

WESIZWE PLATINUM LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2003/020161/06)

JSE code: WEZ & ISIN: ZAE000075859

("the Company" or "Wesizwe")

EXTRACT OF THE SUMMARISED AUDITED ANNUAL FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2008

For inspection of the full audited annual report for the year ended 31 December 2008 refer to the Company website: www.wesizwe.com, a hard copy will be posted to shareholders during April 2009.

HIGHLIGHTS

- The Bankable Feasibility Study on Wesizwe's Core Frischgewaagd-Ledig Project in March 2008, was successfully completed well ahead of initial schedule.
- Further strategic positioning achieved through a value accretive deal between Wesizwe Platinum Limited (Wesizwe), Anglo Platinum Limited (Anglo Platinum) and Platinum Group Metals (RSA) (Proprietary) Limited (PTM), giving Wesizwe 100% control of its Core Project and welcoming Anglo Platinum as a 26% shareholder on the effective date of the transaction.
- The Core Project is technically and economically sound and Wesizwe remains financially strong with R244 million cash on hand at the date of this report.
- Contractors are mobilised and ready to commence construction, in line with Wesizwe's reviewed staged approach, as detailed in November 2008.
- Long lead items for electricity and bulk water supply, winders and shaft sinking equipment have been secured.
- Market volatility during the course of 2008 prompted an internal review of the March 2008 Bankable Feasibility Study. The first review confirms the viability and strength of the Core Project at the peak cost levels prevailing up to September 2008 and the second, to be completed at the end of April 2009, is in progress and will assess the implications of post-September 2008 declines in key Capex and Opex inputs.
- The results of this review are expected to be released in early May 2009 and will inform strategic decision and next steps.
- The process of the various statutory permissions to commence mining activities was progressed during the year and will be concluded shortly.

Commenting on the release of the results, Mike Solomon, CEO of Wesizwe, said:

“Wesizwe successfully completed its exploration programme in the first quarter of 2008. During the year the Company reinforced the underlying, extremely attractive fundamentals of its Core Project, the Frischgewaagd-Ledig Complex of the Pilanesberg Project. These include high head grades and very favourable PGM (4E) basket ratios, a stable geology and a relatively shallow working depth. These fundamentals have been confirmed by a Bankable Feasibility Study undertaken by TWP and Murray and Roberts Cementation and a competent person’s report on this study by The Mineral Corporation.

The strategy prior to the economic downturn had been to negotiate the terms of the required project finance by the end of 2008 and then to undertake equity capital raising during 2009. This sequencing was upset by the sudden crash in the capital markets in September 2008, and the approach had to be revised.

Given the Company’s project-ready situation, the Board of Directors of the Company elected to proceed with the Project on a phased approach whereby the capital project will be modularised into a series of smaller project components each with separate budgets and contracts. The company will then raise the respective amounts of capital required on an incremental basis until such time as the capital markets normalise. Project finance will only be negotiated and accepted on reasonable terms while any cash raised on the basis of new issue of shares will be contingent on share price recovery to a less dilutive level to mitigate dilution and preserve underlying shareholder value.

Wesizwe’s approach has always been aggressive and continues to be so. The fact that we are progressing carefully in this uncertain environment is not a sign of this world-class Project being in distress or coming to a halt, but rather that necessary caution is being taken in the interests of protecting shareholder value. These measures are being taken to navigate the Company through the storm by making sensible decisions and weighing options to this end.

During the past year Wesizwe negotiated a highly value accretive deal with Anglo Platinum and PTM, which will give Wesizwe 100% control of and benefit from its Core Project, while maintaining its 26% stake in the Western Bushveld Joint Venture. As a result of this transaction, Anglo Platinum will become the largest single shareholder in the Company”

FUNDING AND GOING CONCERN

Wesizwe completed its exploration programme during the first quarter of 2008, funded by means of shareholder equity funding.

Until September 2008, the Company's Core Project was on track, as were its capital raising efforts. However, these have been impacted significantly by the advent of the global economic crisis.

