

Audited Consolidated Financial Results

for the year ended 28 February 2010

Commentary

By Bongani Mbindwane, Chief Executive Officer

Financial review

Platfields Limited, as an exploration group, is not yet cash generative on its operations and activities, thus no cash revenue is reported for the current year and no revenue is expected for the next financial year.

The Group made a net loss for the year of R119.9 million compared to a loss of R47.4 million for 2009. The major increase in the reported loss is attributed to the impairment of R77.9 million of the target resources on the Merensky reef of the Platinum Mile portion of the Berg project (the Berg project comprises of various portions) as a result of the exploration activities carried out. Continued exploration on existing projects amounted to R20.9 million.

No dividends are paid or proposed for the year.

Currently there is no basis for reporting segmentally due to the fact that the Group is still in the exploration phase of its operations.

Funding and going concern

As the Group is not yet in a cash generating position, its exploration programme is still funded by equity. The directors are of the opinion that the company's cash resources are adequate to fund its operations for the next twelve months.

Share capital

During the year under review the company converted 185 million ordinary shares into BEE-class ordinary shares.

Directors

The directors in office during the financial year under review were:

James Thokoana Motlatsi	Chairman	
Derrick Bongani Mbindwane	Chief Executive Officer	
Joshua Phillip Hattingh	Operations Director	
Annelise Cilliers	Financial Director	
Neville Hawthorn Cornish	Non-Executive Director	
Sheldon Charles Erasmus	Non-Executive Director	Resigned 20 March 2009
Roy Stavely Traviss	Non-Executive Director	
Sibongile Cynthia Twala	Non-Executive Director	Resigned 2 March 2009
Ulrich Schäckermann	Non-Executive Director	Appointed 17 July 2009

The following director was removed subsequent to year end:

Joshua Phillip Hattingh	23 March 2010
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The secretary of the company is Probit Business Services (Pty) Ltd

Subsequent events

Platfields has appointed a new Competent Person and Project Manager, Minxcon (Pty) Ltd and Agere Project Management (Pty) Ltd respectively, to review the geological model and as such there may be variables to the business going forward.

Prospects

Platfields is confident that it will generate sufficient cash to complete its exploration programme.

Consolidated statement of financial position

as at 28 February 2010

Figures in Rand	Audited 2010	Audited 2009
ASSETS		
Non-current assets		
Exploration assets	64,085,779	141,942,316
Current assets		
Trade and other receivables	274,128	773,522
Cash and cash equivalents	37,910,349	64,242,852
	38,184,477	65,016,374
TOTAL ASSETS	102,270,256	206,958,690
EQUITY AND LIABILITIES		
Equity		
Share capital	4,546	4,545
Share premium	236,012,629	236,012,629
Share based payments reserve	48,423,898	35,809,739
Accumulated loss	(188,455,782)	(68,574,422)
	95,985,291	203,252,491
Current liabilities		
Trade and other payables	6,284,965	3,706,199
TOTAL EQUITY AND LIABILITIES	102,270,256	206,958,690

Consolidated statement of comprehensive income

for the year ended 28 February 2010

Figures in Rand	Audited 2010	Audited 2009
Exploration expenditure	(20,898,679)	(5,787,373)
Operating expenses	(10,259,735)	(10,988,497)
Operating loss	(31,158,414)	(16,775,870)
Interest received	4,247,250	5,174,201
Loss from operations	(26,911,164)	(11,601,669)
Impairment	(77,856,537)	–
BEE share transaction (at fair value)	(4,767,431)	(18,195,427)
Share based payments (at fair value)	(7,846,228)	(17,614,312)
Social corporate investment	(2,500,000)	–
Loss for the period	(119,881,360)	(47,411,408)
Other comprehensive income	–	–
Total comprehensive loss for the period	(119,881,360)	(47,411,408)
Loss per ordinary share (cents)	26.37	12.29
Headline loss per ordinary share (cents)	26.37	12.29
Diluted loss per ordinary share (cents)	23.81	11.95

Consolidated statement of changes in equity

for the year ended 28 February 2010

	Share capital	Share premium	Share based payments reserve	Accumulated Loss	Total attributable to equity holders
Figures in Rand					
Balance at 29 February 2008	3,175	154,958,697		(21,163,014)	133,798,858
Changes in equity:					
Issue of shares for cash	568	68,664,040			68,664,608
Share issue expenses		(5,600)			(5,600)
BEE share scheme (fair value)			18,195,427		18,195,427
Share-based payments (fair value)			17,614,312		17,614,312
Share-based payments - actual	802	12,395,492			12,396,294
Total comprehensive loss for the year				(47,411,408)	(47,411,408)
Total changes	1,370	81,053,932	35,809,739	(47,411,408)	69,453,633
Balance at 28 February 2009	4,545	236,012,629	35,809,739	(68,574,422)	203,252,491
Changes in equity:					
Issue of shares for cash	1				1
Issue of shares - BEE class			500		500
BEE share scheme (fair value)			4,767,431		4,767,431
Share-based payments - actual			7,846,228		7,846,228
Total comprehensive loss for the year				(119,881,360)	(119,881,360)
Total changes	1	-	12,614,159	(119,881,360)	(107,267,200)
Balance at 28 February 2010	4,546	236,012,629	48,423,898	(188,455,782)	95,985,291

Consolidated cash flow statement

for the year ended 28 February 2010

Figures in Rand	Notes	Audited 2010	Audited 2009
Operating activities		(26,333,004)	(8,509,961)
Cash used in operations	3	(30,580,254)	(13,684,162)
Finance income		4,247,250	5,174,201
Investing activities			
Acquisition of exploration assets		–	(1,543,705)
Financing activities			
Proceeds from share issues		501	68,659,008
Total cash movement for the year		(26,332,503)	58,605,342
Cash at the beginning of the year		64,242,852	5,637,510
Total cash at end of the year		37,910,349	64,242,852

Notes to the audited consolidated financial results

for the year ended 28 February 2010

Figures in Rand	Notes	Audited 2010	Audited 2009
1. Basis for preparation and accounting policies			
The Consolidated Annual Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS), and the Companies Act of South Africa, 1973. The Consolidated Annual Financial Statements have been prepared on the historical cost basis.			
The accounting policies are consistent with the previous year. The Group has adopted all of the new Standards and Interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for all annual reporting periods beginning on 1 March 2008.			
2. Loss per share			
The loss per share and headline loss per share are based on 454,551,642 (2009: 385,814,313) weighted number of ordinary shares in issue and a loss for the year of R119.9 million (2009: R47.4 million)			
The diluted loss per share is based on 503,391,129 (2009: 396,611,802) weighted number of ordinary shares in issue and a loss for the year of R119.9 million (2009: R47.4 million)			
3. Cash used in operations			
Loss before interest and taxation		(124,128,610)	(52,585,609)
Adjustments for:			
BEE Share transaction		4,767,431	–
Impairment		77,856,537	–
Prospecting rights written off to exploration costs		–	87,956
Share-based payments (fair value)		7,846,228	35,809,739
Share-based payments - actual		–	395,623
Changes in working capital:			
Trade and other receivables		499,394	(665,199)
Trade and other payables		2,578,766	3,273,328
		(30,580,254)	(13,684,162)

4. Independent auditors' report

Grant Thornton has audited the results of Platfields Limited as at 28 February 2010 and has expressed an unqualified audit opinion. Their report is available for inspection at the registered office of Platfields.

Signed on behalf of the board:



T J Motlatsi
Chairman



D B Mbindwane
Chief Executive Officer

Johannesburg 28 May 2010

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