Platmin Limited

(A development stage company)

Annual Consolidated Financial Statements
for the years ended February 28, 2009 and February 29, 2008

Expressed in United States dollars, unless otherwise stated

Management's Responsibility for financial reporting

The accompanying consolidated financial statements of Platmin Limited were prepared by management in accordance with Canadian generally accepted accounting principles. Management acknowledges responsibility for the preparation and presentation of the consolidated financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances. The significant accounting policies of the Company are summarized in Note 2 to the consolidated financial statements.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors is responsible for reviewing and approving the consolidated financial statements and for ensuring that management fulfils its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The members of the Audit Committee are not officers of the Company. The Audit Committee meets with management as well as with the independent auditors to review the internal controls over the financial reporting process, the consolidated financial statements and the auditors' report. The Audit Committee also reviews the Annual Report to ensure that the financial information reported therein is consistent with the information presented in the financial statements. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the consolidated financial statements for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

Ian Clyde Watson
Chief Executive Officer

Wayne Gregory Koonin
Chief Financial Officer

May 21, 2009

PricewaterhouseCoopers

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May 21, 2009

Auditors' Report

To the Shareholders of
Platmin Limited

We have audited the consolidated balance sheets of Platmin Limited as at February 28, 2009 and February 29, 2008 and the consolidated statements of operations, comprehensive loss and deficit, changes in shareholders' equity and cash flows for the years then ended. These consolidated financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the company as at February 28, 2009 and February 29, 2008 and the results of its operations and its cash flows for each of the years then ended in accordance with Canadian generally accepted accounting principles.

(Signed) "PricewaterhouseCoopers LLP"

Chartered Accountants, Licensed Public Accountants
Toronto, Canada

Platmin Limited
(A development stage company)
Consolidated Balance Sheet
(Expressed in U.S. dollars, unless otherwise stated)

	Notes	As at February 28, 2009 $ 000	As at February 29, 2008 $ 000
ASSETS			
Current assets			
Cash and cash equivalents		88,883	88,188
Restricted cash	6	40,685	4,408
Loans due from related parties	5	35	14,680
Receivables		8,500	3,838
Inventories	7	7,962	-
Prepaid expenses		6	59
		146,071	111,173
Property, plant and equipment	9	214,705	24,425
Rehabilitation investment		879	544
Intangible asset	11	6,162	-
Mineral rights	12	3,132	3,132
Mineral exploration property acquisition costs	13	4,619	4,619
Deferred exploration expenses	13	34,062	27,132
		409,630	171,025
LIABILITIES			
Current liabilities			
Accounts payable		23,359	3,043
Accrued liabilities		215	118
Bridge loan facility	15	38,752	-
		62,326	3,161
Loan payable	17	2,121	1,388
Asset retirement obligation	18	12,015	1,461
		76,462	6,010
SHAREHOLDERS' EQUITY			
Common shares	14	366,180	192,116
Contributed surplus	14	7,329	3,068
Warrants	15	846	-
Deficit		(41,187)	(30,169)
		333,168	165,015
		409,630	171,025

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The accompanying notes are an integral part of the consolidated financial statements

Platmin Limited

(A development stage company)

Consolidated Statement of Operations, Comprehensive Loss and Deficit

(Expressed in U.S. dollars, unless otherwise stated)

	Notes	For the years ended February 28, 2009 $ 000	February 29, 2008 $ 000
Administrative expenses			
Management and consulting fees		17,304	9,044
Travelling and promotion		640	644
Rental		209	186
Office		1,891	926
Professional fees		986	912
Interest and penalties		6,741	129
Amortization of property, plant and equipment	9	315	78
Foreign exchange (gain)/loss		(8,703)	377
		(19,383)	(12,296)
Research and development costs		-	82
Deferred exploration costs written off		-	(9)
		(19,383)	(12,223)
Dilution gain on sale of shares in subsidiary		4,549	-
Interest income		3,816	3,143
Loss and comprehensive loss for the period		(11,018)	(9,080)
Deficit – Beginning of period		(30,169)	(21,089)
Deficit – End of period		(41,187)	(30,169)
Basic and diluted loss per common share	10	0.07	0.09
Weighted average number of common shares outstanding (‘000)		163,932	96,535

The accompanying notes are an integral part of the consolidated financial statements

Platmin Limited

(A development stage company)

Consolidated Statement of Changes in Shareholders' Equity

(Expressed in U.S. dollars, unless otherwise stated)

	As at	
	February 28, 2009	February 29, 2008
	$ 000	$ 000
Share capital		
Balance at the beginning of the period	192,116	99,542
Shares issued	174,037	75,069
Conversion of stock options	-	15,525
Fair value of stock options	27	1,980
Balance at the end of the period	366,180	192,116
Deficit		
Balance at the beginning of the period	(30,169)	(21,089)
Loss for the period	(11,018)	(9,080)
Balance at the end of the period	(41.187)	(30,169)
Contributed surplus		
Balance at the beginning of the period	3,068	2,480
Stock based compensation	4,288	2,568
Transferred to share capital on exercise of stock options	(27)	(1,980)
Balance at the end of the period	7,329	3,068
Warrants		
Balance at the beginning of the period	-	-
Fair value of warrants issued	846	-
Balance at the end of the period	846	-

The accompanying notes are an integral part of the consolidated financial statements

Platmin Limited
(A development stage company)
Consolidated Statement of Cashflows
(Expressed in U.S. dollars, unless otherwise stated)

	Notes	For the years ended February 28, 2009 $ 000	February 29, 2008 $ 000
Cash provided by/(used in)			
Operating activities			
Loss for the year		(11,018)	(9,080)
Non-cash items			
Accretion		184	-
Amortization of property, plant and equipment		315	78
Loss on sale of property, plant and equipment		11	7
Stock-based compensation expense		4,288	2,569
Foreign exchange loss		(8,703)	377
Dilution gain on sale of shares in subsidiary		(4,549)	-
Interest income		(3,816)	-
Finance cost		6,557	-
Changes in non-cash working capital items	8	7,842	(3,626)
		(8,889)	(9,675)
Investing activities			
Purchase of property, plant and equipment		(185,716)	(22,773)
Proceeds from disposal of property, plant and equipment		20	15
Increase in restricted cash		(36,277)	(4,408)
Increase in rehabilitation investment		(335)	(544)
Increase in mineral rights		-	(2,024)
Increase in deferred exploration expenses		(6,930)	(5,629)
		(229,238)	(35,363)
Financing activities			
Increase in loans payable		34,321	729
Financing of shares in subsidiary		4,549	-
Decrease/(Increase) in loans receivable		14,645	(1,128)
Issue of common shares		174,037	90,594
		227,552	90,195
Net increase in cash and cash equivalents during the period		(10,575)	45,157
Effect of exchange rate changes on non-monetary items		11,270	(377)
Cash and cash equivalents at the beginning of the period		88,188	43,408
Cash and cash equivalents at the end of the period		**88,883**	**88,188**
Supplementary cash flow information	8		

The accompanying notes are an integral part of the consolidated financial statements

1. Nature of operations and going concern

Platmin Limited ("PPN" or the "Company") is incorporated under the Canada Business Corporation Act. PPN is a development stage natural resources company engaged in mining, and exploration of Platinum Group Elements ("PGE") properties in the Republic of South Africa.

