

Interim Financial Report for the half year ended 31 December 2013

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This interim financial report does not include all of the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2013 and any public announcements made by Resource Generation Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

RESOURCE GENERATION LIMITED

Director's Report

The Board of Directors present their report on the consolidated entity consisting of Resource Generation Limited (the Company) and the entities it controlled for the half year ended 31 December 2013.

Directors

The following persons were Directors of Resource Generation Limited during the whole year and up to the date of this report:

Mr BD Warner (Chairman)
Mr PJ Jury (Managing Director)
Mr SJ Matthews (Executive Director and Company Secretary)
Mr G Rose AO (Non-Executive Director)

Review of Operations

During the half year ended 31 December 2013 the consolidated entity recorded a net loss of \$0.7 million (2012 loss \$0.8 million).

The Boikarabelo mine's potential continued to be unlocked during the half year. The Boikarabelo mine, in the Waterberg region of South Africa, has probable reserves of 774.8 million tonnes of coal on 35% of the tenements controlled by the Group.

The entitlement offer announced in July 2013 was completed in October 2013, with \$62.7 million raised between July and October.

In November 2013 rail construction activities commenced at Boikarabelo. Construction activity continued with the focus on site infrastructure, roadworks and water and power connections.

The rail construction will be funded by a US\$55.3 million loan from Noble Resources International Pte Ltd (Noble Group). A binding term sheet for a US\$65 million loan from Noble for construction of the infrastructure of the Boikarabelo mine was signed on 31 December 2013. Continued engagement with project finance banks to partially fund development of Boikarabelo is underway supplemented by separate discussions with financiers and equipment suppliers for mobile equipment.

Resource Generation has renewed confidence in securing full funding of the Boikarabelo mine and increased construction activity of the mine in 2014.

Key activities during the six months to 31 December 2013 were:-

- * In July 2013 the Company entered into two arrangements with Valu Investments Pte. Ltd. The first is a 20 year export coal offtake contract, initially for 1.0 million tonnes per annum. The second arrangement is for Valu to undertake a feasibility study for the development of both a 200MW coal fired power station and a larger 1200MW coal fired power station proposed to be located adjacent to the Boikarabelo mine.
- * In July 2013 construction of the 40 kilometre rail link to connect the Boikarabelo mine to the existing rail link commenced.

Director's Report

- * In August 2013 the Company sought to consolidate its mining tenements with the funding of Fairy Wing Trading 136 (Pty) Limited's (FWT) acquisition of 26% of shares in Waterberg One Coal (Pty) Limited, previously owned 30% by Lukale Mining Company (Pty) Limited (Lukale). The remaining shares held by Lukale (4%) were acquired by Resgen South Africa (Pty) Limited a wholly owned subsidiary of Resource Generation Limited. Both FWT and Lukale are Black Economic Empowerment (BEE) companies and the investments are compliant under the South African Government's legislative requirements.
- * The company raised \$62.7 million through a 1 for 1 entitlement offer, which was completed on 22 October 2013.
- * In November 2013 terms were agreed for the design and construction of the coal handling and preparation plant with FLSmidth Roymec (Pty) Limited, the South African black empowerment subsidiary of FLSmidth & Co, the leading supplier of complete plants, equipment and services for the global minerals industry.
- * A binding term sheet for a US\$65 million loan from Noble for construction of the infrastructure of the Boikarabelo mine was signed on 31 December 2013.

Events Occurring after the Balance Sheet Date

Approval was granted at the AGM in November 2013 for Blumont Group Ltd (Blumont) to acquire shares representing 15% of the Company at \$0.22 per share. Funding by Blumont has been deferred to February 2014 and a deposit of \$2.5 million has been made in January 2014 against the funding due, which will be retained if the funding is not forthcoming.

There are no other matters of significance up to the date of this report that have not been included in the interim financial statements.


Auditor's Independence declaration

A copy of the auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 4.

Rounding of amounts

The Company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the rounding off of amounts in the Directors' Report and financial report. Amounts in the Directors' Report and financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of the Directors, pursuant to Section 306(3) of the *Corporations Act 2001*.



PJ Jury
Director

Sydney
3 February 2014

The Board of Directors
Resource Generation Limited
Level 12 Chifley Tower
2 Chifley Square
SYDNEY NSW 2000

3 February 2014

Dear Board Members

Resource Generation Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Resource Generation Limited.

