives of the Group's mines. Contributions are determined on the basis of the estimated environmental obligation over the life of a mine. Contributions made are reflected in non-current investments held by the Platinum Producers' Environmental Trust. Interest earned on monies paid to rehabilitation trust funds is accrued on a time proportion basis and is recognised as finance income.

4.12 Revenue

Revenue arising from the sale of metals and intermediary products is recognised when the price is determinable, the product has been delivered in accordance with the terms of the contract, the significant risks and rewards of ownership have been transferred to the customer and collection of the sales price is reasonably assured. These criteria are typically met when the concentrate reaches the smelter. Revenue further excludes value-added tax and mining royalties.

4.13 Lease payments

(i) Operating leases - Lessor

Operating lease income is recognised as income on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income. Income for leases is disclosed under other income in profit or loss.

(ii) Operating leases - Lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease liability. This liability is not discounted.

Any contingent rents are expensed in the period they are incurred.

4.14 Finance income and finance expense

Finance income comprises interest income on funds invested and interest received on loans and receivables. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance expense comprises interest expense on borrowings, unwinding of the discount on provisions, dividends on preference shares classified as liabilities and gains/losses on hedging instruments that are recognised in profit or loss. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis.

4.15 Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

4.16 Earnings/(Loss) per share

The Group presents basic and diluted earnings/(loss) per share ("EPS") data for its common shares. Basic EPS is calculated by dividing the profit or loss attributable to owners of the Company by the weighted average number of common shares outstanding during the year, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to owners of the Company and the weighted average number of common shares outstanding, adjusted for own shares held and for the effects of all dilutive potential common shares, which include share options granted to employees.

4.17 Segment reporting

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. All operating segments' operating results are reviewed regularly by the Group's Chief Executive Officer (who is considered the chief operating decision maker) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

4.18 Exploration expenditure and mineral property interests

The acquisitions of mineral property interests are initially measured at cost. Mineral property acquisition costs and development expenditures incurred subsequent to the determination of the feasibility of mining operations and approval of development by the Group are capitalised until the property to which they relate is placed into production, sold or allowed to lapse.

Exploration and evaluation costs incurred prior to determination of the feasibility of mining operations are expensed as incurred. Re-imbursement of previously expensed exploration and evaluation costs are recognised as other income in profit or loss.

Mineral property acquisition costs include the cash consideration and the fair market value of shares issued for mineral property interests pursuant to the terms of the relevant agreements. These costs will be amortised over the estimated life of the property following commencement of commercial production, or written off if the property is sold, allowed to lapse, or when an impairment of value has been determined to have occurred.

4.19 Non-current assets held for sale or distribution

Non-current assets, or disposal groups comprising assets and liabilities, that are expected to be recovered primarily through sale or distribution rather than through continuing use, are classified as held for sale or distribution. Immediately before classification as held for sale or distribution, the assets, or components of a disposal group are remeasured in accordance with the Group's accounting policies. Thereafter generally the assets, or disposal group, are measured at the lower of their carrying amount and fair value less costs to sell. An impairment loss on a disposal group first is allocated to goodwill, and then to remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories and deferred tax assets, which continue to be measured in accordance with the Group's accounting policies.

Impairment losses on initial classification as held for sale or distribution and subsequent gains and losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Once classified as held for sale or distribution, intangible assets and property, plant and equipment are no longer amortised or depreciated.

4.20 New standards and interpretations

Standards and interpretations issued but not yet effective and applicable to the Group:

- Amendments to IAS 12, *Deferred Tax: Recovery of Underlying assets* (effective 1 January 2012)
- IAS 19, *Employee benefits: Defined benefit plans* (effective 1 January 2013)
- IAS 27, *Separate Financial Statements* (effective 1 January 2013)
- IAS 28, *Investment in Associates and Joint ventures* (effective 1 January 2013)
- IFRS 9, *Financial Instruments* (effective 1 January 2015)

- IFRS 9, *Additions to IFRS 9 Financial instruments* (effective 1 January 2015)
- IFRS 10, *Consolidated Financial Statements* (effective 1 January 2013)
- IFRS 11, *Joint Arrangements* (effective 1 January 2013)
- IFRS 12, *Disclosure of Interests in Other Entities* (effective 1 January 2013)
- IFRS 13, *Fair Value Measurement* (effective 1 January 2013)
- IFRIC 20, *Stripping costs in the Production Phase of a Surface Mine* (effective 1 January 2013)

The Group is currently evaluating the impact, if any, that these new standards will have on the consolidated financial statements.

Standards and interpretations adopted in the current year by the Group:

- IAS 24 (revised), *Related Party Disclosures*
- Amendments to IAS 32, *Financial statements: Presentation: Classification of Rights Issue*
- Amendments to IFRS 7, *Disclosures – Transfers of Financial Assets*
- IFRIC 19, *Extinguishing Financial liabilities with Equity Instruments*
- Various improvements to IFRS 2010
- Amendments to IAS 1, *Presentation of Financial Statements: Presentation of items of Other Comprehensive Income* (early adopted)

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

5. DETERMINATION OF FAIR VALUES

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

5.1 Property, plant and equipment

The fair value of property, plant and equipment recognised as a result of a business combination is based on market values. The market value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably and willingly. The fair value of items of plant, equipment, fixtures and fittings is based on the market approach and cost approach using quoted market prices for similar items when available and replacement cost when appropriate.

The fair value of mining rights included in property, plant and equipment acquired as part of a business combination is determined using the multi-year excess earnings method, whereby the subject asset is valued after deducting a fair return on all other assets that are part of creating the related cash flows.

5.2 Mineral property interest

The fair value of mineral property interests acquired in a business combination is determined using a market comparative approach. In applying a market comparative approach, a selection of appropriate historic transactions is used to determine an average transaction value.

5.3 Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purposes.

5.4 Derivatives

The fair value of interest rate swaps is based on the fair value of the cash flows of the swap using the ZAR zero-coupon swap curve and the fair value of the projected shifted cash flows discounted using the shifted zero-coupon rates.

Fair values reflect the credit risk of the instrument and exclude the credit risk of the Group entity and counterparty when appropriate.

5.5 Non-derivative financial liabilities

Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purposes.

5.6 Share-based payment transactions

The fair value of the employee share options is measured using the Black-Scholes option pricing model. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), weighted average expected life of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

The fair value of the cash-settled share appreciation rights is measured using the binomial valuation model. Measurement inputs include share price on measurement date, strike price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), vesting, expiry and exercise dates, expected dividends and the risk free interest rate (based on the Bond Exchange of South Africa).

5.7 Equity and debt securities

The fair value of equity and debt securities is determined by reference to their quoted closing bid price at reporting date, or if unquoted, determined using a valuation technique such as market multiples and discounted cash flow analysis using expected future cash flows and a market-related discount rate.

5.8 Other non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

6. FINANCIAL RISK MANAGEMENT

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- interest rate risk
- foreign currency risk
- commodity price risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk and the Group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

(i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, and cash and equivalents. Management has evaluated treasury counterparty risk and does not expect any treasury counterparties to fail in meeting their obligations.

Trade and other receivables

Trade receivables represents sale of concentrate to RPM in terms of a concentrate off-take agreement. The carrying value represents the maximum credit risk exposure. The Group has no collateral against these receivables.

(Expressed in Canadian Dollars, unless otherwise stated)

100% of the Group's revenue is generated in South Africa from sale of concentrate by Bokoni Mine to RPM.

Cash and cash equivalents

At times when the Group's cash position is positive, cash deposits are made with financial institutions having superior local credit ratings.

(ii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group ensures that there is sufficient capital in order to meet short term business requirements, after taking into account cash flows from operations and the Group's holdings of cash and cash equivalents. This is facilitated via an Operating Cash Flow Shortfall Facility ("OCSF"). The Group's cash and cash equivalents are invested in business accounts which are available on demand.

The Group operates in South Africa and is subject to currency exchange controls administered by the South African Reserve Bank ("SARB"). South African law provides for exchange control regulations that restrict the export of capital. The exchange control regulations, which are administered by SARB, regulate transactions involving South African residents, including legal entities, and limit a South African company's ability to borrow from and repay loans to non-residents and to provide guarantees for the obligations of its affiliates with regard to funds obtained from non-residents.

A portion of the Company's funding for its South African operations consist of loans advanced to its South African subsidiaries from subsidiaries that are non-residents of South Africa. The Company is in compliance with SARB regulations and is therefore not subject to restrictions on the ability of its South African subsidiaries to transfer funds to the Company or to other subsidiaries. In addition, the SARB has introduced various measures in recent years to relax the exchange controls in South Africa to entice foreign investment in the country. However, if more burdensome exchange controls were proposed or adopted by the SARB in the future, or if the Company was unable to comply with existing SARB regulations, such exchange control regulations could restrict the ability of the Company and its subsidiaries to repatriate funds needed to effectively finance the Company's operations.