These consolidated financial statements have been prepared using Canadian generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due.

For the year ended February 28, 2009 the Company incurred a loss of approximately US$11.018 million and had an accumulated deficit of approximately US$41.187 million. There are approximately US$60.815 million in existing commitments for ramp-up to steady state production at the Pilanesberg mine as at February 28, 2009. As at February 28, 2009, the Company had no source of operating cash flows and is dependent on the successful development and profitable operation of the Pilanesberg Mine. Such circumstances may cast significant doubt as to the ability of the Company to meet its obligations as they come due and accordingly the appropriateness of the use of the accounting principles applicable to a going concern.

The Company has entered into an investors and subscription agreement, whereby the Pallinghurst Investor Consortium subscribed for 184,886,627 Common Shares at a purchase price of C$0.85 (or ZAR 6.80) per Common Share based on the exchange rate on December 8, 2008. This transaction was concluded and the cash amount of US$125 million was received on December 19, 2008.

Pursuant to this agreement, Platmin issued 73,529,411 Common Shares to the Pallinghurst Investor Consortium at a per share purchase price of ZAR 6.80 (C$0.85 based on the exchange rate on December 8, 2008) for a total purchase consideration of ZAR 500 million (US$49.036 million). This transaction was concluded and a cash amount of ZAR 382 million (US$37.359 million) was received on February 18, 2009 and the remaining ZAR 118 million (US$11.677 million) was received on February 25, 2009.

The Company had US$88.883 million in cash and cash equivalents at February 28, 2009 to fund development activities and meet its contractual obligations.

The Company's financing efforts to date, while substantial, may not be sufficient in and of themselves to enable the Company to fund all aspects of its operations when taking into consideration the repayment of the bridge loan facility, and the revenue streams forecasted based upon planned production. Management expects that the Company will be able to secure the necessary financing to meet the Company's requirements on an ongoing basis. Nevertheless, there is no assurance that these initiatives will be successful or sufficient. If the going concern assumption were not appropriate for these consolidated financial statements, then adjustments to the carrying values of the assets and liabilities, the reported expenses and the balance sheet classifications, which could be material, may be necessary.

(Expressed in U.S. dollars, unless otherwise stated)

2. Basis of presentation and significant accounting policies

The consolidated financial statements of the Company have been prepared by management in accordance with Canadian generally accepted accounting principles ("GAAP"). The significant accounting policies followed by the Company are as follows:

2.1 Principles of consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries over which control is exercised. Where shareholding is below 50%, but control is exercised, the entity is consolidated.

Inter-company balances and transactions have been eliminated.

The following entities have been consolidated due to the Company's control of the Board of Directors of the entities or percentage ownership:

	February 28, 2009 %	February 29, 2008 %
Platmin Resources Ltd.	100.0	100.0
Boynton Investments (Pty) Ltd. ("Boynton")	72.4	72.4
Boynton Platinum (Pty) Ltd.	72.4	72.4
Boynton Platinum (Pty) Ltd. (East)	72.4	72.4
Born Free Investments 144 (Pty) Ltd.	72.4	72.4
Born Free Investments 330 (Pty)Ltd.	35.5	35.5
Bubesi Investments (Pty) Ltd. ("Bubesi")	72.4	72.4
Crowned Cormorant Investments 13 (Pty) Ltd.	72.4	72.4
Crowned Cormorant Investments 16 (Pty) Ltd.	72.4	72.4
Dream World Investments 226 (Pty) Ltd.	35.5	35.5
Dream World Investments 249 (Pty) Ltd.	72.4	72.4
Eagle Creek Investments 55 (Pty) Ltd.	72.4	72.4
Eagle Creek Investments 86 (Pty) Ltd.	72.4	72.4
Intrax Investments 255 (Pty) Ltd.	72.4	72.4
Isandlwana Mining and Exploration (Pty) Ltd.	72.4	72.4
Keenan Investments (Pty) Ltd.	72.4	72.4
Mahube Mining (Pty) Ltd. ("Mahube") *	57.2	57.2
Midnight Masquerade Properties 170 (Pty) Ltd.	72.4	72.4
New Line Investments 77 (Pty) Ltd.	72.4	72.4
Pilanesberg Platinum Mines (Pty) Ltd.	72.4	72.4
Private Preview Investments 39 (Pty) Ltd. ("Private Preview")	72.4	72.4
Sengani Family Mining and Exploration (Pty) Ltd. ("Sengani")	35.5	35.5
Setseka Mining (Pty) Ltd. ("Setseka")	37.9	39.2
Taung Minerals (Pty) Ltd. ("Taung Minerals")	72.4	72.4
Taung Platinum Exploration (Pty) Ltd. ("Taung Platinum")	29.0	37.9
Ubkhosi Mining and Exploration (Pty) Ltd.	72.4	72.4
Versatex Trading 346 (Pty) Ltd.	72.4	72.4
West Dunes Properties 115 (Pty) Ltd.	72.4	72.4
5 Brothers Mining (Pty) Ltd.	72.4	72.4
8 Mile Investments49 (Pty) Ltd.	72.4	72.4

* - Which further consolidates Tameng Mining and Exploration (Pty) Ltd ("Tameng") which is 100% owned by Mahube in each period presented.

2.2 Accounting estimates

The preparation of financial statements in accordance with Canadian GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and notes to the consolidated financial statements. These estimates are based on management's best knowledge of current events and actions that the Company may undertake in the future.

Significant estimates include those related to the recoverability of the carrying value of mineral exploration properties and deferred exploration expenses, the fair value estimates of options issued, the fair value of asset retirement obligations and contingent liabilities. Actual results may differ from those estimates.

2.3 Cash and cash equivalents

Cash and cash equivalents include cash and term deposits with an original maturity of three months or less. The Company invests cash in interest-bearing instruments with high credit quality financial institutions.

2.4 Foreign currency translations

Monetary assets and liabilities of integrated foreign operations are translated to U.S. dollars at the exchange rate in effect at the balance sheet date, whereas other assets and liabilities are translated at exchange rates in effect at the transaction dates. Revenue and expense items are translated at the average rate in effect during the year, with the exception of amortization, which is translated at the historical rate.

Gains and losses are included in the consolidated statements of operations and deficit for the year. Subsidiaries have no means of self-support and, as such, they are not considered to be self-sustaining operations.