As lead audit partner for the review of the financial statements of Resource Generation Limited for the half-year ended 31 December 2013, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



R G Saayman
Partner
Chartered Accountants

RESOURCE GENERATION LIMITED

Condensed consolidated statement of comprehensive income for the half year ended 31 December 2013

	Notes	Half year ended	
		31-Dec-13 \$'000	31-Dec-12 \$'000
Revenue from continuing operations		1,406	758
Administrative, rent and corporate		(541)	(820)
Employee benefits expense		(705)	(382)
Depreciation of property, plant & equipment		(118)	(75)
Payments for land management		(107)	(56)
Share based compensation	3	(135)	(171)
Finance expenditure		(521)	-
Loss before income tax expense		(721)	(746)
Income tax expense		(4)	(14)
Loss for the half year		(725)	(760)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations	7	(480)	(1,150)
Total comprehensive income for the half year		(1,205)	(1,910)
Loss is attributable to:			
Owners of Resource Generation Limited		(725)	(760)
Total comprehensive income for the half year is attributable to:			
Owners of Resource Generation Limited		(1,205)	(1,910)
Earnings per share			
From continuing operations		Cents	Cents
Basic earnings per share		(0.18)	(0.29)
Diluted earnings per share		(0.18)	(0.29)

The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

RESOURCE GENERATION LIMITED

Condensed consolidated statement of financial position As at 31 December 2013

	Notes	31-Dec-13 \$'000	30-Jun-13 \$'000
Current assets			
Cash and cash equivalents		49,661	21,428
Trade and other receivables		274	569
Deposits and prepayments		113	298
		<u>50,048</u>	<u>22,295</u>
Non-current assets			
Property, plant and equipment		44,445	43,632
Mining tenements and exploration (net of provision for diminution)		94,416	88,780
Deposits and loan receivables		17,830	12,804
		<u>156,691</u>	<u>145,216</u>
TOTAL ASSETS		<u>206,739</u>	<u>167,511</u>
Current liabilities			
Trade and other payables		3,167	8,017
Provisions		777	713
Borrowings	4	-	20,500
		<u>3,944</u>	<u>29,230</u>
Non-current liabilities			
Royalties payable		2,728	2,764
		<u>2,728</u>	<u>2,764</u>
TOTAL LIABILITIES		<u>6,672</u>	<u>31,994</u>
NET ASSETS		<u>200,067</u>	<u>135,517</u>
Equity			
Issued Capital	5	222,873	157,253
Reserves		14,685	15,030
Accumulated losses		<u>(37,491)</u>	<u>(36,766)</u>
TOTAL EQUITY		<u>200,067</u>	<u>135,517</u>

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

Condensed consolidated statement of changes in equity
For the half year ended 31 December 2013

Attributable to owners of Resource Generation Limited				
Notes	Contributed equity \$'000	Reserves \$'000	Retained earnings \$'000	Total equity \$'000
Balance as at 1 July 2012	148,615	18,613	(33,953)	133,275
Loss for the period	-	-	(760)	(760)
Other comprehensive income for the period	-	(1,150)	-	(1,150)
Total comprehensive income for the period	-	(1,150)	(760)	(1,910)
Contributions of equity, net of transaction costs	113	-	-	113
Employee share options - value of employee services	-	171	-	171
	113	171	-	284
Balance at 31 December 2012	148,728	17,634	(34,713)	131,649
Balance at 1 July 2013	157,253	15,030	(36,766)	135,517
Loss for the period	-	-	(725)	(725)
Other comprehensive income for the period	-	(480)	-	(480)
Total comprehensive income for the period	-	(480)	(725)	(1,205)
Contributions of equity, net of transaction costs	65,620	-	-	65,620
Employee share options - value of employee services	-	135	-	135
	65,620	135	-	65,755
Balance at 31 December 2013	222,873	14,685	(37,491)	200,067

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

RESOURCE GENERATION LIMITED

Condensed consolidated statement of cash flows For the half year ended 31 December 2013

	Half year ended	
	31-Dec-13 \$'000	31-Dec-12 \$'000
Cash flows from operating activities		
Receipts from customers (Inclusive of government charges)	-	-
Payments to suppliers and employees (inclusive of government charges)	(4,375)	(787)
Land management	(59)	49
Interest received	737	257
Interest paid	(1,004)	(4)
Net cash outflow from operating activities	<u>(4,701)</u>	<u>(485)</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(948)	(470)
Receipts for government charges associated with land acquisition (refundable)	330	731
Net refund from deposits	-	1,847
Payments for acquisition of subsidiaries	(285)	-
Payments for mineral tenements and exploration	(7,113)	(5,962)
Net cash outflow from investing activities	<u>(8,016)</u>	<u>(3,854)</u>
Cash flows from financing activities		
Proceeds from issue of shares	63,968	113
Equity raising costs	(1,056)	-
Repayment of debt	(20,000)	-
Loan to BEE partner	(1,918)	(1,269)
Net cash inflow/(outflow) from financing activities	<u>40,994</u>	<u>(1,156)</u>
Net increase/(decrease) in cash and cash equivalents	28,277	(5,495)
Cash and cash equivalents at the beginning of the half year	21,428	12,116
Effects of exchange rate movements on cash and cash equivalents	(44)	(70)
Cash and cash equivalents at the end of the half year	<u>49,661</u>	<u>6,551</u>