The strategy in progress prior to the economic downturn was to negotiate the terms of the project finance by the end of 2008 and on the back of this raise to undertake the equity capital raised during the course of this year. Once this was in place, the Company intended to utilise the equity for the capital development programme and once exhausted, to draw down on the debt component as close to cash generation as possible in order to mitigate the roll-up of interest charges on this debt. This sequencing of course was upset by the sudden crash in the capital markets in September 2008, and the approach had to be revisited.

As project finance literally evaporated at that point there was little purpose in continuing the project finance negotiations with ABSA Barclays Capital, and these discussions have been

deferred until the turmoil in the capital markets has settled down. The planned major equity raised was also aborted as a result of the low prevailing share prices and the reluctance of management to unnecessarily dilute existing shareholders.

The Company has cash reserves of R244 million at the date of this report and has negotiated and signed a term sheet with YA Global Investments, L.P. for a three year standby equity distribution facility for R550 million. In terms of the facility YA Global Investments, L.P. will subscribe for up to R550 million, in minimum tranches of approximately R50 million, in respect of ordinary shares of Wesizwe Platinum Limited.

Wesizwe's management assessed the Company's liquidity risk as high and its ability to raise funding as low given the current financial crisis. This assessment led management to formulate a project budget to mitigate the liquidity risk of the Company.

The following are the underlying principles of the budget:

- All overheads were reviewed and non-critical activities have halted and the Company has set aside sufficient cash to meet its overheads and obligations as they become due and payable for the next 12 months. Management will progressively monitor Company overheads and has the flexibility to further cut back on certain overheads should it become necessary. The abovementioned facility is to cover any unexpected expenses that may become due and to fund unexpected opportunities.
- Given the Company's project-ready situation, the opportunity of proceeding with the Project in a low-cost environment, the target to be in production in time for the recovery of the market between 2014 and 2016, the Company has elected to proceed with the Project on a phased basis, raising incremental amounts of capital required until such time as the capital markets normalise, project finance can then be negotiated on reasonable terms as share prices recover to a less dilutive level to permit a sensible equity raise, with the following caveats:
 - The capital project will be modularised into a series of smaller project components each with a separate budget and contract;
 - There should at all times be sufficient working capital in place to fund the selected project modules as well as to ensure that the Company has sufficient resources to ensure a three year going concern;
 - Contracts will only be signed and commissioned with the available capital in the bank thereby avoiding any unserviceable debt traps; and
 - While commissioned project components proceed, smaller capital amounts will be progressively sought with which to commission further project elements.

FINANCIAL RESULTS

As an exploration and development focused entity, Wesizwe did not earn any revenue from exploration activities during the year under review and is not forecasting any revenue from mining activities until a mine is brought into production on the Frischgewaagd-Ledig Complex of the Pilanesberg Project.

The Group made a net loss for the year of R27,8 million (compared to a loss of R90,8 million for 2007), comprising administration expenses of R62,3 million, offset by the net finance income of R34,3 million and other income of R0,2 million.

Administration expenses of R62,3 million include the following:

➤ Depreciation	R1,5 million
➤ Shared-based payment expense	R0,5 million

- Bonus for past services rendered R2,2 million
 - Impairment charge R1,2 million
 - Exploration and evaluation expense R8,2 million
 - Other administration overheads R48,7 million
- Share-based payment expense relates to shares and options issued to staff under the Long Term Incentive Plan (LTIP).
 - The impairment charge of R1,2 million relates to write-off of exploration costs of the Groblersdal and GaRankuwa Projects. Initial drilling results indicated that the resource in these areas cannot be exploited economically and the decision not to continue with the projects was taken.
 - Other administration overheads of R49,1 million comprise of salaries, marketing expenses and community sustainable projects.

Capital expenditure

Capital expenditure for the year includes: intangible exploration and evaluation expenses capitalised at R42,5 million (2007: R102,1 million); long-lead items consisting of plant and equipment R54,5 million (2007: R28,8 million); tangible exploration and evaluation assets (engineering and drawings) R79,0 million (2007: R43,5 million); and other property, plant and equipment items R6,8 million (2007: R6,9 million).

