Bauba Platinum Limited

(Incorporated in the Republic of South Africa)
(Registration number 1986/004649/06)
Share code: BAU ISIN No: ZAE000145686
("Bauba Platinum" or "the Company" or "the Group")

Audited Abridged Condensed Consolidated Financial Statements and Notice of Annual General Meeting

For the year ended 30 June 2013

AUDITED ABRIDGED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2013

	2013 Audited R'000	2012 Audited R'000
Assets		
Non-current assets	**30 907**	**17 753**
Intangible assets	30 555	17 306
Property, plant and equipment	352	447
Current assets	**5 460**	**28 712**
Trade and other receivables	235	670
Cash and cash equivalents	5 225	28 042
TOTAL ASSETS	**36 367**	**46 465**
EQUITY AND LIABILITIES		
Capital and reserves	**35 561**	**45 134**
Issued capital	123 274	123 274
Share premium	276 320	276 320
Reverse asset acquisition reserve	(282 988)	(282 988)
Retained (loss)	(79 686)	(70 484)
Non-controlling interest	(1 359)	(988)
Current liabilities	**806**	**1 331**
Trade and other payables	806	1 331
TOTAL EQUITY AND LIABILITIES	**36 367**	**46 465**

AUDITED ABRIDGED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2013

	2013 Audited R'000	2012 Audited R'000
Continuing Operations		
General and administrative expenses	(10 445)	(8 369)
Finance cost	-	(7)
Finance income	872	1 811
Loss before taxation	**(9 573)**	(6 565)
Income tax expense	-	-
Loss for the year from continuing operations	**(9 573)**	(6 565)
Discontinued operations (no tax effect)		
Profit for the year from discontinued operations	**-**	1 539
Comprehensive loss for the year	**(9 573)**	(5 026)
Loss for the year	**(9 573)**	(5 026)
Attributable to:		
- Equity holders of the company	(9 202)	(4 770)
- Non-controlling interest	(371)	(256)
Total comprehensive loss for the year	**(9 573)**	(5 026)
Attributable to:		
- Equity holders of the company	(9 202)	(4 770)
- Non-controlling interest	(371)	(256)
Basic loss per share (cents)	**(7.5)**	(3.9)
Loss per share (cents) - Continued operations	(7.5)	(5.2)
Profit per share (cents) - Discontinued operations	-	1.3
Diluted loss per share (cents)	**(7.5)**	(3.9)
Loss per share (cents) - Continued operations	(7.5)	(5.2)
Profit per share (cents) - Discontinued operations	-	1.3
Weighted average shares in issue ('000)	123 274	121 093
Number of shares in issue at end of period ('000)	123 274	123 274

AUDITED ABRIDGED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2013

	30 June 2013 Audited R'000	30 June 2012 Audited R'000
Net decrease from operating activities	**(10 428)**	(19 347)
Net decrease from investing activities	**(12 389)**	(6 657)
Net increase from financing activities	**-**	49 876
Total cash movement of the year	**(22 817)**	23 872
Cash and cash equivalents at beginning of year	**28 042**	4 170
Cash and cash equivalents at end of year	**5 225**	28 042

AUDITED ABRIDGED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2013

	Share capital R'000	**Share premium R'000**	**Retained loss R'000**	**Non-controlling interest R'000**	**Reverse acquisition adjustment R'000**	**Total R'000**
Balance at 1 July 2011	**94 065**	**255 653**	**(65 714)**	**(732)**	**(282 988)**	**284**
Comprehensive loss for the year	-	-	(4 770)	(256)	-	(5026)
Issue of shares	29 209	20 667	-	-	-	49 876
Balance as at 30 June 2012	**123 274**	**276 320**	**(70 484)**	**(988)**	**(282 988)**	**45 134**
Comprehensive loss for the year	-	-	(9 202)	(371)	-	(9 573)
Balance at 30 June 2013	**123 274**	**276 320**	**(79 686)**	**(1 359)**	**(282 988)**	**35 561**

AUDITED ABRIDGED CONDENSED CONSOLIDATED SEGMENTAL ANALYSIS

Segmental Information

2013	Discontinued operations R'000	Corporate R'000	Exploration R'000	Total R'000
Finance income	-	872	-	**872**
General and administrative expenses	-	(9 408)	(930)	**(10 338)**
Depreciation and Amortisation	-	(48)	(59)	**(107)**
Comprehensive loss for the year	**-**	**(8 584)**	**(989)**	**(9 573)**
Total Segment Assets	-	**5 620**	**30 747**	**36 367**
Total Segment Liabilities	-	**451**	**355**	**806**

