Atlatsa RESOURCES

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2014

(Unaudited)

(Expressed in Canadian Dollars unless otherwise stated)

ATLATSA RESOURCES CORPORATION
Condensed Consolidated Interim Statements of Financial Position
As at September 30, 2014
(Unaudited - Expressed in Canadian Dollars, unless otherwise stated)

	Note	September 30 2014	Audited December 31 2013
Assets			
Non-current assets			
Property, plant and equipment	6	**631,661,662**	651,178,482
Capital work-in-progress	7	**35,982,261**	27,296,481
Intangible assets		**293,894**	326,350
Mineral property interests	8	**5,560,786**	7,612,443
Goodwill		**8,655,573**	8,845,940
Platinum producers' environmental trust		**3,556,121**	3,292,979
Other non-current assets		**529**	540
Total non-current assets		**685,710,826**	698,553,215
Current assets			
Inventories		**6,893,351**	373,698
Trade and other receivables		**25,348,508**	33,782,099
Cash and cash equivalents		**13,815,349**	40,655,103
Restricted cash		**47,424**	265,293
Total current assets		**46,104,632**	75,076,193
Total assets		**731,815,458**	773,629,408
Equity and Liabilities			
Equity			
Share capital	9	**309,659,583**	71,967,083
Treasury shares	9	**(4,991,726)**	(4,991,726)
Convertible preference shares		**-**	162,910,000
Foreign currency translation reserve		**(13,952,872)**	(10,119,860)
Share-based payment reserve		**25,894,989**	25,794,650
Accumulated loss		**(77,042,890)**	(64,673,717)
Total equity attributable to equity holders of the Company		**239,567,084**	180,886,430
Non-controlling interest		**193,261,383**	198,227,542
Total equity		**432,828,467**	379,113,972
Liabilities			
Non-current liabilities			
Loans and borrowings	10	**121,512,329**	110,320,221
Finance lease obligation		**169,356**	-
Deferred taxation		**117,059,655**	124,519,382
Provisions		**11,532,060**	11,100,511
Total non-current liabilities		**250,273,400**	245,940,114
Current liabilities			
Trade and other payables		**47,749,803**	71,878,955
Short-term portion of finance lease obligation		**344,742**	-
Short-term portion of loans and borrowings	10	**619,046**	76,696,367
Total current liabilities		**48,713,591**	148,575,322
Total liabilities		**298,986,991**	394,515,436
Total equity and liabilities		**731,815,458**	773,629,408

Approved by the Board of Directors on November 14, 2014

/s/ Harold Motaung

/s/ Fikile De Buck

ATLATSA RESOURCES CORPORATION
Condensed Consolidated Interim Statements of Comprehensive Loss
For the periods ended September 30, 2014
(Unaudited - Expressed in Canadian Dollars)

	Note	Three months ended September 30		Nine months ended September 30	
		2014	2013	**2014**	2013
Revenue		**70,388,828**	54,165,421	**182,779,509**	147,673,671
Cost of sales		**(66,687,067)**	(59,008,705)	**(193,393,257)**	(166,573,860)
Gross profit/(loss)		**3,701,761**	(4,843,284)	**(10,613,748)**	(18,900,189)
Administrative expenses		**(2,827,500)**	(2,747,726)	**(8,500,404)**	(12,984,725)
Other income		**11,623**	3,020	**24,624**	102,255
Fair value (loss)/gain and AG8 adjustments on loans and borrowings		**(40,337)**	5,350,889	**497,696**	34,798,556
Operating (loss)/profit		**(845,547)**	(2,237,101)	**(18,591,832)**	3,015,897
Finance income		**60,280**	64,532	**212,643**	254,288
Finance expense		**(3,209,350)**	(15,074,870)	**(11,525,875)**	(44,048,738)
Net finance expense		**(3,149,070)**	(15,010,338)	**(11,313,232)**	(43,794,450)
Loss before income tax		**(2,303,523)**	(17,247,439)	**(29,905,064)**	(40,778,553)
Income tax		**1,743,133**	1,791,973	**4,565,207**	7,443,553
Loss for the period		**(560,390)**	(15,455,466)	**(25,339,857)**	(33,335,000)
Other comprehensive loss					
Foreign currency translation differences for foreign operations		**(6,045,346)**	(5,569,143)	**(8,358,821)**	(23,461,918)
Other comprehensive loss for the period, net of income tax		**(6,045,346)**	(5,569,143)	**(8,358,821)**	(23,461,918)
Total comprehensive loss for the period		**(6.605.736)**	(21,024,609)	**(33,698,678)**	(56,796,918)
Loss attributable to:					
Owners of the Company		**(519,671)**	(12,879,928)	**(12,369,173)**	(28,335,424)
Non-controlling interest		**(40,719)**	(2,575,538)	**(12,970,684)**	(4,999,576)
Loss for the period		**(560,390)**	(15,455,466)	**(25,339,857)**	(33,335,000)
Total comprehensive loss attributable to:					
Owners of the Company		**(3,812,787)**	(10,982,491)	**(16,252,241)**	(23,772,360)
Non-controlling interest		**(2,792,949)**	(10,042,118)	**(17,446,437)**	(33,024,558)
Total comprehensive loss for the period		**(6,605,736)**	(21,024,609)	**(33,698,678)**	(56,796,918)

