

Platmin Limited

Unaudited Consolidated Financial Statements
For the Three and Six month Periods ended
August 31, 2007
(expressed in U.S. dollars, unless otherwise stated)

(a development stage entity)

Platmin Limited
(a development stage entity)
Consolidated Balance Sheets

(unaudited, expressed in U.S. dollars, unless otherwise stated)

	August 31, 2007 \$ 000	February 28, 2007 \$ 000
Assets		
Current assets		
Cash and cash equivalents	34,808	43,408
Restricted cash (note 4)	1,531	-
Loans due from related parties (note 5)	14,504	13,552
Receivables	547	418
Prepaid expenses	76	68
	<u>51,466</u>	<u>57,446</u>
Property, plant and equipment (note 7)	2,269	785
Mineral rights (note 9)	1,108	1,108
Mineral exploration properties (note 10)	4,619	4,619
Deferred exploration expenses (note 10)	25,126	21,503
	<u>84,588</u>	<u>85,461</u>
Liabilities		
Current liabilities		
Accounts payable	2,312	3,221
Accrued liabilities	84	155
	<u>2,396</u>	<u>3,376</u>
Loan payable (note 14)	1,153	659
Asset retirement obligation (note 15)	493	493
	<u>4,042</u>	<u>4,528</u>
Shareholders' Equity		
Common shares (note 11)	103,631	99,542
Contributed surplus (note 11)	2,863	2,480
Deficit	<u>(25,948)</u>	<u>(21,089)</u>
	<u>80,546</u>	<u>80,933</u>
	<u>84,588</u>	<u>85,461</u>
Contingencies and commitments (note 17)		

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

Platmin Limited

(a development stage entity)

Consolidated Statements of Operations, Deficit and Comprehensive Loss

(unaudited, expressed in U.S. dollars, unless otherwise stated)

	Three months ended August 31		Six months ended August 31	
	2007	2006	2007	2006
	\$ 000	\$ 000	\$ 000	\$ 000
Administrative expenses				
Management and consulting fees	2,319	1,249	5,315	2,691
Travelling and promotion	65	61	174	136
Rental	54	19	89	34
Office	179	256	468	404
Professional fees	53	94	139	156
Interest and penalties	40	39	63	50
Amortization of property, plant and equipment	3	38	28	64
Foreign exchange loss/(gain)	108	(591)	32	(504)
	(2,821)	(1,165)	(6,308)	(3,031)
Research and development costs	-	-	82	(52)
Deferred exploration costs written off	-	-	(4)	(47)
	(2,821)	(1,165)	(6,230)	(3,130)
Other income	-	34	-	41
Interest income	933	179	1,371	226
	(1,888)	(952)	(4,859)	(2,863)
Loss and comprehensive loss for the period	(1,888)	(952)	(4,859)	(2,863)
Deficit - Beginning of year	(24,060)	(15,962)	(21,089)	(14,051)
Deficit - End of period	(25,948)	(16,914)	(25,948)	(16,914)
Basic and diluted loss per common share (note 8)	0.02	0.02	0.05	0.05
Weighted average number of common shares	95,128,093	67,671,457	94,465,453	61,724,825

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

Platmin Limited

(a development stage entity)

Consolidated Statements of Cash Flows

(unaudited, expressed in U.S. dollars, unless otherwise stated)