Subsequent events and litigations

- *Appeal of the Record of Decision (RoD)*
On 16 February 2009, the Sun International Group in concert with North West Eco Forum and the Legacy Group instituted an appeal directed to the MEC for Agriculture, Conservation and Environment, in terms of Chapter 7 of the National Environmental Management Act, 1998 (Act No. 107 of 1998) National Environmental Management Assessment (NEMA) regulations (Government notice no. R385, R386 and R387 in Government Gazette of April 2006) (NEMA EIA Regulations). The appeal is against the RoD that was granted to Wesizwe by the NWDACE, challenging certain aspects of Wesizwe's EIA.

As objections are part of the Environmental Impact Assessment (EIA) and Interested and Affected Parties (IAP) process, Wesizwe believes there is nothing unusual or unexpected about this. Outside the statutory IAP process Wesizwe has initiated dialogue with all relevant parties in the same consultative manner in which the Company has worked with the local community. Wesizwe is however in possession of a positive RoD which entitles Wesizwe to proceed with mining and has no intention of delaying the project to accommodate these late objections.

- *Acquisition of Participation Interest*
On 5 December 2008 Wesizwe signed a "Sale of Participation Interest and Prospecting Rights Agreement" and a "Disposal Agreement" with the following parties:
 - Africa Wide Mineral Prospecting and Exploration (Proprietary) Limited (AW)
 - Bakubung Minerals (Proprietary) Limited (Bakubung)
 - Maseve Investments 11 (Proprietary) Limited – (Maseve)
 - Platinum Group Metals (RSA) (Proprietary) Limited (PTM)
 - Rustenburg Platinum Mines Limited (RPM)

In terms of the "Sale of Participation Interest and Prospecting Rights agreement", Wesizwe will acquire 37% of RPM Prospecting Rights and 37% of its Participation Interest in the Western Bushveld Joint Venture (WBJV) (shareholding in the WBJV before the transaction is as follows:

37% RPM, 37% PTM and 26% AW). Wesizwe will settle the purchase consideration by issuing 211 850 125 new Wesizwe Platinum Limited ordinary shares.

In terms of the "Disposal Agreement", Wesizwe will dispose certain Mineral Rights and Participation Interest to its wholly owned subsidiaries, Africa Wide and Bakubung. Africa Wide will then dispose of Mineral Rights and Participation Interest in the WBJV to Maseve. The WBJV will then terminate.

As at 31 December 2008, the following suspensive conditions had not been fulfilled.

- Obtaining Section 11 approval of the Mineral Petroleum Resources Development Act (MPRDA) transfer of title and/or Ministerial Consent from the Department of Minerals and Energy (DME) to the extent necessary for the execution and implementation of the RPM Transaction; and
- Obtaining approval of Wesizwe's Shareholders for the RPM Transaction.

The transaction will only be effective once above outstanding suspensive conditions have been fulfilled.

At the date of writing this report, the accounting effects of this transaction have not yet been determined.

SHARE CAPITAL

Authorised share capital

There was no change to the authorised share capital during the year. At 31 December 2008 the authorised share capital comprised:

	2008 R'000	2007 R'000
1 000 000 000 ordinary shares of 0.001 cents	10	10

Issued share capital

A summary of the issues made during the year under review are reflected below:

Date	Price per share (cents)	2008 shares issued	Total shares issued
Opening balance at 1 January 2008			554 829 167
2008			
22 April*	934	660 679	660 679
8 July**	675	30 000 000	30 000 000

*On 22 April 2008, 660 679 shares were issued to employees under the Long Term Incentive Plan.