ATLATSA RESOURCES CORPORATION
Condensed Consolidated Interim Statements of Changes in Equity
For the periods ended September 30, 2014
(Unaudited - Expressed in Canadian Dollars)

	Attributable to equity holders of the Company								
	Share Capital	Treasury Shares	Convertible preference shares	Foreign currency translation reserve	Share-based payment reserve	Accumulated loss	Total	Non-controlling interest	Total
For the period ended September, 30 2013									
Balance at January 1, 2013	71,967,083	(4,991,726)	162,910,000	(9,797,657)	25,285,851	(264,166,155)	(18,792,604)	224,049,827	205,257,223
Total comprehensive income/(loss) for the period									
Loss for the period	-	-	-	-	-	(28,335,424)	(28,335,424)	(4,999,576)	(33,335,000)
Other comprehensive income/(loss)									
Foreign currency translation differences	-	-	-	4,811,555	(248,491)	-	4,563,064	(28,024,982)	(23,461,918)
Total comprehensive income/(loss) for the period	-	-	-	4,805,821	(248,491)	(28,335,424)	(23,772,360)	(33,024,558)	(56,796,918)
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners									
Share-based payment transactions	-	-	-	-	325,239	-	325,239	-	325,239
Total contributions by and distributions to owners	-	-	-	-	325,239	-	325,239	-	325,239
Balance at September 30, 2013	71,967,083	(4,991,726)	162,910,000	(4,986,102)	25,362,599	(292,501,579)	(42,239,725)	191,025,269	148,785,544
For the period ended September 30, 2014									
Balance at January 1, 2014	71,967,083	(4,991,726)	162,910,000	(10,119,860)	25,794,650	(64,673,717)	180,886,430	198,227,542	379,113,972
Issue of Shares	74,782,500	-	-	-	-	-	74,782,500	-	74,782,500
Acquisition of shares in Bokoni Platinum Holdings (Pty) Ltd	-	-	-	-	-	-	-	12,480,278	12,480,278
Conversion of Convertible Preference shares	162,910,000	-	(162,910,000)	-	-	-	-	-	-
Total comprehensive loss for the period									
Loss for the period	-	-	-	-	-	(12,369,173)	(12,369,173)	(12,970,684)	(25,339,857)
Other comprehensive loss									
Foreign currency translation differences	-	-	-	(3,833,012)	(50,056)	-	(3,883,068)	(4,475,753)	(8,358,821)
Total comprehensive loss for the period	-	-	-	(3,833,012)	(50,056)	(12,369,173)	(16,252,241)	(17,446,437)	(33,698,678)
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners									
Share-based payment transactions	-	-	-	-	150,395	-	150,395	-	150,395
Total contributions by and distributions to owners	-	-	-	-	-	-	-	-	-
Balance at September 30, 2014	309,659,583	(4,991,726)	-	(13,952,872)	25,894,989	(77,042,890)	239,567,084	193,261,383	432,828,467

(Unaudited - Expressed in Canadian Dollars)

	Note	Three months ended September 30		Nine months ended September 30	
		2014	2013	**2014**	2013
Cash flows from operating activities					
Cash generated/(utilised) by operations	11	**10,046,722**	7,384,307	**(11,285,354)**	(24,621,853)
Interest received		**33,310**	40,587	**133,894**	173,339
Interest paid		**(335,225)**	(21)	**(667,989)**	(3,211)
Taxation paid		**-**	-	**(353,721)**	-
Cash generated/(utilised) by operating activities		**9,744,807**	7,424,873	**(12,173,170)**	(24,451,724)
Cash flows from investing activities					
Acquisition of capital-work-in-progress	7	**(7,959,898)**	(12,492,210)	**(28,353,858)**	(37,665,559)
Acquisition of property, plant and equipment	6	**-**	-	**(1,336)**	-
Proceeds on disposal of property, plant and equipment		**-**	66,040	**4,080**	281,320
Investment in environmental trusts		**(88,935)**	(104,770)	**(269,448)**	(327,633)
Cash utilised by investing activities		**(8,048,833)**	(12,530,940)	**(28,620,562)**	(37,711,872)
Cash flows from financing activities					
Long term borrowings raised – New Senior Debt Facility		**-**	-	**6,256,450**	-
Long term borrowings raised – Shareholder loan		**-**	-	**6,011,099**	-
Long term borrowings raised – Working Capital Facility		**1,018,656**	-	**2,405,681**	-
Proceeds on issue of Atlatsa Shares		**-**	-	**74,782,500**	-
Long term borrowings repaid – New Senior Debt Facility		**-**	-	**(74,782,500)**	-
Repayment of Finance Lease		**-**	-	**(93,016)**	-
Long term borrowing raised – Consolidated Facility		**-**	15,673,960	**-**	70,451,806
Repayment of other loans		**(159,533)**	-	**(490,284)**	(349,421)
Settlement of other loans provided		**-**	293,604	**-**	293,604
Cash generated from financing activities		**859,123**	15,967,564	**14,089,930**	70,395,989
Effect of foreign currency translation		**(566,971)**	(1,052,686)	**(135,952)**	(2,289,587)
Net increase/(decrease) in cash and cash equivalents		**1,988,126**	9,808,811	**(26,839,754)**	5,942,806
Cash and cash equivalents, beginning of period		**11,827,223**	10,714,880	**40,655,103**	14,580,886
Cash and cash equivalents, end of period		**13,815,349**	20,523,691	**13,815,349**	20,523,691

