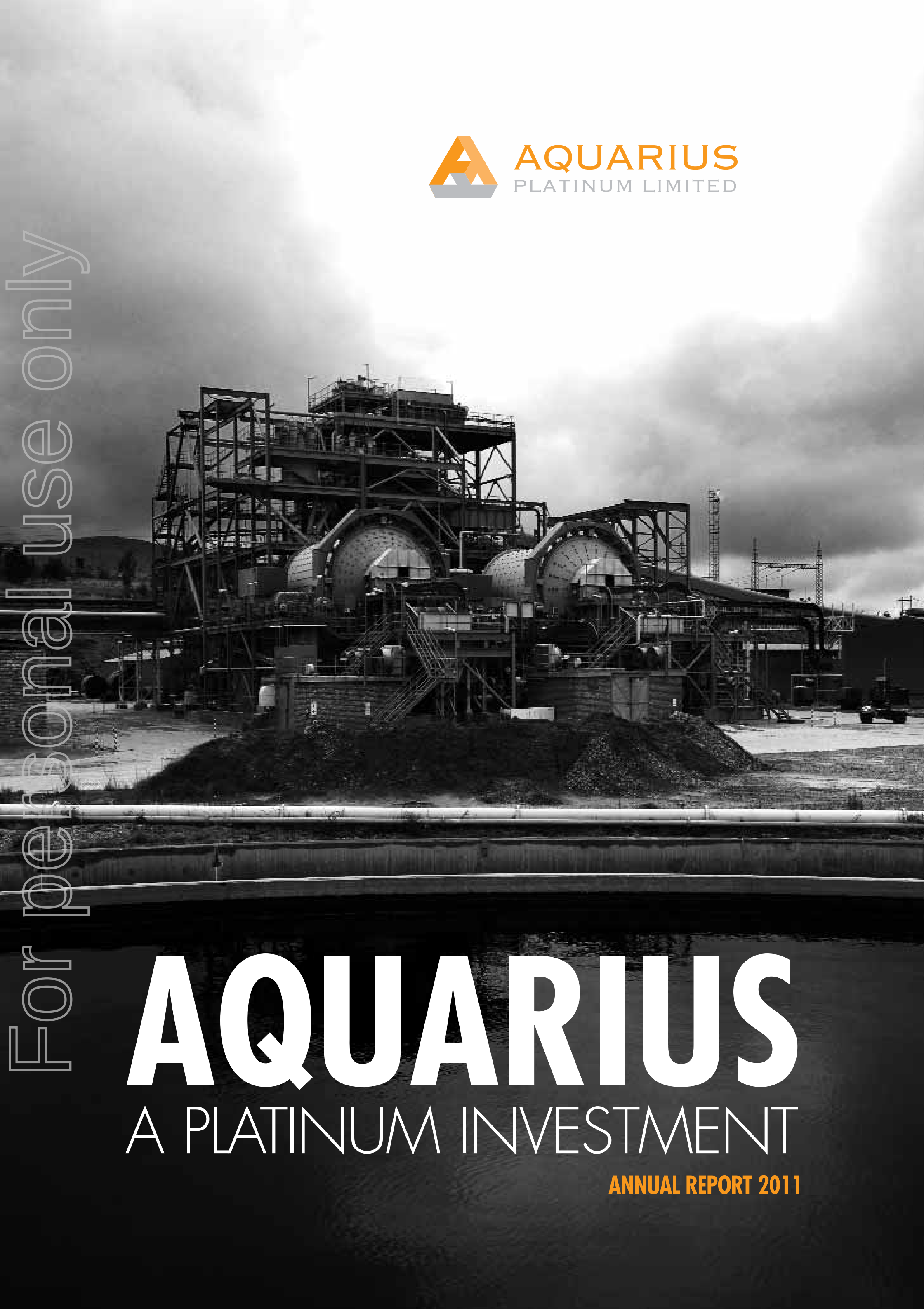
AQUARIUS PLATINUM LIMITED



AQUARIUS

A PLATINUM INVESTMENT

ANNUAL REPORT 2011

AQUARIUS
PLATINUM LIMITED

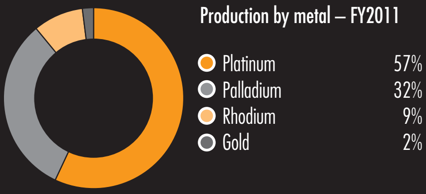
Aquarius' business model and strategy

Aquarius has been uniquely successful in bringing into operation smaller-scale deposits with the use of highly mechanised, low-cost mining methods and operating systems that differ from those used by major players in the industry. The Aquarius strategy includes:

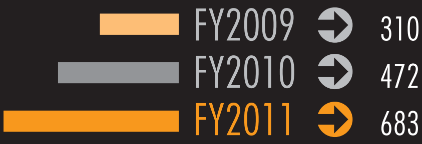
- Identifying, acquiring and mining smaller-scale, cost-effective PGM deposits
- Using capital-intensive mining methods
- Using contractors to mine and run plants, thus enabling Aquarius to benefit from contractor expertise and resources. This allows for quicker build-ups, a leaner and more cost-effective structure and greater operational flexibility
- Minimising overheads across the group – from exploration through to corporate financing. This includes the timely and cost-effective raising of capital
- Entering into long-term contracts for the sale of concentrate, thus overcoming the significant technical barriers to establishing and operating large-scale processing facilities as well as the infrastructure necessary to market refined PGMs

A SOLID INVESTMENT OPTION

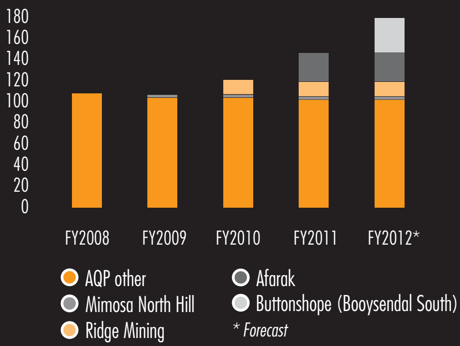
Production by metal – FY2011



Annual attributable revenue ($m)



Growth in Aquarius' resource base (Moz)



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WHY PLATINUM

NOBLE METAL

The special qualities of platinum make its use crucial to technology, industry and the environment

REPORT PROFILE

The 2011 Annual Report for Aquarius Platinum Limited (Aquarius) covers the period from 1 July 2010 to 30 June 2011 and presents the operational and financial performances of the group over this period. This report has been compiled in line with the regulations of the Australian Securities Exchange (ASX), which hosts Aquarius' primary stock exchange listing.

In this report, platinum group metal (PGM) production refers to the three primary platinum group elements (PGE) – platinum, palladium and rhodium – and gold, which are together referred to as 4E or 3E+Au. Throughout this report, financial data is reported in US Dollars and, where applicable to South African subsidiaries in the operational review, in South African Rands.

Included in this report is the group Mineral Resource and Reserve statement in which Aquarius' Mineral Resources, Mineral Reserves and exploration results for its operations in South Africa and Zimbabwe are reported in accordance with the South African Code for Reporting of Mineral Resources and Mineral Reserves (SAMREC 2007) and its equivalent, the Australian Code for the Reporting of Mineral Resources and Ore Reserves (JORC 2004). This statement has been signed off by the relevant Competent Persons as defined by these codes. A fuller, more extensive Mineral Resource and Mineral Reserve Technical Statement 2011 will be available on the corporate website, www.aquariusplatinum.com from mid-December 2011.

The corporate governance statement presented in this report has been compiled in line with the Australian Securities Exchange's Corporate Governance Principles and Recommendations (with 2010 amendments) with reference to the Combined Code on Corporate Governance 2008, as prepared by the Financial Reporting Council in the United Kingdom. The annual financial statements were prepared in accordance with the International Financial Reporting Standards and audited in accordance with International Standards on Auditing.

A separate, more detailed report on Aquarius' sustainable development activities, compiled in line with the principles of the G3 reporting guidelines of the Global Reporting Initiative (GRI), will be available on the corporate website, www.aquariusplatinum.com, in November 2011. A summary of that report is presented in this annual report.

Key performance indicators

The key performance indicators (KPIs) reported throughout this Annual Report cover health and safety, operations, financial metrics and are used by the Board of Aquarius and operational management to monitor the Company's performance over time. They are reported here to provide all stakeholders with the tools necessary to assess the Company's results on a clear and consistent basis. The Company aims to deliver consistent improvement across all of its KPIs.

HIGHLIGHTS FY2011

Strategic highlights

- **Global mining best practice hangingwall support methodology implemented** across South African mines following accident at Marikana in July 2010
- **Acquisition of Afarak Platinum,** concluded 5 April 2011, for $109.7 million will facilitate potential extensions to mine life at Kroondal and Marikana
- **Agreement reached to acquire Buttonshope** (Booysendal South) for R1.2 billion (approximately $160 million) to extend mine life and expand production at Everest
- Afarak and Buttonshope transactions to **increase Aquarius PGM resources** by approximately 23%
- Agreement reached on acquisition of an additional **41.7% of Platinum Mile** for approximately $17 million, increasing ownership in that asset to 91.7%

For operational highlights see page 34

Financial highlights

- **Revenue up by 45%** to $682.9 million (FY2010: $472.2 million)
- US Dollar **PGM prices increased materially**, offset to some degree in South Africa by a strengthening Rand-Dollar exchange rate
- Mine operating net cash flow rose by 44% to **$162.3 million** (FY2010: $112.8 million)
- **Mine EBITDA increased by 40%** to $203.2 million (FY2010: $145.1 million)
- Headline earnings (before exceptional items) **increased more than fivefold** to $142.8 million (FY2010: $23.6 million)
- Headline earnings per share of **30.85 US cents per share** (FY2010: 5.17 US cents per share)
- Asset impairment of the Ridge assets (non-cash) of **$159.8 million** following cessation of operations
- **Reported net loss** of $10.4 million (equivalent to US 2.25 cents per share) as a result of Blue Ridge impairment
- Group cash balance at financial year-end of **$328.1 million**
- Final dividend of US 4 cents per share declared, taking **full year dividend to US 8 cents per share** (FY2010: US 6 cents)

CORPORATE PROFILE

ASX – AQP.AX
LSE – AQP.L
JSE – AQP

Aquarius is a focused, independent platinum group metals (PGM) producer, with assets on both the Bushveld Complex in South Africa and the Great Dyke in Zimbabwe, the two most renowned PGM-bearing deposits in the world. Aquarius mines the UG2 reef on both the western and eastern limbs of the Bushveld Complex and the Main Sulphide Zone on the Great Dyke.

The primary metals produced are platinum, palladium, rhodium and gold, with iridium and ruthenium as co-products. Significant by-product metals are nickel, copper and chrome.

- In South Africa:
  Aquarius' assets, which are operated through Aquarius Platinum (South Africa) (Proprietary) Limited (AQPSA), are the Kroondal, Marikana and Everest mines. Operations at Blue Ridge were suspended during the year.

  Through Aquarius' wholly-owned subsidiary, Aquarius Platinum (South Africa) (Corporate Services) (Proprietary) Limited (ASACS), at year-end, the group held a 50% interest in the Chromite Tailings Retreatment Plant (CTRP), and in Platinum Mile Resources (Pty) Limited, both of which recover PGMs from the tailings streams of various platinum and chrome mining operations on the western limb of the Bushveld Complex. During the year, Aquarius agreed to acquire a further 41.7% of Platinum Mile.

- In Zimbabwe:
  Aquarius' interest in Mimosa, one of the lowest cost producers in the PGM industry, is held through a 50% stake in Mimosa Investments Limited.

Aquarius' attributable PGM (4E) production for the 2011 financial year increased by 15% to total 487,404 ounces. At year-end, Aquarius reported total attributable Mineral Resources (after application of geological losses) of 118.28Moz and Mineral Reserves of 7.03Moz.

Aquarius also has an active exploration programme with a particular focus on the eastern limb of the Bushveld Complex, as well as at and around existing mines.

Aquarius' shares are quoted on the Australian Securities Exchange (ASX), the main board of the London Stock Exchange (LSE) and the Johannesburg Stock Exchange (JSE). The company also has a sponsored Level 1 ADR program in the United States. As at 30 June 2011, Aquarius had a market capitalisation of $2.36 billion (R15.98 billion)

Location of Aquarius' operations in southern Africa

Everest
S 25° 10' 64.5''
E 30° 11' 82.5''

Marikana
S 25° 44' 16.52''
E 27° 25' 11.48''

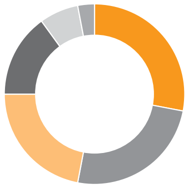
Kroondal
S 25° 42' 20.2''
E 27° 19' 34.7''

CTRP
S 25° 42' 48.4"
E 27° 20' 10.4"

Platinum Mile
S 25° 38' 55.9"
E 27° 19' 02.0"

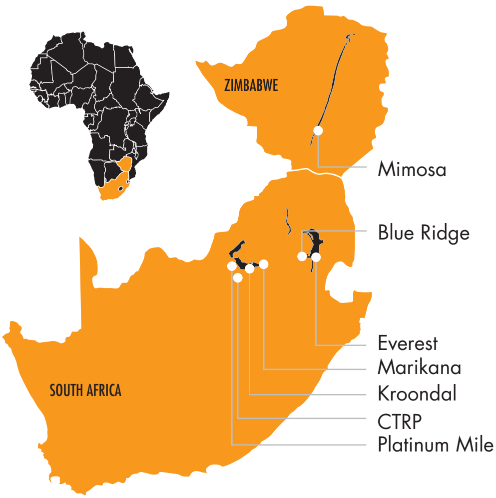
Mimosa
S 20° 19' 40.52''
E 29° 49' 32.26''

Blue Ridge
S 25° 05' 36.13''
E 30° 37' 22.46''



Geographic distribution of shareholders

United Kingdom	28%
Australia	25%
United States	22%
South Africa	15%
European Union	7%
Asia	3%



PROGRESS
KEY PERFORMANCE INDICATORS

FY2010 VS FY2011

Safety – Disabling injury incidence rate (DIIR)

FY2010	FY2011
0.55 per 200,000 hours worked	0.50 per 200,000 hours worked

Operating performance – PGM production

FY2010	FY2011
422,645 ounces	487,404 ounces

Financial performance – Attributable revenue

FY2010	FY2011
$472 million	$683 million

Productivity – Production per employee

FY2010	FY2011
38 PGM ounces	48 PGM ounces

Market performance – Average weighted basket price received

FY2010	FY2011
$1,172 per PGM ounce	$1,416 per PGM ounce

OBJECTIVES

9% decrease

Employee safety is a constant focus with the overall aim being that of 'zero harm'. Aquarius is dedicated to maintaining industry-leading safety standards.

15% increase

Recent acquisitions in South Africa are in line with corporate objectives to increase volumes produced and extend the life of mine of operations.

45% increase

Significant increase in attributable revenue a function of the higher level of production and the rise in the weighted PGM basket price received for the year.

26% increase

Optimisation programmes are being carried out at all Aquarius operations so as to improve productivity, enhance efficiencies and contain increases in costs.

21% increase

Given likely future global supply constraints, the medium-term outlook for PGM prices is exceptionally positive. However, global macro-economic concerns are cause for concern in the short term.

OPERATIONS AT A GLANCE

Aquarius, a mid-tier PGM producer, is the world's fourth largest primary platinum producer. Its suite of assets is found in South Africa on both the western and eastern limbs of the world-renowned Bushveld Complex and in Zimbabwe on the Great Dyke. These geological entities together account for more than 80% of the world's platinum resources.

Group

Aquarius operations currently include four operating, mechanised low-cost producing mines, two retreatment facilities and one non-operating mine.

An active exploration programme is underway at and around existing Aquarius operations. During FY2011, a total of 13,466m were drilled in South Africa, mainly on the eastern limb of the Bushveld Complex, and 91 boreholes were drilled in Zimbabwe. Current projects and prospects currently contribute 95Moz to Aquarius' PGM resource base.

"THE WORLD'S FOURTH LARGEST PRIMARY PRODUCER OF PLATINUM"

Key attributable data for FY2011:

PGM production:
3PGM+Au: 487,404 ounces
5PGM+Au: 576,800 ounces

Group revenue: $683 million

Group mineral resource: 118.28Moz

Group mineral reserve: 7.03Moz

Weighted average basket price received:
Group: $1,416 per PGM ounce
South African operations only:
R10,230 per PGM ounce

Weighted average cash costs:
Group: $923 per PGM ounce
South African operations only:
R6,910 per PGM ounce

Group capital expenditure: $142 million

Kroondal

Kroondal, the flagship operation in the Aquarius group, is managed in a 50:50 pooling and sharing agreement (P&SA1) with Anglo American Platinum (Amplats), and all concentrate produced is sent to Amplats for further processing, smelting and refining.

"THE FLAGSHIP OPERATION"

Key attributable data for FY2011:

PGM production: 207,473 ounces

Contribution to group revenue: $268 million

Mineral resource*: 3.39Moz

Mineral reserve: 2.37Moz

Cash costs:
$892 per PGM ounce
R6,273 per PGM ounce

Capital expenditure: $25 million

* *After application of geological losses*

OPERATIONS AT A GLANCE CONT.

Marikana

Situated not far from Kroondal, Marikana is also managed in a 50:50 pooling and sharing agreement (P&SA2) with Amplats. Concentrate produced is processed either by Amplats or by Impala Refining Services (IRS), depending on the source of the reserve originally mined.

"OPERATIONS NOW TOTALLY UNDERGROUND"

Key attributable data for FY2011:

PGM production: 52,962 ounces

Contribution to group revenue: $71 million

Mineral resource*: 2.73Moz

Mineral reserve: 1.44Moz

Cash costs:
$1,193 per PGM ounce
R8,394 per PGM ounce

Capital expenditure: $8 million

Everest

Everest is wholly owned and situated on the eastern limb and production continues to ramp up following the resumption of operations in April 2010. Concentrate produced here is smelted, refined and marketed by IRS.

"PRODUCTION RAMPING UP"

Key attributable data for FY2011:

PGM production: 100,252 ounces

Contribution to group revenue: $143 million

Mineral resource*: 3.22Moz

Mineral reserve: 1.46Moz

Cash costs:
$1,091 per PGM ounce
R7,677 per PGM ounce

Capital expenditure: $28 million

Mimosa

Aquarius' operation in Zimbabwe, Mimosa is overseen jointly by 50:50 partners Aquarius and Impala Platinum Holdings Limited (Implats). In terms of an agreement with Centametal AG, Switzerland, concentrate produced is delivered to IRS in South Africa for further processing and refining.

"STAR PERFORMER IN AQUARIUS STABLE"

Key attributable data for FY2011:

PGM production: 104,008 ounces

Contribution to group revenue: $170 million

Mineral resource*: 9.42Moz

Mineral reserve: 1.75Moz

Cash costs: $695 per PGM ounce

Capital expenditure: $25 million

* *After application of geological losses*

Chromite Tailings Retreatment Plant

Located adjacent to Kroondal, this plant retreats chrome tailings on the Kroondal property and tailings streams from the beneficiation process at neighbouring chromite mines.

"RETREATS CHROME TAILINGS "

Key attributable data for FY2011:

PGM production: 2,438 ounces

Contribution to group revenue: $3 million

Cash costs:
$1,027 per PGM ounce
R7,223 per PGM ounce

Capital expenditure: $0.2 million

Platinum Mile

Platinum Mile, in which Aquarius had a 50% interest at year-end, operates a retreatment facility on Amplats' Rustenburg Platinum mine's lease area. Concentrate produced here is sold to Amplats with whom there is a profit sharing agreement in place.

"INCREASED STAKE POST YEAR-END"

Key attributable data for FY2011:

PGM production: 11,417 ounces

Contribution to group revenue: $14 million

Cash costs:
$694 per PGM ounce
R4,795 per PGM ounce

Capital expenditure: $0.2 million

Blue Ridge

Aquarius took over management of the Blue Ridge mine following the acquisition of Ridge Mining plc and at year-end had an effective stake of 50% in the mine. During the course of the financial year, operations at the Blue Ridge mine were suspended, pending a final decision to place the mine on care and maintenance.

"OPERATIONS HAVE BEEN SUSPENDED"

Key attributable data for FY2011:

PGM production: 8,854 ounces

Mineral resource*: 4.16Moz

Capital expenditure: $55 million

* *After application of geological losses*

CHAIRMAN'S LETTER

Dear Shareholder,

The year ended 30 June 2011 was both challenging and rewarding, delivering improved headline earnings and cash flow and enabling an increase in the total dividend by a third, to 8 US cents per share.

As reported in earlier letters, we remain committed to being one of the safest operators of PGM mines. Following the rock fall at Marikana on 6 July 2010, which tragically killed five workers, we instructed international consultants, S. Godden & Associates, to review the South African national safety standards and to make recommendations. These were to improve roof support standards and techniques for the earlier detection of geological anomalies.

The consultants reported in October 2010 and steps were taken for the immediate implementation of their recommendations. The financial effects will be marginally detrimental but that we are now seen by independent experts Pakalnis & Associates as being the industry leader is of great importance to the safety of our miners and is an essential cost in discharging our duties to our workers.

Accidents are endemic in many industries but most noticeably in mining and there were three more fatalities on our mines later in the year; these could have been avoided by a change in attitude towards established safety procedures by workers. We continue to train and re-train our workforces to bring about behavioural improvement while working with the Department of Mineral Resources, other mining companies and the trade unions towards eradicating mine fatalities and accidents. On behalf of us all, I extend our deepest sympathy to the families and friends of the deceased.

Early in our financial year there seemed to be the glimmerings of hope that the financial crises in the West would decline. This led to a rise in prices at a time when we were limiting our cost increases and ramping up production at Everest.

As investors turned to real assets there were increases in the prices of silver, gold and, to a much lesser extent, PGMs, helped by greater interest in exchange traded funds.

This was not mirrored by significant increases in the industrial use of PGMs which is materially affected by increases in the production of

WHY AQUARIUS

Has expertise in turning to account small-scale, shallow deposits diesel engines for use in environmentally friendly jurisdictions, but was helped by unexpectedly high demand from China for platinum for jewellery.

Platinum rose in price by 14% in Dollar terms over the year to close at $1,722 per ounce. Our basket price per PGM ounce in South Africa rose from R10,075 ($1,321) at 30 June 2010 to the year's high of R11,832 in February and to R10,260 ($1,518) at 30 June 2011, representing an increase of 15% in Dollar terms but less than 2% in Rands, in which currency the bulk of our costs in South Africa are incurred. We do not hedge PGM prices nor currencies, and we remain naturally long of Dollars as that is the currency of our pipeline financing and settlement. Our finance committee manages our cash holdings, supported by professional advice.

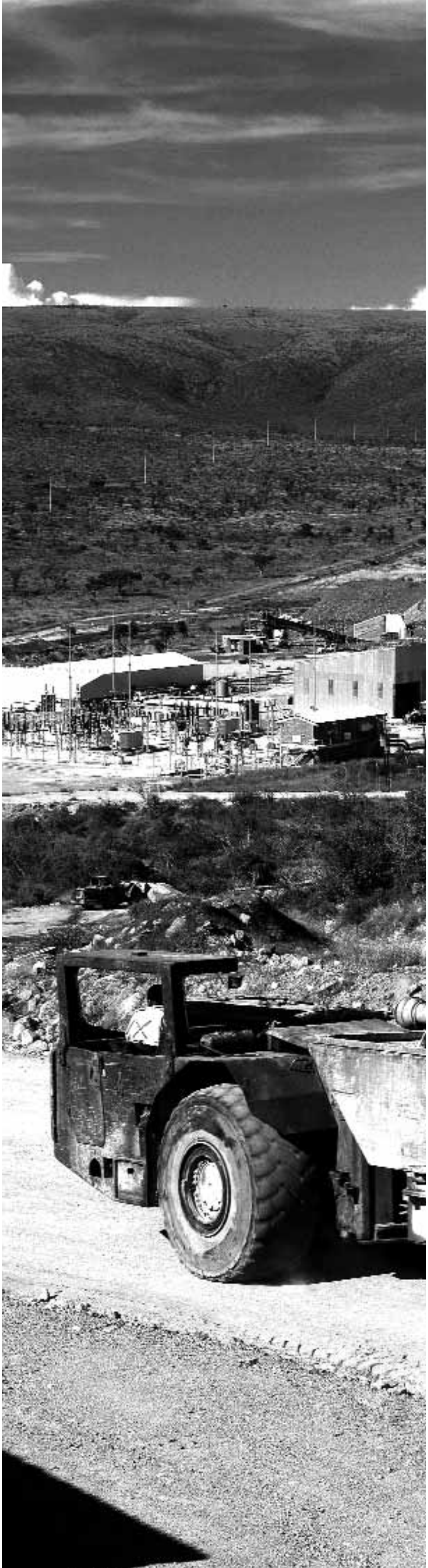
Production at our mines has been mixed. Mimosa had yet another record year. Production at Everest was restarted in April 2010 and from a very low base increased ten-fold. Kroondal was flat and Marikana's output fell following a two-week closure after the fatal accident in July 2010; in both cases, time spent on re-engineering support systems and difficult ground conditions had an adverse effect on production. Overall, production from these mines increased by 64,785 PGM ounces.

The directors of our subsidiary Ridge Mining decided to cease operations at the mine during the year. The flat Rand basket price and the higher than anticipated costs made it uneconomic to proceed with the planned capital expenditure necessary to bring the mine up to a state where it could be efficiently operated. The 8,854 PGM ounces attributable to Aquarius were capitalised and the investment was written down by $160 million. Aquarius is a senior lender to Blue Ridge and has an active role in determining its future. The mine has a substantial resource and when further development becomes financially viable it is likely to be reopened. Happily more than 80% of the displaced workers were found other employment.

Dollar revenue increased by 45% to $683 million for the financial year. Headline earnings – operational earnings before exceptional write downs – rose five-fold to $143 million while the write-down of the investment in Ridge Mining resulted in an accounting loss for the year of $10 million.

Cash flow increased 44% to $162 million, leaving $328 million of net cash on the consolidated balance sheet at year-end. The Afarak acquisition was paid for in the year and we continue to examine ways in which these assets may be exploited to the best advantage of your company and the interests of actual and potential joint venture partners.

Since 1 July 2011, the level of volatility in the price of PGMs has been unprecedented as has the relationship between the price of platinum and other precious metals. You will understand



why I am, as ever, reluctant to express any view on which way the price of PGMs may go. What we will continue to do on your behalf is to exploit our existing assets as safely and as efficiently as may be and to seek out new opportunities in mining PGMs. We believe that we are well positioned financially and with sufficient skill sets to do this.

I am delighted that your Board has been in a position to declare a second dividend of 4 cents a share, increasing the total for the year from 6 cents to 8 cents.

I would like to express, yet again, my appreciation and thanks to your directors, the Company's management, employees and contractors and to you, the shareholders, for your support without which, of course, none of this would be possible.

Yours sincerely,

Nicholas Sibley
Chairman
28 October 2011

CEO'S REVIEW

After a lamentably tragic start, the 2011 financial year saw Aquarius achieve notable progress towards the fulfilment of its core strategic aims, while at the same time delivering another improved financial result. The price of platinum continued to improve in US Dollar terms over the year while palladium returned a record performance, positive developments which were not quite offset by a weaker rhodium price and a stronger Rand.

Together with increased production, this resulted in stronger cash generation for a second year running. We were also able to make some significant acquisitions at sensible prices, as ongoing Rand strength and the associated not-quite-high-enough Rand PGM basket price brought with them both opportunities and challenges. We expect these acquisitions to enable the expansion and life extension of our core South African assets, and ultimately to prove transformational for the Company. There were also casualties of the low price environment, unfortunately, as the Blue Ridge mine became uneconomic during the year and operations there ceased. On balance, developments at Aquarius during the 2011 financial year were positive, though overshadowed by regulatory uncertainty in our home jurisdictions and the continuing challenges posed by the weakened global economy.

Aquarius began the year under review in a strong position relative to much of the PGM industry, with a healthy balance sheet and, in Everest, the ability to deliver profitable production growth over the year for a modest capital outlay. Focus was firmly on the optimisation of existing assets, seeking to ensure that our mines remained cost competitive and operationally efficient in the face of high on-mine cost inflation. At the same time, we were able to begin to put our balance sheet to work, increasing the resource base by approximately 23% and providing flexibility in our capital allocation decisions though the purchase of additional PGM-bearing properties. The ramp-up of Everest has proceeded satisfactorily, and the long-term future of the Company's South African operations has been secured. At the end of the year, Aquarius retained over $300 million on its balance sheet.

From an operational perspective, the first six months of the year were largely free of significant challenges, with Kroondal, Everest and Mimosa all performing well and only Marikana experiencing difficulties as a result of the accident in July 2010 and subsequent shaft closure. However, even in the best of years, mining for PGMs is a complex and difficult

WHY SOUTHERN AFRICA

UNIQUE GEOLOGY

Source of more than 75% of newly mined platinum pursuit, and reality reasserted itself in the second half. Absenteeism and overzealous application of safety stoppages by government inspectors negatively impacted production at the South African operations in early 2011, and this was exacerbated by complications arising from the new hangingwall support installation and, at Everest, a deeper-than-anticipated oxide zone. In the end production at Kroondal was stable year-on-year, and the ramp-up at Everest remained largely on track. Poor ground conditions at Marikana led to lower production and higher costs at that mine, with a shaft closed there on economic grounds during the year. Production from the tailings operations was down slightly, though as changes to the plants are bedded down and feedstock availability improves, this is expected to increase. Once again, Mimosa delivered record production, despite some challenging ground conditions there too.

The continued ramp-up of Everest was the primary cause of higher attributable production for the year as a whole. Together with improved average PGM basket prices over the year, this enabled the business to significantly increase its net cash generation from operations, notwithstanding the accounting loss recorded as a result of the non-cash write-down of the Blue Ridge assets.

Health, safety and environment

The Marikana disaster affected the whole company deeply, resulting in a marked focus on health, safety and environmental matters during the year that culminated in a complete revision of the mining codes of practice at our South African operations and the introduction of world best practice hangingwall support standards. We pride ourselves on our historically excellent safety record and remain dedicated to maintaining industry-leading safety standards. We believe that our response to the accident was comprehensive and no expense has been spared to ensure the safety of our employees.

It is with deep regret that I must advise that in addition to the five men who died in the Marikana accident in July 2010, three further fatalities were recorded during FY2011, one each at Kroondal, Mimosa and Blue Ridge. A single death is one too many and we have redoubled our efforts to effect true behavioural change in the attitudes to safety and risk at our mines.

The victims of the Marikana accident were listed in my review of FY2010. The other men who died in FY2011 were:

- At Kroondal, Mr Vasco Macamo, who was fatally injured when he was caught between the LHD he was operating and another vehicle on surface at the start of the shift.
- At Mimosa, Mr Innocent Ndlovu, who was fatally injured in an explosion when an operating rock drill intersected a socket containing misfired explosives as a result of a failure to observe established safety procedures.
- At Blue Ridge, Mr V.M. Cossa, who was fatally injured in a blasting accident caused by a failure to follow ignition procedures.

On behalf of the Board of Directors, I extend my deepest sympathy to their families, friends and colleagues.

Safety performance continues to be a key focus, and disabling injury incidence rates continued to improve at Mimosa and Marikana, and remained flat at Blue Ridge. A slight deterioration in this metric at Kroondal was caused by an underground fire which, though commendably dealt with, resulted in a large number of minor but reportable injuries. At Everest, the absolute safety statistics remain good, although a slight deterioration occurred there too, largely as a function of increased operational intensity. Safety improvement initiatives with a particular focus on behavioural change continue to be driven at all operations and are yielding positive results, with Kroondal achieving one million fatality-free shifts during March.

Safety efforts for much of the 2011 financial year centred on the prevention of rock falls, which remain the single most frequent cause of fatalities in the South African underground mining industry. Our investigations into the Marikana accident suggested that the existing South African hangingwall support standards were outdated and insufficient. As a result, we have spent a great deal of time and money redesigning and upgrading our hangingwall support methodologies, the details of which have been the subject of comprehensive previous disclosures. These new measures, which support 100% of potential fallout height, are being rolled out across our operations and should make Aquarius' mines the safest in the industry.

We continue to drive the Areboleleng ("let's talk") campaign to entrench improved behavioural safety practices within the workforce, and remain focussed on risk assessment in respect of the four most common causes of safety issues, namely falls of ground, trackless mining equipment dangers, conveyor belt and fire risk hazards. The mandatory codes of practice in place across our operations embody these themes and are significantly reducing the incidence of accidents.

Following the materially increased incidence of so-called Section 54 stoppages imposed by the South African Department of Mineral Resources (DMR) across the industry during the third fiscal quarter, a constructive dialogue was initiated between the industry and the DMR which has resulted in a more pragmatic approach by the safety inspectorate. The incidence of Section 54 stoppages is now declining once more, through renewed dedication to both safety and practicality on the part of the mines and the DMR.

Recognising that its operations have an impact on the natural environment, Aquarius is committed to meeting and exceeding environmental legislative requirements through responsible and progressive approaches to environmental management, impact mitigation and rehabilitation. We closely monitor our carbon emissions and usage of water, and we have participated in the Carbon Disclosure Project for several years and, for the first time this year, the Water Disclosure Project as well. Aquarius is committed to the full rehabilitation of its mines at the end of their operational lives, and in this regard the rehabilitation of the now mined out Marikana open pit operation has commenced and will continue over the remaining life of the Marikana Pooling and Sharing Agreement. We continue to interact with the relevant regulatory authorities both in South Africa and Zimbabwe in order to achieve best practice environmental outcomes in the regions in which we operate, and Aquarius remains compliant in respect of all relevant environmental legislation.

In keeping with our commitment to improve the lives of those living closest to our operations, we continue to pursue extensive community programmes. These range from the provision of facilities for education and clean drinking water to housing and the establishment of formal settlements near our mines. AIDS and tuberculosis both remain serious health issues afflicting the South African mining industry, and through its contractor MRC, Aquarius has an employee wellness programme that caters for health testing and advice on these and other health issues.

Market review

The US Dollar prices of the platinum group metals in FY2011 followed a similar pattern to that seen in the previous financial year, with strong improvements in the first eight months driven by recovering automobile demand in the developed world, the implementation of emissions standards for heavy duty trucks and other diesel applications in Europe and the US, the increasing likelihood of auto emissions regulations in developing world nations and mining supply constraints in South Africa and Zimbabwe. Thereafter, various macroeconomic shocks, including the Japanese earthquake and tsunami, and the debt crises in the US and Europe conspired to cause US Dollar prices of the metals to stagnate.

While the market for palladium was arguably in balance during the year, a continued surplus in platinum rendered the PGM market vulnerable to swings in investor sentiment. The resultant volatility to some degree obscured the continuing positive trend in fundamental industrial demand for PGMs. Automobile and catalyst manufacturers continued to restock during the year, and their order books remain healthy.

Chinese demand for platinum from both the jewellery and investment segments remained robust despite relatively high US Dollar prices. Among other things, this reflected the higher gold prices which caused substitution away from gold jewellery on the one hand, and increased alternative 'hard asset' investment purchases on the other. China has also introduced the equivalent of the Euro IV automobile emissions standards from 2012 for gasoline engine cars, and from 2013 for diesel cars. These factors have kept PGM prices broadly stable in the face of pronounced global economic uncertainty and equity market weakness during the past few months. Investors gained exposure to PGMs largely through the physically-backed platinum exchange traded funds (ETFs), and flows into these ETFs supported prices by absorbing excess metal which would otherwise have represented a fundamental demand surplus, while at the same time increasing price volatility at the margin.

Platinum rose 14% over the year to close at $1,722 per ounce and averaged $1,706 per ounce for the financial year, an 18% improvement over the prior year. Palladium rose 75% over the year and 76% on average, outperforming for a second year running due to expectations of autocatalysis in expanding markets for gasoline engines, as well as technological advances permitting some substitutability of palladium for platinum in diesel engines.

The average rhodium price fell by 20% versus the prior year, lacking support from any material investment demand. The gold price rose by 22% during the period, achieving parity with the platinum price shortly after year-end. Marked improvements in the prices of the minor PGMs (ruthenium and iridium) were also recorded, driven largely by demand for electronic components.

Since the end of September 2011, PGM prices have fallen markedly, with the perceived link to the safe-haven nature of gold and its ever-stronger price exerting insufficient upward pressure on the other precious metals and failing to counterbalance prevailing market uncertainty. The average platinum price recorded in the period from 1 July to 30 September 2011 was $1,771 per ounce.

The Rand strengthened significantly over the 2011 financial year, starting the year at R7.72 to the US Dollar and ending it at R6.80. This 12% increase in the value of the currency was largely driven by the uncertain global economic recovery which has proven increasingly fragile, and the developing debt crises in Europe and the US. These factors both bolstered the Rand as a commodity currency and made the returns available from the Rand carry trade more attractive, while also contributing to high intra-year volatility. The Rand averaged 7.01 to the US Dollar during the year, 8% stronger than the average of 7.59 recorded in the prior financial year. Encouragingly for the PGM industry, however, the Rand has weakened considerably in the new financial year, having averaged R7.14 to the US Dollar in the period from 1 July to 30 September 2011.

As a consequence of the stronger US Dollar PGM prices during the 2011 financial year, US Dollar 4E basket prices in both South Africa and Zimbabwe increased compared to the prior financial year. The basket price was 18% higher for the year across the South African operations at $1,450 per 4E ounce, however in Rand terms the basket price rose only 10% as a result of the stronger Rand-Dollar exchange rate. The US Dollar basket price in Zimbabwe increased by 29% on average compared to the previous year to $1,280 per 4E ounce.

The demand fundamentals for the PGMs remain positive, particularly in the medium term, for all the reasons mentioned above. At the same time, the strong Rand and resultant low Rand PGM prices continue to make it challenging for the industry to grow supply in the short to medium term. Growth in PGM supply remains very much constrained as both brownfield and new greenfield projects remain difficult to finance.

In South Africa, the new, deep, capital intensive shafts needed to replace older existing mines are being delayed or cancelled, and this is certain to result in progressively lower PGM output for the next several years. In Zimbabwe, the ongoing negotiations between the PGM industry and the government in relation to the Indigenisation Act may also result in stagnant or falling production from that country.

I spoke of the juxtaposition of strong demand fundamentals and a weak supply response in my review of FY2010, and this situation still pertains. The outlook for PGMs in the medium term remains exceptionally positive, but market uncertainty and the slow pace of economic recovery is likely to mute this effect somewhat in the short term. On the other hand, the fact that the platinum price and the gold price have reached parity may provide a positive insulating effect from the worst of the economic uncertainty, as platinum is increasingly seen by investors as an undervalued and rare investment commodity.

Operational and financial performance

Production attributable to Aquarius and its shareholders increased by 15% to 487,404 4E ounces, largely as a result of the continuing ramp-up of Everest, which produced 100,252 4E ounces in the year under review compared to 8,496 the year before. The Everest ramp-up will continue in the 2012 financial year. Production increased slightly at Kroondal but fell at Marikana as a result of lost production following the tragic accident in July 2010 and the closure of uneconomic panels later in the year. All of the South African operations suffered excessive governmental safety stoppages during the second half of the year, as did the rest of the mining industry. Kroondal and Marikana also lost production in the final quarter as a result of timing issues relating to the manual installation of roof support. The tailings operations also had a tough year, with low volumes and quality of feedstock reducing production levels and driving up costs. Operations at Blue Ridge ceased during the year, and the limited production there was capitalised. In Zimbabwe, Mimosa delivered yet another record performance, producing in excess of its nameplate capacity of 200,000 4E ounces.

A detailed review of operations appears later in this annual report, but the key operational features of FY2011 include:

- At Kroondal, the initial construction and preparatory work at the K6 shaft began in July 2010. The earthworks and stabilisation were completed by December that year and the first decline blast took place in March, following which the portal entrance to the three barrels of the decline was established. The decline system had advanced 166 metres by year-end and total development amounted to 543 metres. Work has begun on the surface conveyor structures. The K6 shaft will replace mined out capacity elsewhere at Kroondal, which continues to run at steady state, despite issues encountered in the final quarter relating to the implementation of the new safety measures. Shortly before year end, an agreement was reached with Rustenburg Platinum Mines (RPM) to mine some of the Siphumelele 3 reserves using the Siphumelele vertical shaft and Kroondal's infrastructure.

- At Marikana, the final mining out of the open pit was completed during the final quarter of the year. Marikana's 1 Shaft also became uneconomical during the second quarter and was placed on care and maintenance. The underground ramp-up at 4 Shaft continues to yield increased volumes of ore, but it was slowed to some extent by the geological anomalies intersected and factors relating to the implementation of the new safety measures.

- At Everest, the re-establishment project was completed and development began of the additional Valley access decline during the first half of the year. Development mining began and progressed well in the Valley decline, a system which will create mining flexibility and enable additional and faster access to the western orebody of the mine and, ultimately, to the Buttonshope (Booysendal South) orebody. In the final months of the year, friable rock and bad ground conditions were encountered in the oxide zone which negatively impacted operations.

- At Mimosa, record production was achieved in FY2011 as a result of improved volumes mined, higher head grade and better rates of recovery. Much of the improved mining performance was a result of the optimisation of Wedza phase 5.5, which included a revised blasting pattern and an emphasis on retraining the workforce on processes and procedures. Deteriorating ground conditions proved to be a challenge during the year, and were addressed through the upgrading of support and safety systems. Panel widths were reduced from 15m to 6m and mechanised roof bolters have been introduced to allow for the installation of deep anchored bolts and cables.

- At Blue Ridge, operations were suspended following a determination by Ridge Mining that the mine could not be operated economically at the prevailing low rand PGM prices and given the rate of on-mine cost inflation in South Africa. Mining operations and further mine development ceased in the final quarter of the year, and over 80% of the workforce was successfully placed at other mines in the area.

A 21% increase in the weighted average PGM basket price achieved for the year to $1,413 per ounce for the group as a whole and a 15% increase in production were the key contributors to a 45% increase in revenue to $682.9 million. Aquarius reported headline earnings of $142.8 million for the year and an accounting loss of $10.4 million, following the $159.8 million non-cash asset impairment of the Blue Ridge mine.

Corporate matters

Times are difficult both economically and operationally across the PGM industry, and this has brought with it challenges but also certain opportunities. FY2011 was a gratifyingly successful year for the Company from an acquisitions perspective. It saw the execution of several notable transactions which in time we expect will address most of the longstanding issues facing the company, both perceived and actual.

The first of these to be consummated was the acquisition of Afarak Platinum, which was announced on 13 April 2011, and has since been completed. Aquarius and Watervale (Pty) Ltd, a BEE entity in which Aquarius has a minority interest, together paid $109.7 million for Afarak Platinum, which owns 100% of the Hoedspruit PGM property near Rustenburg in South Africa, close to Aquarius' Kroondal and Marikana operations, and some other exploration properties. The purchase price was settled by means of $70.2 million of cash and the remainder in Aquarius shares, and we expect that the acquisition of Hoedspruit in particular will be instrumental in extending the operating lives of both Kroondal and Marikana.

Aquarius management has long since coveted Northam Platinum's Booysendal South property as a logical extension of its Everest operation. On 4 May 2011 we announced that an agreement to acquire the southern portion of Booysendal (Buttonshope) from Northam for the sum of R1,200 million (c.$160 million) in cash had been signed. The Buttonshope property is contiguous with our Everest mine and will be exploited using the existing Everest infrastructure. Aquarius plans to spend capital of approximately R850 million (c.$110 million) to integrate Buttonshope into its Everest operation, increasing its mine life by approximately 30 years. This transaction is subject to a lengthy regulatory approvals process and is expected to close in the second half of 2012.

Aquarius also agreed to acquire a further 41.7% stake in Platinum Mile from Mvelaphanda Holdings Limited and Platinum Mile management on 1 June 2011, bringing Aquarius' holding in that asset to 91.7%. Aquarius will pay the vendors R115.5 million (c.$17 million) partly in cash with an election to pay the majority in either cash or shares. We plan to use Platinum Mile as an important part of an expanded tailings retreatment arm which could become an important source of low-cost PGM ounces in an environment of increasing mining costs.

On a less positive note and as mentioned above, the Blue Ridge mine ceased mining operations and further mine development during the quarter, largely as a result of the continuing low Rand PGM price environment. Discussions continue with the lenders to the mine on a suitable resolution to its debt situation. Aquarius is a significant creditor of the Blue Ridge mine and has extended no corporate guarantees to the other providers of third party debt to the mine.

In Zimbabwe during the year under review, the Minister of Youth, Indigenisation and Economic Empowerment published a statutory instrument in the Government Gazette setting out the requirements for the implementation of the provisions of the Indigenisation and Economic Empowerment Act and its supporting regulations as they pertain to the mining sector. This notice defines the minimum indigenisation and empowerment quota as "a controlling interest or 51% of the shares or interests which in terms of the Act is required to be held by indigenous Zimbabweans in the non-indigenous mining business concerned", and requires that disposals of the required indigenisation interests must be to defined "designated entities", which include several organs of the Zimbabwean state and an employee share ownership scheme or trust. As has been widely publicised, Aquarius and other foreign owners of mining operations in Zimbabwe remain in negotiations with the government of Zimbabwe on this issue, with a view to reaching an arrangement acceptable to all parties.

Other noteworthy corporate matters during the year were the agreement of the new mining codes of conduct relating to new hangingwall support which have been exhaustively discussed elsewhere, and the full and final settlement of the litigation with Moolman Mining. AQPSA paid approximately $12 million to Moolman Mining, representing payment for work actually done but not yet paid for, and disregarding the Moolman Mining counterclaims of approximately $67 million.

Appointments of senior personnel during the year included that of:

- Jean Nel as Corporate Finance Executive at Aquarius, based in Johannesburg. Jean is a qualified chartered accountant (CA(SA) and CFA), with 12 years of mining corporate finance and commercial mining experience, initially in Southern Africa. He was part of the advisory team that structured the pooling and sharing agreements for Kroondal and Marikana on behalf of Aquarius, and will manage the group's commercial transactions.

- Wessel Phumo as General Manager of AQPSA's Kroondal mine, replacing Abraham van Ghent who was appointed Senior

General Manager: Operations at the end of the 2010 financial year. Wessel began his career as a learner official at Saaiplaas Gold Mine in January 1988 and held various positions in the Harmony Gold group until he joined AQPSA in May 2007. He was formerly General Manager: Marikana.

Looking ahead

After some uncharacteristic exuberance at the half year, I concede that market conditions worsened somewhat in the last few months of the financial year, and the woes of the global economy remain far from resolved. Aquarius has shared the fate of many companies in the equity market, having endured plunging share prices driven by macroeconomic concerns rather than fundamental problems. Despite the uncertainty plaguing the market, I remain cautiously optimistic on the outlook for PGMs. Fundamental demand is returning, slowly but surely, with fabricators reporting full order books and PGM restocking. Jewellery demand out of China is robust as the gold alternative is less expensive no longer. Investment demand in developed nations and in China has been strong, driven by the knowledge that southern Africa is unable to raise production to meet the growing medium-term demand for these metals. In the short term, however, prices are likely to be volatile despite some positive countercyclical pressure on the platinum price by gold, as market conditions clearly remain fragile.

Since the year-end, the Rand has weakened considerably because of its trading link to the falling Euro. While US Dollar PGM prices have come off slightly, the relief afforded by the weaker currency has left PGM producers only slightly worse off. There is of course no guarantee that this state of affairs will not change, particularly in the event that the so called 'old world' economies begin to debase their currencies once again. In short, there are too many variables to make any sort of sensible prediction of metal prices or industry health over the coming year, but demand fundamentals remain sound and prices have to rise for the world to continue to enjoy clean air.

The new financial year will also bring operational challenges. The labour unions in South Africa remain militant and have once again demanded and received double-digit wage increases across most industrial sectors. Electricity prices continue to climb, and government intervention in both South Africa and Zimbabwe is on the rise. The executive management and employees of Aquarius have extensive experience of this unique operating environment and remain committed to managing those aspects of the business within their control to the best of their ability. Your company's balance sheet remains strong and its prospects within the industry are uniquely positive. We will continue to weather the challenges we face during the coming year while using the time to consolidate recent acquisitions and ensure that your company emerges from the short-term market malaise stronger than ever.

Stuart Murray
CEO
28 October 2011

THE AQUARIUS STRATEGY

Aquarius has striven since its formation to consolidate and grow its resource and operational base so as to deliver value and growth to its shareholders and other stakeholders.

Business model

A meaningful discussion of Aquarius' strategy requires an understanding of the Company's unique business model. Over the past fourteen years, Aquarius has been uniquely successful in bringing to account small, shallow, relatively low-grade PGM deposits using innovative technologies and mining methodologies. The Company has developed a clear set of differentiators which give it a significant competitive advantage over larger conventional PGM producers which historically have tended to exploit largely the deeper, more capital- and labour-intensive PGM deposits in South Africa. Aquarius' fundamental differentiators include:

- Mechanised mining techniques, which are capital rather than labour intensive and bring with them a higher degree of safety, lower power requirements and other innovations in design, mining and processing which are now being emulated by some of the larger industry players

- Mining of shallow PGM deposits via decline shafts which require a fraction of the capital cost of more conventional vertical shafts

- Contract mining and processing, which brings with it "bought-in" expertise and resources, training capability and procurement power, allowing for a leaner and more cost-effective structure and greater flexibility

- Selling concentrate directly to two customers on life-of-mine contracts, thereby eliminating the significant financial and technical risks associated with the setting up and running of smelting and refining facilities, and the need for marketing infrastructure

- Low overhead structure, from exploration to operations, management and corporate financing

- Access to international capital markets through three separate listings

Strategy

Aquarius has identified several strategic imperatives to facilitate the delivery of shareholder value in the face of uncertain short-term market conditions and a challenging operating environment. These are:

- To optimise costs and efficiencies at existing operations in order to improve or at least maintain the position of these mines on the cost curve

- To seek growth through organic expansion or the acquisition of PGM properties which are:

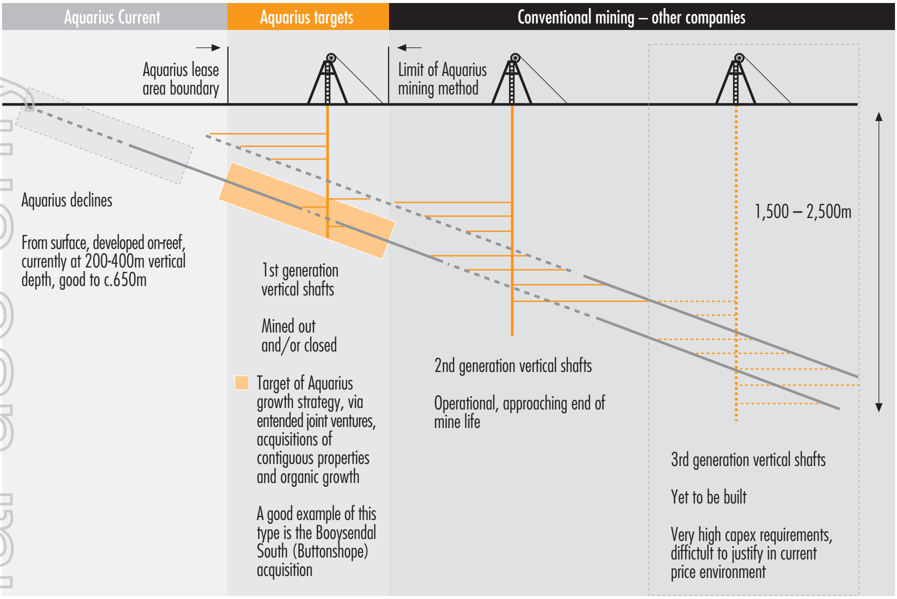
WHY CONTINUE TO INVEST

POSITIVE RETURNS

Poised for growth

THE AQUARIUS STRATEGY CONT.