The maturity profile of the contractual undiscounted cash flows of financial instruments, including scheduled interest payments on loans and borrowings, at 31 December were as follows:

	2012	2013	2014	2015	Thereafter	Total
2011						
Non-derivative financial liabilities						
Loans and borrowings	**1,027,035**	**4,201,292**	**44,553,903**	**44,553,903**	**1,510,996,207**	**1,605,332,340**
Trade and other payables	**13,497,013**	**-**	**-**	**-**	**-**	**13,497,013**
Total	**14,524,048**	**4,201,292**	**44,553,903**	**44,553,903**	**1,510,996,207**	**1,618,829,353**
Derivative financial liabilities						
Interest rate swap	**-**	**-**	**-**	**-**	**-**	**-**
Total 2011	**14,524,048**	**4,201,292**	**44,553,903**	**44,553,903**	**1,510,996,207**	**1,618,829,353**

	2011	2012	2013	2014	Thereafter	Total
2010						
Non-derivative financial liabilities						
Loans and borrowings	**94,401,663***	**15,253,536**	**28,707,198**	**27,186,483**	**941,834,737**	**1,107,383,617**
Trade and other payables	**20,077,869**	**-**	**-**	**-**	**-**	**20,077,869**
Total	**114,479,532**	**15,253,536**	**28,707,198**	**27,186,483**	**941,834,737**	**1,127,461,486**
Derivative financial liabilities						
Interest rate swap	**-**	**4,969,563**	**-**	**-**	**-**	**4,969,563**
Total 2010	**114,479,532**	**20,223,099**	**28,707,198**	**27,186,483**	**941,834,737**	**1,132,431,049**

* - Refer note 18

(iii) Interest rate risk

As a result of the Group acquiring the Bokoni business during 2009, the Group had secured loan facilities with Standard Chartered Bank plc ("Standard Chartered") and Rustenburg Platinum Mines Limited ("RPM"). Standard Chartered provided a loan of $62.95 million (ZAR500 million) and RPM provided a loan of $60.4 million (ZAR480 million) to the Group which was subject to interest rate risk. On 28 April 2011, the Standard Chartered loan was ceded to RPM with revisions to certain terms of the loan including a reduction in the interest rate to 3 month JIBAR plus 4% (9.585% at 31 December 2011) from a 3 month JIBAR plus applicable margin (4.5%) and mandatory cost (1.27%) (refer to note18). These revised loans are also subject to interest rate risk.

The Group previously entered into an interest rate swap arrangement with Standard Chartered to fix the variable interest rate on $74 million (ZAR500 million) of the principal amount of the loan at 14.695% which arrangement was settled on 28 April 2011 with funding obtained from RPM. This funding has the same terms as the debt ceded to RPM and is also subject to interest rate risk.

A 100 basis point change in the interest rate at 31 December 2011 on the RPM loans would have changed the loss for the year by approximately $1,210,659 (2010: $1,337,459). This analysis assumes that all other variables remain constant.

(iv) Foreign currency risk

The Group, from time to time, enters into transactions for the purchase of supplies and services denominated in foreign currency. As a result, the Group is subject to foreign exchange risk from fluctuations in foreign exchange rates. The Group has not entered into any derivative or other financial instruments to mitigate this foreign exchange risk.

Within the Group, certain loans between Group entities amounting to $49.9 million (2010: $49.3 million) are exposed to foreign exchange fluctuations. A 10% change in the $/ZAR exchange rate at 31 December 2011 would have resulted in an increase/decrease of $5 million (2010: $4.9 million) in equity. The Group has no significant external exposure to foreign exchange risk. All loans and borrowings are denominated in ZAR (refer note 18).

(v) Commodity price risk

The value of the Group's revenue and resource properties depends on the prices of PGM's and their outlook. The Group does not hedge its exposure to commodity price risk. PGM prices historically have fluctuated widely and are affected by numerous factors outside of the Group's control, including, but not limited to, industrial and retail demand, forward sales by producers and speculators, levels of worldwide production, and short-term changes in supply and demand because of hedging activities.

(vi) Capital risk management

The primary objective of managing the Group's capital is to ensure that there is sufficient capital available to support the funding and operating requirements of the Group in a way that optimises the cost of capital, maximizes shareholders' returns, matches the current strategic business plan and ensures that the Group remains in a sound financial position.

The Group manages and makes adjustments to the capital structure which consists of debt and equity as and when borrowings mature or when funding is required. This may take the form of raising equity, market or bank debt or hybrids thereof. The Group may also adjust the amount of dividends paid, sell assets to reduce debt or schedule projects to manage the capital structure. Anooraq's ability to raise new equity in the equity capital markets is subject to the mandatory requirement that Atlatsa Holdings (Proprietary) Limited ("Atlatsa Holdings") (formerly Pelawan Investments (Proprietary) Limited), its majority Black Economic Empowerment ("BEE ") shareholder, retain a 51% fully diluted shareholding in the Company up until 1 January 2015, as required by covenants given by Atlatsa Holdings and Anooraq in favour of the Department of Mineral Resources ("DMR"), the SARB and Anglo Platinum.

There were no changes to the Group's approach to capital management during the year.

(Expressed in Canadian Dollars, unless otherwise stated)

(vii) Summary of the carrying value of the Group's financial instruments

At 31 December 2011	Loans and receivables	Financial liabilities at amortised cost	Derivative financial liabilities
Platinum Producers' Environmental Trust	**2,927,591**	**-**	**-**
Trade and other receivables	**24,999,127**	**-**	**-**
Cash and cash equivalents	**15,945,008**	**-**	**-**
Restricted cash	**786,291**	**-**	**-**
Loans and borrowings	**367,178**	**745,552,722**	**-**
Trade and other payables	**-**	**13,497,013**	**-**

At 31 December 2010	Loans and receivables	Financial liabilities at amortised cost	Derivative financial liabilities
Platinum Producers' Environmental Trust	2,862,075	-	-
Trade and other receivables	33,847,529	-	-
Cash and cash equivalents	25,764,590	-	-
Restricted cash	1,377,263	-	-
Loans and borrowings	347,300	716,936,362	-
Trade and other payables	-	20,077,869	-
Derivative - Interest rate swap*	-	-	4,969,563

* - The interest rate swap is at a level 2 in the fair value hierarchy as the fair value is compiled from the swap curve and quoted markets that are available.

The loans and borrowings carrying value compared to fair value is as follows:

	2011		2010	
	Carrying value	Fair value	Carrying value	Fair value
Loans and borrowings	**745,552,722**	**822,304,338**	716,936,362	754,066,515

The fair value of all other non-derivative financial instruments approximates carrying value due to the short-term to maturity.

(Expressed in Canadian Dollars, unless otherwise stated)

7. PROPERTY, PLANT AND EQUIPMENT

Summary

	2011	2010
Cost		
Balance at beginning of year	**1,032,647,854**	707,131,018
Additions	**2,238**	494,095
Transferred from capital work-in-progress	**17,168,350**	260,839,548
Disposals	**(1,087,212)**	(544,766)
Adjustment to rehabilitation assets	**1,050,670**	144,952
Effect of translation	**(173,017,272)**	64,583,007
Closing Balance	**876,764,628**	1,032,647,854
Accumulated depreciation and impairment losses		
Balance at beginning of year	**47,741,321**	13,737,282
Depreciation for the year	**42,075,759**	31,397,522
Disposals	**(748,144)**	(499,587)
Effect of translation	**(11,228,728)**	3,106,104
Closing Balance	**77,840,208**	47,741,321
Carrying value	**798,924,420**	984,906,533

2011	Total	Mining Development and Infrastructure	Plant and Equipment	Buildings	Motor Vehicles	Furniture and Fittings
Cost						
Balance at beginning of year	1,032,647,854	849,610,976	117,821,913	60,002,112	4,521,033	691,820
Additions	2,238	-	-	-	-	2,238
Transferred from capital work-in-progress	17,168,350	16,309,016	842,437	-	16,897	-
Disposals	(1,087,212)	(1,004,020)	-	-	(83,192)	-
Adjustment to rehabilitation assets	1,050,670	1,050,670	-	-	-	-
Effect of translation	(173,017,272)	(142,529,915)	(19,652,091)	(9,973,862)	(746,227)	(115,177)
Closing Balance	876,764,628	723,436,727	99,012,259	50,028,250	3,708,511	578,881
Accumulated depreciation and impairment losses						
Balance at beginning of year	47,741,321	43,172,561	1,989,265	483,279	1,733,011	363,205
Depreciation for the year	42,075,759	31,624,591	6,686,843	2,758,749	884,868	120,708
Disposals	(748,144)	(682,274)	-	-	(65,870)	-
Effect of translation	(11,228,728)	(9,641,801)	(863,463)	(300,146)	(353,327)	(69,991)
Closing Balance	77,840,208	64,473,077	7,812,645	2,941,882	2,198,682	413,922
Carrying Value	798,924,420	658,963,650	91,199,614	47,086,368	1,509,829	164,959

(Expressed in Canadian Dollars, unless otherwise stated)

2010	Total	Mining Development and Infrastructure	Plant and Equipment	Buildings	Motor Vehicles	Furniture and Fittings
Cost						
Balance at beginning of year	707,131,018	547,552,355	117,808,441	39,632,116	1,495,527	642,579
Transfer between asset classes	-	56,769,748	(46,182,134)	(3,452,419)	(7,135,195)	-
Additions	494,095	404,943	61,112	564	20,431	7,045
Transferred from capital work-in-progress	260,839,548	195,269,087	36,141,848	19,853,568	9,575,045	-
Disposals	(544,766)	(85,910)	(229,435)	(24,483)	(204,938)	-
Adjustment to rehabilitation assets	144,952	144,952	-	-	-	-
Effect of translation	64,583,007	49,555,801	10,222,081	3,992,766	770,163	42,196
Closing Balance	1,032,647,854	849,610,976	117,821,913	60,002,112	4,521,033	691,820
Accumulated depreciation and impairment losses						
Balance at beginning of year	13,737,282	5,226,244	6,121,393	1,893,570	286,996	209,079
Transfer between asset classes	-	17,315,108	(11,007,946)	(3,450,033)	(2,857,129)	-
Depreciation for the year	31,397,522	19,020,752	6,274,755	1,813,154	4,157,702	131,159
Disposals	(499,587)	(85,910)	(229,435)	(24,483)	(159,759)	-
Effect of translation	3,106,104	1,696,367	830,498	251,071	305,201	22,967
Closing Balance	47,741,321	43,172,561	1,989,265	483,279	1,733,011	363,205
Carrying Value	984,906,533	806,438,415	115,832,648	59,518,833	2,788,022	328,615

Certain assets are encumbered (refer to note 18).

The recoverable amount of mining assets and goodwill reviewed for impairment is determined based on value-in-use calculations. All mining assets and goodwill are allocated to one cash-generating-unit ("CGU"). Key assumptions relating to this valuation include the discount rate and cash flows used to determine the value-in-use. Future cash flows are estimated based on financial budgets approved by management which is based on the mine's life-of-mine plan. Management determines the expected performance of the mine based on past performance and its expectations of market developments which are incorporated into a life-of-mine plan.