2.5 Property, plant and equipment

Property, plant and equipment and other non-current assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Where circumstances indicate that an impairment may exist, an impairment test is performed comparing the undiscounted cash flows of the asset to the carrying value. Where the carrying value is greater than the undiscounted cash flows, an impairment loss is recognized for the amount by which the carrying amount of the asset exceeds their fair value. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

Property, plant and equipment are stated at historical cost less accumulated amortization.

Amortization is calculated on the straight-line method to write off the cost of the assets to their residual values over their estimated useful lives. The amortization rates applicable to each category of property, plant and equipment are as follows:

	Useful life (years)
Vehicles	5
Computer equipment	3
Computer software	2
Office equipment	6
Furniture and fittings	6
Other equipment	5
Leasehold improvements	5
Plant construction	Life of mine

2.6 Inventories

Inventories of broken ore and concentrate are physically measured or estimated and valued at the lower of cost and net realizable value. Cost represents weighted average cost and includes direct costs and an appropriate portion of fixed and variable overhead expenditure, including depreciation and amortization.

2.7 Mineral exploration properties and deferred exploration expenses

Exploration, evaluation and developments expenditures are accumulated and accounted for in each separate area of interest or mineral resource. This includes attributed direct general and administrative support costs.

The Company follows the practice of capitalizing all costs related to acquisition, exploration and development of mineral exploration properties until such time as mineral properties are put into commercial production, sold or become impaired. If commercial production commences, these capitalized costs will be amortized prospectively on a units-of-production basis.

Management of the Company reviews the net carrying value of each mineral property when event or changes in circumstances indicate that the carrying value may not be recoverable. Where information is available and conditions suggest possible impairment, estimated future net undiscounted cash flows from each property are calculated using estimated future prices, reserves, and operating, capital and reclamation costs on an undiscounted basis. If the carrying value of the property exceeds the estimated future net undiscounted cash flows, the property will be written down to fair value. Where estimates of future net undiscounted cash flows are not available and where conditions suggest possible impairment, management assesses whether the carrying value can be recovered. This assessment may be estimated by use of quantifiable evidence of a geological resource or reserve or the Company’s assessment of its ability to sell the property for an amount greater than the carrying value. If management estimates that the carrying value of the property cannot be recovered, the property will be written down to fair value.

Management, directors and technical advisors review the merits of each of the Company’s property interests to assess whether the property merits further exploration and development expenditure and whether the carrying value of the property is greater than the future expected return from that property. Empirical evidence such as geochemical analysis, drilling results, assays, mapping and field observation are the primary evidence that is assessed against other factors such as commodity markets, exchange rates, political risk and closeness to other known operations when making decision on impairment.

The amounts shown for mineral properties represent costs incurred to date net of write downs, and are not intended to reflect present or future values. Government assistance, mining duty credits and optioned contributions are applied against the deferred exploration expenses.

2.8 Income taxes

The Company uses the liability method of accounting for income taxes. Under this method, future income tax assets and liabilities are determined according to differences between the carrying amounts and income tax bases of assets and liabilities. They are measured by applying enacted or substantively enacted income tax rates and laws at the date of the financial statements for the years in which the temporary differences are expected to reverse. The Company establishes a valuation allowance against the future income tax assets if, based on available information, it is more likely than not that some or all of the future income tax assets will not be realized.

2.9 Stock-based compensation

The Company has a stock-based compensation plan, as described in note 16. The Company recognizes the fair value of stock options granted and vested as stock-based compensation expense in the statement of operations and deficit with a corresponding increase to contributed surplus. All options are granted at the closing market price on the date of issuance.

The fair value of stock options granted is estimated using the Black Scholes option pricing model. When holders exercise their options, any consideration received and any contributed surplus related to those options is credited to common shares.

2.10 Asset retirement obligations

Future costs to retire an asset including dismantling, remediation and ongoing treatment and monitoring of the site are recognised and recorded as a liability at fair value in the accounting period in which the legal obligation arising from the disturbance occurs. The liability is accreted over time through periodic charges to earnings. The fair value of the costs is capitalised as part of the assets' carrying value and amortised over the assets' useful lives.

2.11 Research and development costs

Research costs are expensed in the year incurred. Development costs are expensed in the year incurred, unless the Company believes a development project meets Canadian GAAP criteria for deferral. To date, no development costs have been deferred.

2.12 Funding of Black Economic Empowerment ("BEE") partners

Platmin, through its subsidiaries, has historically funded the cash requirements of its minority BEE partners in its subsidiaries under a shareholder or joint venture agreement. In accordance with the relevant shareholder or joint venture agreements, contribution to funding by way of cash calls are in the first instance, booked to the loan account between the joint venture entity and each shareholder contributing to it. The right, but not the obligation, exists for shareholders in each joint venture entity who contribute their pro-rata portion to further contribute pro-rata to any shortfall in terms of a cash call not met by all shareholders in the joint venture entity.

Non-funding shareholders could then have their interests as shareholders recalculated which effectively dilutes the equity interest of a non-funding shareholder. Platmin's minority BEE partners have not historically been diluted on the basis that such funding has been provided on an inter-company loan, rather than equity, basis. Platmin's minority BEE partners will be entitled to future earnings based on their respective ownership of shares, but only once these inter-company loan accounts plus interest have been repaid.

2.13 New accounting changes

On January 1, 2008, the Company adopted three new accounting standards that were issued by the Canadian Institute of Chartered Accountants (CICA): Handbook Section 1535, Capital Disclosures, Handbook Section 3862, Financial Instruments — Disclosure, Handbook Section 3863 Financial Instruments — Presentation.

Capital Disclosures

Section 1535 specifies the disclosure of: (i) an entity's objectives, policies and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such non-compliance.

2.13 New accounting changes (continued)

Financial Instruments Disclosure and Presentation

The new Sections 3862 and 3863 replace Handbook Section 3861, "Financial Instruments — Disclosure and Presentation," revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks.

In January 2009, the Emerging Issues Committee of the CICA issued EIC-173, "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities", which applies to interim and annual financial statements for periods ending on or after January 20, 2009. The Company has evaluated the new section and determined that adoption of these new requirements will have no impact on the Company's financial statements.

On March 27, 2009, the Emerging Issues Committee of the CICA approved an abstract EIC-174, "Mining Exploration Costs", which provides guidance on capitalization of exploration costs related to mining properties in particular and on impairment of long-lived assets in general. The Company has applied this new abstract for the year ended February 28, 2009 and there was no significant impact on the financial statements as a result of applying this abstract.

2.14 Future accounting changes

International Financial Reporting Standards ("IFRS")

In January 2006, the CICA's Accounting Standards Board ("AcSB") formally adopted the strategy of replacing Canadian GAAP with IFRS for Canadian enterprises with public accountability. The current conversion timetable calls for financial reporting under IFRS for accounting periods commencing on or after January 1, 2011. On February 13, 2008, the AcSB confirmed that the use of IFRS will be required in 2011 for publicly accountable profit-oriented enterprises. IFRS will be required for Platmin's interim and annual financial statements for the fiscal year beginning January 1, 2011 however, the Company is in the process of applying for early adoption of IFRS. Should this application be successful, Platmin's interim and annual financial statements for the fiscal year ending February 28, 2010, will be prepared in accordance with IFRS.