Industry history and context – supply constraints



- Contiguous with existing operations and capable of exploitation through existing infrastructure at low capital cost
- Relatively shallow, primarily UG2 orebodies which lend themselves to the Group's established mechanised mining techniques

- To steadily grow production from current levels to the extent that it can be done profitably, while not hesitating to cut loss-making production
- To evaluate the acquisition of other PGM companies with caution, in terms of earnings accretion rather than potential increases in production
- To remain a focused primary PGM producer, which of necessity requires a continued focus on southern Africa

Aquarius is committed to functioning as efficiently as possible, containing costs and maximising profit for the benefit of its shareholders while always remaining mindful of its other stakeholders, such as employees, the communities surrounding its operations, business partners and suppliers, among others.

Of paramount importance in this regard is the commitment to conduct our business safely, to cause 'zero harm', to respect the communities in and around our operations, to rehabilitate the land on which we have mined and to interact with the relevant stakeholders with respect.

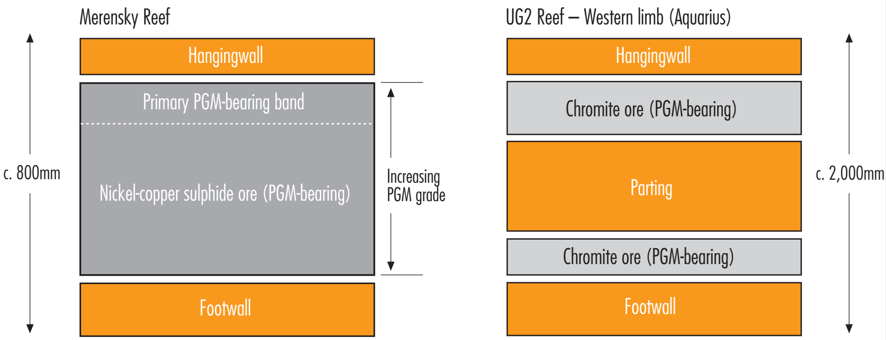
Growth opportunities will continue to be judged in terms of their potential capital efficiency and ability to generate growth in value versus their contribution to growth in production, and the potential growth in free cash flow per share. The Company will continue to manage its cash resources most carefully during the coming years. This strategy has been implemented to good effect in the 2011 financial year, during which Aquarius has patiently and thoroughly evaluated the potential acquisition of several junior PGM companies, rejecting these in favour of the acquisitions of Afarak Platinum and the Buttonshope property. These are properties of strategic importance to Aquarius' existing operations, and have together increased the Group's resources by almost 23% at a cost of less than $300 million. They will be instrumental in increasing the longevity of Aquarius' Kroondal, Marikana and Everest mining operations, and the creation of future shareholder value.

Conventional mining method

- Labour-intensive – hand-held drilling and mining
- Mined material loaded into railcars and railed to shaft for hauling to surface
  - High electricity requirement
- Required on Merensky Reef and narrower parts of UG2
  - Too narrow for mechanised mining

Mechanised mining and DMS* (Aquarius)

- Waste rock in hangingwall, footwall and parting increase mining panel height to a minimum of 2.0m
  - Allows for direct access mechanised mining
- Selective blasting pattern and DMS minimise dilution by waste rock and maximise plant head grade



* *Dense media separation (DMS) is an inexpensive addition to the processing circuit that permits the exploitation of the density differential between waste rock and PGM-bearing chromite ore, which is significantly denser. The crushed ore and waste are placed in a ferrosilicate gel with a density between that of ore and waste rock. The waste floats and the ore sinks.*

PGM MARKET REVIEW

The continued, steady global economic recovery during the course of 2010 and into 2011 has underpinned the increased demand for PGMs by the automotive, industrial and electronic sectors. Gross demand for platinum rose overall by 16% in 2010 and that for palladium by 24%.

Demand

PGM prices strengthened considerably in US Dollar terms during the period under review, primarily as a result of strong investment demand for palladium during the first eight months of the financial year and, to a lesser extent, for platinum. The positive investor perception of fundamental PGM demand was driven by recovering automobile demand in the United States and Europe, the implementation of higher emissions standards for heavy duty trucks and other diesel applications in Europe and the United States, the increasing likelihood of auto emissions regulations in developing nations such as China, and mining supply constraints in South Africa and Zimbabwe.

Investors gained exposure to PGMs largely through the physically backed platinum and palladium exchange traded funds (ETFs), and flows into these ETFs supported prices by absorbing excess metal which would otherwise have represented a fundamental demand surplus. From April 2011, US Dollar PGM prices largely stagnated, following the Japanese earthquake and tsunami and other macroeconomic shocks such as the sovereign debt crises in Europe and the US, which threw the timing of a fundamental industrial deficit in PGM supply into doubt.

Supply

PGM supply remained broadly static in the period under review, as production misses from various producers more than offset the small increases achieved by other companies. Autocatalyst recycling levels did increase to some degree during the year, but this influenced the supply of palladium more than the other PGMs as most of this recycling was undertaken in the United States where the cars currently being scrapped were produced approximately a decade ago during a period when the United States auto industry had adopted a palladium-only catalyst strategy.

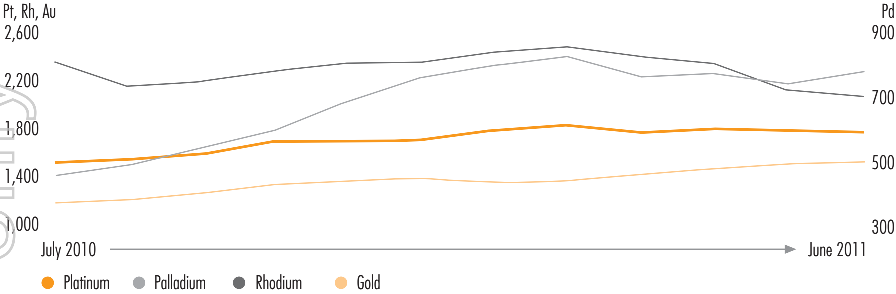
Low Rand PGM prices continue to persist and in this environment the PGM industry as a whole is likely to postpone the large capital projects necessary to maintain production at its current level. In addition, greenfield projects and start-up companies are likely to encounter funding and infrastructure difficulties. As a result, PGM supply is likely to remain static at best for the next several years.

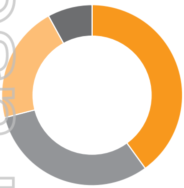
Pricing

Although volatility increased, PGM prices on average did not drop significantly in the final quarter of the year, as Chinese jewellery demand was stronger than expected despite the higher Dollar prices, and the safe-haven nature of gold and its ever stronger price exerted some upward pressure on the prices of other precious metals. Platinum rose 14% over the financial year to close at \$1,722 per ounce and averaged \$1,706 per ounce for the financial year, an 18% improvement over the previous year. Palladium rose 75% over the year and 76% on average, outperforming for a second year running due to expectations of auto catalysis in expanding markets for gasoline engines, as well as technological advances permitting some substitutability of palladium for platinum in diesel engines. The average rhodium price fell by 20% versus the prior year, lacking support from any material investment demand. The gold price rose by 22% during the period.

As a consequence of the stronger US Dollar PGM prices during the year, US Dollar 4E basket prices in both South Africa and Zimbabwe increased. For the Group as a whole, the weighted average PGM basket price received was 18% higher for the year at \$1,416 per 4E ounce. However in Rand terms, for the South African operations the basket price rose only 10% to R10,188 per 4E ounce. The US Dollar basket price in Zimbabwe increased by 29% on average compared to the previous year to \$1,280 per 4E ounce.

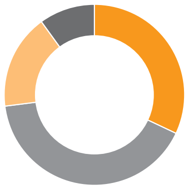
Monthly average prices: July 2010 to June 2011 ($/oz)





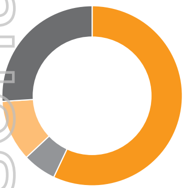
Platinum – demand by sector: CY2010

Automotive	40%
Jewellery	31%
Other (including industrial)	21%
Investment	8%



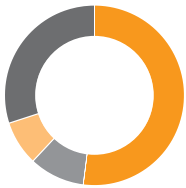
Platinum – demand by sector: CY2009

Automotive	32%
Jewellery	41%
Other (including industrial)	17%
Investment	10%



Palladium – demand by sector: CY2010

Autocatalyst	57%
Jewellery	6%
Investment	11%
Industrial	26%



Palladium – demand by sector: CY2009

Autocatalyst	52%
Jewellery	10%
Investment	8%
Industrial	30%

Source: Johnson Matthey

Outlook

Post year-end, the prices of platinum, rhodium and gold have converged, with the gold price now firmly above the prices of the other two metals. Concerns over the health of the global economy continue to drive markets and while this volatile state of affairs persists, it remains difficult to predict movements in PGM prices in the coming year with any certainty. Fundamentally, however, the supply of PGMs remains constrained for the foreseeable future.

Demand for PGMs in developed markets continues to recover slowly while the use of PGMs in new applications and in developing markets is set to increase materially. The industrial use of PGMs constitutes legislated demand for the most part, which is not discretionary and must be met by available supply. Coupled with the significant cost and regulatory pressures in South Africa and Zimbabwe and the strength of the South African Rand, these factors all suggest that the outlook for PGMs remains extremely positive in the medium term.

Platinum – supply and demand (000oz)

Calendar year	2010	2009	2008	2007
Supply				
South Africa	4,635	4,635	4,515	5,070
Russia	825	785	805	915
North America and other	600	605	620	615
Total supply	6,060	6,025	5,940	6,600
Demand				
Automotive	3,125	2,185	3,655	4,145
Jewellery	2,415	2,810	2,060	2,110
Investment	650	660	555	170
Other (including industrial)	1,690	1,140	1,720	1,845
Total gross demand	7,880	6,795	7,990	8,270
Recycling	(1,840)	(1,405)	(1,830)	(1,590)
Total net demand	6,040	5,390	6,160	6,680
Stock movements	20	635	(220)	(80)

Palladium – supply and demand (000oz)

Calendar year	2010	2009	2008	2007
Supply				
South Africa	2,575	2,370	2,430	2,765
Russia	3,720	3,635	3,660	4,540
North America and other	995	1,095	1,220	1,275
Total supply	7,290	7,100	7,310	8,580
Demand				
Autocatalyst	5,450	4,050	4,465	4,545
Jewellery	620	775	985	950
Investment	1,085	625	420	260
Industrial	2,470	2,400	2,420	2,640
Total gross demand	9,625	7,850	8,290	8,395
Recycling	(1,845)	(1,430)	(1,615)	(1,565)
Total net demand	7,780	6,420	6,675	6,830
Stock movements	(490)	680	635	1,750

Source: Johnson Matthey

REVIEW OF OPERATIONS

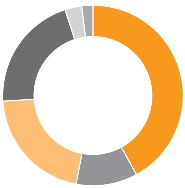
Operational highlights

- Group attributable production **increased by 15% to 487,404 PGM ounces** for the full year
- Production gains at Mimosa, which is **operating at peak capacity**, at Everest, where production is ramping up, and the retreatment operations more than made up for the decline at Marikana
- US Dollar PGM prices increased materially, but this benefit offset to some degree in South Africa by a **strengthening Rand-US Dollar exchange rate**
- Weighted average on-mine unit cash costs in South Africa **increased by 12%** in Rand terms
- Mimosa on-mine **unit cash costs up 14%** as a result of challenging ground conditions and significant industry collective bargaining wage settlements for unionised employees
- Everest mine **ramping up successfully**
- **Marikana open pit mined out** during the year
- Operations suspended at **Blue Ridge mine and Marikana's 1 shaft** due to low Rand PGM prices

Safety – DIIR (per 200,000 hours worked)

FY2009	0.60
FY2010	0.55
FY2011	0.50

Production by operation – FY2011



Annual PGM production (000oz)

FY2009	456
FY2010	423
FY2011	487

Average PGM basket price received ($/oz)

FY2009	1,044
FY2010	1,201
FY2011	1,416

WHY NOW

Recent acquisitions have increased resource base significantly

KROONDAL

The Kroondal Platinum Mine (Kroondal), Aquarius' largest mine, is on the western limb of the Bushveld Complex, not far from Rustenburg, in North West Province, South Africa. It is located up-dip of Rustenburg Platinum Mines (RPM). Kroondal, which mines the UG2 reef in the Kroondal and Townlands ore bodies, has four operating decline sections – Kopaneng, Simunye, Bambanani and Kwezi – as well as two concentrator plants (K1 and K2) with a combined monthly processing capacity of 570,000t. A fifth decline shaft, K6, is currently under construction. Kroondal has been managed in a 50:50 pooling and sharing agreement (P&SA1) with Anglo Platinum since 2003.

Key statistics

		FY2011	FY2010	FY2009
Operational				
Tonnes milled	Mt	6.24	6.18	6.48
Average head grade	g/t	2.59	2.59	2.57
Recoveries	%	80	79	79
Cost per PGM# ounce produced	$/oz	892	761	573
	R/oz	6,273	5,769	5,174
Price received per PGM ounce	$/oz	1,454	1,227	1,044
	R/oz	10,222	9,301	9,427
R/$ exchange rate	R/$	7.03	7.58	9.03
Total no of employees (including contractors)		4,868	4,530	6,125
Total production – in concentrate				
Platinum	oz	243,991	240,441	250,525
Palladium	oz	123,604	121,572	123,620
Rhodium	oz	45,369	44,533	45,912
Gold	oz	1,982	2,024	2,022
Total PGM production	oz	414,946	408,570	422,078
Total PGM production (5PGM+Au)	oz	507,646	499,400	514,786
Attributable PGM production	oz	207,473	204,285	211,039
Financials – attributable				
Revenue*	$m	268	230	146
On-mine cash cost	$m	210	177	135
Gross profit	$m	58	53	11
Capital expenditure	$m	25	13	15

Unless otherwise specified, PGM refers to 3PGM + Au

* *Net of foreign exchange sales variance*

Safety

There was regrettably one fatality at Kroondal during the financial year, in July 2010. This was the result of an accident involving two load haul dump vehicles (LHD) on surface at the start of a shift. The operation subsequently recorded one million fatality-free shifts in March 2011. The DIIR per 200,000 hours worked deteriorated to 0.77 from 0.57 in FY2010, largely as a result of several lost-time injuries reported following a fire incident which occurred at the Kopaneng shaft in early July 2010, and several slip-and-fall and material handling accidents.

The issue-based risk assessment of Kroondal, which began FY2010, was completed during the year. This assessment focused on four major areas of risk: traffic management, fires and explosives, conveyor belts, and falls of ground. The aim was to identify as many risks as possible by considering a day in the life of all those operating in these four areas. Several risks were identified and procedures compiled and implemented to mitigate these risks. A committee comprising both Aquarius representatives and union members agreed and signed off on all of these procedures. Operator training on the new procedures has begun and will be ongoing.

Following the rockfall accident in July 2010 at Marikana's underground operation, where mining conditions are similar to those at Kroondal, new industry-leading hangingwall support systems and methodologies are being implemented at all four of Kroondal's shafts. Installation of the revised support standard which supports 100% of the potential fallout height in the hangingwall began in March 2011.

In order to promote and improve the working relationship with the unions, regular weekly alignment and relationship meetings are held with them. Regular workshops are conducted to address workplace changes. Most recently the LEAD AQP SA initiative, which is allied to the national LEAD SA campaign, was launched at a workshop. The aim of the Aquarius initiative is to encourage all employees 'to do the right thing' in terms of their behaviour regarding safety in the workplace. The initiative encourages employees to avoid shortcuts and not to accept work that is sub-standard.

The unions are also involved in all investigations and audits involving the Department of Mineral Resources and presentations to the department.

Operating performance

Attributable production at Kroondal rose by 1.6% to 207,473 PGM ounces, which was equivalent to 42% of total attributable group production. Improved operating efficiencies and stable industrial relations compared to the previous year enabled Kroondal to increase production in the first half of the 2011 financial year, but these gains were largely negated during the second half of the year.

Absenteeism over the Christmas and Easter periods, a significant increase in the number of Section 54 safety stoppages by government inspectors (which affected the industry as a whole) and disruption to the production cycle, due to the manual installation of the new hangingwall support, all impacted negatively on mining volumes in the final two quarters of the year. The long lead times and delayed delivery of new drilling rigs made it necessary to install support manually. Towards the end of the year, the direction of mining was also shifted to run obliquely to the natural fracturing in the rock, which reduced the available mining face length as new faces had to be established, and temporarily impacted head grade. Adjustments have now been made to accommodate these factors, and production levels are returning to normal.

Primary development increased by 51% over the period to a total of 14,331m, and stockpiles at the end of the financial year were approximately 14,000t. In the period under review, the two year wage agreement reached with the National Union of Mineworkers (NUM) at the conclusion of the strike in 2009 remained in force. Wage negotiations for the 2012 financial year began shortly after year-end.

Initial construction and preparatory work began at the K6 shaft in July 2010. The earthworks and stabilisation were completed by December that year and the first decline blast took place in March, following which the portal entrance to the three barrels of the decline was established. The decline system had advanced 166m by year-end and total development amounted to 543m. Work has begun on the surface conveyor structures. Stoping operations will begin at K6 in June 2013, and full annual production of 100,000 ounces is forecast. The K6 shaft will replace mined out capacity elsewhere at Kroondal.

Mining has begun at the Bambanani shaft, accessing Anglo Platinum's Siphumelele reserves to which Kroondal now has access, with the balance of these reserves being accessed via the Marikana decline shafts. A heads of agreement was signed with Anglo Platinum post year-end to enable a second phase of mining at Siphumelele using the previously mothballed Siphumelele vertical shaft.

Financial performance

Both Dollar and Rand revenues were higher year-on- year, up by 16% and 7% respectively, having been boosted by increases in both the Dollar and Rand PGM basket prices received.

The 9% increase in unit rand cash costs at Kroondal was due in part to the impact of the fixed cost base on lower-than-optimal mining volumes, as well as the addition of costs associated with the new safety measures implemented during the year, and inflationary factors linked to electricity, labour, fleet maintenance and the international oil price. The Rand strengthened over the year on average, exacerbating this effect on US Dollar costs, which rose 17% on a per ounce basis.

A performance efficiency and cost-optimisation initiative, Savuka, was launched at Kroondal towards year-end. Its aim is to improve productivity and contain costs. This initiative has led to improved blasting efficiencies.

Capital expenditure for the year on a 100% basis amounted to R349 million ($50 million), and was classified as sustaining in nature. The bulk of this went towards the implementation of the new safety support systems underground, the purchase of LHDs and new infrastructure.

Outlook

Once the installation of the new support system has been completed (scheduled for the end of 2011), production levels should normalise.

The Afarak transaction completed in May 2011 includes the acquisition of the Hoedspruit property, which is situated close to Kroondal. This orebody, although deeper than that of Kroondal, contains a well understood resource and has the potential to extend Kroondal's operating life significantly.

MARIKANA

The Marikana Platinum Mine (Marikana) is located on the western limb of the Bushveld Complex, approximately 8km east of Kroondal, in North West Province. Marikana mines the UG2 reef in the Marikana and 4 shaft ore bodies by means of underground operations which are accessed via the 4 and 5 shafts; 1 and 2 shafts remain on care and maintenance and the open-cast operation was mined out in the year under review. The concentrator plant at Marikana has a monthly processing capacity of 220,000t. Marikana has been managed in a 50:50 pooling and sharing agreement (P&SA2) with Anglo Platinum since 2005.

Key statistics

		FY2011	FY2010	FY2009
Operational				
Tonnes milled	Mt	1.95	2.23	2.58
Average head grade	g/t	2.34	2.65	2.84
Recoveries	%	72	72	67
Cost per PGM# ounce produced	$/oz	1,193	941	739
	R/oz	8,394	7,133	6,677
Price received per PGM ounce	$/oz	1,451	1,228	1,035
	R/oz	10,201	9,308	9,346
R/$ exchange rate	R/$	7.03	7.58	9.03
Total no of employees (including contractors)		1,528	1,904	1,650
Total production – in concentrate				
Platinum	oz	62,863	82,523	97,203
Palladium	oz	31,287	38,226	43,618
Rhodium	oz	11,154	13,863	16,166
Gold	oz	620	806	950
Total PGM production	oz	105,924	135,418	157,937
Total PGM production (5PGM+Au)	oz	129,062	164,080	192,807
Attributable PGM production	oz	52,962	67,709	78,969
Financials – attributable				
Revenue*	$m	71	79	54
On-mine cash cost	$m	78	74	69
Gross profit	$m	(7)	4	(15)
Capital expenditure	$m	8	6	4

\# *Unless specified PGM refers to 3PGM+Au*

* *Net of foreign exchange sales variance*

Safety

Tragically, five employees were fatality injured in a fall-of-ground incident at Marikana's 4 Shaft on 6 July 2010, as reported on in detail in Aquarius' 2010 Annual Report and 2010 Corporate Citizenship Report. Since this accident, further safety initiatives have been agreed with the Department of Mineral Resources and are currently being implemented at Marikana, together with amendments to hangingwall support methodologies and the direction of mining. These additional safety measures were independently audited and found to be industry-leading globally. Comprehensive detail on this tragedy and the remedial actions taken is available in previous corporate disclosures, including the 2010 Annual Report.

Safety remains of paramount importance at Marikana, as borne out by the improvement in the DIIR per 200,000 hours worked to 0.48 for the 2011 financial year (FY2010: 0.74). Management has increased its focus on improving the safety behaviour of employees and encouraging effective interaction with supervisors.

As at Kroondal, the issue-based risk assessment of Marikana, which was given added impetus by the rockfall accident in July 2010, was completed during the year, focusing on the same issues. Following on from the identification of the major risks, an intensive safety enhancement programme was undertaken at Marikana. Important aspects of this programme were: the Plan, Do, Check, Act system which is aligned with OHSAS requirements; an extensive traffic management plan; and regular weekly site visits by senior management to reinforce 'safe' behaviour. Procedures were compiled and implemented to mitigate these risks. A committee comprising both Aquarius representatives and union members agreed and signed off on all of these procedures. Operator training on the new procedures has begun and will be ongoing.

Following the rockfall accident in July 2010 at Marikana, new industry-leading hangingwall support systems and methodologies are being implemented across Marikana's operations. Installation of the revised support standard which supports 100% of the potential fallout height in the hangingwall began in March 2011.

A formal consultation process together with an open door policy for all stakeholders was implemented. The unions were included in all communication sessions and were consulted during all safety reviews and investigations.

Operating performance

Attributable production at Marikana fell by 22% to 52,962 PGM ounces in the 2011 financial year. This was equivalent to 11% of group production. The decreased production of ore from the Marikana operations resulted from two weeks of lost underground production as a result of the Section 54 suspension notice relating to the fall of ground accident in July 2010, as well as the same absenteeism that was encountered at Kroondal. Poor ground conditions remained a challenge.

In addition, 1 shaft became uneconomical during the second quarter and was placed on care and maintenance. The open pit was finally mined out and closed during the final quarter of the year. The underground ramp-up at 4 shaft continues to yield increased volumes of ore, but it was slowed to some extent by the geological anomalies intersected and factors relating to the implementation of the new safety measures, including a change in the direction of mining.

Production at 5 shaft (the incorporation of the Firstplats orebody into the Marikana operation) began as scheduled and contributed 10,941 PGM ounces from 234,000t milled for the financial year. Development of the Siphumelele 3 reserves has been done in readiness for mining to begin here in FY2012. This reserve is expected to yield 25,000 PGM ounces.

The deterioration in the achieved plant head grade was also due to the higher incidence of potholes which led to increased off-reef mining due to difficulties in packing waste underground. As with Kroondal, these issues have largely been dealt with and production is improving in the new financial year.

Primary development increased by 25% year-on-year to 10,306m.

Financial performance

Given the decline in production, revenue fell in both Rand and Dollar terms by 17% and 10% respectively. Higher received PGM prices mitigated these declines to some extent. The 18% increase in Rand unit cash costs at Marikana was a function of the same inflationary factors that impacted Kroondal, although this increase was aggravated by the lower production volumes as the effect on this on the fixed cost base was more marked here, as were the additional costs associated with the new safety measures. The Rand strengthened over the year on average, exacerbating this effect on US Dollar costs, which rose 27% on a per ounce basis. The unplanned cost of the settlement of the Moolman case also impacted cost at Marikana.

Capital expenditure for the year amounted to R124 million ($18 million) on a 100% basis, and was classified as sustaining in nature. The bulk of this was spent on establishing ongoing underground infrastructure and the implementation of the new hangingwall safety support systems underground.

Outlook

Production levels at Marikana are expected to improve in the new financial year, as the ramp-up of 4 shaft proceeds and once the roll-out of the new support system installation has been completed (scheduled for the end of February 2012). 6 Shaft feasibility will begin during FY2013.

As stated in the review of Kroondal above, certain of Anglo Platinum's Siphumelele reserves will be accessed from Marikana's decline shafts in the coming year. Management are working towards further life of mine extensions at Marikana, and as with Kroondal, the Hoedspruit property acquired by the group may assist with these endeavours.

EVEREST

The Everest Platinum Mine (Everest) is located on the eastern limb of the Bushveld Complex, near Mashishing in Mpumalanga, South Africa. The Everest operation now comprises three decline shaft systems – North Decline, which is a belt, people and vehicle access way system and South Decline, which is a belt and people access way. The third access way, via the Valley Box Cut, was commissioned during the year and will be used as a people and vehicle access way for the lower sections of the mine. The Everest concentrating plant currently has a monthly processing capacity of 250,000t.

Key statistics

		FY2011	FY2010***	FY2009**
Operational				
Tonnes milled	Mt	1.38	0.15	0.84
Average head grade	g/t	2.76	3.09	2.89
Recoveries	%	82	57	83
Cost per PGM# ounce produced	$/oz	1,091	1,219	761
	R/oz	7,677	9,150	6,686
Price received per PGM ounce	$/oz	1,437	1,321	1,224
	R/oz	10,102	9,908	10,759
R/$ exchange rate	R/$	7.03	7.59	9.03
Total no of employees (including contractors)		1,664	1,054	2,300
Total production – in concentrate				
Platinum	oz	57,777	5,098	37,643
Palladium	oz	31,794	2,655	19,365
Rhodium	oz	9,735	660	6,499
Gold	oz	947	84	562
Total PGM production	oz	100,252	8,496	64,068
Total PGM production (5PGM+Au)	oz	120,295	9,842	78,295
Attributable PGM production	oz	100,252	8,496	64,068
Financials – attributable				
Revenue*	$m	143	10	33
On-mine cash cost	$m	120	17	57
Gross profit	$m	23	(7)	(24)
Capital expenditure	$m	28	32	9

\# *Unless otherwise specified, PGM refers to 3PGM + Au*
* *Net of foreign exchange sales variance*
** *Five months: July – November 2008*
*** *Three months: April – June 2010*

Safety

There was a committed focus on safety performance for the first full year of operation following the resumption of mining activity in April 2010. There were no fatalities during the 2011 financial year and the DIIR per 200,000 hours worked was 0.41. Furthermore, the mine attained 1 million fatality-free shifts during the year.

The re-employment of previous employees contributed to the safety performance as most of the current workforce had previously been employed by the mine and understood mine procedures and standards. Nevertheless, all employees attended the required re-training and induction courses during the course of FY2011.

Operating performance

As the ramp-up at Everest progressed, attributable production for the year amounted to 100,252 PGM ounces, significantly up on that of FY2010. This was equivalent to 21% of total group attributable production.

The re-establishment project and development of the additional Valley access decline were completed during the first half of the year. Development mining began and progressed well in the Valley decline, which system will create mining flexibility and enable additional and faster access to the western orebody of the mine and, ultimately, to the Buttonshope orebody.

Recruitment and training of new production crews was completed during the year, in line with the planned ramp up in production. In line with the retrenchment agreement signed with the unions when operations were suspended in December 2008, most of those currently recruited are former employees.

The ramp-up in production initially progressed as planned for the first eight months of the year with grades and recoveries both improving steadily. In the final months of the year, mining was scheduled to take place on the shallower fringes of the Everest orebody, where an oxidised zone of approximately 50m in depth was anticipated. However, the actual oxidised layer was found to occur significantly deeper (at approximately 75m), and the resulting friable rock and bad ground conditions encountered negatively impacted mine production, head grade and consequently unit costs during this period.

Problems were also encountered with large rocks/boulders (+300mm), created by the blasting of oxidised material. This led to bottlenecks in the ore handling and conveyor system, mainly at the tips. Everest was not designed with a scalping system to handle waste boulders. To mitigate the problem, new tip designs have been rolled out to facilitate handling of the large rocks while impact breaker tips have been introduced which will help break the large rocks into smaller pieces. In addition, initial blasting trials have begun on the use of emulsion explosives that have a higher level of shock energy and are more efficient in breaking the rock into smaller pieces.

Primary development amounted to 5,037 metres. Stockpiles at the end of the financial year were approximately 3,000t.

Plant stability allowed for slightly improved recoveries, despite the oxidised material being treated. The oxidised material and associated bad ground conditions negatively impacted production in the final months of the year, and caused the mine to produce below plan. The mining cycles have been adjusted to take into account the area of oxidisation and to allow for the installation of additional support, and production levels are returning to normal.

Processed tonnes improved during the year to 1.38Mt. A head grade of 2.77g/t 4E was achieved for the year. The lower-than-expected grade is attributed to the increase in waste mined. Recoveries increased by 44% to 82%, with the plant operating optimally. Tail grades for the year averaged 0.43g/t.

The chrome recovery spiral plant was commissioned early in the year and has been a notable success for Everest with a total of 101,640 tonnes of chrome ore concentrate being processed and sold.

Financial performance

Boosted by both production and higher Dollar PGM prices, revenue for the 2011 financial year increased to R997 million. Unit costs for the year decreased by 16% in Rand terms and 10% in Dollar terms as the ramp-up in production continued to reduce the impact of the mine's fixed cost base. This decline in costs was interrupted in the final quarter of the year by the poor ground conditions encountered but is expected to resume in future as production continues to grow. US Dollar costs also fell, but by a lower margin because of increased Rand strength.

A total of R197 million was spent on capital for the year of which R115 million was sustaining capital and R82 million was expansion capital to complete the re-establishment project and the additional Valley boxcut access.

Outlook

In terms of the planned ramp up at Everest, production of 150,000 PGM ounces is anticipated for FY2012, with a further ramp up to 180,000 PGM ounces the following year. The recent acquisition of Booysendal South will allow for a more interlinked development plan for Everest overall which will enable an increased level of mining and the processing plant to operate at capacity. Initial indications show potential annual production ramping up to between 230,000 and 250,000 PGM ounces by 2017, which will make Everest the group's largest operation by attributable production. These additional reserves will increase the life of mine to more than 30 years from the current eight years planned.

Blue Ridge

Blue Ridge is an underground mine accessed via two decline shafts, situated on the south-western extension of the eastern limb of the Bushveld Complex, in the province of Mpumalanga, South Africa. The mine ceased operations during FY2011 as a result of an insufficiently high prevailing Rand basket price to justify further capital expenditure. At the time of suspension of operations, the Blue Ridge mine had reached a depth of 275m below surface.

When restarted, the mine has the potential to be extended to a depth of approximately 800m. Aquarius has an effective stake of 50% in the Blue Ridge mine, having acquired this on its acquisition of Ridge Mining plc in July 2009.

Key statistics

		FY2011	FY2010
Operational			
Tonnes milled	000t	327	1,082
Average head grade	g/t	2.30	2.36
Recoveries	%	73	71
Price received per PGM# ounce	$/oz	1,428	1,183
	R/oz	10,039	8,955
R/$ exchange rate	R/$	7.03	7.57
Total no of employees (including contractors)		33	1,665
Production – in concentrate			
Platinum	oz	10,664	35,179
Palladium	oz	5,181	17,340
Rhodium	oz	1,680	5,525
Gold	oz	183	573
Total PGM production	oz	17,707	58,617
Total PGM production (5PGM+Au)	oz	21,561	70,768
Attributable PGM production	oz	8,854	29,309
Financial			
Capital expenditure	$m	34	16
	Rm	236	118

Unless otherwise specified, PGM refers to 3PGM + Au

Safety

Regrettably, one fatality occurred at Blue Ridge during the 2011 financial year. The DIIR deteriorated to 1.91 per 200,000 hours worked from 1.86 the previous year.

Operating performance

Given the low rand basket prices prevailing at the time and an inherited sub-optimal mine design, a decision to redevelop the Blue Ridge mine and install infrastructure was taken in September 2010. The implementation of the project began during the second quarter, and approximately 900 employees were redeployed, some to other operations, in a process that was concluded satisfactorily and with retrenchments kept to a minimum.

While undertaking the redevelopment project, Ridge Mining determined that the mine could not be operated economically at the prevailing low rand PGM prices and given the rate of mine cost inflation in South Africa. It was determined that the mine would generate insufficient margins to justify further development expenditures and Ridge Mining recommended that the Blue Ridge mine be placed on care and maintenance pending a full review of the mine's economic viability.

Mining operations and further mine development were suspended in the final quarter of the year, and more than 80% of the workforce was successfully placed at other mines in the area.

Financial performance

All revenues generated and costs incurred by the Blue Ridge mine in FY2011 were capitalised.

Discussions continue with the lenders to the mine on restructuring of the asset-level debt. The lenders are the Industrial Development Corporation and the Development Bank of Southern Africa, which are collectively owed approximately R370 million in interest-bearing debt by Blue Ridge. This debt is ring-fenced in the Ridge Mining group. Aquarius is a significant creditor of the Blue Ridge mine, ranking equally with other senior lenders, and has extended no corporate guarantees to the other providers of third party debt to the mine.

Capital expenditure of R84 million was invested at the Blue Ridge mine in the 2011 financial year on a 100% basis.

Outlook

Ridge Mining has suspended funding of the Blue Ridge mine pending a final decision by the Board of Blue Ridge to place the mine on care and maintenance, and operations have ceased. Pending a significant and sustainable improvement in the Rand PGM basket price, operations will remain suspended.

Blue Ridge management will conduct a comprehensive evaluation of the mine to explore alternative mine plans and establish whether the Blue Ridge orebody can be profitably exploited in a low rand price environment.

Mimosa

The Mimosa mine is located in the Wedza sub-chamber of the southern portion of the Great Dyke in Zimbabwe, 150km from Bulawayo and 30km from the town of Zvishavane. Mimosa is a relatively shallow underground operation accessed via a decline shaft, delivering ore to a surface concentrator with a monthly capacity of 185,000t. Mimosa is the lowest cost producing mine in the Aquarius portfolio.

Key statistics

		FY2011	FY2010	FY2009
Operational – total				
Tonnes milled	Mt	2.31	2.28	2.10
Average head grade	g/t	3.63	3.59	3.60
Recoveries	%	77	76	74
Cost per PGM# ounce produced	$/oz	695	610	501
Price received per PGM ounce	$/oz	1,280	993	931
Total no of employees (including contractors)		1,796	1,802	1,810
Total production – in concentrate				
Platinum	oz	104,915	101,241	91,520
Palladium	oz	80,247	76,603	69,423
Rhodium	oz	8,391	8,708	7,170
Gold	oz	14,282	13,702	11,909
Total PGM production	oz	208,016	199,625	180,023
Attributable PGM production	oz	104,008	99,812	90,011
Total PGM production (5PGM+Au)	oz	219,666	210,318	189,298
Financials – attributable				
Revenue*	$m	170	126	61
On-mine cash cost	$m	57	52	39
Gross profit	$m	75	69	41
Capital expenditure	$m	25	18	31

Unless specified PGM refers to 3PGM + Au

* *Net of foreign exchange sales variance*

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Safety

The DIIR for the year per 200,000 hours worked at Mimosa improved to 0.03 from 0.07 in FY2010. Despite this improved safety performance during the year, a single fatality occurred at Mimosa in September 2010 as a result of a drilling accident. By year-end, Mimosa had achieved more than 1 million fatality-free shifts and nine months without a lost-time injury.

During the year, refresher training to reinforce compliance with standard operating procedures and courses on pre-task mini-risk assessments were conducted, while explicit fundamental safety rules were developed specifically for particular work areas. Managerial safety sessions were conducted to discuss and analyse existing safety systems and training programmes and to develop and improve on these.

Mimosa remains committed to safety and achieving 'zero harm', the overall aim of its safety training and employee behaviour-modification programmes.

The mine received its recertification for OHSAS 18001 and ISO 14001, and remains committed to maintaining these.

Operating performance

Mimosa achieved record production in FY2011, as a result of improved volumes mined, higher head grade and better rates of recovery. Mimosa produced 104,008 attributable PGM ounces for the year, representing 21.3% of group production.

Much of the improved mining performance was a result of the optimisation of Wedza phase 5.5, which included a revised blasting pattern, an emphasis on retraining the workforce on processes and procedures and management commitment and motivation at Mimosa.

Despite these successes, deteriorating ground conditions proved to be a challenge during the year. To address this, support and safety systems were upgraded. Panel widths were reduced from 15m to 6m and mechanised roof bolters have been introduced to allow for the installation of deep anchored bolts and cables.

As part of the optimisation programme, management has begun a review of the maintenance and use of underground mining equipment. Positive results for the trial of a larger load haul dumper (LHD) indicate that the size of the LHD fleet could be reduced by a third which would contribute significantly to reduced costs in the future.

The performance of the plant exceeded expectations in FY2011, a consequence of plant optimisation and improvement initiatives implemented during the year which bore fruit in the second half of the year in particular. The stockpile remained stable during the course of the year.

The supply of power was relatively stable in FY2011 compared with previous years. Meetings are held quarterly with the national power entity, ZESA, to discuss potential outages so as to facilitate planning and to improve the reliability of the power supply.

Financials

Attributable revenue rose by 35% to $170 million, a function of the higher level of production and improved PGM and other metal price levels. Base metal revenue contributed 25% of overall revenue.

Costs for the year were 14% higher at $695 per PGM ounce, as a result of increased labour and power costs, the support systems implemented to counter bad ground conditions, and the strengthening Rand (given that much of Mimosa's procurement is from South Africa). To combat the latter, inputs were sourced from outside the Rand monetary area to the extent possible, generating significant savings. By-product credits reduced costs overall by 59%. The maintenance cost of mobile underground equipment rose, as a result of the higher cost of spares and the deployment of additional LHDs in areas of bad ground so as to ensure that production levels were maintained.

Labour costs rose following salary adjustments made to ensure Mimosa's competitiveness in the labour market. As part of Mimosa's optimisation programme, steps are to be taken to enhance work functions and rationalise the workforce in the coming year so as to reduce labour costs.

Total capital expenditure during the year was $50 million (attributable: $25 million). A high proportion of this was spent on the completion of the housing project ($21.7 million). In all, 143 houses have been built to house Mimosa employees. Expenditure of an additional $10.4 million has been approved for the construction of another 128 houses in FY2012. The balance of the expenditure was spent on stay-in-business projects such as the ongoing installation of underground infrastructure ($22.85 million) and the remainder on business optimisation and growth projects.

Zimbabwean legislation – Indigenisation

The Zimbabwean Indigenisation and Economic Empowerment Act was passed into law in 2007, in terms of which 51% of the equity in all foreign-owned companies larger than $500,000 are required to be transferred to local Zimbabwean entities. Regulations pursuant to this Act were promulgated in Zimbabwe in April 2011 which included mining sector-specific proposals on the implementation of the Act, and requiring mining companies to submit indigenisation proposals to the Zimbabwean government.

Mimosa duly submitted an indigenisation proposal on 9 May 2011, within the required timeframe. On Friday 19 August, a letter was received from the Minister of Youth Development, Indigenisation and Empowerment rejecting this proposal and requiring that a further proposal be submitted. Mimosa's management remains in discussions with the various relevant authorities to ensure a satisfactory conclusion within the required timeframes.

Outlook

The optimisation of mining and processing functions will continue so as to enhance performance and maximise production within the specifications of Wedza phase 5.5. The feasibility study into Wedza phase 6 began during the year and is scheduled for completion in FY2012. Exploration into the North Hill area continues (see exploration section).

Output from Mimosa is expected to remain steady in FY2012. The ongoing optimisation review programme will continue during the coming year, focusing on improved productivity and cost management, with the overall aim of ensuring safe and profitable production ounces.

Chromite Tailings Retreatment Plant

Located adjacent to the Kroondal mine, the Chromite Tailings Retreatment Plant (CTRP) retreats material contained in existing tailings dams and dumps, and tailings streams currently being generated by the beneficiation process at neighbouring chromite mines. CTRP is a low cost producer of PGM ounces, and its operation benefits the environment by removing and reprocessing mine dumps that are remnants of earlier chromite mining in the area. CTRP is jointly owned by Aquarius (50%), GB Mining (25%) and Sylvania South Africa (25%).

Key statistics

		FY2011	FY2010	FY2009
Operational – total				
Tonnes processed	000t	122	293	247
Average head grade	g/t	2.97	2.28	2.34
Recoveries	%	42	30	38
Cost per PGM# ounce produced	$/oz	1,027	521	332
	R/oz	7,223	3,951	3,003
Price received per PGM ounce	$/oz	1,560	1,301	1,241
	R/oz	10,967	9,861	11,206
Total no of employees (including contractors)		29	17	18
Production – in concentrate				
Platinum	oz	3,013	3,892	4,145
Palladium	oz	1,048	1,420	1,512
Rhodium	oz	804	1,074	1,151
Gold	oz	11	13	15
Total PGM production (3PGM+Au)	oz	4,876	6,399	6,824
Total PGM production (5PGM+Au)	oz	6,907	9,274	10,013
Attributable PGM production (3PGM+Au)	oz	2,438	3,200	3,412
Financial – attributable				
Revenue*	$m	2.6	4.1	2.6
On-mine cash cost	$m	2.7	3.7	2.3
Gross profit	$m	(0.4)	0.4	0.3
Capital expenditure	$000	237	56	79
	R000	1,666	408	711

\# *Unless otherwise specified, PGM refers to 3PGM + Au*

* *Net of foreign exchange sales variance*

Safety

CTRP again had no fatalities and a DIIR of zero for the year.

Operation performance

The supply of tailings from current providers declined during the year as existing dumps were exhausted and the volume of current tailings arising from chrome mining operations in the area diminished. As a result it became necessary to truck in additional material from other sources. The treatment of this material posed handling challenges which necessitated the installation and commissioning of more appropriate equipment, resulting in significant plant downtime during this period.

The volume of material processed declined by 58% to 122,000t in FY2011. A significant increase in recoveries was insufficient to offset this and production declined by 24% to 2,438 attributable PGM ounces, equivalent to 0.5% of group production.

Financial performance

Gross revenue declined to R35 million ($5.2 million) with attributable revenue amounting to R17.5 million. This reduction in revenue was a function of lower production and was contained to some extent by the 11% increase in the US Dollar-denominated PGM basket price. The PGM basket price at CTRP rose 20% in US Dollar terms.

The basket price for CTRP was negatively affected by the fall in the rhodium price, as CTRP produces proportionally more rhodium than the other group operations. The cash margin for the year was a negative 1% (FY2010: 49%) while the lower volumes treated contributed to a 97% increase in unit costs in rand terms.

Outlook

The new supplies of feedstock that were secured during the year are expected to enable CTRP to increase production of PGM ounces and reduce costs in FY2012. Following the installation of new equipment, both recoveries and volumes are expected to improve in the coming year.

Platinum Mile

Platinum Mile is a tailings retreatment facility located adjacent to the Kroondal mine on Anglo Platinum's Rustenburg Platinum Mine (RPM), from which it receives PGM tailings for retreatment. This facility provides a consistent source of profitable low-cost ounces. Concentrate produced by Platinum Mile is sold to RPM, with which there is a profit-sharing agreement. Post year-end, Aquarius agreed to increase its original stake of 50% in Platinum Mile to 91.7%.

Key statistics

		FY2011	FY2010	FY2009
Operational – total				
Tonnes processed	Mt	4.4	7.0	8.7
Average head grade	g/t	0.68	0.58	0.67
Recoveries	%	23	15	9
Cost per PGM# ounce produced	$/oz	694	747	398
	R/oz	4,795	5,618	3,586
Price received per PGM ounce	$/oz	1,477	1,278	855
	R/oz	10,206	9,610	7,704
Total no of employees (including contractors)		57	63	61
Total production – in concentrate				
Platinum	oz	13,191	11,446	9,484
Palladium	oz	7,126	6,015	5,069
Rhodium	oz	1,927	1,789	1,471
Gold	oz	589	420	329
Total PGM production (3PGM+Au)	oz	22,833	19,670	16,353
Total PGM production (5PGM+Au)	oz	27,353	22,809	18,931
Attributable PGM production (3PGM+Au)	oz	11,417	9,835	8,176
Financial – attributable				
Revenue*	$m	14.3	11.2	6.8
On-mine cash cost	$m	8.5	12.1	4.3
Gross profit	$m	1.0	(0.9)	2.5
Capital expenditure	$m	0.2	0.7	5.2

Unless otherwise specified, PGM refers to 3PGM + Au

* *Net of foreign exchange sales variance*

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Safety

Platinum Mile had no fatalities and a DIIR that remained at zero for the year.

Operations

Despite a 37% decline in volumes processed year-on-year, production rose by 16% to an attributable 11,417 PGM ounces as a result of significant improvements in both the grade of the material supplied and recovery rates. The latter was a consequence of the plant optimisation project undertaken the previous year. Production from Platinum Mile represented 2.34% of group production in FY2011.

Platinum Mile continued to focus on the retreatment of Merensky tailings rather than UG2 tailings during the year, in order to capitalise on higher PGM grades and beneficial rates of recovery. The decline in volumes processed for the year resulted from the halt in UG2 tailings supplied to Platinum Mile.

Financials

Platinum Mile generated attributable gross revenue of R100 million ($14.3 million), an increase of 16% on the previous year, due to increased production of PGM ounces and a stronger basket price.

Costs declined year-on-year, a function of the increased production. In Rand terms, unit costs per PGM ounce declined by 15% to R4,795 and by 7% in US Dollar terms to $694. The cash margin for the year was 45% (FY2010: 36%).

Total capital expenditure of slightly over R1.0 million was comparable with the R1.3 million spent in FY2010.

Outlook

Given the group's increased stake in Platinum Mile, the contribution made by Platinum Mile to attributable group production is expected to increase substantially from FY2012. Aquarius is also exploring the possibility of securing additional feed for Platinum Mile from Kroondal's K1 and K2 plants, and a feasibility study to determine the viability of this is currently under way.

MINERAL RESOURCE
AND RESERVE STATEMENT

This 2011 Mineral Resource and Mineral Reserve statement reflects the Mineral Resources and Mineral Reserves of Aquarius' operations in South Africa (through AQPSA) and in Zimbabwe (through Mimosa Investments Limited) as at 30 June 2011. A summary of exploration conducted on existing mines and the various exploration projects and prospects is also provided.

Reporting of Mineral Resources, Mineral Reserves and Exploration Results is done in accordance with the South African Code for Reporting of Mineral Resources and Mineral Reserves (SAMREC 2007) and the Australian Code for Reporting of Mineral Resources and Ore Reserves (JORC 2004).

The JORC code is the Australasian equivalent of SAMREC and is prepared under the auspices of the Australasian Institute of Mining and Metallurgy (AusIMM). The SAMREC Code and SACNASP (South African Council for Natural Scientific Professions) are officially recognised on a reciprocal basis by AusIMM.

Regulatory compliance

The Mineral Resources and Mineral Reserves for Aquarius have been prepared under the guidance of the company's Competent Persons who are duly registered with the South African Council for Natural Scientific Professions (SACNASP). This ensures that the Mineral Resource statements are compliant with the SAMREC code which is analogous with the JORC code. The company's Competent Persons have taken into account the definitions included in both codes and the Mineral Resource and Mineral Reserve quantities reported here are considered to be fully compliant in all material aspects to the requirements of both codes.

Definitions of the different Mineral Resource and Mineral Reserve categories, the requirements for reporting of exploration results as well as the requirements for qualification as a Competent Person are detailed in the expanded Mineral Resource and Mineral Reserve Technical Statement 2011 which will be available on the Aquarius corporate website, www.aquariusplatinum.com, by mid-December 2011. These definitions may also be found by downloading the SAMREC code at www.samcode.co.za or the JORC code at www.jorc.org/main.php.

Competent Persons

The Competent Persons for the Mineral Resources and Mineral Reserves and technical statements have striven to report in an unbiased and balanced manner and acknowledge the release of this document into the public domain by Aquarius Platinum Ltd.

WHY BUSHVELD COMPLEX

The richest PGM-bearing resource in the world

MINERAL RESOURCE AND RESERVE STATEMENT CONT.

Competent Persons for mining operations:

Kroondal Mine:	**J.E. (Ernie) Venter** (B.Sc.Hons., Pr. Sci. Nat. 400241/07, GSSA 60352) Ernie Venter has 17 years' experience in the platinum industry.
Marikana Mine:	**J.E. (Ernie) Venter** (B.Sc.Hons., Pr. Sci. Nat. 400241/07, GSSA 60352) Ernie Venter has 17 years' experience in the platinum industry.
Everest Mine:	**C. (Cecilia) Hattingh** (B.Sc.Hons., Pr. Sci. Nat. 400019/03, GSSA 963902) Cecilia Hattingh has 14 years' experience (11 years in platinum) in the industry.
Blue Ridge Mine:	**S. (Steve) Savage** (B.Sc. Hons, M.Eng., Pr.Sci.Nat. 400205/04, GSSA 60508) – Mineral Resource. Steve Savage has 17 years' experience of which 8 years have been in the platinum industry.
Mimosa Mine:	**D. Mapundu** (B.Sc., Pr.Sci.Nat. 200021/05) Dumisani Mapundu has 20 years' experience in the mining industry, of which 17 years have been in platinum mining.

An audit of Mimosa's resource and reserve estimates is conducted annually by F.H. (Ina) Cilliers (M.Sc., Pr. Sci. Nat. 400032/02, GSSA 96578 – on behalf of Aquarius) and J.J. (Seef) Vermaak (M.Sc., Pr. Sci. Nat. 400015/88 – on behalf of Implats). Ina Cilliers has 24 years' experience in mining and exploration (15 years of which have been in the platinum mining industry) and Seef Vermaak, 25 years' experience in the platinum mining industry.

Competent Persons for projects:

Hoogland Project:	**J.E. (Ernie)** Venter (B.Sc.Hons., Pr. Sci. Nat. 400241/07, GSSA 60352) Ernie Venter has 17 years' experience in the platinum industry.
Vygenhoek Project:	**C. (Cecilia) Hattingh** (B.Sc.Hons., Pr. Sci. Nat. 400019/03, GSSA 963902) Cecilia Hattingh has 14 years' experience, of which 11 years have been in the platinum industry.
Chieftains Project:	**C. (Cecilia) Hattingh** (B.Sc.Hons., Pr. Sci. Nat. 400019/03, GSSA 963902) Cecilia Hattingh has 14 years' experience, of which 11 years have been in the platinum industry.
Zondernaam Project:	**C. (Cecilia) Hattingh** (B.Sc.Hons., Pr. Sci. Nat. 400019/03, GSSA 963902) Cecilia Hattingh has 14 years' experience, of which 11 years have been in the platinum industry.