Key assumptions used in the value-in-use calculation of the impairment assessment of mining assets were the following:

- Life-of-mine – 39 years
- South African discount rate – 16.81% (the weighted average cost of capital for Bokoni)
- Range of PGM prices – based on market expectations. Initial price of US$1,688/oz for platinum in 2012
- Range of ZAR/US$ exchange rates – based on market expectations. Initial exchange rate of ZAR8.21/US$ used in 2012
- South African inflation – long-term inflation rate of 5.67%

(Expressed in Canadian Dollars, unless otherwise stated)

8. 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.

	2011	2010
Balance at beginning of year	**10,311,973**	235,838,915
Additions	**28,678,042**	28,193,472
Transfer to property, plant and equipment	**(17,168,350)**	(260,839,548)
Capitalisation of borrowing costs	**1,777,431**	8,271,379
Impairment	**-**	(345,123)
Effect of translation	**(2,772,806)**	(807,122)
	20,826,290	10,311,973

Capital work-in-progress is funded through cash generated from operations and available loan facilities (refer note 18).

9. INTANGIBLE ASSETS

Cost		
Balance at beginning of year	**3,473,000**	-
Additions	**236,304**	3,328,100
Effect of translation	**(596,129)**	144,900
Balance at end of year	**3,113,175**	3,473,000
Accumulated amortisation and impairment losses		
Balance at beginning of year	**192,944**	-
Amortisation for the year	**1,148,618**	180,039
Effect of translation	**(123,592)**	12,905
Balance at end of year	**1,217,970**	192,944
Carrying value	**1,895,205**	3,280,056

The intangible asset relates to the implementation of a SAP system throughout the Group during 2010. The asset is amortised on a straight line basis over three years.

10. MINERAL PROPERTY INTERESTS

Balance at beginning of year	**13,716,383**	13,223,703
Effect of translation	**(1,345,946)**	492,680
	12,370,437	13,716,383
Assets classified as available for sale:		
Ga-Phasha	**(4,068,794)**	-
Boikgantsho	**(32,860)**	-
	(4,101,654)	-
	8,268,783	13,716,383

The Group's mineral property interest consists of various early stage exploration projects as detailed below:

Ga-Phasha

In January 2004, Anooraq and Atlatsa Holdings combined their respective PGM assets, comprising Anooraq's Northern and Western Limb PGM projects and Atlatsa Holding's 50% participation interest in the Ga-Phasha Project ("Ga-Phasha Project") on the Eastern Limb of the Bushveld Complex in South Africa. The Ga-Phasha Project property consists of four farms – Portion 1 of Paschaskraal 466KS, and the whole of farms Klipfontein 465KS, De Kamp 507KS and Avoca 472KS – covering an area of approximately 9,700 hectares.

As of 1 July 2009, the joint venture agreements terminated and Ga-Phasha Platinum Mines (Proprietary) Limited ("GPM"), a wholly-owned subsidiary of Bokoni Holdco, acquired the respective interest in the assets relating to the Ga-Phasha Project. Anooraq owns an effective 51% interest in the Ga-Phasha Project.

Anooraq increased its interest in the GPM exploration project assets from 50% to 51% through the transaction discussed in note 33 in 2009.

The mineral title relating to the Ga-Phasha Project is held by GPM.

During 2011, the Group's management committed to a plan to sell two (Pashaskraal and De Kamp) of the four farms in Ga-Phasha as part of the refinancing and restructuring plan of the Group (refer note 38). Efforts to sell these mineral properties have commenced and a sale is expected during 2012. The disposal relates to the projects segment.

Platreef

As of 1 July 2009, the Group holds an effective 51% in Platreef properties located on the Northern Limb of the Bushveld Igneous Complex ("BIC") in South Africa. The Group has received conversion to new order prospecting rights in respect of all Platreef mineral properties.

Boikgantsho

As of 1 July 2009, the Boikgantsho joint venture agreements terminated and Boikgantsho Platinum Mine (Proprietary) Limited ("BPM"), a private company incorporated under the laws of South Africa, a wholly-owned subsidiary of Bokoni Holdco, acquired the interest in and assets relating to the Boikgantsho Project ("Boikgantsho Project"). Anooraq owns an effective 51% interest in the Drenthe 778LR ("Drenthe") and Witrivier 777LR ("Witrivier") farms and a portion of Mogalakwena's adjacent Overysel 815LR farm. These farms are located on the Northern Limb of the Bushveld Complex. The Group has received new order prospecting rights in respect of the Drenthe and Witrivier mineral properties which have been transferred to BPM.

During 2011, the Group's management committed to a plan to sell the BPM asset as part of the refinancing and restructuring plan of the Group (refer note 38). Efforts to sell these mineral properties have commenced and a sale is expected during 2012. The disposal relates to the projects segment.

Kwanda

As of 1 July 2009, the Kwanda joint venture agreements terminated and Kwanda Platinum Mine (Proprietary) Limited, a private company incorporated under the laws of South Africa, a wholly-owned subsidiary of Bokoni Holdco, acquired the interest in assets relating to the Kwanda Project ("Kwanda Project"). Anooraq owns an effective 51% interest in this project. The Group received conversion to new order prospecting rights for the Kwanda North and Kwanda South properties.

Rietfontein

The Group has entered into a settlement agreement (the "Agreement") effective 11 December 2009 with Ivanhoe Nickel & Platinum Ltd. ("Ivanplats") to replace and supersede the 2001 agreement relating to the Rietfontein property located on the Northern Limb of the BIC. The Agreement settles the arbitration process relating to disagreements with respect to the exploration activities undertaken at the Rietfontein property. Salient terms of the new Agreement are as follows:

- Both parties abandon their respective claims under dispute forming the subject matter of arbitration.
- The existing joint venture ("JV") between the parties is amended such that the current Rietfontein JV is extended to incorporate a defined area of Ivanplats' adjacent Turfspruit mineral property. Both parties retain their existing prospecting rights in respect of mineral properties in their own names but make these rights and technical information available to the extended JV ("the Extended JV").
- Anooraq will be entitled to appoint a member to the Extended JV technical committee and all technical programmes going forward will be carried out with input from Anooraq.
- Anooraq is awarded a 6% free carried interest in the Extended JV, provided that the Extended JV contemplates an open pit mining operation, incorporating the Rietfontein mineral property. Anooraq has no financial obligations under the Extended JV terms and Ivanplats is required to fund the entire exploration programme to feasibility study with no financial recourse to Anooraq. On delivery of the feasibility study, Anooraq may elect to either:

(Expressed in Canadian Dollars, unless otherwise stated)

- Retain a participating interest of 6% in the Extended JV and finance its pro rata share of the project development going forward; or
- Relinquish its participating interest of 6% in the Extended JV in consideration for a 5% net smelter return royalty in respect of mineral products extracted from those areas of the Rietfontein mineral property forming part of the Extended JV mineral properties.

11. GOODWILL

	2011	2010
Balance at beginning of the year	**13,185,952**	12,382,569
Effect of translation	**(2,191,837)**	803,383
	10,994,115	13,185,952

For impairment considerations, refer note 7. The goodwill relates to the acquisition of Bokoni Mine.

12. PLATINUM PRODUCERS' ENVIRONMENTAL TRUST

The Group contributes to the Platinum Producers' Environmental Trust annually. The Trust was created to fund the estimated cost of pollution control, rehabilitation and mine closure at the end of the lives of the Group's mines. Contributions are determined on the basis of the estimated environmental obligation over the life of a mine. The Group's share of the cash deposits made is reflected in non-current cash deposits held by Platinum Producers' Environmental Trust.

The non-current cash deposits are restricted in use as it is to be used exclusively for pollution control, rehabilitation and mine closure at the end of lives of the Group's mines.

13. INVENTORIES

Ore stock piles	**787,084**	**-**

14. TRADE AND OTHER RECEIVABLES

Financial assets		
Trade receivables	**24,230,043**	33,335,405
Other trade receivables	**769,084**	512,124
	24,999,127	33,847,529
Non-financial assets		
Prepayments	**1,385,976**	1,465,826
Lease debtor	**1,925**	1,132
Value added tax	**2,014**	91,100
Employee receivables	**657,564**	611,551
Other receivables	**1,985**	172,972
	27,048,591	36,190,110

The Group has one major customer with an outstanding account within the agreed payment terms. As a result, no allowance for impairment losses has been recognised.

15. CASH AND CASH EQUIVALENTS

Bank balances	**15,927,937**	25,737,824
Cash on hand	**17,071**	26,766
	15,945,008	25,764,590

16. RESTRICTED CASH

Restricted cash – ESOP Trust	**786,291**	1,377,263

(Expressed in Canadian Dollars, unless otherwise stated)

Restricted cash consist of cash and cash equivalents held by the Bokoni Platinum Mine ESOP Trust, a consolidated SPE, which is not available to fund operations.

During the year, $386,191 (ZAR3,067,439) (2010: Nil) was paid out as a cash distribution to beneficiaries in terms of the trust deed.

17. SHARE CAPITAL

Authorised and issued

	2011	**2010**
	Number of shares	
Common shares with no par value	**201,888,472**	201,813,472
B2 Convertible Preference shares of $0.1481 (ZAR1) each	**115,800**	115,800
B3 Convertible Preference shares of $0.1481 (ZAR1) each	**111,600**	111,600

The Company's authorised share capital consists of an unlimited number of common shares without par value. During 2009 cumulative convertible redeemable "B" preference shares were issued to facilitate the transaction as discussed in note 33.

Share capital

Share capital	**74,150,116**	74,035,621
Share issue costs	**(2,183,033)**	(2,183,033)
	71,967,083	71,852,588
Treasury shares	**4,991,726**	4,991,726

Treasury shares relate to shares held by the ESOP Trust in Anooraq, which is consolidated by the Group.