**On 8 July 2008, the Company issued 30 000 000 shares and received gross proceeds of R203 million.

Unissued share capital

In terms of an ordinary resolution passed at the Company's last annual general meeting held on 12 August 2008, 20% of the Company's unissued share capital was placed under the control of the directors until the next annual general meeting of shareholders. Shareholders' approval will be sought at the next annual general meeting for the continued placing of 15% of unissued share capital under the control of directors.

Balance sheets

at 31 December

	Notes	GROUP		COMPANY	
		2008 R'000	2007 R'000	2008 R'000	2007 R'000
Assets					
Non-current assets					
		1 142 827	950 172	632 673	628 801
Property, plant and equipment		95 857	36 207	10 875	5 791
Tangible exploration and evaluation assets	7	122 443	43 454	—	—
Intangible exploration and evaluation assets	6	251 559	210 226	—	1 212
Environmental deposits - restricted cash		436	436	—	—
Other investments – restricted cash	10	3 800	—	—	—
Investment in equity accounted investee	8	668 732	659 849	—	—
Investment in subsidiaries		—	—	621 798	621 798
Current assets					
		328 181	285 409	761 512	595 403
Loans receivable from subsidiaries		—	—	470 124	347 813
Other receivables		11 998	37 911	233	780
Cash and cash equivalents		316 183	247 498	291 155	246 810
TOTAL ASSETS		1 471 008	1 235 581	1 394 185	1 224 204
Equity and liabilities					
Capital and reserves					
		1 369 563	1 200 163	1 369 563	1 200 163
Share capital		6	6	6	6
Share premium		1 487 934	1 285 035	1 487 934	1 285 035
Share-based payment reserve		57 269	62 929	57 269	62 929
Accumulated losses		(175 646)	(147 807)	(175 646)	(147 807)
Long-term liabilities					
		6 962	11 825	6 962	11 825
Other long-term liabilities	9	6 962	11 825	6 962	11 825
Current liabilities					
		94 483	23 593	17 660	12 216
Trade and other payables		94 483	23 593	17 660	12 216
TOTAL EQUITY AND LIABILITIES		1 471 008	1 235 581	1 394 185	1 224 204

Income statements

for the year ended 31 December

	Notes	GROUP		COMPANY	
		2008 R'000	2007 R'000	2008 R'000	2007 R'000
<i>Revenue</i>		—	—	16 818	12 537
Other income		196	—	196	—
Administration expenditure		(52 935)	(108 721)	(60 494)	(117 175)
Loss on sale of non-current assets		(7)	—	(7)	—
Impairment of capitalised exploration and evaluation asset		(1 212)	—	(1 212)	—
Exploration and evaluation expenses		(8 199)	—	(8 199)	—
Impairment of loan to subsidiary		—	—	(9 256)	(4 083)
Loss from operations		(62 157)	(108 721)	(62 154)	(108 721)
Finance income		34 319	17 920	34 316	17 920
Finance costs		(1)	(6)	(1)	(6)
Loss before taxation		(27 839)	(90 807)	(27 839)	(90 807)
Income tax expense		—	—	—	—
Loss for the year		(27 839)	(90 807)	(27 839)	(90 807)
Loss per share					
Basic loss per share (cents)	3	(4,89)	(19,17)		
Diluted loss per share (cents)	3	(4,89)	(19,17)		

Cash flow statements
for the year ended 31 December

	Note s	GROUP		COMPANY	
		2008 R'000	2007 R'000	2008 R'000	2007 R'000
Cash flows utilised by operating activities					
Cash generated / (utilised) by operations	5	33 016	(53 992)	(48 979)	(21 807)
Finance cost		(1)	(6)	(1)	(6)
Net cash inflow / (outflow) from operating activities		33 015	(53 998)	(48 980)	(21 813)
Cash flows utilised by investing activities					
Acquisition of property, plant and equipment as a result of increasing operations		(61 355)	(36 224)	—	(5 777)
Acquisition of tangible exploration and evaluation assets as a result of increasing operations		(78 989)	(43 454)	(6 349)	—
Expenditure on intangible exploration and evaluation assets as a result of increasing operations		(42 545)	(102 074)	—	(1 212)
Environmental guarantee deposit as a result of increasing operations		(3 800)	—	—	—
Investment equity accounted investee		(8 884)	(47 853)	—	—
Acquisition of Africa Wide loan accounts		—	—	—	(4 083)
Increase in amounts owed by Group companies		—	—	(131 566)	(251 398)
Acquisition of subsidiary, net of cash		—	(10 217)	—	(10 217)
Proceeds on disposal of property, plant and equipment		195	—	195	—
Investment income		34 319	17 920	34 316	17 920

