

2010

Unaudited Interim Consolidated
Financial Results for the six
months ended 31 August 2010

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CEO's commentary

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 period of R78 million compared to a loss of R39 million for the same period 2009. The major increase in the reported loss is attributed to the impairment of R47.4 million of the target resources on the Platinum Mile portion of the Berg project (the Berg project comprises of various portions). This is as a result of the exploration activities carried out as well as applying a mining cut to the in situ grades as previously reported. In addition there was an amendment to the BEE-class ordinary shares in that the notional loan was waived by the company, resulting in an additional cost of R24.1 million.

The current planned phase of exploration on the Leeuwkop project was completed during the period under review.

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 period under review the company issued 149 million BEE-class ordinary shares

Directors

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

James Thokoana Motlatsi	Chairman
Derrick Bongani Mbindwane	Chief Executive Officer
Joshua Philip Hattingh	Operations Director (resigned 23 March 2010)
Annelise Cilliers	Financial Director
Neville Hawthorn Cornish	Non-Executive Director
Roy Stavely Traviss	Non-Executive Director
Ulrich Schäckerman	Non-Executive Director

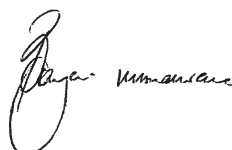
The secretary of the company is Probity Business Services (Pty) Ltd.

Subsequent events

Platfields has converted all its BEE-class ordinary shares to ordinary shares. These shares are now referred to as empowerment shares and are governed by a relationship agreement whereby the shares are subject to trading restrictions.

Prospects

Platfields is confident that it will raise sufficient capital to complete its exploration programme.



Bongani Mbindwane
Chief Executive Officer



Consolidated statement of financial position

as at 31 August 2010

Figures in Rand	31 August 2010 (Unaudited)	31 August 2009 (Reviewed)	28 February 2010 (Audited)
ASSETS			
Non-current assets			
Exploration assets	16,690,147	117,528,395	64,085,779
Current assets			
Other receivables	1,029,410	1,014,485	274,128
Cash and cash equivalents	27,623,713	49,189,633	37,910,349
	28,653,123	50,204,118	38,184,477
TOTAL ASSETS	45,343,270	167,732,513	102,270,256
EQUITY AND LIABILITIES			
Equity			
Share capital	6,542	4,546	4,546
Share premium	236,012,629	236,012,629	236,012,629
Share-based payments reserve	72,575,301	35,810,239	48,423,898
Accumulated comprehensive loss	(266,550,522)	(107,579,161)	(188,455,782)
	42,043,950	164,248,253	95,985,291
Current liabilities			
Trade and other payables	3,299,320	3,484,260	6,284,965
TOTAL EQUITY AND LIABILITIES	45,343,270	167,732,513	102,270,256



Consolidated statement of comprehensive income

for the six months ended 31 August 2010

	Six months ended 31 August 2010 (Unaudited)	Six months ended 31 August 2009 (Reviewed)	Year ended 28 February 2010 (Audited)
Figures in Rand			
Exploration expenditure	(2,037,639)	(11,903,631)	(20,898,679)
Administration expenditure	(5,941,151)	(5,252,949)	(10,259,735)
Loss from operations	(7,978,790)	(17,156,580)	(31,158,414)
Interest and investment income received	1,431,585	2,565,762	4,247,250
Loss for the period	(6,547,205)	(14,590,818)	(26,911,164)
Impairment	(47,395,632)	(24,413,921)	(77,856,537)
BEE share transaction (at fair value)	(24,151,903)	–	(4,767,431)
Share based payments (at fair value)	–	–	(7,846,228)
Social corporate investment	–	–	(2,500,000)
Total comprehensive loss for the period	(78,094,740)	(39,004,739)	(119,881,360)
Loss per share (cents)	14.11	8.15	26.37
Headline loss per share (cents)	14.11	8.15	26.37
Diluted loss per share (cents)	13.84	7.50	23.81
The loss per share and headline loss per share are based on: weighted number of shares in issue and a loss for the period of:	553,407,693 R 78,094,740	478,704,199 R 39,004,739	454,551,642 R 119,881,360
The diluted loss per share is based on: weighted number of shares in issue and a loss for the period of:	564,407,693 R 78,094,740	520,183,024 R 39,004,739	503,391,129 R 119,881,360
Reconciliation of ordinary shares			
Beginning of the period	454,579,199	454,479,199	454,479,199
Shares issued for cash		100,000	100,000
Shares issued and fully paid	454,579,199	454,579,199	454,579,199
Shares authorised for share-based payments	11,000,000	21,800,000	21,800,000
Total shares authorised for issue	465,579,199	476,379,199	476,379,199
The 11,000,000 shares authorised for share-based payments have not been issued yet.			
Reconciliation of BEE-class ordinary shares			
Beginning of the period	–	–	–
Transferred from share based payments reserve	500	–	–
Shares issued for cash	1,496	–	–
Shares issued and fully paid	1,996	–	–