1. REPORTING ENTITY

Atlatsa Resources Corporation ("Company" or "Atlatsa") is incorporated in the Province of British Columbia, Canada. The Company had a primary listing on the TSX Venture Exchange ("TSX-V") and has a secondary listing on the New York Stock Exchange ("NYSE MKT") and the JSE Limited ("JSE"). Subsequent to year end, on February 5, 2014, the Group migrated from the TSX Venture Exchange to the Toronto Stock Exchange ("TSX"). The consolidated financial statements comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group 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. Atlatsa 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

Atlatsa incurred a net loss for the nine months ended September 30, 2014 of $28.4 million (six months ended June 30, 2014: $24.8 million and fiscal 2013: net profit $99.9 million) and as of that date its total assets exceeded its total liabilities by $432.8 million(six months ended June 30, 2014: $439.3 million and fiscal 2013: $379.1 million).

The Company completed part of Phase Two of its restructuring and recapitalising plan ("Restructure Plan") on December 13, 2013. This included the following transactions between the Company and Rustenburg Platinum Mine Limited ("RPM"), a 100% subsidiary of Anglo American Platinum Limited ("Anglo Platinum"):

- the sale and transfer of the Company's interest in the Boikgantsho Project and the Eastern section of the Ga-Phasha Project to RPM for a net consideration of $170.9 million (ZAR1,700.0 million), the proceeds of which were used to reduce the outstanding debt to RPM;
- the purchase consideration payable for the sale of the Boikgantsho Project was paid to the Company on December 13, 2013, excluding an amount of $2.9 million (ZAR29.0 million) which is payable on the date of execution of the notarial deed of extension of the RPM Mining Right to include the Boikgantsho Prospecting Rights;
- RPM subscribed for additional shares in Bokoni Platinum Holdings Proprietary Limited ("Bokoni Holdco") to the value of $192.2 million (ZAR1,939.4 million). Bokoni Holdco utilised these funds to repay the debt of $192.2 million (ZAR1,939.4 million) outstanding between Bokoni Holdco and RPM;
- The 2009 Senior Debt Facility was repaid in full and the New Senior Debt Facility between Plateau and RPM as signed on March 27, 2013 was made effective. The amount available under the New Senior Debt Facility was $228.0 million (ZAR2,300 million) of which $220.6 million (ZAR2,225.7 million), including interest was utilised by December 31, 2013.

The net result was the Group's debt was reduced by $357.9 million (ZAR3,610.4 million).

In addition, a Working Capital Facility was provided by RPM to fund the Group's administrative and corporate expenses. The Working Capital Facility was made available to Plateau up to a maximum of $3 million (ZAR30 million) per year during each of 2013, 2014 and 2015 for an aggregate facility of $8.9 million (ZAR90 million), including capitalised interest, to fund Atlatsa's corporate and administrative expenses through to 2015. The Working Capital Facility is repayable in full by December 31, 2018.

The restructuring and recapitalising plan was finalised by January 31, 2014 resulting in the amount outstanding under the New Senior Debt Facility being reduced by a further $74.8 million (ZAR750 million).

The New Senior Debt Facility is only repayable once the company generates sufficient free cash flow. The delay in the implementation of Phase Two resulted in additional resources that were made available in terms of the New Senior Debt facility being insufficient to meet the short term cash requirements of Bokoni Platinum Mines Proprietary Limited ("Bokoni Mine"), due to the interest accruing on the available debt facility. The facility was fully drawn by March 2014.

An alternative funding arrangement was entered into with RPM in November 2013, whereby an advance on the Purchase of Concentrate revenue ("Advance") on the concentrate sales made to RPM by Bokoni Mine was provided. The Advance was originally available from November 1, 2013 until November 30, 2014. The agreement with RPM with respect to the Advance provides that RPM may advance funds to Bokoni up to an amount of the lower of 90% of an advance on revenue for the preceding two months and $35.7 million (ZAR360.0 million), provided that the amount advanced shall not exceed the actual cash requirements for that month. This agreement was renegotiated in March 2014 to provide that RPM may advance funds to Bokoni Mine up to an amount of the lower of 95% of an advance on revenue for the preceding two months and $47.1 million (ZAR475.0 million), provided that the amount advanced shall not exceed the actual cash requirements of Bokoni Mine for that month. In July 2014, the Advance agreement was extended to December 31, 2015.

