



(PREVIOUSLY ANOORAQ RESOURCES CORPORATION)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

THREE MONTHS ENDED 31 MARCH 2012

(Unaudited)

(Expressed in Canadian Dollars unless otherwise stated)

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

ATLATSA RESOURCES CORPORATION (PREVIOUSLY ANOORAQ RESOURCES CORPORATION)

Condensed Consolidated Interim Statements of Financial Position

As at 31 March 2012

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

			<u>Audited</u>
	<u>Note</u>	<u>31 March 2012</u>	<u>31 December 2011</u>
Assets			
Non-current assets			
Property, plant and equipment	5	817,897,887	798,924,420
Capital work-in-progress	6	29,408,178	20,826,290
Intangible assets		1,695,271	1,895,205
Mineral property interests		8,422,564	8,268,783
Goodwill		11,387,073	10,994,115
Platinum producers' environmental trust		3,178,178	2,927,591
Other non-current assets		367,225	367,825
Total non-current assets		872,356,376	844,204,229
Current assets			
Assets classified as held for sale		4,188,859	4,101,654
Inventories		422,589	787,084
Trade and other receivables		26,286,727	27,048,591
Current tax receivable		140,974	136,109
Cash and cash equivalents		16,844,447	15,945,008
Restricted cash		577,069	786,291
Total current assets		48,460,665	48,804,737
Total assets		920,817,041	893,008,966
Equity and Liabilities			
Equity			
Share capital		71,967,083	71,967,083
Treasury shares		(4,991,726)	(4,991,726)
Convertible preference shares		162,910,000	162,910,000
Foreign currency translation reserve		(11,836,942)	(11,238,333)
Share-based payment reserve		24,334,954	24,042,711
Accumulated loss		(266,985,898)	(245,448,316)
Total equity attributable to equity holders of the Company		(24,602,529)	(2,758,581)
Non-controlling interest		(46,145,054)	(25,326,683)
Total equity		(70,747,583)	(28,085,264)
Liabilities			
Non-current liabilities			
Loans and borrowings	7	809,850,847	744,456,487
Deferred taxation		144,358,440	144,032,213
Provisions		8,862,986	8,383,708
Total non-current liabilities		963,072,273	896,872,408
Current liabilities			
Trade and other payables		27,330,703	23,125,587
Short-term portion of loans and borrowings		1,161,648	1,096,235
Total current liabilities		28,492,351	24,221,822
Total liabilities		991,564,624	921,094,230
Total equity and liabilities		920,817,041	893,008,966

Approved by the Board of Directors on 14 May 2012

/s/ Harold Motaung

Harold Motaung (Director)

/s/ Fikile De Buck

Fikile De Buck (Director)

ATLATSA RESOURCES CORPORATION (PREVIOUSLY ANOORAQ RESOURCES CORPORATION)

Condensed Consolidated Interim Statements of Comprehensive Loss

For the period ended 31 March 2012

(Unaudited - Expressed in Canadian Dollars)

	<u>Note</u>	<u>Three months ended 31 March</u>	
		<u>2012</u>	<u>2011</u>
Revenue		34,078,622	30,698,228
Cost of sales		(53,422,147)	(47,551,555)
Gross loss		(19,343,525)	(16,853,327)
Administrative expenses		(4,096,704)	(4,305,118)
Other income		77,160	50,291
Operating loss		(23,363,069)	(21,108,154)
Finance income		139,351	194,168
Finance expense		(22,821,236)	(23,252,623)
Net finance expense		(22,681,885)	(23,058,455)
Loss before income tax		(46,044,954)	(44,166,609)
Income tax		4,777,493	8,090,176
Loss for the period		(41,267,461)	(36,076,433)
Other comprehensive income/(loss)			
Foreign currency translation differences for foreign operations		(1,653,339)	(6,153,981)
Effective portion of changes in fair value of cash flow hedges		-	1,593,447
Other comprehensive loss for the period, net of income tax		(1,653,339)	(4,560,534)
Total comprehensive loss for the period		(42,920,800)	(40,636,967)
Loss attributable to:			
Owners of the Company		(21,537,582)	(18,644,372)
Non-controlling interest		(19,729,879)	(17,432,061)
Loss for the period		(41,267,461)	(36,076,433)
Total comprehensive loss attributable to:			
Owners of the Company		(22,102,429)	(20,780,168)
Non-controlling interest		(20,818,371)	(19,856,799)
Total comprehensive loss for the period		(42,920,800)	(40,636,967)