Net cash outflow from investing activities	(161 059)	(221 902)	(103 404)	(254 767)
Cash flows from financing activities				
Net proceeds from share issues	196 729	481 633	196 729	481 633
Decrease in current portion of interest bearing liabilities	—	(18 403)	—	(18 403)
Net cash inflow from financing activities	196 729	463 230	196 729	463 230
Net increase in cash and cash equivalents	68 685	187 330	44 345	186 650
Cash and cash equivalents at the beginning of the year	247 498	60 168	246 810	60 160
Cash and cash equivalents at the end of the year	316 183	247 498	291 155	246 810

Notes to the financial statements
for the year ended 31 December 2008

1. *Basis of preparation and accounting policies*

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board (IASB) and in a manner required by the Companies Act of South Africa.

The financial statements information for the year ended 31 December 2008 has been prepared on the historical cost basis except for share-based payments and financial investments which are carried at fair values.

2. *Capital commitments*

Capital commitments as at 31 December 2008 amounts to R61,8 million (2007: R Nil). This relates to Long-lead capital Items

3. Basic loss and Headline loss per share

	Group 2008	Group 2007
The basis of calculation of basic loss per share is:		
Attributable loss to ordinary shareholders (Rand)	26 620 000	90 807 000
Weighted number of ordinary shares outstanding during the year (shares)	569 795 868	473 594 696
Basic and diluted loss per share (cents)*	4,89	19,17
The basis of calculation of headline loss per share is:		
Attributable loss to ordinary shareholders (Rand)	27 839 000	90 807 000
	(1 219 000)	-
Loss on disposal of asset	(7 000)	-
Impairment of exploration and evaluation	(1 212 000)	-
Headline loss	26 620 000	-
Weighted number of ordinary shares outstanding during the year (shares)	569 721 121	473 594 696
Headline loss per share (cents)	4,67	19,17

* During the year the Group granted 1 851 306 shares under its LTIP and SARS schemes. These shares were not taken into account for the purpose of calculating diluted loss per share as they have an anti-dilutive effect.

4. Other notes

Dividends: No dividend was declared or proposed during the year ended 31 December 2008 (2007: R Nil).

Segmental analysis of annual results: No segmental report has been prepared as the Company is conducting exploration activities in one geological location, which represents only one business activity.

5. Notes to the cash flow statement

	Group 2008 R'000	Group 2007 R'000	Company 2008 R'000	Company 2007 R'000
Reconciliation of loss for the year to cash utilised by operations:				
Loss from operations	(62 157)	(108 721)	(62 154)	(108 721)
Adjustments for:				
- depreciation	1 504	577	1 063	397
- impairment of loan to subsidiary			9 256	4 083
- share-based payment expense	510	62 199	510	62 199
- impairment of exploration and evaluation asset	1 212	—	1 212	—
- loss on disposal of PPE	7	—	7	—
Operating loss before working capital changes	(58 924)	(45 945)	(50 106)	(42 042)
Changes in working capital	91 940	(8 047)	1 127	20 235
Decrease/(Increase) in other receivables	25 914	(34 113)	547	175
Increase in trade and other payables	70 889	14 241	5 443	8 235
Movement in other long term liability	(4 863)	11 825	(4 863)	11 825
Cash generated / (utilised) by operations	33 016	(53 992)	(48 979)	(21 807)

6. Intangible exploration and evaluation assets

Intangible exploration and evaluation assets comprise capitalised exploration and evaluation expenditure on the Pilanesberg Project.