Preference shares

B2 Convertible Preference shares	**17,150**	17,150
B3 Convertible Preference shares	**16,528**	16,528
Share premium	**162,876,322**	162,876,322
	162,910,000	162,910,000

$162.9 million (ZAR 1.1 billion) was raised through share-settled financing with the issue of cumulative mandatory convertible "B" preference shares ("B Prefs") to RPM and a subsidiary of Atlatsa Holdings to finance the acquisition discussed in note 33. The final effects of the share settled financing will result in RPM receiving a fixed number of 115.8 million common shares of Anooraq and Atlatsa Holdings, Anooraq's controlling shareholder, receiving a fixed number of 111.6 million common shares.

These preference shares are convertible upon the earlier of the date of receipt of a conversion notice from RPM and 1 July 2018.

A dividend will be declared on the last business day immediately prior to the conversion date, in terms of a formula set out in the preference share subscription agreement.

(Expressed in Canadian Dollars, unless otherwise stated)

18. LOANS AND BORROWINGS

	2011	2010
Senior Term Loan Facility	**-**	93,412,907
Capitalised transaction costs	**-**	(4,251,970)
Redeemable "A" preference shares (related party)	**392,191,315**	418,050,018
Rustenburg Platinum Mines – Funding loans (related party)	**172,650,283**	89,370,192
Rustenburg Platinum Mines – OCSF (related party)	**172,991,980**	111,208,925
Rustenburg Platinum Mines – Interest free loan (related party)	**3,639,900**	4,365,567
Rustenburg Platinum Mines – commitment fees (related party)	**1,298,865**	1,122,854
Other	**2,780,379**	3,657,869
	745,552,722	716,936,362
Short-term portion		
Senior Term Loan Facility	**-**	(93,412,907)
Other	**(1,096,235)**	(988,756)
	(1,096,235)	(94,401,663)
Non-current liabilities	**744,456,487**	622,534,699

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

Balance at beginning of the year	**716,936,362**	555,509,417
Loan from Rustenburg Platinum Mine – OCSF	**64,851,418**	39,043,300
Loan from Rustenburg Platinum Mine – Interest free loan	**-**	599,442
Loans repaid	**-**	(590,537)
Loans repaid - other	**(716,317)**	-
Commitment fee capitalised	**(394,063)**	(640,086)
Finance expenses accrued	**88,648,310**	74,436,897
Funding loan raised – Rustenburg Platinum Mine (related party)	**3,691,604**	
Capitalisation transaction costs written-off	**3,834,378**	
Amortisation of loan costs	**17,738**	631,929
Commitment fee liability	**394,063**	640,086
Interest rate swap adjustment	**355,852**	(354,093)
Other	**69,200**	3,328,100
Effect of translation	**(132,135,823)**	44,331,907
Balance at end of the year	**745,552,722**	716,936,362
Short-term portion		
Senior Term Loan Facility	**-**	(93,412,907)
Other	**(1,096,235)**	(988,756)
	(1,096,235)	(94,401,663)
Non-current portion	**744,456,487**	622,534,699

The terms and conditions for the outstanding borrowings at 31 December 2011 are as follows:

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, RPM. The outstanding interest rate swap was settled with funding obtained from RPM.

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 31 December 2011). The total facility has also been increased from $94.4 million (ZAR750 million) to $117.1 million (ZAR930 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 as of 31 December 2011 and until 31 January 2013.

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

At 31 December 2010, the Group did not meet certain covenants specified in the senior term facility agreement. The lenders had subsequently waived their rights and entitlements arising from the failure of the Group to meet the specific covenants. Notwithstanding the waiver received from the lenders and the fact that there was no legal or constructive obligation to settle the senior term facility within 12 months, IAS 1, *Presentation of Financial Statements*, requires that the senior term facility be disclosed as a current liability at 31 December 2010.

Redeemable "A" Preference Shares

The "A" preference shares were issued by Plateau and Bokoni Holdco to RPM as part of the business combination and liabilities assumed (refer note 33). These shares are cumulative mandatory redeemable shares which attract a fixed quarterly cumulative dividend of 11.49%. The Group is obligated to redeem the outstanding amount including undeclared dividends which should have been declared within six years (1 July 2015) of issue, to the extent that the Company is in the position to redeem the shares. Any preference shares not redeemed in six years must be redeemed after nine years (1 July 2018).

During the three year period prior to the initial maturity date, Plateau will be required to undertake a mandatory debt refinancing and use 100% of such external debt funding raised to settle the following amounts owing by Plateau to RPM at such time, in the following order:

(i) any outstanding amounts of the Standby Facility;

(ii) any outstanding amounts of the OCSF; and

(iii) the redemption amount payable upon the redemption of any outstanding Redeemable "A" Preference Shares. Plateau is obliged to undertake the refinancing process but if the debt is not re-financeable based upon the debt markets at that time then there is no sanction on Plateau. At the acquisition date, 1 July 2009, an amount of $1.1 million (ZAR7.2 million) was repaid with surplus cash available.

Rustenburg Platinum Mines - Funding Loans

This loan is between RPM and Bokoni Holdco and consists of the retention of the original RPM loans for an amount of $60.5 million (ZAR480.3 million)

As a result of the changes to the Senior Term Loan Facility, the commencement of the repayments of the $60.5 million has also been deferred by one year from 31 January 2013 to 31 January 2014 and is payable in semi-annual instalments. The unpaid principal balance will bear interest at the interest rate and on the same terms as the revised Senior Term Loan Facility ceded by SCB to Anglo. The total facility has also been increased from $90.7 million (ZAR720 million) to $112.5 million (ZAR893 million).

Rustenburg Platinum Mines - OCSF

Under the Operating Cash flow Shortfall Facility ("OCSF"), if funds are requested by Bokoni (and authorised by Bokoni Holdco), RPM shall advance such funds directly to Bokoni. At 31 December 2011, $138.5 million (ZAR1.1 billion) of the available $185 million (ZAR1.47 billion) has been advanced by RPM. The remaining facility may be utilised only for the purposes of operating or capital expenditure cash shortfalls at Bokoni. In addition, RPM has extended the terms of the OCSF facility to fund cash shortfalls up to 31 January 2013.

The OCSF Loan was originally payable in semi-annual instalments starting 31 January 2013 to the extent cash is available after payment of the Senior Term Facility and the RPM funding loan. The unpaid principal balance on the OCSF will bear interest at a fixed rate of 15.84%, compounded quarterly in arrears. Based on the revised terms on the Senior Facility with RPM, repayment will also be deferred by one year from 31 January 2013 to 31 January 2014.

Rustenburg Platinum Mines – Standby Facility

The Group secured an agreement with RPM to access RPM's attributable share of the Bokoni Holdco cash flows ("the Standby Facility") up to a maximum of 29% of all free cash flow generated from the Bokoni Mine to meet its repayment obligations in terms of the Senior Term Loan Facility. This facility will bear interest at the prime rate of interest in South Africa (currently 9%)
The standby facility has a final maturity date on 1 July 2018. As at 31 December 2011, no draw-down was made on the standby facility.

Rustenburg Platinum Mines – Interest-free loan

This loan is between RPM and Bokoni Holdco. The loan is interest-free and repayable 12 months and 1 day after requested by RPM.

Other

This loan is between Plateau and the Deloitte Mining Shared Service Centre ("DMSSC") relating to the financing of the new SAP system (refer note 9). The loan bears interest at prime (9% at 31 December 2011) plus 2% and is payable in quarterly instalments starting 31 March 2011.

Security

The Senior Term Loan Facility is secured through various security instruments, guarantees and undertakings provided by the Group against 51% of the cash flows generated by the Bokoni Mine, together with 51% of the Bokoni Mine asset base. The Standby Facility, OCSF and the "A" preference shares rank behind the Senior Term Loan Facility for security purposes.

Refer note 38 for subsequent event.

The Group's debt is denominated in ZAR, which is translated to the presentation currency of the Company.

19. DEFERRED TAX

Deferred tax liabilities and assets on the statement of financial position relate to the following:

	2011	2010
Deferred tax liabilities		
Property plant and equipment (including capital work-in-progress)	**228,912,376**	277,619,568
Prepayments	**339,869**	399,696
Environmental trust fund contributions	**664,358**	638,540
Inventories	**220,384**	-
Gross deferred tax liability	**230,136,987**	278,657,804
Deferred tax assets		
Provision for environmental liabilities	**(2,347,438)**	(2,291,658)
Unredeemed capital expenditure	**(34,485,988)**	(32,497,913)
Accrual for employee leave liabilities	**(1,924,872)**	(2,057,664)
Liability for share-based compensation	**(165,801)**	(333,964)
Calculated tax losses	**(47,180,675)**	(32,671,048)
Gross deferred tax asset	**(86,104,774)**	(69,852,247)
Net deferred tax liability	**144,032,213**	208,805,557

The movement in the net deferred tax liability recognised in the statement of financial position is as follows:

Balance at beginning of year	**208,805,557**	213,484,109
Current year	**(32,667,499)**	(18,868,120)
Prior year	**-**	1,578,080
Effect of translation	**(32,105,845)**	12,611,488
	144,032,213	208,805,557

As at 31 December the Group had not recognised the following net deferred tax assets:

Deferred tax assets	**13,736,801**	12,884,973

(Expressed in Canadian Dollars, unless otherwise stated)

The unrecognised temporary differences are:

	2011	2010
Unredeemed capital expenditure	**1,766,508**	2,118,688
Tax losses	**12,052,145**	10,261,209
Other deductible temporary differences	**2,426,322**	505,076
Foreign exchange losses	**(2,508,174)**	-
	13,736,801	12,884,973

Deferred tax assets have not been recognised for the above temporary differences as it is not probable that the respective Group entities to which they relate will generate future taxable income against which to utilise the temporary differences.