In March 2014, further negotiations were entered into with RPM and the following were agreed to ensure the Group had sufficient cash resources:

- RPM will meet its 49% shareholder commitment to match any cash resources that Atlatsa contributes;
- the backlog of trade payables relating to Anglo Platinum of approximately $13.9 million (ZAR140 million) will be deferred to be paid from April 2015 over 9 equal instalments;
- the available/undrawn facility of the $8.9 million (ZAR90 million) Working Capital Facility will be made available in the event Bokoni Mine requires additional cash resources;
- RPM will consider availability of the $2.9 million (ZAR29 million) outstanding on the sale of the Boikgantsho Project that took place on December 13, 2013 which is currently payable by RPM to the Company on the date of execution of a notarial deed of extension of the RPM Mining Right to include the Boikgantsho Prospecting Rights.

Atlatsa executives will make available $5.9 million (ZAR60 million), currently committed and held in escrow, as cash resources.

On November 10, 2014, a letter of support was received from Anglo Platinum to provide financial support up to a maximum of $41.8 million (ZAR422 million) to March 31, 2016, in the event of unforeseen circumstances not within the Company's control, that may result in Bokoni Mine not meeting its planned cash forecasts.

This letter of support is subject to the following terms and conditions:

- Bokoni Mine continues to operate according to the current plan as agreed with RPM;
- Bokoni Mine assesses and implements any opportunities identified to optimise revenue and production and minimize costs and capital expenditure in order to minimize funding requirements;
- the backlog of the trade payables relating to Anglo Platinum of approximately $13.9 million (ZAR 140 million) to be repaid by increasing the facility available under the New Senior Debt Facility. This is to be completed within 3 months from November 10, 2014 and if it is not possible to implement this as part of the New Senior Debt Facility then another facility will be entered into under similar terms;
- Bokoni Mine to continue to pay any advances including ithe accounts payable balances due to Anglo Platinum within 30 days from the end of the month in which such advance is made. If there are valid disputes, this is to be resolved within 60 days and if the amount is due to Anglo Platinum, the amount must be paid within 5 days thereafter;
- the amendments to the Working Capital Facility, to access the $2.9 million (ZAR29 million) outstanding from RPM for the sale of Boikgantsho, are finalized and executed within 30 days from November 10, 2014;
- definitive agreements in respect of the purchase by RPM of at least a further 25% in the Kwanda North prospecting rights, held by Kwanda Platinum Mine Proprietary Limited ("Kwanda"), and at least 60% in the Central Block prospecting rights, held by Plateau, are executed within six months from November 10, 2014;
- the Atlatsa executives to subscribe for $5.9 million (ZAR 60 million) of equity in Atlatsa by March 31, 2015;
- the financial support will be withdrawn if Anglo Platinum sells its shareholding in Bokoni Holdco.

The current liabilities of the Group are $48.7 million compared to the current assets (excluding restricted cash) of $46.1 million. This arises as a result of the $13.9 million (ZAR140 million) backlog of trade payables owed to Anglo Platinum (discussed above). By initial agreement with Anglo Platinum this amount was deferred and Bokoni Mine will start repaying $1.5 million (ZAR15.6 million) a month from April 2015 to December 2015. In terms of the letter of support received on November 10, 2014, this will be paid as part of the New Senior Debt Facility (discussed above). This will enable the Company to manage its liquidity position.

The consolidated interim financial statements are prepared on the basis of accounting policies applicable to a going concern. This basis presumes that the conditions set out in the letter of support with Anglo Platinum, dated November 10, 2014, as described above, will be met. In the event the above terms are not met, these conditions give rise to a material uncertainity which may cast significant doubt about the ability of the Company and its subsidiaries to continue as going concerns and therefore they may be unable to realize their assets and discharge their liabilities in the normal course of business.

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 a complete set of International Financial Reporting Standards annual financial statements, and should be read in conjunction with the annual consolidated financial statements of the Group as at and for the year ended December 31, 2013. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended December 31, 2013. The annual consolidated financial statements of the Group as at and for the year ended December 31, 2013 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 annual consolidated financial statements as at and for the year ended December31, 2013, except for the following standards and interpretations adopted in the current financial year:

- Investment Entities (Amendments to IFRS 10, IFRS 12, and IAS 27)
- Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32)
- Recoverable Amount Disclosures for Non-Financial Assets (Amendments to IAS 36)
- Novation of Derivatives and Continuation of Hedge Accounting (Amendments to IAS 39)
- IFRIC 21 Levies

Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)

The amendments clarify that a qualifying investment entity is required to account for investments in controlled entities, as well as investments in associates and joint ventures, at fair value through profit or loss; the only exception would be subsidiaries that are considered an extension of the investment entity's investment activities. The consolidation exemption is mandatory and not optional.

Notwithstanding the above, the change has no significant impact on the measurement of the Group's assets and liabilities, including disclosure.

Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32)

The amendments clarify when an entity can offset financial assets and financial liabilities.