While the Company has begun assessing the impact of the adoption of IFRS on its financial statements, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

3. Capital risk management

The Company's objective when managing capital is to maintain adequate levels of funding to support operations at the Pilanesberg Mine, to continue necessary exploration activities in South Africa and to maintain corporate and administrative functions.

Funds are primarily secured through a combination of equity capital raised and external debt. There can be no assurances that the Company will be able to continue raising equity capital and external debt in this manner.

The Company invests all capital that is surplus to its immediate needs in short-term, liquid and highly rated financial instruments, such as cash and other short-term guaranteed deposits, all held with major financial institutions in the Republic of South Africa and the United Kingdom.

4. Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Company.

The Company uses various methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and aging analysis for credit risk.

Risk management is carried out by management. The Company uses various methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and aging analysis for credit risk.

Risk management is carried out by management.

Market risk

Foreign exchange risk

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the South African Rand (ZAR). Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the Company's functional currency. The Company's risk management policy is to review its exposure to non-US dollar forecast operating costs on a case by case basis. The risk is measured using sensitivity analysis and cash flow forecasting.

The carrying amount of the Company's foreign currency denominated monetary assets and liabilities at the reporting date is as follows:

	Assets US$'000	Liabilities US$'000
Canadian Dollars	99	-
Euros	58	-
Pounds	12	-
South African Rand	72,331	55,906
	72,500	**55,906**

Sensitivity

During the fiscal year, the US Dollar had strengthened on average by 41% against the South African Rand. Based on the financial instruments held at February 28, 2009, had the US Dollar strengthened/weakened by another 10% against the South African Rand with all other variables held constant, the Company's loss for the year would have been US$1.508 million lower/higher as a result of foreign exchange gains/losses on translation of non-US Dollar denominated financial instruments as detailed above.

Interest rate risk

The Company's main interest rate risk arises from variable-rate short-term debt and fixed-rate long-term debt. The Company's risk management policy is to review its exposure to interest rates on a case by case basis. Future changes in market interest rates would affect the interest payments on the Company's variable-rate short-term debt.

4. Financial risk management (continued)

Sensitivity

At February 28, 2009, if the ZAR JIBAR had increased/decreased by 100 basis points from the year-end rates with all other variables held constant, the Company's loss for the year would have been US$0.291 million lower/higher as a result of lower/higher interest expense from the variable-rate short-term debt. Equity would have been US$0.291 million lower/higher has a result of interest expense on the variable-rate short-term debt.

The Company has not hedged or mitigated its exposure to interest rate risk.

Summarized sensitivity analysis

The following table summarizes the sensitivity of the Company's financial assets and financial liabilities to foreign exchange risk and interest rate risk:

February 28, 2009		Foreign exchange risk				Interest rate risk			
		-10%		+10%		-100 bps		+100 bps	
	Carrying amount $'000	Profit / (Loss) $'000	Equity $'000	Profit / (Loss) $'000	Equity $'000	Profit / (Loss) $'000	Equity $'000	Profit / (Loss) $'000	Equity $'000
Financial assets									
Cash & cash equivalents	26,897	2,445	2,445	(2,445)	(2,445)	-	-	-	-
Restricted cash	40,685	3,699	3,699	(3,699)	(3,699)	-	-	-	-
Receivables	4,918	447	447	(447)	(447)	-	-	-	-
Financial liabilities									
Accounts payable	15,033	(1,367)	(1,367)	1,367	1,367	-	-	-	-
Long term debt	40,873	(3,716)	(3,716)	3,716	3,716	291	291	(291)	(291)
Total increase / (decrease)		**1,508**	**1,508**	**(1,508)**	**(1,508)**	**291**	**291**	**(291)**	**(291)**

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions as well as credit exposure to outstanding receivables.

The Company has policies in place to ensure that sales of products are made to customers with an appropriate credit rating. The amount of credit risk to which the Company is exposed to by means of customers defaulting on their contractual obligation is insignificant due to the limited amount of other receivables.

Cash and cash equivalents are only deposited with high credit financial institutions.

Liquidity risk

Prudent liquidity risk management implies maintaining at all times sufficient cash, liquid investments and committed credit facilities to meet the Company's commitments as they arise.

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facility by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

5. Loans due from related parties

	February 28 2009 $ 000	February 29 2008 $ 000
Moepi Platinum (Pty) Ltd	-	14,647
Tafida Investments (Pty) Ltd	2	3
Defacto Investments (Pty) Ltd	33	30
	35	14,680

The above entities are related to the Company through contractual arrangements in relation to potential prospecting permit applications.

These loans, except as identified below, bear no interest and have no fixed terms of repayment.

The Moepi Platinum (Pty) Ltd ("Moepi") loan relates to a loan agreement signed between, previously called Moepi Capital (Pty) Ltd, and the Company during the 2007 fiscal year. The loan bore interest at LIBOR. This loan was repaid in full on October 31, 2008.

6. Restricted cash

Restricted cash consists of the following:

	February 28 2009 $ 000	February 29 2008 $ 000
Cash collateral	38,841	-
Rehabilitation guarantees	1,617	681
Letters of credit issued	227	2,269
ESKOM guarantee	-	1,458
	40,685	4,408

Cash collateral

Platmin has provided cash collateral to Standard Bank of ZAR387.800 million as security against the bridge loan facility (as disclosed in note 15), and upon which the Company earns interest at JIBAR plus 0.1%. Interest on the loan is charged at JIBAR plus 0.5% and the net finance cost on the loan is therefore 0.4%.

Rehabilitation guarantees

The rehabilitation guarantee relates primarily to the Mphahlele Project. The Department of Minerals and Energy ("DME") required a rehabilitation guarantee of US$1.663 million (ZAR16.609 million) before the issuing of the mining right. This guarantee has been provided by Guardrisk on an insurance basis, with an amount of US$1.002 million (ZAR10 million) paid over into a separate bank account controlled by the company and ceded in favor of Guardrisk as collateral against the issuance of this guarantee.

An amount of US$0.585 million (ZAR5.841 million) has been ceded to the DME for a number of guarantees in respect of prospecting rights.

6. Restricted cash (continued)

Letters of credit

On November 25, 2008 a letter of credit was provided to Thermo Gamma-Metrics (Pty) Ltd, a company registered in the Commonwealth of Australia, for the Pilanesberg Mine. The letter of credit was issued by Reicmans S.A. on behalf of Investec Bank Limited and Pilanesberg Platinum Mines (Pty) Ltd deposited an amount of US$400,621 (ZAR 4,000,000) in an interest bearing account at Investec Bank Limited. Pilanesberg Platinum Mines (Pty) Ltd has also taken forward cover on the letter of credit to hedge the foreign currency risk. At February 28, 2009 interest earned on the deposit and payments made to Thermo Gamma-Metrics (Pty) Ltd resulted in a remaining balance of US$0.227 million.