2012	Discontinued operations R'000	Corporate R'000	Exploration R'000	Total R'000
Finance income	-	1 811	-	**1 811**
Finance cost	-	(7)	-	**(7)**
General and administrative expenses	-	(7 690)	(485)	**(8 175)**
Results from Operating Activities	(2 198)	-	-	**(2 198)**
Depreciation and Amortisation	-	(39)	(155)	**(194)**
Impairment of financial assets held-for sale	(83)	-	-	**(83)**
Fair value profit/(loss) for the year	3 820	-	-	**3 820**
Comprehensive loss for the year	**1 539**	**(5 925)**	**(640)**	**(5 026)**
Total Segment Assets	-	**28 784**	**17 681**	**46 465**
Total Segment Liabilities	-	**521**	**810**	**1 331**

Commentary

The main focus of the Group during the year under review was the continuation of exploration activities to develop the platinum assets ("Bauba Project"). These audited abridged condensed consolidated financial statements reflect the costs incurred relating to these activities in developing the Bauba Project. In this regard the Group declared an additional inferred resource of 9.8Moz (attributable 5.9Moz) Platinum Group Metals ("PGM") over part of the northern cluster. The southern cluster inferred resource was reassessed during the year and was reduced to 7.4Moz (attributable 4.5Moz) PGM resulting in a total inferred resource of 17.2Moz (attributable 10.2Moz) PGM. The total target resource is 109.9Moz (attributable 65.9Moz) PGM.

Exploration

The group focused on the exploration drilling programme on the central and northern cluster during the year under review with two holes completed in the central cluster and three holes in the northern cluster. The final results from the drilling were assessed, adding an additional 8.6Moz (5.2Moz attributable) PGM to the total inferred resource after accounting for the adjustment of the southern cluster inferred resource. The geophysical surveys that have been conducted and data analysis and modelling has led to improved interpretation of structural features over the central and northern properties. The interpretation of the structure as well as the depth of intersection of the reefs is consistent with that found on the neighbouring properties.

The plan for the next financial year includes continued drilling in the northern cluster. The number of drill rigs in operation will depend on the economic climate and the ability of the Group to raise capital when required. Currently all drilling activities have been placed on hold due to the current cash constraints of the Group.

Notes to the audited abridged condensed consolidated financial statements:

Summary of significant accounting policies

Basis of preparation

The directors present the audited abridged condensed consolidated results for the year ended 30 June 2013 which have been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS") and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and its successor, the Companies Act, 2008, (Act 71 of 2008) as amended and the Listings Requirements of JSE Limited and contains the information required by IAS 34: Interim Financial Reporting. The accounting policies are in terms of IFRS and are supported by reasonable and fair judgements and estimates.

These audited abridged condensed consolidated financial results have been prepared under the supervision of Willem Moolman, the Financial Director of Bauba Platinum. And are derived from the group financial statements and are consistent in all material respects with the group financial statements.

The group annual financial statements are available for inspection at the company's registered office.

No dividends were declared by Bauba Platinum during this reporting period.

Headline Loss

	2013 Audited	2012 Audited
Headline loss per share (cents)	**(7.5)**	**(7.0)**
Continued operations	(7.5)	(5.2)
Discontinued operations	-	(1.8)
Diluted headline loss per share (cents)	**(7.5)**	**(7.0)**
Continued operations	(7.5)	(5.2)
Discontinued operations	-	(1.8)
Adjustment to arrive at headline earnings:		
Net loss before taxation for the year	**(9 202)**	(4 770)
Fair value profit / (loss) of discontinued operations	**-**	(3 820)
Impairment of financial assets held for sale	**-**	83
Headline loss	**(9 202)**	(8 507)

Headline earnings per share have been calculated in accordance with the SAICA Circular 3/2012 entitled 'Headline Earnings' which forms part of the Listings Requirements of the JSE Limited

Issue of shares
During the year under review the Company did not issue any shares.

Segmental information
The Group has classified three segments namely, (1) Discontinued operations, being all the non-core, non-platinum assets that were disposed of in the prior year, (2) Corporate expenses, being overhead and corporate expenses incurred and (3) Exploration, being activities associated with the Bauba Project and platinum exploration.