The change has no significant impact on the measurement of the Group's assets and liabilities.

Recoverable Amount Disclosures for Non-Financial Assets (Amendment to IAS 36)

The amendments reverse the unintended requirement in IFRS 13 Fair Value Measurement to disclose the recoverable amount of every cash-generating unit to which significant goodwill or indefinite-lived intangible assets have been allocated. Under the amendments, the recoverable amount is required to be disclosed only when an impairment loss has been recognised or reversed.

The Group has applied the guidance retrospectively. Notwithstanding the above, the change has no significant impact on the measurement of the Group's assets and liabilities, including disclosure.

Novation of Derivatives and Continuation of Hedge Accounting (Amendments to IAS 39)

IAS 39 Financial Instruments: Recognition and Measurement requires an entity to discontinue hedge accounting if the derivative hedging instrument is novated to a clearing counterparty, unless the hedging instrument is being replaced as part of the entity's original documented hedging strategy.

The amendments add a limited exception to IAS 39, to provide relief from discounting an existing hedging relationship, when a novation was not contemplated in the original hedging documentation meets specific criteria.

The Group has applied the guidance retrospectively. Notwithstanding the above, the change has no significant impact on the measurement of the Group's assets and liabilities.

(Unaudited - Expressed in Canadian Dollars)

IFRIC 21 Levies

Levies have become more common in recent years, with governments in a number of jurisdictions introducing levies to raise additional income. Current practice on how to account for these levies is mixed. IFRIC 21 provides guidance on accounting for levies in accordance with IAS 37 Provisions, Contingent Liabilities and Assets.

The Group has applied the guidance retrospectively. Notwithstanding the above, the change has no significant impact on the measurement of the Group's assets and liabilities.

Standards and interpretations issued but not yet effective:

Effective for the financial year commencing April 1, 2015

- Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)

Effective for the financial year commencing April 1, 2016

- IFRS 14 Regulatory Deferral Accounts

Effective for financial year commencing January 1, 2017

- IFRS 15 Revenue from Contracts with Customers

To be decided

- IFRS 9 Financial Instruments

All standards and Interpretations will be adopted at their effective date. Management is currently in the process of assessing the applicability and impact of the above-mentioned, if any.

5. FINANCIAL RISK MANAGEMENT

Summary of the carrying value of the Group's financial instruments

At September 30, 2014	Loans and receivables	Financial liabilities at amortised cost
Platinum Producers' Environmental Trust**	3,556,121	-
Trade and other receivables*	23,128,404	-
Cash and cash equivalents*	13,815,349	-
Restricted cash*	47,424	-
Loans and borrowings*	-	122,131,375
Trade and other payables*	-	39,421,400

At December 31, 2013	Loans and receivables	Financial liabilities at amortised cost
Platinum Producers' Environmental Trust**	3,292,979	-
Trade and other receivables*	32,730,150	-
Cash and cash equivalents*	40,655,103	-
Restricted cash*	265,293	-
Loans and borrowings*	-	187,016,588
Trade and other payables*	-	35,463,921

*Not measured at fair value and the carrying amount is a reasonable approximation of the fair value due to the short-term to maturity.
**Not measured at fair value and the carrying amount is a reasonable approximation of fair value due to this being cash deposits.

(Unaudited - Expressed in Canadian Dollars)

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include the fair value information for financial assets and financial liabilities not measured at fair value, if the carrying value is a reasonable approximation of the fair value.

	2014		**2013**	
	Carrying value	**Fair value (level 2)**	**Carrying value**	**Fair value (level 2)**
Loans and borrowings	**122,131,375**	**122,131,375**	187,016,588	187,016,588

The carrying amount of loans and borrowings approximate fair value, as the loans were recognized at fair value on December 13, 2013 and subsequently adjusted for all changes in drawdowns.

(a) Valuation techniques and unobservable inputs:

The following table shows the valuation techniques used in measuring level 2 fair values, as well as the significant unobservable input used:

Type	**Valuation technique**	**Significant unobservable inputs**
Loans and borrowings	Discounted cash flows	Not applicable

(b) Key assumptions:

- JIBAR rates changing per quarter
- Cash flow assumption changes per quarter
- Drawdowns made in the quarter

6. PROPERTY PLANT AND EQUIPMENT

	Nine months ended September 30	Year ended December 31
	2014	2013
Summary		
Cost		
Balance at beginning of period	**780,046,204**	856,549,652
Additions	**1,336**	278,200
Transferred from capital work-in-progress	**21,711,408**	41,942,185
Disposals	**-**	(2,982,768)
Adjustment to rehabilitation assets	**-**	2,697,102
Effect of translation	**(17,399,844)**	(118,438,167)
Balance at end of period	**784,359,104**	780,046,204
Accumulated depreciation and impairment losses		
Balance beginning of period	**128,867,722**	108,092,747
Depreciation for the period	**27,375,953**	39,397,747
Disposals	**-**	(1,964,190)
Effect of translation	**(3,546,233)**	(16,658,582)
Balance at end of period	**152,697,442**	128,867,722
Carrying value	**631,661,662**	651,178,482

(Unaudited - Expressed in Canadian Dollars)

7. CAPITAL WORK-IN-PROGRESS

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

	Nine months ended September 30	Year ended December 31
	2014	2013
Balance at beginning of period	**27,296,481**	20,027,764
Additions	**28,975,941**	50,987,358
Transfer to property, plant and equipment	**(21,711,408)**	(41,942,185)
Capitalisation of borrowing costs	**2,278,113**	1,502,507
Effect of translation	**(856,866)**	(3,278,963)
Balance at end of period	**35,982,261**	27,296,481

Capital work-in-progress is funded through cash generated from operations and available facilities (refer note 2).