ESKOM guarantee

On June 17, 2008 a guarantee of US$8.431 million (ZAR84.987 million), underwritten by an insurance backed guarantee issued by Lombard Insurance Company Limited ("Lombard Insurance") was provided to ESKOM to order critical long lead time material for the construction of the electrical substation at the Pilanesberg Platinum Mine. Lombard Insurance did not require any cash collateral thereon. The guarantee issued by Lombard Insurance replaces the guarantee of US$1.458 million (ZAR10.922 million) previously issued by ABSA Bank Limited, which was a money backed guarantee.

The restricted cash is accounted for at fair value.

7. Inventories

	February 28 2009 $ 000	February 29 2008 $ 000
Ore stock piles – at net realisable value	7,962	-

8. Supplementary cash flow information

Changes in non-cash working capital items are as follows:

	February 28 2009 $ 000	February 29 2008 $ 000
Receivables	(4,662)	(3,420)
Prepaid expenses	53	9
Inventory (Ore stockpile)	(7,962)	-
Accounts payable	20,316	(178)
Accrued liabilities	97	(37)
	7,842	(3,626)

9. Property, plant and equipment

As at February 28, 2009	Cost $ 000	Accumulated amortization $ 000	Net book value $ 000
Vehicles	432	144	289
Computer equipment	617	226	391
Computer software	505	224	281
Office equipment	66	21	45
Furniture and fittings	214	51	163
Other equipment	42	14	27
Leasehold improvements	90	33	57
Plant construction	212,535	-	212,535
Land and buildings	917	-	917
	215,418	713	214,705

As at February 29, 2008	Cost $ 000	Accumulated amortization $ 000	Net book value $ 000
Vehicles	355	140	215
Computer equipment	188	138	50
Computer software	90	68	22
Office equipment	39	16	23
Furniture and fittings	102	28	74
Other equipment	17	13	4
Leasehold improvements	87	15	72
Plant construction	23,965	-	23,965
Land and buildings	-	-	-
	24,843	418	24,425

9. Property, plant and equipment (continued)

The carrying amounts of property, plant and equipment can be reconciled as follows:

	Carrying value as at February 29 2008 $ 000	Additions for the year $ 000	Disposals for the year $ 000	Amortization for the year $ 000	Carrying value as at February 28 2009 $ 000
Vehicles	215	127	(30)	(23)	289
Computer equipment	50	431	-	(88)	391
Computer software	22	414	-	(156)	281
Office equipment	23	28	(1)	(6)	45
Furniture and fittings	74	112	-	(23)	163
Other equipment	4	24	-	(1)	27
Leasehold	72	3	-	(18)	57
Plant construction	23,965	188,570	-	-	212,535
Land and buildings	-	917	-	-	917
	24,425	190,626	(31)	(315)	214,705

10. Loss per share

Basic loss per share is calculated by dividing the net loss attributable to shareholders by the weighted average number of common shares outstanding during the year.

	For the years ended	
	February 28 2009 $ 000	February 29 2008 $ 000
Loss attributable to shareholders ($'000)	11,018	9,080
Weighted average number of common shares outstanding ('000)	163,932	96,535
Basic and diluted loss per common share in US$ per share	0.07	0.09

As the Company is reporting a loss for all years presented and all potential issuable common shares are anti-dilutive, the diluted loss per share equals basic loss per share.

11. Intangible asset

	February 28 2009 $ 000	February 29 2008 $ 000
Water right at cost	6,162	-

Pilanesberg Platinum Mines entered into an agreement with The Board of Magalies Water and other parties to build a water pipeline and related infrastructure from the Vaalkop Water Treatment Works to the mine located at Tuschenkomst. Upon completion, the ownership of the water pipeline and related infrastructure will remain with The Board of Magalies Water.

The cost of building the water pipeline and related infrastructure will ensure water supply of 9 Mega litres per day to the mine, for usage in the plant.

12. Mineral rights

	February 28 2009 $ 000	February 29 2008 $ 000
Mineral rights at cost	3,132	3,132

13. Deferred exploration expenses

	February 28 2009 $ 000	February 29 2008 $ 000
Balance brought forward	27,132	21,503
Additions	6,930	5,629
Balance carried forward	34,062	27,132

13. Deferred exploration expenses (continued)

The acquisition cost and deferred exploration expenses by project are set out as follows:

	February 28, 2009		February 29, 2008	
	Acquisition cost $ 000	Deferred exploration expenses $ 000	Acquisition cost $ 000	Deferred exploration expenses $ 000
Pilanesberg project				
Tuschenkomst	25	9,465	25	8,853
Witkleifontein	-	1,949	-	1,869
Rooderand	25	1,412	25	1,409
Ruighoek	-	3,537	-	3,435
Vogelstruisnek	-	115	-	82
Bakhoutrantje	-	53	-	48
Palmietfontein	-	542	-	532
Moloana area	-	81	-	80
Mphahlele project	3,055	10,307	3,055	6,475
Grootboom project				
Grootboom	1,514	3,645	1,514	2,067
Grootboom Tailings	-	151	-	94
Annex Grootboom	-	694	-	505
Loskop project				
Loskop 2	-	475	-	404
Rietfontein	-	272	-	192
Kameeldoorn	-	3	-	-
De Wagendrift	-	3	-	-
Other projects				
Golden Valley	-	330	-	291
Oorlogsfontein	-	84	-	84
Nooitgezien & Goedverwacht	-	36	-	7
Vogelenzang	-	81	-	78
Apiesboomen	-	108	-	79
Woolrich areas	-	197	-	183
Chrome	-	44	-	-
Strydfontein	-	29	-	15
Veeplaats	-	16	-	15
Defacto area	-	19	-	18
Scheiding	-	229	-	226
Bashoek	-	37	-	15
Tweelaagte, Diamant & Kleingenoeg	-	148	-	76
	4,619	34,062	4,619	27,132

13. Deferred exploration expenses (continued)

13.1 Pilanesberg project

The Company holds a beneficial interest of approximately 72.4% in the Pilanesberg Mine through its subsidiary, Boynton. In turn the Pilanesberg Platinum Mine holds the following new order mining rights and prospecting rights:

- a single new order Mining Right over the farms Tuschenkomst, Witkleifontein, Rooderand (Ptn 3) and Ruighoek (Ptns RE 1, 2, 3, 4, 6, 9, 13 and 15);
- new order Prospecting Rights over Tuschenkomst for chrome and over Ruighoek for the areas not included in the mining right. The new order prospecting right over Ruighoek excludes Ruighoek Ptn's 5, 7, 8 and RE.