Gross calculated tax losses expire as follows:

2012-2016	**(4,456,781)**	(4,456,781)
Thereafter	**(9,939,500)**	(8,400,233)
Indefinitely	**(140,157,235)**	(140,216,282)
	(154,553,516)	(153,073,296)

20. PROVISIONS

Non-current provisions

Rehabilitation provision		
Balance at beginning of the year	**8,184,494**	7,021,038
Capitalised to property, plant and equipment	**1,050,670**	144,952
Unwinding of interest	**644,045**	515,626
Effect of translation	**(1,495,501)**	502,878
Balance at end of year	**8,383,708**	8,184,494
Future net obligations		
Undiscounted rehabilitation cost	**12,963,704**	13,723,729
Amount invested in environmental trust fund (refer note 12)	**(2,927,591)**	(2,862,075)
Total future net obligation - Undiscounted	**10,036,113**	10,861,654

The Group intends to finance the ultimate rehabilitation costs from the money invested in environmental trust funds, ongoing contributions as well as the proceeds on sale of assets and metals from plant clean-up at the time of mine closure.

Key assumptions used in determining the provision:

Discount period	**20 years**	20 years
South African discount rate (risk free rate)	**8.4%**	8.4%
South African inflation	**5.2%**	5.2%
Sensitivity – change in provision	**Inflation rate**	Inflation rate
1% increase	**1,866,759**	1,704,848
1% decrease	**(1,558,336)**	(1,423,175)
	Discount rate	Discount rate
1% increase	**(1,307,110)**	(1,310,453)
1% decrease	**1,545,655**	1,576,048

21. DERIVATIVE LIABILITY

Interest rate swap	**-**	4,969,563

(Expressed in Canadian Dollars, unless otherwise stated)

22. TRADE AND OTHER PAYABLES

	2011	2010
Financial liabilities		
Trade payables	**7,508,854**	11,867,027
Arbitration settlement *	**-**	2,303,614
Other payables	**5,988,159**	5,907,228
	13,497,013	20,077,869
Non-financial liabilities		
Payroll accruals	**1,546,767**	2,876,127
Leave liabilities	**7,328,438**	7,606,100
Share-appreciation rights	**404,607**	1,170,899
Lease accrual	**53,667**	99,632
Other accruals	**6,847**	-
Deferred income	**9,596**	13,705
Value added tax	**278,652**	-
	23,125,587	31,844,332

***-** This relates to the additional amount that QuestCo (Proprietary) Limited and North Corporate Finance Advisory Services Limited considered payable to them in respect of corporate advisory services rendered by them pursuant to the implementation of the Bokoni acquisition on 1 July 2009. This matter was resolved via an arbitration process finding in favour of Questco (Proprietary) Limited and North Corporate Finance Advisory Services Limited during 2010. As a result, the Group was liable to settle an amount of ZAR12.4 million ($1.9 million) for services rendered. The liability includes interest of ZAR2.8 million ($0.4 million) that was also awarded from 1 July 2009.

23. REVENUE

Revenue from mining operations by commodity:

	2011	2010	2009
Platinum	**85,146,242**	89,250,257	39,282,459
Palladium	**23,999,481**	20,185,949	6,582,056
Rhodium	**9,910,678**	14,033,214	6,439,392
Nickel	**14,414,240**	15,120,505	6,278,262
Other	**10,936,075**	9,696,908	4,045,699
	144,406,716	148,286,833	62,627,868

Revenue consists of the sale of concentrate to Rustenburg Platinum Mines Limited (a related party).

24. COST OF SALES

Cost of sales includes:

Labour costs	**86,226,560**	79,399,203	39,333,125
Stores costs	**33,519,868**	25,468,848	11,036,693
Power and compressed air	**11,871,488**	9,619,321	4,481,837
Contractors cost	**18,059,940**	9,171,193	2,742,494
Other costs	**19,174,646**	17,135,596	11,022,676
Inventory movement	**(855,227)**	1,084,930	(1,083,390)
Depreciation	**41,969,530**	31,272,097	13,433,032
	209,966,805	173,151,188	80,966,467

(Expressed in Canadian Dollars, unless otherwise stated)

25. FINANCE INCOME

Interest received – Financial assets at amortised cost

	2011	2010	2009
Platinum Producers' Environmental Trust	**82,685**	108,504	102,664
Bank accounts	**662,905**	1,005,138	426,621
	745,590	1,113,642	529,285

26. FINANCE EXPENSES

Financial liabilities at amortised cost			
Bank and short-term facilities	**-**	13,617	72,158
"A" Preference shares (related party)	**47,409,220**	39,661,792	19,560,689
OCSF and funding facilities (related party)	**30,903,663**	22,779,618	8,439,108
Senior Term Loan Facility	**9,132,826**	11,512,806	5,028,432
Interest on fair value of interest rate swap	**546,169**	(195,702)	189,173
Other	**702,438**	563,219	324
	88,694,316	74,335,350	33,289,884
Non-financial liabilities			
Notional interest – rehabilitation provision	**644,045**	515,626	181,813
Commitment fees on OCSF	**631,838**	310,177	38,091
Transaction costs	**3,852,116**	631,929	411,058
	5,127,999	1,457,732	630,962
Total finance costs before interest capitalised	**93,822,315**	75,793,082	33,920,846
Interest capitalised	**(1,777,431)**	(8,271,379)	(13,580,559)
Total finance costs	**92,044,884**	67,521,703	20,340,287

The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation during the year is 12.4% (2010: 13.2%).

27. LOSS BEFORE INCOME TAX

Loss before income tax as stated includes the following:

Operating lease expense – buildings	**275,450**	360,925	387,131
Restructuring costs	**44,323**	-	1,784,452
Share-based payment expense – equity settled	**2,140,038**	2,333,450	2,185,812
Share-based payments expense – cash settled	**(437,152)**	947,176	145,199
Bonus settled via shares	**-**	-	895,625
Interest rate swap fair value	**2,550,958**	223,727	(636,529)
Depreciation and amortisation	**43,224,377**	31,577,561	13,557,111

28. INCOME TAX

SA normal taxation			
Current tax – prior year	**-**	-	(35,154)
Deferred tax – prior year	**-**	(1,578,080)	-
Deferred tax – current year	**32,667,499**	18,868,120	7,668,639
	32,667,499	17,290,040	7,633,485

(Expressed in Canadian Dollars, unless otherwise stated)

Taxation rate reconciliation:

	2011	2010	2009
Statutory Canadian tax rate	**26.50%**	28.5%	30.00%
Other disallowed expenditure	**(0.17%)**	(0.13%)	(1.62%)
Transaction costs disallowed	**(0.57%)**	(0.63%)	(5.25%)
Preference dividends disallowed	**(6.92%)**	(8.89%)	(5.65%)
Equity settled share based compensation	**(0.32%)**	(1.10%)	(1.10%)
Investment income not taxable	**0.01%**	0.03%	0.07%
Tax adjustments – prior year	**-**	(1.45%)	(0.02%)
Deferred tax assets not recognised	**(1.81%)**	(0.47%)	(3.01%)
Effect of rate differences	**1.04%**	(0.28%)	(0.57%)
Effective taxation rate	**17.76%**	15.58%	12.85%

29. OTHER COMPREHENSIVE INCOME NET OF INCOME TAX

Components of other comprehensive income:

Foreign currency translation differences for foreign operations	**(7,913,856)**	6,237,524	(14,072,611)
Effective portion of changes in fair value of cash flow hedges	**1,602,501**	(3,121,650)	(731,293)
Reclassification to profit or loss on settlement of cash flow hedge	**2,521,654**	-	-
Tax effect	**-**	-	-
	(3,789,701)	3,115,874	(14,803,904)

Attributable to:

Owners of the Company	**(1,994,738)**	800,194	(10,251,876)
Non-controlling interest *	**(1,794,963)**	2,315,680	(4,552,028)
	(3,789,701)	3,115,874	(14,803,904)

*- Relates to the foreign currency translation differences for foreign operations in 2011, 2010 and 2009.

30. EARNINGS PER SHARE

The calculation of basic loss per share for the year ended 31 December 2011 was based on the loss attributable to owners of the Company of $81,928,814 (2010: $51,721,410; 2009: $35,531,631), and a weighted average number of common shares of 424,783,603 (2010: 424,665,314; 2009: 305,971,455).

At 31 December 2011, 2010 and 2009, share options were excluded in determining diluted weighted average number of common shares as their effect would have been anti-dilutive.

Issued common shares at 1 January	**201,813,473**	201,743,472	186,640,007
Effect of shares issued in financial year	**67,192**	18,904	9,817,003
Treasury shares	**(4,497,062)**	(4,497,062)	(4,497,062)
Convertible "B" Preference shares - issued on 1 July 2009	**227,400,000**	227,400,000	114,011,507
Weighted average number of common shares at 31 December	**424,783,603**	424,665,314	305,971,455

The basic and diluted loss per share for the year ended 31 December 2011 was 19 cents (2010: 12 cents; 2009:12 cents).