8. MINERAL PROPERTY INTERESTS

Balance at beginning of year	**7,612,443**	11,903,918
Mineral property interests sold	**-**	(3,449,797)
Amortisation	**(2,051,406)**	-
Effect of translation	**(251)**	(841,678)
Balance at end of period	**5,560,786**	7,612,443

The Group's mineral property interest consists of various early stage exploration projects.

Mineral property interests are carried at cost less amortisation and impairment losses. Gains and losses on disposal of mineral property interests are determined by comparing the proceeds from disposal with the cost less amortisation and impairment losses of the asset and are recognized net within profit or loss.

Mineral property interests transferred between segments (subsidiaries) is recognised at the nominal amount paid. The resulting profit or loss caused by the transfer of mineral property interests is recognised in profit or loss of the segment (subsidiary).

9. SHARE CAPITAL

Authorised and issued	**Number of shares**	
Common shares with no par value	**554,288,473**	201,888,472
B2 Convertible Preference shares of $0.1481 (ZAR1) each	**-**	115,800
B3 Convertible Preference shares of $0.1481 (ZAR1) each	**-**	111,600

The Company's authorised share capital consists of an unlimited number of common shares without par value. During 2009 the convertible "B" preference shares were issued to facilitate the acquisition of the 51% shareholding in Bokoni Holdco.

(Unaudited - Expressed in Canadian Dollars)

	Nine months ended September 30 2014	Year ended December 31 2013
Share capital		
Share capital at the beginning of the period	**71,967,083**	71,967,083
125,000,000 shares issued*	**74,782,500**	-
Convertible preference shares converted**	**162,910,000**	-
Share caital at the end of the period	**309,659,583**	71,967,083
Treasury shares	**4,991,726**	4,991,726

* On January 31, 2014 as part of Phase Two of the Restructure Plan, 125,000,000 common shares were issued to RPM for a consideration of $74,782,500 (ZAR 750 million) (refer to note 14)

** On January 14, 2014 as part of Phase Two of the Restructure Plan the 227,400 "B "Preference shares were converted into common shares at a value of $162,910,000 (refer to note 14)

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

10. LOANS AND BORROWINGS

Rustenburg Platinum Mines – Working Capital Facility (related party)	**5,593,217**	3,039,000
Rustenburg Platinum Mines – New Senior Debt Facility (related party)	**115,876,551**	176,691,263
Rustenburg Platinum Mines – Interest-free loan (related party)	**-**	2,928,688
Rustenburg Platinum Mines – Shareholder loan (related party)	**-**	3,267,477
Other	**661,607**	1,090,160
	122,131,375	187,016,588
Short-term portion		
Rustenburg Platinum Mines – New Senior Debt Facility (related party)	**-**	(75,975,000)
Other	**(619,046)**	(721,367)
Non-current liabilities	**121,512,329**	110,320,221

(Unaudited - Expressed in Canadian Dollars)

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

	Nine months ended September 30	Year ended December 31
	2014	2013
Balance at beginning of the year	**187,016,588**	435,791,920
Loan from RPM – Consolidated Facility	-	68,921,455
Loan repaid RPM – New Senior Debt Facility	**(74,782,500)**	(620,494,506)
Loan from RPM – Transaction Cost Facility	-	749,000
Loan repaid – Transaction Cost Facility	-	(769,223)
Loans repaid - other	**(490,284)**	(695,785)
Loan from RPM – New Senior Debt Facility	**6,256,450**	237,770,925
Loan from RPM – Shareholder loan	**6,011,099**	3,451,333
Loan capitalised RPM – Shareholder loan	**(12,480,278)**	-
Loan from RPM – Working Capital Facility	**2,405,681**	3,194,816
Finance expenses accrued	**12,446,195**	57,227,112
Fair value gain on additional drawdowns of Consolidated Facility	**-**	(25,900,282)
AG8 adjustments on Consolidated Facility	**-**	(8,512,338)
Derecognition of facility at a Bokoni Holdco and Plateau level	**-**	133,100,219
Fair value gain on recognition of New Senior Debt Facility	**-**	(51,586,902)
Fair value gain on additional draw downs of New Senior Debt Facility	**(1,110,737)**	(748,112)
AG8 adjustments on New Senior Debt Facility	**613,041**	-
Effect of translation	**(3,753,880)**	(44,483,044)
Balance at end of the period	**122,131,375**	187,016,588
Short-term portion		
RPM - New Senior Debt Facility	**-**	(75,975,000)
Other	**(619,046)**	(721,367)
Non-current portion	**121,512,329**	110,320,221

On January 31, 2014, Anglo Platinum's Board of Directors authorised an amount of $16.1 million (ZAR160 million) of accrued and unpaid interest to accrue above the facility limit of $153.6 million (ZAR1,550 million) up to December 31, 2015.