Millennium Project:	**S. (Steve) Savage** (B.Sc. Hons, M.Eng., Pr.Sci.Nat. 400205/04, GSSA 60508) – Mineral Resource Steve Savage has 17 years' experience of which 8 years have been in the platinum industry.
Sheba's Ridge Project:	**S. (Steve) Savage** (B.Sc. Hons, M.Eng., Pr.Sci.Nat. 400205/04, GSSA 60508) – Mineral Resource Steve Savage has 17 years' experience of which 8 years have been in the platinum industry.
Booysendal Project:	AQPSA has obtained written confirmation and consent from Northam Platinum that the information disclosed in this report pertaining to the Mineral Resources and Mineral Reserves is compliant with the SAMREC Code and can be published in this form.
Hoedspruit Project:	AQPSA has obtained written confirmation and consent from Afarak Platinum (Pty) Ltd that the information disclosed in this report pertaining to the Mineral Resources and Mineral Reserves is compliant with the SAMREC Code and can be published in this form.
Kruidfontein Project:	AQPSA has obtained written confirmation and consent from Afarak Platinum (Pty) Ltd that the information disclosed in this report pertaining to the Mineral Resources and Mineral Reserves is compliant with the SAMREC Code and can be published in this form.

Co-signatories

The following technical specialists were involved in the preparation of the Mineral Reserves and have appropriate experience in their field of expertise to the activity that they are undertaking and consent to the inclusion in the report of the matters based on their technical information in the form and context in which it appears.

Kroondal Mine:	**W. (Wessel) Phumo** (NHD Mining Eng, B.Tech Mining Eng) General Manager Operations: Kroondal
Marikana Mine:	**J. (Jenkins) Kroon** (B.Eng) Acting General Manager: Marikana
Everest Mine:	**G. (Gus) Simbanegavi** (B.Sc. Mining Eng, MBA, MAusIMM) General Manager Operations: Everest
Blue Ridge Mine:	**T. (Tony) Joubert** (NHD Metal Mining, MDP ECSA Reg. 201090005) General Manager Operations: Blue Ridge
Mimosa Mine:	**H. (Herbert) S. Mashanyare** (B.Sc. M Phil, M.Sc Eng, DIC) Technical Director: Mimosa Mining Company

Mr Phumo began his career as a learner official at Saaiplaas Gold Mine in January 1988 and held various positions at the Harmony Gold Mining Company Limited prior to joining AQPSA in May 2007 as Mine Manager. Mr Phumo was appointed General Manager Operations: Marikana in December 2007 and general Manager Operations: Kroondal in March 2011.

Mr Kroon started his mining career in 2000 as a Learner Official with Anglo Platinum. After one year's experience on Rustenburg Platinum Mine, he studied mining engineering at the University of Pretoria, graduating in 2004. After he was adequately conversed with conventional narrow reef mining at Anglo, he joined Xstrata Chrome in 2006 as Projects Overseer, in a low profile mechanised section. He progressed through the ranks to Mine Manager, a position he held until August 2009. He joined AQPSA as Mine Manager of Kwezi Shaft at the Kroondal operations in September 2009. Mr Kroon was subsequently appointed as Acting General Manager: Marikana on 7 March 2011.

Mr Simbanegavi joined AQPSA in May 2008 as Mine Manager for Marikana operations. He was recently appointed General Manager Everest Mine. Prior to joining AQPSA, Mr Simbanegavi was employed by Zimplats, where he had begun working in 2001, and held several senior management positions for both open-pit mining and mechanised underground mining. He has more than 10 years' mine management experience in both gold and platinum mining.

Mr Joubert has 28 years' experience in the mining industry of which 15 years were spent working on deep level gold mines in South Africa. Tony also worked on a coal mine for one year after which he moved to base metal mining for three years, the last of which was at a copper mine in Zambia. He then joined the platinum industry in 2001 and Aquarius in 2008 as Mine Manager. He was appointed as General Manager Operations for Blue Ridge Mine in August 2009.

Mr Herb Mashanyare joined the organisation (Union Carbide then, later Zimasco Group of Companies and thereafter Mimosa Mining Company) initially as Consulting Metallurgist in 1991, having previously held a number of senior positions within Rio Tinto (Zimbabwe) over a nine year period and the Institute of Mining Research Zimbabwe (six years). He was appointed Technical Director of Mimosa seven years ago with responsibility for Mimosa's growth and for overseeing support to the mining and processing operations and all major brownfields projects. In his more than 30 years of experience in the mining industry, Herb has had exposure to base metals (nickel and copper and also chrome), gold, PGMs and iron and steel.

Mineral rights' status

Aquarius' operations in South Africa

In 2011, Aquarius further enhanced its strategic options by acquiring mineral rights through the purchase of Afarak Platinum (Proprietary) Limited, and conditionally agreeing to acquire mineral rights on farms adjacent to Everest Mine, collectively known as Buttonshope. These acquisitions underpin the implementation of Aquarius' strategy to grow its resource, reserve and future production base. Both potentially increase Aquarius' resource base by nearly 23%.

Currently, Aquarius holds the following mining rights:

Mine	Province	Type of right
Kroondal Mine	North West	Converted mining right
Marikana Mine	North West	Converted mining right
Salene conversion	North West	Awaiting conversion by DMR, thereafter transfer to AQPSA
Firstplats conversion	North West	Awaiting conversion by DMR, thereafter transfer to AQPSA
Firstplats Ptn 20	North West	New order mining right – under consideration by DMR
Everest Mine	Limpopo	Converted mining right
Hoogland 28 JT	Limpopo	Included in the Everest mine's converted mining right
Sterkfontein	Limpopo	Included in the Everest mine's converted mining right
Blue Ridge Mine	Limpopo	Approval of the conversion of the mining right is awaited from the DMR

The mineral rights that Anglo Platinum contributed to both the P&SA1 and P&SA2 were old order mining rights. Anglo Platinum's application to the DMR for conversion of these rights in terms of the MPRDA was accepted. A transaction to acquire the mining assets of First Platinum (Pty) Ltd and Salene Mining (Pty) Ltd, known collectively as Firstplats, was concluded during FY2010. The Firstplats asset is contiguous to Marikana P&SA2, and the P&SA partner, Anglo Platinum, has contributed a pro rata addition that is contiguous to the Kroondal and Townlands blocks of the Kroondal P&SA1. The Firstplats acquisition includes both the Firstplats and Salene old order mining rights and the surface rights to both companies. AQPSA is awaiting conversion to a new order mining right by the DMR, after which the mining right will be transferred to AQPSA.

Following the conclusion of the acquisition of Ridge Mining plc, AQPSA officially took over management in August 2009. The transaction entailed 50% ownership in the producing Blue Ridge mine and 39% ownership of the Sheba's Ridge project which is under feasibility study. The remaining 50% of Blue Ridge was held by Imbani Platinum (Pty) Ltd (Imbani). The partners in the Sheba's Ridge project are Anglo Platinum with a 35% interest and the Industrial Development Corporation of South Africa (IDC) with a 26% interest.

The application for the inclusion of portions 10 and 11 of the farm Blaauwbank into the Blue Ridge mine mining right has been submitted to the DMR. This application will be finalised simultaneously with the conversion of the mining right for Blue Ridge. All mining rights are held in good order and there is no perceived risk as to Aquarius' right to continue mining for minerals on the specific sites.

The prospecting rights currently held by Aquarius are as follows:

Mine	Province	Type of right
Vygenhoek	Mpumalanga	Converted prospecting right
Chieftains Plain	Limpopo	New order right
Walhalla	Limpopo	New order right
Hoogland 38 JT	Mpumalanga	Converted prospecting right
Sheba's Ridge	Limpopo	New order prospecting rights and awaiting renewal of prospecting rights
Rooikraal	Limpopo	Converted prospecting rights and await granting of renewed rights by DMR
Fonte Verde	Mpumalanga	Converted prospecting right and await granting of renewed rights by DMR
Millennium	Mpumalanga	Converted prospecting rights
Zondernaam	Limpopo	New order prospecting right
Afarak (Hoedspruit and Kruidfontein)	North West	New order prospecting rights

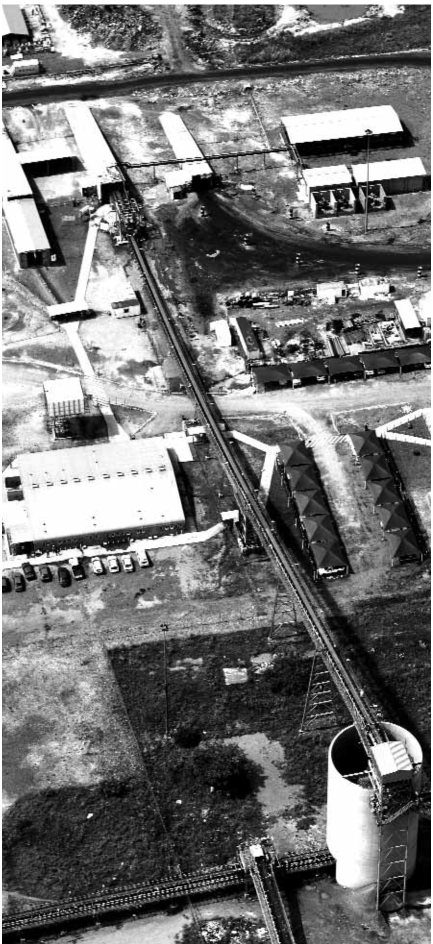
Aquarius, through its wholly owned subsidiary Aquarius Platinum (SA) Corporate Services (Pty) Ltd (ASACS), concluded the consolidation of a number of exploration properties into a special purpose vehicle know as Zondernaam Mining. The consolidation included the exploration rights of Bakgaga Mining (Pty) Ltd and that of MinEx Projects (Pty) Ltd. This consolidation brings together a total of seven contiguous farms. The DMR has agreed to the consolidation and the change in ownership. The consolidation of these rights, which has been executed, gives ASACS a 74% interest in Zondernaam Mining, with Bakgaga Mining holding a 26% interest. These prospecting rights are new order prospecting rights issued in terms of the MPRDA.

The rights for the Millennium block, contiguous to the producing Blaauwbank block of Blue Ridge mine, are held under converted old order prospecting rights. As part of the Ridge Mining transaction, AQPSA obtained ownership of the Fonte Verde, Rooikraal and Red Bush Ridge projects. However, Ridge Mining sold the prospecting rights to Bushveld Platinum but has not received full payment for the purchase. In the interim, AQPSA ensures that all requirements regarding the submission of progress reports to the DMR and the renewal of the prospecting rights as per the MPRDA are complied with.

The Chrome Tailings Retreatment Plant (CTRP) is owned by a three-member consortium which comprises ASACS, GB Mining and Exploration SA (Pty) Ltd and Sylvania South Africa (Pty) Ltd. Aquarius holds a participation interest of 50% while each of the partners holds 25%. CTRP treats chromite tailings streams from neighbouring mines.

In April 2011, the Aquarius group acquired Afarak Platinum (Pty) Ltd (Afarak), a private company incorporated in South Africa. As a result of this transaction, Aquarius now holds, both directly and indirectly, 74% of the outstanding share capital of Afarak, with the remaining 26% held by Watervale (Pty) Ltd, an empowerment company controlled by Savannah Resources (Pty) Ltd, Aquarius' major shareholder and black economic empowerment partner for many years. Afarak's assets comprise interests in the new order prospecting rights to two properties known as Hoedspruit and Kruidfontein, both underlain by the Merensky and UG2 reefs, located on the western limb of the Bushveld Complex. Afarak has a 100% interest in Hoedspruit and the right to earn a 50% interest in Kruidfontein through additional exploration expenditure.

In May 2011, AQPSA entered into a binding Sale of Rights Agreement with Northam Platinum Limited and its subsidiaries to acquire the platinum group metals and associated base metals mineral rights on farms adjacent to Everest Mine on the eastern limb of the Bushveld Igneous Complex. The mineral rights to be acquired comprise several farms underlain by both the UG2 and Merensky Reefs, collectively called Buttonshope.



The UG2 orebody at Buttonshope is contiguous with and immediately downdip of Aquarius' Everest mine, and as a result Aquarius is uniquely placed to access this reef horizon in the short to medium term from the existing Everest infrastructure. The closing of this transaction is subject to several conditions precedent, of which the most material are:

- Written consent by the Minister of Mineral Resources in terms, inter alia, of Section 102 of the MPRDA to amend Everest's converted mining right to include Buttonshope and to amend Northam Booysendal's converted mining right to exclude Buttonshope;
- Regulatory approvals including approval by the South African Competition Commission; and
- A binding tax ruling from the South African Revenue Service, acceptable to all parties, confirming the tax consequences of the transaction.

The parties to the agreement will co-operate in fulfilling the conditions precedent as soon as practically possible and it was anticipated that it would take between 12 to 18 months from the date of signature of the agreement to fulfil all of them and to close the transaction. Should all conditions precedent not be fulfilled within 24 months of the date of signature, the agreement will terminate unless extended by mutual agreement by the parties.

Aquarius has in addition increased its stake in Platinum Mile Resources (Pty) Ltd (Platmile) to 91.7% by agreeing to purchase a 41.7% interest in Platmile from a combination of

Mvelaphanda Holdings Limited (Mvela) and Platmile management, subject to certain conditions precedent, including the approval of the South African Competition Commission and the final approval of the Boards of both Aquarius and Mvela. Platmile is a tailings retreatment operation situated close to AQPSA's Kroondal operation which could potentially re-treat Kroondal tailings.

All prospecting rights are held in good order and there is no perceived risk as to Aquarius' rights to prospect for minerals or continue with mining on their projects. Where Aquarius is currently mining or prospecting in areas not listed in these tables, the work is being done in agreement with the particular company holding the mining or prospecting right. All these rights and agreements are currently held in good order.

Aquarius' operations in Zimbabwe

In Zimbabwe part VIII, Section 135 of the Mines and Minerals Act Chapter 21.05 enables the holder of a registered mining location or of contiguous mining locations to make a written application to the mining commissioner for the issue to them of a mining lease in respect of a defined area within which such mining location is situated.

On 5 September 1996 a mining lease, mining lease number 24, was granted to Mimosa Mines (PVT) Limited (Mimosa) for an area of 6 591ha. The mining lease comprises the consolidation of 39 registered claims. The lease was registered for nickel, copper, gold, silica, chromite and platinum group minerals. Mimosa currently holds the mining rights to that lease.

The Government of Zimbabwe gazetted the Indigenisation and Economic Empowerment Act in 2007. This act made provision for the indigenisation of up to 51% of all foreign-owned businesses operating in Zimbabwe. Regulations in support of the act were subsequently published in February 2010 in preparation for the implementation of the provisions of the act.

The Minister of Youth, Indigenisation and Economic Empowerment published a statutory instrument in the Zimbabwean Government Gazette, General Notice 114 of 2011 (the Notice), setting out the requirements for the implementation of the provisions of the Indigenisation and Economic Empowerment Act and its supporting regulations as they pertain to the mining sector. The Notice defines the minimum indigenisation and empowerment quota as "a controlling interest or 51% of the shares or interests, which in terms of the Act is required to be held by indigenous Zimbabweans in the non-indigenous mining business concerned".

The Notice requires that disposals of the required indigenisation interests must be to defined 'designated entities', which include the National Indigenisation and Economic Empowerment Fund, the Zimbabwe Mining Development Corporation or any company incorporated by that entity, a statutory sovereign wealth fund that may yet be created, or an employee share ownership scheme or trust. The Notice called for all non-indigenous mining businesses to submit an indigenisation implementation plan to the Minister within 45 days of the date of the Notice, setting out the manner in which such businesses plan to achieve the indigenisation quota. Such a plan, once approved by the Minister, was to be implemented within six months of the date of the Notice.

The deadlines contained in the Notice have passed and Aquarius confirms that its Zimbabwean operating subsidiary, Mimosa, remains engaged in discussions with the relevant authorities in order to establish a position that will be compliant with the act and beneficial to stakeholders. Further information will be made available as and when discussions have been finalised.

Mimosa's mining right for the South and North Hill areas covers 20km of strike of the Great Dyke, including virtually almost all the PGE resources within the Wedza sub-chamber. Not included is a 5km strike length along the western side of the Great Dyke, where Anglo American holds the claims. Aquarius has a 50% interest in Mimosa through its 50% shareholding in Mimosa Investments Limited.

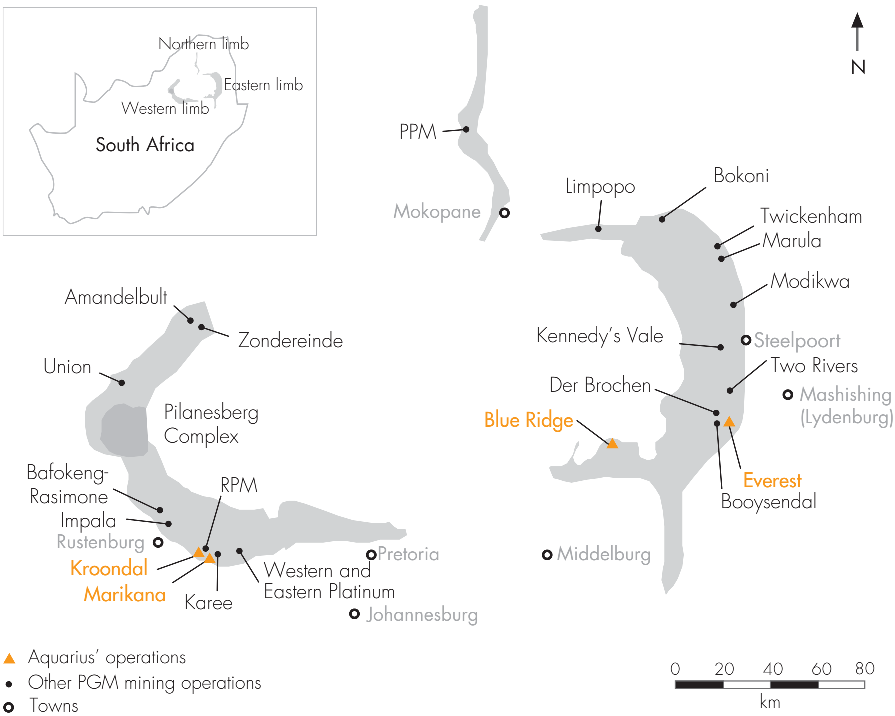
Geological setting

The Bushveld Complex – South Africa

The 2 billion-year-old Bushveld Complex, located in South Africa, is the world's largest tabular, layered igneous intrusion. This rock formation is believed to be the result of gravitational crystal settling from a magma during slow cooling, resulting in laterally persistent layering which can be traced for hundreds of kilometres from west to east.

The Bushveld Complex consists of a 7km to 9km thick sequence of magmatic rocks exposed in four so-called limbs (the western, eastern, northern and Bethal limbs) covering an area of about 65,000km². The western limb supplies most of South Africa's platinum-group element production which predominantly comes from both the Merensky and the UG2 Reefs.

Locality of Aquarius' operations in the Bushveld Complex, South Africa



These cyclic, layered mafic to ultramafic units, the Rustenburg Layered Suite, comprise five major zones (from bottom to top): the Marginal Zone, Lower Zone, Critical Zone, Main Zone and Upper Zone. The Critical Zone hosts the world's largest and most important resources of PGE and associated base metals and other compounds. Two mineralised layers, which contain the economically important PGEs, are the Merensky Reef and the Upper Group No. 2 chromitite layer (UG2 Reef).

The Merensky Reef is not mined at any of the AQPSA mines. The UG2 Reef is locally defined as the main chromitite layer, termed the 'Main Seam', and contains most of the PGE-mineralisation. This is overlain by a feldspathic pyroxenite, the 'Parting' and the lowermost chromitite layer of the UG3 or Triplets, termed the 'Leader Seam'. These two chromitite layers and the intervening waste parting together form the mineable reef. Pyroxenite bands or lenses occasionally occur in either of the chromitite layers.

The Great Dyke – Zimbabwe

Zimbabwe's Great Dyke is an elongate, NNE-trending layered intrusion that is 550km long and 4km to 11km wide. It is V- or Y-shaped in section, with layering dipping in towards the axis of the intrusion. It comprises at least two chambers separated by floor-rock highs: a north chamber consisting of the Musengezi, Darwendale (formerly the northern part of the Hartley Complex) and Sebakwe sub-chambers; and a south chamber consisting of the Selukwe and Wedza sub-chambers. The Mimosa mine is within the Wedza sub-chamber.

These sub-chambers were initially isolated, but merged as the layering accumulated upwards and became more sill-like. Layering generally

Locality of the Great Dyke and some PGM mining operations in Zimbabwe

dips inwards from the sides of the Great Dyke towards the axis, but in localised sub-chambers or basins the dip is centripetal.

The Great Dyke is divided vertically into a lower ultramafic sequence, dominated from the base upwards by cyclic repetitions of dunite and/or serpentinite, hartzburgite and pyroxenite and an upper mafic unit consisting of gabbro and gabbro-norite and repetitions of dunite and/or serpentinite, hartzburgite and pyroxenite.

Economic PGE mineralisation occurs within the Main Sulphide Zone (MSZ), which is generally 10m to 20m from the top of the Ultramafic Sequence. Because it lies just below the Mafic Sequence, the PGE resources coincide with the four main erosional remnants of these rocks.

The MSZ is typically 2m to 3m thick, but is locally up to 20m with a marked decrease in grade with thickening of the zone. Areas of very thick, uneconomic MSZ are mainly restricted to the axis of the Darwendale and Musengezi chambers.

The Great Dyke is intrusive into Archaean granite, gneisses and greenstones. The latest dating indicates this occurred 2.5 billion years ago, which is 500 million years older than the Bushveld Complex.

Various north-north-east-trending satellite dykes with the same age are located east and west of the main intrusion.

Important reporting criteria

- The Mineral Resource is inclusive of the Mineral Reserve.
- Unless otherwise stated, Mineral Resource tonnages and grades are reported exclusive of internal and external waste dilution.
- The in situ corrected 4E PGE-grade is used for the estimation of Mineral Resources.
- All dyke volumes are excluded from Mineral Resource and Mineral Reserve estimations.
- The Mineral Reserve is quoted as fully diluted delivered to the plant.
- Mineral Resources for the UG2 Reef (South Africa's Bushveld Complex) includes both the Leader and the Main Seams.
- Mineral Resources are stated inclusive and exclusive of geological losses.
- Mineral Resource estimates for the Main Sulphide Zone (Zimbabwe's Great Dyke) are based on optimal mining widths.
- Rounding off of numbers in the tables may result in minor computational discrepancies; this is deemed insignificant where it occurs.
- All references to tonnage are to the metric unit.
- All references to ounces are troy with a conversion factor of 31.10348 used to convert from metric grams to ounces.
- Only Aquarius' attributable Resources and Reserves are listed in the summary tables.
- The Mineral Reserve is that portion of the Mineral Resource which geological, technical and economic studies have confirmed to be economically extractable according to the pre-feasibility study criteria as set out in SAMREC.
- Metal price and exchange rate forecasts are based on conservative but realistic internal views derived from comparisons with average and consensus pronouncements by major international commentators and financial institutions.
- Aquarius uses a discounted cash flow model that represents production, financial and economic statistics in the valuation of their mineral assets. Key inputs and forecasts are:
  - Metal recoveries
  - Production profile
  - Capital expenditure
  - Operating expenditure
  - Rand/US Dollar exchange rate
  - Relative rates of inflation in South Africa and the United States

The outputs are net present value, internal rate of return, annual cash flow, project payback period and funding requirements.

Mineral Resources

Summary and comparison of Aquarius' attributable Mineral Resources as at 30 June 2011 (after application of geological losses)

	2011					2010				
	Measured	Indicated	Inferred	Inferred (Oxides)	Total	Measured	Indicated	Inferred	Inferred (Oxides)	Total
Kroondal – UG2										
Mt	14.99	2.47	0.24		17.70	16.98	2.55	0.27		19.80
g/t	5.90	6.20	6.33		5.95	5.86	6.22	5.76		5.91
Moz	2.84	0.49	0.05		3.39	3.20	0.51	0.05		3.76
Marikana – UG2										
Mt	8.93	6.05	1.82		16.79	7.13	8.27	2.07		17.46
g/t	5.38	5.07	3.43		5.06	5.44	4.90	4.05		5.02
Moz	1.54	0.99	0.20		2.73	1.25	1.30	0.27		2.82
Everest – UG2										
Mt	26.53	3.54	1.46		31.54	15.26	13.14	5.83		34.24
g/t	3.17	3.16	3.27		3.18	3.73	3.27	2.74		3.38
Moz	2.71	0.36	0.15		3.22	1.83	1.38	0.51		3.73
Blue Ridge – UG2										
Mt	14.77	18.65	7.14		40.56	14.89	18.65	7.14		40.68
g/t	3.32	3.09	3.17		3.18	3.30	3.10	3.17		3.18
Moz	1.57	1.86	0.73		4.16	1.58	1.86	0.73		4.17
Everest Southern Resource – Hoogland – UG2										
Mt		2.71	3.89		6.60		2.71	3.89		6.60
g/t		3.16	2.68		2.88		3.16	2.68		2.88
Moz		0.28	0.33		0.61		0.28	0.33		0.61
Everest North – Vygenhoek – UG2										
Mt	1.39				1.39	2.77				2.77
g/t	5.11				5.11	5.11				5.11
Moz	0.23				0.23	0.46				0.46
Chieftains Plain – Merensky (incl. Walhalla)										
Mt			88.26		88.26			300.00		300.00
g/t			5.93		5.93			5.70		5.70
Moz			16.82		16.82			54.97		54.97
Chieftains Plain – UG2 (incl. Walhalla)										
Mt			171.55		171.55			220.00		220.00
g/t			5.91		5.91			4.30		4.30
Moz			32.61		32.61			30.41		30.41
Sheba's Ridge – PGEs										
Mt	31.15	37.91	167.02		236.08	200.22	143.02	1.03		344.27
g/t	0.89	0.85	0.99		0.95	0.87	0.95	0.85		0.09
Moz	0.88	1.04	5.18		7.10	5.61	4.37	0.03		10.01
Hoedspruit – Merensky*										
Mt		12.46	2.86		15.32					
g/t		6.01	5.72		5.99					
Moz		2.45	0.53		2.98					
Hoedspruit – UG2*										
Mt		15.60	1.64		17.24					
g/t		4.98	5.36		5.00					
Moz		2.53	0.28		2.81					
Kruidfontein – Merensky*										
Mt		2.52	26.67		29.19					
g/t		8.37	8.37		8.37					
Moz		0.68	7.18		7.86					

	2011					2010				
	Measured	Indicated	Inferred	Inferred (Oxides)	Total	Measured	Indicated	Inferred	Inferred (Oxides)	Total
Kruidfontein – UG2*										
Mt		4.53	40.67		45.20					
g/t		5.64	5.51		5.53					
Moz		0.82	7.21		8.03					
Zondernaam – Merensky										
Mt			44.23		44.23					
g/t			5.18		5.18					
Moz			7.28		7.28					
Zondernaam – UG2										
Mt			35.28		35.28					
g/t			8.10		8.10					
Moz			9.05		9.05					
AQPSA – total										
Mt	97.75	106.44	592.74		796.94	257.25	188.34	553.22		998.81
g/t	3.11	3.36	4.60		4.25	1.68	1.60	4.99		3.50
Moz	9.78	11.49	87.59		108.87	13.92	9.70	88.78		112.41
Mimosa – North Hill – MSZ										
Mt	8.77	8.11	1.04	4.76	22.68	19.15	17.36	3.47	3.32	43.31
g/t	3.49	3.56	3.53	3.39	3.49	3.99	3.44	3.85	3.70	3.74
Moz	0.98	0.93	0.12	0.52	2.55	2.46	1.92	0.43	0.40	5.20
Mimosa – South Hill – MSZ										
Mt	21.44	13.81	2.15	2.22	39.63			24.32		24.32
g/t	3.96	3.62	3.72	3.58	3.81			3.64		3.64
Moz	2.73	1.61	0.26	0.26	4.85			2.84		2.84
Mimosa – Far South Hill – MSZ										
Mt			5.67		5.67					
g/t			3.78		3.78					
Moz			2.02		2.02					
Aquarius – total										
Mt	127.96	128.37	601.59	6.98	864.91	276.41	205.71	581.01	3.32	1,066.44
g/t	3.28	3.40	4.65	3.45	4.25	1.84	1.76	4.93	3.70	3.51
Moz	13.49	14.03	89.98	0.78	118.28	16.38	11.62	92.06	0.40	120.45
Transaction in progress:										
Buttonshope – Merensky*										
Mt	3.80	16.00	70.80		90.60					
g/t	2.74	3.21	3.69		3.55					
Moz	0.30	1.60	8.40		10.40					
Buttonshope – UG2*										
Mt	14.60	52.90	140.70		208.10					
g/t	3.31	3.44	2.95		2.92					
Moz	1.60	5.80	13.30		20.70					

* *The resources stated here are according to the inventory received. AQPSA is currently in the process of evaluating these orebodies and, once completed, the Resource Statement will be updated accordingly.*

Mineral Reserves

Summary and comparison of Aquarius' attributable Mineral Reserves as at 30 June 2011

	2011					2010				
	Opencast		Underground			Opencast		Underground		
	Proved	Probable	Proved	Probable	Total	Proved	Probable	Proved	Probable	Total
Kroondal – UG2										
Mt			20.22	3.49	23.71			23.63	3.47	27.10
g/t			3.08	3.28	3.11			2.85	3.22	2.90
Moz			2.00	0.37	2.37			2.17	0.36	2.52
Marikana – UG2										
Mt	0.48	0.30	8.29	4.01	13.08	0.59	0.39	7.82	5.65	14.46
g/t	4.95	5.42	3.38	3.20	3.43	4.51	5.29	3.3	3.19	3.36
Moz	0.08	0.05	0.90	0.41	1.44	0.09	0.07	0.83	0.58	1.56
Everest – UG2										
Mt			14.16	0.43	14.59			13.46	7.42	20.88
g/t			3.12	3.28	3.12			3.00	2.89	2.96
Moz			1.42	0.05	1.46			1.30	0.69	1.99
Blue Ridge – UG2										
Mt								10.92	0.89	11.81
g/t								2.83	2.82	2.83
Moz								0.99	0.08	1.08
Everest Western Resource – Sterkfontein – UG2										
Mt										
g/t										
Moz										
Everest Southern Resource – Hoogland – UG2										
Mt										
g/t										
Moz										
Everest North – Vygenhoek – UG2										
Mt										
g/t										
Moz										
Chieftains Plain – UG2										
Mt										
g/t										
Moz										
Chieftains Plain – Merensky										
Mt										
g/t										
Moz										
Walhalla – UG2										
Mt										
g/t										
Moz										
Walhalla – Merensky										
Mt										
g/t										
Moz										
Sheba's Ridge – PGEs										
Mt										
g/t										
Moz										

	2011					2010				
	Opencast		Underground			Opencast		Underground		
	Proved	Probable	Proved	Probable	Total	Proved	Probable	Proved	Probable	Total
Hoedspruit – Merensky										
Mt										
g/t										
Moz										
Hoedspruit – UG2										
Mt										
g/t										
Moz										
Kruidfontein – Merensky										
Mt										
g/t										
Moz										
Kruidfontein – UG2										
Mt										
g/t										
Moz										
Zondernaam – Merensky										
Mt										
g/t										
Moz										
Zondernaam – UG2										
Mt										
g/t										
Moz										
AQPSA – total										
Mt	0.48	0.30	42.66	7.94	51.39	0.59	0.39	55.82	17.44	74.25
g/t	4.95	5.42	3.15	3.24	3.19	4.51	5.29	2.95	3.05	2.99
Moz	0.08	0.05	4.32	0.83	5.28	0.09	0.07	5.29	1.71	7.15
Mimosa – North Hill – MSZ										
Mt								7.75	8.97	16.72
g/t								3.66	3.21	3.42
Moz								0.91	0.92	1.84
Mimosa – South Hill – MSZ										
Mt			9.47	6.06	15.53					
g/t			3.59	3.39	3.51					
Moz			1.09	0.66	1.75					
Mimosa – Far South Hill – MSZ										
Mt										
g/t										
Moz										
Aquarius – total										
Mt	0.48	0.30	52.13	14.00	66.92	0.59	0.39	63.57	26.4	90.96
g/t	4.95	5.42	3.23	3.31	3.27	4.51	5.29	3.03	3.1	3.07
Moz	0.08	0.05	5.41	1.49	7.03	0.09	0.07	6.2	2.63	8.99
Transaction in progress:										
Buttonshope – UG2										
Mt										
g/t										
Moz										
Buttonshope – Merensky										
Mt										
g/t										
Moz										

Kroondal operations

Mineral Resources

The tables below encompass the Mineral Resources and Mineral Resources after the application of geological losses contained in the Kroondal and Townlands blocks of Kroondal as well as the additions by joint venture partner Anglo Platinum.

Mineral Resources after application of geological losses (as at 30 June 2011)

	Kroondal block			Townlands block			Kroondal Mine			Kroondal Mine attributable to AQPSA		
Category	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz
Measured	16.67	5.56	2.98	13.31	6.33	2.71	29.98	5.90	5.69	14.99	5.90	2.84
Indicated	0.78	5.10	0.13	4.16	6.40	0.86	4.94	6.20	0.98	2.47	6.20	0.49
Inferred				0.49	6.33	0.10	0.49	6.33	0.10	0.24	6.33	0.05
Total	**17.45**	**5.54**	**3.11**	**17.96**	**6.35**	**3.66**	**35.41**	**5.95**	**6.77**	**17.70**	**5.95**	**3.39**

g/t = corrected 4E PGE-grade (Pt+Pd+Rh+Au)

Notes on the Mineral Resource statement:

- The Mineral Resource is inclusive of the Mineral Reserve.
- The Mineral Resource tonnages and 4E grades are reported exclusive of internal and external waste dilution.
- The in situ corrected 4E grade is used for the estimation of Mineral Resources and Mineral Reserves.
- All dyke volumes are EXCLUDED from Mineral Resource estimations.

Kroondal block:

Geological losses applied

- Kopaneng shaft 11.5%
- Simunye shaft 18.6%
- Kopaneng deep 15%
- Simunye deep 19%
- Bambanani shaft 23%
- Central deep 18%

The geostatistically estimated density is used for the chromitite and 3.12t/m³ for the waste material in the underground areas. A density of 3.8t/m³ is used for the chromitite and 3.0t/m³ for the waste in the opencast areas.

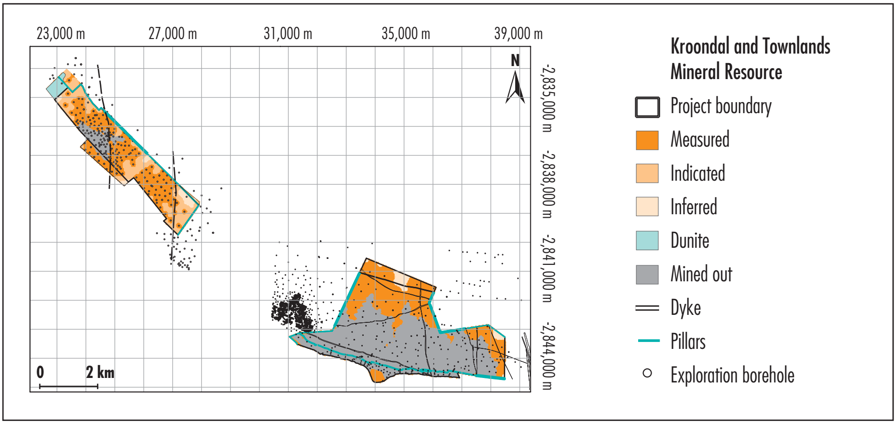
Townlands block:

Geological losses applied

- Kwezi shaft 25.0%
- K6 shaft 28.0%
- North-east of Townlands block 28.0%

The lower geological loss applied to Kwezi shaft results from the continuously lower geological losses realised in the operation. Adjustments to the geological loss have been made to the blocks juxtaposed with current workings resulting in an overall loss of 25%.

The geostatistically estimated density is used for the chromitite and 3.12t/m³ for the waste material in the underground areas.



Mineral Reserves

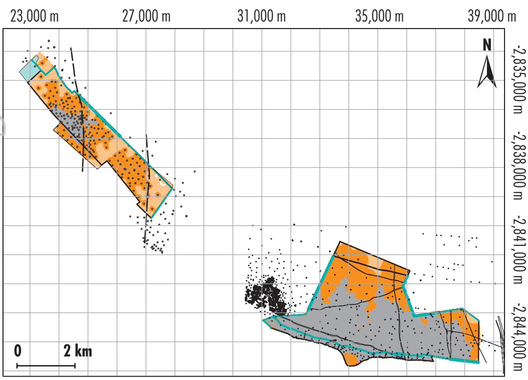
The table below encompasses the Mineral Reserves contained in the Kroondal and Townlands blocks of Kroondal Mine as well as the additions by partner Anglo Platinum.

Current practice at Kroondal is to mine the Leader Seam, Parting (internal waste), Main Seam and 0.2m of footwall waste with a minimum stoping width of 2.0m. Allowance for the under cutting of the Leader seam has been made in areas where the total channel width (Leader Seam, Parting, Main Seam) is greater than 2.3m. In these areas a stoping width of greater than 2.5m would be realised should the whole package plus 0.2m of footwall be mined. The maximum practical stoping width is 2.5m.

Mineral Reserves (as at 30 June 2011)

	Kroondal block			Townlands block			Kroondal Mine			Kroondal Mine attributable to AQPSA		
Category	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz
Underground												
Proved	21.70	2.84	1.98	18.74	3.36	2.02	40.44	3.08	4.00	20.22	3.08	2.00
Probable	1.15	2.52	0.09	5.83	3.44	0.64	6.99	3.28	0.74	3.49	3.28	0.37
Total	22.85	2.82	2.07	24.58	3.38	2.67	47.43	3.11	4.74	23.71	3.11	2.37

g/t = corrected 4E PGE-grade (Pt+Pd+Rh+Au)



Notes on the Mineral Reserve Statement:

- The Mineral Reserve tonnages and 4E grades are reported inclusive of internal and external waste dilution.
- The Mineral Reserve is quoted as fully diluted delivered to the plant.

Kroondal Block

- Pillar loss varies between 10% and 30% depending on the depth below surface.
- A mining loss of 5% is applied to the ROM ore
- Scalping of waste material applied:
  - Kopaneng and Simunye shafts
    10% of Parting
  - Bambanani shaft
    7% of Parting
- Additional hangingwall dilution of varying widths is applied in the Bleskop and Brakspruit blocks where the width between the lowermost chromitite stringer in the hangingwall and the top of the Leader Seam is less than 0.3m.

Townlands Block

- Pillar loss varies between 14% and 22% depending on the depth below surface.
- A mining loss of 5% is applied to the ROM ore
- Scalping of waste material applied:
  - 30% of parting.
- Allowance has been made for additional hangingwall dilution due to the close proximity of hangingwall chromitite stringers to the top of the Leader Seam.

Siphumelele Tribute area

An agreement has been concluded between AQPSA and Anglo Platinum regarding the mining of the Siphumelele 2 and 3 shaft blocks over three years, starting in 2010. In accordance with this agreement, 50% of the ounces will be P&SA1 (50% attributable to Kroondal) mined ounces (mined at P&SA1 costs) and 50% of the ounces will be bought via the existing purchase of concentrate agreement. Anglo Platinum will also

receive a royalty fee on 50% of the reserve tonnes mined out of this block.

The estimated Mineral Resource after application of geological losses for the Siphumelele 2 Phase 1 and 3 blocks is indicated in the alongside table:

Mineral Resources after application of geological losses (as at 30 June 2011)

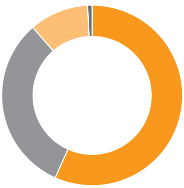
Siphumelele Tribute Agreement Phase 1 and 3			
Category	Mt	4E g/t	4E Moz
Measured	2.10	5.79	0.39
Indicated	0.19	6.00	0.04
Inferred	0.51	5.24	0.09
Total	2.81	5.71	0.51

g/t = corrected 4E PGE-grade (Pt+Pd+Rh+Au)

Mineral Reserves (as at 30 June 2011)

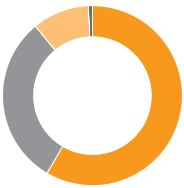
Siphumelele Tribute Agreement Phase 1 and 3			
Category	Mt	4E g/t	4E Moz
Underground			
Proved	3.14	2.87	0.29
Probable	0.30	2.77	0.03
Total	3.44	2.87	0.32

g/t = corrected 4E PGE-grade (Pt+Pd+Rh+Au)



Kroondal block metal split

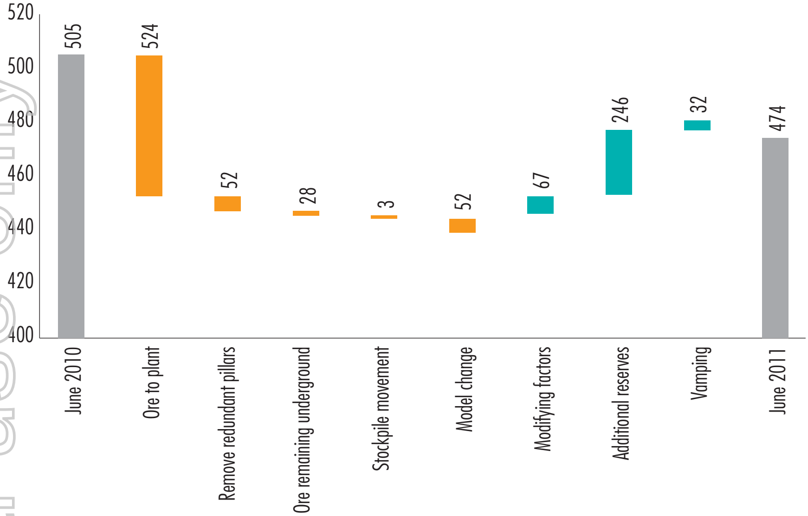
Pt	56.7%
Pd	31.9%
Rh	10.6%
Au	0.8%

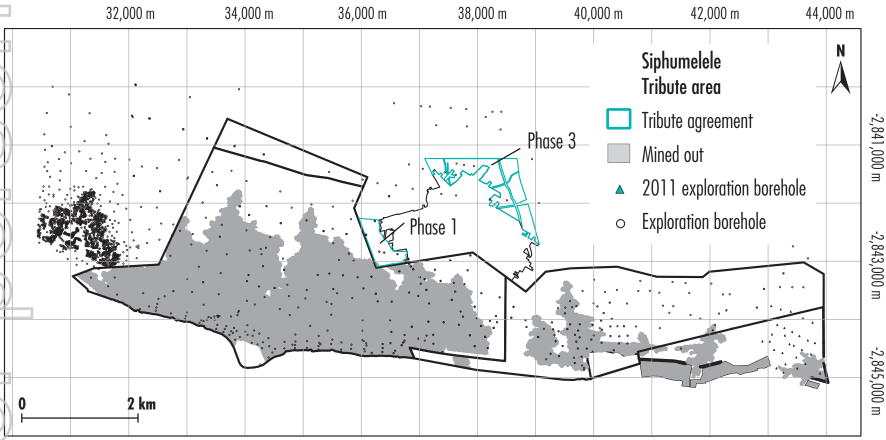


Townlands block metal split

Pt	57.1%
Pd	29.9%
Rh	10.0%
Au	0.7%

Kroondal Mineral Reserve reconciliation – 4E (000oz)





Marikana operations

Mineral Resources

The tables below encompass the Mineral Resources and Mineral Resources after application of geological losses contained in the Marikana and 4 Shaft orebodies of Marikana Mine as well as the addition of the Firstplats and Salene blocks. The Mineral Resources of the 4 shaft block is inclusive of the area previously referred to as the Firstplats block and the Marikana orebody is inclusive of the Salene Mineral Resources respectively

Notes on the Mineral Resource statement:

- The Mineral Resource is inclusive of the Mineral Reserve.
- The in situ corrected 4E PGE-grade is used for the estimation of Mineral Resources.
- All dyke volumes are EXCLUDED from the Mineral Resource estimations.

Marikana orebody:

- Mineral Resource tonnages and PGE-grades are reported inclusive of internal waste dilution.
- A buffer zone of 2.5m to 5m either side of the major faults and dykes has been EXCLUDED.
- Geological losses applied:
  - Opencast 4%
  - Underground 6%
- The following densities are applied:
  - Topsoil and oxide ore 3.0 t/m^3
  - Transitional ore 3.3 t/m^3
  - Fresh ore – geostatistically estimated from borehole data

4 Shaft orebody:

The Mineral Resource tonnages and PGE-grades are reported exclusive of internal and external waste dilution.

- Geological losses applied:
  - Southern portion west of decline 36%
  - Southern portion east of the decline 39%
  - Deeper portion west of the decline 24%
  - Deeper portion east of the decline 28%
  - Remainder of 4 shaft 22%
- The geostatistically estimated density is used for the chromitite and 3.12 t/m^3 for the waste material in the underground areas.

A density of 3.8 t/m^3 is used for the chromitite and 3.0 t/m^3 for the waste in the opencast areas.

Firstplats addition:

- Geological losses applied:
  - Underground 35%
- The geostatistically estimated density is used for the chromitite and 3.12 t/m^3 for the waste material in the underground areas.

Salene addition:

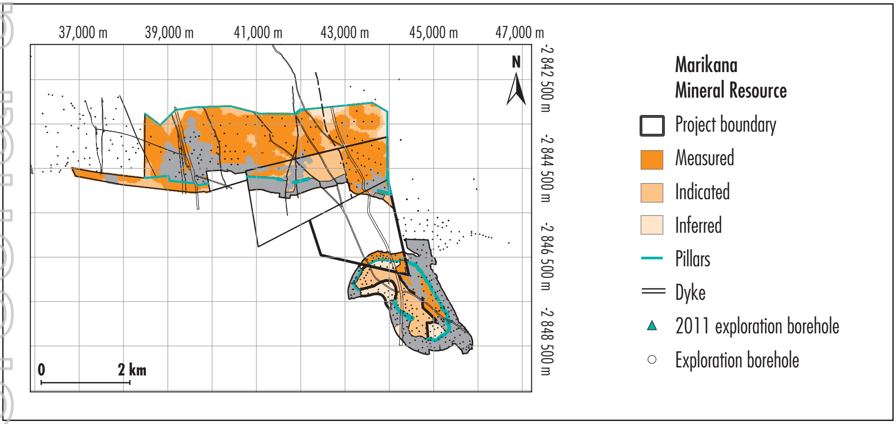
- Geological losses applied:
  - Opencast 4%
  - Underground 6%
- The geostatistically estimated density is used for the chromitite and 3.12 t/m^3 for the waste material in the underground areas.

The remaining parameters are the same as those for the Marikana orebody.

Mineral Resources after application of geological losses (as at 30 June 2011)

	Marikana orebody			4 Shaft block			Marikana Mine			Marikana Mine attributable to AQPSA		
Category	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz	Mt	4E g/t	Moz	4E Mt	4E g/t	Moz
Measured	2.97	3.60	0.34	14.89	5.82	2.75	17.86	5.38	3.09	8.93	5.38	1.54
Indicated	4.34	4.17	0.58	7.76	5.68	1.39	12.10	5.07	1.97	6.05	5.07	0.99
Inferred	3.06	3.05	0.30	0.57	5.41	0.10	3.63	3.43	0.40	1.82	3.43	0.20
Total	10.36	3.68	1.22	23.23	5.67	4.24	33.59	5.06	5.46	16.79	5.06	2.73

g/t = corrected 4E PGE-grade (Pt+Pd+Rh+Au)



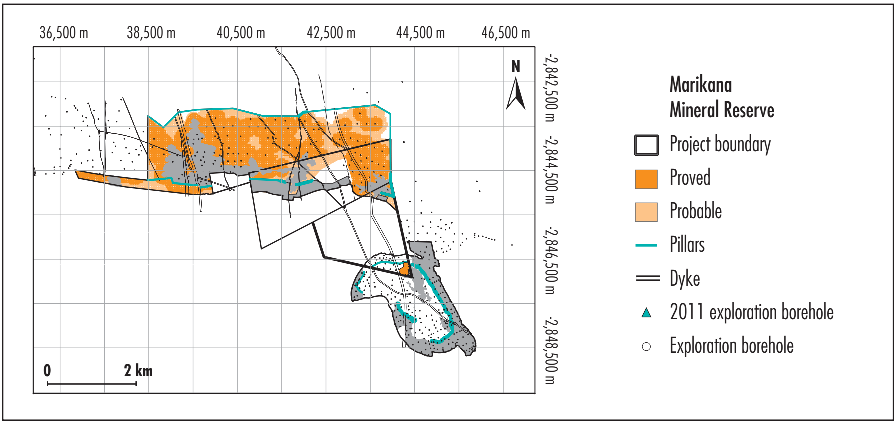
Mineral Reserves

The tables below encompass the Mineral Reserves contained in the Marikana and 4 Shaft orebodies. The Mineral Reserves of the 4 shaft block and the Marikana orebody are inclusive of the Firstplats and Salene Mineral Reserves respectively. Current practice at Marikana is to mine the Leader Seam, Main Seam, all internal waste and allowance for 0.2m footwall overbreak in the underground sections.

During 2010, an investigation into Marikana's viability resulted in the closure of 1 shaft and the scaling down of mining operations at 3 shaft. This resulted in Marikana reporting a significantly reduced reserve base of 26.26Mt at 3.44g/t for 2.91Moz as compared to the previously reported 28.91Mt at 3.36g/t for 3.13Moz.

Notes on the Mineral Reserve statement:

- The Mineral Reserve is quoted as fully diluted and delivered to the plant.
- Mineral Reserve tonnages and PGE-grades are reported inclusive of internal and external waste dilution.



Marikana orebody:

- All dyke volumes are EXCLUDED from Mineral Reserve estimations.
- A buffer zone of 2.5m to 5m either side of the major faults and dykes has been EXCLUDED.
- A pillar loss of 25% is applied in the underground section.
- No underground or surface scalping is applied. A mining loss of 2% is applied to the ROM ore (opencast and underground).
- External waste dilution of 17% is applied for the underground areas.
- A crownpillar of 20m between the opencast and underground workings.
- The following densities were applied:
  - Topsoil and oxide ore 3.0 t/m^3
  - Transitional ore 3.3 t/m^3
  - Fresh ore – geostatistically estimated from borehole data

Mineral Reserves (as at 30 June 2011)

	Marikana orebody			4 Shaft block			Marikana Mine			Marikana Mine attributable to AQPSA		
Category	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz
Opencast												
Proved				0.95	4.95	0.15	0.95	4.95	0.15	0.48	4.95	0.08
Probable				0.61	5.42	0.11	0.61	5.42	0.11	0.30	5.42	0.05
Underground												
Proved				16.57	3.38	1.80	16.57	3.38	1.80	8.29	3.38	0.90
Probable				8.02	3.20	0.83	8.02	3.20	0.83	4.01	3.20	0.41
Total				26.16	3.43	2.88	26.16	3.43	2.88	13.08	3.43	1.44

g/t = corrected 4E PGE-grade (Pt+Pd+Rh+Au)

4 Shaft orebody:

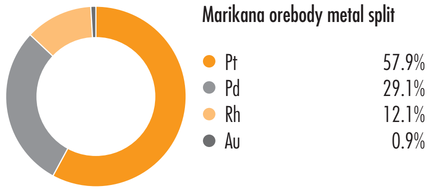
- All dyke volumes are EXCLUDED from Mineral Reserve estimations.
- Pillar loss varies between 10% and 30% depending on the depth below surface.
- Scalping of waste material applied:
  - *7% of parting*
- A mining loss of 5% is applied to ROM ore. Additional hangingwall dilution of varying widths is applied where the width between the lowermost chromitite stringer in the hangingwall and the top of the Leader Seam is less than 0.3m.

