
BAUBA PLATINUM LIMITED
Incorporated in the Republic of South Africa
(Registration number 1986/004649/06)
Share code: BAU ISIN: ZAE000145686
("Bauba Platinum" or "the Company")

UPDATE ON THE ACQUISITION OF CHROME ASSETS AND WITHDRAWAL OF CAUTIONARY ANNOUNCEMENT

1 INTRODUCTION

Further to the cautionary announcement dated 25 September 2013, the subsequent renewal of cautionary announcements, the last of which was dated 8 May 2014, and the Acquisition of Chrome Assets and Renewal of Cautionary Announcement dated 19 March 2014, and using the terms defined therein unless otherwise stated, shareholders are hereby provided with an update thereto.

2 PRO FORMA FINANCIAL EFFECTS

The table below sets out the *pro forma* financial effects of the Acquisition of Chrome Assets and the issue of 21 189 600 Bauba ordinary shares to the Vendors in respect of the acquisition of the Farm Houtbosch 323KT ("Houtbosch Acquisition") ("Acquisitions") on Bauba's basic earnings per share, headline earnings per share, net asset value per share and tangible net asset value per share.

The *pro forma* financial effects have been prepared to illustrate the impact of the Acquisitions on the reported financial information of Bauba for the six months ended 31 December 2013, had the Acquisitions occurred on 1 July 2013 for statement of comprehensive income purposes and on 31 December 2013 for statement of financial position purposes.

The *pro forma* financial effects have been prepared using accounting policies that comply with IFRS and that are consistent with those applied in the audited results of Bauba for the 12 months ended 30 June 2013.

The *pro forma* financial effects which are the responsibility of the directors, are provided for illustrative purposes only and, because of their *pro forma* nature may not fairly present Bauba's financial position, changes in equity, results of operations or cash flow.

The cancellation of the 2010 Claw Back will have no effect on the *pro forma* financial information of Bauba.

	Before the Acquisitions¹	<i>Pro forma</i> after the Acquisitions²	% Change
Basic loss per share (cents) ³	(3.07)	(1.29)	58.02
Headline loss per share (cents) ³	(3.07)	(1.29)	58.02
Net asset value per share (cents) ⁴	26.44	54.87	107.54
Tangible net asset value per share (cents) ⁴	1.51	(0.02)	(101.32)
Weighted average number of shares in issue (000's)	123 294	375 253	
Total number of shares in issue (000's)	127 061	379 020	

Notes:

1. The amounts in the "Before the Acquisitions" column have been extracted without adjustment from the published reviewed interim results of Bauba for the six months ended 31 December 2013.
2. The "*Pro forma* After the Acquisitions" column reflects the unaudited financial effects of the Acquisitions on Bauba, taking into account the following:

- Transaction costs of R2 million are expected to be incurred in respect of the Acquisitions. R1 million of the costs incurred are directly attributable to the issue of new shares and has been accounted for in share capital. The remaining R1 million is recorded as an expense.
 - Interest income foregone (calculated using an interest rate of 4.9% per annum being the interest rate applicable to cash in the Bauba call account) on the amount paid in respect of transaction costs. This adjustment will not have a continuing effect.
 - No tax effect is accounted for as the company is not currently in a tax paying position and no deferred tax is recognised, as it is uncertain when a future taxable profit will be generated to utilise the tax loss. This adjustment will not have a continuing effect.
 - Issue of 21 189 600 new ordinary shares (Houtbosch Payment Shares) at an issue price of R0.70 per share, being the closing price on the day prior to the announcement of the Acquisitions, to the Vendors in respect of the Houtbosch Acquisition. An intangible asset in respect of the Houtbosch Prospecting Right is recognised in accordance with IAS 38 Intangible Assets. This intangible asset is recognised at cost.
 - Issue of 230 769 231 new ordinary shares (Share Consideration) at an issue price of R0.70 per share, being the closing price on the day prior to the announcement of the Acquisitions to the Vendors in respect of the Acquisition. An intangible asset in respect of the Excluded Prospecting Rights is recognised in accordance with IAS 38 Intangible Assets. This intangible asset is recognised at cost.
3. Basic loss per share and headline loss per share effects are calculated based on the assumption that the Acquisitions were effected on 1 July 2013.
 4. Net asset value per share and tangible net asset value per share effects are calculated based on the assumption that the Acquisitions were effected on 31 December 2013.

3 CIRCULAR TO SHAREHOLDERS

The circular containing full details of the Acquisitions, the amendments to the MOI, the Fairness Opinion, Revised Listing Particulars of Bauba and a notice to convene a general meeting of Bauba shareholders in order to consider and if necessary deem fit, to pass with or without modification, the resolutions necessary to approve and implement the Acquisitions, which is in the process of being finalised and approved, is expected to be distributed to shareholders on or about 30 July 2014.

4 WITHDRAWAL OF CAUTIONARY ANNOUNCEMENT

Shareholders are advised that as the *pro forma* financial effects of the Acquisitions have now been disclosed, caution is no longer required to be exercised by shareholders when dealing in the Company's securities.

Johannesburg
20 June 2014

Corporate Adviser and Sponsor
Merchantec Capital

Auditors and reporting accountants
BDO Inc.