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

RESOURCE GENERATION LIMITED

Notes to the condensed consolidated financial statements
For the half year ended 31 December 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation of half year financial report

This general purpose financial report for the interim half year reporting period 31 December 2013 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2013 and any public announcements made by Resource Generation Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The interim financial report has been prepared on the basis of historical cost except for the revaluation of certain financial instruments. Cost is based on the fair values of consideration given in exchange for assets. All amounts are presented in Australian Dollars, unless otherwise noted.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Disclosure surrounding adoption of new or revised Standards

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to their operations and effective for the current half-year.

- AASB 10 'Consolidated Financial Statements' and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'. The Standard requires a parent to present consolidated financial statements as those of a single economic entity. It identifies the principles of control, determines how to identify whether an investor controls an investee and therefore must consolidate the investee, and sets out the principles for the preparation of consolidated financial statements.
- AASB 12 'Disclosure of Interests in Other Entities' and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'. Requires the extensive disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, interest in other entities and the effect of those interest on its financial position, financial performance and cash flows, specifically: significant judgements and assumptions; interest in subsidiaries; interest in joint arrangements and associates and; interests in unconsolidated structured entities.
- AASB 127 'Separate Financial Statements' (2011) and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'. This amended Standard deals with the requirements for separate financial statements.
- AASB 128 'Investments in Associates and Joint Ventures' (2011) and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'. This Standard prescribes the accounting for investments in associates, superseding AASB 128 'Investments in Associates', and sets out the requirement for the application of the equity method when accounting for investments in associates and joint ventures.
- AASB 13 'Fair Value Measurement' and AASB 2011-8 'Amendments to Australian Accounting Standards arising from AASB 13'. The Standard defines fair value, provides guidance on how to determine fair value and requires disclosures about fair value measurements. Measurements must be disclosed in a 'fair value hierarchy' based on the nature of the basis for determining fair value.
- AASB 119 'Employee Benefits' (2011) and AASB 2011-10 'Amendments to Australian Accounting Standards arising from AASB 119 (2011)'. Revised requirements for pensions and other postretirement benefits, termination benefits and other changes. Short term employee benefits are defined as that are expected to be settled wholly before twelve months after the end of the annual reporting period.

The Company has reviewed the above Accounting Standards and determined that they have no material impact on the interim financial report for the half year ended 31 December 2013.

(b) Significant accounting policies

The interim financial report has been prepared using the same accounting policies as used in the annual financial statements for the year ended 30 June 2013, except for those noted above.

The significant accounting policy for the Company is development expenditure.

Development expenditure

Development expenditure incurred by or on behalf of the consolidated entity is accumulated separately for each area of interest in which economically recoverable reserves have been identified to the satisfaction of the directors. Such expenditure comprises direct costs plus overhead expenditure incurred which can be directly attributable to the development process.

All expenditure incurred prior to the commencement of commercial levels of production from each area of interest is carried forward to the extent which recoupment out of revenue to be derived from the sale of production from the area of interest or, by its sale, is reasonably assured. Once commercial levels of production commence, the development expenditure in respect of that area of interest will be amortised on a straight line basis, based upon an estimate of the life of the area of interest.

The interim financial report comprises the financial statements of Resource Generation Limited and its subsidiaries as at 31 December 2013 ('the Consolidated Entity').

RESOURCE GENERATION LIMITED

Notes to the condensed consolidated financial statements

For the half year ended 31 December 2013

2. SEGMENT INFORMATION

(a) Description of segments

Business segments

The consolidated entity has identified its segments on the basis of internal reporting requirements.

(b) Primary reporting format - business segments

Information regarding these segments is presented below. The accounting of the reportable segments is the same as the Group's accounting policies.