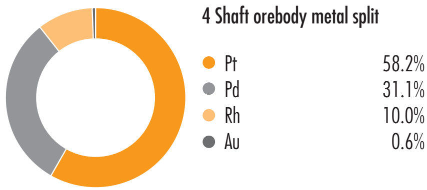
Firstplats addition:

- A pillar loss of 25% is applied in the underground section.
- A mining loss of 2% is applied to ROM ore. The remainder of the parameters is the same as for the 4 shaft orebody.

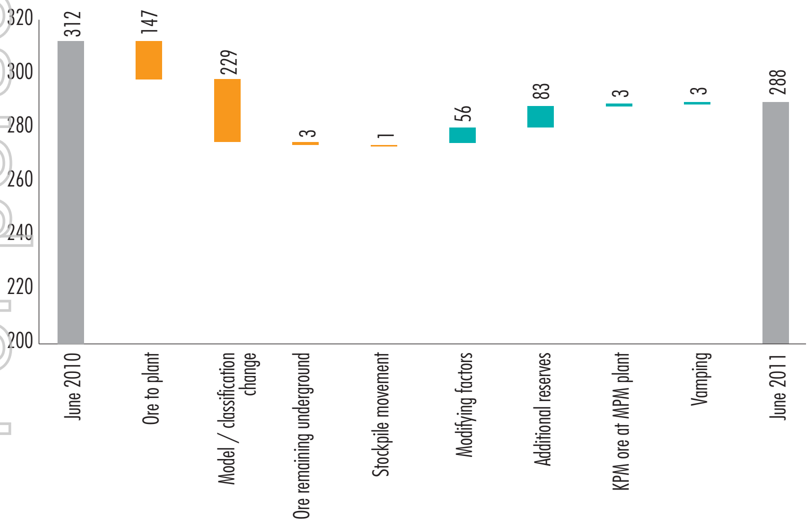
Salene addition:

- All the same parameters as for the Marikana orebody are applied to the underground section.





Marikana Mineral Reserve reconciliation – 4E (000oz)



Everest operations

Mineral Resources

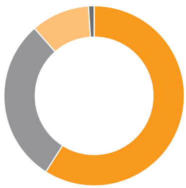
Mineral Resources after application of geological losses (as at 30 June 2011)

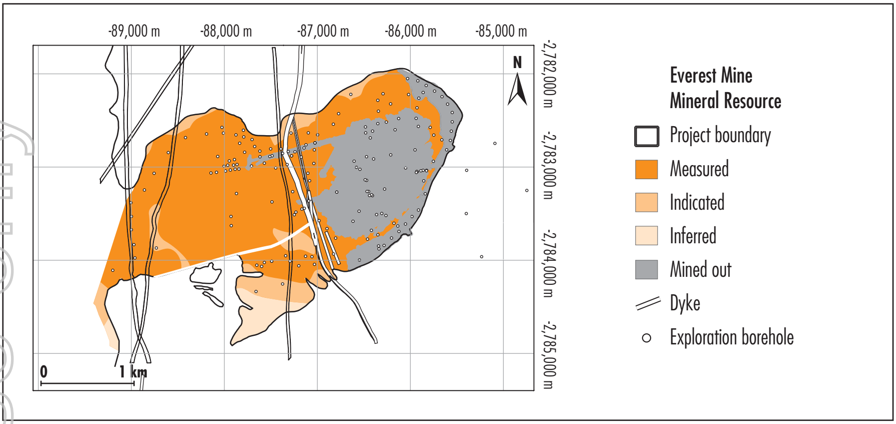
	Everest Mine		
Category	Mt	4E g/t	4E Moz
Measured	26.53	3.17	2.71
Indicated	3.54	3.16	0.36
Inferred	1.46	3.27	0.15
Total	31.54	3.18	3.22

g/t = corrected 4E PGE-grade (Pt+Pd+Rh+Au)

Notes on the Mineral Resource statement:

- The Mineral Resource is inclusive of the Mineral Reserve.
- The in situ corrected 4E PGE-grade is used for the estimation of Mineral Resources.
- All dyke volumes are EXCLUDED from Mineral Resource and Mineral Reserve estimations.
- A buffer zone of 5m either side of the major dykes and faults has been EXCLUDED.
- All internal waste, encompassing mineralised internal waste, is included in the Mineral Resource estimations.
- Geological losses of 10% are applied.





Mineral Reserves

The table below encompasses the Mineral Reserves contained in the Everest mine.

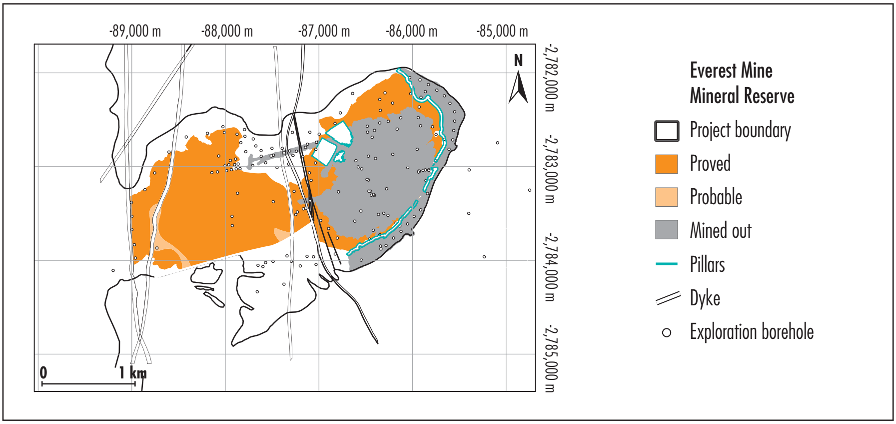
Mineral Reserves (as at 30 June 2011)

	Everest Mine		
Category	Mt	4E g/t	4E Moz
Underground			
Proved	14.16	3.12	1.42
Probable	0.43	3.28	0.05
Total	14.59	3.12	1.46

g/t = corrected 4E PGE-grade (Pt+Pd+Rh+Au)

Notes on the Mineral Reserve statement:

- All dyke volumes are EXCLUDED from Mineral Reserve estimations.
- A buffer zone of 5m either side of the major dykes and faults has been EXCLUDED. This has been reduced from 10m after the success of development through the dykes.
- A mining loss of 2% is applied to the ROM ore in the underground section.
- All internal waste, encompassing mineralised internal waste, is included in Mineral Reserve estimations.



- No underground or surface scalping is applied.
- The reserve outline has been adjusted, based on depth below surface and the proximity of observed oxidation to the reef.
- There has been an adjustment to the crown pillar.
- The extraction rate has been adjusted to incorporate the new mining layout in relation to discussions with the DMR and the adjusted mine design following the re-opening of Everest.

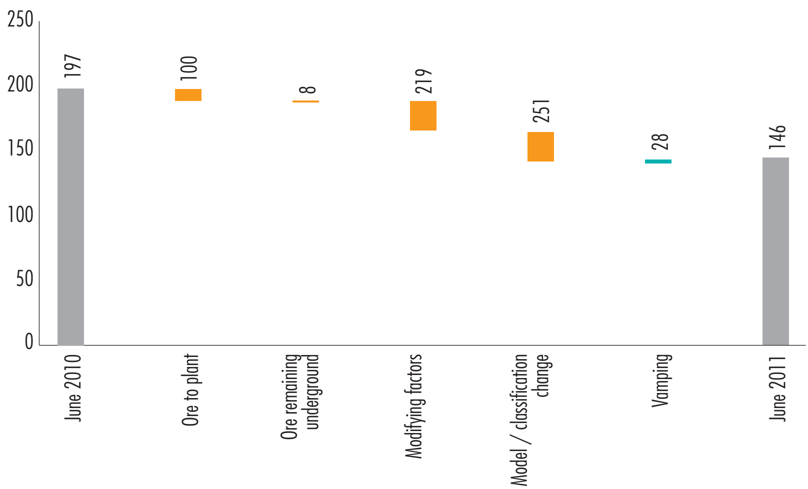
Dilution includes:

- Footwall allowable overbreak of 0.15m
- A minimum hangingwall overbreak of 0.10m.
- Additional hangingwall dilution up to the top of the hangingwall shear if the width between the bottom of the shear and the top of the reef is less than 1.50m.

Densities applied:

- Hangingwall waste 2.8
- Footwall waste 3.1

Everest Mineral Reserve reconciliation – 4E (000oz)



MINERAL RESOURCE AND RESERVE STATEMENT CONT.

Blue Ridge operations

Mineral Resources

The tables below encompass the Mineral Resources and Mineral Resources after application of geological losses contained in the Blaauwbank and Millennium blocks of Blue Ridge mine.

Notes on the Mineral Resource statement:

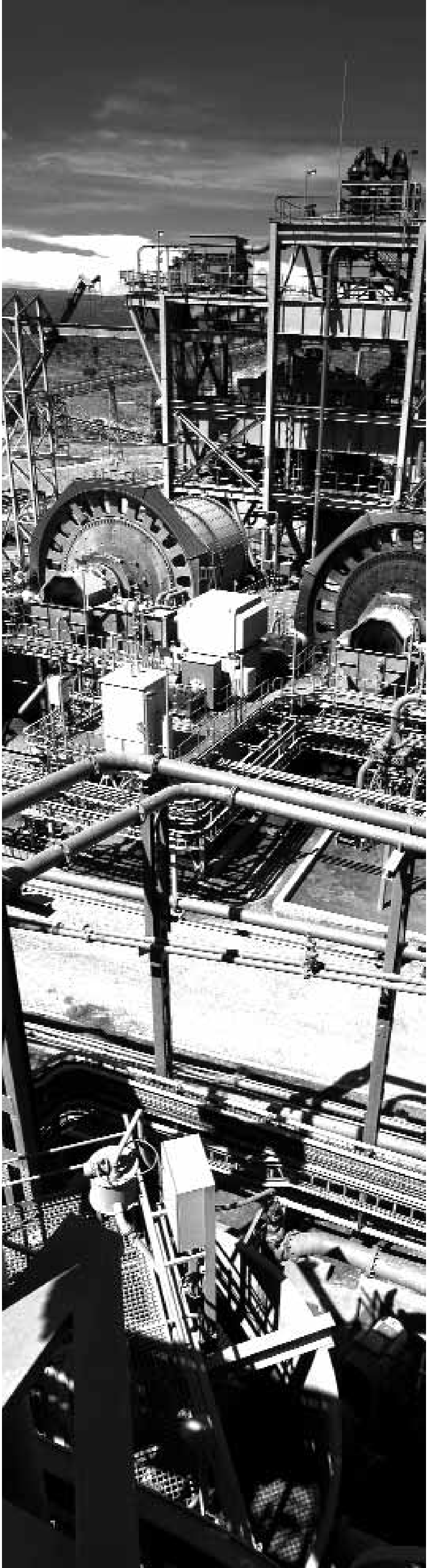
- The Mineral Resource is inclusive of the Mineral Reserve.
- The Mineral Resource tonnages and PGE-grades are reported exclusive of external waste dilution but inclusive of internal waste dilution.
- The Mineral Resource tonnages and PGE-grades are reported for the full width cut including the A, B and C chromitite layers.
- The in situ corrected 4E PGE-grade is used for the estimation of Mineral Resources.
- Due to the limited occurrence of dykes, dyke losses are included in the percentage of geological losses.

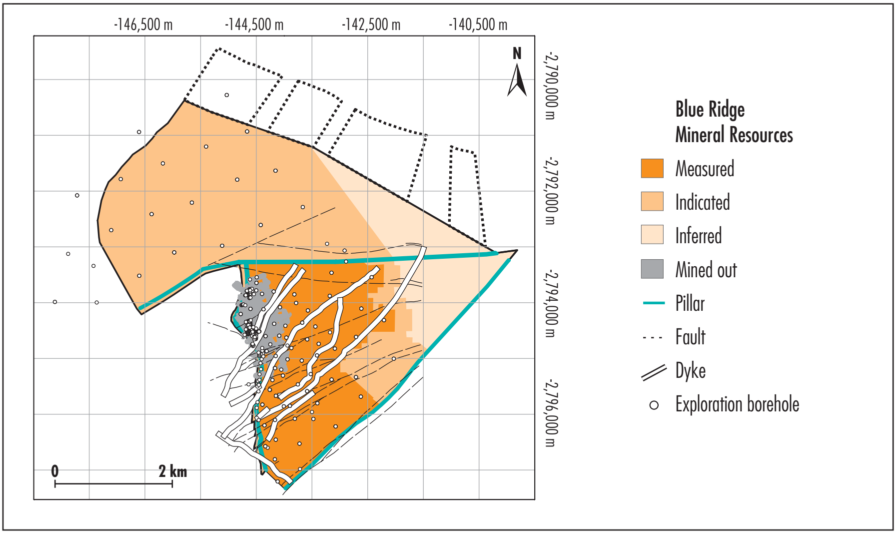
Blaauwbank block:

- Geological losses applied: 13%
- Dip correction 18°
- The geostatistically estimated density is used for the chromitite and internal waste material.

Millennium block:

- Geological losses
  - Rietkloof 25%
  - Haakdoringdraai 30%
- Dip correction
  - Rietkloof 12°
  - Haakdoringdraai 12°
- The geostatistically estimated density is used for the chromitite and internal waste material.





Mineral Resources after application of geological losses (as at 30 June 2011)

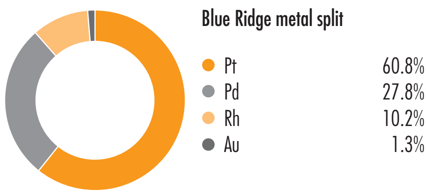
	Blaauwbank			Millennium			Blue Ridge Mine			Blue Ridge Mine attributable to AQPSA		
Category	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz
Measured	29.55	3.32	3.15				29.55	3.32	3.15	14.77	3.32	1.57
Indicated	8.27	3.18	0.85	29.03	3.07	2.87	37.30	3.09	3.71	18.65	3.09	1.86
Inferred	8.36	3.24	0.87	5.92	3.07	0.58	14.28	3.17	1.45	7.14	3.17	0.73
Total	46.18	3.27	4.86	34.95	3.07	3.45	81.12	3.18	8.32	40.56	3.18	4.16

g/t = uncorrected 4E PGE-grade (Pt+Pd+Rh+Au)

Mineral Reserves

Notes on the Mineral Reserve statement:

Given the decision to cease operations at the Blue Ridge mine, no reserve statement has been included here for the Blaauwbank or the Millenium blocks.



Mimosa operations

Mineral Resources

The tables below encompass the Mineral Resources and Ore Reserves contained in the South Hill (including oxidised zones), Far South Hill and North Hill areas (inclusive of oxides). Mineral Resources are quoted at 2.0m and 2.25m (inclusive of pillars).

North Hill: Mineral Resources based on a 2.0m cut (after application of geological losses) (as at 30 June 2011)

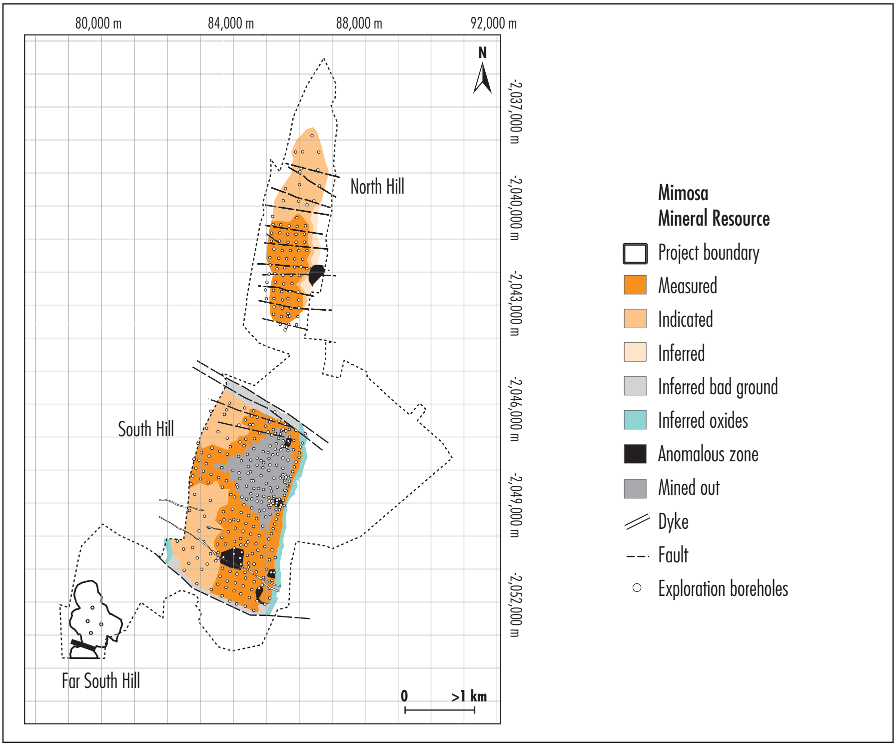
	Total			Attributable to Aquarius				
Category	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz	Ni %	Cu %
Measured	17.53	3.49	1.97	8.77	3.49	0.98	0.14	0.10
Indicated	16.22	3.56	1.86	8.11	3.56	0.93	0.15	0.11
Inferred	2.07	3.53	0.23	1.04	3.53	0.12	0.14	0.10
Inferred (Oxides)	9.53	3.39	1.04	4.76	3.39	0.52	0.15	0.11
Total	45.36	3.49	5.10	22.68	3.49	2.55	0.15	0.11

South Hill: Mineral Resources based on a 2.0m cut (after application of geological losses) (as at 30 June 2011)

	Total			Attributable to Aquarius				
Category	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz	Ni %	Cu %
Measured	42.89	3.96	5.46	21.44	3.96	2.73	0.14	0.11
Indicated	27.62	3.62	3.21	13.81	3.62	1.61	0.14	0.12
Inferred	4.30	3.72	0.51	2.15	3.72	0.26	0.14	0.12
Inferred (Oxides)	4.44	3.58	0.51	2.22	3.58	0.26	0.14	0.12
Total	79.26	3.81	9.70	39.63	3.81	4.85	0.14	0.11

Far South Hill: Mineral Resources based on a 2.0m cut (after application of geological losses) (as at 30 June 2011)

	Total			Attributable to Aquarius				
Category	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz	Ni %	Cu %
Inferred	11.33	3.78	4.03	5.67	3.78	2.02	0.14	0.13
Total	11.33	3.78	4.03	5.67	3.78	2.02	0.14	0.13



Notes on the Mineral Resource statement:

- Measured and Indicated Mineral Resources are reported inclusive of Proved and Probable Mineral Reserves respectively.
- Mineral Resources are quoted at a 2.0m cut compared to 2.0m in FY2008 and 1.95m in FY2007 as a result of the conversion of mining methods from a combination of semi-mechanised and mechanised to a fully mechanised bord-and-pillar operation.
- In situ grades have been used for the estimation of Mineral Resources.
- Determination of the economic channel is based on optimisation of the PGE metal content only (excluding base metal content).
- No pillar losses have been applied to the Mineral Resources.
- The above Mineral Resources have taken into account the following loss factors:
  - Measured Resource – 6% for dykes, faults and joints, 5% for washouts and abnormal reef;
  - Indicated Resource – 6% for dykes, faults and joints, 8% for washouts and abnormal reef;

- Inferred Resource – 6% for dykes, faults and joints, 8% for washouts and abnormal reef; and
- Oxides and bad ground – 13% for dykes, faults and joints, 8% for washouts and abnormal reef.
- North Hill Inferred Resource – 14% geological losses.
- The 6% geological loss factor for unknown dykes, faults and joints that is applied to the Measured Resource was reduced to 2% for the Proved Reserve due to the inclusion of these losses in the pillar design. The pillar loss thus increased from 13% in 2009 to a weighted average of 16.7% in 2010.
- Known anomalous zones and washout channels have been excluded from the Mineral Resources. Allowances have been made for unknown anomalous zones.
- Oxide material is quoted separately as ongoing metallurgical test work is being conducted to verify the economic viability of these resources. A bulk sample has been taken for test work during this financial year.
- 1.0Mt of oxide Mineral Resources had to be removed due to sterilisation by surface infrastructure.
- Upgrade of the resource categories was possible given the following exploration:
  - At North Hill, 73 additional boreholes were drilled allowing for the upgrade of parts of the resource to the Measured and Indicated categories;
  - 18 exploration boreholes were drilled in the western part of the South Hill orebody allowing for the conversion of approximately 7.37Mt from the Measured to the Indicated category; and
  - The drilling of four diamond exploration boreholes as well as the mapping of the outcrop facilitated the inclusion of the Far South Hill deposit to an Inferred Mineral Resource.
- The added information from the additional 73 boreholes resulted in a reduction in the platinum grade from 1.86g/t to 1.71g/t in the Measured Resource and to 1.76g/t in the Indicated Resource category of North Hill.

Mineral Reserves

The table below encompasses the Mineral Reserves contained in the South Hill area at a stoping width of 2.0m. Current mining practice at Mimosa is 12 mechanised sections including a down-dip semi-mechanised development team.

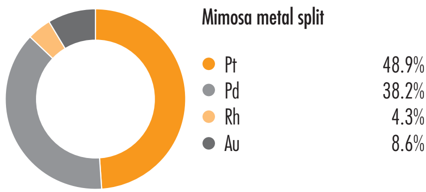
South Hill: Mineral Reserves based on a 2.0 m cut (as at 30 June 2011)

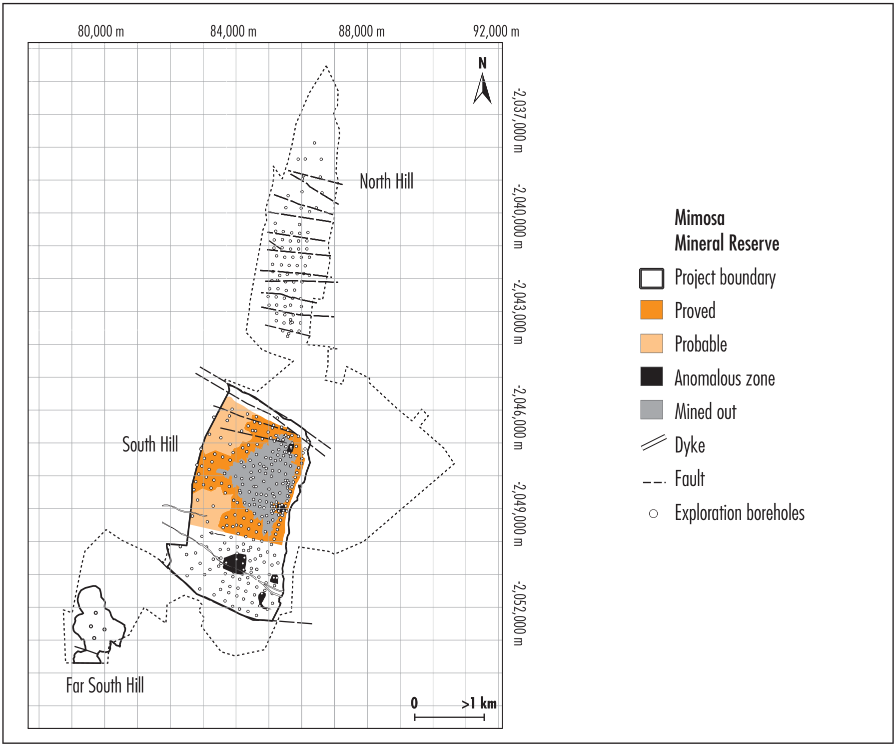
	Total			Attributable to Aquarius				
Category	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz	Ni %	Cu %
Underground								
Proved	18.94	3.59	2.19	9.47	3.59	1.09	13.70	11.50
Probable	12.12	3.39	1.32	6.06	3.39	0.66	14.60	11.90
Total	31.06	3.51	3.51	15.53	3.51	1.75		

g/t = 4E PGE-grade (Pt+Pd+Rh+Au)

Notes on the Mineral Reserve statement:

- The Mineral Reserves have been quoted as fully diluted delivered to the plant.
- The following losses have been applied during conversion from a Mineral Resource to a Mineral Reserve:
  - 2% loss to dykes, faults and adverse ground conditions for both Proven and Probable Ore Reserves;
  - 5% loss to washouts and abnormal reef on Proved Reserves and 8% loss to washouts and abnormal reef on Probable Ore Reserves;
  - 16.9% and 12.7% design pillar loss on Proved and Probable Ore Reserves respectively; and
  - A lashing loss of 7% has been included in mining losses.



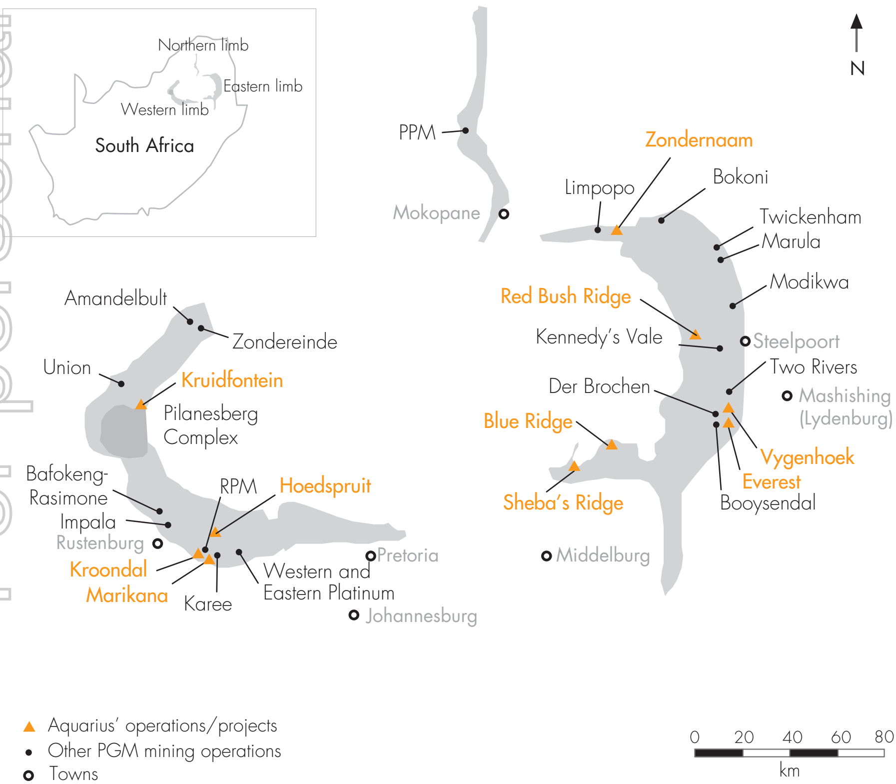


EXPLORATION REVIEW

AND PROJECTS

Aquarius has an active exploration programme. Although exploration is done at and around most operations the major focus is on the eastern Bushveld Complex.

Locality of Aquarius' operations and projects in the Bushveld Complex, South Africa



Zimbabwe

Exploration at Mimosa was limited to infill drilling in the orebody. During the past financial year, a total of 73 exploration boreholes and one geotechnical borehole were drilled in the North Hill area. Further exploration was conducted in the South Hill area with 18 exploration boreholes concentrated in the western part of the orebody. The drilling of four additional boreholes in the Far South Hill deposit enabled the estimation of an Inferred Resource in this area.

Apart from the Mimosa mining right, Aquarius does not hold options, claims or prospecting rights to any other PGE-mineralisation in Zimbabwe.

South Africa

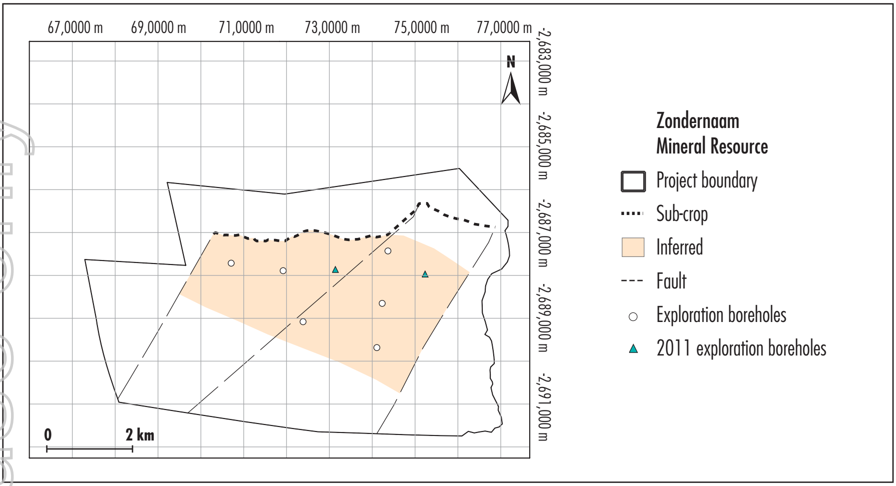
Exploration drilling in South Africa entailed infill drilling on existing mines as well as execution of the exploration programmes as described in the prospecting works programmes of the prospecting rights granted.

Greenfields exploration is currently being conducted at Zondernaam, Chieftains Plain and Walhalla with brownfields exploration being undertaken at Hoogland and Vygenhoek in the vicinity of Everest. These projects and prospects combined have the potential to contribute PGM resources of at least 36 million ounces. The details of exploration conducted at each project are described below.

Zondernaam Project

Aquarius, through its wholly owned subsidiary ASACS, concluded the consolidation of a number of exploration properties into a special purpose vehicle know as Zondernaam Mining. The consolidation included the exploration rights of Bakgaga Mining (Pty) Ltd and those of MinEx Projects (Pty) Ltd. This consolidation brings together a total of seven contiguous farms approximately 35km east of Lebowakgomo in Limpopo Province to the north of the Phosiri dome, and to the west of the producing Bokoni (formerly Lebowa) mine. Once the required regulatory processes have been concluded, ASACS will have a 74% interest in Zondernaam Mining, with Bakgaga Mining holding a 26% interest.

Exploration drilling continued over the past year with a total core length to date of 13,810m being drilled from six exploration boreholes. Although at depths exceeding 1,500m below surface, both the Merensky and UG2 Reefs were intersected and the assay results received are encouraging.



Mineral Resources after application of geological losses (as at 30 June 2011)

	Zondernaam Merensky			Attributable to Aquarius		
Category	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz
Inferred	58.20	5.18	9.58	44.23	5.18	7.28
Total	58.20	5.18	9.58	44.23	5.18	7.28

g/t = corrected 4E PGE-grade (Pt+Pd+Rh+Au)

Mineral Resources after application of geological losses (as at 30 June 2011)

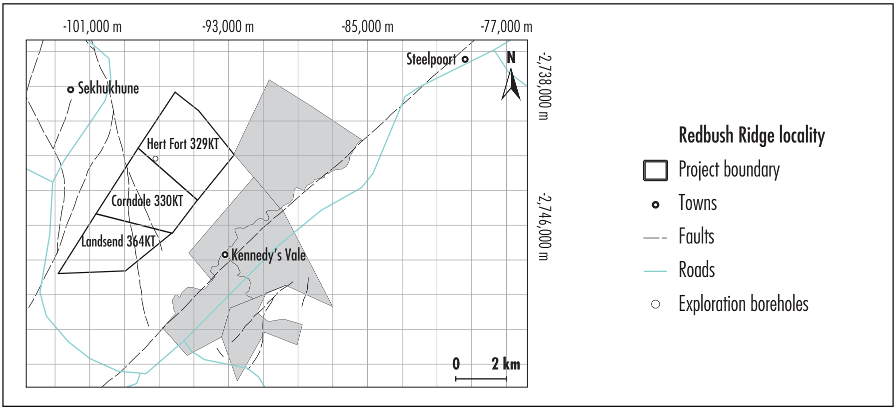
	Zondernaam UG2			Attributable to Aquarius		
Category	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz
Inferred	46.42	8.10	11.90	35.28	8.10	9.05
Total	46.42	8.10	11.90	35.28	8.10	9.05

Notes on the Mineral Resource statement:

- All internal waste, encompassing mineralised internal waste, is included in Mineral Resource estimations.
- The in situ corrected 4E PGE-grade is used for the estimation of Mineral Resources.
- The geostatistically estimated density is used.
- Geological losses applied: 30%

Red Bush Ridge Project

The Red Bush Ridge Project is located approximately 7km west of the town of Steelpoort in Limpopo, South Africa, on the farms Hert Fort 329KT, Corndale 330KT and Landsend 364KT. To date, one borehole has been completed on the project for a total length of 2,220m,



intersecting both Merensky and UG2 Reefs of the Bushveld Complex. Planned exploration for this project will include an airborne magnetic survey as well as continued exploration drilling targeting both the Merensky and UG2 reefs.

Vygenhoek Project

The Vygenhoek Project is situated 35km south-west of the town of Mashishing, previously known as Lydenburg, and 30km north-east of Roossenekal in Mpumalanga, South Africa. The depositional model of the UG2 Reef being explored for is thought to have been deposited in synclinal structures in the floor rocks in which mineralisation has 'ponded', as at Aquarius' Everest South and Marikana mines on the eastern and western limbs of the Bushveld Complex respectively.

An application for a mining right has been submitted to the DMR. Should this application be successful, Sylvania Platinum Limited will continue with the mining of the orebody on Vygenhoek in terms of an agreement with AQPSA, with 50% of the ounces being attributable to AQPSA.

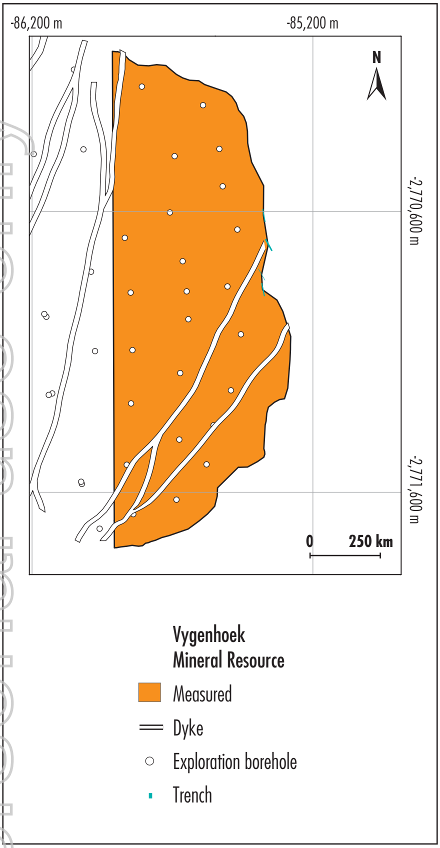
Mineral Resources after application of geological losses (as at 30 June 2011)

	Vygenhoek Project			Attributable to Aquarius		
Category	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz
Measured	2.77	5.11	0.46	1.39	5.11	0.23
Total	2.77	5.11	0.46	1.39	5.11	0.23

g/t = corrected 4E PGE-grade (Pt+Pd+Rh+Au)

Notes on the Mineral Resource statement:

- All internal waste, encompassing mineralised internal waste, is included in Mineral Resource estimations.
- The in situ corrected 4E PGE-grade is used for the estimation of Mineral Resources.
- All dyke volumes are EXCLUDED from Mineral Resource estimations.
- The geostatistically estimated density is used.
- Geological losses applied: 10%



Sterkfontein Prospect

The Sterkfontein resource is a continuation of the Everest orebody under the Groot Dwars River towards the western boundary of the Everest mining licence tenements, and occurs at depths of 0 –110m below the river. The resource consists of two erosional outliers, with the UG2 occurring as outcrop or sub-outcrop on the eastern side. The outcrop positions have been mapped in the field and hand-held GPS co-ordinates of these positions were used to create the resource boundary. There is no indication that the stratigraphy, lithology or geological structure would be different to that encountered at the Everest orebody.

This prospect resides under the mining right granted to Everest and exploration will only commence after completion of the Hoogland project.

Exploration target (as at June 2011)

	Sterkfontein		
Category	Mt	4E g/t	4E Moz
Inferred	13.00	3.50	1.46
Total	**13.00**	**3.50**	**1.46**

g/t = corrected 4E PGE-grade (Pt+Pd+Rh+Au)

Hoogland Project

The Hoogland resource is located approximately 1.2km directly south of the Everest orebody. The UG2 Reef occurs as an outcrop or sub-outcrop around most of the perimeter of the two erosional outliers. The UG2 Reef intersected in the exploration boreholes resembles that of the Everest orebody in that it consists of an upper chromitite and a lower chromitite seam, with or without an internal waste band occurring within the chromitite.

The application for a mining right has been submitted with the DMR.

Mineral Resources after application of geological losses (as at 30 June 2011)

	Hoogland Project		
Category	Mt	4E g/t	4E Moz
Indicated	2.71	3.16	0.28
Inferred	3.89	2.68	0.33
Total	6.60	2.88	0.61

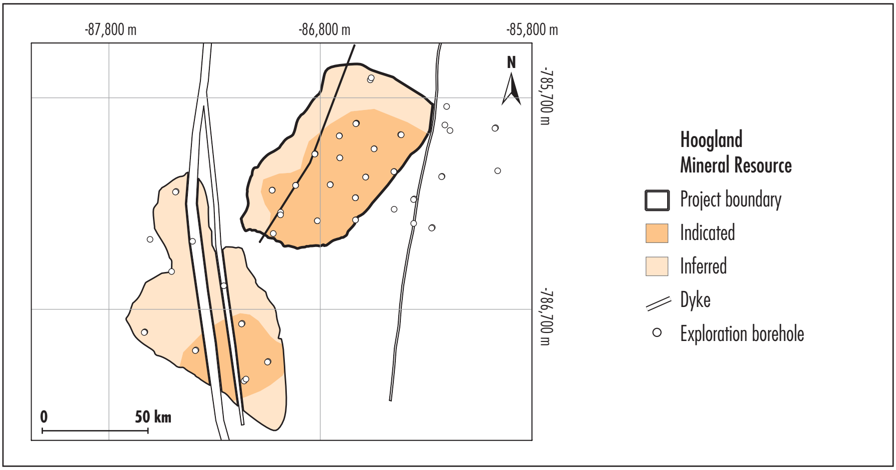
g/t = corrected 4E PGE-grade (Pt+Pd+Rh+Au)

Notes on the Mineral Resource statement:

- The Mineral Resource tonnages and PGE-grades are reported exclusive of external waste dilution.
- The in situ corrected 4E PGE-grade is used for the estimation of Mineral Resources.
- The geostatistically estimated density is used.
- A buffer zone of 10 m either side of the major dykes has been EXCLUDED.
- The Mineral Resource includes the upper and the lower chromitite layers.
- Geological losses applied: 10%

Buttonshope Project (Booysendal)

As described in the first part of the Mineral Resource and Reserve Statement, in May 2011, AQPSA entered into a binding sale of rights agreement with Northam Platinum Limited and its subsidiaries to acquire the platinum group metals and associated base metals mineral rights on farms adjacent to Aquarius' Everest mine on the eastern limb of the Bushveld Complex. The mineral rights to be acquired comprise several



EXPLORATION REVIEW AND PROJECTS CONT.

farms underlain by both the UG2 and Merensky Reefs, collectively called Buttonshope.

The UG2 orebody at Buttonshope is contiguous with Aquarius' Everest mine, and as a result Aquarius is uniquely placed to access this reef horizon in the short to medium term from the existing Everest infrastructure. The closing of this transaction is subject to several conditions precedent, as stated above.

The Mineral Resources stated here are as received from Northam Platinum. AQPSA is currently in the process of evaluating the orebody and will update the resource statement accordingly, following closure of the transaction.

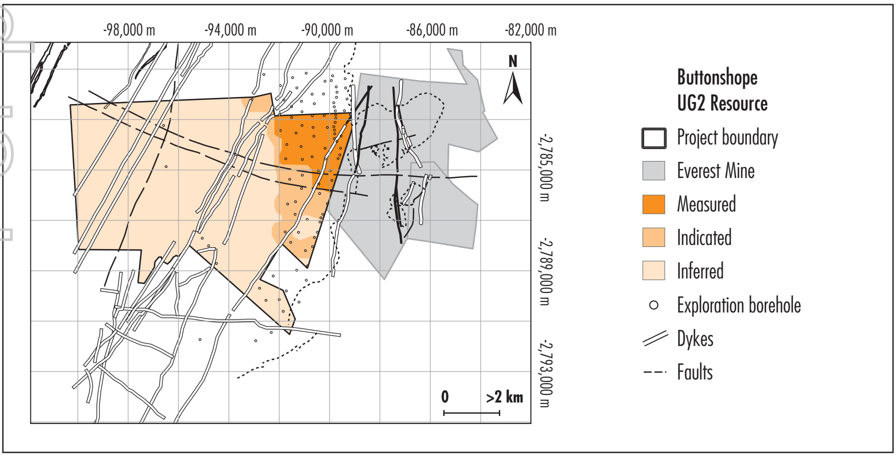
Mineral Resources after application of geological losses (as at 30 June 2011)

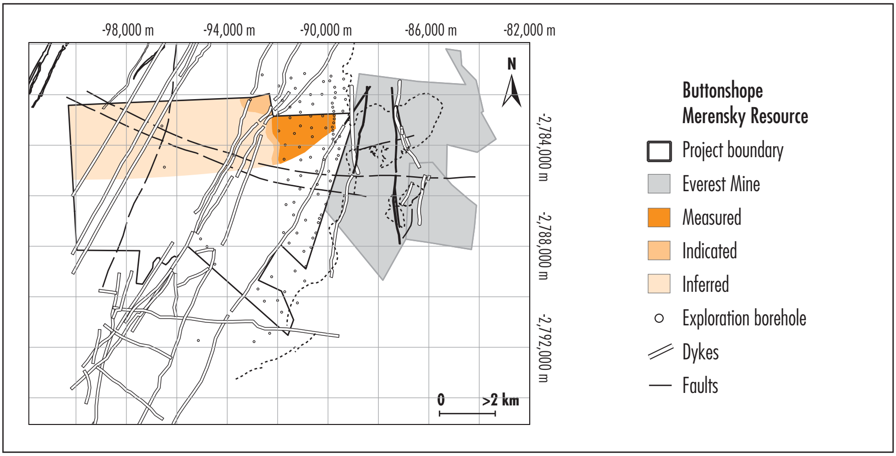
Booysendal Merensky			
Category	Mt	4E g/t	4E Moz
Measured	3.80	2.74	0.30
Indicated	16.00	3.21	1.60
Inferred	70.80	3.69	8.40
Total	90.60	3.55	10.40

Mineral Resources after application of geological losses (as at 30 June 2011)

Booysendal UG2			
Category	Mt	4E g/t	4E Moz
Measured	14.60	3.31	1.60
Indicated	52.90	3.44	5.80
Inferred	140.70	2.95	13.30
Total	208.10	2.92	20.70

g/t = corrected 4E PGE-grade (Pt+Pd+Rh+Au)





Chieftains Plain Project

The Chieftains Plain Project consists of two contiguous prospecting rights on the farms Chieftains Plain and Walhalla. The project lies to the west of the Everest mine with the Buttonshope project abutting on its southern border. To date four boreholes with a total core length of 9,531.27m have been completed. All boreholes intersected both the Merensky and UG2 reefs of the Bushveld Complex.

The current Mineral Resource has excluded an area in the southern half of the project where the borehole intersected a potholed Merensky Reef intersection. Due to the search radii, the area around this borehole could not be included in the Mineral Resource, but has been described as an exploration target in the expanded Mineral Resource and Mineral Reserve Technical Statement 2011 which will be available on the Aquarius corporate website, www.aquariusplatinum.com.

Mineral Resource

The tables alongside encompass the Mineral Resources after application of geological losses.

The aerial extent of the Merensky Inferred Resource is smaller than that for UG2 and is related to the potholed intersection in borehole WD1. The results of the sampling of this borehole were NOT included in the estimation of the resource.

Mineral Resources after application of geological losses (as at 30 June 2011)

Chieftains Merensky			
Category	Mt	4E g/t	4E Moz
Inferred	88.26	5.93	16.82
Total	88.26	5.93	16.82

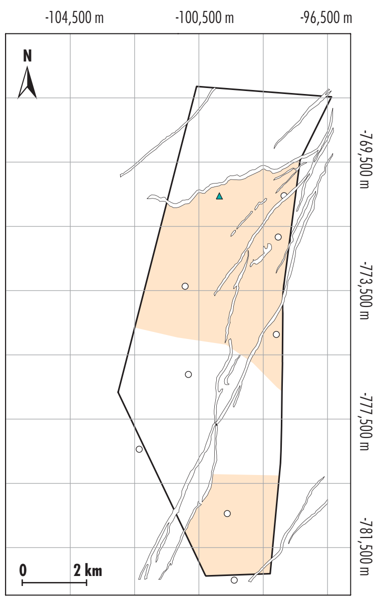
Mineral Resources after application of geological losses (as at 30 June 2011)

Chieftains UG2			
Category	Mt	4E g/t	4E Moz
Inferred	171.55	5.91	32.61
Total	171.55	5.91	32.61

g/t = corrected 4E PGE-grade (Pt+Pd+Rh+Au)

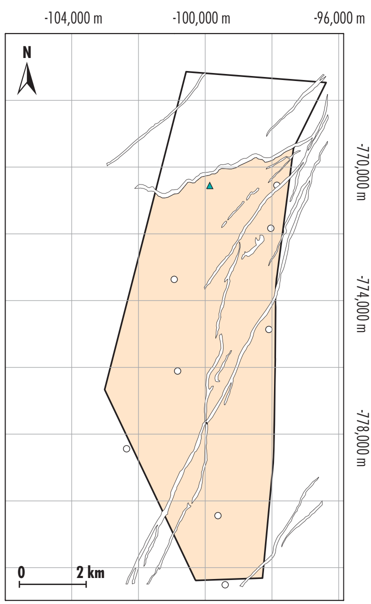
Notes on the Mineral Resource statement:

- All internal waste, encompassing mineralised internal waste, is included in the Mineral Resource estimations.
- The in situ corrected 4E PGE-grade is used for the estimation of Mineral Resources.
- The geostatistically estimated density is used.
- A buffer zone of 10 m either side of the major dykes has been EXCLUDED.
- Geological losses applied: 30.0%



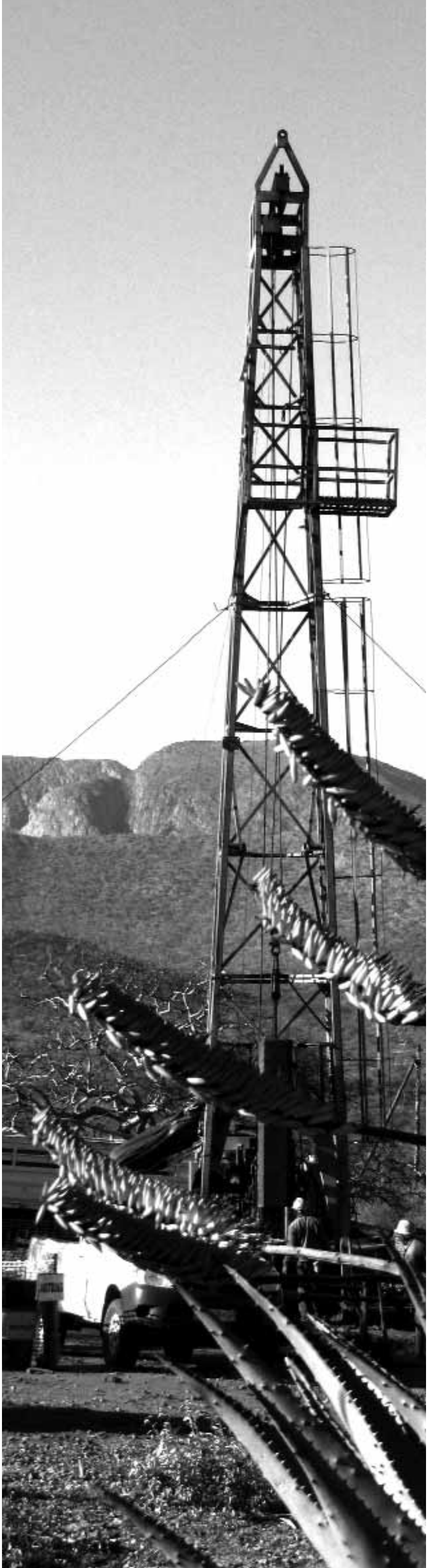
Chieftains Merensky Mineral Resource

- Project boundary
- Inferred
- 2011 exploration borehole
- Exploration borehole
- Dyke



Chieftains UG2 Mineral Resource

- Project boundary
- Inferred
- 2011 exploration borehole
- Exploration borehole
- Dyke



Sheba's Ridge project

The Sheba's Ridge project is situated approximately 30km south of the town Groblersdal in Mpumalanga, South Africa. The base metal and precious metal mineralisation is located in the Groblersdal bulge connected to the eastern limb of the Bushveld Complex. Following the acquisition of Ridge Mining plc, Aquarius officially took over management of the Sheba's Ridge project on 1 August 2009. Ownership is split, with Aquarius currently holding a 39% interest in the project, Anglo Platinum 35% and the Industrial Development Corporation (IDC), 26%. Exploration at the Sheba's Ridge project began in April 2001 (Phase 1 – 34 boreholes) and identified three distinct units of mineralisation: a layer similar to the UG2 termed the 'Platchro unit', an upper mineralised pyroxenite (UMP) analogous to the Merensky Reef and a wide zone of mineralised pyroxenite and associated mafic rock types. This unit, termed the Sheba's Reef, was interpreted to be within lithologies analogous to the Lower Zone of the Bushveld Complex.

Evaluation of Phase 1 drilling indicated that the UMP and Platchro units did not constitute economically viable targets due to the lack of continuity of the mineralisation and the severe disruption of the units by a late intrusive norite body. Consequently, subsequent exploration focused on sulphide mineralisation in the Sheba's Reef, which is largely unaffected by the late intrusive norite body. The Phase 2 exploration programme began in July 2002 and included 126 diamond boreholes of which 104 boreholes (totalling 32,600m) were drilled on a 100m grid along an arc of 5.5km in length. In 2004, Phase 4 involved the drilling of 45 boreholes to investigate the oxide zone together with some exploration of extensions to the mineralisation. By 2007, after eight phases of exploration including geotechnical drilling, drilling for metallurgical test work, drilling to ensure that no sterilisation of the orebody occurs, the borehole database consisted of 382 boreholes totalling 113,616m.

The project area is divided into the 'core area', the 'eastern extension' and the 'Kameeldoorn section'. The Sheba's orebody in the core area dips at 30° to the south. The Mineral Resource identified lies within the approximately 250m-thick sulphide mineralised Sheba's Reef which is hosted in a pyroxenite unit. The Sheba's Reef contains a higher grade mineralised continuous zone approximately 80m thick (termed Sheba's Sulphide Zone or SSZ). The Mineral Resource has been modelled to 450m below surface and excludes overburden and oxidised material to a depth of 40m. The feasibility study completed in December 2007 envisaged mining 18Mt of Sheba's Reef (predominantly from the SSZ) per annum over a 20-year mine-life based on using conventional open-pit mining. This study examined the project in considerable detail and included: environmental and social impact studies, geology, mineral resource and reserve estimation, a groundwater study, mine planning, engineering geology, mining equipment and method, waste storage infrastructure, experimental metallurgy, planning for the concentrator, smelter, convertors and acid plant, further treatment of matte and a detailed financial model. The project, however, is currently under review.