Consolidated statement of changes in equity

for the six months ended 31 August 2010

Figures in Rand	BEE-class		Share premium	Total share capital	Share-based payments		Accumulated loss	Total attributable to equity shareholders
	Ordinary share capital	ordinary share capital			reserve			
Balance at 28 February 2009	4,545		236,012,629	236,017,174	35,809,739	(68,574,422)	203,252,491	
Change in equity:								
Issue of shares	1	-	-	1	500		501	
Total comprehensive loss for the period						(39,004,739)	(39,004,739)	
Total changes	1	-	-	1	500	(39,004,739)	(39,004,238)	
Balance at 31 August 2009	4,546	-	236,012,629	236,017,175	35,810,239	(107,579,161)	164,248,253	
Change in equity:								
Share based payments (fair value)					7,846,228		7,846,228	
BEE share scheme (fair value)					4,767,431		4,767,431	
Total comprehensive loss for the period				-		(80,876,621)	(80,876,621)	
Total changes	-	-	-	-	12,613,659	(80,876,621)	(68,262,962)	
Balance at 28 February 2010	4,546	-	236,012,629	236,017,175	48,423,898	(188,455,782)	95,985,291	
Change in equity:								
Issue of shares	-	1,496	-	1,496			1,496	
Share based payments	-	500	-	500	(500)		-	
BEE share scheme (fair value)					24,151,903		24,151,903	
Total comprehensive loss for the period				-		(78,094,740)	(78,094,740)	
Total changes	-	1,996	-	1,996	24,151,403	(78,094,740)	(53,941,341)	
Balance at 31 August 2010	4,546	1,996	236,012,629	236,019,171	72,575,301	(266,550,522)	42,043,950	



Consolidated statement of cash flows

for the six months ended 31 August 2010

Figures in Rand	Six months ended 31 August 2010 (Unaudited)	Six months ended 31 August 2009 (Reviewed)	Year ended 28 February 2010 (Audited)
Operating activities	(10,288,132)	(15,053,720)	(26,333,004)
Cash used in operations	(11,719,717)	(17,619,482)	(30,580,254)
Finance income	1,431,585	2,565,762	4,247,250
Financing activities			
Net proceeds from issue of shares	1,496	501	501
Total cash movement	(10,286,636)	(15,053,219)	(26,332,503)
Cash at the beginning of the period	37,910,349	64,242,852	64,242,852
Total cash at end of the period	27,623,713	49,189,633	37,910,349
Cash used in operations:			
Loss before interest and taxation	(79,526,324)	(41,570,501)	(124,128,610)
<i>Adjustments for:</i>			
Impairments	47,395,632		77,856,537
BEE share transaction (fair value)	24,151,903		4,767,431
Fair value adjustments		24,413,921	
Share-based payments (fair value)	–	–	7,846,228
<i>Changes in working capital</i>			
Trade and other receivables	(755,282)	(240,963)	499,394
Trade and other payables	(2,985,645)	(221,939)	2,578,766
	(11,719,717)	(17,619,482)	(30,580,254)



Notes to the unaudited condensed group interim results

for the six months ended 31 August 2010

1. Basis for preparation and accounting policies

The consolidated financial statements for the interim period have been prepared in accordance with IAS 34: Interim Financial Reporting, International Financial Reporting Standards (IFRS), the JSE Listings Requirements and in the manner required by the Companies Act of South Africa, 1973 as well as AC500 Standards. The consolidated financial statements have been prepared on the historical cost basis, unless otherwise stated.

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.