ATLATSA RESOURCES CORPORATION (PREVIOUSLY ANOORAQ RESOURCES CORPORATION)

Condensed Consolidated Interim Statement of Changes in Equity

For the period ended 31 March 2012

(Unaudited - Expressed in Canadian Dollars)

	Attributable to equity holders of the Company							Total	Non-controlling interest	Total
	Share Capital	Treasury Shares	Convertible preference shares	Foreign currency translation reserve	Share-based payment reserve	Hedging reserve	Accumulated loss			
For the period ended 31 March 2011										
Balance at 1 January 2011	71,852,588	(4,991,726)	162,910,000	(5,197,843)	22,032,571	(4,124,155)	(163,519,502)	78,961,933	42,404,014	121,365,947
Total comprehensive income/(loss) for the period										
Loss for the period	-	-	-	-	-	-	(18,644,372)	(18,644,372)	(17,432,061)	(36,076,433)
Total other comprehensive income/(loss)	-	-	-	(3,974,164)	11,122	1,827,246	-	(2,135,796)	(2,424,738)	(4,560,534)
Total comprehensive income/(loss) for the period	-	-	-	(3,974,164)	11,122	1,827,246	(18,644,372)	(20,780,168)	(19,856,799)	(40,636,967)
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Common shares issued	114,495	-	-	-	(51,495)	-	-	63,000	-	63,000
Share-based payment transactions	-	-	-	-	975,595	-	-	975,595	-	975,595
Total contributions by and distributions to owners	114,495	-	-	-	924,100	-	-	1,038,595	-	1,038,595
Balance at 31 March 2011	71,967,083	(4,991,726)	162,910,000	(9,172,007)	22,967,793	(2,296,909)	(182,163,874)	59,220,360	22,547,215	81,767,575
For the period ended 31 March 2012										
Balance at 1 January 2012	71,967,083	(4,991,726)	162,910,000	(11,238,333)	24,042,711	-	(245,448,316)	(2,758,581)	(25,326,683)	(28,085,264)
Total comprehensive income/(loss) for the period										
Loss for the period	-	-	-	-	-	-	(21,537,582)	(21,537,582)	(19,729,879)	(41,267,461)
Total other comprehensive income/(loss)	-	-	-	(598,609)	33,762	-	-	(564,847)	(1,088,492)	(1,653,339)
Total comprehensive income/(loss) for the period	-	-	-	(598,609)	33,762	-	(21,537,582)	(22,102,429)	(20,818,371)	(42,920,800)
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Share-based payment transactions	-	-	-	-	258,481	-	-	258,481	-	258,481
Total contributions by and distributions to owners	-	-	-	-	258,481	-	-	258,481	-	258,481
Balance at 31 March 2012	71,967,083	(4,991,726)	162,910,000	(11,836,942)	24,334,954	-	(266,985,898)	(24,602,529)	(46,145,054)	(70,747,583)

ATLATSA RESOURCES CORPORATION (PREVIOUSLY ANOORAQ RESOURCES CORPORATION)

Condensed Consolidated Interim Statements of Cash Flows

For the period ended 31 March 2012

(Unaudited - Expressed in Canadian Dollars)

	<u>Note</u>	<u>Three months ended 31 March</u>	
		<u>2012</u>	<u>2011</u>
Cash flows from operating activities			
Cash utilised by operations	8	(7,616,753)	(1,793,405)
Interest received		83,466	144,881
Interest paid		(45)	(525,310)
Cash utilised by operating activities		(7,533,332)	(2,173,834)
Cash flows from investing activities			
Investment in environmental trusts		(122,232)	-
Acquisition of property, plant and equipment		(2,714)	(1,240,460)
Acquisition of capital work-in-progress		(6,995,160)	(6,534,092)
Cash utilised by investing activities		(7,120,106)	(7,774,552)
Cash flows from financing activities			
Loans and borrowings raised		15,265,737	8,259,203
Other loans repaid		(219,588)	-
Common shares issued		-	63,000
Cash generated from financing activities		15,046,149	8,322,203
Effect of foreign currency translation		506,728	(1,347,168)
Net increase/(decrease) in cash and cash equivalents		899,439	(2,973,351)
Cash and cash equivalents, beginning of period		15,945,008	25,764,590
Cash and cash equivalents, end of period		16,844,447	22,791,239