Mineral Resource

The table overleaf encompasses the Mineral Resources after application of geological losses contained in the core area and eastern extension of the Sheba's Ridge orebody.

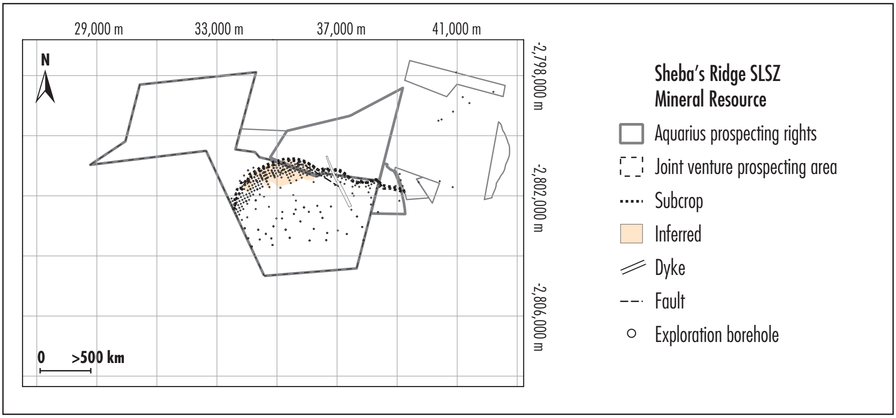
Mineral Resources after application of geological losses (as at 30 June 2011)

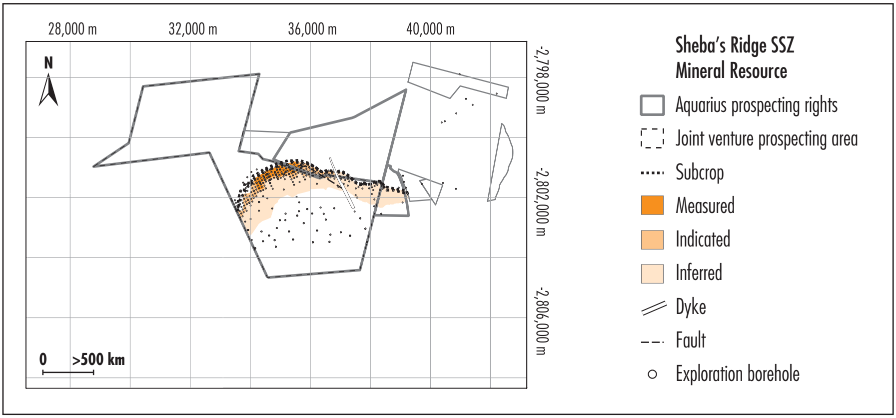
	Total			Attributable to Aquarius				
Category	Mt	3E g/t	3E Moz	Mt	3E g/t	3E Moz	Ni %	Cu %
Measured	79.86	0.88	2.26	31.15	0.89	0.88	0.20	0.07
Indicated	97.22	0.85	2.67	37.91	0.85	1.04	0.18	0.07
Inferred	428.26	0.96	13.28	167.02	0.99	5.18	0.19	0.08
Total	605.34	0.94	18.20	236.08	0.95	7.10		

g/t = 3E PGE-grade (Pt+Pd+Rh)

Notes on the Mineral Resource statement:

- The oxide and transition zones have been EXCLUDED from the Mineral Resource.
- The in situ corrected 3E PGE-grade is used for the estimation of Mineral Resources.
- A cut of grade of 0.5g/t 3E PGE was used for the Mineral Resource tabulation.
- The geostatistically estimated density is used.
- Geological losses applied: 10%


29,000 m
33,000 m
37,000 m
41,000 m
-2,798,000 m
-2,802,000 m
-2,806,000 m
N
0
>500 km
Sheba's Ridge SLSZ
Mineral Resource
Aquarius prospecting rights
Joint venture prospecting area
Subcrop
Inferred
Dyke
Fault
Exploration borehole


28,000 m
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40,000 m
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-2,802,000 m
-2,806,000 m
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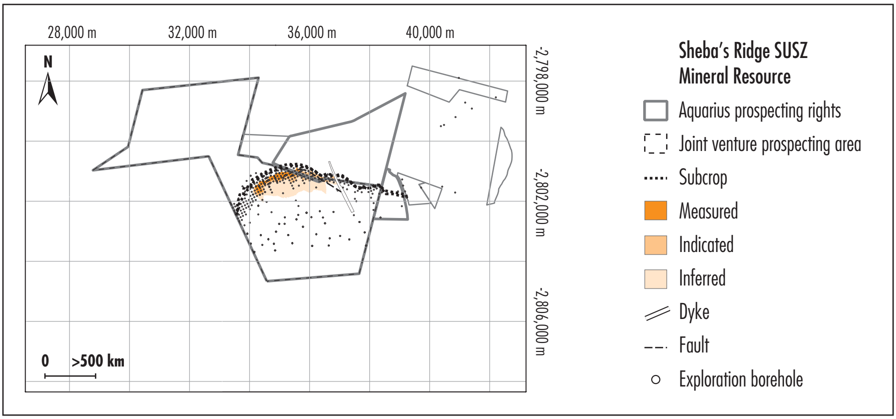
Sheba's Ridge SSZ
Mineral Resource
Aquarius prospecting rights
Joint venture prospecting area
Subcrop
Measured
Indicated
Inferred
Dyke
Fault
Exploration borehole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32,000 m
36,000 m
40,000 m
-2,798,000 m
-2,802,000 m
-2,806,000 m
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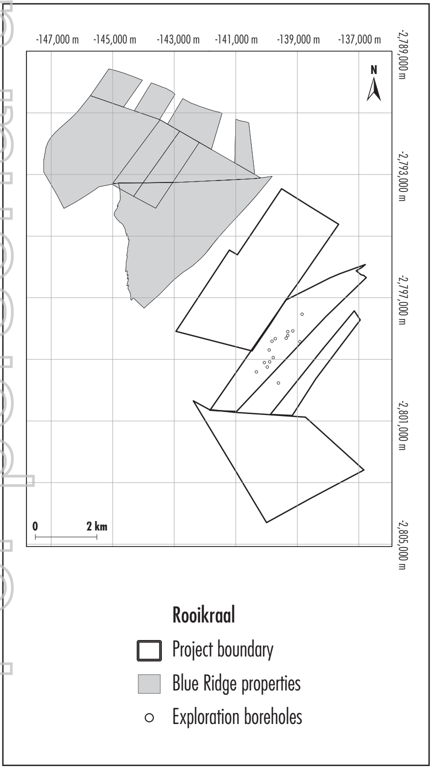
>500 km
Sheba's Ridge SUSZ
Mineral Resource
Aquarius prospecting rights
Joint venture prospecting area
Subcrop
Measured
Indicated
Inferred
Dyke
Fault
Exploration borehole

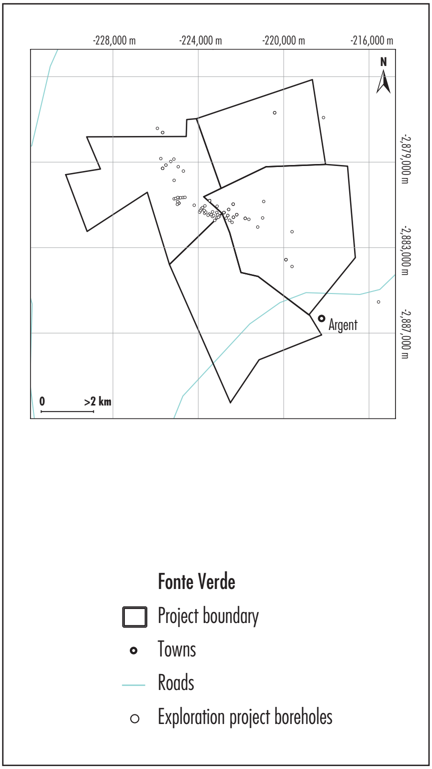
Rooikraal Project

The Rooikraal Project lies to the east of the Blue Ridge mine on the farms Blaauwbank and Rooikraal, in Mpumalanga, South Africa. To date, 25 boreholes have been drilled with a total length of 6,937m. The exploration results to date will be re-evaluated. The project area is overlain by the mafic phase of the Bushveld Complex, which hosts the economically important Critical Zone. Exploration at Rooikraal has targetted the Rooikraal Unit, a zone described by Genmin's geologists as a "Merensky Reef-type horizon", as well as unique mineralisation originally reported by Wagner in 1929.

Fonte Verde Project

The mineralisation at the Fonte Verde project is contained within a Bushveld Complex satellite body located close to the town of Delmas in Mpumalanga, South Africa. To date, 70 boreholes have been drilled for a total length of 4,351m. Future plans for this project include a pre-feasibility report and Whittle optimisation.





Hoedspruit Project

The Hoedspruit project is located near the town of Rustenburg in North West Province and is underlain by both the Merensky and UG2 reefs. The property comprises an almost square block of ground about 4km down-dip from RPM's Brakspruit Shaft and 4km along strike from the Siphumelele Shaft (Bleskop) on Turffontein. Both the Merensky and UG2 Reefs have been developed on the property with the Merensky Reef developed at depths ranging from 898m to 1,315m while the depth of the UG2 reef varies from 1,042m to 1,408m.

In total, 13 boreholes have been drilled to date for a total length of 33,747m.

Notes on the Mineral Resource statement:

- A minimum width of 1.00m has been applied to the resource selections.
- The in situ corrected 4E PGE-grade is used for the estimation of Mineral Resources.
- The geostatistically estimated density is used.
- Geological losses applied: 20.0%
- The Mineral Resources stated here is as received from Afarak. AQPSA is currently in the process of evaluating the orebody and will update the Resource Statement accordingly.

Mineral Resources after application of geological losses (as at 30 June 2011)

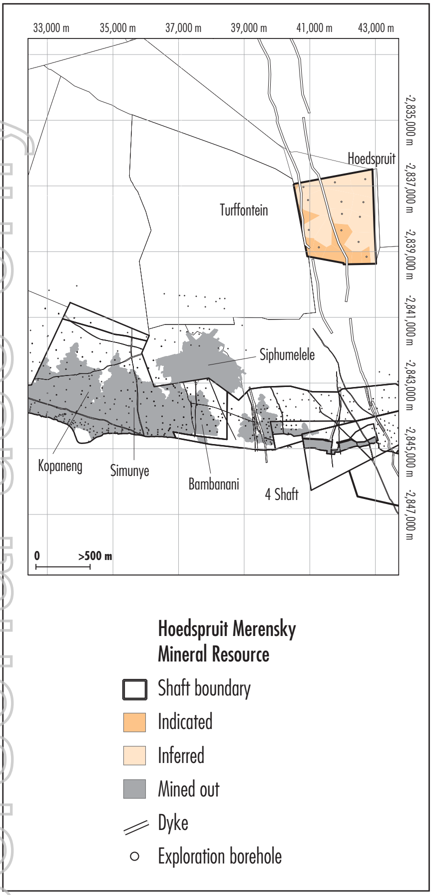
	Hoedspruit Merensky			Attributable to Aquarius		
Category	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz
Indicated	12.46	6.01	2.45	12.46	6.01	2.45
Inferred	2.86	5.72	0.53	2.86	5.72	0.53
Total	15.32	5.99	2.98	15.32	5.99	2.98

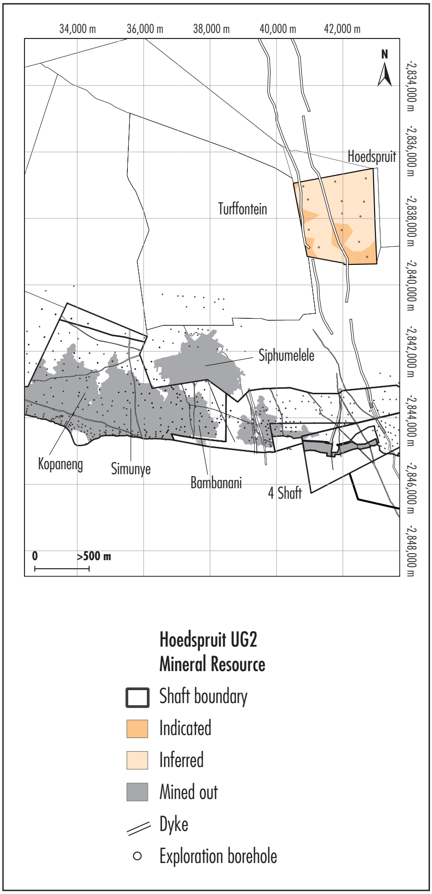
g/t = corrected 4E PGE-grade (Pt+Pd+Rh+Au)

Mineral Resources after application of geological losses (as at 30 June 2011)

	Hoedspruit UG2			Attributable to Aquarius		
Category	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz
Indicated	15.60	4.98	2.53	15.60	4.98	2.53
Inferred	1.64	5.36	0.28	1.64	5.36	0.28
Total	17.24	5.00	2.81	17.24	5.00	2.81

g/t = corrected 4E PGE-grade (Pt+Pd+Rh+Au)





Kruidfontein Project

The Kruidfontein project is located north of the Pilanesberg Complex. The property is underlain by both the Merensky and UG2 Reefs which have been developed on the property with the Merensky Reef developed at depths ranging from 1,135m to 2,395m while the depth of the UG2 reef varies from 1,150m and 2,409m.

In total, 28 boreholes have been drilled to date.

Mineral Resources after application of geological losses (as at 30 June 2011)

	Kruidfontein Merensky			Attributable to Aquarius		
Category	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz
Indicated	5.05	8.37	1.36	2.52	8.37	0.68
Inferred	53.33	8.37	14.36	26.67	8.37	7.18
Total	58.38	8.37	15.72	29.19	8.37	7.86

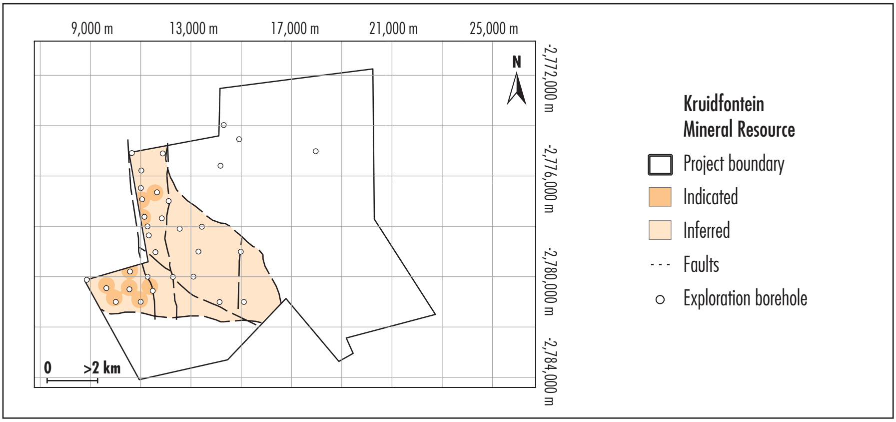
Mineral Resources after application of geological losses (as at 30 June 2011)

	Kruidfontein UG2			Attributable to Aquarius		
Category	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz
Indicated	9.07	5.64	1.65	4.53	5.64	0.82
Inferred	81.34	5.51	14.42	40.67	5.51	7.21
Total	90.41	5.53	16.07	45.20	5.53	8.03

g/t = corrected 4E PGE-grade (Pt+Pd+Rh+Au)

Notes on the Mineral Resource statement:

- A minimum width of 1.00m has been applied to the resource selections.
- The in situ corrected 4E PGE-grade is used for the estimation of Mineral Resources.
- The geostatistically estimated density is used.
- Geological losses applied: 30.0%
- The Mineral Resources stated here is as received from Afarak. AQPSA is currently in the process of evaluating the orebody and will update the resource statement accordingly.



SUSTAINABLE DEVELOPMENT
– A SUMMARY

Aquarius' commitment to responsible and ethical behaviour underpins all its activities and dealings with stakeholders, be they shareholders, employees or local communities, and whether they are in the local or global environment in which the company operates. Aquarius abides by the laws of the jurisdictions in which it operates and respects human rights as defined by national and international organisations.

While striving to meet its key production and financial targets, the Company also endeavours to ensure:

- Continuous improvement in safety, health and environmental performances towards the goal of 'zero harm'.

- It addresses relevant issues regarding corporate responsibility and that it is acknowledged as a good corporate citizen in the communities and countries in which it operates.

Published concurrently with the Annual Report, a comprehensive Sustainable Development Report (formerly the Corporate Citizenship Report) is prepared in line with the the principles of G3 guidelines of the Global Reporting Initiative (GRI). It provides further information on the South African operations managed by Aquarius through its subsidiary AQPSA and on its Zimbabwean subsidiary, Mimosa. The report may be found at www.aquariusplatinum.com, or a printed copy may be requested from the company.

The following is a summary drawn from that report.

Approach to sustainable development

While Aquarius is committed to operating efficiently and profitably, the company simultaneously makes every effort to ensure the well-being of all its employees, be they employed directly or indirectly through contractors. The Company engages with and is considerate of the communities in the areas in which it operates, and every effort is made to preserve and conserve the environment of which it is a custodian. The consumption of scarce resources, such as water and power, is monitored and measured, and Aquarius participates in discussions around and the response to the global challenge of climate change.

As its primary operations are located in South Africa, compliance with the targets set in the Broad-Based Socio-Economic Charter for the South African Mining Industry (the Mining Charter) and its accompanying scorecard is critical. These targets were developed in alignment with the Mineral and Petroleum

Resources Development Act (MPRDA, 2002). In terms of each operation's Social and Labour Plan (SLP), the Company submits reports annually on progress made in meeting these targets to the DMR. These plans, which are revised every five years, were developed to ensure that the operations meet these targets and comply with their Environmental Management Plans (EMPs) and Mine Works Plans (MWPs).

The safety, health, environmental, risk and quality (SHERQ) policy at AQPSA was revised recently and commits AQPSA, the unions and its contractors to the establishment of a sustainable foundation for growth and to creating value for stakeholders and society, while reducing the safety and health risks and the adverse impacts of operations on our employees and the environment.

Code of conduct

Aquarius has a Code of Ethics, developed by the Board, which provides ethical and legal frameworks within which all employees are expected to conduct the affairs of the Company. The Company maintains its obligations to shareholders, the community, contractors and suppliers, fairly and impartially. A summary of the Code of Conduct is available on the corporate website, www.aquariusplatinum.com.

There are areas in which the Company must develop detailed policies in accordance with the requirements of local authorities and to comply with local laws. To this end, the Code of Conduct is a set of principles developed by the Board to guide employees so that they may behave with integrity and make informed choices when communicating or acting on behalf of the Company. In addition, the Whistleblowing Policy supports the Group's governance initiatives.

Risk management

Aquarius has in place a review process whereby strategic risks are continuously identified, monitored and actively managed through the allocation of appropriate resources. The Board has overall responsibility for risk management and the system of internal control and for reviews of its effectiveness. Internal controls are designed to identify, evaluate and manage the significant risks associated, whether negatively or positively, with the achievement of the Company's objectives.

Currently, though not exclusively, the focus continues to be on the strategic risks outlined on page 111. For additional information on risk management and internal controls, refer to pages 110 to 119 of this report.

Safety and health

A principal focus at all Aquarius operations is ensuring the safety of all employees, be they directly or indirectly employed. To achieve this, it is essential to develop and entrench a culture and awareness of safety among all, as well as to reinforce behaviour with positive safety outcomes. Allied to this is the promotion of the shared responsibility for safety among all employees, from the most senior to the most junior.

Most regrettably, there were eight fatalities across Aquarius group operations in FY2011 (FY2010: three): five at Marikana, one at Kroondal, one at Mimosa and one at Blue Ridge. The five fatalities at Marikana, caused by a rockfall, were reported on in detail in last year's reports. The other fatalities were as follows:

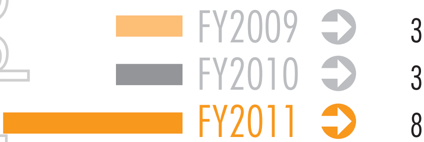
- Kroondal: The accident on 13 August 2010 at Kroondal's Kopaneng shaft in which Mr Vasco Manuel Macoma lost his life, involved two LHDs on surface at the start of a shift.
- Blue Ridge: On 2 November 2010, Mr V.M. Cossa was fatally injured in a blasting accident caused by failure to follow ignition procedures.
- Mimosa: A single fatality, Mr Innocent Ndlovu, occurred as a result of a drilling accident in September 2010.

Despite the increase in the number of fatalities, overall safety performance improved with a decline in the group disabling injury incidence rate (DIIR) to 0.50 per 200,000 hours worked from 0.55 in FY2010.

Creating employment

As at 30 June 2011, Aquarius employed 10,024 people (1,738 employees and 8,286 contractor employees) (100% basis), a decrease of 9% on the previous year (FY2010: 11,072). This was largely a result of the cessation of operations at Blue Ridge during the course of the year, although the numbers employed declined at most operations. The exception was Everest where employment increased as that operation continued its ramp up.

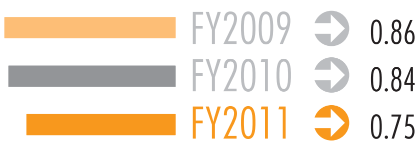
Aquarius – number of fatalities



AQPSA – FIFR
(per 200,000 hours worked)

Aquarius – DIIR
(per 200,000 hours worked)

AQPSA – DIIR
(per 200,000 hours worked)



Total number of employees at Aquarius

	Employees		Contractors		Total	
Operation	FY2011	FY2010	FY2011	FY2010	FY2011	FY2010
Corporate office	26	24	6	4	32	28
Kroondal	23	22	4,845	4,508	4,868	4,530
Marikana	12	10	1,516	1,894	1,528	1,904
Everest	16	22	1,665	1,041	1,681	1,063
Blue Ridge	8	14	25	1,651	33	1,665
Treatment plants	86	59	–	21	86	80
Mimosa	1,567	1,578	229	224	1,796	1,802
Total	1,738	1,729	8,286	9,343	10,024	11,072

In all, 8,228 people were employed at the South African operations (AQPSA) and 1,796 at Mimosa in Zimbabwe (FY2010: 9,270 and 1,802 respectively).

In order to minimise job losses, every effort was made to find alternative employment elsewhere within AQPSA or the contractor companies for those employees affected by the cessation of operations at Blue Ridge. Similarly with the ramp up of operations at Everest, a significant majority of those employed there currently had been employed at Everest prior to its closure in December 2008.

Aquarius complies fully with the labour relations laws of the countries in which it operates and with their respective constitutions. It operates in compliance with the Universal Declaration of Human Rights of the United Nations and the International Labour Organization's Fundamental Principles and Rights at Work. Aquarius prohibits and prevents child or forced labour, discrimination on any grounds and actively encourages collective bargaining with recognised employee representatives. Aquarius' employment policies and procedures comply with internationally accepted standards.

AQPSA has a specific Human Rights Policy in place, which has been communicated to all contractors and employees. Freedom of association is enshrined within the constitutions of both South Africa and Zimbabwe and employees, if they so wish, may belong to labour and trade unions of their choice. This applies to contractor employees who work at Aquarius' operations as well. The Company notes with regret that, in terms of legislation in that country, employees in the Zimbabwean mining sector may not withdraw their labour.

Labour relations in South Africa are governed by national legislation, industry agreements and company- and mine-based recognition agreements.

Unions represent at least 47% of employees in the respective bargaining units at AQPSA operations. Such recognition allows for comprehensive collective bargaining rights. This is the case for the National Union of Mineworkers (NUM) and Solidarity. Although 53% of employees on average are not members of recognised unions, they are catered for through collective bargaining agreements.

AQPSA spent a total of R25.2 million on training and development in FY2011. An additional R20 million was paid to contractor Murray & Roberts Cementation (MRC) who oversaw the adult basic education and training (ABET) programme at the new training centre at Kroondal, and for the management of the learnership training and bursars' programme during the year.

Community development

Aquarius acknowledges its responsibility to the communities in and around its operations:

- In the short and medium term, to provide meaningful developmental, financial, technical and other support to improving the lives of community members, and to eliminate or minimise any negative impacts that mining may have on communities; and
- In the medium to long term, to make a contribution to the sustainability of those communities and the development of their members, that extends beyond the lives of our operations.

A total of R7.5 million was spent on corporate social responsibility (local economic development initiatives and corporate social investments) by AQPSA in FY2011, largely in the areas of formalising and improving informal settlements (infrastructural development) and education. The major projects in South Africa for FY2011 were:

- **Ikemeleng residential area:** R3.07 million was spent on the continued formalisation of this community settlement, including infrastructural development and most recently the installation of a community-wide water reticulation system.
- **Tirelong Intermediate School:** R1.6 million was spent on a water reticulation project at the school to ensure it had access to sufficient water in case of a fire.
- **Nutritional facilities:** R1.1 million was spent on nutritional facilities at the following schools: Rustenburg Primary and the Kroondal and Kloofwaters Farm Schools.
- **Early childhood centre:** A contribution of R387,000 was made towards operating costs at this centre.

- **Chemical toilets:** 200 toilets were supplied to Ikemeleng at a cost of R1.35 million to assist the community.

Mimosa spent $2.04 million in total on corporate social investment projects in FY2011. The five key projects for the year were:

- **Mtshingwe Primary School:** $1.27 million was spent on the upgrade of the school, the provision of text books and a once-off purchase of uniforms.
- **Shabanie Primary School:** Mimosa invested $600,609 in the restoration and refurbishment of the school as well as the provision of a water reticulation system.
- **Matenda Clinic:** The refurbishment of this clinic at a cost of $60,396 included the installation of a diesel water pump.
- **Copota School for the Blind:** Mimosa donated goods worth $92,009 to this school, the only school for the blind in the country. Items included, among others, a vehicle, Braille equipment, computers, hardware and accessories.
- **Vukuzenzele Irrigation Scheme:** Mimosa assisted with the purchase and installation of a new water pump and related infrastructure to a value of $12,747 which as a result has enabled the local community co-operative to increase its output of produce significantly.

Environment

Environmental management and compliance are governed by the SHERQ policy and code of ethics which apply equally to the Company's management, its employees and its contractors. They address issues such as compliance, prevention of pollution, training, and education, as well as management principles and the setting of targets.

The three most important environmental risks at Aquarius are:

- Availability of clean water and in particular the potential to contaminate clean water resources and failing to optimise the consumption of dirty water.
- Energy supply and carbon emissions (the extent of our carbon footprint).
- Adequate land rehabilitation.

All Aquarius mining operations and processing plants either received their ISO 9001 and 14001 certification in FY2011 or are working towards this.

As a minimum, the Company complies with legislation, regulations and environmental permits. Approved EMPs are in place at all operations and annual performance assessments are undertaken and submitted to the DMR, in line with the Company's mining licences. Three amendments to AQPSA's various EMPs are being sought in the next two years and four integrated water use licence applications were submitted to the relevant authorities in the past two years of which two have been approved. No significant environmental incidents were reported at either AQPSA or Mimosa during the year under review.

At Everest, a significant rehabilitation project is nearing completion. The historical open pits here have been backfilled, topsoiled and grassed. Re-vegetation is in progress to re-establish lost bio diversity and therefore a plant nursery has been established to promote the rehabilitation and restoration of biodiversity in the area of the mining operation.

RISK MANAGEMENT
AND INTERNAL CONTROLS

The Board has overall responsibility for the Company's system of internal control which includes risk management and reviewing its effectiveness. The system of internal control is designed to identify, evaluate and manage significant risks associated with the achievement of the Company's objectives.

Because of the limitations inherent in any system of internal control, this system is designed to meet the Company's particular needs and the risks to which it is exposed rather than eliminate risk altogether. Consequently it can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has delegated its responsibility for reviewing the effectiveness of these controls to the Audit and Risk Committee. In terms of its Charter, the Audit and Risk Committee is responsible to the Aquarius Platinum Board for all its operations and responsibilities. A copy of this Charter is available on the Company website (www.aquariusplatinum.com). With respect to the Company risk profile and the management thereof, the Audit and Risk Committee has appointed an Operational Risk Management Oversight Committee (ORMO Committee), chaired by a senior management executive, independent of direct line operations management. The ORMO Committee meets on a quarterly basis to review and update the Company risk profile, which receives input from line managers across the Aquarius business. The ORMO Committee reports directly to the Audit and Risk Committee on a quarterly basis.

Strategic risks facing the Company are identified, monitored and actively managed through the allocation of appropriate resources to address the risks identified. The day-to-day responsibility for managing risk and the maintenance of the Company's system of internal control is collectively assumed by the AQPSA Executive Committee in South Africa and by the Management Board of Mimosa in Zimbabwe. Key risk and control issues are reviewed regularly by the Board.

On behalf of the Board, the ORMO Committee has established a process for identifying, evaluating and managing the significant risks faced by the Company. The Company has also adopted a risk-based approach in establishing the Company's system of internal control and in reviewing its effectiveness. To assist in managing key internal risks, it has established a number of Company-wide procedures, policies and standards and has set up a framework for reporting matters of significance. The Audit and Risk Committee is responsible for reviewing the effectiveness of the Company's risk management, internal control systems and the interim and annual financial statements before their submission to the Board.

The allocation of resources currently focuses on the alignment of an organisational strategy that will ensure:

- Continuous improvement in safety, health and environmental performance towards the goal of 'zero harm'.
- The requisite resources, skills and structures are in place to deliver on production objectives, as efficiently and cost-effectively as possible, in line with the Group's stated strategic plan.
- The Company attracts, develops, retains and motivates the requisite management, operational, technical and business skills.
- Organisational diversity and improved employee engagement and participation in all business activities.
- The most efficient management of the Group's mineral resource base, to maximise the value thereof to the Group and its business partners.
- Maintaining the safe, efficient and productive use of contractors on the Group's key operations.
- Sustaining unit production costs in the lowest quartile of the industry.
- Maintaining effective project management processes and skills to ensure successful project implementation and delivery on our operations.
- Protecting and maintaining the security and reliability of physical assets.
- Retaining process, systems and management technology competitiveness.
- Continually reviewing, evaluating and developing growth opportunities for the Group through acquisition, organic growth and exploration.
- Retaining permission to operate, on a fully compliant basis, within a dynamic legal and regulatory environment.
- Managing the uncertainties that affect the Zimbabwe operation.
- Addressing relevant issues regarding corporate responsibility, and being recognised as a good corporate citizen in the countries and communities in which the Company operates.
- Ensuring that impacts on the business in terms of utility supply disruptions are minimised.
- Ensuring that risks associated with suppliers and logistics are minimised.
- Managing through appropriate health policies the impact of HIV and AIDS on employees.

The Board has, through the ORMO Committee, AQPSA Executive Committee and the Audit and Risk Committee, reviewed the effectiveness of the Company's system of internal controls. As a result of the continual review of internal control procedures several key elements have been established within the Company to ensure a sound system of internal control which is described in detail below. These include:

- Regular review of risk and identification of key risks at the operational management level which are reviewed by the Audit and Risk Committee.

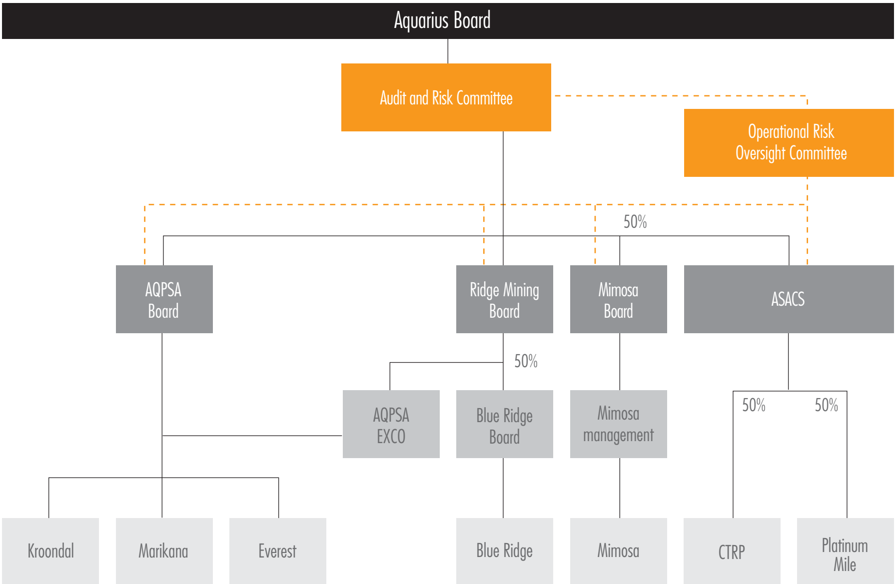
RISK MANAGEMENT AND INTERNAL CONTROLS CONT.

- Clearly defined organisational and reporting structure and limits of authority applied to subsidiary companies including monitoring and reporting on the regular board meetings held at the Company's key subsidiaries.
- Clearly defined information and financial reporting systems including regular forecasts and a rigorous annual budgeting process with reporting against key financial and operational milestones.
- Rigorous investment appraisal underpinned by the budgetary process where capital expenditure limits are applied to delegated authority limits.
- Clearly defined treasury policy monitored and applied in accordance with pre-set limits for investment and management of the Company's liquid resources.
- Internal audit by the Finance Directors of the Company's principal subsidiaries, AQPSA and Mimosa Holdings (Pvt) Limited who monitor, test and improve internal controls operating within the Company at all levels and report directly to the Audit and Risk Committee and the Board.

There are a number of components to the system of internal controls within the Company which facilitate the control procedures and these are detailed as follows:

- A risk matrix has been developed and is monitored and reviewed by the ORMO Committee and the Audit and Risk Committee.
- A framework of transaction and entity level controls to prevent and detect material error and loss.
- A budgetary and periodic reporting review process performed by the management of the Company's principal operating subsidiaries.
- A documented structure of delegated authorities and approvals for transaction and investment decisions.

Internal control structure of Aquarius Platinum Limited – as at 30 June 2011



Investment proposals

A budgetary process and authorisation levels regulate capital expenditure. For expenditure beyond specified levels, detailed written proposals are submitted to the Board for approval.

Risks to Aquarius' business

All businesses face risks, and risk in mining operations is particularly endemic. The Company faces several risks to its business and strategy, and management of these risks is an integral part of the management of the Company. The Company's ORMO Committee has put in place a formal process to assist it in identifying and reviewing risks. Plans to mitigate known risks are formulated, and the effectiveness of and progress in implementing these plans is reviewed regularly.

The list of the principal risks and uncertainties facing the Company's business that follows below is based on the Board's current understanding. Due to the very nature of risk it cannot be expected to be exhaustive, and in keeping with best practice reporting standards, the list has been limited to those risks that have been judged most material by the Board. New risks may emerge and the severity or probability associated with known risks may change over time.

Risks relating to the Company's operations

PGM prices and market

1: Description

The Company's business is dependent on price developments in the market for PGMs and their by-products. These prices depend predominantly on the prevailing and expected level of demand for PGMs, mainly from industrial end-users such as automobile catalytic convertors. The demand for automobiles is cyclical and outside the Company's control.

2: Impact

Fluctuations in PGM prices as well as demand may negatively impact the financial result of the Company.

3: Mitigation

Developments in the market are closely monitored by management and by the Board in order for the Company to be in a position to react in a timely manner to changes to PGM prices and demand. The Company recognises the importance of cost control in the mitigation of this risk.

Mining risks and hazards

1: Description

The Company's operations are subject to risks and hazards, including industrial accidents, equipment failure, unusual or unexpected geological conditions, environmental hazards, labour disputes, changes in the local regulatory environment, weather conditions and other natural phenomena. Hazards associated with hard rock underground mining include accidents involving the operation of mining and rock transportation equipment and the preparation and ignition of large scale blasting operations, falls of ground, flooding and gas accumulation. In FY2011 the Company had 8 fatalities, compared with 3 in 2010 and 3 in 2009.

2: Impact

The Company may experience material mine or plant shutdowns or periods of reduced production as a result of any of the afore-mentioned factors, and any such events could negatively affect the Company's results of operations.

3: Mitigation

The Company is dedicated to a zero harm objective and the mitigation of mining risk is one of the primary operational goals of the Company. However, given the nature of mining operations there is no guarantee that accidents and fatalities will not occur in the future, despite all the safety initiatives undertaken and processes put in place.

Risks particular to the South African operating environment

1: Description

The majority of the Company's operations are located in South Africa. The operating environment in that country is subject to factors such as labour union militancy, substantial electricity price increases due to historical under-investment in generating capacity by the State, limited absolute availability of electricity and water for mining operations (in particular new projects) and high levels of cost inflation generally in Rand terms. In addition, the South African government has levied additional taxes and royalties on mining companies and there can be no guarantee that these will not be increased in the future.

2: Impact

Increased labour and electricity prices will affect the Company's costs and, if electricity supplies are disrupted or strikes occur in future for any substantial period of time, this may have a detrimental effect on the Company's ability to conduct its operations. Any changes in legislation, particularly as they relate to Black Economic Empowerment, may also have a detrimental effect.

Changes in costs of the Company's mining and processing operations could occur as a result of unforeseen events and consequently result in changes in profitability or the feasibility and cost expectations in mining existing reserves. Many of these changes may be beyond the Company's control, such as those input costs controlled by South African state regulation, including energy costs and royalties.

3: Mitigation

The factors having an impact on the Company's future cost structure are closely monitored and cost reduction initiatives are planned and reported to the Board.

The Company cultivates good relations with the Department of Mineral Resources and the relevant labour unions and pursues power-efficient mining methodologies.

Risks particular to the Zimbabwean operating environment

1: Description

One of the Company's operations, Mimosa, is located in Zimbabwe. The Zimbabwean government has levied additional taxes and royalties on mining companies and there can be no guarantee that these will not be increased again in the future. Zimbabwe has also promulgated an Indigenisation law which calls for all companies valued at more than $500,000 to be 51% owned by black Zimbabweans by 2015. Regulations in this regard were published during the 2011 financial year, and while negotiations continue with the Zimbabwean government, there can be no guarantee that it will not be implemented as currently drafted.

2: Impact

Increased taxes and royalties in Zimbabwe, if implemented, will have a detrimental effect on the profitability of Mimosa.

To the extent that the Indigenisation law is enforced, it will reduce the Company's level of equity holding in the Mimosa mine, which will negatively impact the revenues and profits of the Company. Some form of indigenisation is inevitable, but the exact level remains to be determined.

3: Mitigation

The factors having an impact on the Company's future cost structure are closely monitored and cost reduction initiatives are planned and reported to the Board.

The Company proactively pursues social investment programmes at and around the Mimosa mine, which may serve to minimise the effects of the Indigenisation law. Mimosa management is in active dialogue with the relevant Zimbabwean officials in relation to the final implementation of indigenisation.

Licences and BEE

1: Description

Mining companies operating in South Africa are required by law to have 26% ownership by Black Economic Empowerment (BEE) entities in order to be granted New Order mining rights or to achieve licence conversion of their Old Order mining rights. The South African government is also continuously reviewing the Mineral and Petroleum Resources Development Act (MPRDA), and changes to that legislation could have a detrimental effect on the Company's business.

2: Impact

The Company's only operation without a converted mining right or a New Order mining right is Blue Ridge, which was acquired in 2009. Although Blue Ridge is fully empowered (with a 50% BEE partner) and is therefore eligible for the granting of a New Order mining right, until it is granted some licencing risk remains. If BEE thresholds are increased as a result of the review of the MPRDA, this could have a detrimental effect on the Company.

3: Mitigation

The Company completed a BEE transaction with the Savannah Consortium several years ago, which exceeded the full BEE ownership requirement and enabled it to convert all its licences. The Company also complies fully with the BEE legislation in respect of Blue Ridge, acquired since. The Company cultivates good relations with the Department of Mineral Resources.

Risks relating to finance

Exchange rate risk

1: Description

The Company receives the majority of its income in South African Rand, but PGM sales are made in US Dollars. Profits are therefore exposed to the variation in the exchange rate between the US Dollar and the South African Rand, as a large proportion of the Company's costs are denominated in South African Rand.

2: Impact

Variations in the exchange rate can have a significant impact on the profitability of the Company. In addition the Company funds its South African operations through US Dollar-denominated loans which can cause the Company to incur unrealised foreign exchange gains and losses when marked to market for reporting purposes.

3: Mitigation

The recent strength of the South African Rand compared to the US Dollar has resulted in cost pressures to the detriment of operating results. However, the South African Rand has recently depreciated against the US Dollar and is forecast by market commentators to remain weaker in the medium and long term. The Company does not enter into any foreign currency hedging agreements.

Risks relating to the Company's strategy

Delays to the ramp-up or cancellation of major growth projects

1: Description

Mining for the platinum group metals is a complex activity and delays to the ramping-up of new projects are commonplace throughout the industry due to factors such as difficult geological conditions, operating conditions in South Africa and Zimbabwe and the volatility of the Rand-US Dollar exchange rate and international PGM prices. In addition, persistent low Rand PGM prices can result in the cancellation of growth projects and the mothballing of existing operations.

2: Impact

A delay to any substantial future increase in production by more than 12 months may cause the Company to lose material potential future revenues. However, the closure or delay of projects in a low price environment can increase the profitability of the Company.

3: Mitigation

Rigorous project planning and capital expenditure approval processes are in place in order to ensure that growth projects can be developed as quickly and reliably as possible.

Acquisition risk

1: Description

The Company has a stated strategy of pursuing growth through the acquisition of other companies and assets.

2: Impact

New assets are by definition not as well understood as those in an existing portfolio despite any precautions that might be taken, so some financial and operation risk attaches to any acquisition. In addition, fees for advisors can be substantial and are payable even in the event that no transaction materialises.

3: Mitigation

The Company conducts comprehensive due diligence assessments on prospective acquisition targets and engages the services of reputable financial and legal advisors to advise it on all aspects of such potential transactions.

MATERIAL CONTRACTS

For personal use only

As with all substantial enterprises, Aquarius relies on several key material contracts for the conduct of its business. In keeping with best practice reporting standards, a summary of the most material of these arrangements is provided below.

P&SA1

1: Description

The Kroondal pooling and sharing agreement (P&SA1) reflects an arrangement whereby the parties have contributed funding, infrastructure and in situ PGM resources to the Kroondal unincorporated joint venture structure which is operated as the Kroondal mine by AQPSA. All production, costs and profits or losses are split equally.

2: Parties

- AQPSA
- Rustenburg Platinum Mines Limited (RPM)

3: Materiality

- Highly material
- The P&SA1 arrangement remains in place for the entire life of the Kroondal mine

P&SA2

1: Description

The Marikana pooling and sharing agreement (P&SA2) reflects an arrangement whereby the parties have contributed funding, infrastructure and in situ PGM resources to the Marikana unincorporated joint venture structure which is operated as the Marikana mine by AQPSA. All production, costs and profits or losses are split equally.

2: Parties

- AQPSA
- RPM
- Impala Refining Services (IRS)

3: Materiality

- Highly material
- The P&SA2 arrangement remains in place for the entire life of the Marikana mine

PGM concentrate off-take agreements

AQPSA also has concentrate off-take agreements in place at each of its mining operations which are highly material to the business of the Company. Each of these off-take agreements is a life-of-mine take-and-pay arrangement.

Description:	Counterparty:
Kroondal concentrate off-take agreement	RPM
Marikana concentrate off-take agreement	RPM and IRS
Everest concentrate off-take agreement	IRS

Mimosa has an offtake agreement with Centametal AG of Switzerland, but delivers the concentrate it produces to IRS in South Africa for toll processing and refining prior to delivery of metal.

EXECUTIVE AND OPERATIONAL
MANAGEMENT

AS AT 30 JUNE 2011

Aquarius Platinum Limited: Executives

Stuart A. Murray

BSc (Chem.Eng), AMI ChemE

Chief Executive Officer

After obtaining his degree in Chemical Engineering from Imperial College, London, Mr Murray began his career with Impala Platinum Holdings Limited in 1984. Following a 17-year career in the South African platinum industry, Mr Murray joined Aquarius Platinum Limited in May 2001 and was appointed Chief Executive Officer.

Willi M.P. Boehm

BBus (Acc)

Company secretary

Mr Boehm joined Aquarius in June 1995. He is a member of CPA Australia. Mr Boehm has been involved in the management and listing of several companies in Australia, the UK and South Africa. He is responsible for the Company's Corporate Affairs and Group Finance. Mr Boehm sits on the Boards of Mimosa Investments Limited, the Group's 50%-owned Zimbabwean subsidiary and Aquarius Platinum Corporate Services (Pty) Ltd in Australia. He has 31 years' experience and has been with the Company since the commencement of its involvement in the platinum sector.

Gavin Mackay

BA, LLB, LLM (Tax Law)

Executive: Business Development and Communications

Mr Mackay joined Aquarius in February 2010 to head up its investor relations and corporate communications function and to assist with business development. Mr Mackay had previously been at Ferrexpo plc, where he had had a similar role since August 2007. Prior to that, Mr Mackay was an investment banker for JPMorgan Chase & Co. and later JPMorgan Cazenove Limited in London for four years. During this time he was involved in many M&A and equities transactions, primarily in the mining sector, including the IPO of Ferrexpo plc in June 2007. Mr Mackay is a qualified Attorney of the High Court of South Africa, and had worked as a lawyer specialising in commercial and tax law in Johannesburg and London before joining JPMorgan in 2003.

Jean Nel

CA(SA), CFA (AIMR)

Executive: Corporate Finance

Mr Nel joined Aquarius in 2011. He obtained his CA(SA) qualification on completing his articles at Deloitte & Touche in 1998 and obtained the CFA (AIMR) qualification in 2003. Having completed his articles, Mr Nel worked in the corporate finance department of Investec

Bank Limited for approximately four years, focussing primarily on the South African mining and resources sector. Mr Nel left Investec in 2003 to consult in the resources sector for, among others, Aquarius. Mr Nel has 12 years' experience in resource corporate finance and commercial work.

South Africa: Operational Management

Anton Lubbe

BSc (Mining), GDE, MBA

*Managing Director**

Mr Lubbe joined AQPSA in October 2008 as Operations Director Western Limb Operations. Mr Lubbe has 28 years of mining experience, with exposure to gold, platinum, chrome and copper. He has 10 years of experience as General Manager, three years as Divisional Director New Business for DRDGOLD, and three years contracting experience as Operations Director of JIC (Mining). He also served on the boards of DRDGOLD and its subsidiaries, and Westdawn Investments (Trading as JIC Mining).

Hélène Nolte

BCom (Acc) Hons, CA(SA)

*Finance Director**

Ms Nolte joined AQPSA in July 2008 as Finance Director. She began her career at KPMG where she spent 10 years providing services to predominantly mining industry clients, her last position being that of Senior Audit Manager. She was involved with AQPSA from 1999 in an auditing capacity and from 2004 in a consulting capacity.

Mkhululi Duka

BSocSc, P.G.D. HRM, Cert. Advanced OD, Cert. Financial Management

*Director: Human Resources & Transformation**

Mr Duka began his career as a Human Resources professional at Eskom in 1994 after graduating in a Bachelor of Social Sciences and Humanities degree from the University of Cape Town. Mr Duka acquired and shared his experience and HR expertise in various industries such as energy, government, banking, mining and oil and gas. He was Senior Human Resources Manager at the Petroleum Oil & Gas Corporation of South Africa (Pty) Ltd (PetroSA) before joining AQPSA in June 2008 as Group Human Resources Manager. Mr Duka was subsequently appointed as General Manager: Human Resources & Transformation in August 2008 and promoted to Director: Human Resources & Transformation on 1 August 2010.

* *Director of AQPSA*

Abraham van Ghent

BSc Mining Engineering

Senior General Manager: Operations

Mr van Ghent joined AQPSA in July 2009. A mining engineer with 25 years' relevant mining experience, Mr van Ghent was previously employed by Murray & Roberts (MRC) as senior project manager at the Kroondal and Marikana mines. He started his mining career in 1985 as a learner official at the then Elandsrand Gold Mine and worked for AngloGold Ashanti Limited for 20 years before moving to MRC.

Graham Ferreira

BCompt, (Hons) BAcc, CPA

General Manager Group Admin and Company Secretary

Mr Ferreira has been with AQPSA and its forerunners since May 1998. Mr Ferreira was appointed General Manager Group Administration and Company Secretary in 2001. He began his career with Ernst & Young in 1976, servicing mostly the mining industry clients and later gaining experience in the retail and trade exhibition industries.

Radesh Sukhdeo

Dip Elect Eng. Dip Management

Group Manager – Processing

Mr Sukhdeo started his minerals processing career at Minopex in 1999, as an Instrument Technician at the Kroondal K1 concentrator. He was then transferred to the Marikana operation for the commissioning and ramp up phase and was appointed Plant Superintendent. He was then transferred to the Everest Plant as the Plant Manager. After the plant was commissioned, Mr Sukhdeo was appointed Area Manager looking after the K1, K2 and Marikana Concentrators. He was then appointed Group Manager – Processing at AQPSA in March 2010. Mr Sukhdeo resigned on 30 June 2011.

Wessel Phumo

NHD (Mining Engineering) BTech (Mining Engineering)

General Manager Operations: Kroondal

Mr Phumo began his career as a learner official at Saaiplaas Gold Mine in January 1988 and held various positions in the Harmony Group until May 2007 when he joined AQPSA as Mine Manager. Mr Phumo was promoted to General Manager Operations: Marikana in December 2007 and was subsequently appointed General Manager: Kroondal on 7 March 2011.

Jenkins Kroon

BEng (Mining Engineering)

Acting General Manager: Marikana

Mr Kroon started his mining career in 2000, as a Learner Official with Anglo Platinum. After a year's experience at Rustenburg Platinum Mine, he studied mining engineering at the University of Pretoria, graduating in 2004. On gaining experience in conventional narrow reef mining at Anglo, he joined Xstrata Chrome in 2006 as Projects Overseer, in a low-profile mechanised section. He progressed through the ranks to Mine Manager, a position he held until August 2009. He joined AQPSA as Mine Manager of Kwezi Shaft at the Kroondal operations in September 2009 and was subsequently appointed as Acting General Manager: Marikana on 7 March 2011.

Gus Simbanegavi

BSc (Mining), MBA, MAusIMM

General Manager Operations: Everest

Mr Simbanegavi joined AQPSA in May 2008 as mine manager for Marikana operations. He was then appointed General Manager Everest Mine. Prior to this, Mr Simbanegavi was employed by Zimplats in 2001 where he held several senior management positions for both open pit mining and mechanised underground mining. He has more than 10 years' mine management experience in both gold and platinum mining.

Jan Hattingh

NHD (Electrical & Mechanical Engineering), GCC Electrical, GCC Mechanical

General Manager: Engineering

Mr Hattingh started his career as an Apprentice Electrician at Anglo Coal in May 1988. He became a Junior Engineer in 1994 and obtained his GCC Electrical and Mechanical Certificates of Competency in 1995. After various appointments as Section Engineer in coal, chrome and platinum, he joined AQPSA as Engineering Manager at Kroondal Mine in December 2009. He was subsequently appointed General Manager Engineering in January 2011.

David Starley

BSc (Hons) (Mining)

General Manager: Projects

Mr Starley joined Aquarius/Kroondal Platinum Ltd in March 1998 and has in excess of 30 years' experience in the mining industry (asbestos, gold and platinum) both in Zimbabwe and South Africa. The larger, latter part of his mining career has been in platinum which commenced at Lefkokrysos' Platinum Mine in 1988. He held management positions at Lonmin's Eastern Platinum and the Hartley Platinum Project in Zimbabwe prior to starting at Kroondal. He is also an Associate of the Camborne School of Mines.