13.2 Mphahlele project

The Company currently holds a 57.2% beneficial interest in the Mphahlele project through its subsidiaries Mahube Mining (Pty) Ltd ("Mahube") and Tameng Mining and Exploration (Pty) Ltd ("Tameng"). Tameng has entered into a notarial prospecting contract with the South African Government which granted to Tameng the exclusive right to prospect on the property Locatie van Mphahlele 457KS, constituting the Mphahlele project. The Mining Right application for the Mphahlele project was submitted to and accepted by the DME in December 2007.

13.3 Grootboom project

The Grootboom Project consists of the farms Grootboom 336 KT, Annex Grootboom 335KT and the Grootboom Tailings Dam located on Grootboom 336 KT. The Company, through its subsidiary Boynton, holds a 72.4% beneficial interest in the farm Grootboom 336 KT and the PGE's and base metals arising from this farm currently contained in the Grootboom Tailings Dam. Boynton holds a New Order Prospecting Right over the farm Grootboom 336 KT for all minerals excluding chrome.

In addition through an agreement with BHP Billiton, Samancor, Sephaku and Boynton, Boynton has an option to acquire the rights to PGE's and base metals on the farm Annex Grootboom 335 KT.

Mining Right Applications for both the Grootboom 336 KT and Grootboom Tailings Dam were submitted to and accepted by the DME in November 2007. Notice of grant of the Mining Right in respect of the Grootboom 336 KT was received on October 21, 2008.

13.4 Loskop project

The Company currently holds interests ranging from 72.4% to 36.2% in the Loskop project through its subsidiary Boynton. Boynton holds converted new order prospecting rights over the project area which was granted under the MPRDA. The Loskop project area comprises various portions of the four properties: Rietfontein 70JS; Kameeldoorn 71JS; De Wagendrift 79JS and Loskop Suid 53JS.

On January 29, 2003, Boynton entered into an option and joint venture agreement with a subsidiary of Lonmin Plc ("Lonmin") in respect of the Loskop project area. Under the agreement, Lonmin's subsidiary acquired the right to acquire a 50% interest in the various prospecting and option contracts comprising the Loskop project. Lonmin's subsidiary is also required to fund the cost of acquisition should it decide to exercise its option and acquire the 50% interest. Lonmin has completed its earn-in on a portion of Rietfontein 70JS, which has resulted in the formation of the "First JV". On June 27, 2008 Lonmin gave notice of their intention to withdraw from Kameeldoorn 71JS and Loskop Suid 53JS and of their desire for a 50/50 JV to be formed on De Wagendrift 79JS.

13.5 Other projects

The Company's other exploration projects consist of various portions of the properties; Bakhoutrantje 205JP, Vogelstruisnek 173JP (Ptns 3, 6 and RE), Palmietfontein 208JP, Groenfontein 138JP (RE), Ruighoek 169JP (Ptn 7 and RE), Tweelaagte 175JP, Diamant 206JP, Kleingenoeg 174JP, Golden Valley 621IQ, Rietfontein 338JQ, Paul Bodenstein Landgoed 571JQ, Onderstepoort 98JQ (Ptn 2), Bashoek 99JQ (Ptn 1), Rhebokhoek 101JQ (Ptns 3, 8, 9, 10, 11, 12, 13, RE2, RE4, RE7), Rhenosterdooms 531JP, Stroomrivier 236JP (Ptns 4, 19, 31, RE), Strydfontein 12JP (RE), Nooitgezein 761KS and Goedverwacht 763KS.

Furthermore, the Company has a free carried interest of 5.4% in Oorlogsfontein 45KS, also known as the War Springs project, where Platinum Group Metals are the operators and an option to acquire rights to PGE's and base metals on Scheiding 407KS (Ptn 2.)

14. Share capital

14.1 Common shares

An unlimited number of common shares without par value have been authorized.

Movement during fiscal 2008	Number of shares	Amount $000
Balance, March 1, 2007	93,802,813	99,542
Common shares issued	9,500,000	79,613
Over allotment option	1,425,000	12,101
Exercise of options	6,041,422	511
Fair value of options exercised	-	1,980
Broker compensation options exercised	767,813	2,913
Balance, February 29, 2008	111,537,048	196,660
Share issue expenses	-	(4,544)
	111,537,048	192,116

Movement during fiscal 2009		
Balance, March 1, 2008	111,537,048	192,116
Common shares issued	258,416,038	174,037
Exercise of options	49,714	-
Fair value of options exercised	-	27
Balance, February 28, 2009	370,002,800	366,180

During the fiscal period ended February 28, 2009, 60,000 cashless options were exercised and converted into 49,714 common shares.

14.1 Common shares (continued)

The Company entered into an investors and subscription agreement to issue, by way of private placement, a total of 258,416,038 common shares of Platmin, in two tranches, for gross proceeds of US$125 million and ZAR 500 million (US$50 million) respectively, resulting in the raising of approximately US$175 million in new equity. The net proceeds will be used principally to complete the development of the Company's Pilanesberg project.

	Exercise price $	Number of options
Options exercised during the fiscal period ended February 28, 2009		
April 30, 2008	1.20	60,000

14.2 Contributed surplus

	February 28 2009 $ 000	February 29 2008 $ 000
Balance – Beginning of period	**3,068**	**2,479**
Surplus – Vesting of options issued	4,288	2,549
Surplus – options exercised (cash)	-	(846)
Surplus – options exercised (cashless)	(27)	(1,114)
Balance – End of period	**7,329**	**3,068**

15. Bridge loan facility

On May 14, 2008, the Company signed a US$35 million (ZAR 350 million) bridge financing facility with Standard Bank of South Africa Limited bearing interest at the Johannesburg Interbank Lending Rate ("JIBAR") plus 3.0%. The bridge loan facility was initially for the period of four months to September 30, 2008 and has subsequently been extended through two further extensions, to 31 May 2009. Under the extension, the loan bears interest at JIBAR plus 0.5%. Platmin has provided cash collateral to Standard Bank of ZAR387.800 million as security against the loan, and upon which the Company earns interest at JIBAR plus 0.1%. The net finance cost on the loan is 0.4%.

The bridge loan facility has been used to fund the development and construction of the Pilanesberg Mine

In connection with this facility, the Company issued 300,000 warrants exercisable at $6.95 per common share from September 15, 2008 until expiry of the warrants on May 14, 2011.

The Company has classified this facility as held to maturity and the fair value of the warrants of $846,238 has been treated as a cost of the loan transaction and will be amortized to net income using the effective interest method over the facility term.