ATLATSA RESOURCES CORPORATION (PREVIOUSLY ANOORAQ RESOURCES CORPORATION)

Notes to the Condensed Consolidated Interim Financial Statements

For the period ended 31 March 2012

(Unaudited - Expressed in Canadian Dollars)

1. REPORTING ENTITY

Atlatsa Resources Corporation (previously Anooraq Resources Corporation) (the "Company" or "Atlatsa") is incorporated in the Province of British Columbia, Canada. The condensed consolidated interim financial statements of the Company as at and for the three months ended 31 March 2012 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interests in associates and jointly controlled entities.

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 in 2009, the Group secured various funding arrangements 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 \$191.7 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 March 2012, the Group utilised \$160.9 million (ZAR1.2 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. 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. STATEMENT OF COMPLIANCE

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2011. The consolidated financial statements of the Group as at and for the year ended 31 December 2011 are available upon request from the Company's registered office at 82 Grayston Drive, Sandton, South Africa or at www.sedar.com.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2011, except for the following standards and interpretations adopted in the current financial year:

- Amendments to IAS12, *Deferred Tax: Recovery of underlying assets*

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

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

- 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)

ATLATSA RESOURCES CORPORATION (PREVIOUSLY ANOORAQ RESOURCES CORPORATION)

Notes to the Condensed Consolidated Interim Financial Statements

For the period ended 31 March 2012

(Unaudited - Expressed in Canadian Dollars)

5. PROPERTY, PLANT AND EQUIPMENT

	<u>Three months ended 31 March</u>	<u>Year ended 31 December</u>
	<u>2012</u>	<u>2011</u>
Summary		
Cost		
Balance at beginning of period	876,764,628	1,032,647,854
Additions	2,714	2,238
Transferred from capital work-in-progress	-	17,168,350
Disposals	-	(1,087,212)
Adjustment to rehabilitation assets	-	1,050,670
Effect of translation	31,337,920	(173,017,272)
Balance at end of period	<u>908,105,262</u>	<u>876,764,628</u>
Accumulated depreciation		
Balance beginning of period	77,840,208	47,741,321
Depreciation for the period	9,496,745	42,075,759
Disposals	-	(748,144)
Effect of translation	2,870,422	(11,228,728)
Balance at end of period	<u>90,207,375</u>	<u>77,840,208</u>
Carrying value	<u>817,897,887</u>	<u>798,924,420</u>

6. CAPITAL WORK-IN-PROGRESS

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

Balance at beginning of period	20,826,290	10,311,973
Additions	6,995,160	28,678,042
Transfer to property, plant and equipment	-	(17,168,350)
Capitalisation of borrowing costs	770,217	1,777,431
Effect of translation	816,511	(2,772,806)
Balance at end of period	<u>29,408,178</u>	<u>20,826,290</u>

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

ATLATSA RESOURCES CORPORATION (PREVIOUSLY ANOORAQ RESOURCES CORPORATION)

Notes to the Condensed Consolidated Interim Financial Statements

For the period ended 31 March 2011

(Unaudited - Expressed in Canadian Dollars)