Half year 2013	Mining tenements	Corporate	Total
	Africa	Australia	
	\$'000	\$'000	\$'000
Total segment and consolidated revenue	860	546	1,406
Profit/(Loss) before income tax	464	(1,185)	(721)
Income tax expense	(4)	-	(4)
Profit/(Loss) for the half year	460	(1,185)	(725)

Half year 2012	Mining tenements	Corporate	Total
	Africa	Australia	
	\$'000	\$'000	\$'000
Total segment and consolidated revenue	651	107	758
Loss before income tax	218	(964)	(746)
Income tax expense	(14)	-	(14)
Profit/(Loss) for the half year	204	(964)	(760)

3. LOSS FOR THE HALF YEAR

Half year ended	31-Dec-12
31-Dec-13	\$'000
	\$'000

Loss for the half year includes the following items that are unusual because of their nature, size or incidence:

Expenses

Share based compensation	135	171
	135	171

4. BORROWINGS

31-Dec-13	30-Jun-13
\$'000	\$'000

Current liabilities/ Borrowings - secured	-	20,500
	-	20,500

The loan represented a secured debenture payable to Noble Resources International Pte.Ltd. The loan was repaid in full on 10 December 2013.

5. EQUITY SECURITIES ISSUED

	Half year ended		Half year ended	
	31-Dec-13	31-Dec-12	31-Dec-13	31-Dec-12
	Shares	Shares	\$'000	\$'000
Opening balance	279,698,002	257,895,652	157,253	148,615
Issues of ordinary shares during the half year				
Share issue 30 July 2013	47,536,602	-	10,458	-
Share issue 21 October 2013	237,161,400	-	51,120	-
Placement 5 December 2013	5,200,000	-	1,144	-
Placement 5 December 2013	6,784,334	-	2,714	-
Sale of JSE Clearing shares	794,500	-	185	-
Options exercised 28 November 2012	-	450,000	-	113
Closing balance	577,174,838	258,345,652	222,873	148,728

RESOURCE GENERATION LIMITED

Notes to the condensed consolidated financial statements

For the half year ended 31 December 2013

6. DEVELOPMENT PARTNERS

	31-Dec-13	30-Jun-13
	Interest	Interest
	%	%
Waterberg One Coal (Pty) Limited	74	70
Ledjadja Coal (Pty) Limited	74	74

In December 2013 the Company increased its holding in Waterberg One Coal (Pty) Limited by 4%.

7. FOREIGN TRANSLATION RESERVE

	31-Dec-13	30-Jun-13
	\$'000	\$'000
Opening Balance	2,832	2,361
Movement	480	471
Closing Balance	3,312	2,832

The movement in the foreign currency reserve reflects the appreciation of the Australian Dollar against the South African Rand in the six months since 30 June 2013 and the impact this has on the conversion of monetary assets held in South Africa.

8. COMMITMENTS

Capital commitments

The Group has \$35.9m in commitments in respect of the development of the Boikarabelo mine.

9. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

Approval was granted at the AGM in November 2013 for Blumont Group Ltd (Blumont) to acquire shares representing 15% of the Company at \$0.22 per share. Funding by Blumont has been deferred to February 2014 and a deposit of \$2.5 million has been made in January 2014 against the funding due, which will be retained if the funding is not forthcoming.

There are no other matters of significance up to the date of this report that have not been included in the interim financial statements.

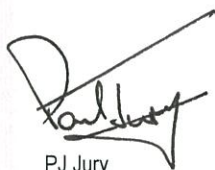
RESOURCE GENERATION LIMITED

Directors' declaration

In the directors' opinion:

- (a) there are reasonable grounds to believe that Resource Generation Limited will be able to pay its debts as and when they become due and payable.
- (b) the financial statements and notes set out on pages 5 to 11 are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

This declaration is made in accordance with a resolution of the directors, pursuant to Section 303(5) of the Corporations Act 2001.



PJ Jury
Director

Sydney

3 February 2014

Independent Auditor's Review Report to the members of Resource Generation Limited

We have reviewed the accompanying half-year financial report of Resource Generation Limited("the Company"), which comprises the condensed consolidated statement of financial position as at 31 December 2013, and the condensed consolidated statement of comprehensive income, the condensed consolidated statement of cash flows and the condensed statement of changes in equity for the half-year ended on that date, selected explanatory notes and, the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 5 to 12.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Resource Generation Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Resource Generation Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Resource Generation Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



R G Saayman
Partner
Chartered Accountants
Sydney, 3 February 2014

Supplementary Information - Presentation of financial information in South African Rand

The presentation currency used in the preparation of the financial statements is the Australian dollar (\$A). The Group has translated the financial statements to the South African (SA) Rand (ZAR) because the Boikarabelo mine, which represents the Group's most significant activity, is located in this region. This supplementary information has restated the financial statements in Rand. Assets and liabilities were translated in SA Rand using the relevant closing rate of exchange and income and expense items were translated using the relevant cumulative average rate of exchange. The applicable rates used in the restatement of information are as follows:

	Dec-13	Jun-13	Dec-12
Cumulative average rate of exchange \$A/Rand	9.3492	9.1110	8.8288
Closing rate of exchange \$A/Rand	9.3310	9.2103	8.8002

Consolidated Statements of Comprehensive Income - ZAR Convenience Translation (Supplementary Information) For the half year ended 31 December 2013

	Half year ended	
	2013	2012
	R'000	R'000
Revenue from continuing operations	13,145	6,692
Administration, rent and corporate	(5,058)	(7,240)
Depreciation of property plant and equipment	(1,103)	(662)
Employees benefits expense	(6,591)	(3,373)
Land management	(999)	(493)
Share based compensation	(1,262)	(1,510)
Finance expenditure	(4,871)	-
Loss before income tax expense	(6,741)	(6,586)
Income tax expense	(37)	(124)
Loss from continuing operations	(6,778)	(6,710)
Loss for the year	(6,778)	(6,710)
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	(4,488)	(10,153)
Total comprehensive income for the half year	(11,266)	(16,863)
Loss is attributable to:		
Owners of Resource Generation Limited	(6,778)	(6,710)
Total comprehensive income for the year is attributable to:		
Owners of Resource Generation Limited	(11,266)	(16,863)
Earnings per share	Rand	Rand
From continuing and discontinued operations		
Basic earnings per share	(1.7)	(2.6)
Diluted earnings per share	(1.7)	(2.6)
From continuing operations		
Basic earnings per share	(1.7)	(2.6)
Diluted earnings per share	(1.7)	(2.6)

Consolidated Statements of Financial Position - ZAR Convenience Translation (Supplementary Information)
As at 31 December 2013

	Consolidated	
	31-Dec-13	30-Jun-13
	R'000	R'000
Current assets		
Cash and cash equivalents	463,387	197,358
Trade and other receivables	2,558	5,241
Deposits and prepayments	1,054	2,745
	<u>466,999</u>	<u>205,344</u>
Non-current assets		
Property, plant and equipment	414,716	401,867
Mining tenements and exploration	880,996	817,687
Deposits and receivables	166,372	117,929
	<u>1,462,084</u>	<u>1,337,483</u>
TOTAL ASSETS	<u>1,929,083</u>	<u>1,542,826</u>
Current liabilities		
Trade and other payables	29,551	73,842
Provisions	7,249	6,567
Borrowings	-	188,811
	<u>36,800</u>	<u>269,220</u>
Non-current liabilities		
Royalties payable	25,455	25,457
	<u>25,455</u>	<u>25,457</u>
TOTAL LIABILITIES	<u>62,255</u>	<u>294,677</u>
NET ASSETS	<u>1,866,827</u>	<u>1,248,150</u>
Equity		
Contributed equity	2,079,630	1,448,345
Reserves	137,026	138,431
Accumulated losses	(349,829)	(338,626)
TOTAL EQUITY	<u>1,866,827</u>	<u>1,248,150</u>

Consolidated statement of cash flow - ZAR Convenience Translation (Supplementary Information)
For the half year ended 31 December 2013

	Half year ended	
	2013	2012
	R'000	R'000
Cash flows from operating activities		
Receipts from customers (inclusive of government charges)	-	-
Payments to suppliers and employees (inclusive of government charges)	(40,903)	(6,949)
Payments for land management	(552)	433
Interest received	6,890	2,269
Interest paid	(9,387)	(35)
Net cash outflow from operating activities	(43,951)	(4,282)
Cash flows from investing activities		
Payments for land, property, plant and equipment	(8,863)	(4,150)
Receipt for government charges associated with land acquisition	3,085	6,454
Net refunds from deposits	-	16,307
Payments for acquisition of subsidiaries	(2,665)	-
Payments for mineral tenements and exploration	(66,501)	(52,637)
Net cash outflow from investing activities	(74,943)	(34,026)
Cash flows from financing activities		
Proceeds from issue of shares	598,050	998
Equity raising costs	(9,873)	-
Repayment of debt	(186,984)	-
Loan to BEE partner	(17,932)	(11,204)
Net cash outflow from financing activities	383,261	(10,206)
Net decrease in cash and cash equivalents	264,367	(48,514)
Cash and cash equivalents at the beginning of the half year	197,358	102,270
Effects of exchange rate movements on cash and cash equivalents	1,661	3,894
Cash and cash equivalents at the end of the half year	463,387	57,650