Zimbabwe: Operational Management

Winston Chitando

B.Acc.

Managing Director

Mr Chitando was appointed Managing Director of Mimosa with effect from 1 October 2007, having been an Executive Director since 2002. Up until 30 September 2007, he was also Commercial Director of Zimasco. On leaving college in 1985, Mr Chitando joined Wankie Colliery Company. From 1990 he worked for Anglo American Corporation Zimbabwe, until joining Zimasco in 1997.

Herbert S. Mashanyare

B.Sc. (Chem), MPhil (Applied Research in Metallurgy), M.Sc. Eng., Diploma of Imperial College, (DIC)

Executive Director

Mr Mashanyare was appointed Technical Director in July 2004 and was responsible for growth and other major projects, research and development and the implementation of best practice at Mimosa. He was appointed Executive Director in August 2011. Mr Mashanyare was previously the Metallurgical Executive responsible for process projects and improvements. His prior work experience includes eight years at Rio Tinto Zimbabwe, six years at the Institute of Mining Research and 13 years at Union Carbide.

Peter R Chimboza

B.Sc. (Physical Science)

Resident Director

Mr Chimboza joined Mimosa Mining Company in August 2004 as General Manager and was appointed Production Director in January 2006. He was appointed Resident Director in January 2010 with overall responsibility for operations at Mimosa Mine. Prior to joining Mimosa, Mr Chimboza worked for Zisco Steel and Zimasco in senior management positions at their metallurgical processing operations.

Fungai Makoni

B.Com. Accounting, CTA, Part II FQE ICAZ

General Manager Finance and Administration

Mr Makoni joined Mimosa in December 2004 as Finance Executive in the Harare office and was appointed Company Secretary in April 2005. He was subsequently appointed to the position of General Manager Finance and Administration on 1 October 2007. On leaving college, Mr Makoni trained with Deloitte and Touche in Zimbabwe before joining Zimasco in July 2002.

Nathan Shoko

B.Comm., Post-Graduate Diploma in Applied Accounting, Diploma in Management Accounting

General Manager Planning and Commercial Services

Mr Shoko joined Mimosa in August 2003 as Finance Executive with responsibility for finance and administration at the mine. In January 2008, he was appointed Commercial Executive with responsibilities in procurement, projects and estates administration. He was subsequently appointed to the position of General Manager Commercial Services in January 2010. He was appointed General Manager Planning and Commercial Services in August 2011. Prior to joining Mimosa, Mr Shoko was the Finance Manager for Zimasco. After college, Mr Shoko trained with Deloitte & Touche in Zimbabwe before joining Zimasco in 1999.

Tapson Nyamambi

Certificate of Competency in Mine Surveying

General Manager Mining Services

Mr Nyamanbi was appointed Mining Executive in February 2006. He was subsequently appointed General Manager Mining in August 2008. He currently focuses on mining services with particular emphasis on mining best practice and continuous improvement. Mr Nyamambi joined Mimosa in 1998 as a production superintendent and was promoted to Mine Manager in 2002. Prior to joining Mimosa, he worked as the Chief Surveyor for Zimasco's Shurugwi Division for seven years.

Admire I. Makuvaro

B.Sc. Engineering Honours (Mechanical)

General Manager Technical Services

Mr Makuvaro joined Zimasco in 1996 as a Projects Manager, a position he held until joining Mimosa as a Projects Engineer in 2001 during the Phase expansion III project. Upon completion of the Phase III project, Mr Makuvaro was appointed Materials Handling Manager. He was subsequently appointed Projects Manager, a position he held until his promotion in July 2008 to the position of Engineering Executive. Mr Makuvaro was appointed to the position of General Manager Engineering Services in January 2010. He was appointed General Manager Technical Services in August 2011. He has previously worked for Mobil and Zimbabwe Phosphate Industries as a design and projects engineer prior to joining Zimasco.

FINANCIAL STATEMENTS

The directors of Aquarius Platinum Limited (Aquarius) provide hereunder their report as to the results and state of affairs of the Group for the financial year ended 30 June 2011. The consolidated financial information is presented in US Dollars.

Directors

The names of the directors of the parent entity in office during the financial year and until the date of this report are as follows:

Nicholas T. Sibley

Non-executive Chairman

Mr Sibley is a Chartered Accountant, a director of Richland Resources Ltd, Wah Kwong Maritime Transport Holdings Ltd and a quoted investment company. He was formerly Deputy Chairman of Wheelock Capital from 1994 to 1997, as well as Executive Chairman of Barclays de Zoete Wedd (Asia Pacific) Limited, from 1989 to 1993. Mr Sibley is a former director of Barclays de Zoete Wedd Holdings Ltd. Mr Sibley was appointed to the Aquarius Platinum Board in October 1999 and assumed the Chairmanship in July 2002. Mr Sibley is a member of the Audit/Risk, Nomination and Remuneration & Succession Planning Committees of the Group.

Stuart A. Murray

Chief Executive Officer

Mr Murray joined Aquarius Platinum Limited in May 2001 and was appointed Chief Executive Officer in September 2001. After obtaining his degree in Chemical Engineering from Imperial College, London, Mr Murray commenced his career in 1984 with Impala Platinum Holdings Limited. He is Chairman of Aquarius Platinum (South Africa) (Pty) Ltd (AQPSA), the Group's 100% owned subsidiary. Mr Murray sits on the Boards of Mimosa Investments Limited, the Group's 50% owned Zimbabwean subsidiary, Platinum Mile Resources (Pty) Ltd, the Group's 50% owned tailings retreatment company, and Aquarius Platinum (SA) Corporate Services (Proprietary) Limited, the owner of 50% of the Chrome Tailings Retreatment Plant. Mr Murray is a member of the Nomination Committee and Executive Committee of AQPSA.

Sir William Purves

Non-executive Director

Sir William Purves joined The Hong Kong and Shanghai Banking Corporation in 1954 (now part of the HSBC Group) being appointed Chief Executive in 1986 and Group Chairman the following year. Following its acquisition in 1992, he also became Chairman of Midland Bank. He retired from the HSBC Group in 1998 after 44 years service. Sir William Purves is a non-executive director of a number of private companies and was a non-executive director of Shell Transport and Trading from 1993 to 2002. He was also a member of the Executive Council, Hong Kong's highest policy-making body. He was appointed a Commander of the Order of the British Empire in 1990 and was knighted in 1993. Sir William Purves was appointed to the Aquarius Platinum Board in February 2004 and is Chairman of the Audit/Risk Committee, Senior Independent Director of the Company and a member of the Nomination Committee.

David R. Dix

Non-executive Director

Mr Dix's background is in economics, law and taxation and he is a Barrister and Solicitor in the High Court of Australia. He has held various positions with Shell Australia Limited and worked for 16 years in Corporate Advisory at both Macquarie Bank Limited and UBS AG specialising in the mining industry, including Head of Resources for Asia Pacific and in London as Head of Mining. Mr Dix is Non Executive Chairman of Australian oil company, AED Oil Limited, and Non Executive Chairman of Troy Resources NL. Mr Dix was appointed to the Aquarius Platinum Board in March 2004 and is a member of the Audit/Risk, Nomination and Remuneration & Succession Planning Committees. He brings to Aquarius a wealth of experience gained in the international business and resources communities.

G. Edward Haslam

Non-executive Director

Mr Haslam joined Lonmin plc in 1981 and was appointed a director of Lonmin plc in 1999 and Chief Executive Officer in November 2000. He retired from Lonmin plc in April 2004. Mr Haslam is Chairman of Finnish Nickel Mining Company Talvivaara plc, which completed its listing on the LSE in June 2007. He is a Senior Independent Director of the South African company Namakwa Diamonds Ltd., which completed its listing on the JSE in December 2007. In March 2011, he was appointed Senior Independent Director of London and Toronto listed gold miner Centamin Egypt Limited. Mr Haslam was appointed to the Aquarius Platinum Board in May 2004 and is Chairman of the Remuneration & Succession Planning Committee and a member of the Audit/Risk and Nomination Committees.

Tim Freshwater

Non-executive Director

Mr Freshwater is a solicitor in the UK and Hong Kong and has been involved in Asian markets for over 35 years. Mr Freshwater, Vice Chairman of Goldman Sachs Asia, is also a director of a number of companies, including Swire Pacific Limited, Chong Hing Bank Limited, Cosco Pacific Limited and Grosvenor Asia Pacific Limited. Mr Freshwater was appointed to the Aquarius Platinum Board in August 2006 and is a member of the Nomination Committee.

Kofi Morna

Non-executive Director

Mr Morna is an Executive Director of Savannah Resources (Pty) Ltd, the lead investor in the Savannah Consortium, Aquarius Platinum's BEE partner. Prior to joining Savannah Resources, Mr Morna worked with the International Finance Corporation as an Investment Officer, Gemini Consulting as a Senior Management Consultant and Schlumberger Oilfield Services as a Field Engineer. Mr Morna holds an MBA from the London Business School and a BS from Princeton University in the United States. He is currently a director of Mkhombi Holdings, Hall Core Drilling, AIM and ASX listed Ferrum Crescent, and a number of private mining exploration and beneficiation companies. Mr Morna joined the Board of AQPSA in February 2005 and was appointed to the Aquarius Platinum Board in February 2007. Mr Morna is a member of the Audit/Risk and Nomination Committees of the Group.

Zwelakhe Mankazana

Non-executive Director

Mr Mankazana is an Executive Director of Savannah Resources (Pty) Ltd, the lead investor in the Savannah Consortium, Aquarius Platinum's BEE partner. Mr Mankazana holds an MSc in Economics from the Patrice Lumumba University of Friendship. In addition to his interests in mining, Mr Mankazana is a founder of South African mobile operator Cell C and serves on the boards of its holding companies. He also represents BEE shareholders on the board of the holding company for Siemens and Nokia Siemens Networks in South Africa. He participates in community work through his involvement with several development and education trusts. Mr Mankazana joined the Board of AQPSA in February 2005. He was appointed to the Aquarius Platinum Board in November 2008 and is a member of the Remuneration & Succession Planning and Nomination Committees of the Group.

Company secretary

Willi M.P. Boehm

Mr Boehm joined Aquarius in June 1995. He has been with the Company since the commencement of its involvement in the platinum sector and is responsible for the Company's corporate affairs. He has over 30 years experience.

Interests in the shares and options of the company

As at the date of this report, the interest of the directors in the shares and options of Aquarius Platinum were:

Director	Common Shares
N.T. Sibley	1,777,777
S.A Murray	1,676,231
Sir W. Purves	–
D.R. Dix	100,000
G.E. Haslam	16,666
T Freshwater	–
K. Morna [1]	63,254,371
Z. Mankazana [1]	63,254,371

[1] *The interests held by Mr Morna and Mr Mankazana arise as a result of their directorship and beneficial interest in Savannah which, as a member of the Savannah Consortium, holds 63,254,371 Common Shares.*

Principal activities

The principal activities of companies within the Group during the financial year were mine development, concentrate production and investment. During the year, the principal focus revolved around the operations of the Kroondal platinum mine, the Marikana platinum mine, the Mimosa platinum mine, the Everest platinum mine, the Platinum Mile joint venture, the Chrome Tailings Retreatment Plant, the Blue Ridge mine and the Sheba's Ridge project.

Results of operations

The Group's net loss for the year after income tax was $10.4 million after a $159.8 million impairment of the Ridge assets due to the Blue Ridge mine ceasing operations (2010: net profit of $27.8 million).

Review of operations

Highlights during the year included:

Strategic:

- Acquired Afarak Platinum for $109.9 million to facilitate potential mine life extensions at Kroondal and Marikana
- Agreed to acquire Booysendal South for approximately $180 million to extend the mine life and expand production at Everest
- Agreed to purchase a further 41.7% interest in Platinum Mile for approximately $17 million, which will increase ownership in that asset to 91.7%

Financial:

- Revenue increased by 45% to $682.9 million (2010: $472.2 million)
- Mine EBITDA increased by 40% to $203.2 million (2010: $145.1 million)
- Headline earnings (before exceptional charges) increased more than fivefold to $142.8 million (2010: $23.6 million)
- Asset impairment of the Blue Ridge mine (non-cash) of $159.8 million following cessation of operations
- Final dividend of US 4 cents per share declared, taking the full year dividend to US 8 cents per share (2010: US 6 cents)

Operational:

- Global industry best practice hangingwall support methodology implemented across South African mines following the tragic Marikana multiple fatal accident in July 2010
- Group attributable production increased by 15% to 487,404 PGM ounces for the full year
- Everest mine ramping up successfully
- Operations suspended at Blue Ridge mine and Marikana's 1 Shaft due to low Rand PGM prices

Group attributable mine production for the year was 487,404 PGM ounces, an increase of 15% compared to the previous financial year. The increase in production was mainly attributable to the continued ramp up of the re-commissioned Everest mine.

Regrettably, eight fatalities occurred at the Group's operations during the year. As reported in the prior year's annual report, on 6 July 2010 a multiple fatal accident tragically claimed the lives of five employees in a single fall-of-ground incident in 4 Shaft at Aquarius' Marikana Mine near Rustenburg in South Africa. The ensuing events have been set out in detail in a series of public announcements issued by the Company in July 2010, and summarised in full in ensuing releases and in the 2010 Annual Report. Following this accident, the Company retained the services of an external consultant to advise on the best possible safety practices relating to hangingwall support and fall-of-ground prevention to employ in its underground mines. New codes of conduct were agreed and Aquarius is currently rolling out these new measures at its mines. Comprehensive detail on these new safety measures and support systems is available in previous disclosures. The measures have been independently audited and were found to be of a global industry standard.

In April 2011, Aquarius completed the acquisition of platinum group metal mineral rights by way of the purchase of Afarak Platinum (Proprietary) Limited ("Afarak"), a private company incorporated in South Africa. Aquarius holds directly 74% of the issued share capital of Afarak, with the remaining 26% held by Watervale (Proprietary) Limited, an empowerment company controlled by Savannah Resources (Proprietary) Limited, Aquarius' major shareholder and Black Economic Empowerment partner. Aquarius has a direct 47% interest in Watervale. The transaction has been fully funded by Aquarius with the Watervale share funded via a non-recourse loan from the Group. Accordingly, in accordance with the substance of the agreement, the acquisition has been treated as an acquisition of an asset, being the acquisition of interests in the new order prospecting rights to two properties known as Hoedspruit and Kruidfontein.

In May 2011, the Company and AQPSA entered into a binding Sale of Rights Agreement with Northam Platinum Limited to acquire the platinum group metals and associated base metals mineral rights on farms adjacent to AQPSA's Everest Mine on the eastern limb of the Bushveld Igneous Complex. Aquarius Group companies will pay R1.2 billion (approximately $180 million) to the Northam Group, subject to certain conditions being met. The transaction is subject to a lengthy regulatory approvals process and is expected to close in the second half of 2012.

Blue Ridge mine ceases operations

In June 2011, Aquarius announced that its 50% owned mine, Blue Ridge, ceased mining operations and further mine development, largely as a result of the continuing low Rand PGM price environment. Discussions continue with the lenders to the mine on a suitable resolution to its debt situation. Aquarius is a significant creditor of the Blue Ridge mine and has extended no corporate guarantees to the other providers of third party debt to the mine.

Zimbabwean indigenisation

During the current year, the Minister of Youth, Indigenisation and Economic Empowerment of Zimbabwe published a statutory instrument in the Government Gazette, General Notice 114 of 2011 (the "Notice"), setting out the requirements for the implementation of the provisions of the Indigenisation and Economic Empowerment Act and its supporting regulations as they pertain to the mining sector.

The Notice defines the minimum indigenisation and empowerment quota as "a controlling interest or 51% of the shares or interests which in terms of the Act is required to be held by indigenous Zimbabweans in the non-indigenous mining business concerned". The Notice requires that disposals of the required indigenisation interests must be to defined "designated entities", which include the National Indigenisation and Economic Empowerment Fund, the Zimbabwe Mining Development Corporation or any company incorporated by that entity, a statutory sovereign wealth fund that may yet be created, or an employee share ownership scheme or trust.

Aquarius submitted its Indigenisation Plan in May 2011, in line with the requirements of the Notice. In August 2011, Aquarius' indirectly held Zimbabwean subsidiary Mimosa Holdings (Pvt) Ltd ("Mimosa"), was advised in writing by the Minister of Youth Development, Indigenisation and Empowerment that the proposed plan for indigenisation submitted by Mimosa in May 2011 had been rejected, and further advised that Mimosa was required to submit a revised proposal by the end of August. It has been agreed that a revised proposal will be submitted in late September 2011 for consideration by the Minister of Youth Development, Indigenisation and Empowerment. Mimosa's senior management remains in discussions with all of the various relevant Zimbabwean authorities in order to ensure that a satisfactory position is arrived at within the timeframes required by the relevant legislation.

Operating results

Aquarius' recorded headline earnings of $142.8 million for the financial year. This represented a five-fold increase compared to the prior year, and was supported by a 45% increase in revenue and a 15% increase in production. The Group recorded a net loss for the year of $10.4 million, following impairment of the Ridge assets due to the Blue Ridge mine ceasing operations.

The operating result at mine level (mine EBITDA) of $203.2 million was 40% higher compared to the prior year, following an increase of 85,236 PGM ounces of production. This 15% increase in production was derived mainly from the restart of the Everest mine.

Revenue for the year was $682.9 million, up 45% from $472.2 million in the prior year. The increased revenue was a result of an increase in production of 85,236 PGM ounces, an 18% increase in the US Dollar PGM basket price achieved for South African operations and a 29% increase in the US Dollar price in Zimbabwe. Measured on a PGM ounce basis, group revenue increased by 20% to $1,395 per PGM ounce from $1,164 per PGM ounce in the prior year.

Total cost of production was $507.7 million, up 44% per PGM ounce in dollar terms, due to increased production volumes in addition to being materially influenced by inflationary pressures and Rand strength. The Rand strengthened by 8% on average against the US Dollar.

An impairment charge of $159.8 million against the carrying value of the Ridge assets has been recognised. Aquarius continues in discussions with its Blue Ridge partners, Imbani Platinum, and lenders, to explore all alternatives with respect to the future direction and development of the Ridge assets, particularly the Blue Ridge mine. Aquarius, (which acquired a Rand Merchant Bank (RMB) loan to Blue Ridge (inclusive of all RMB's rights)), is also a preferred creditor. The loans to Blue Ridge from Aquarius, DBSA and IDC are preferential and rank equally.

Dividends

The directors declared a final dividend of 4 cents for the year. An interim dividend of 4 cents was paid during the year.

Significant changes in the group's state of affairs

The directors are not aware of any significant changes in the state of affairs of the Group that occurred during the financial year, which have not been covered elsewhere in this Annual Report.

Events subsequent to the end of the financial year

Purchase of 41.7% interest in Platinum Mile Resources

In August 2011, the Group completed the purchase of a 41.7% interest in Platinum Mile Resources (Pty) Ltd from a combination of Mvelaphanda Holdings Limited and PlatMile management for R115.5 million (approximately $17 million). This brings the Group's holding in PlatMile to 91.7%. At the date of this report, initial accounting for the business acquisition has not yet been determined with the fair value assessment of the identified assets and liabilities acquired at acquisition and the estimate of the fair value of the contingent consideration to be finalised. As a result, it is not possible to disclose the fair value of the identified assets and liabilities that will be recognised, the fair value of consideration transferred or to calculate the value of goodwill, if any.

Zimbabwean indigenisation

In August 2011, the Group received a letter from the Minister of Youth Development, Indigenisation and Empowerment that rejected the proposed plan for indigenisation submitted by Mimosa in May 2011, and required that Mimosa submit a revised proposal. Mimosa's senior management remain in discussions with all of the various relevant Zimbabwean authorities to ensure that a satisfactory position is arrived at within the timeframes required by the relevant legislation and will submit a revised plan in late September 2011.

Likely developments and expected results

Other than matters referred to in this report, the directors make no comments regarding the likely developments in the operations of the Group and the expected results of those operations in subsequent financial years. In the opinion of the directors, any further disclosures might prejudice the interests of the Group.

Environmental regulation and performance

Companies within the Aquarius Platinum Group are required, on cessation of mining operations, to rehabilitate the relevant mining area on which mining operations have been conducted. Mr Anton Lubbe, Managing Director of AQPSA, is the officer responsible for compliance on these matters for all South African properties within the Group. Mr Winston Chitando, Managing Director of Mimosa Group of Companies in Zimbabwe, is the officer responsible on these matters for all Zimbabwean located properties within the Group. In South Africa, the Company makes annual contributions to established trusts in order to provide for its obligations in respect of environmental rehabilitation. Environmental activities are continuously monitored to ensure that established criteria from each operation's environmental management programme, approved by relevant authorities, have been met. There have been no known significant breaches of any environmental conditions.

Meetings of directors

The number of meetings of the Board of Directors of the parent entity held during the year ended 30 June 2011 and the number of meetings attended by each director are reported in the table below.

Director	Number of meetings held whilst in office				Number of meetings attended			
	Board	Remuneration and succession Planning	Audit/ Risk	Nomi-nation	Board	Remuneration and succession Planning	Audit/ Risk	Nomi-nation
N.T. Sibley	4	1	4	1	4	1	4	1
S.A. Murray	4	–	–	1	4	–	–	1
Sir W. Purves	4	–	4	1	4	–	4	1
D.R. Dix	4	1	4	1	4	–	4	1
G.E. Haslam	4	1	4	1	4	1	4	1
T. Freshwater	4	–	–	1	4	–	–	1
K. Morna	4	–	4	1	4	–	3	1
Z. Mankazana	4	1	–	1	4	–	–	1

Directors' and officers' insurance

During the year, the parent entity has paid an insurance premium in respect of a contract insuring against liability of current directors and officers. The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability insurance contract, as such disclosure is prohibited under the terms of the contract.

Going concern

The directors are satisfied that the Company has adequate financial resources to continue in operational existence for the foreseeable future. The financial statements have been prepared on the going concern basis.

Directors' and executives' emoluments

The Board is responsible for determining and reviewing compensation arrangements for the directors and executive management. The Board assesses the appropriateness of the nature and amount of emoluments of such officers on an annual basis by reference to industry and market conditions. In determining the nature and amount of officers' emoluments, the Board takes into consideration the Company's financial and operational performance.

Details of the nature and amount of each element of the emolument of each director of the Group and the other key management personnel in aggregate during the financial year are shown in the table below. Refer also to Note 35 – Share-based payment plans and Note 36 – Related party disclosures for participation by the directors and the key management personnel in the Company's Share Plan and Option Plan.

	Short-term benefits						Share-based payments	Post employment	
Director	Board fee $	Remuneration Committee $	Senior Independent Director $	Audit/ Risk Committee $	Base salary $	Bonus $	Share options $	Retirement benefits $	Total $
N.T. Sibley	220,000	–	–	–	–	–	–	–	220,000
S.A. Murray	100,000	–	–	–	1,069,390	1,208,308	–	75,290	2,452,988
Sir W. Purves	100,000	–	15,000	15,000	–	–	–	–	130,000
D.R. Dix	100,000	7,500	–	7,500	–	–	–	–	115,000
G.E. Haslam	100,000	12,000	–	7,500	–	–	–	–	119,500
T.Freshwater	100,000	–	–	–	–	–	–	–	100,000
K.Morna	100,000	–	–	7,500	–	–	–	–	107,500
Z. Mankazana	100,000	7,500	–	–	–	–	–	–	107,500
	920,000	27,000	15,000	37,500	1,069,390	1,208,308	–	75,290	3,352,488
Other key management personnel	–	–	–	–	1,934,009	915,077	–	191,658	3,040,744

Signed in accordance with a resolution of the directors.

Stuart Murray
Director
29 September 2011

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of Aquarius Platinum is committed to the principles of good corporate governance and aims to achieve the highest standards and best practice in its overall performance. In accordance with the Australian Securities Exchange Corporate Governance Council's (the Council's) Corporate Governance Principles & Recommendations (the Recommendations) it has established systems of accountability and control through its corporate governance framework as outlined in its corporate governance statement.

Aquarius acknowledges the Council's amendments to the Recommendations released on 30 June 2010 which take effect for the first financial year of listed entities beginning on or after January 2011. The Board is conscious that the corporate governance environment is constantly evolving and the charters and policies under which it operates its business will continue to be monitored and amended. The Company will disclose the extent to which it has followed the guidelines and any reasons for departure from these. The charters or their summaries referred to in the following statement are available in the Corporate Governance section on the website at www.aquariusplatinum.com.

Board of directors

Role and responsibilities of the board

The Board is responsible for the overall effective management of the Group. It seeks to ensure that its activities conform to the regulatory and ethical requirements of its business affairs by establishing policies and controls to monitor the Group's long-term strategic direction and financial decision making. The Board aims to create sustainable value for shareholders and act in the best interests of its stakeholders, including employees, suppliers and the communities in which it operates.

The Board is governed by a Charter which establishes guidelines to ensure its members act in the best interest of the Company. A summary of the Charter can be found on the website at www.aquariusplatinum.com.

The division of responsibilities between the Chairman and executive management, led by the Chief Executive Officer, are separate and clearly defined below:

- The Chairman, Mr Nicholas Sibley, is a non-executive independent director. He is responsible for leadership of the Board ensuring its members receive accurate, timely and clear information in order to facilitate effectiveness of its role. He sets the Board's agenda, conducts its meetings and facilitates effective communication with shareholders.
- The Chief Executive Officer and Managing Director, Mr Stuart Murray, has responsibility for the management of the Group and leads executive management. He has been delegated responsibility by the Board for the day-to-day operation and administration of the Company. The Chief Executive Officer is assisted in managing the business of the Group by the Managing Director, the Executive Committee and the Board of Aquarius Platinum (South Africa) (Pty) Ltd. Mr Murray represents the Group's interests as a director of the Mimosa Group of companies which owns the Mimosa Platinum Mine in Zimbabwe.

Structure of the board

The bye-laws of the Company determine that the Board consists of not less than two and no more

Board Structure

Name of director in office at the date of this report	Date appointed to office	Executive/ Non-executive	Independent
N.T. Sibley – Chairman	26 October 1999	Non-executive	Yes
S.A. Murray – Chief Executive Officer	21 May 2001	Executive	No
Sir W. Purves	10 February 2004	Non-executive	Yes
D.R. Dix	31 March 2004	Non-executive	Yes
G.E. Haslam	1 May 2004	Non-executive	Yes
T. Freshwater	9 August 2006	Non-executive	Yes
K. Morna	6 February 2007	Non-executive	No
Z. Mankazana	6 November 2008	Non-executive	No

than nine directors. At the date of this report, the Board is comprised of eight directors, seven of whom are non-executive directors, including the Chairman, Mr Nicholas Sibley, and one executive director, Mr Stuart Murray, Chief Executive Officer.

The names of directors, their relevant qualifications and experience are set out in the Directors' Report within this Annual Report. Their status as non-executive, executive or independent directors and tenure on the Board is set out in the table above.

Director independence

The Board works to ensure the majority of directors are non-executive, therefore bringing independence, objectivity and a broad range of expertise to the Group.

To facilitate their decision making, each director has the right to seek independent professional advice on matters relating to their position as a director or committee member of the Company at the Company's expense, subject to prior approval of the Chairman, which shall not be unreasonably withheld.

Independence of directors in essence means those directors independent of management and free of any business or other relationship that could, or could reasonably be perceived to, materially interfere with the exercise of unfettered and independent judgement.

In line with the recommendations, the Board has accepted the guidelines outlined below in determining the independence of non-executive directors. In accordance with these, all directors, with the exception of Mr Stuart Murray as Chief Executive Officer of the Company, Mr Kofi Morna and Mr Zwelakhe Mankazana, who represent the Savannah Consortium's BEE interests, are deemed independent.

The Board has accepted the following definition of an independent director.

An independent director is someone who is not a member of management, is a non-executive director and who:

a) is not a substantial shareholder (5%) of the Company or an officer of, or otherwise associated directly with a substantial shareholder of the Company;

b) within the last three years has not been employed in an executive capacity by the Company or another Group member, or been a director after ceasing to hold any such employment;

c) within the last three years has not been a principal of a material professional adviser or a material consultant to the Company or another Group member, or an employee materially associated with the service provided;

d) is not a material supplier or customer of the Company or other Group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer; and

e) has no material contractual relationship with the Company or another Group member other than as a director of the Company.

Board evaluation

The Board of Aquarius conducts regular reviews of itself on an ongoing basis throughout the year. The size of the Company and hands on management style requires an increased level of interaction between directors and executives throughout the year. Board members meet amongst themselves and with management both formally and informally. The Board considers that the current approach it has adopted with regard to the review of its performance and of its key executives provides the best guidance and value to the Group.

Meetings of the board

In order to retain full and effective control over the Company and monitor the executive management team, the Board meets regularly and at least on a quarterly basis. Details of directors' attendance at these meetings are set out in the Directors' Report. An agenda set by the Chairman and briefing materials are distributed to each director approximately seven days prior to each meeting to ensure each director is familiar with the scheduled matters of business. All directors may add a matter to the agenda or raise matters not on the agenda at any Board meeting. Key executives and senior management of the Company contribute to board papers and are invited to attend Board meetings from time to time.

Directors' retirement and re-election

Aquarius' bye-laws determine that at each Annual General Meeting, at least one third of the Board are retired by rotation, therefore holding their positions for no longer than three years. This period of time provides continuity. Non-executive directors are appointed for a three-year term and may be invited to seek reappointment. A director appointed during the year is subject for election at the forthcoming Annual General Meeting. Pursuant to the bye-laws of the Company, the Chief Executive Officer is not subject to retirement by rotation.

Senior independent non-executive director

The senior independent non-executive director, Sir William Purves, is appointed by the Board.

Succession planning

The Board brings the range of skills, knowledge, international experience and expertise necessary to govern the Group, but it is aware of the need to ensure processes are in place to assist with succession planning, not only for the Board, but within senior management. The Board periodically assesses its balance of skills and those of the Group in order to maintain an appropriate balance within the Company.

Induction and education

In order to assist directors in fulfilling their duties and responsibilities within the Company, a comprehensive induction programme is provided, including meetings with other Board members, the executive team, senior management and visits to the operating sites of the Company in South Africa and Zimbabwe. The program enables the new appointees to gain an understanding of the Company's financial, strategic, operational and risk management position at all times. Full access to all documentation pertaining to the Company is provided.

Company secretary

The Company Secretary, Mr Willi Boehm, is responsible for supporting the effectiveness of the Board by monitoring that Board policy and procedures are complied with, coordinating the flow of information within the Company and the completion and despatch of items for the Board and briefing materials. The Company Secretary is accountable to the Board on all governance matters. All directors have access to the services of the Company Secretary. The appointment and removal of the Company Secretary is a matter for the Board as a whole.

Code of conduct

The Aquarius Code of Conduct has been developed by the Board to provide a framework for all employees to conduct the business of the Company in an ethical and legal manner. The Board believes it is important that the Company maintains its obligations to shareholders and stakeholders.

There are areas in which the Company must develop detailed policies in accordance with the requirements of local authorities and comply with local laws. The Code of Conduct stands as a set of principles developed by the Board to guide all employees to act with integrity and make informed choices when communicating or acting on behalf of the Company.

The Board and senior executives of the Company have a clear commitment to the Code of Conduct. A summary of The Code of Conduct is available at www.aquariusplatinum.com.

Diversity policy

Following the Council's amendments to the Recommendations released on 30 June 2010 which take effect for the first financial year beginning on or after January 2011, the Board has approved a Diversity Policy. The policy documents the Company's commitment to create a work environment that is fair and inclusive. Diversity within the Group encompasses but is not limited to gender, age, ethnicity, and cultural background. Aquarius employment policies and procedures are guided by the Mineral and Petroleum Resources Development Act no. 28 of 2002 and the accompanying Broad-Based Socio-Economic Charter for the South African Mining Industry. The Board believes that diversity contributes to its business and benefits shareholders and stakeholders. The Board has responsibility for oversight of this Policy and it will be reviewed on an annual basis. More information can be found in the Corporate Citizenship Report on the website at www.aquariusplatinum.com.

Securities trading policy

The Board has adopted a policy covering dealings in securities by directors and relevant employees. The policy is designed to reinforce to shareholders, customers and the international community that Aquarius' directors and relevant employees are expected to comply with the law and best practice recommendations with regard to dealing in securities of the Company.

In addition to the Australian Securities Exchange Listing Rules, a director and relevant employees must comply with the Model Code on directors' dealings in securities, as set out in Annexure 1 to Listing Rule 9 of the Rules of the United Kingdom Listing Authority, a copy of which can be found on the Aquarius website at www.aquariusplatinum.com.

In addition to restrictions on dealing in "Closed Periods", a director and relevant employees must not deal in any securities of the Company on considerations of a short term nature and must take reasonable steps to prevent any dealings by, or on behalf of, any person connected with him in any securities of the Company on consideration of a short term nature. In line with the listing rules of the Australian Securities Exchange (ASX), the UK Listing Authority (LSE) and the JSE Securities Exchange South Africa (JSE), all dealings by directors in the securities of the Company are announced to the market.

Committees of the board

The Board has established three standing committees to assist in the execution of its responsibilities: the Audit/Risk Committee, the Remuneration & Succession Planning Committee and the Nomination Committee. Other committees are formed from time to time to deal with specific matters.

In line with best practice, each of the committees operates under a Charter approved by the Board detailing their role, structure, responsibilities and membership requirements. Each of these Charters is reviewed annually by the Board and the respective committee. Summaries of the Remuneration & Succession Planning, Nomination Committee Charters and a complete Audit/Risk Committee Charter can be found on the Aquarius website at www.aquariusplatinum.com.

Audit/risk committee

The Audit/Risk Committee (the Committee) has been established to assist the Board of Aquarius in fulfilling its corporate governance and oversight responsibilities in relation to the Company's financial reports and financial reporting process, internal control structure, risk management systems (financial and non-financial) and the external audit process. The Committee is governed by a charter approved by the Board.

The Committee consists of:

- five members;
- only non-executive directors;
- a majority of independent directors; and
- an independent chairperson, who shall be nominated by the Board from time to time but who shall not be the chairperson of the Board.

The members of the Committee at the date of this report are as follows:

- Sir William Purves (Chairman)
- Mr Nicholas Sibley
- Mr David Dix
- Mr Edward Haslam
- Mr Kofi Morna

Qualifications of Audit/Risk Committee members: Sir William Purves is the Chairman of the Audit Committee and Senior Independent Director of the Company. Sir William joined the Hong Kong and Shanghai Banking Corporation in 1954 (now part of the HSBC Group). He was appointed Chief Executive in 1986 and Group Chairman the following year.

Mr Sibley is a Chartered Accountant, a director of Richland Resources Ltd, Wah Kwong Maritime Transport Holdings Ltd and a quoted investment company. He was formerly Deputy Chairman of Wheelock Capital from 1994 to 1997, as well as Executive Chairman of Barclays de Zoete Wedd (Asia Pacific) Limited, from 1989 to 1993. Mr Sibley is a former director of Barclays de Zoete Wedd Holdings Ltd.

Mr Dix's background is in economics, law and taxation and he is a Barrister and Solicitor in the High Court of Australia. He has held various positions with Shell Australia Limited and worked for 16 years in Corporate Advisory at both Macquarie Bank Limited and UBS AG specialising in the mining industry, including Head of Resources for Asia Pacific and in London as Head of Mining. Mr Dix is Non Executive Chairman of Australian Oil Company, AED Oil Limited and Non Executive Chairman of Troy Resources NL.

Mr Haslam is the former Chief Executive of Lonmin plc. He joined Lonmin in 1981, was appointed a director in 1999 and Chief Executive Officer in November 2000. He retired from Lonmin in April 2004. Mr Haslam is Chairman of Finnish Nickel Mining Company Talvivaara plc. and Senior Independent Director of the South African company Namakwa Diamonds Ltd. In 2011 he was appointed Senior Independent Director of London and Toronto listed gold miner Centamin Egypt Limited.

Mr Morna is an Executive Director of Savannah Resources (Pty) Limited, the lead investor in the Savannah Consortium, Aquarius Platinum's BEE partner. Prior to joining Savannah Resources, Mr Morna worked with the International Finance Corporation as an Investment Officer, Gemini Consulting as a Senior Management Consultant and Schlumberger Oilfield Services as a Field Engineer. Mr Morna holds an MBA from the London Business School and a BS from Princeton University in the United States. He is currently a director of Mkhombi Holdings, Hall Core Drilling, AIM and ASX listed Ferrum Crescent and a number of private mining exploration and beneficiation companies.

The Board deems all members of the Committee have the relevant experience and understanding of accounting, financial issues and the mining industry to enable them to effectively oversee audit procedures.

The Committee reviews the performance of the external auditors on an annual basis and meets with them at least twice a year to:

- review the results and findings of the audit at year end and half year end and recommend their acceptance or otherwise to the Board; and
- review the results and findings of the audit, the appropriateness of provisions and estimates included in the financial results, the adequacy of accounting and financial controls, and to obtain feedback on the implementation of recommendations made.

The Committee receives regular reports from the external auditor on the critical policies and practices of the Company, and all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management.

The Committee assesses the Company's structure, business and controls annually. It ensures the Board is made aware of internal control practices, risk management and compliance matters which may significantly impact upon the Company in a timely manner.

The Committee meets when deemed necessary and at least twice a year. The Company Secretary acts as secretary of the Committee and distributes minutes to all Board members.

Details of attendance at Committee Meetings are set out in the Directors' Report.

Remuneration & succession planning committee

The members of the Remuneration and Succession Planning Committee (the Committee) at the date of this report are:

- Mr Edward Haslam (Chairman)
- Mr Nicholas Sibley
- Mr David Dix
- Mr Zwelakhe Mankazana

The Committee is governed by a charter approved by the Board, a summary of which is available on the Company's website at www.aquariusplatinum.com. The Board deem all members of the Committee have the relevant experience and understanding to enable them to effectively oversee their responsibilities. The members of the Committee are non-executive directors whom the Board consider independent.

The Committee reviews compensation arrangements for the directors and the executive team. The committee assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions, with the overall objective of ensuring maximum shareholder benefit from the retention of a high quality executive team. Such officers are given the opportunity to receive their base emoluments in a variety of forms including cash and fringe benefits such as motor vehicles. The nature and amount of directors' and officers' emoluments are linked to the Company's financial and operational performance.

In carrying out its responsibilities, the Committee is authorised by the Board to secure the attendance of any person with relevant experience and expertise at Committee meetings, if it considers their attendance to be appropriate and to engage, at the Company's expense, outside legal or other professional advice or assistance on any matters within its charter or terms of reference.

The Committee reviews succession planning for key executive positions (other than executive directors) to maintain an appropriate balance of skills, experience and expertise in the management of the Company. The Committee does not allow for retirement benefits of non-executive directors. Non-executive directors are remunerated by way of an annual fee in the form of cash and do not receive options or bonus payments.

For details of remuneration of directors and executives please refer to the Directors' Report.

The Committee meets as necessary, but must meet at least once a year. The Company Secretary acts as secretary of the meetings and distributes minutes to all Board members. Details of attendance at Committee Meetings are set out in the Directors' Report.

Nomination committee

In order to fulfil the Company's responsibility to shareholders to ensure that the composition, structure and operation of the Board are of the highest standard, the full Board of Aquarius acts as the Nomination Committee. The Board believes the input of all directors is essential due to their respective expertise and knowledge of the platinum industry and exposure to the markets in which the Group operates.

The Board is guided by a Charter, a summary of which is available at www.aquariusplatinum.com.

If the appointment of a new director is required to fill a vacancy on the Board, or to complement the existing Board, a range of candidates are considered. Qualifications of the proposed director are assessed by the Board to see if their skills and experience will enhance the Board and whether they will have the availability to commit to the Board's activities. As noted previously, a director appointed during the year is subject for election at the forthcoming Annual General Meeting. The Board may at times take into consideration the advice of external consultants to assist with this process.

New directors are provided with a letter to formalise their appointment. This sets out the Company's expectations once they accept the position, their duties, rights, responsibilities and policies of the Company.

Meetings take place as often as necessary, but the Committee must meet at least once a year. The Company Secretary acts as secretary of the meetings and distributes minutes to all Board members.

Appointments are referred to shareholders at the next available opportunity for election in general meeting.

Continuous disclosure

The Company has in place a Continuous Disclosure Policy, a summary of which is available on the website at www.aquariusplatinum.com. The Policy is in line with the Australian Securities Exchange's guidance policy on timely and balanced disclosure. It outlines the Company's commitment to disclosure, ensuring that timely and accurate information is provided to all shareholders and stakeholders. The Company Secretary is the nominated Communication Officer and is responsible for liaising with the Board to ensure that the Company complies with its continuous disclosure requirements.

A three member Disclosure Committee has been formed comprising the Chief Executive Officer, Mr Stuart Murray, the Company Secretary, Mr Willi Boehm and any one non-executive director. The Disclosure Committee is responsible for overseeing and coordinating the disclosure of information and announcements to the regulatory authorities, analysts, brokers, shareholders, the media and the public.

The Disclosure Committee regularly reviews the Company's compliance with its continuous disclosure obligations.

Communications with shareholders

Shareholder communication is given high priority by the Company. In addition to statutory requirements, such as the Annual Report and Financial Statements for the half and full year, Aquarius Platinum maintains a website which contains announcements and quarterly reports which have been released to the listing authorities – the ASX, LSE and the JSE, and forwarded to the U.S. Securities and Exchange Commission (SEC). Presentations that senior executives may deliver to conferences or analysts are also placed on the website as they occur so they may be viewed by shareholders and prospective investors. Shareholders are able to contact the Company via the email address at info@aquariusplatinum.com. Through the website, shareholders are also given the opportunity to provide an email address by which they are able to receive these documents. The Chief Executive Officer hosts webcasts for the half year and full year results and notification of these is provided on the Company's website.

Meetings

Aquarius Platinum Notice of Meeting materials are distributed to shareholders with an accompanying explanatory memorandum. These documents present the business of the meeting clearly and concisely and are presented in a manner that will not mislead shareholders or the market as a whole. The Notice is despatched to shareholders in a timely manner providing at least 21 days notice pursuant to the bye-laws of the Company. Each notice includes the business of the meeting, details of the location, time and date of the meeting and proxy voting instructions.

Upon release of the Notice of Meeting and Explanatory Memorandum to the ASX, LSE and the JSE, a full text of the Notice of Meeting and Explanatory Memorandums is placed on the website at www.aquariusplatinum.com for shareholders and other market participants who may consider investing in the Company. Notification of the documents release is provided on the Company's website.

Risk management

The Company has established policies on risk oversight and management. The Board is committed to monitoring, identifying and managing the material risks of the business activities across the Group. The Company has risk registers across its operations that are updated by the Chief Executive Officer and Company Secretary on a quarterly basis. They are tabled for review by the Audit Committee quarterly and by the full Board of Aquarius annually. This ensures the Board is made aware of internal control practices, risk management and compliance matters which may significantly impact upon the Company in a timely manner.

The registers set out risks that have been identified. The risks are categorised based on the severity of risk and the probability of the event occurring, and subsequently assessed. The risk registers are subject to regular review by the Board who ensure adequate control measures are identified to guarantee the highest return to shareholders and stakeholders. Further information on Risk Management is located in the Corporate Citizenship Report available on the website at www.aquariusplatinum.com.

Corporate governance compliance

Notification of departure

Item 2.5: Performance evaluation of the Board and key executives

Explanation of departure

The Board of Aquarius conducts a performance review of itself on an ongoing basis throughout the year. The size of the Company and hands on management style requires an increased level of interaction between directors and executives throughout the year. Board members meet amongst themselves and with management both formally and informally. The Board considers that the current approach it has adopted with regard to the review of its performance and of its key executives provides the best guidance and value to the Group.

Item 8.3: Disclosure of remuneration policy and procedures

Explanation of departure

The Group operates in an industry that has a limited number of participants. The industry is under constant pressure from skills shortages and is exposed to a high level of staff poaching. To protect against this, the Company considers it imprudent to disclose the names and the exact value of the remuneration received by each of key management personnel. However, in accordance with the ASX Principles of Good Corporate Governance, the Company advises that the total amount paid, as set out in the Directors' report, to the key management personnel includes payments in respect of salaries, non-cash benefits such as motor vehicles and superannuation contributions.

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2011

	Note	2011 $'000	2010 $'000
Revenue	7	682,859	472,220
Cost of sales	7	(507,728)	(352,029)
Gross profit		175,131	120,191
Other income	7	1,764	1,588
Administrative costs	7	(13,030)	(13,167)
Foreign exchange gain/(loss)		60,068	(4,846)
Settlement of contractor dispute		(7,810)	–
Impairment losses	7	(159,779)	–
Fair value movement in derivative liability	25	–	6,084
Loss on early redemption of convertible note		–	(26,919)
Transaction and acquisition costs associated with Ridge Mining, net of discount on acquisition		–	1,248
Profit from operating activities before finance costs		56,344	84,179
Finance costs	7	(30,945)	(25,750)
Profit before income tax		25,399	58,429
Income tax expense	8	(35,795)	(30,656)
Net (loss)/profit attributable to equity holders of the parent		(10,396)	27,773
Other comprehensive income			
Foreign currency translation adjustments	32(b)	23,416	3,629
Total other comprehensive income		23,416	3,629
Total comprehensive income attributable to equity holders of the parent		13,020	31,402
Earnings per share			
Basic (loss)/earnings per share (cents per share)	9	(2.25)	6.09
Diluted (loss)/earnings per share (cents per share)	9	(2.25)	6.09

STATEMENT OF FINANCIAL POSITION

as at 30 June 2011

	Note	2011 $'000	2010 $'000
Assets			
Non-current assets			
Receivables	11	68,703	62,786
Available-for-sale investments	12	3,329	2,609
Property, plant and equipment	13	325,763	272,117
Mining assets	14	480,634	425,882
Restricted cash in environmental trusts	15	19,703	15,055
Intangible asset and goodwill	16	77,989	72,833
Total non-current assets		976,121	851,282
Current assets			
Cash and cash equivalents	20	328,083	381,734
Trade and other receivables	21	108,395	96,846
Inventories	22	43,946	49,338
Income tax receivable	8	801	–
Total current assets		481,225	527,918
Total assets		1,457,346	1,379,200
Equity and liabilities			
Capital and reserves			
Issued capital	30	23,509	23,154
Treasury shares	31	(16,190)	(14,264)
Reserves	32	727,372	664,041
Retained earnings	33	116,646	164,102
Total equity attributable to equity holders of the parent		851,337	837,033
Non-current liabilities			
Payables	23	6,150	4,631
Interest bearing loans and borrowings	24	257,599	238,289
Deferred tax liabilities	8	151,561	127,763
Provisions	26	70,150	67,578
Total non-current liabilities		485,460	438,261
Current liabilities			
Trade and other payables	27	84,900	76,611
Interest bearing loans and borrowings	28	34,450	22,727
Income tax payable	8	–	3,764
Provisions	29	1,199	804
Total current liabilities		120,549	103,906
Total liabilities		606,009	542,167
Total equity and liabilities		1,457,346	1,379,200

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2011

	Issued capital $'000	Treasury shares $'000	Share premium reserve $'000	Foreign currency translation reserve $'000	Equity benefits reserve $'000	Ridge replacement options reserve $'000	Equity reserve $'000	Convertible bond equity component $'000	Retained earnings $'000	Total $'000
At 1 July 2010	23,154	(14,264)	979,762	(17,153)	466	92	(361,826)	62,700	164,102	837,033
Loss for the period	–	–	–	–	–	–	–	–	(10,396)	(10,396)
Other comprehensive income	–	–	–	23,416	–	–	–	–	–	23,416
Total comprehensive income for the period	–	–	–	23,416	–	–	–	–	(10,396)	13,020
Transactions with owners in their capacity as owners:										
Shares issued	355	–	39,915	–	–	–	–	–	–	40,270
On market purchase of share plan shares	–	(1,926)	–	–	–	–	–	–	–	(1,926)
Dividends paid	–	–	–	–	–	–	–	–	(37,060)	(37,060)
At 30 June 2011	23,509	(16,190)	1,019,677	6,263	466	92	(361,826)	62,700	116,646	851,337

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2010

	Issued capital $'000	Treasury shares $'000	Share premium reserve $'000	Foreign currency translation reserve $'000	Equity benefits reserve $'000	Ridge replacement options reserve $'000	Equity reserve $'000	Convertible bond equity component $'000	Retained earnings $'000	Total $'000
At 1 July 2009	20,751	(2,802)	826,779	(20,782)	466	–	(361,826)	–	145,584	608,170
Profit for the period	–	–	–	–	–	–	–	–	27,773	27,773
Other comprehensive income	–	–	–	3,629	–	–	–	–	–	3,629
Total comprehensive income for the period	–	–	–	3,629	–	–	–	–	27,773	31,402
Transactions with owners in their capacity as owners:										
Shares issued	2,403	–	147,946	–	–	–	–	–	–	150,349
On market purchase of share plan shares	–	(677)	–	–	–	–	–	–	–	(677)
Acquisition of treasury shares	–	(10,785)	–	–	–	–	–	–	–	(10,785)
Replacement options issued to Ridge shareholders	–	–	–	–	–	5,129	–	–	–	5,129
Reclassification of reserve on exercise of Ridge options	–	–	5,037	–	–	(5,037)	–	–	–	–
Convertible bond equity component	–	–	–	–	–	–	–	62,700	–	62,700
Dividends paid	–	–	–	–	–	–	–	–	(9,255)	(9,255)
At 30 June 2010	23,154	(14,264)	979,762	(17,153)	466	92	(361,826)	62,700	164,102	837,033

STATEMENT OF CASH FLOWS
for the year ended 30 June 2011

	Note	2011 $'000	2010 $'000
Cash flows from operating activities			
Receipts from customers		636,559	437,796
Payments to suppliers and employees		(452,202)	(318,065)
Payments for mine closure/rehabilitation costs	26	(491)	(162)
Interest received		13,865	10,808
Interest and other finance costs paid		(13,604)	(12,217)
Other income		1,760	1,632
Income taxes paid		(23,576)	(7,012)
Net cash from operating activities		162,311	112,780
Cash flows from investing activities			
Payments for property plant & equipment and mine development costs		(140,344)	(93,186)
Purchase of Afarak exploration and evaluation assets	17	(70,354)	–
Proceeds from sale of property, plant and equipment		790	–
Acquisition of Ridge Mining net of cash acquired		–	13,595
Net cash used in investing activities		(209,908)	(79,591)
Cash flows from financing activities			
Proceeds from issue of shares		770	42,832
Proceeds from borrowings		17,285	293,917
Repayment of borrowings		(3,330)	(120,134)
Purchase of shares reserved for share plan		(1,926)	(677)
Acquisition of treasury shares		–	(10,785)
Settlement of contractor dispute		(9,266)	–
Dividends paid		(37,060)	(9,255)
Net cash (used in)/from financing activities		(33,527)	195,898
Net (decrease)/increase in cash held		(81,124)	229,087
Cash and cash equivalents at beginning of the financial year		381,734	153,600
Net foreign exchange differences		27,473	(953)
Cash and cash equivalents at the end of the financial year	20	328,083	381,734

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 30 June 2011

1. Corporate information

The consolidated financial statements of Aquarius Platinum Limited (Aquarius or the Company) for the year ended 30 June 2011 were authorised for issue in accordance with a resolution of the directors on 29 September 2011. Aquarius Platinum Limited is a limited company incorporated and domiciled in Bermuda whose shares are publicly traded. The principal activities of the Group are described in the Director's Report.