7. Tangible exploration and evaluation assets

Tangible exploration and evaluation assets comprise capitalised engineering designs and drawings.

8. Investment in equity accounted investee

During the prior year, the Group acquired 100% of Africa Wide for R611 million (including capitalised expenses of R10 217 337 incurred on acquisition) at 1048 cents per share. The purchase consideration was settled by issuing 57 421 643 new Wesizwe Platinum Limited shares. The primary asset of Africa Wide is a 26% shareholding in the WBJV. The other parties are Anglo Platinum Limited holding 37% and Platinum Group Metals Limited holding 37%. The effective date of the transaction was 14 September 2007. Since acquisition all exploration and evaluation expenditure has been capitalised in accordance with the Group's accounting policy.

Notwithstanding the 100% acquisition of Africa Wide, the underlying investment in the WBJV is accounted for as an investment in equity accounted investee, using the equity method of accounting.

The assets and liabilities of Africa Wide and the fair values attributed to these at acquisition date were as follows. The only asset at the date of acquisition was the equity accounted investee in the WBJV.

	Total
Intangible assets	808 626
Trade and other payables	(38 323)
Loan accounts	(4 083)
Equalisation liability*	(140 236)
At acquisition	(128 871)
Additional top-up	(11 365)
Total assets and liabilities acquired	625 984
Deferred tax liability	(234 502)
Goodwill	220 514
Consideration at acquisition date settled by share issue	611 996
Subsequent expenditure capitalised – 2007	47 853
Total 31 December 2007	659 849
Subsequent expenditure capitalised – 2008	8 883
Total 31 December 2008	668 732

* Upon completion of a bankable feasibility study for the WBJV the respective deemed capital contribution of each party will be credited based on their contribution of measured, indicated and inferred PGM ounces from the contributing properties comprising the WBJV, determined in accordance with the SAMREC code. The three partners will either make equalisation payments or receive equalisation receipts from other partners so that the percentage holding interest among the three parties in the WBJV remains 37% Anglo Platinum Limited, 37% Platinum Group Metals, 26% Africa Wide. Management estimate that the equalisation liabilities, which represent equalising cash payments to be paid by Africa Wide to the other WBJV partner(s) in future, to be R140 million as at the effective date of the transaction and recognised as part of the business combination.

Goodwill relates to capital and operational synergistic benefits that will arise as the WBJV properties are next to Wesizwe's Core Project properties.

9. Other long-term liabilities

Long-term liabilities relate to deferred bonus commitments of R6,96 million payable in 2010.

10. Other investments

In terms of section 41 of the MPRDA, a financial provision is required by the holder of a Prospecting Right, Mining Right or Mining Permit to achieve the total quantum for rehabilitation and remediation of environmental impacts and associated damage as well as closure-out for cost.

The DME approved the Environmental Management Plan for Wesizwe and the following amounts have been invested for closure cost purposes based on the approved figures.

	2008 R'000	2007 R'000
Capital invested	3 800	—
Return on investments	—	—
Total	3 800	—

11. Directorate

On 30 November 2008 L Maloney (Mrs) resigned as a director of Wesizwe and on 1 December 2008 I Abedian (Dr), P G Gaylard (Prof), M G Mgudlwa (Mr) and D N M Mokhobo (Mrs) were appointed to Wesizwe's Board of Directors.

12. Disclaimer: Forward looking statements

Certain statements included in this report constitute "forward looking statements" that are not profit forecasts or estimates in any way as defined by the JSE Listings Requirements. Such forward looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of Wesizwe, or of the platinum mining industry, to be materially different from future results, performance or achievements expressed or implied by those forward looking statements. Wesizwe is subject to the effect of changes in platinum group metals prices, currency and the risks involved in mining operations.

Signed on behalf of the Board

R G RAINEY
Acting Chairman

M H SOLOMON
Chief Executive Officer

Johannesburg
30 March 2009

Sponsors Investec Bank Limited

ENQUIRIES

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