	February 28 2009 $ 000	February 29 2008 $ 000
Bridge loan facility	35,000	-
Interest accrued	4,598	-
Warrants issued	(846)	-
Balance – End of period	**38,752**	**-**

16. Stock options

The Board of Directors adopted a resolution dated May 3, 2005, which established a stock option plan (the "2005 Stock Option Plan"), pursuant to which options may be granted to directors, officers, employees and persons providing ongoing and contract services to the Company. The purpose of the Plan is to attract persons by offering to such persons the opportunity to acquire (or to increase) an equity interest in the Company through the purchase of shares under the Plan. Subject to adjustment made in the case of a share split of the issued common shares of the Company, the aggregate number of common shares that may be issuable pursuant to options granted under the Plan is fixed at a maximum of 9% of the outstanding common shares of the Company from time to time and shall be calculated on an as-needed basis. Prior to the establishment of the Plan, options were issued to directors and employees, at the discretion of management, to compensate for services provided. This 2005 Stock Option Plan was re-approved in accordance with its terms at the Annual General Meeting held on June 26, 2008.

The Board of Directors adopted a resolution dated June 24, 2007, which established a stock option plan (the "2007 Stock Option Plan"), pursuant to which options may be granted to directors, officers, employees and persons providing ongoing and contract services to the Company. The purpose of the Plan is to attract persons by offering to such persons the opportunity to acquire (or to increase) an equity interest in the Company through the purchase of shares under the Plan. The maximum number of common shares reserved for issuance under the 2007 Stock Option Plan is 2,500,000 common shares. No stock options have been granted under the 2007 Stock Option Plan.

(Expressed in U.S. dollars, unless otherwise stated)

16. Stock options (continued)

The following assumptions were used in valuing the options issued:

Date issued	Risk free interest rate	Expected dividend yield	Expected volatility	Expected option life
September 18, 2006	3.88%	Nil	100%	3.5 years
June 1, 2007	4.50%	Nil	66%	3 years
August 28, 2007	4.50%	Nil	66%	3 years
November 7, 2007	4.24%	Nil	65%	3 years
January 14, 2008	3.50%	Nil	54%	3 years
January 21, 2008	3.42%	Nil	52%	3 years
April 25, 2008	2.92%	Nil	62%	3 years
June 23, 2008	3.35%	Nil	62%	3 years
June 30, 2008	3.35%	Nil	57%	3 years
September 23, 2008	3.03%	Nil	64%	3 years
September 30, 2008	3.03%	Nil	73%	3 years

Details of stock options issued under and prior to the Plans, are as follows:

	Number of options	Weighted average exercise price $
Movement during fiscal 2008		
Options outstanding, March 1, 2007	9,635,633	1.58
Granted	2,646,900	8.07
Exercised – compensation options	(767,813)	(3.79)
Exercised – options	(7,012,820)	(1.03)
Options cancelled – resignations	(40,000)	(0.70)
Options outstanding, February 29, 2008	4,461,900	5.29
Options exercisable, February 29, 2008	**1,940,000**	**1.60**
Movement during fiscal 2009		
Options outstanding, March 1, 2008	4,461,900	5.29
Exercised – options	(60,000)	(0.54)
Options cancelled – resignations	(617,167)	(8.64)
Options granted	847,000	5.77
Options outstanding, February 28, 2009	4,631,733	4.98
Options exercisable, February 28, 2009	**2,745,466**	**3.50**

16. Stock options (continued)

As at February 28, 2009 the following options were exercisable and outstanding:

	Exercisable		Outstanding	
Expiry date	**Exercise price $**	**Number of options**	**Exercise price $**	**Number of options**
November 3, 2010	1.20	250,000	1.20	250,000
December 6, 2010	1.20	1,460,000	1.20	1,460,000
September 18, 2011	3.86	75,000	3.86	75,000
June 1, 2012	5.74	370,000	5.74	570,000
August 28, 2012	7.04	50,000	7.04	150,000
November 7, 2012	10.11	56,800	10.11	170,400
January 14, 2013	8.91	350,334	8.91	976,000
January 21, 2013	8.30	133,333	8.30	133,333
April 25, 2013	7.04	-	7.04	210,000
June 23, 2013	6.46	-	6.46	200,000
June 30, 2013	7.08	-	7.08	200,000
September 23, 2013	2.93	-	2.93	144,000
September 30, 2013	2.97	-	2.97	93,000
Weighted average	**3.50**	**2,745,467**	**4.98**	**4,631,733**

The stock-based compensation expense included in the consolidated statements of operations and deficit, is as follows:

	February 28 2009 $ 000	**February 29 2008 $ 000**
Management and consulting fees	4,247	2,549

At February 28, 2009 the fair value of stock options issued, which had not been charged to employee expenses, was US$ 12,758,912 (2008: US$7,632,590).

17. Loan payable

The long-term loan from Corridor Mining Resources (a subsidiary of Limpopo Economic Development Enterprise, previously Northern Province Development Corporation) bears interest at South African prime rate until otherwise agreed by the shareholders, and has no fixed terms of repayment. The loan is used by Mahube to fund exploration activities.

The loan is to be repaid from the proceeds generated by the Mphahlele project in Tameng, a subsidiary of Mahube. The increase in the loan amount payable is due to the increase in exploration activities and costs incurred in the preparation of a bankable feasibility study for this project.

The long-term loan from Ranger Minerals bears interest at South African prime overdraft rate plus 2% until otherwise agreed by the shareholders, and has no fixed terms of repayment. The loan is used by Defacto Investments (a joint venture, between Boynton and Ranger Minerals) to fund exploration activities.

Reconciliation:	**February 28 2009 $ 000**	**February 29 2008 $ 000**
Balance at the beginning of the period	1,388	659
Increase in loans payable	442	729
Interest accrued	291	-
Balance at the end of the period	**2,121**	**1,388**

18. Asset retirement obligation

The Pilanesberg Mine is currently in commissioning phase and the estimate thus represents the current cost of environmental liabilities as at February 28, 2009. An annual estimate of the quantum of closure costs is necessary in order to fulfil the requirements of the DME, as well as meeting specific closure objectives outlined in the mine's Environmental Management Programme. This programme is intended to render the rehabilitated areas available for wildlife / ecotourism and / or livestock grazing.

Although the ultimate amount of the asset retirement obligation is uncertain, the fair value of the obligation is based on information that is currently available. The estimated discounted liability for the asset retirement obligation at February 28, 2009 is US$9.470 million. This estimate includes costs for the removal of all current mine infrastructure and the rehabilitation of all disturbed areas to a condition as described in the mine's Environmental Management Programme. The asset retirement obligation has been determined using a risk free rate of 8.6% and an inflation rate of 6% over a period of 13 years.