2. Basis of preparation

The consolidated financial statements have been prepared under the historical cost accounting convention except for available-for-sale investments and derivative financial instruments that have been measured at fair value.

Statement of compliance

The consolidated financial statements of Aquarius Platinum Limited and its subsidiaries have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The consolidated financial information is presented in US Dollars and has been rounded to the nearest thousand US Dollars unless otherwise stated.

Basis of consolidation

The consolidated financial statements comprise the accounts of Aquarius, the parent company, and its controlled subsidiaries, after the elimination of all material intercompany balances and transactions.

Subsidiaries are consolidated from the date the parent entity obtains control and continue to be consolidated until such time as control ceases. Where there is a loss of control of a subsidiary, the consolidated accounts include the results for the part of the reporting period during which the parent entity had control. A list of subsidiaries appears in Note 36(a).

The accounts of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies which may exist.

3. Changes in accounting policies and disclosures

In the current year, the Group has adopted all new and revised Standards and Interpretations issued by the International Accounting Standards Board (the IASB) and the International Financial Reporting Interpretation Committee (IFRIC) of the IASB that are relevant to its operations and effective for the accounting periods beginning on or after 1 July 2010. The adoption of these new and revised Standards and Interpretations has not resulted in any changes to the Group's accounting policies.

4. Significant accounting judgements and estimates

In the process of applying the Group's accounting policies, management has made the following judgements and estimations, which have the most significant effect on the amounts recognised in the financial statements. The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

- *Determination of mineral resources and ore reserves*

  Aquarius estimates its mineral resources and ore reserves in accordance with the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2004 (the 'JORC code'). The information on mineral resources and ore reserves was prepared by or under the supervision of Competent Persons as defined in the JORC code.

  There are numerous uncertainties inherent in estimating mineral resources and ore reserves and assumptions that are valid at the time of estimation may change significantly when new information becomes available.

  Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and may, ultimately, result in the reserves being restated. Such changes in reserves could impact on depreciation and amortisation rates, asset carrying values, deferred stripping costs and provisions for decommissioning and restoration.

- *Impairment of capitalised exploration and evaluation expenditure*

  The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

  Factors which could impact the future recoverability include the level of proved and probable mineral reserves, future technological changes which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

  To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, this will reduce profits and net assets in the period in which this determination is made.

  In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent that it is determined in the future that this capitalised expenditure should be written off, this will reduce profits and net assets in the period in which this determination is made.

- *Impairment of capitalised mine development expenditure*

  The future recoverability of capitalised mine development expenditure is dependent on a number of factors, including the level of proved and probable and mineral reserves. To the extent that

4. Significant accounting judgements and estimates cont.

capitalised mine development expenditure is determined not to be recoverable in the future, this will reduce profits and net assets in the period in which this determination is made.

In determining recoverable amount, future cash flows are based on estimates of the quantities of economically recoverable ore reserves and mineral resources for which there is a high degree of confidence of economic extraction, future production levels, future commodity prices and future cash costs of production.

- *Impairment of property, plant and equipment*

  Property, plant and equipment are reviewed for impairment if there is any indication that the carrying amount may not be recoverable. Where a review for impairment is conducted, the recoverable amount is assessed by reference to the higher of 'value in use' (being the net present value of expected future cash flows of the relevant cash generating unit) and 'fair value less costs to sell'.

  In determining value in use, future cash flows are based on estimates of the quantities of economically recoverable ore reserves and mineral resources for which there is a high degree of confidence of economic extraction, future production levels, future commodity prices and future cash costs of production.

  Variations to the expected future cash flows, and the timing thereof, could result in significant changes to any impairment losses recognised, if any, which could in turn impact future financial results.

- *Impairment of goodwill*

  The Group determines whether goodwill is impaired at least on an annual basis or more frequently if an indication of impairment exists. This requires an estimation of the recoverable amount of the cash-generating units to which the goodwill is allocated. Refer to Note 16 for assumptions.

  In determining recoverable amount, future cash flows are based on estimates of the quantities of economically recoverable ore reserves and mineral resources for which there is a high degree of confidence of economic extraction, future production levels, future commodity prices and future cash costs of production.

- *Restoration provisions*

  The Group records the present value of the estimated cost of restoring operating locations in the period in which the obligation arises, which is typically at the commencement of production. The nature of the restoration activities includes the removal of facilities, abandonment of mine sites and rehabilitation of the affected areas. In most instances this arises many years in the future. The application of this policy necessarily requires judgmental estimates and assumptions regarding the date of abandonment, future environmental legislation, the engineering methodology adopted, future technologies to be used and the asset specific discount rates used to determine the present value of these cash flows.

- *Revenue recognition*

  The accounting policy for sale of goods is set out in Note 5(h). The determination of revenue from the time of initial recognition of the sale on a provisional basis through to final pricing requires

4. Significant accounting judgements and estimates cont.

management to continuously re-estimate the fair value of the price adjustment feature. Management determines this with reference to estimated forward prices using consensus forecasts.

- *Production start date*

  The Group assesses the stage of each mine under construction to determine when a mine moves into the production stage. The criteria used to assess the start date are determined based on the unique nature of each mine construction project, such as the complexity of a plant and its location. The Group considers various relevant criteria to assess when the mine is substantially complete, including, but not limited, to the following:

  – The level of capital expenditure compared to the construction cost estimates;
  – Completion of a reasonable period of testing of the mine plant and equipment;
  – Ability to produce product in saleable form (within specifications); and
  – Ability to sustain ongoing production of metal.

  When a mine construction project moves into the production stage, the capitalisation of certain mine construction costs ceases and costs are either regarded as inventory or expensed, except for costs that qualify for capitalisation relating to mining asset additions or improvements, underground mine development or mineable reserve development. It is also at this point that depreciation/amortisation commences.

- *Inventories*

  Net realisable value tests are performed at least annually and represent the estimated future sales price of the product based on prevailing spot metal prices at the reporting date, less estimated costs to complete production and bring the product to sale.

  Stockpile and concentrate tonnages are verified by periodic surveys.

5. Significant accounting policies

(a) Investments and other financial assets

Financial assets are classified as either financial assets at fair value through profit or loss, loans and receivables or available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year end.

All regular way purchases and sales of financial assets are recognised at the trade date i.e. the date the Group commits to purchase the asset.

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the reporting date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using arm's length market transactions, reference to the current market value

5. Significant accounting policies cont.

of another instrument which is substantially the same, discounted cash flow analysis and option pricing models.

Available-for-sale financial assets

Available-for-sale financial assets are those non-derivative financial assets that are designated as available-for-sale or are not classified as either financial assets at fair value through profit or loss, loans and receivables or held to maturity financial assets. After initial recognition, available-for sale financial assets are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the profit or loss.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in income when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

(b) Mining assets

Mining assets comprise exploration and evaluation, mineral properties acquired and mine development costs.

Exploration and evaluation expenditure

Expenditure on exploration and evaluation is accounted for in accordance with the 'area of interest' method. Exploration and evaluation expenditure is capitalised provided the rights to tenure of the area of interest is current and either:

- the exploration and evaluation activities are expected to be recouped through successful development and exploitation of the area of interest or, alternatively, by its sale; or
- exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or relating to, the area of interest are continuing.

When the technical feasibility and commercial viability of extracting a mineral resource has been demonstrated then any capitalised exploration and evaluation expenditure is reclassified as capitalised mine development. Prior to reclassification, capitalised exploration and evaluation expenditure is assessed for impairment.

Impairment of exploration and evaluation expenditure

The carrying value of capitalised exploration and evaluation expenditure is assessed for impairment at the cash generating unit level whenever facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount.

The recoverable amount of capitalised exploration and evaluation expenditure is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are

5. Significant accounting policies cont.

discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

An impairment exists when the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount. Any impairment losses are recognised in the profit or loss.

Mineral properties acquired

Mineral properties acquired are recognised at cost. Once production commences these costs are amortised using the units-of-production method based on the estimated economically recoverable reserves to which they relate or are written off if the property is abandoned. Costs incurred to maintain production are expensed as incurred against the related production.

Impairment of mineral properties acquired

The carrying value of mineral properties acquired is assessed for impairment whenever facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount.

The recoverable amount of mineral properties acquired is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

An impairment exists when the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount. Any impairment losses are recognised in the profit or loss.

Mine development expenditure

Mine development expenditure represents the costs incurred in preparing mines for production, and includes waste removal costs incurred before production commences. These costs are capitalised to the extent they are expected to be recouped through successful exploitation of the related mining leases. Once production commences, these costs are amortised using the units-of-production method based on the estimated economically recoverable reserves to which they relate or are written off if the mine property is abandoned. Costs incurred to maintain production are expensed as incurred against the related production.

Impairment of mine development expenditure

The carrying value of capitalised mine development expenditure is assessed for impairment whenever facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount.

The recoverable amount of capitalised mine development expenditure is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted

5. Significant accounting policies cont.

to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

An impairment exists when the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount. Any impairment losses are recognised in the profit or loss.

(c) Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a Group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

5. Significant accounting policies cont.

(d) Impairment of financial assets

The Group assesses at each reporting date whether a financial asset or group of financial assets is impaired.

Asset carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset shall be reduced either directly or through use of an allowance account. The amount of the loss shall be recognised in profit or loss.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the profit or loss, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

Assets carried at cost

If there is objective evidence that an impairment loss on an unquoted equity instrument is not carried at fair value because its fair value cannot be reliably measured, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

Available-for-sale financial assets

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to the profit or loss. Reversals in respect of equity instruments classified as available-for-sale are not recognised in profit. Reversals of impairment losses on debt instruments are reversed through profit or loss if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

5. Significant accounting policies cont.

(e) Foreign currencies

The consolidated financial statements are stated in US Dollars which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in each entity are measured using that functional currency.

Foreign currency transactions

Transactions in foreign currencies are recorded in the applicable functional currency at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. All exchange differences on monetary items are included in determining profit or loss. Non-monetary items are recorded in the applicable functional currency using the exchange rate at the date of the transaction.

Translation of financial reports of foreign operations

The Mimosa Investments Limited Group financial statements incorporating its controlled entities in Zimbabwe, have been prepared using US Dollars as the functional currency. The functional currency of subsidiaries in South Africa is considered to be the South African Rand. The functional currency of subsidiaries in Australia is considered to be the Australian Dollar.

The assets and liabilities of these entities are translated to the Group presentation currency at the rate of exchange ruling at the reporting date. Income and expense items are translated at average exchange rates for the period. Any exchange differences are taken directly to the foreign currency translation reserve. On disposal of a foreign entity, cumulative deferred exchange differences are recognised in comprehensive income as part of the profit or loss on sale.

(f) Property, plant and equipment

All items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment in value. The carrying values are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable and where carrying values exceed their recoverable amount, assets are written down to their recoverable amount.

Property, plant and equipment, excluding land, are depreciated at rates based on the expected useful economic life of each item, using the straight line method. Mine plant is amortised using the lesser of its useful life or the life of the mine based on the straight-line or unit of production method respectively. Buildings and equipment, which includes vehicles and furniture, are depreciated on the straight-line basis at rates which will reduce their book values to estimated residual values over their expected useful lives. Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term. The major depreciation rates for all periods presented are:

• Buildings	3 to 12.5 years
• Furniture and fittings	3 to 5 years
• Plant and equipment, including assets held under lease	3 to 13 years

5. Significant accounting policies cont.

An item of property plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the year the asset is derecognised.

(g) Business combinations and goodwill

Business combinations

Business combinations are accounted for using the acquisition method. The acquisition method requires that the acquirer recognises, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree, at acquisition date. Acquisition costs directly attributable to the acquisition are expensed in the period. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at fair value at the date of acquisition, irrespective of the extent of any non-controlling interest.

For each business combination, the Group has an option to measure any non-controlling interests in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is not amortised. Instead, goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash generating units for the purpose of impairment testing (Note 16).

When the recoverable amount of the cash generating unit (group of cash generating units) is less than the carrying amount, an impairment loss is recognised. When goodwill forms part of a cash generating unit (group of cash generating units) and an operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this manner is measured based on the relative values of the operation disposed of and the portion of the cash generating unit retained.

Impairment losses recognised on goodwill are not subsequently reversed.

(h) Revenue recognition

Revenue is recognised and measured at fair value to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

5. Significant accounting policies cont.

Interest

Revenue is recognised as the interest accrues on interest bearing cash deposits, using the effective interest method.

Sale of goods

Revenue on sale of mine products is recognised when risks and rewards of ownership of the mine product has passed to the buyer pursuant to a sales contract.

For PGM concentrate sales the sales price is determined on a provisional basis at the date of delivery. Adjustments to the sale price occur based on movements in the metal market price up to the date of final pricing. Final pricing is based on the monthly average market price in the month of settlement. The period between provisional invoicing and final pricing is typically between 2 and 4 months. Revenue on provisionally priced sales is initially recorded at the estimated fair value of the consideration receivable. The revenue adjustment mechanism embedded within provisionally priced sales arrangements has the characteristics of a commodity derivative. Accordingly, the fair value of the final sales price adjustment is re-estimated continuously and changes in fair value recognised as an adjustment to revenue in the statement of comprehensive income and trade debtors in the statement of financial position. In all cases, fair value is determined with reference to estimated forward prices using consensus forecasts.

Dividends

Revenue is recognised when the Group's right to receive the payment is established.

(i) Income taxes

Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred tax

Deferred income tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

5. Significant accounting policies cont.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax loses can be utilised except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income tax relating to items recognised directly in equity is recognised in equity and not in the profit or loss.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities, and the deferred taxes relate to the same taxable entity and the same taxation authority.

(j) Employee entitlements

Provision is made for employee entitlement benefits accumulated as a result of employees rendering services up to the reporting date. Liabilities arising in respect of wages and salaries, annual leave and other benefits due to be settled within twelve months of the reporting date are measured at rates which are expected to be paid when the liability is settled.

All other employee entitlement liabilities are measured at the present value of estimated payments to be made in respect of services rendered up to reporting date.

Contributions for pensions and other post employment benefits to defined contribution plans are recognised in comprehensive income as incurred during the period in which employees render the related service.

(k) Interest bearing loans and borrowings

Loans and borrowings other than financial instruments issued by the Group are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

5. Significant accounting policies cont.

After initial recognition, all interest bearing loans and borrowings, other than liabilities held for trading, are subsequently measured at amortised cost using the effective interest method.

Convertible Bond

The Convertible Bond has two elements: a liability component (a host debt contract) and an equity element (an embedded option entitling the Bond holder to convert the liability into Common Shares in the Company). The liability element is initially recognised at fair value and is subsequently carried at amortised cost whereby the initial carrying value of the debt is accreted to the principal amount over the life of the Bond. This accretion is recognised as a finance cost together with coupon payments. The balance of the Bond proceeds is allocated to the equity component.

(l) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalised as part of the cost of that asset. All other borrowing costs are expensed in the period they occur.

(m) Trade and other payables

Liabilities for trade and other payables, whether billed or not billed to the Group, which are normally settled on 30-90 day terms, are carried at amortised cost.

(n) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

(o) Cash

Cash and cash equivalents include cash on hand and in banks, and deposits at call which have an original maturity of three months or less. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(p) Inventories

Inventories comprise consumables, reagents, produce, packaging, chromite, reef ore stockpiled and concentrate awaiting further processing and are valued at the lower of cost and net realisable value.

5. Significant accounting policies cont.

Cost is determined on the weighted average method and includes direct mining expenditure and an appropriate proportion of overhead expenditure.

(q) Trade and other receivables

Trade receivables include actual invoiced sales of PGM concentrate as well as sales not yet invoiced for which deliveries have been made and the risks and rewards of ownership have passed. The receivable amount calculated for the PGM concentrate delivered but not yet invoiced is recorded at the fair value of the consideration receivable at the date of delivery. At each subsequent reporting date the receivable is restated to reflect the fair value movements in the pricing mechanism which is considered to represent an embedded derivative.

Other receivables are stated at cost less any allowance for uncollectible amounts. An allowance is made when there is objective evidence that the Group will not be able to collect the debts. Bad debts are written off when identified.

(r) Provision for mine site rehabilitation

The provision for rehabilitation represents the cost of restoring site damage following initial disturbance. Increases in the provision are capitalised to deferred mining assets to the extent that the future benefits will arise. Costs incurred that relate to an existing condition caused by past operations and do not have a future economic benefit are expensed.

Gross rehabilitation costs are estimated at the present value of the expenditures expected to settle the obligation, using estimated cash flows based on current prices. The estimates are discounted at a pre-tax rate that reflects current market assessments of the time value of money and where appropriate the risk specific to the liability. The unwinding of the discount is recorded as an accretion charge within finance costs.

Rehabilitation costs capitalised to mining assets are amortised over the operating life of each mine using the units of production method based on estimated proven and probable mineral reserves. Expenditure on ongoing rehabilitation costs is brought to account when incurred.

In South Africa, annual contributions are made to an Environmental Rehabilitation Trust Fund, created in accordance with South African Statutory requirements, to fund the estimated cost of rehabilitation during and at the end of the life of a mine. The funds that have been paid into the trust fund plus the growth in the trust fund are shown as an asset on the statement of financial position.

(s) Share capital

Share capital is recognised at the fair value of the consideration received by the Company. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds.

(t) Treasury shares

Treasury shares are deducted from equity and no gain or loss is recognised in profit or loss on purchase, sale, issue or cancellation of the Group's own equity instruments.

5. Significant accounting policies cont.

(u) Leases

The determination of whether an arrangement is, or contains a lease, is based on the substance of the arrangement at inception date.

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognised as an expense in the statement of comprehensive income on a straight-line basis over the lease term.

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

(v) Interest in joint ventures

The Group's interest in jointly controlled entities is accounted for by proportionate consolidation, which involves recognising a proportionate share of the joint venture's assets, liabilities, income and expenses with similar items in the consolidated financial statements on a line-by-line basis.

In respect of the Group's interest in jointly controlled assets, the following are recognised in the financial statements:
(i) the Group's share of the jointly controlled assets, classified according to the nature of the assets;
(ii) any liabilities that the Group has incurred;
(iii) the Group's share of any liabilities incurred jointly with the other venturers in relation to the joint venture;
(iv) any income from the sale or use of the Group's share of the output of the joint venture, together with the Group's share of any expenses incurred by the joint venture; and
(v) any expenses that the Group has incurred in respect of its interest in the joint venture.

(w) Impairment of non financial assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there is any indication that an asset may be impaired, its recoverable amount is estimated and the book value of the asset is written down to its recoverable amount. The recoverable amount is the higher of net selling price and value in use.

In assessing value in use, the expected future cash flows from the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. An impairment loss is recognised

5. Significant accounting policies cont.

in the statement of comprehensive income whenever the carrying amount of the cash-generating unit exceeds its recoverable amount.

A previously recognised impairment loss is reversed if the recoverable amount increases as a result of a change in the estimates used to determine the recoverable amount, but not to an amount higher than the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior years.

(x) Share-based payment transactions

Employees (including senior executives) of the Group receive remuneration in the form of equity based payment transactions, whereby employees render services as consideration for equity instruments ('equity- settled transactions').

The Group currently has a Share Plan and an Option Plan for employees. Loans made under the Share plan are treated as share-based compensation under IFRS 2.

Equity-settled transactions

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date on which they are granted. The fair value is determined using a binomial or Black & Scholes pricing model. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company, if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('the vesting date'). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification, which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

5. Significant accounting policies cont.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Shares in the Group acquired on market and held by the Share Plan are shown as a deduction from equity.

(y) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than dividends, by the weighted average number of ordinary shares, adjusted for any bonus elements.

Diluted earnings per share

Diluted earnings per share is calculated as net profit attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends);
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus elements.

(z) Dividends

Provision is made for the amount of any dividend declared on or before the end of the financial year but not distributed at reporting date.

(aa) Intangible assets

The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets with finite lives are amortised using the straight line method over the useful life of the contract and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method is reviewed at least each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

(bb) Comparative amounts

Where appropriate, comparative amounts have been reclassified to be consistent with the current year's presentation.

5. Significant accounting policies cont.

(cc) Future accounting standards and interpretations

Certain International Financial Reporting Standards and IFRIC Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Group for the annual reporting period ended on 30 June 2011. The directors have not assessed the impact of the new or amended standards and interpretations.

Reference	Title	Summary	Application date of standard	Application date for Group
IFRS 9	Financial Instruments	IFRS 9 includes requirements for the classification and measurement of financial assets resulting from the first part of Phase 1 of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of IAS 39. The main changes from IAS 39 are described below. (a) Financial assets are classified based on (1) the objective of the entity's business model for managing the financial assets; (2) the characteristics of the contractual cash flows. This replaces the numerous categories of financial assets in IAS 39, each of which had its own classification criteria. (b) IFRS 9 allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument.	1 January 2013	1 July 2013

5. Significant accounting policies cont.

Reference	Title	Summary	Application date of standard	Application date for Group
IFRS 9 (cont.)		Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases.		
Amendments to IAS 1	Presentation of Financial Statements	The amendments to IAS 1 Presentation of Financial Statements require companies preparing financial statements in accordance with IFRS's to group together items within Other Comprehensive Income that may be reclassified to the profit or loss section of the income statement. The amendments also reaffirm existing requirements that items in Other Comprehensive Income and profit or loss should be presented as either a single statement or two consecutive statements.	1 July 2012	1 July 2012
IAS 19	Employee Benefits	The main amendments to the standard relating to defined benefit plans are as follows: • Elimination of the option to defer the recognition of actuarial gains and losses (the 'corridor method'); • Remeasurements (essentially actuarial gains and losses) to be presented in other comprehensive income; and • Past service cost will be expensed when the plan amendments occur regardless of whether or not they are vested. The distinction between short-term and other long-term employee benefits under the revised standard is now based on expected timing of settlement rather than employee entitlement.	1 January 2013	1 July 2013

5. Significant accounting policies cont.

Reference	Title	Summary	Application date of standard	Application date for Group
IAS 19 (cont.)		The revised standard also requires termination benefits (outside of a wider restructuring) to be recognised only when the offer becomes legally binding and cannot be withdrawn.		
IAS 24 (Revised)	Related Party Disclosures (December 2009)	The revised IAS 24 simplifies the definition of a related party, clarifying its intended meaning and eliminating inconsistencies from the definition, including: (a) The definition now identifies a subsidiary and an associate with the same investor as related parties of each other (b) Entities significantly influenced by one person and entities significantly influenced by a close member of the family of that person are no longer related parties of each other (c) The definition now identifies that, whenever a person or entity has both joint control over a second entity and joint control or significant influence over a third party, the second and third entities are related to each other (d) A partial exemption is also provided from the disclosure requirements for government-related entities. Entities that are related by virtue of being controlled by the same government can provide reduced related party disclosures.	1 January 2011	1 July 2011

5. Significant accounting policies cont.

Reference	Title	Summary	Application date of standard	Application date for Group
Improvements to International Financial Reporting Standards (Issued 2010)	Further Amendments to International Accounting Standards arising from the Annual Improvements Project [IFRS 1, IFRS 7, IAS 1, IAS 34 and IFRIC 13]	Emphasises the interaction between quantitative and qualitative IAS7 disclosures and the nature and extent of risks associated with financial instruments. Clarifies that an entity will present an analysis of other comprehensive income for each component of equity, either in the statement of changes in equity or in the notes to the financial statements. Provides guidance to illustrate how to apply disclosure principles in IAS 34 for significant events and transactions. Clarifies that when the fair value of award credits is measured based on the value of the awards for which they could be redeemed, the amount of discounts or incentives otherwise granted to customers not participating in the award credit scheme, is to be taken into account.	1 January 2011	1 July 2011
IFRS 7 (Revised)	Disclosures	The amendments increase the disclosure requirements for transactions involving transfers of financial assets. Disclosures require enhancements to the existing disclosures in IFRS 7 where an asset is transferred but is not derecognised and introduce new disclosures for assets that are derecognised but the entity continues to have a continuing exposure to the asset after the sale.	1 July 2011	1 July 2011
IFRS 10	Consolidated Financial Statements	IFRS 10 establishes a new control model that applies to all entities. It replaces parts of IAS 27 Consolidated and Separate Financial Statements dealing with the accounting for consolidated financial statements and SIC-12 Consolidation – Special Purpose Entities.	1 January 2013	1 July 2013

5. Significant accounting policies cont.

Reference	Title	Summary	Application date of standard	Application date for Group
IFRS 10 (cont.)		The new control model broadens the situations when an entity is considered to be controlled by another entity and includes new guidance for applying the model to specific situations, including when acting as a manager may give control, the impact of potential voting rights and when holding less than a majority voting rights may give control.		
IFRS 11	Joint Arrangements	IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly-controlled Entities – Non-monetary Contributions by Ventures. IFRS 11 uses the principle of control in IFRS 10 to define joint control, and therefore the determination of whether joint control exists may change. In addition IFRS 11 removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, accounting for a joint arrangement is dependent on the nature of the rights and obligations arising from the arrangement. Joint operations that give the venturers a right to the underlying assets and obligations themselves is accounted for by recognising the share of those assets and obligations. Joint ventures that give the venturers a right to the net assets is accounted for using the equity method.	1 January 2013	1 July 2013

5. Significant accounting policies cont.

Reference	Title	Summary	Application date of standard	Application date for Group
IFRS 12	Disclosure of Interests in Other Entities	IFRS 12 includes all disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and structures entities. New disclosures have been introduced about the judgements made by management to determine whether control exists, and to require summarised information about any joint arrangements, associates and structured entities and subsidiaries with non-controlling interests.	1 January 2013	1 July 2013
IFRS 13	Fair Value Measurement	IFRS 13 establishes a single source of guidance under IFRS for determining the fair value of assets and liabilities. IFRS 13 does not change when an entity is required to use fair value, but rather, provides guidance on how to determine fair value under IFRS when fair value is required or permitted by IFRS. Application of this definition may result in different fair values being determined for the relevant assets. IFRS 13 also expands the disclosure requirements for all assets or liabilities carried at fair value. This includes information about the assumptions made and the qualitative impact of those assumptions on the fair value determined.	1 January 2013	1 July 2013

6. Operating segments

(a) Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the executive management team (Chief Operating Decision Makers) in assessing performance and in determining the allocation of resources.

Each individual mine and tailings retreatment operation is treated as a separate operating unit for internal reporting purposes. Discrete financial information about each of these operating units is reported to the executive management team on a monthly basis. The Corporate operating unit holds assets and liabilities not specifically related to a single operating unit.

The operations of Kroondal, Marikana, Everest and Mimosa mine process and sell concentrate containing platinum group metals. CTRP and Plat Mile operate as tailings retreatment facilities from which they produce and sell a concentrate containing platinum group metals.

The majority of sales of concentrate are to two specific South African based customers being Impala Platinum Holdings Limited and Rustenburg Platinum Mines Limited. The operations of Kroondal, Marikana, Everest, Blue Ridge, CTRP and Plat Mile are based in South Africa. The operations of Mimosa are based in Zimbabwe.

(b) Accounting policies and inter-segment transactions

The accounting policies used by the Group in reporting segments internally are the same as those contained in Note 5 to the accounts.

Corporate/unallocated comprises non-segmental revenue and expenses such as head office expenses and interest income/expense. Corporate charges are not allocated to operating segments.

(c) Zimbabwe operations

During the current year, the Minister of Youth, Indigenisation and Economic Empowerment published a statutory instrument in the Zimbabwean Government Gazette, General Notice 114 of 2011 (the "Notice"), setting out the requirements for the implementation of the provisions of the Indigenisation and Economic Empowerment Act and its supporting regulations as they pertain to the mining sector.

The Notice defines the minimum indigenisation and empowerment quota as "a controlling interest or 51% of the shares or interests which in terms of the Act is required to be held by indigenous Zimbabweans in the non-indigenous mining business concerned". Such an outcome may result in the Group losing joint control of the Mimosa Mine. Loss of joint control could result in the deconsolidation of the Zimbabwe assets and liabilities and may result in a profit or loss to the Group.

The Notice requires that disposals of the required indigenisation interests must be to defined "designated entities", which include the National Indigenisation and Economic Empowerment Fund, the Zimbabwe Mining Development Corporation or any company incorporated by that entity, a statutory sovereign wealth fund that may yet be created, or an employee share ownership scheme or trust.

6. Operating segments cont.

The Notice states that "the value of the shares or other interests required to be disposed of to a designated entity shall be calculated on a basis of valuation agreed to between the Minister and the non-indigenous mining business concerned, which shall take into account the State's sovereign ownership of the mineral or minerals exploited or proposed to be exploited by the non-indigenous mining business concerned."

Aquarius submitted its "Form of Notification of extent of Indigenisation and Indigenisation Implementation Plan" (Form IDG 1) to the government of Zimbabwe on 9 May 2011, as required to comply with the Notice as issued by the Ministry of Youth, Indigenisation and Economic Empowerment of Zimbabwe. The company's indigenisation plan consisted of a combination of an issue of equity and social and economic investment programs.

In August 2011, the Group received a letter from the Minister of Youth Development, Indigenisation and Empowerment that rejected the above proposed plan for indigenisation submitted by Mimosa, and required that Mimosa submit a revised proposal. Mimosa's senior management remain in discussions with all of the various relevant Zimbabwean authorities to ensure that a satisfactory position is arrived at within the timeframes required by the relevant legislation and will submit a revised plan in late September 2011.

Due to the above Indigenisation Implementation Plan still being under consideration, the effect and outcome of the matter on the Group still remains uncertain and at this point cannot be quantified. The operations and earnings of the Group continue to be affected to varying degrees by fiscal, legislative, regulatory and political developments in Zimbabwe.

6. Operating segments cont.

Year ended 30 June 2011	Kroondal $'000	Marikana $'000	Everest $'000	Mimosa $'000	Plat Mile $'000	CTRP $'000	Blue Ridge $'000	Corporate/ Unallocated $'000	Consolidated $'000
Revenue	268,018	70,959	143,161	170,287	14,348	2,608	–	13,478	682,859
Cost of sales									
– mining, processing and administration	(185,915)	(63,483)	(110,644)	(74,192)	(8,236)	(2,703)	–	(1,008)	(446,181)
– depreciation and amortisation	(24,239)	(14,353)	(8,873)	(8,631)	(5,142)	(272)	–	(37)	(61,547)
Gross profit/(loss)	57,864	(6,877)	23,644	87,464	970	(367)	–	12,433	175,131
Other income	–	–	–	–	–	–	–	1,764	1,764
Administrative costs	–	–	–	–	–	–	–	(13,030)	(13,030)
Foreign exchange gain/(loss)	(11,432)	(2,910)	(2,059)	(894)	58	8	–	77,297	60,068
Finance costs	–	–	–	–	–	–	–	(30,945)	(30,945)
Settlement of contractor dispute	–	–	–	–	–	–	–	(7,810)	(7,810)
Impairment losses	–	–	–	–	–	–	(159,779)	–	(159,779)
Profit/(loss) before income tax	46,432	(9,787)	21,585	86,570	1,028	(359)	(159,779)	39,709	25,399
Income tax expense	–	–	–	–	–	–	–	(35,795)	(35,795)
Net profit/(loss) from ordinary activities	46,432	(9,787)	21,585	86,570	1,028	(359)	(159,779)	3,914	(10,396)
Segment assets	230,420	170,726	219,131	244,001	99,349	3,662	24,971	465,086	1,457,346
Capital expenditure	28,872	10,343	43,134	24,345	167	2,070	35,323	–	144,254
Segment liabilities	121,655	61,722	35,777	41,715	27,226	1,037	41,115	275,762	606,009

6. Operating segments cont.

Year ended 30 June 2010	Kroondal $'000	Marikana $'000	Everest $'000	Mimosa $'000	Plat Mile $'000	CTRP $'000	Blue Ridge $'000	Corporate/ Unallo-cated $'000	Consoli-dated $'000
Revenue	230,394	78,642	9,808	126,041	11,225	4,114	–	11,996	472,220
Cost of sales									
– mining, processing and administration	(156,133)	(64,420)	(16,434)	(61,535)	(7,446)	(3,507)	–	(615)	(310,090)
– depreciation and amortisation	(20,619)	(9,962)	(657)	(5,620)	(4,707)	(236)	–	(138)	(41,939)
Gross profit/(loss)	53,642	4,260	(7,283)	58,886	(928)	371	–	11,243	120,191
Other income	–	–	–	383	–	50	–	1,155	1,588
Administrative costs	–	–	–	–	–	–	–	(13,167)	(13,167)
Foreign exchange gain/(loss)	(1,716)	(304)	(52)	(1,565)	32	–	–	(1,241)	(4,846)
Finance costs	–	–	–	–	–	–	–	(25,750)	(25,750)
Fair value movement in derivative liability	–	–	–	–	–	–	–	6,084	6,084
Loss on early redemption of convertible note	–	–	–	–	–	–	–	(26,919)	(26,919)
Transaction and acquisition costs associated with Ridge Mining, net of discount on acquisition	–	–	–	–	–	–	–	1,248	1,248
Profit/(loss) before income tax	51,926	3,956	(7,335)	57,704	(896)	421	–	(47,347)	58,429
Income tax expense	–	–	–	–	–	–	–	(30,656)	(30,656)
Net profit/(loss) from ordinary activities	51,926	3,956	(7,335)	57,704	(896)	421	–	(78,003)	27,773
Segment assets	209,598	163,209	162,798	210,290	88,680	4,844	143,196	396,585	1,379,200
Capital expenditure	12,933	3,932	31,923	17,627	747	56	21,408	–	88,626
Segment liabilities	90,538	61,183	18,305	37,549	23,020	1,085	47,340	263,147	542,167

	2011 $'000	2010 $'000
7. Revenue and expenses		
Revenue		
Sale of mine products	643,417	422,751
PGM price adjustments *	24,149	35,147
Interest income	15,293	14,322
	682,859	472,220

* *This represents the impact of PGM price movements on sales.*

	2011 $'000	2010 $'000
Cost of sales		
Amortisation and depreciation	61,547	41,939
Other costs of production	439,909	305,299
Royalties	6,272	4,791
	507,728	352,029
Other income		
Other	1,764	1,588
	1,764	1,588
Administrative costs		
Advertising and promotion	344	396
Consulting fees	2,472	2,009
Directors' fees	1,031	833
Legal fees	1,691	862
Redundancy costs – Ridge Mining	–	3,673
Rental on operating leases	1,015	341
Stock exchange and registry management	467	757
Subscriptions and conferences	49	128
Telephone and facsimile	113	167
Travel	1,400	852
Wages, salaries and employee benefits	4,286	2,723
Other	162	426
	13,030	13,167
Finance costs		
Interest on borrowings	13,918	13,104
Accretion of interest on convertible bond	9,649	6,699
Accretion of mine-site rehabilitation liability	6,370	5,414
Amortisation of borrowing costs	1,008	533
	30,945	25,750
Staff costs included in the statement of comprehensive income		
Salaries and wages	23,535	43,067
Superannuation	1,507	2,139
	25,042	45,206

	2011	2010
	$'000	$'000

7. Revenue and expenses cont.

Depreciation and amortisation included in the statement of comprehensive income

	2011 $'000	2010 $'000
Depreciation	19,978	13,568
Amortisation of intangible asset	3,889	3,565
Amortisation of fair value uplift on mining assets	6,919	7,220
Amortisation of original cost of mining assets	30,761	17,586
	61,547	41,939

Impairment losses

	2011 $'000	2010 $'000
Class of asset:		
Mining assets [a]	137,403	–
Trade and other receivables – current [b]	22,376	–
	159,779	–

[a] *Relates to the Blue Ridge mine which has been closed for redevelopment since August 2010. During the course of the execution of the redevelopment project, Ridge Mining determined that the mine could not be operated economically at current low Rand PGM prices and therefore recommended that it be placed on care and maintenance pending a full review of its economic viability. The impairment of the Blue Ridge mine was assessed by reference to the fair value less costs to sell. To determine the fair value of the mine, Aquarius considered its own internal modelling in conjunction with an independent assessment of the saleable value of the mine.*

[b] *Represents the unrecoverable portion of a loan balance due from a third party.*

8. Income tax

	2011 $'000	2010 $'000
Major component of tax expense for the year		
Income statement:		
Current income tax	18,196	3,534
Withholding tax	3,636	1,375
Deferred tax – origination and reversal of temporary differences	13,963	19,841
Change in Zimbabwe tax rate from 15% to 25%	–	5,906
Income tax expense	35,795	30,656

As a Bermudian corporation, Aquarius has no tax liability under that jurisdiction with respect to income derived. Certain of its foreign derived income is subject to applicable tax in the countries from which such income is derived.

	2011 $'000	2010 $'000
Amounts charged or credited directly to equity	–	–

	2011	2010
	$'000	$'000

8. Income tax cont.

The Group's effective tax rate in 2011 was 140.9% (2010: 52.5%). A reconciliation of income tax expense applicable to profit from operating activities before income tax at the statutory income tax rate to income tax expense at the Group's effective income tax rate at year's end is as follows:

	2011 $'000	2010 $'000
Profit from ordinary activities before income tax	25,399	58,429
At the South African income tax rate of 28%	7,112	16,360
Lower Zimbabwe income tax rate of 25%	(2,566)	(1,674)
Lower Mauritius income tax rate of 15%	(240)	(203)
Change in Zimbabwe tax rate impact on deferred tax assets and liabilities	–	5,906
Profit or loss of parent company not subject to taxation	(5,176)	8,746
Foreign exchange adjustments on tax liabilities	2,489	(2,545)
Unrecognised tax losses	(63)	1,112
Income not assessable	(1,002)	(4,195)
Capital and incentive allowances	(5,097)	1,216
Expenditure not allowable for income tax purposes	7,718	7,676
Tax asset not recognised on impairment	35,477	-
Withholding tax on dividends and technical fees received	3,636	1,375
Over provision from prior year	(6,493)	(160)
Utilisation of previously unrecognised tax losses	–	(2,958)
At effective income tax rate of 140.9% (2010: 52.5%)	35,795	30,656

Current tax liabilities

	2011 $'000	2010 $'000
Tax (receivable)/payable	(801)	3,764

Deferred tax liabilities

	2011 $'000	2010 $'000
Capital allowances on machinery	108,340	99,419
Fair value uplift on mining assets	12,047	13,800
Rehabilitation cost	3,697	3,232
Provision for mine site rehabilitation	(22,030)	(18,403)
Closure costs	10,152	9,081
Prepayments	1,837	–
Identifiable intangible assets	20,571	17,918
Tax losses	(2,649)	(462)
Provisions	(572)	(242)
Unrealised foreign exchange gains	16,036	413
Mine debtors/creditors	2,961	2,382
Other	1,171	625
Deferred tax liability	151,561	127,763

	2011	2010
	$'000	$'000

8. Income tax cont.

Reconciliation of movement in deferred tax liabilities

	2011 $'000	2010 $'000
Balance of deferred tax liabilities at beginning of year	127,763	92,767
Foreign exchange translation of deferred tax liabilities	9,835	1,747
Arising on acquisition of joint venture interest	–	7,502
Deferred tax expense	13,963	25,747
Deferred tax liability	151,561	127,763

At 30 June 2011, the potential benefit of tax losses of a foreign subsidiary amounting to $5.2 million (2010: $5.2 million) has not been brought to account in these financial statements, as it is not probable that the benefit will flow to that entity. Potential withholding taxes not currently recognised on undistributed profits from jointly controlled entities totals $16.9 million (2010: $14.9 million).

9. Earnings per share

	2011	2010
a) Basic (loss)/earnings per share – cents per share	(2.25)	6.09

Basic (loss)/earnings per share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

	2011	2010
b) Diluted (loss)/earnings per share – cents per share	(2.25)	6.09

Diluted (loss)/earnings per share is calculated by dividing the net profit attributable to ordinary shareholders by the weighted average number of shares outstanding during the year (after adjusting for the effects of potential dilutive ordinary shares).

c) Reconciliations

	2011 $'000	2010 $'000
Net (loss)/profit used in calculating basic and diluted earnings per share	(10,396)	27,773

	Number of shares	Number of shares
Weighted average number of shares used in the calculation of basic earnings per share	462,904,906	455,897,367
Effect of dilutive securities		
Share options	–	395,278
Adjusted weighted average number of shares used in the calculation of diluted earnings per share	462,904,906	456,292,645
Number of potential ordinary shares not considered dilutive		
Share options	265,372	–
Convertible bonds	44,293,518	23,542,308
	44,558,890	23,542,308

	2011	2010
	$'000	$'000

9. Earnings per share cont.

d) Headline earnings per share is disclosed as required by the JSE Limited

	2011 $'000	2010 $'000
(Loss)/profit attributable to ordinary equity holders of the parent entity	(10,396)	27,773
Adjustments net of tax:		
Impairment losses	159,779	–
Reversal of deferred tax liability of Ridge	(10,027)	–
Loss on sale of Ridge property, plant and equipment	3,700	–
Discount on acquisition of Ridge Group	–	(3,906)
Other	(235)	(226)
Headline earnings	142,821	23,641

	2011	2010
Headline earnings per share – cents		
Basic	30.85	5.19
Diluted	30.84	5.18

There have been no transactions involving ordinary shares or potential ordinary shares that would significantly change the number of ordinary shares or potential ordinary shares outstanding between the reporting date and the date of completion of these financial statements.

10. Dividend proposed or declared

A final dividend of 4 cents per share for the 2011 financial year has been declared (2010: 4 cents). The dividend has not been recognised as a liability in the consolidated financial statements at 30 June 2011.

Total dividends paid during the 2011 financial year amounted to $37.1 million, comprising a final 2010 dividend of $18.6 million paid in September 2010, and an interim 2011 dividend of $18.5 million paid in March 2011.

Total dividends paid during the 2010 financial year amounted to $9.3 million, comprising an interim 2010 dividend paid in March 2010.

11. Receivables – non-current

	2011 $'000	2010 $'000
Amount due from joint venture participant for share of mine site closure costs (a)	13,990	10,402
Receivable from government (b)	28,537	28,537
Other receivables (c)	26,176	23,847
	68,703	62,786

	2011	2010
	$'000	$'000

11. Receivables – non-current cont.

(a) Based on the first and second Notarial Pooling and Sharing agreements (PSAs) with Anglo Platinum, AQPSA holds a contractual right to recover 50% of the rehabilitation liability relating to environmental rehabilitation resulting from PSA operations from Rustenburg Platinum Mines Limited (RPM), where this rehabilitation relates to property owned by AQPSA. Likewise RPM holds a contractual right to recover 50% of the rehabilitation liability relating to environmental rehabilitation resulting from PSA operations from AQPSA, where the rehabilitation relates to property owned by RPM. Refer also Note 23(a). With respect to the opencast section of the Marikana mine that is on AQPSA property, RPM have limited their contractual liability to approximately ZAR50 million, being a negotiated liability in terms of an amendment to the second Notarial Pooling and Sharing Agreement.

(b) The Group as part of its investment in Mimosa has a receivable from the Reserve Bank of Zimbabwe (RBZ) of $28.5 million. The amount owing relates to a former requirement for Mimosa to repatriate a component of US Dollar sales into Zimbabwean Dollars through the sale of US Dollars to the Bank of Zimbabwe in exchange for Zimbabwean Dollars. It represents an accumulated balance of US Dollar sales for which Zimbabwean Dollars were in excess of Mimosa's operational requirements. The amount owing is immediately repayable on demand in US Dollars, is unsecured and bears no interest. The RBZ has confirmed the amount owing in US Dollars. Management is engaged in discussions with the RBZ and although no time frame has been agreed upon as yet, the directors are of the view that the debt will eventually be recovered. The fair value of the receivable, determined using a 15% discount rate, is approximately $24 million (2010: $23 million). Refer to Note 37(d).

(c) Other receivables are due from jointly controlled entities. During the year, $22.4 million representing the unrecoverable portion of a loan balance due from a jointly controlled entity was impaired. Refer to Note 7(b).

12. Available-for-sale investments

Shares in other corporations	3,329	2,609

Available-for-sale financial assets consist of investments in ordinary shares and therefore have no fixed maturity date or coupon rate.

13. Property, plant and equipment

	Land and buildings	Plant and equipment	Total
	$'000	$'000	$'000
30 June 2011			
Beginning carrying value	10,323	261,794	272,117
Additions	19,039	31,739	50,778
Disposals	–	(216)	(216)
Depreciation	(1,327)	(18,651)	(19,978)
Foreign exchange variance	128	22,934	23,062
Closing carrying value	28,163	297,600	325,763
At cost	32,837	412,079	444,916
Accumulated depreciation	(4,674)	(114,479)	(119,153)
Closing carrying value	28,163	297,600	325,763
30 June 2010			
Beginning carrying value	8,910	221,147	230,057
Additions	992	18,793	19,785
Additions on acquisition of Ridge Group	885	31,908	32,793
Depreciation	(603)	(12,965)	(13,568)
Foreign exchange variance	139	2,911	3,050
Closing carrying value	10,323	261,794	272,117
At cost	13,648	348,821	362,469
Accumulated depreciation	(3,325)	(87,027)	(90,352)
Closing carrying value	10,323	261,794	272,117

Refer to Note 28 for security granted over these assets.

14. Mining assets

Comprising deferred exploration and evaluation costs, mineral properties acquired and mine development costs as follows:

	2011	2010
	$'000	$'0000
Exploration and evaluation costs	13,506	9,619
Mineral properties acquired	264,326	160,014
Accumulated amortisation and impairment	(80,684)	(72,025)
	183,642	87,989
Development costs	441,179	451,434
Accumulated amortisation and impairment	(157,693)	(123,160)
	283,486	328,274
	480,634	425,882

	2011 $'000	2010 $'000

14. Mining assets cont.

Reconciliation of mining assets

	2011 $'000	2010 $'000
Opening balance	425,882	270,374
Additions/expenditure incurred during the year	93,476	68,841
Additions on acquisition of Afarak	109,854	–
Additions on acquisition of Ridge Group	–	111,152
Disposals incurred during the year	(11,879)	–
Provision for rehabilitation decrement	(11,580)	(3,908)
Impairment of mining assets (Note 7)	(137,403)	–
Amortisation charges	(37,680)	(24,806)
Foreign exchange variance	49,964	4,229
Closing balance	480,634	425,882

In accordance with the Group's policy on mining assets, the directors have reviewed the carrying value of mineral exploration tenements as at 30 June 2011. The value of the mineral exploration tenements is carried forward as an asset provided the rights to tenure of the area of interest is current and either:

- the exploration and evaluation activities are expected to be recouped through successful development and exploitation of the area of interest or, alternatively, by its sale; or
- exploration and evaluation activities in the area of interest have not at the reporting date reached a stage, which permits a reasonable assessment of the existence, or otherwise of economically recoverable reserves, and active and significant operations in, or relating to, the area of interest are continuing.

Refer to Note 28 for security granted over these assets.

15. Restricted cash in environmental trusts

	2011 $'000	2010 $'000
Contributions to environmental rehabilitation trusts	19,703	15,055
	19,703	15,055
Reconciliation of movement		
Opening balance	15,055	12,008
Contributions	1,716	1,906
Interest received	1,314	871
Foreign exchange variance	1,618	270
Closing balance	19,703	15,055

	2011	2010
	$'000	$'000

15. Restricted cash in environmental trusts cont.

AQPSA has established Environmental Rehabilitation Trusts into which the Company makes annual contributions in order to provide for its obligations in respect of environmental rehabilitation. AQPSA also contributes to the Rustenburg Platinum Mines Rehabilitation Trust in order to provide for the obligations in respect of environmental rehabilitation for part of the jointly controlled operation's obligation incurred in the Notarial Pooling and Sharing Agreements. The trust balances are represented by restricted cash financial assets that can only be accessed in compliance with meeting the trust objectives.

16. Intangible asset and goodwill

	2011 $'000	2010 $'000
Contract for treatment of tailings material	81,381	72,292
Less accumulated amortisation	(13,341)	(8,296)
	68,040	63,996
Goodwill – Platinum Mile Resources (Pty) Ltd	9,949	8,837
	77,989	72,833
Reconciliation of contract for treatment of tailings material		
Opening balance	63,996	65,587
Amortisation charge	(3,889)	(3,565)
Foreign currency adjustment	7,933	1,974
Closing balance	68,040	63,996
Reconciliation of goodwill		
Opening balance	8,837	8,580
Foreign currency adjustment	1,112	257
Closing balance	9,949	8,837

The recoverable amount of the Company's interest in the Platinum Mile Resources (Pty) Ltd (Plat Mile) joint venture has been determined based on a value in use calculation using cash flow projections based on financial budgets and long term future estimates approved by senior management, over a forty year period. A period greater than five years for these cash flows is justified on the basis of contracts in place and material internally available from other group operations.

The primary assumptions underlying the cash flow projections include PGM production of approximately 40,000 ounces per annum based on management estimates, a PGM basket price of approximately $1,485 (2010: $1,220) per ounce based on management estimates and a 7.5% (2010: 10.1%) post tax discount rate.

16. Intangible asset and goodwill cont.

Management's approach to determining the values assigned to each key assumption was as follows:

- PGM production volume per annum – based on management's updated acquisition model used when determining the offer price. This took into account the anticipated tailings production based on Plat Mile production forecasts combined with the estimated recovery's based on past performance adjusted for expected efficiencies;
- PGM basket price – based on long term price forecasts from a number of brokers adjusted to reflect management's expectations;
- Discount rate applied – based on the weighted average cost of capital which is believed to reflect the risks specific to the asset. This included a number of inputs which were both market based measures as well as management estimates including, the risk free rate for bonds issued, an assessment of the equity market risk premium as well as a risk adjustment ("beta") specific to the asset. In determining the risk adjustment, the average of the betas of comparable projects was used adjusted for management's expectations, and the forward looking equity market risk premium was the average supplied by a number of investment banks.

As the recoverable amount of the Company's interest in the Plat Mile joint venture is marginally in excess of the carrying amount, any negative adjustments to the above primary assumptions will cause the carrying amount of the goodwill allocated to the Plat Mile joint venture to exceed its recoverable amount. A reduction in the PGM basket price of 20% would produce an impairment of approximately $25 million (2010: $18 million).

17. Asset acquisition

Acquisition of Afarak Platinum (Proprietary) Limited

On 30 April 2011, Aquarius completed the acquisition of platinum group metal mineral rights by way of the purchase of Afarak Platinum (Proprietary) Limited ("Afarak"), a private company incorporated in South Africa. Aquarius holds directly 74% of the issued share capital of Afarak, with the remaining 26% held by Watervale (Proprietary) Limited, an empowerment company controlled by Savannah Resources (Proprietary) Limited, Aquarius' major shareholder and Black Economic Empowerment partner. Aquarius has a direct 47% interest in Watervale. The transaction has been fully funded by Aquarius with the Watervale share funded via a non-recourse loan from the Group. Accordingly, in accordance with the substance of the agreement, the acquisition has been treated as an acquisition of an asset, being the acquisition of interests in the new order prospecting rights to two properties known as Hoedspruit and Kruidfontein.

17. Asset acquisition cont.

	$'000
The cash outflow on acquisition is as follows:	
Cash paid	70,354
Shares issued, at fair value	39,500
	109,854
Assets acquired:	
Mining assets (Note 14)	109,854
	109,854

18. Business combination

On 6 July 2009, pursuant to a Scheme of Arrangement, Aquarius acquired 100% of the voting shares of Ridge Mining plc (Ridge), a company registered and headquartered in England and publicly listed on the AIM market of the London Stock Exchange.