(Expressed in Canadian Dollars, unless otherwise stated)

31. CASH UTILISED BY OPERATIONS

CASH UTILISED BY OPERATIONS

	2011	2010	2009
Loss before income tax	**(180,532,047)**	(110,948,846)	(59,414,014)
Adjustments for:			
Finance expense	**92,044,884**	67,521,703	20,340,287
Finance income	**(745,590)**	(1,113,642)	(529,285)
Non-cash items:			
Depreciation and amortisation	**43,224,377**	31,577,561	13,557,111
Equity-settled share-based compensation	**2,140,038**	2,333,450	2,185,812
Bonus settled via shares	**-**	-	895,658
Loss from equity accounted investees	**-**	-	219,849
Loss/(gain) on disposal of property, plant and equipment	**339,068**	45,179	(69,239)
Derivative (profit)/loss	**-**	(223,727)	636,529
Settlement of cash flow hedge	**2,550,958**	-	-
Transaction costs	**-**	-	1,587,959
Impairment of assets	**-**	345,123	-
Other	**69,200**	135	(24,166)
Cash utilised before ESOP transactions	**(40,909,112)**	(10,463,064)	(20,613,499)
ESOP cash transactions (restricted cash)	**836,081**	-	-
Cash utilised before working capital changes	**(40,073,031)**	(10,463,064)	(20,613,499)
Working capital changes			
Decrease/(increase) in trade and other receivables (i)	**3,357,055**	(8,719,410)	(1,727,856)
(Decrease)/increase in trade and other payables (ii)	**(3,747,138)**	2,306,757	(4,368,581)
(Increase)/decrease in inventories (iii)	**(855,227)**	1,084,930	(1,083,390)
Cash utilised by operations	**(41,318,341)**	(15,790,787)	(27,793,326)

(i) Decrease/(increase) in trade and other receivables

Opening balance	**36,190,110**	23,466,503	271,554
Arising from business combination (refer note 33)	**-**	-	22,477,941
Closing balance	**(27,048,591)**	(36,190,110)	(23,466,503)
Movement for the year	**9,141,519**	(12,723,607)	(717,008)
Effect of translation	**(5,784,464)**	4,004,197	(1,010,848)
	3,357,055	(8,719,410)	(1,727,856)

(ii) (Decrease)/increase in trade and other payables

Opening balance	**(31,844,332)**	(26,948,647)	(1,798,839)
Arising from business combination (refer note 33)	**-**	-	(30,845,374)
Closing balance	**23,125,587**	31,844,332	26,948,647
Movement for the year	**(8,718,745)**	4,895,685	(5,695,566)
Effect of translation	**4,971,607**	(2,588,928)	1,326,985
	(3,747,138)	2,306,757	(4,368,581)

(Expressed in Canadian Dollars, unless otherwise stated)

(iii) (Increase)/decrease in inventories

	2011	2010	2009
Opening balance	**-**	1,091,860	-
Arising from business combination (refer note 33)	**-**	-	-
Closing balance	**(787,084)**	-	(1,091,860)
Movement for the year	**(787,084)**	1,091,860	(1,091,860)
Effect of translation	**(68,143)**	(6,930)	8,470
	(855,227)	1,084,930	(1,083,390)

32. 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 has been included. All external revenue is generated by the Bokoni Mine segment.

	31 December 2011			31 December 2010			
	Bokoni Mine	**Projects**	**Total**	Bokoni Mine	Projects	Total	**Note**
Revenue	**144,406,716**	**-**	**144,406,716**	148,286,833	-	148,286,833	
Cost of sales	**(212,137,181)**	**-**	**(212,137,181)**	(175,024,817)	-	(175,024,817)	(i)
EBITDA	**(36,767,412)**	**(632,855)**	**(37,400,267)**	(4,849,754)	(485,829)	(5,335,583)	(ii)
Loss before income tax	**(163,883,532)**	**(632,855)**	**(164,516,387)**	(100,296,522)	(485,829)	(100,782,351)	(iii)
Income tax	**30,006,122**	**-**	**30,006,122**	15,258,868	-	15,258,868	(iv)
Depreciation	**(41,020,865)**	**-**	**(41,020,865)**	(29,566,864)	-	(29,566,864)	(v)
Finance income	**281,868**	**-**	**281,868**	453,911	-	453,911	(vi)
Finance expense	**(86,377,123)**	**-**	**(86,377,123)**	(66,333,814)	-	(66,333,814)	(vii)
Total assets	**901,154,720**	**9,703,357**	**910,858,077**	1,093,388,333	11,541,285	1,104,929,618	(viii)
Additions to non-current assets	**268,678,042**	**-**	**268,678,042**	28,660,090	-	28,660,090	(ix)
Total Liabilities	**(770,025,392)**	**(14,862,260)**	**(784,887,652)**	(789,428,564)	(17,030,115)	(806,458,679)	(x)

Reconciliations of reportable segment cost of sales, EBITDA, loss before income tax, income tax, depreciation, finance income, finance expense, assets, addition to non-current assets and liabilities:

(i) Cost of sales

	2011	2010
Total cost of sales for reportable segments	**(212,137,181)**	(175,024,817)
Corporate and consolidation adjustments	**2,170,376**	1,873,629
Consolidated cost of sales	**(209,966,805)**	(173,151,188)

(Expressed in Canadian Dollars, unless otherwise stated)

	2011	2010
(ii) EBITDA		
Total EBITDA for reportable segments	**(37,400,267)**	(5,335,583)
Net finance expense	**(91,299,294)**	(66,408,061)
Depreciation and amortisation	**(43,224,377)**	(31,577,561)
Corporate and consolidation adjustments	**(8,608,109)**	(7,627,641)
Consolidated loss before income tax	**(180,532,047)**	(110,948,846)
(iii) Loss before income tax		
Total loss before tax for reportable segments	**(164,516,387)**	(100,782,351)
Corporate and consolidation adjustments	**(16,015,660)**	(10,166,495)
Consolidated loss before income tax	**(180,532,047)**	(110,948,846)
(iv) Income tax		
Taxation for reportable segments	**30,006,122**	15,258,868
Corporate and consolidation adjustments	**2,661,377**	2,031,172
Consolidated taxation	**32,667,499**	17,290,040
(v) Depreciation		
Depreciation for reportable segments	**(41,020,865)**	(29,566,864)
Corporate and consolidation adjustments	**(2,203,512)**	(2,010,697)
Consolidated depreciation	**(43,224,377)**	(31,577,561)
(vi) Finance income		
Finance income for reportable segments	**281,868**	453,911
Corporate and consolidation adjustments	**463,722**	659,731
Consolidated finance income	**745,590**	1,113,642
(vii) Finance expenses		
Finance expense for reportable segments	**(86,377,123)**	(66,333,814)
Corporate and consolidation adjustments	**(5,667,761)**	(1,187,889)
Consolidated finance expense	**(92,044,884)**	(67,521,703)
(viii) Total assets		
Assets for reportable segments	**910,858,077**	1,104,929,618
Corporate and consolidation adjustments	**(17,849,111)**	(12,823,363)
Consolidated assets	**893,008,966**	1,092,106,255
(ix) Additions to non-current assets		
Additions to non-current assets for reportable segments	**28,678,042**	28,660,090
Corporate and consolidation adjustments	**238,542**	3,355,577
Consolidated additions to non-current assets	**28,916,584**	32,015,667
(x) Total liabilities		
Liabilities for reportable segments	**(784,887,652)**	(806,458,679)
Corporate and consolidation adjustments	**(136,206,578)**	(164,281,629)
Consolidated liabilities	**(921,094,230)**	(970,740,308)

(Expressed in Canadian Dollars, unless otherwise stated)

33. ACQUISITIONS OF SUBSIDIARY AND NON-CONTROLLING INTERESTS - 2009

Anooraq, through Plateau, acquired 51% controlling interests in Bokoni as well as an additional one percent interest in several PGM exploration projects, including the advanced stage Ga-Phasha Project, the Boikgantsho Project, and the early stage Kwanda Project. The acquisition of the controlling interest was affected by Plateau acquiring 51% of the shareholding of Bokoni Holdco on 1 July 2009, for an aggregate purchase consideration of $385 million (ZAR2.6 billion), which includes $251 million used to repay loans and borrowings assumed in the transaction.

Bokoni, previously 100% owned by Anglo Platinum, is located on the north-eastern limb of the Bushveld Complex adjacent to the Ga-Phasha Project. The Bokoni mining operation consists of a vertical shaft and declines to access the underground development on the Merensky and UG2 Reefs, and two concentrators.

Pursuant to the terms of the acquisition agreements, Plateau acquired 51% of the shares in, and claims on shareholders loan account against Bokoni Holdco. The joint venture agreements in respect of the Ga-Phasha Project, Boikgantsho Project and Kwanda Project were terminated and these projects were transferred into separate project companies, established as wholly-owned subsidiaries of Bokoni Holdco.

Financing

The Group financed the purchase consideration transferred of $385 million (ZAR2.6 billion) as follows:

- $111 million (ZAR750 million) of senior debt funding in terms of the Standard Chartered senior term loan facility (the “Senior Term Loan Facility”) from Standard Chartered Bank plc (“Standard Chartered” or “SCB”) provided to Plateau, of which $74 million (ZAR500 million) was drawn down on 1 July 2009. The Group applied approximately $44 million (ZAR300 million) of the Senior Term Loan Facility in part settlement of the consideration transferred. Refer note 19 for details.

  On 11 December 2009, 34% of the facility was acceded to First Rand Bank Limited, acting through its Rand Merchant Bank division (“RMB”). The same terms apply as per the initial agreement with SCB;

- $177.8 million (ZAR1.2 billion) through the issue of cumulative mandatory redeemable “A” preference shares (“A Prefs”) of Plateau to RPM (refer note 19); and

- $162.9 million (ZAR1.1 billion) through the effects of a share settled financing with the issue of cumulative convertible “B” preference shares (“B Prefs”) to RPM and a subsidiary of Atlatsa Holdings. The final effects of the share settled financing will result in RPM receiving a total of 115.8 million common shares of Anooraq and Atlatsa Holdings, Anooraq’s controlling shareholder, receiving 111.6 million common shares, to maintain its minimum 51% shareholding in the Company.

Transaction costs amounting to $15.2 million associated with finalising the transaction were incurred of which $10.4 million, relating to the acquisition, was recognised in profit or loss. The remaining costs were capitalised to the related debt.

Identifiable assets acquired and liabilities assumed

The following summarises the amounts of assets acquired and liabilities assumed at the acquisition date:

	Carrying value	Fair Value
Property, plant and equipment	767,109,345	725,226,891
Capital work-in-progress	216,194,965	216,194,965
Cash deposits held in Platinum Producers’ Environmental Trust	2,356,993	2,356,993
Other non-current assets	741	741
Trade and other receivables	22,477,941	22,477,941
Cash and cash equivalents	3,576,912	3,576,912
Loans and borrowings (owing to RPM)	(493,666,666)	(493,666,666)
Deferred taxation	(60,367,689)	(231,040,913)
Provisions	(4,308,137)	(4,308,137)
Current tax payable	(123,034)	(123,034)
Trade and other payables	(30,845,374)	(30,845,374)
Total identifiable net assets	**422,405,997**	**209,850,319**

(Expressed in Canadian Dollars, unless otherwise stated)

Goodwill on acquisition

Goodwill was recognised as a result of the acquisition as follows:

Total purchase consideration	385,060,000
Assets acquired as part of the transaction (refer note 10)	(6,592,523)
Contributions received from Anglo Platinum relating to ESOP Trust	(6,741,102)
Repayment of loans and borrowings to RPM (refer note 19)	(251,770,000)
Consideration transferred as part of business combination	119,956,375
Non-controlling interest in Bokoni	102,826,656
Less total identifiable net assets	(209,850,319)
At acquisition goodwill, as of 1 July 2009	12,932,712

Anooraq increased its interest in the PGM exploration project assets from 50% to 51% through the above mentioned transaction. The acquisition of the additional one percent was accounted for as an asset acquisition (mineral property interests) and the additional interests were recognised at their respective fair values amounting to $6.6 million in total.