Reconciliation:

		As at
	February 28 2009 $ 000	**February 29 2008 $ 000**
Balance at the beginning of the period	1,461	493
Liability incurred in the current period	10,370	968
Accretion	184	-
Balance at the end of the period	**12,015**	**1,461**

19. Income tax losses carried forward

The Company's income tax provision (recovery) has been calculated as follows:

	February 28 2009 $ 000	February 29 2008 $ 000
Loss from ordinary activities before income tax expense	11,018	9,080
Income tax recovery (provision) at Canadian federal and provincial rates	(3,680)	(3,632)
Permanent differences	(13)	1,028
Difference in tax rates	(1,502)	727
Current year tax losses	(5,195)	(1,877)
Current year losses not recognised	5,195	1,877
Income tax expense	-	-

The Company's future income tax assets are summarized as follows:

	February 28 2009 $ 000	February 29 2008 $ 000
Non-capital losses carried forward	15,520	10,325
Net future income tax assets	15,520	10,325
Valuation allowance	(15,520)	(10,325)
Net future income tax asset recorded	-	-

No benefit in respect of the potential application of these losses has been recorded in these consolidated financial statements. The Canadian losses carried forward expire in various fiscal years, as indicated in the following table:

	US$ 000
2011	143
2015	464
2026	1,022
2027	54
2028	1,817
2029	2,065
	5,565

The Company has non-capital losses carried forward for South African income tax purposes of approximately US$238,006,990 (2008 – US$23,272,569).

The South African losses do not have an expiry date and consist of losses carried forward and unredeemed capital expenditure.

20. Contingencies and commitments

- The Company has guaranteed the rehabilitation of numerous exploration targets. As at February 28, 2009, the total guarantees held by a bank were US$1,617,669 (February 29, 2008 - US$653,238).
- Boynton has entered into an agreement with Impala Platinum Limited (Impala) for the right of first refusal to purchase PGM concentrate produced by Boynton from the properties, Ruighoek 169JP, Vogelstruisnek 173JP and Palmietfontein 208JP. Should Boynton elect not to accept the terms proposed by Impala, a break fee of US$2,089,573 in aggregate will be payable to Impala.
- Boynton has an obligation, which cannot be quantified, pro rata to its shareholding in Mahube to provide funding to Tameng to undertake the necessary exploration and development on the Mphahlele project. The consequence of not contributing accordingly, results in dilution of Boynton's shareholding.
- Boynton has entered into an agreement with Codoca Beleggings CC (Codoca) where Codoca will transfer its mineral rights to Boynton. A deposit of US$242,840 (ZAR1.5 million) was paid to Codoca.

  The remaining balances are due to be paid by Boynton when the following requirements are met:

  Payment of 50% of the balance of the consideration amount within 30 days of being notified by the DME that a prospecting right, in terms of the MPRDA, has been granted and issued to Boynton, enabling and entitling Boynton to commence prospecting activities and also in respect of Codoca's undivided share in the mineral rights. The remaining balance for this, less the deposit, will be US$158,711 (ZAR1.6 million).

  Furthermore, payment of remaining balance of the consideration amount within 30 days of being notified by the DME that a mining right in terms of the MPRDA has been granted and issued to Boynton, enabling and entitling Boynton to commence mining activities and also in respect of Codoca's undivided share in the mineral rights. The remaining balance for this, less the deposit, will be US$158,711 (ZAR1.6 million).
- In respect of a joint venture agreement with Western Platinum Ltd. (Lonmin JV), Lonmin will contribute a maximum of US$627 per hectare towards mineral rights existing under the joint venture and towards any additional mineral rights included later. Any costs beyond US$627 per hectare will be shared equally between Lonmin and Boynton.
- A Prospecting Contract was entered into on April 28, 2005 between Boynton and a BEE company, Sephaku, BHP and Samancor with respect to the property Annex Grootboom 335KT ("Annex Grootboom"). In terms of the agreement, Samancor as the holder of certain old order rights pertaining to Annex Grootboom.
- Grootboom 335KT and Scheiding 407KS (Scheiding), was obligated to apply for conversion of these rights under the provisions of the MPRDA. Subsequent to a conversion being granted, Samancor is obligated in terms of the agreement to transfer the rights to PGM's and all metals and minerals mineralogically associated therewith on Annex Grootboom and Scheiding (the "PGM rights"), to BHP.
- Samancor lodged an application for conversion of the mining licence in December 2006. In terms of the same agreement, Sephaku was appointed to carry out exploration activities on Annex Grootboom and Scheiding on a contract basis.
- In terms of the agreement, Sephaku has the right to, within one month of the completion of a Bankable Feasibility Study on Annex Grootboom, acquire from BHP the PGM Rights for cash consideration of $8.00 per resource ounce as determined in a Bankable Feasibility Study in accordance with the SAMREC Code.
- Sephaku has subsequently assigned all of its rights and obligations in terms of the aforementioned contract to Boynton.

20. Contingencies and commitments (continued)

- Pilanesberg Platinum Mines (Pty) Ltd ("PPM") entered into an agreement with engineering firm Dowding Reynard and Associates Engineering (Pty) Ltd to implement the design and construction phase of the project. The total estimated value determined during the Bankable Feasibility Study ("BFS") of the project was ZAR1.5 billion which equated to US$203.6 million at an estimated exchange rate of ZAR7.20 at the time of the BFS. The remaining value with regards to this agreement as at February 28, 2009 is ZAR 93 million which equates to US$9,314,437 at the closing rate of ZAR 9.9845.
- PPM also entered into a number of agreements with various suppliers to render services associated with the operating of the mine. The total fixed value of these agreements is ZAR 4.3 billion (over a period of 5 years), which equates to US$430.667 million at the closing rate of ZAR 9.9845.
- PPM entered into a firm commitment to purchase a 10MW diesel standby generator in order to allow for any future power shortages or disruptions to supply by the state power utility Eskom. The cost of installing the generator is estimated to be in the order of ZAR 144.35 million which equates to US$14.46 million at the closing rate of ZAR 9.9845. At February 28, 2009, the outstanding amount was ZAR 60 million (US$6.009 million).

21. Minimum lease payments

Office rental	**US$ 000**
Less than 1 year	124
2 to 5 years	291
More than 5 years	-
	415

During the first quarter of fiscal 2008, the Company's subsidiary, Boynton, entered into an operating lease agreement for the rental of offices. The lease commenced on April 1, 2007, for a period of five years. The monthly rental will escalate by 8% per annum pursuant to the agreement. The Company has the right to renew the lease for a further period of up to five years, provided notice is given in writing at least nine months prior to the termination of the initial period.

22. Segmented information

The Company operates in one geographic segment, South Africa, and one industry segment, exploration of precious metals properties, mainly platinum group elements. All assets (with the exception of cash balances) are held in South Africa.

Funds raised by the Company are held in USD, GBP, CAD and ZAR interest bearing accounts in the United Kingdom (49%) and South Africa (51%) until required by the operations.

23. Subsequent event

Subsequent to year end, the Company announced that it has engaged GMP Securities Europe LLP ("GMP") to conduct a brokered private placement of common shares of Platmin, to raise, on a best efforts agency basis, between C$45 million and C$55 million, with an option of a further C$15 million at the volition of the Company. As at May 21, 2009, placees have been arranged to purchase 75,015,552 new common shares for a consideration of £39,008,087.

24. Comparative amounts

Certain comparative amounts have been reclassified to conform to the current period's presentation.