In March 2014, the New Senior Debt Facility was fully drawn.

On March 31, 2014, the Shareholder loan with RPM to the value of $9.6 million (ZAR91.2 million) was capitalised. On June 30, 2014 an additional Shareholder loan with RPM to the value of $2.9 million (ZAR28.9 million) was capitalised.

(Unaudited - Expressed in Canadian Dollars)

	Three months ended September 30		Nine months ended September 30	
	2014	2013	**2014**	2013
11. CASH GENERATED/(UTILISED) BY OPERATIONS				
Loss before income tax	**(2,303,523)**	(17,247,439)	**(29,905,064)**	(40,778,553)
Adjustments for:				
Finance expense	**3,209,350**	15,074,870	**11,525,875**	44,048,738
Finance income	**(60,280)**	(64,532)	**(212,643)**	(254,288)
Non-cash items:				
Depreciation and amortisation	**9,740,363**	9,767,765	**29,453,532**	29,307,559
Equity-settled share-based compensation	**150,395**	(6,170)	**150,395**	325,239
Loss on disposal of property, plant and equipment	**-**	(241,940)	**(4,080)**	179,419
Fair value gain and AG8 adjustment on loans and borrowings	**40,337**	(5,350,889)	**(497,696)**	(34,798,556)
Cash generated/(utilised) before ESOP transactions	**10,776,642**	1,931,665	**10,510,319**	(1,970,442)
ESOP cash transactions (restricted cash)	**16,632**	159,442	**52,153**	195,252
Cash generated/(utilised) before working capital changes	**10,793,274**	2,091,107	**10,562,472**	(1,775,190)
Working capital changes				
Decrease/(increase) in trade and other receivables	**3,998,289**	(4,140,632)	**7,880,804**	(40,712,787)
(Decrease)/increase in trade and other payables	**(394,752)**	11,372,340	**(23,011,269)**	19,677,354
Increase in inventories	**(4,350,089)**	(1,938,508)	**(6,717,361)**	(1,811,230)
Cash generated/(utilised) by operations	**10,046,722**	7,384,307	**(11,285,354)**	(24,621,853)

12. SHARE-BASED PAYMENT ARRANGEMENTS

12.1 Equity-settled options

On August 20, 2014, the Company issued 5,142,882 share options to its independent directors in terms of its approved share option plan at a strike price of ZAR3.813.

For independent directors employed for more than 6 months as at the grant date of the options, one third of the share options will vest six months after the grant date, one third of the share options will vest one year after the grant date and the last one third will vest eighteen months after the grant date.

For independent directors employed for less than 6 months as at the grant date of the options, one third of the share options will vest one year after the grant date, one third of the share options will vest eighteen months after the grant date and the last one third will vest two years after the grant date.

The share-based expense recognised during the period was $150,395.

12.2 Conditional Share Unit Plan

On August 20, 2014, the Company awarded 9,004,500 Conditional Share Units (CSU's) to eligible employees of Plateau entitling the employee to one common share of the Company on the vesting date. These CSU's will vest on March 31, 2017 after the Company's Average Total Shareholder Return ("TSR") for the 2014, 2015 and 2016 years are assessed when compared to five specified peer comparator companies. The CSU's will vest based on the following ranking in relation to the TSR:

(Unaudited - Expressed in Canadian Dollars)

Ranking of Atlatsa to peer comparator companies	% of shares to vest
First	100
Second	90
Third	60
Fourth	40
Fifth or below	0

The share-based expense recognised during the period was $0.

13. 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 Kwanda. In the previous year, this included Boikgantsho, and Ga-Phasha. Boikgantsho and two farms in Ga-Phasha (De Kamp and Paschaskraal) were sold to RPM and the remaining two farms in Ga-Phasha (Avoca and Klipfontein) were transferred to Bokoni Mine on December 13, 2013.

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

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

	Nine months ended September 30						
	2014			2013			
	Bokoni Mine	**Projects**	**Total**	Bokoni Mine	Projects	Total	**Note**
EBITDA	**12,593,145**	**(4,610)**	**12,588,535**	37,290,894	(12,140)	37,278,754	(i)
Total Assets	**747,632,606**	**3,053**	**747,635,659**	784,012,584	99,932,185	883,944,769	(ii)

	Three months ended September 30						
	2014			2013			
	Bokoni Mine	**Projects**	**Total**	Bokoni Mine	Projects	Total	**Note**
EBITDA	**11,299,208**	**-**	**11,299,208**	10,411,676	247	10,411,923	(i)