Going concern
The directors have continued to adopt the 'going concern' basis for the preparation of the audited financial statements. As is common with many junior mining companies, the Group raises capital for exploration and other projects as and when required. There can be no assurance that the Group's projects will be fully developed in accordance with current plans or completed on time or to budget. Future work on the development of these projects may be adversely affected by factors outside of the control of the Group.

Following negotiations with shareholders the directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence for at least the next twelve months.

Contingent liabilities
The Group is involved in two litigation matters. The details are:
- A review application was lodged by Rustenburg Platinum with regards to the prospecting rights held over the farms Genokakop 285 KT and Groot Vygenboom 284 KT; and
- A previous employee of the Company has lodged a claim for compensation due to his resignation.

The Company has taken senior counsel advice on both these matters and was informed that the Company has a strong case in both instances and the judicial system should find in the Company's favour. The potential financial effect of the outcomes is uncertain in light of the outcome being subjected to the judicial process.

To the best of our knowledge and belief there are no other contingent liabilities to third parties and/or contingent assets not set out or referred to in this report which may materially affect the financial position of the Group.

Changes to the board of directors
Mr G Pitt resigned as a director and chief executive officer on 31 January 2013 and Mr SJM Caddy was appointed as a director and chief executive officer of the Company on 13 February 2013.

Subsequent events

The directors are not aware of any subsequent events other than those disclosed above that occurred between the date of authorisation of the annual financial statements and the year-end that require any adjustments or additional disclosure to the annual financial statements.

Audit opinion
The independent auditors, BDO South Africa Inc., have issued their opinion on the group's financial statements for 30 June 2013 year-end. The audit was conducted in accordance with International Standards on Auditing. They have issued an unqualified audit opinion with an emphasis of matter on going concern. These audited abridged condensed consolidated financial statements have been derived from the group financial statements and are consistent in all material respects with the group financial statements. A copy of their audit report is available for inspection at the Company's registered office.

The emphasis of matter extract of the report is as follows: "EMPHASIS OF MATTER Without qualifying our opinion, we draw attention to the consolidated and separate annual financial statements which indicate that the Group incurred a net loss of R9 573 000 for the year ended 30 June 2013 and, as at the date of this report, the Group's cash resources will not be sufficient to sustain the operations of the Group for more than 12 months subsequent to year end. The note 23 also indicates that these conditions, along with other matters, indicate the existence of a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern."

Notice of Annual General Meeting
The Annual General Meeting of shareholders of the Company is to be held at 10:00 on 5 December 2013 at First Floor, Building 816/5, Hammets Crossing Office Park, 2 Selbourne Road, Fourways, Gauteng, for the purpose of considering, and, if deemed fit, passing, with or without modification, the resolutions set out in the Notice of Annual General Meeting, which is contained in the Integrated Annual Report.

The board of directors of the Company has determined that, in terms of section 62(3)(a), as read with section 59 of the Companies Act, 2008 (Act 71 of 2008), as amended, the record date for the purposes of determining which shareholders of the Company are entitled to participate in and vote at the annual general meeting is 29 November 2013. Accordingly, the last day to trade Bauba Platinum shares in order to be recorded in the Register to be entitled to vote will be 22 November 2013.

The Integrated Annual Report was posted to shareholders on 30 September 2013.

On behalf of the Board

J Best
Chairman

SJM Caddy
Chief Executive Officer

Johannesburg
30 September 2013

Registered Office
First Floor, Building 816/5, Hammets Crossing Office Park,
2 Selbourne Road, Fourways, Gauteng, 2055.

Company Secretary
Merchantec Proprietary Limited,
2nd Floor, North Block, Hyde Park Office Tower,
Cnr 6th Road and Jan Smuts Avenue,
Hyde Park, 2196, P O Box 41480, Craighall, 2024

Directors
J Best# (*Chairman)*, K Dicks#, S Dolamo#, KW Mzondeki#, Dr NM Phosa*, D Smith*,
King T Thulare (*Alt*)* SJM Caddy *(CEO)*, WA Moolman (*CFO*).

- Independent non-executive
* - Non-executive

Sponsor	**Transfer Secretaries**
Merchantec Capital	Computershare Investor Services Proprietary Limited