The consideration transferred was further reduced by $251 million for the repayment of loans and borrowings owing to RPM as well as contributions received from Anglo Platinum amounting to $6.8 million relating to the Bokoni Platinum Mine ESOP Trust, a consolidated SPE, on 1 July 2009.

The contributions to the 2009 revenue and operating loss since acquisition had the acquisition occurred on 1 January 2009, respectively, are as follows:

	2009	
	Since acquisition	**For the full year**
Revenue	62,627,868	113,654,693
Loss before income tax	(39,753,539)	(93,826,099)

34. SHARE OPTIONS

34.1 Equity-settled options

The Group has a share option plan approved by the shareholders that allows it to grant options, subject to regulatory terms and approval, to its directors, employees, officers, and consultants to acquire up to 32,600,000 (2010: 32,600,000) common shares. As at 31 December 2011, 12,162,667 options were outstanding and 20,437,333 options remained available to be granted. On 30 June 2009 the Company obtained shareholder and stock exchange approval to decrease the exercise price to C$1.29 per option for 8,061,000 share options, including stock options granted to certain insiders of the Company pursuant to repricing. The exercise price of each option is set by the Board of Directors at the time of grant but cannot be less than the market price (less permissible discounts) on the TSX Venture Exchange. Options have a term of up to a maximum of ten years (however, the Company has historically granted options for up to a term of five years), and terminate 30 to 90 days following the termination of the optionee's employment or term of engagement, except in the case of retirement or death. Vesting of options is at the discretion of the Board of Directors at the time the options are granted. The continuity of share purchase options is as follows:

(Expressed in Canadian Dollars, unless otherwise stated)

	Weighted average exercise price	Number of options	Contractual weighted average remaining life (years)
Balance - 31 December 2009	$ 1.10	14,192,000	4.32
Granted	1.30	1,240,000	
Exercised	0.97	(70,000)	
Cancelled	1.02	(717,000)	
Expired	1.29	(1,404,000)	
Balance – 31 December 2010	$ 1.11	13,241,000	3.97
Granted	-	-	
Exercised	0.84	(75,000)	
Cancelled	1.05	(593,333)	
Expired	1.24	(410,000)	
Balance – 31 December 2011	$ 1.11	12,162,667	2.89

Options outstanding and exercisable at 31 December 2011 were as follows:

Expiry date	Option price	Number of options outstanding	Number of options vested	Weighted average life (years)
15 October 2012	$ 1.29 #	3,785,000	3,785,000	0.8
25 June 2013	$ 1.29 #	916,000	916,000	1.5
30 June 2013	$ 1.29 #	1,410,000	1,410,000	1.5
25 June 2014	$ 0.96	600,000	600,000	2.5
30 November 2016	$ 0.84	4,705,000	3,450,880	4.9
1 May 2017	$1.61	500,000	166,500	5.3
1 July 2017	$1.05	86,667	86,667	5.5
1 August 2017	$1.11	160,000	160,000	5.6
Total		**12,162,667**	**10,575,047**	
Weighted average exercise price		**$ 1.11**	**$ 1.28**	

- The options were re-priced to $1.29 on 30 June 2009

The exercise prices of all share purchase options granted during the year were equal to or greater than the market price at the grant date. Using the Black-Scholes option pricing model with the assumptions noted below, the estimated fair value of all options granted have been reflected in the statement of changes in equity.

The share-based payments expense recognised during the year ended 31 December 2011 was $1,156,036 (2010: $2,333,450; 2009: $2,185,812).

The assumptions used to estimate the fair value of options granted during the year were:

	2011	2010	2009
Canadian risk- free interest rate	**2.8%**	2.8%	3%
Expected life	**5-7 years**	5- 7 years	5 - 7 years
Volatility	**83%**	83%	83%
Forfeiture rate	**0%**	0%	0%
Expected dividends	**Nil**	Nil	Nil

The volatility of the shares was calculated over the expected life of the option. Volatility was calculated by using available historical information on the share price for Anooraq equal to the expected life of the scheme.

(Expressed in Canadian Dollars, unless otherwise stated)

The risk free rate for periods within the contractual term of the share right is based on the Government of Canada benchmark bond yield.

34.2 Cash-settled share-based payments

The Group also currently has a scheme in place to award share appreciation rights ("SARs") to recognise the contributions of senior staff to the Group's financial position and performance and to retain key employees. These share appreciation rights are linked to the share price of the Group on the JSE and are settled in cash on the exercise date.

A third of the share appreciation rights granted are exercisable annually from the grant date with an expiry date of 4 years from the grant date. The offer price of these share appreciation rights equaled the closing market price of the underlying shares on the trading date immediately preceding the granting of the share appreciation rights.

	2011	2010	2009
Share appreciation rights granted (all unvested at year-end)	**6,294,869**	3,737,103	2,933,000
Vesting year of unvested share appreciation rights:			
Within one year	**2,396,801**	1,575,035	977,667
One to two years	**2,025,134**	1,575,035	977,667
Two to three years	**1,872,934**	587,033	977,666
Total number of shares unvested	**6,294,869**	3,737,103	2,933,000

The value of the share appreciation rights expensed in the year ended 31 December 2011 was ($437,152)
(2010: $947,176; 2009: $145,199).

The assumptions used to estimate the fair value of the SARS granted during the year were:

South African risk-free rate	**6.4%**	6.7%	8.4%
Volatility	**85.1%**	82% - 86%	83%
Forfeiture rate	**0%**	0%	0%
Expected dividends	**Nil**	Nil	Nil

The only vesting conditions for the scheme are that the employees should be in the employment of the Group.

The volatility of the shares were calculated with the equally weighted standard approach of calculating volatility by using available historical information on the share price for Anooraq equal to the term to maturity of the scheme.

The risk-free rate for periods within the contractual term of the share right is based on the South African Government Bonds in effect at the time.

34.3 Bonus settled via shares

The Group issued 806,898 shares to key members of management at a cost of $895,625 during the year ended 31 December 2009 as consideration for finalising the acquisition as discussed in note 33 (2011 and 2010: Nil).

34.4 Anglo Platinum Limited senior executive share scheme

In terms of a Management Services Agreement, certain senior management of Bokoni Mines can still participate in the Anglo Platinum Limited share scheme.

The operation of the scheme is summarised as follows:

- Anglo Platinum Limited will be responsible for any liability up to $629,500 (ZAR5 million)
- Bokoni Mines will be responsible for any liability between $629,500 and $1,888,500 (ZAR5 million and ZAR15 million)
- Anglo Platinum Limited will be responsible for any liability greater than $1,888,500 (ZAR15 million)

Based on the Anglo Platinum Limited share price at 31 December 2011 there is no liability to the Group (2010 and 2009: Nil).

(Expressed in Canadian Dollars, unless otherwise stated)

34.5 Bokoni Platinum Mine ESOP Trust

Prior to the acquisition of Bokoni on 1 July 2009, certain employees of Bokoni were part of the Anglo Platinum Group Employee Empowerment Scheme ("Kotula Scheme"). When Anooraq acquired Bokoni, Anglo Platinum Limited and Anooraq replaced the Kotula Scheme with the Bokoni Platinum Mine ESOP Trust ("ESOP Trust"), which has similar participation benefits to the Kotula Scheme.

The purpose of the ESOP Trust scheme is to incentivize and retain employees, promote BEE and increase broad-based and effective participation in the equity of Anooraq by historically disadvantaged persons.

The ESOP Trust holds and utilises ordinary shares in Anooraq (refer note 17) for the benefit of the beneficiaries.

Any units that the employees held in the Kotula Scheme were exchanged into units in the ESOP Trust at a ratio of 15 units in the ESOP Trust for every Kotula unit held. The remaining units in the ESOP Trust are allocated to the employees in five equal annual installments beginning 31 March 2010 and for the next four years thereafter. Employees will receive an equal allocation of units. Any units held by a beneficiary that are forfeited shall be added back to the number of unallocated units available for future allocation.

The ESOP Trust shall dispose of the shares held in Anooraq to the beneficiaries as follows:

- One third shall vest in proportion to the beneficiaries units on 16 May 2013;
- Half of the remaining balance of ordinary shares will vest in proportion to their interest on 16 May 2014; and
- The remaining balance of ordinary shares will vest in proportion to their interest on 16 May 2015.

The trustees (acting as agent on behalf of the beneficiaries) shall dispose of and sell as many shares as will be necessary to settle all taxes payable by the beneficiaries. The beneficiaries may also direct the trustees to sell the distribution shares on behalf of the beneficiaries and the proceeds of such sale, net of all expenses, shall be distributed to the beneficiaries.

If a beneficiary's employment is terminated due to death, retrenchment, retirement, disability or ill-health, Bokoni will pay a cash amount equal to the fair value of the beneficiary's units to the beneficiary who will then cease to be a beneficiary of the ESOP Trust. The units will be transferred to Bokoni who will become a beneficiary of the ESOP Trust. Where the beneficiary's employment is terminated prior to the termination date for any other reason, the beneficiary shall forfeit all his rights under the scheme. The forfeited units will be added back to the number of unallocated units for future allocation.