	Six months ended 31 August 2010 (Unaudited)	Six months ended 31 August 2009 (Reviewed)	Year ended 28 February 2010 (Audited)
2. Exploration assets			
The Berg Project (at fair value)	60,225,888	138,082,425	138,082,425
The Liger Project (at cost)	2,359,891	2,359,891	2,359,891
The Grootfonteinberg Project (at cost)	1,500,000	1,500,000	1,500,000
	64,085,779	141,942,316	141,942,316
Impairments - The Berg Project	(47,395,632)	(24,413,921)	(77,856,537)
	16,690,147	117,528,395	64,085,779

Projects

2.1 The Berg Project

Prospecting rights for Platinum Group Metals ("PGM") in the Eastern Limb of the Bushveld Complex in Mpumalanga, South Africa.

2.2 The Liger Project

Prospecting rights for Platinum Group Metals ("PGM") at the north-western end of the Eastern Limb of the Bushveld Complex in Limpopo, South Africa.

2.3 The Grootfonteinberg Project

Prospecting rights for Gold in the Pilgrim's Rest area in Mpumalanga, South Africa. The Grootfonteinberg Project is a gold target in the Transvaal Drakensberg Goldfield.

2.4 Impairment

For the period from the last financial statements, the company has further impaired the Platinum Mile portion of the Berg Project by R47,4 million. This impairment arises from recent exploration results and better understanding of the project as well as applying a mining cut to the in situ grades as previously reported. The Berg Project and its viability is reported on in the Independent Competent Persons Report available on the company's website: www.platfields.co.za.



	Six months ended 31 August 2010 (Unaudited)	Six months ended 31 August 2009 (Reviewed)	Year ended 28 February 2010 (Audited)
3. Related party transactions			
Transactions with related parties were made on an arm's-length basis.			
<i>Crucial Trade 59 CC</i>			
Platfields pays Crucial Trade 59 CC a contribution towards office facility charges of R33 000 per month. The Mbindwane Family Trust, of which Bongani Mbindwane is a trustee and beneficiary, is the sole member of Crucial Trade 59 CC.			
Amounts paid for the period under review:	198,000	184,211	440,421
<i>Rock and Stock Investments (Pty) Ltd</i>			
Joshua Hattingh (a former director on the Platfields board) is a director and shareholder of Rock and Stock Investments (Proprietary) Limited ("Rock and Stock"). Platfields paid Rock and Stock fees for geological services and other related exploration expenses as incurred on a monthly basis. Hattingh's direct and indirect holding in Rock and Stock equated to 93%. Joshua Hattingh subsequently resigned as a director of the Company.			
Amounts paid for the period under review:	57,712	2,646,697	4,722,655
<i>Cornish Family Holdings (Pty) Ltd</i>			
Neville Cornish is a director and he and his associates are beneficial shareholders of Cornish Family Holdings which received 7,830,000 Platfields ordinary shares as a result of the Platinum Mile transaction. CFH also provides premises to Platfields for purposes of warehousing the Company's drill cores. The fees are R9 500 per month. Mr Cornish and his associates are beneficiaries of the Cornish Family Trust which owns 100% of Cornish Family Holdings.			
Amounts paid for the period under review:	15,597	36,000	81,633



Notes to the unaudited condensed group interim results cont.

for the six months ended 31 August 2010

Figures in Rand	Six months ended 31 August 2010 (Unaudited)	Six months ended 31 August 2009 (Reviewed)	Year ended 28 February 2010 (Audited)
3. Related party transactions (continued)			
<i>Tonteldoos Mineral and Realisation Company (Pty) Ltd</i>			
Common director: N H Cornish			
Platfields pays prospecting fees to Tonteldoos on the Berg Project			
Amounts paid for the period under review:	-	3,125,000	3,229,167

Other

Other related party transactions include transactions with subsidiaries for the funding of exploration costs and with directors for emoluments received.

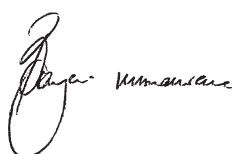
4. Segment information

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

Signed on behalf of the board:



T J Motlatsi
Chairman



DB Mbindwane
Chief Executive Officer

Johannesburg

12 November 2010

Registered office:

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P.O. Box 51949, Waterfront, 8002

Website:

www.platfields.co.za



Administration and contact details

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Email: info@platfields.co.za

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