Ridge is a platinum group metal explorer and developer with two key projects in the eastern limb of South Africa's Bushveld Complex – the 50% owned Blue Ridge Mine which is currently on care and maintenance, and the 39% owned Sheba's Ridge project which is under feasibility study.

The total cost of the business combination was $112.7 million and comprised the issue of equity instruments – both ordinary shares and options over ordinary shares. Aquarius issued 33,477,945 ordinary shares with a fair value of £1.968 each, based on the quoted price of the shares of Aquarius on 6 July 2009. The ordinary shares have a total fair value of £65.9 million or $107.6 million. Aquarius granted 14,089,324 replacement options over ordinary shares to cover the outstanding Ridge employee share options, shareholder warrants, and options granted to joint venture partners. The replacement options have a total fair value of £3.1 million or $5.1 million, based on a binomial option valuation in accordance with IFRS as at 6 July 2009.

18. Business combination cont.

	Fair value at acquisition date $'000	Carrying value $'000
The fair value of the identifiable assets and liabilities of Ridge as at the date of acquisition were:		
Cash and cash equivalents	13,595	13,595
Receivables	13,611	23,731
Inventory	5,285	4,175
Property, plant and equipment	32,793	32,667
Mining assets	111,152	104,104
	176,436	178,272
Trade and other payables	(10,709)	(10,606)
Current tax liabilities	(2,068)	(1,628)
Provisions	(1,300)	(1,300)
Interest bearing loans and borrowings	(36,728)	(36,728)
Deferred tax liabilities	(7,502)	(5,844)
	(58,307)	(56,106)
Fair value of identifiable net assets	118,129	
Discount arising on acquisition	(5,425)	
	112,704	
Cost of the combination:		
Shares issued, at fair value	107,575	
Replacement options granted, at fair value	5,129	
Total cost of the combination	112,704	
The cash inflow on acquisition is as follows:		
Net cash acquired with the subsidiary	13,595	
Net consolidated cash inflow	13,595	

The fair value of receivables acquired included $10.1 million relating to the fair value of joint venture partner receivables which are non-interest bearing and have been discounted from a gross contractual receivable at acquisition date of $21.3 million. The gross contractual amount of cash flows are expected to be received in full.

Direct costs of $4.2 million relating to the acquisition were recognised in the profit and loss for the year ended 30 June 2010.

18. Business combination cont.

A discount on acquisition has been recorded as the value of the net assets acquired was greater than the fair value of the consideration given at the date control was obtained.

During the year ended 30 June 2010, the Ridge Group contributed $nil to the revenue of Aquarius as the Blue Ridge Mine was still in the development phase, and contributed a loss of $4.6 million to the net profit of Aquarius. This was offset by the discount on acquisition recorded of $5.4 million.

19. Interest in joint ventures

The Group has the following interest in joint ventures:

- a 50% interest in two joint ventures each referred to as the "Notarial Pooling & Sharing Agreements". The principal activities of the joint ventures is to extend the Kroondal mine over the boundary of the properties covering the Kroondal mine and expand the Marikana mine operations through mineral rights contributed by Anglo Platinum through its subsidiary, Rustenburg Platinum Mines Ltd.
- a 50% interest in Mimosa Investments Limited, which owns and operates the Mimosa mine, a 50% interest in a joint venture known as the "Chrome Tailings Retreatment Project" and a 50% interest in the Plat Mile "tailings reprocessing joint venture".
- a 50% interest in Blue Ridge Platinum (Pty) Limited, which has been placed on care and maintenance, and a 39% interest in Sheba's Ridge Platinum (Pty) Ltd, which is under feasibility study.

The Group's share of the assets, liabilities, revenue and expenses of the joint ventures which are included in the consolidated financial statements, are as follows:

	2011	2010
	$'000	$'000
Current assets	244,902	216,138
Non-current assets	553,374	550,659
	798,276	766,797
Current liabilities	(122,221)	(62,580)
Non-current liabilities	(66,782)	(64,973)
	609,273	639,244
Revenue	524,657	446,153
Cost of sales	(347,708)	(290,942)
Other expenses	(17,232)	(10,820)
Impairment expense	(159,779)	–
Interest received	1,516	1,602
Interest expense	(1,233)	(1,769)
Profit before income tax	221	144,224
Income tax expense	(17,361)	(22,094)
Net (loss)/profit	(17,140)	122,130
Capital expenditure commitments (non cancellable)	16,617	14,372

These commitments represent contractual commitments relating to development activities at the Marikana, Kroondal and Mimosa projects and include AQP's share of capital expenditure associated with the capital development of those mines.

	2011	2010
	$'000	$'000

20. Cash and cash equivalents

Cash at bank	75,368	92,083
Short-term deposits	252,715	289,651
	328,083	381,734

The interest rate earned from cash at bank and short-term deposits ranged from 0.10% to 6.0% per annum. Short-term deposits have maturity dates of three months or less.

21. Trade and other receivables – current

Trade receivables (a)	90,606	78,266
Other receivables (b)	17,789	18,580
	108,395	96,846

(a) Trade receivables have been offset by an amount of:

- $35.4 million (2010: $4.4 million) relating to the pre-financing by Impala Platinum Holdings Limited of delivered PGM concentrates. This amount is subject to interest at the London Inter-Bank Offered Rate (LIBOR) plus 1%. The pre-financing is due to be offset in US Dollars against the final invoice amount during July, August and September 2011.
- $69.0 million (2010: $77.8 million) relating to the pre-financing by Rustenburg Platinum Mines Limited of delivered PGM concentrates. This amount is subject to interest at the London Inter-Bank Offered Rate (LIBOR) plus 1%. The pre-financing is due to be offset in US Dollars against the final invoice amount during July, August and September 2011.
- $2.3 million (2010: $4.9 million) relating to the pre-financing by Impala Platinum Holdings Limited of delivered PGM concentrates. This amount is subject to interest at the Johannesburg Interbank Agreed Rate (JIBAR) plus 2%. The pre-financing is due to be offset in US Dollars against the final invoice amount during July, August and September 2011.

Trade receivables are due from major minerals mining and processing companies. None of the amounts are considered past due or impaired. At 30 June 2011, gross sales of $178.3 million (2010: $142.3 million) were subject to price adjustments. Refer to Note 37(b)(ii).

(b) None of the amounts are considered past due or impaired.

	2011	2010
	$'000	$'000

22. Inventories

	2011 $'000	2010 $'000
Ore stockpiled at cost	2,902	3,800
PGM concentrates at cost	1,214	1,145
Consumables at cost	39,830	44,393
	43,946	49,338

23. Payables – non-current

	2011 $'000	2010 $'000
Amount due to joint venture participant in respect of mine closure costs (a)	2,623	1,769
Other payables	3,527	2,862
	6,150	4,631

(a) Based on the first and second Notarial Pooling and Sharing agreements (PSA) with Anglo Platinum, AQPSA holds a contractual right to recover 50% of the rehabilitation liability relating to environmental rehabilitation resulting from PSA operations from Rustenburg Platinum Mines Limited (RPM), where this rehabilitation relates to property owned by AQPSA. Likewise RPM holds a contractual right to recover 50% of the rehabilitation liability relating to environmental rehabilitation resulting from PSA operations from AQPSA, where the rehabilitation relates to property owned by RPM. Refer also Note 11(a).

24. Interest bearing loans and borrowings – non-current

	2011 $'000	2010 $'000
Secured loans (a)	248	251
Finance lease liabilities (b)	10,066	1,361
Convertible bonds (c)	247,285	236,677
	257,599	238,289

(a) Secured loans comprise a loan of $0.2 million (ZAR1.7million) (2010: $0.3 million and ZAR1.9 million) payable to the Land and Agricultural Bank of South Africa by a subsidiary, TKO Investment Holdings Ltd. The loan bears interest at 11% and is repayable in annual instalments of ZAR0.4 million on 15 June each year. The loan is secured by a first mortgage bond on all the fixed properties amounting to ZAR3.3 million within the TKO Group and cross guarantees between all the companies in the TKO Group.

(b) Finance lease liabilities relating to vehicles are calculated at an effective interest rate of the South African prime bank lending rate less an average of 1.75% with a lease term of four years. Finance lease liabilities relating to mining equipment are calculated at an effective interest rate of the South African prime bank lending rate less 1.5% with an average lease term of three years.

24. Interest bearing loans and borrowings – non-current cont.

(c) In December 2009 the Company issued $300 million 4% Convertible Bonds due 2015 (the Bonds) constituted by a trust deed dated 18 December 2009 and subject to the following summarised key terms:

i) The authorised denomination of the Bonds is $100,000 each and, unless previously redeemed, converted or purchased and cancelled, will be redeemed on 18 December 2015 at their principal amount plus accrued and unpaid interest;
ii) The holder has the right to convert the Bonds into Common Shares in the Company. The number of Common Shares to be issued on conversion is determined by dividing the principal amount of the Bonds by the Conversion Price in effect at such time. The initial Conversion Price was set at $6.773 per Common Share, but may be adjusted for certain events set out below;
iii) On satisfying the required notice period, the Company has the right to redeem all but not some only of the Bonds on or after 8 January 2013 if the market value of the Common Shares is at a premium of 30% to the Conversion Price for a certain period. The Company may also redeem the Bonds in circumstances where 85% of the Bonds have been converted, redeemed or purchased and cancelled;
iv) The Conversion Price may be adjusted in certain circumstances, including the payment of dividends to Shareholders, rights issues and bonus issues. In addition, if a Change of Control (as defined in the terms and conditions of the Bonds) occurs, holders have a right to convert their Bonds at a Conversion Price that shall be adjusted downwards for a limited period of time or to require redemption of their Bonds at their principal amount plus accrued and unpaid interest;
v) The Bonds bear interest of 4% per annum payable semi-annually in arrears;
vi) Should an Event of Default occur the Bonds may become due and repayable immediately at their principal amount plus accrued and unpaid interest. Events of Default include failure to pay amounts due under the Bonds, non-payment of other financial indebtedness above certain thresholds and insolvency or similar events occurring; and
vii) The Bonds are unsecured but subject to a negative pledge whereby the Group undertakes not to create or permit any security being registered over its assets without meeting certain requirements to the satisfaction of the Trustee.

For accounting purposes the Bonds have two elements: a liability component included in Note 24 (a host debt contract) and an equity element included in Note 32(f) (an embedded option entitling the Bond holder to convert the liability into Common Shares in the Company). The liability element is initially recognised at fair value and is subsequently carried at amortised cost whereby the initial carrying value of the liability is accreted to the principal amount over the life of the Bond. This accretion is recognised as a finance cost together with the interest expense. The balance of the Bond proceeds is allocated to the value of the embedded option equity component. The fair value of the Bond at 30 June 2011 is $320.3 million (2010: $296.4 million).

	2011 $'000	2010 $'000
25. Derivatives at fair value		
Derivative at fair value associated with convertible bond	–	–
	–	–
Movement in derivatives:		
Balance at beginning of the year	–	6,084
Settlement	–	(6,084)
Balance at end of year	–	–
26. Provisions – non-current		
Provision for mine site rehabilitation	69,943	67,430
Provision for employee entitlements	207	148
	70,150	67,578
Reconciliation of movement		
Balance at beginning of the year	67,578	62,963
Additional provision for employee entitlements	22	36
Reduction in mine site closure costs provided	(11,580)	(3,908)
Payments for mine site closure	(491)	(162)
Acquisition of Ridge Mining provisions	–	1,072
Interest adjustment due to accretion in mine-site rehabilitation liability	5,744	5,414
Net exchange differences	8,877	2,163
Balance at end of year	70,150	67,578

The mines for which the provision has been raised are expected to have remaining mine lives in the range of 6 to beyond 30 years.

Provision for mine site rehabilitation

The provision for rehabilitation represents the cost of restoring site damage following initial disturbance. Increases in the provision are capitalised to deferred mining assets to the extent that the future benefits will arise. Costs incurred that related to an existing condition caused by past operations and do not have a future economic benefit are expensed.

Provision for employee entitlements

The provision for employee entitlements represents accrued employee leave entitlements.

	2011	2010
	$'000	$'000

27. Trade and other payables – current

Trade payables	31,167	34,513
Other payables	53,733	42,098
	84,900	76,611

Trade and other payables are interest free, payable within 90 days, predominantly denominated and repayable in ZAR and USD and located in South Africa and Zimbabwe.

28. Interest bearing loans and borrowings – current

Secured loans (a)	28,387	21,703
Finance lease liabilities – refer Note 24(b)	6,063	1,024
	34,450	22,727

(a) These secured loans are payable to the Development Bank of Southern Africa and the Industrial Development Corporation of South Africa, with an interest rate of JIBAR plus 11% (2010: JIBAR plus 8%). The loans are re-payable bi-annually in May and November, starting in May 2012, over 7 years and are secured by a charge over substantially all of the assets of the Ridge group.

At reporting date, Blue Ridge Platinum (Pty) Ltd was in breach of a debt covenant, due to the mine ceasing mining activities, and accordingly the full balance of $28.4 million has been classified as current. Blue Ridge (Pty) Limited and the lenders are in discussions in relation to how the company will deal with its debt, but as yet no decisions have been taken.

29. Provisions – current

Provision for employee entitlements	1,199	804

Reconciliation of movement

Balance at beginning of the year	804	596
(Utilisation)/additional provision	315	(35)
Acquisition of Ridge Mining provisions	–	228
Net exchange differences	80	15
Balance at end of year	1,199	804

Provision for employee entitlements

The provision for employee entitlements represents accrued employee leave entitlements.

	2011	2010
	$'000	$'000

30. Issued capital

a) Authorised capital

	2011 $'000	2010 $'000
1,590,000,000 (2010: 1,590,000,000) common shares with a par value of $0.05 each	79,500	79,500
5 (2010: 5) "A" class shares with a par value of $2,400 each	12	12
50,000,000 (2010: 50,000,000) preference shares with a par value of $0.15 each	7,500	7,500
	87,012	87,012

b) Issued capital

	2011 $'000	2010 $'000
470,167,206 (2010: 463,070,936) common shares of $0.05 each fully paid	23,509	23,154

	Number of shares	$'000
Movement in issued capital		
At 1 July 2009	415,014,680	20,751
Scheme of arrangement – 1 AQP share issued for every Ridge share	33,477,945	1,674
Exercise of share options – AQP	862,683	43
Exercise of share options – Ridge	13,715,628	686
At 30 June 2010	463,070,936	23,154
At 1 July 2010	463,070,936	23,154
Exercise of share options – AQP	292,108	15
Shares issued on acquisition of Afarak	6,804,162	340
At 30 June 2011	470,167,206	23,509

Terms and conditions of issued capital

Common shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

Preference shares, when issued, have rights and restrictions attaching to them as determined by the Board, in accordance with the Bye-Laws of the Company.

Options

For information regarding the Company's Option Plans, refer to Note 35.

30. Issued capital cont.

Black Economic Empowerment (BEE) Transaction

South Africa

The BEE transaction announced to shareholders on 26 July 2004 and approved by shareholders in Special General Meeting on 11 October 2004 was formally executed with the receipt of ZAR860 million in cash by the Aquarius Group on the 29 October 2004.

The transaction has two key components, both of which are complete.

The first step saw the BEE consortium, led by Savannah Resources (Pty) Limited (Savcon), subscribe for a 29.5% shareholding in the enlarged share capital of AQPSA as follows:

- Savcon were issued with 400 shares in AQPSA for cash of $38,192,616 (ZAR234,544,678) and shareholder loans of $97,439,401 (ZAR598,385,104). The terms and conditions of the loans were as follows:
  I. a loan of ZAR498,385,104 that was unsecured, subordinated to AQPSA's third party debt, was interest free, had no fixed terms of repayment and ranks pari passu with the other shareholder loans; and
  II. a loan of ZAR100,000,000 that was unsecured, subordinated to AQPSA's third party debt, bore interest at a rate of 12.745% per annum, had no fixed terms of repayment and ranked pari passu with the other shareholder loans.
- Aquarius also agreed to sell 13 AQPSA shares to Savcon for $4,445,028 (ZAR27,070,218).

Concurrently Impala Platinum Holdings Limited (Implats) acquired an additional holding in AQPSA from Aquarius to increase their shareholding to 20% in AQPSA following the dilution resulting from the issue of the new shares in AQPSA to the BEE consortium. Aquarius agreed to sell 30 AQPSA shares to Impala for $11,471,938 (ZAR71,500,000). This was settled by the cession of ZAR71,500,000 of interest bearing loan account to Aquarius.

On 26 April 2007, the Company announced the acquisition of a 3.5% equity interest in AQPSA from Savcon for cash consideration of ZAR342.5 million following the receipt of a Section 11(1) Consent from the South African Department of Mineral Resources. As a result of the transaction Aquarius increased its ownership interest in AQPSA from 50.5% to 54%. The difference between the consideration paid of $33.1 million and the carrying value of the non-controlling interest acquired was treated as an equity transaction. Refer Note 32(e).

On 16 April 2008, the Company announced the buy back by AQPSA of the 20% interest in AQPSA held by Implats for consideration of $504.9 million and the buy back by Aquarius of Implats' 8.4% interest in Aquarius for a consideration of $285 million. As a result of the transaction Aquarius increased its ownership interest in AQPSA from 54% to 67.5%. The difference between the consideration paid of $504.9 million and the carrying value of the non-controlling interest acquired in AQPSA was treated as an equity transaction. Refer Note 32(e).

The second step occurred on 27 October 2008 where the Company announced that it had completed the final phase of the BEE transaction whereby Savcon exchanged its 32.5% holding in AQPSA for 65,042,856 new shares in Aquarius. As a result of the transaction Aquarius increased its ownership interest in AQPSA from 67.5% to 100%. The difference between the share consideration of $105.1 million and the carrying value of the non-controlling interest acquired in AQPSA has been treated as an equity transaction. Refer Note 32(e).

	2011	2010
	$'000	$'000

31. Treasury shares

2,833,669 (2010: 2,460,669) common shares (refer Note 35)	(16,190)	(14,264)
Movement in treasury shares		
Balance at beginning of year – 2,460,669 shares	(14,264)	(2,802)
Purchased by the trustee – 373,000 shares (2010: 103,600 shares)	(1,926)	(677)
Acquisition of treasury shares (2010: 1,799,775 shares)	–	(10,785)
Balance at end of year – 2,833,669 shares	(16,190)	(14,264)

32. Reserves

Share premium reserve (a)	1,019,677	979,762
Foreign currency translation reserve (b)	6,263	(17,153)
Equity benefits reserve (c)	466	466
Ridge replacement options reserve (d)	92	92
Equity reserve (e)	(361,826)	(361,826)
Convertible bond equity component (f)	62,700	62,700
	727,372	664,041

Movement in reserves

a) Share premium reserve

Balance at beginning of year	979,762	826,779
Premium on shares issued on exercise of share options – AQP	755	1,205
Premium on shares issued on acquisition of Afarak	39,160	–
Premium on shares issued on exercise of share options – Ridge	–	45,878
Acquisition of Ridge Mining plc	–	105,900
Balance at end of year	1,019,677	979,762

The share premium reserve is used to record the premium arising on the issue of shares calculated as the difference between the issue price and the par value of $0.05 per share.

b) Foreign currency translation reserve

Balance at beginning of year	(17,153)	(20,782)
Gain on translation of foreign subsidiaries	23,416	3,629
Balance at end of year	6,263	(17,153)

The foreign currency translation reserve is used to record currency differences arising from the translation of the financial statements of foreign operations.

	2011	2010
	$'000	$'000

32. Reserves cont.

c) Equity benefits reserve

Balance at end of year	466	466

The equity benefits reserve is used to record the value of equity benefits granted to employees and the value of shares reserved under the share plan.

d) Ridge replacement options reserve

Balance at beginning of year	92	–
Replacement options issued to Ridge shareholders	–	5,129
Exercise of Ridge replacement options	–	(5,037)
Balance at end of year	92	92

The Ridge replacement options reserve is used to record the fair value of options issued to replace options previously on issue by Ridge Mining.

e) Equity reserve

Balance at end of year	(361,826)	(361,826)

The equity reserve is used to record gains and losses associated with equity transactions with non-controlling interests where the Group maintains control of the subsidiary.

f) Convertible bond equity component

Balance at end of year	62,700	62,700

The convertible bond equity component is used to record the excess of the proceeds received from the issue of convertible bonds over the fair value of the debt component.

33. Retained earnings

Balance at beginning of the year	164,102	145,584
Final dividend paid	(18,529)	–
Interim dividend paid	(18,531)	(9,255)
Net (loss)/profit for the year	(10,396)	27,773
Balance at end of year	116,646	164,102

Repatriation of funds from South Africa and Zimbabwe are subject to regulatory approval in the respective countries.

	2011	2010
	$'000	$'000

34. Commitments

	2011 $'000	2010 $'000
a) Operating lease (non cancellable)		
Not later than 1 year	277	229
Later than 1 year but not later than 5 years	219	232
Later than 5 years	56	–
	552	461
b) Finance lease commitments		
Not later than 1 year	7,053	1,200
Later than 1 year but not later than 5 years	10,772	1,461
Total minimum, lease payments	17,825	2,661
Less future finance charges	(1,696)	(276)
Present value of minimum lease payments	16,129	2,385
Disclosed in the consolidated accounts as:		
Current interest bearing liability (Note 28)	6,063	1,024
Non-current interest bearing liability (Note 24)	10,066	1,361
	16,129	2,385
c) Capital expenditure (non cancellable)	18,313	19,653

These commitments represent contractual commitments relating to development activities at the Everest, Marikana, Kroondal and Mimosa projects and include AQP's share of capital expenditure associated with the capital development of those mines.

d) Other commitments

In February 2009, the Group signed an agreement with First Platinum to purchase a business comprising mining rights, land and movable assets. The purchase will be settled through the issue of 2.7 million shares in Aquarius upon the completion of the mining right transfer to the Group. As at 30 June 2011, as the conditions precedent were not all satisfied, the transaction has not been reflected in the financial statements.

In May 2011, the Company and AQPSA entered into a binding Sale of Rights Agreement with Northam Platinum Limited to acquire the platinum group metals and associated base metals mineral rights on farms adjacent to AQPSA's Everest Mine on the Eastern Limb of the Bushveld Igneous Complex. Aquarius Group companies will pay R1.2 billion (approximately $180 million) to the Northam Group, subject to certain conditions being met. As at 30 June 2011, as the conditions precedent were not all satisfied, the transaction has not been reflected in the financial statements.

35. Share-based payment plans

Directors' and employees' share and option plans

Aquarius has a Share Plan and an Option Plan ("Plans") for the Chief Executive Officer and employees. The Remuneration Committee administers the Company's Plans, which were established pursuant to a resolution passed at the Annual General Meeting of Aquarius held on 3 December 2001. Participation in the Plans will be at the discretion of the remuneration committee, having regard to:

a) the seniority of the participant and the position the participant occupies with the company or subsidiary;
b) the length of service of the participant with the company or subsidiary;
c) the record of employment of the participant with the company or subsidiary;
d) the potential contribution of the participant to the growth and profitability of the company or subsidiary; and
e) any other matters which the committee considers relevant.

Option plan

Options granted under the Option Plan may not be transferred without written approval from the Board of Directors. Each option entitles the holder to one fully paid common share, which ranks equally in all respects with other shares on issue. The option exercise price approximates the fair value of the shares at the date of offer, being the average of the last sold prices on the LSE in the five dealing days prior to the offer date. No person entitled to exercise options has any right by virtue of the option to participate in any share issue of the company or any related body corporate. Information with respect to the number of options granted under the Option Plan is as follows:

	Number of Options				
Options	Balance at beginning of year	Granted	Forfeited/ cancelled	Exercised	Balance at end of year
Exercise price of £1.11, granted 21 November 2003, expiring 21 November 2013 (a) (i)	120,000	–	–	–	120,000
Exercise price of £0.85, granted 11 June 2004, expiring 11 June 2011 (a) (ii)	161,115	–	39,366	121,749 (iv)	–
Exercise price of £0.97, granted 20 October 2004, expiring 20 October 2011 (a) (iii)	181,343	–	25,684	10,287 (v)	145,372
Exercise price of £2.34, granted 26 May 2006, expiring 26 May 2013 (b) (ii)	240,108	–	80,036	160,072 (vi)	–
Total	702,566	–	145,086	292,108	265,372
Options exercisable	622,530				265,372

35. Share-based payment plans cont.

(a) Options vested on grant date
(b) Options vested in accordance with Note (ii) below
(i) Options granted under the Option Plan are exercisable on the following terms:

- After 12 months have lapsed from the acceptance date, in respect of not more than one-third of the total number of those options;
- After 24 months have lapsed from the acceptance date, in respect of not more than two-thirds of the total number of those options; and
- After 36 months have lapsed from the acceptance date, in respect of the balance of those options.

(ii) Options granted under the Option Plan are exercisable on the following terms:

- After 36 months have lapsed from the acceptance date, in respect of not more than one-third of the total number of those options;
- After 48 months have lapsed from the acceptance date, in respect of not more than two-thirds of the total number of those options; and
- After 60 months have lapsed from the acceptance date, in respect of the balance of those options.

(iii) Options granted under the Option Plan are exercisable on the following terms:

- After 30 months have lapsed from the date of grant, in respect of not more than one-third of the total number of those options;
- After 42 months have lapsed from the date of grant, in respect of not more than two-thirds of the total; and
- After 54 months have lapsed from the date of grant, in respect of the balance of those options.

(iv) The weighted average share price at the date of exercise for the options exercised is £4.50.
(v) The weighted average share price at the date of exercise for the options exercised is £3.89.
(vi) The weighted average share price at the date of exercise for the options exercised is £2.74.

The weighted average remaining contractual life for options outstanding at the end of the financial year is 1.3 years (2010: 2.1 years).

Share plan

In 2008, the Company adopted a Share Plan for eligible participants. Under the Share Plan the Board can authorise the Trustee to purchase shares and hold them as either unallocated shares or as shares for and on behalf of an eligible participant. The participant may require the Trustee to transfer the plan shares held by the Trustee on behalf of the participant to the participant subject to satisfaction of any performance criteria or vesting conditions imposed by the Board. The Board may also direct the Trustee to allocate to a participant shares purchased as unallocated shares.

35. Share-based payment plans cont.

If a participant departs prior to satisfaction of any performance criteria or vesting conditions imposed by the Board then, subject to Board discretion, the shares that were held on behalf of the participant will be held by the Trustee as unallocated shares.

During the year, 373,000 (2010: 103,600) shares were purchased by the trustee at an average price of $5.17 (2010: $6.53) per share. The shares remain unallocated at the end of the year.

Pensions and other post employment benefit plans

Employer entities within the Group participate in defined contribution pension plans for eligible employees in accordance with the applicable laws in their country of domicile. Contributions made by the Group ranged from 8% to 20% of the employees' base salary.

36. Related party disclosures

Compensation of directors and key management personnel of the Group

	2011 $'000	2010 $'000
Compensation of directors:		
Short-term benefits	3,277	1,745
Post employment pension benefits	75	60
	3,352	1,805
Compensation of key management personnel:		
Short-term benefits	2,849	2,893
Post employment pension benefits	192	229
	3,041	3,122
Total remuneration of directors and key management personnel of the Company in respect of the financial year	6,393	4,927

36. Related party disclosures cont.

Related parties

a) Controlled entities

Details of significant controlled entities are as follows:

Name	Country of incorporation	% Equity interest 2011	% Equity interest 2010
Aquarius Platinum (Australia) Limited	Australia	100%	100%
Aquarius Platinum Corporate Services Pty Ltd	Australia	100%	100%
Aquarius Platinum (South Africa) (Pty) Ltd	South Africa	100%	100%
Kroondal Platinum Mines Limited	South Africa	100%	100%
Malfeb (Pty) Ltd	South Africa	100%	100%
Magaliesburg Properties (Pty) Limited	South Africa	100%	100%
Aquarius Platinum (SA) Corporate Services (Proprietary) Limited	South Africa	100%	100%
TKO Investment Holdings Ltd	South Africa	100%	100%
TKO Farming Enterprises (Pty) Limited	South Africa	100%	100%
TKO Properties (Pty) Limited	South Africa	100%	100%
Natal Kiwi Orchards (Pty) Limited	South Africa	100%	100%
SA Kiwifruit Industries (Pty) Limited	South Africa	100%	100%
Aquarius Platinum (SA) (Pty) Ltd Rehabilitation Trust	South Africa	100%	100%
Ridge Mining Limited plc	UK	100%	100%

b) Jointly controlled entities

Details of significant jointly controlled entities are as follows:

Mimosa Investments Limited	Mauritius	50%	50%
Mimosa Holdings (Private) Limited	Zimbabwe	50%	50%
Mimosa Mining Company (Private) Limited	Zimbabwe	50%	50%
Platinum Mile Resources (Pty) Ltd	South Africa	50%	50%
Blue Ridge Platinum (Pty) Ltd	South Africa	50%	50%
Sheba's Ridge Platinum (Pty) Ltd	South Africa	39%	39%

c) Transactions within the Group

During the financial year, unsecured loan advances were made by subsidiaries within the Group and between subsidiaries and the parent entity. Certain such loans carried a discounted rate of interest. Intra-entity loan balances have been eliminated in the financial statements of the Group.

37. Financial instruments

a) Financial risk management objectives and policies

The Group's management of financial risk is aimed at ensuring net cash flows are sufficient to:

- meet all its financial commitments
- maintain the capacity to fund corporate growth activities
- pay a reasonable dividend

37. Financial instruments cont.

The Group monitors its forecast financial position on a regular basis. The Group has a Treasury Committee that meets quarterly and considers cash flow projections for the following 12 months in detail, taking into consideration the impact of market conditions including metal prices and foreign exchange rates. The Committee also receives reports from independent foreign exchange consultants and receives presentations from advisors on current and forecast economic conditions.

Credit risk, liquidity risk and market risk (including foreign exchange, commodity price, interest rate and price risk) arise in the normal course of the Group's business. The Group's principal financial instruments comprise cash, short-term deposits, interest bearing receivables and interest bearing liabilities. Other financial instruments include trade receivables and trade payables, which arise directly from operations. The Group's forecast financial risk position with respect to key financial objectives and compliance with treasury practice are regularly reported to the Board. The Group's objectives, policies and processes for managing risks arising from financial instruments have not changed from the previous financial year.

b) Market risk

(i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commitments, assets and liabilities that are denominated in a currency that is not the functional currency for each entity within the Group. The Group's borrowings and cash deposits are largely denominated in US Dollars, South African Rand and Australian Dollars.

Currently there are no foreign exchange hedge programmes in place, however, the Group treasury function manages the purchase of foreign currency to meet operational requirements.

At reporting date the financial instruments exposed to movements in the South African Rand/US Dollar are as follows:

	2011	2010
	$'000	$'000
Financial assets		
Cash and cash equivalents	19	368
Trade and other receivables	48,487	39,575
	48,506	39,943
Financial liabilities		
Interest bearing loans (a)	278,903	280,980
	278,903	280,980

(a) This amount includes inter-company payables denominated in US Dollars which are eliminated on consolidation. The gains or losses recorded on re-measurement of these inter-company payables from US Dollars to South African Rand are not eliminated on consolidation.

	2011 $'000	2010 $'000
37. Financial instruments cont.		
The financial instruments exposed to movements in the Australian Dollar/US Dollar are as follows:		
Financial assets		
Cash and cash equivalents	89,525	78,387
	89,525	78,387
The financial instruments exposed to movements in the Great British Pound/US Dollar are as follows:		
Financial assets		
Cash and cash equivalents	54,625	67,024
	54,625	67,024

The following table summarises the sensitivity of financial instruments held at reporting date to movements in the exchange rate of the South African Rand, Great British Pound and Australian Dollar to the US Dollar, with all other variables held constant. The South African Rand, Great British Pound and Australian Dollar instruments have been assessed using the sensitivities indicated in the table. These are based on reasonably possible changes, over a financial year, using the observed range of actual historical rates for the preceding 5 year period.

	Impact on profit/equity pre tax gain/(loss)	
	2011 $'000	2010 $'000
Judgements of reasonable possible movements		
ZAR/USD +8.6% (2010: +8.5%)	19,932	21,283
ZAR/USD -6.4% (2010: -6.6%)	(14,827)	(16,011)
AUD/USD +10% (2010: +10%)	8,952	7,839
AUD/USD -10% (2010: -10%)	(8,138)	(7,126)
GBP/USD +10% (2010: +10%)	5,462	6,702
GBP/USD -10% (2010: -10%)	(4,966)	(6,093)

(ii) Commodity price risk

The Group's revenues are exposed to commodity price fluctuations, in particular movements in the price of platinum group metals (PGMs). The Group regularly measures exposure to commodity price risk by stress testing the Group's forecast financial position to changes in PGM prices. The Group does not hedge commodity prices.

37. Financial instruments cont.

The financial instruments exposed to movements in metal prices are as follows:

	2011 $'000	2010 $'000
Financial assets		
Receivables (gross notional amount)	178,322	142,303
	178,322	142,303

These receivables comprise quotational period embedded derivatives that are carried at fair value in accordance with the policy set out in Note 5(h).

The following table summarises the sensitivity of financial instruments held at reporting date to movements in the relevant forward commodity price, with all other variables held constant. The sensitivities are based on reasonably possible changes, over a financial year, using observed ranges of actual historical rates.

	Impact on profit/equity pre tax gain/(loss)	
	2011 $'000	2010 $'000
Judgements of reasonable possible movements		
10% (2010: 20%) increase in platinum, palladium and rhodium prices; 5% (2010: 10%) increase in gold price	17,258	27,887
10% (2010: 5%) decrease in platinum, palladium and rhodium prices; 5% (2010: 10%) decrease in gold price	(17,258)	(7,022)

Management believe that the rates used are indicative of market trends.

(iii) Interest rate risk

Interest rate risk is the risk that the Group's financial position will be adversely affected by movements in interest rates.

The Group's main interest rate risk arises from short-term loans with interest charges based on either the London Inter-Bank Offered Rate (LIBOR) or the Johannesburg Interbank Acceptance Rate (JIBAR). Floating rate debt exposes the Group to cash flow interest rate risk. Cash holdings are subject to interest rate risk of the currency of the deposit. The convertible bond has a fixed interest rate of 4%. All other financial assets and liabilities in the form of receivables, investments in shares, payables and provisions, are non-interest bearing.

The Group does not engage in any hedging or derivative transactions to manage interest rate risk. In conjunction with external advice, management consideration is given on a regular basis to alternative financing structures with a view to optimising the Groups' funding structure.

37. Financial instruments cont.

The financial instruments exposed to movements in variable interest rates are as follows:

	2011 $'000	2010 $'000
Financial assets		
Cash and cash equivalents	328,083	381,734
Restricted cash in environmental trusts	19,703	15,055
	347,786	396,789
Financial liabilities		
Interest bearing liabilities exposed to LIBOR *	104,447	82,147
Interest bearing liabilities and derivatives exposed to JIBAR *	30,645	26,613
	135,092	108,760

Cash and cash equivalents are exposed to movements in USD and ZAR cash deposit rates.

* *Interest bearing liabilities include $106.7 million (2010: $87.1 million) related to the pre-financing of delivered PGM concentrates that has been offset against trade receivables in the statement of financial position. Refer Note 21(a).*

The following table summarises the sensitivity of the financial instruments held at reporting date, following a movement in variable interest rates, with all other variables held constant. The sensitivities are based on reasonably possible changes over a financial year, using the observed range of actual historical rates for the preceding 5-year period.

	Impact on profit/equity pre tax gain/(loss)	
	2011 $'000	2010 $'000
Judgements of reasonable possible movements		
Cash		
– increase +50bps (2010: +50bps)	1,640	1,909
– decrease -50bps (2010: -50bps)	(1,640)	(1,909)
Restricted cash in environmental trusts		
– increase +50bps (2010: +50bps)	99	75
– decrease -50bps (2010: -50bps)	(99)	(75)
Interest bearing liabilities – sensitive to LIBOR		
– increase +100bps (2010: +100bps)	(1,045)	(821)
– decrease 0bps (2010: 0bps)	–	–
Interest bearing liabilities – sensitive to JIBAR		
– increase +100bps (2010: +100bps)	(312)	(266)
– decrease 0bps (2010: 0bps)	–	–

37. Financial instruments cont.

(iv) Price risk

Price risk is the risk that the Group's financial position will be adversely affected by movements in the market value of its available-for-sale financial assets. The financial instruments exposed to movements in market value are as follows:

	2011	2010
	$'000	$'000
Financial assets		
Other financial assets	3,329	2,609

The exposure to price risk is not considered material to the Group.

c) Liquidity risk

The liquidity position of the Group is managed to ensure sufficient liquid funds are available to meet financial commitments in a timely and cost effective manner. The Group Treasury Committee continually reviews the liquidity position including cash flow forecasts to determine the forecast liquidity position and maintain appropriate liquidity levels. Notes 24 and 28 detail the repayment obligations in respect of the amount of the facilities, and Note 34(d) includes details of other commitments.

The contractual maturity analysis of payables at the reporting date was as follows:

	Payables Ageing Analysis $'000				
	Total	< 6 months	6-12 months	1-5 years	>5 years
2011					
Trade payables	31,167	31,167	–	–	–
Other payables	57,260	53,862	–	900	2,498
Loans and borrowings	395,077	31,930	3,481	359,666	–
Total payables	483,504	116,959	3,481	360,566	2,498
2010					
Trade payables	34,513	34,513	–	–	–
Other payables	44,961	42,098	–	845	2,018
Loans and borrowings	376,242	22,268	566	353,408	–
Total payables	455,716	98,879	566	354,253	2,018

d) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligation under a financial instrument that will result in a financial loss to the Group. The carrying amount of financial assets represents the maximum credit exposure. Receivables balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. The Group's credit risk is limited to the carrying value of its financial assets.

37. Financial instruments cont.

At reporting date there is a significant concentration of credit risk represented in the cash and trade receivables balance. With respect to trade receivables, this is due to the fact that the majority of sales are made to two specific customers as per contractually agreed terms. The two customers, being Impala Platinum Holdings Limited and Rustenburg Platinum Mines Limited, have complied with all contractual sales terms and have not at any stage defaulted on amounts due. The Group manages its credit risk on trade debtors, cash and financial instruments by predominantly dealing with counterparties with a credit rating equal to or better than the Group.

The maximum exposure to credit risk at the reporting date was as follows:

	2011	2010
	$'000	$'000
Current		
Cash and cash equivalents	328,083	381,734
Restricted cash in environmental trusts	19,703	15,055
Trade receivables	90,606	78,266
Other receivables	43,965	42,427
	482,357	517,482
Non-current		
Receivable from government	28,537	28,537
	28,537	28,537

The ageing of receivables at the reporting date was as follows:

	Receivables Ageing Analysis $'000				
	Total	< 6 months	6-12 months	1-5 years	>5 years
2011					
Trade receivables	90,606	90,606	–	–	–
Other receivables	43,965	43,965	–	–	–
Receivable from government	28,537	–	–	28,537	–
Total receivables	163,108	134,571	–	28,537	–
2010					
Trade receivables	78,266	78,266	–	–	–
Other receivables	42,427	42,427	–	–	–
Receivable from government	28,537	–	–	28,537	–
Total receivables	149,230	120,693	–	28,537	–

37. Financial instruments cont.

e) Capital management

The Group treasury function is responsible for capital management. This involves the use of corporate forecasting models, which facilitates analysis of the Group's financial position including cash flow forecasts to determine the future capital management requirements. Group treasury monitors gearing and compliance with various contractual financial covenants. The Group defines capital as total shareholders equity.

Capital management is undertaken to ensure a secure, cost effective supply of funds to ensure the Group's operating and capital expenditure requirements are met. The mix of debt and equity is regularly reviewed. The Group does not have a target debt/equity ratio, but has a policy of maintaining a flexible financing structure so as to be able to take advantage of new investment opportunities that may arise. At 30 June 2011 the Group's gearing ratio is 30% (2010: 28%).

During the year the Company paid dividends of $37.1 million (2010: $9.3 million). The Board maintains a policy of balancing returns to shareholders with the need to fund growth.

f) Fair value

The fair value of a financial asset or a financial liability is the amount at which the asset could be exchanged or liability settled in a current transaction between willing parties in an arms length transaction. The fair values of cash and cash equivalents, trade and other receivables and trade and other payables approximate their carrying values, as a result of their short maturity or because they carry floating rates of interest. The fair value of financial instruments traded in active markets such as publicly traded available-for-sale securities are based on quoted market prices at the reporting date. The quoted market price used for available-for-sale securities held by the Group is the current bid price. The fair value of financial instruments that are not traded in an active market such as unlisted securities and convertible bonds are determined using valuation techniques. Such techniques include using recent arm's length market transactions and option pricing models.

Available-for-sale financial assets and quotational period embedded derivatives are carried at fair value. The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets and liabilities.
Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Available-for-sale financial assets are measured using level 1 valuation techniques. Quotational period embedded derivatives are measured using level 2 valuation techniques with reference to consensus forecasts and spot metal prices and exchange rates at the reporting date. The valuation techniques used have not changed for each of these financial instruments from the prior period.

38. Events after reporting date

Purchase of 41.7% interest in Platinum Mile Resources

In August 2011, the Group completed the purchase of a 41.7% interest in Platinum Mile Resources (Pty) Ltd from a combination of Mvelaphanda Holdings Limited and PlatMile management for R115.5 million (approximately $17 million). This brings the Group's holding in PlatMile to 91.7%. At the date of this report, initial accounting for the business acquisition has not yet been determined with the fair value assessment of the identified assets and liabilities acquired at acquisition and the estimate of the fair value of the contingent consideration to be finalised. As a result, it is not possible to disclose the fair value of the identified assets and liabilities that will be recognised, the fair value of consideration transferred or to calculate the value of goodwill, if any.

Zimbabwean indigenisation

In August 2011, the Group received a letter from the Minister of Youth Development, Indigenisation and Empowerment that rejected the proposed plan for indigenisation submitted by Mimosa in May 2011, and required that Mimosa submit a revised proposal. Mimosa's senior management remain in discussions with all of the various relevant Zimbabwean authorities to ensure that a satisfactory position is arrived at within the timeframes required by the relevant legislation and will submit a revised plan in late September 2011.

	2011	2010
	$'000	$'000
39. Auditor's remuneration		
Amounts received or due and receivable by Ernst & Young for:		
– an audit or review of the financial report of the company and any other entity in the consolidated group	872	593
– other services in relation to the company and any other entity in the consolidated group	53	414
	925	1,007

Fees paid to auditors for other services in 2010 predominantly comprised assurance related services provided in relation to the acquisition of Ridge Mining.

DIRECTORS' DECLARATION

In accordance with a resolution of the Board of Directors of Aquarius Platinum Limited, I state that:

In the opinion of the directors:

a) the financial statements and notes of the consolidated entity:
   I. give a true and fair view of the financial position as at 30 June 2011 and the performance for the year ended on that date of the consolidated entity; and
   II. comply with International Accounting Standards; and

b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

Stuart Murray
Director
29 September 2011

INDEPENDENT AUDIT REPORT TO MEMBERS OF AQUARIUS PLATINUM LIMITED

We have audited the accompanying financial report of Aquarius Platinum Limited and the entities it controlled ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2011, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of this financial report in accordance with International Financial Reporting Standards. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

We are independent of the company, and have met the independence requirements of Australian and International professional ethical pronouncements.

Auditor's Opinion

In our opinion, the consolidated financial report presents fairly in all material respects the financial position of the Group as of 30 June 2011, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Ernst & Young

Ernst & Young

Peter McIver
Partner
Perth
29 September 2011

ADDITIONAL SHAREHOLDER INFORMATION

The following information was reflected in the Company's registers and other records as at 31 August 2011.

Distribution of shareholders

			Ordinary shares Number of holders
1	–	1,000	3,449
1,001	–	5,000	2,316
5,001	–	10,000	430
10,001	–	100,000	471
100,001	–	and over	222
Total			6,888

There were 466 holders of ordinary shares holding less than a marketable parcel.

Substantial shareholders

The following shareholders have a substantial shareholding in the Company:

Shareholder	Number of shares Fully paid shares	%
Savannah Consortium	63,254,371	13.45
J P Morgan Nominees Australia Limited	44,728,165	9.51
HSBC Custody Nominees (Australia) Limited	38,627,667	8.22
National Nominees Limited	32,572,596	6.93

Voting rights

Only the shares carry voting rights, which upon a poll are one vote for each share held.

Twenty largest holders of fully paid shares

Shareholder		Number of shares	%
1	Savannah Consortium	63,254,371	13.45
2	J P Morgan Nominees Australia Limited	44,728,165	9.51
3	HSBC Custody Nominees (Australia) Limited	38,627,667	8.22
4	National Nominees Limited	32,572,596	6.93
5	Chase Nominees Limited	23,327,505	4.96
6	State Street Nominees Limited (OM02)	21,583,977	4.59
7	Chase Nomineees Limited (LEND)	12,236,086	2.60
8	Cogent Nominees Pty Limited	12,121,655	2.58
9	HSBC Global Custody Nominee (UK) Limited (357206)	11,307,411	2.40
10	The Bank of New York (Nominees) Limited	10,979,456	2.34
11	PLC Nominees (Proprietary) Limited	7,099,474	1.51
12	Chase Nominees Limited (CMBL)	6,592,411	1.40
13	Vidacos Nominees Limited (HK)	6,457,034	1.37
14	Vidacos Nominees Limited (FGN)	6,287,351	1.34
15	Nutraco Nominees Limited (781221)	5,900,000	1.25
16	Nutraco Nominees Limited (781007)	5,800,000	1.23
17	BNY Mellon Nominees Limited (BSDTGUSD)	5,719,097	1.22
18	Citicorp Nominees Pty Ltd	5,437,479	1.16
19	State Street Nominees Limited (OM04)	4,866,119	1.03
20	Zero Nominees Pty Ltd	3,951,751	0.84
Top 20 shareholders		328,849,605	69.94
Other shareholders		141,317,601	30.06
Total		470,167,206	100.00

Incorporation and general information

The Company was incorporated in Bermuda as an exempted company and is subject to Bermudian law.

In Australia, the Company is registered as a foreign company under the Australian Corporations Act (registration no. ARBN 087 577 893). It is not subject to Chapter 6 of the Australian Corporations Act dealing with the acquisition of shares (including substantial shareholdings and takeovers). However, the Company has inserted into its bye-laws some restrictions on the ability to acquire shares in the Company. These sections of the bye-laws reflect the restrictions on acquisitions of shares contained in Parts 6.1 and 6.2 of the Australian Corporations Act. The Company has undertaken to comply with the Listing Rules of the ASX.

Bermuda law does not impose any limitation on the acquisition of securities in the Company.

Corporate information

The consolidated financial statements for Aquarius for the year ended 30 June 2011 were authorised for issue in accordance with a resolution of the directors on 29 September 2011. Aquarius is a limited company incorporated and registered as an "exempted company" in Bermuda. As an "exempted company", Aquarius is authorised to carry on business outside Bermuda but may not (except in certain circumstances) carry on business within Bermuda.

The consolidated financial statements have been presented using United States Dollars as the presentation currency. The US Dollar is traded at par with the Bermuda Dollar and accepted as the currency of Bermuda's main industries.

The registered office of Aquarius is located at Clarendon House, 2 Church Street, Hamilton, Bermuda.

During the year, the principal activities of the Aquarius Group, which comprises Aquarius and its consolidated subsidiaries, were exploration, development and acquisition of PGM projects, and mining of PGM.

Forward-looking statement

Certain forward-looking statements may be contained in the presentation which include, without limitation, expectations regarding metal prices, estimates of production, operating expenditure, capital expenditure and projections regarding the completion of capital projects as well as the financial position of the company. Such statements are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward looking statements as a result of, among other factors, changes in economic and market conditions, changes in the regulatory environment and other business and operational risks.

No representation or warranty, express or implied, is made by Aquarius that the material contained in this presentation will be achieved or prove to be correct. Except for statutory liability which cannot be excluded, each of Aquarius, its officers, employees and advisers expressly disclaims any responsibility for the accuracy or completeness of the material contained in this presentation and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this presentation or any error or omission there from. Aquarius accepts no responsibility to update any person regarding any inaccuracy, omission or change in information in this presentation or any other information made available to a person nor any obligation to furnish the person with any further information.

GLOSSARY OF TERMS

The following definitions apply throughout the annual financial statements:

Aquarius	Aquarius Platinum Limited, the parent entity, a company incorporated in Bermuda with registration number EC 26290
AQPSA	Aquarius Platinum (South Africa) (Proprietary) Limited (registration number 2000/000341/07), a company incorporated in the Republic of South Africa and a controlled entity of Aquarius
AQS	Aquarius Platinum (Australia) Limited (ABN 007 870 699), a company incorporated in Australia and a wholly owned subsidiary of Aquarius
ASX	Australian Securities Exchange
AUD	Australian Dollar
GBP	Great British Pound
Implats	Impala Platinum Holdings Limited (registration number 1957/001979/06), a company incorporated in the Republic of South Africa
JSE	Johannesburg Stock Exchange
KPM	Kroondal Platinum Mines Limited (registration number 77/02213/06), a company incorporated in the Republic of South Africa and a controlled entity of Aquarius
MIL	Mimosa Investments Limited (registration number 26645/6593), a company incorporated in the Republic of Mauritius and a jointly controlled entity of Aquarius and Implats (formerly known as ZCE Platinum Limited)
Mimosa	Mimosa Mining Company (Private) Limited, a company incorporated in Zimbabwe
LSE	London Stock Exchange
PGM	Platinum group metals comprising mainly platinum, palladium, rhodium and gold
P&SA1	Pooling & Sharing Agreement between AQPSA and RPM Ltd on Kroondal
P&SA2	Pooling & Sharing Agreement between AQPSA and RPM Ltd on Marikana
TKO	TKO Investment Holdings Limited, a company incorporated in the Republic of South Africa and a controlled entity of AQPSA
USD	United States Dollar
ZAR	South African Rand

CORPORATE DIRECTORY

Exempt Company Number

EC 26290
Incorporated in Bermuda

Registered Office

Clarendon House
2 Church Street
Hamilton
Bermuda

Board of Directors

Nicholas Sibley
Stuart Murray
Sir William Purves
David Dix
Edward Haslam
Tim Freshwater
Kofi Morna
Zwelakhe Mankazana

Company Secretary

Willi Boehm

Stock Exchange Listings

Aquarius Platinum Limited is listed on the Australian Securities Exchange (AQP.AX), the London Stock Exchange (AQP.L), the Johannesburg Stock Exchange (AQP.ZA) and has a sponsored Level 1 ADR program in the United States.

Share Registers

Australia

Computershare Investor
Services Pty Limited
Level 2, Reserve Bank Building
45 St Georges Terrace
Perth, Western Australia 6000

Telephone: +61 8 9323 2000
Facsimile: +61 8 9323 2033

United Kingdom

Computershare Investor
Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ

Telephone: +44 870 889 3193
Facsimile: +44 870 703 6119

South Africa

Computershare Investor
Services Pty Ltd
Ground Floor
70 Marshall Street
Johannesburg, South Africa 2001

Telephone: +27 11 370 5000
Facsimile: +27 11 688 5200 (General)
Facsimile: +27 11 688 5238 (Proxies)

Internet Address

www.aquariusplatinum.com
info@aquariusplatinum.com

Russell and Associates 4752/11