7. LOANS AND BORROWINGS

	<u>Three months ended 31 March</u>	<u>Year ended 31 December</u>
	<u>2012</u>	<u>2011</u>
Redeemable "A" preference shares (related party)	417,813,873	392,191,315
Rustenburg Platinum Mines – Funding loans (related party)	183,095,916	172,650,283
Rustenburg Platinum Mines – OCSF (related party)	202,213,936	172,991,980
Rustenburg Platinum Mines – Interest free loan (related party)	3,770,000	3,639,900
Rustenburg Platinum Mines – commitment fees (related party)	1,393,986	1,298,865
Other	2,724,784	2,780,379
	811,012,495	745,552,722
<i>Short-term portion</i>		
Other	(1,161,648)	(1,096,235)
	(1,161,648)	(1,096,235)
<i>Non-current liabilities</i>	809,850,847	744,456,487
The carrying value of the Group's loans and borrowings changed during the period as follows:		
Balance at beginning of the period	745,552,722	716,936,362
Rustenburg Platinum Mine – OCSF	15,265,737	64,851,418
Loans repaid - other	(219,588)	(716,317)
Commitment fee capitalised	(48,248)	(394,063)
Finance expenses accrued	23,413,437	88,648,310
Funding loan raised – Rustenburg Platinum Mine	-	3,691,604
Capitalisation transaction costs written-off	-	3,834,378
Commitment fee liability	48,248	394,063
Interest rate swap adjustment	-	355,852
Other	-	86,937
Effect of translation	27,000,187	(132,135,822)
Balance at end of the period	811,012,495	745,552,722
<i>Short-term portion</i>		
Other	(1,161,648)	(1,096,235)
	(1,161,648)	(1,096,235)
<i>Non-current portion</i>	809,850,847	744,456,487

ATLATSA RESOURCES CORPORATION (PREVIOUSLY ANOORAQ RESOURCES CORPORATION)

Notes to the Condensed Consolidated Interim Financial Statements

For the period ended 31 March 2011

(Unaudited - Expressed in Canadian Dollars)

	Three months ended 31 March	
	2012	2011
8. CASH USED BY OPERATIONS		
Loss before income tax	(46,044,954)	(44,166,609)
Adjustments for:		
Finance expense	22,821,236	23,252,623
Finance income	(139,351)	(194,168)
Items not involving cash:		
Depreciation and amortisation	9,761,956	11,517,923
Equity settled share-based compensation	258,481	975,595
Derivative gain	-	(33,498)
Cash utilised before ESOP transactions	(13,342,632)	(8,648,134)
ESOP cash transactions (restricted cash)	95,095	-
Cash utilised before working capital changes	(13,247,537)	(8,648,134)
Working capital changes		
Decrease in trade and other receivables	1,700,318	12,015,638
Increase/(decrease) in trade and other payables	3,541,452	(4,090,374)
Decrease/(increase) in inventories	389,014	(1,070,535)
Cash utilised by operations	(7,616,753)	(1,793,405)

9. SEGMENT INFORMATION

The Group has two reportable segments as described below. These segments are managed separately based on the nature of operations. For each of the segments, the Group's CEO 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.

	31 March 2012			31 March 2011			Note
	Bokoni Mine	Projects	Total	Bokoni Mine	Projects	Total	
EBITDA	(35,338,158)	(47,325)	(35,385,483)	(8,456,696)	(284,576)	(8,741,272)	(i)
Total Assets	931,370,322	10,068,667	941,438,989	1,027,040,599	11,016,290	1,038,056,889	(ii)
(i) EBITDA							
EBITDA for reportable segments			(35,385,483)			(8,741,272)	
Net finance expense			(22,496,718)			(23,058,455)	
Depreciation and amortisation			(9,761,956)			(11,517,923)	
Corporate and consolidation adjustments			21,599,203			(848,959)	
Consolidated loss before income tax			(46,044,954)			(44,166,609)	
(ii) Total assets							
Assets for reportable segments			941,438,989			1,038,056,889	
Corporate and consolidation adjustments			(20,621,948)			(15,394,318)	
Consolidated assets			920,817,041			1,022,662,571	

ATLATSA RESOURCES CORPORATION (PREVIOUSLY ANOORAQ RESOURCES CORPORATION)

Notes to the Condensed Consolidated Interim Financial Statements

For the period ended 31 March 2011

(Unaudited - Expressed in Canadian Dollars)

10. EARNINGS PER SHARE

The basic and diluted loss per share for the three months ended 31 March 2012 was 5 cents (2011: 4 cents).

The calculation of basic loss per share for the three months ended 31 March 2012 of 5 cents (2011: 4 cents) is based on the loss attributable to owners of the Company of \$21,537,582 (2011: \$18,644,372) and a weighted average number of shares of 424,791,411 (2011: 424,727,096).

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

11. SUBSEQUENT EVENTS

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