	September 2014	September 2013
(i) EBITDA – nine months ended		
EBITDA for reportable segments	**12,588,535**	37,278,754
Net finance expense	**(11,313,232)**	(43,794,450)
Depreciation and amortisation	**(29,453,532)**	(29,307,559)
Corporate and consolidation adjustments	**(1,726,835)**	(4,955,298)
Consolidated loss before income tax	**(29,905,064)**	(40,778,553)
(ii) EBITDA – three months ended		
EBITDA for reportable segments	**11,299,208**	10,411,923
Net finance expense	**(3,149,070)**	(15,010,338)
Depreciation and amortisation	**(9,740,363)**	(9,767,765)
Corporate and consolidation adjustments	**(713,298)**	(2,881,259)
Consolidated loss before income tax	**(2,303,523)**	(17,247,439)

(Unaudited - Expressed in Canadian Dollars)

		September 2014	September 2013
(iii)	**Total assets**		
	Assets for reportable segments	**747,635,659**	883,944,769
	Corporate and consolidation adjustments	**(15,820,201)**	(115,412,858
	Consolidated total assets	**731,815,458**	768,531,911

14. EARNINGS PER SHARE

The calculation of basic loss per share for the three months ended September 30, 2014 of 0 cents (2013: 3 cents) is based on the loss attributable to owners of the Company of $519,671 (2013: $12,879,928) and a weighted average number of shares of 593,061,869 (2013: 424,791,411).

The calculation of basic loss per share for the nine months ended September 30, 2014 of 2 cents (2013: 7 cents) is based on the loss attributable to owners of the Company of $12,369,173 (2013: $28,335,424) and a weighted average number of shares of 593,061,869 (2013: 424,791,411).

The calculation of diluted loss per share for the three months ended September 30, 2014 of 0 cents (2013: 3 cents) is based on the loss attributable to owners of the Company of $519,671 (2013: $12,879,928) and a weighted average number of shares of 593,061,869 (2013: 424,791,411).

The calculation of diluted loss per share for the nine months ended September 30, 2014 of 2 cents (2013: 7 cents) is based on the loss attributable to owners of the Company of $12,369,173 (2013: $28,335,424) and a weighted average number of shares of 593,061,869 (2013: 424,791,411).

The share options and unvested treasury shares were excluded in determining diluted weighted average number of common shares as their effect would have been anti-dilutive.

15. RELATED PARTIES

In January 2014, Phase Two of the Restructure Plan was finalised by completing the following:

- Pelawan SPV Proprietary Limited ("Pelawan SPV") converted its "B" preference shares held by RPM into Pelawan SPV ordinary shares and in turn Plateau converted its "B" Preference Shares held by Pelawan SPV in Plateau into Plateau ordinary shares.
- As per the agreement between Pelawan SPV and Atlatsa, Atlatsa issued 227.4 million Atlatsa common shares to Pelawan SPV in exchange for the Plateau ordinary shares. Following this issuance, Pelawan SPV immediately bought back all SPV ordinary shares held by RPM and settled the buyback consideration by delivering to RPM 115.8 million common shares in the Company.
- Atlatsa Holdings Proprietary Limited ("Atlatsa Holdings"), the Company's majority shareholder acquired the 115.8 million Atlatsa common shares that RPM received on a vendor financed basis for $45.9 million (ZAR463 million) ("Vendor Finance Loan"), and
- RPM subscribed for 125 million common shares of the Company on January 31, 2014 to the value of $74.9 million (ZAR750.0 million).

The funds from the 125 million shares were used to reduce the New Senior Debt Facility to $153.6 million (ZAR1,550 million).

Atlatsa Holdings provided security to RPM in relation to the Atlatsa Holdings Vendor Finance Loan by way of a pledge and cession of its entire shareholding in Atlatsa, which shares remain subject to a lock-in arrangement through to 2020. Should Atlatsa Holdings be unable to meet its minimum repayment commitments under the Atlatsa Holdings Vendor Finance Loan between 2018 to 2020, Atlatsa will have a discretionary right, with no obligation, to step in and remedy such obligation in order to protect its BEE (as defined below) shareholding status, subject to commercial terms being agreed between Atlatsa Holdings and Atlatsa for that purpose and receipt of the necessary regulatory and shareholder approvals.

On February 6, 2014, Plateau paid Securities Transfer Tax ("STT") of $174,569 to the South African Revenue Services, on behalf of Atlatsa Holdings. The STT was paid pursuant to the Transaction Cost Loan Agreement dated May 28, 2013 in respect of the Restructure Plan, pursuant to which RPM funded a loan of $2.2 million (ZAR22.5 million) to Plateau for the payment of the transaction costs of Atlatsa, Atlatsa Holdings and their affiliates. The Transaction Cost Loan agreement was replaced by the Working Capital Facility on December 13, 2013. The STT relates to the sale of the 115.8 million common shares from RPM to Atlatsa Holdings as part of the Restructure Plan. Per agreement between all parties involved, all transaction costs would be paid for by Plateau and so the STT was accounted for as a transaction cost in the Group.

16. SUBSEQUENT EVENTS

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