At 31 December the following units were allocated:

	2011	2010	2009
Total units available for allocation	70,000,000	70,000,000	70,000,000
Allocation 1 July 2009	(20,078,634)	(20,078,634)	(20,078,634)
Allocation 31 March 2010	(10,282,759)	(10,282,759)	-
Allocation 31 March 2011	(10,666,586)	-	-
Total units available for allocation at 31 December	28,972,021	39,638,607	49,921,366
Units forfeited	1,535,309	1,492,429	-
Forfeiture rate	5%	5%	5%
Expected dividends	Nil	Nil	Nil
Exercise price	Nil	Nil	Nil
Share price at grant date (ZAR)	7.00	11.10	8.00

The share-based payment expense recognised during the year ended 31 December 2011 was $984,002 (2010 and 2009: Nil).

35. CONTINGENCIES

There are no contingencies that the directors are aware of at the reporting date.

(Expressed in Canadian Dollars, unless otherwise stated)

36. RELATED PARTIES

Relationships

Related party	Nature of relationship
Rustenburg Platinum Mines ('RPM')	The Group concluded a number of shared services agreements between Bokoni mine and Rustenburg Platinum Mines ('RPM'), a wholly owned subsidiary of Anglo Platinum and 49% shareholder in Bokoni Holdco. Pursuant to the terms of various shared services agreements, the Anglo American group of companies will continue to provide certain services to Bokoni Mines at a cost that is no greater than the costs charged to any other Anglo American group company for the same or similar services. It is anticipated that, as Anooraq builds its internal capacity, and makes the transformation to a fully operational PGM producer, these services will be phased out and replaced either with internal services or third party services. RPM also provides debt funding to the Group and purchases all of the Group's PGM concentrate.
Atlatsa Holdings (Proprietary) Limited ("Atlatsa Holdings")	Atlatsa Holdings is the Company's controlling shareholder.
Key management	All directors directly involved in the Anooraq Group and certain members of top management at Bokoni and Plateau.

Related party balances

		2011	2010
RPM	Loans and Borrowings (refer note 18)	**(742,772,344)**	(624,117,556)
	Trade and other payables	**(5,384,861)**	(2,490,280)
	Trade and other receivables	**24,230,043**	33,335,405
	Convertible preference shares (refer note 17)		
Atlatsa Holdings	Convertible preference shares (refer note 17)		

Related party transactions

RPM	Revenue (refer note 23)	**(144,406,715)**	(148,286,833)
	Finance expense (before interest capitalised)	**84,762,114**	62,751,587
	Administration expenses	**1,272,406**	3,556,086
	Cost of sales	**40,967,150**	19,621,801
	Costs capitalised to capital work-in-progress	**7,852,805**	7,576,824

Also refer to note 38 for a proposed transaction with Anglo American Platinum Limited, RPM's holding company.

Key Management Compensation

Remuneration for executive directors and key management		
- Salaries	**3,998,042**	4,283,048
- Short-term benefits	**1,094,315**	725,269
- Restructuring	**76,334**	-
- Share options	**994,729**	1,929,869
- Cash settled share-based payments	**(437,152)**	947,176
Remuneration for non-executives	**304,454**	609,130
	6,030,722	8,494,492

(Expressed in Canadian Dollars, unless otherwise stated)

37. COMMITMENTS

	2011	2010
Contracted for	**32,761,664**	8,116,976
Not yet contracted for	**38,474,167**	54,554,966
Authorised capital expenditure	**71,235,831**	62,671,942

The committed expenditures relate to property, plant and equipment and will be funded through cash generated from operations and available loan facilities.

38. EVENTS AFTER THE REPORTING DATE

On 2 February 2012, Anooraq announced a transaction to facilitate it's refinancing and restructuring plan in conjunction with Anglo American Platinum Limited ("Amplats").

The key features of the transaction include *inter alia*:

- Amplats will, through a series of related transactions, acquire the whole of the Boikgantsho project and the Eastern section of the Ga-Phasha project. On implementation of these transactions, the effective net consideration of ZAR1.7 billion ($214 million) received by Anooraq will be applied to reduce its approximately ZAR5.9 billion ($742.8 million) debt owing to Amplats.

- The parties will enter into an interest standstill agreement with respect to existing debt owing to Amplats effective 1 July 2011 through to 30 April 2012. This translates into an interest saving of approximately ZAR572 million ($72 million) for Anooraq over the standstill period.

- The net effect of the asset disposal and application of the proceeds thereof against existing debt, together with the interest standstill agreement described above and the recapitalisation of Bokoni Holdco is that Anooraq's existing attributable debt owing to Amplats will reduce by 83% from approximately ZAR5.9 billion ($742.8 million) to approximately ZAR1 billion ($125.9 million).

- The historical debt balance owing by Anooraq to Amplats following the asset disposal, interest standstill agreement and the recapitalisation of Bokoni Holdco (approximately ZAR1 billion ($125.9 million)) will be consolidated under one new debt facility (the "Consolidated Debt Facility").

- Amplats will provide further debt funding to Anooraq under the Consolidated Debt Facility for an amount of up to ZAR2.6 billion ($327.3 million), with a maximum total facility limit of ZAR3.6 billion ($453.2 million). Anooraq will utilise this extended facility to fund the Brakfontein and MPH Delta 80 UG2 expansion projects, including the construction of a new UG2 concentrator plant at Bokoni Platinum Mine.

- The Consolidated Debt Facility will be available to Anooraq for nine years terminating on 31 December 2020 and will attract a variable interest rate. The variable interest rate will be determined by adding a fixed margin to 3-month JIBAR. The Consolidated Debt Facility will attract a reduced interest rate during the initial term (comprising the capital intensive phase of the growth operations at Bokoni Platinum Mine through to 2016) and escalating at an increased rate depending on the amount owing by Anooraq under the Consolidated Debt Facility over the funding period.

- The weighted average interest rate under the Consolidated Debt Facility will escalate from 0.5% to approximately 15% up to 2020, thereby substantially reducing Anooraq's current cost of debt (approximately 16%).

- There will be no fixed repayment term for the Consolidated Debt Facility during the peak funding years while the Brakfontein and MPH Delta 80 UG2 expansion projects are still in their ramp-up phase through to 2016. Anooraq will be required to fully repay the Consolidated Debt Facility to Amplats by 31 December 2020. There will be no penalty for early repayment. Anooraq will be required to reduce the Consolidated Debt Facility owing to Amplats to an outstanding balance (including capitalised interest) of ZAR1 billion ($125.9 million) as at 31 December 2018, and ZAR0.5 billion ($63 million) as at 31 December 2019.

- Anooraq will be obliged to utilise 90% of its attributable share of free cash flows generated from Bokoni Platinum Mine operations to service the Consolidated Debt Facility and 10% of such free cash flow will be available to Anooraq.

- Anooraq will not be required to effect any mandatory refinancing of the Consolidated Debt Facility during the debt term through to 2020.

(Expressed in Canadian Dollars, unless otherwise stated)

- Bokoni Platinum Mine will extend its existing concentrate purchase agreement with Amplats on the same terms and conditions for a period of eight years, terminating on 31 December 2020.
- Anooraq will retain its existing option to acquire an ownership interest in Amplats' Polokwane smelter complex on terms agreed between the parties.
- Amplats will provide Anooraq with a working capital facility at JIBAR plus 4% per annum of up to ZAR90 million ($11.3 million) (including capitalised interest) to fund its general and administrative expenses. This will ensure that Anooraq has sufficient working capital to cover its corporate overheads through to 2015. The working capital facility is fully repayable by 31 December 2018.
- Amplats will continue to hold the B preference shares issued at the time of the original transaction (representing a 26% interest in Anooraq) until 31 December 2018. Atlatsa Holdings (Proprietary) Limited, being the 51% Black Economic Empowerment majority shareholder in Anooraq, will also extend its shareholding in Anooraq through to 31 December 2018.
- Anooraq will not issue any new equity in terms of the proposed transaction and its fully diluted shares in issue will remain at 445 million shares in issue.

The implementation of the transaction will be subject, *inter alia*, to the fulfillment of the following conditions precedent:

- conclusion of the requisite definitive agreements;
- approval of the definitive agreements by the Amplats Board and Anooraq special committee of independent directors and board of directors;
- approval of the transaction by the relevant regulatory authorities including the TSX Venture Exchange, Johannesburg Stock Exchange, NYSE Amex and the South African Department of Mineral Resources; and
- approval by Anooraq shareholders, where required, in a general meeting.

There were no other significant events after the reporting date

39. EMPLOYEE COSTS

Employee costs included in loss for the year are as follows:

	2011	2010	2009
Salaries and wages and other benefits	**90,109,090**	82,309,144	39,994,754
Retirement benefit costs	**442,633**	372,975	296,442
Medical aid contributions	**17,853**	14,088	7,434
Employment termination costs	**44,323**	56,486	1,793,791
Share-based compensation – equity-settled	**1,991,277**	2,333,450	2,185,812
Share-based compensation – cash-settled	**(437,152)**	947,176	145,199
Bonus settled via shares	**-**	-	895,625
	92,168,024	86,033,319	45,319,057

(Expressed in Canadian Dollars, unless otherwise stated)

40. GROUP ENTITIES

The following are the shareholdings of the Company in the various group entities:

Company	**Country of Incorporation**	**2011**	2010
N1C Resources Incorporation	Cayman Islands	**100 %**	100 %
Anooraq Minera Mexicana ^	Mexico	**-**	100 %
N2C Resources Incorporation *	Cayman Islands	**100 %**	100 %
Plateau Resources (Proprietary) Limited *	South Africa	**100 %**	100 %
Bokoni Holdings (Proprietary) Limited *	South Africa	**51 %**	51 %
Bokoni Mine (Proprietary) Limited *	South Africa	**51 %**	51 %
Boikgantsho (Proprietary) Limited *	South Africa	**51 %**	51 %
Kwanda (Proprietary) Limited *	South Africa	**51 %**	51 %
Ga-Phasha (Proprietary) Limited *	South Africa	**51 %**	51 %
Lebowa Platinum Mine Limited * #	South Africa	**51 %**	51 %
Middlepunt Hill Management Services (Proprietary) Limited * #	South Africa	**51 %**	51 %

^- Entity has been liquidated

*- Indirectly held

#- These entities are dormant