	Three months ended August 31		Six months ended August 31	
	2007	2006	2007	2006
	\$ 000	\$ 000	\$ 000	\$ 000
Cash provided by/(used in)				
Operating activities				
Loss for the period	(1,888)	(952)	(4,859)	(2,863)
Non-cash items				
Amortization of property, plant and equipment	3	38	28	64
Loss/(Gain) on sale of property, plant and equipment	6	(1)	6	(2)
Stock-based compensation expense	1,295	577	1,397	1,154
Foreign exchange loss/(gain)	108	(591)	32	(504)
Changes in non-cash working capital items (note 6)	308	1,905	60	1,689
	(168)	976	(3,336)	(462)
Investing activities				
Purchase of property, plant and equipment	(1,387)	(87)	(1,534)	(111)
Proceeds from disposal of property, plant and equipment	15	2	15	7
Increase in restricted cash	(1,531)		(1,531)	
Increase in deferred exploration expenses – net	(1,947)	(2,539)	(4,799)	(4,210)
	(4,850)	(2,624)	(7,849)	(4,314)
Financing activities				
Increase in loan receivable	(70)	(43)	(458)	(83)
Issue of common shares	3,030	46,787	3,075	50,281
Share issue expenses	-	(5,739)	-	(5,739)
	2,960	41,006	2,617	44,459
Net increase/(decrease) in cash and cash equivalents during the period	(2,058)	39,358	(8,568)	39,683
Effect of exchange rate changes on cash held in foreign currencies	(108)	591	(32)	504
Cash and cash equivalents - Beginning of period	36,974	20,172	43,408	19,935
Cash and cash equivalents - End of period	34,808	60,122	34,808	60,122
Supplementary information				
Interest paid	40	154	63	165

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

Platmin Limited

(a development stage entity)

Notes to the Consolidated Financial Statements

(unaudited, expressed in U.S. dollars, unless otherwise stated)

1 Nature of operations

Platmin Limited (the “Company”) is a development stage natural resources company engaged in the acquisition and exploration of Platinum Group Metal (“PGM”) properties, which was incorporated under the Canada Business Corporation Act on May 23, 2003. These 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. The Company is in the process of exploring, evaluating and developing its mineral properties and projects and has recorded losses and net cash outflows from operations for the past two years. The Company is also required to make expenditures (as outlined in note 16 to the financial statements) in the near term to keep its mineral property rights current.

The Company’s ability to advance its exploration properties is dependent upon its ability to fund its working capital and exploration requirements and eventually to generate positive cash flows, either from operations or the sale of a property.

All 15 of the Company’s old order prospecting rights had been successfully converted into new order rights under the new South African mineral legislation.

2 Basis of presentation

These unaudited interim consolidated financial statements should be read in conjunction with the Company’s audited consolidated financial statements and related notes included in the Company’s annual report to shareholders for the year ended February 28, 2007. These unaudited interim consolidated financial statements do not include all disclosure requirements of Canadian generally accepted accounting principles for annual financial statements, but have been prepared using the same accounting policies as included in note 3 of the Company’s annual financial statements for the year ended February 28, 2007, except for the adoption of the new CICA Handbook standards relating to financial instruments, comprehensive income, and hedges, as described in note 3 below.

3 Summary of significant accounting policies

Financial Instruments, Comprehensive Income and Hedges

Cash and cash equivalents, receivables, accounts payable and accrued liabilities are short-term financial instruments whose fair values approximate their carrying values.

In January 2005, the CICA issued Handbook Sections 3855, “Financial Instruments – Recognition and Measurement”, 1530, “Comprehensive Income”, and 3865, “Hedges”. These new standards are effective for interim and annual financial statements relating to fiscal years commencing on or after October 1, 2006 on a prospective basis. The Company has adopted these new standards effective March 1, 2007.

Platmin Limited

(a development stage entity)

Notes to the Consolidated Financial Statements

(unaudited, expressed in U.S. dollars, unless otherwise stated)

The Company has evaluated the impact of these new standards on its consolidated financial statements and determined that no adjustments are currently required.

4 Restricted cash

On June 27, 2007 a guarantee of \$1,531,338 was provided to Eskom for the ordering of the critical long lead time material, to reduce the project lead time. This guarantee was issued by ABSA Bank Limited and shall lapse after 24 months after the date of issue or on completion of delivery of the services contracted for. The restricted cash is accounted for at fair value.

5 Loans due from related parties

	August 31, 2007 \$ 000	February 28, 2007 \$ 000
Moepi Capital (Pty) Ltd. ⁽¹⁾	14,300	13,369
5 Brothers Mining (Pty) Ltd.	3	3
Private Preview Investments (Pty) Ltd.	158	120
Tafida Investments (Pty) Ltd.	3	3
Born Free Investments 144(Pty) Ltd.	-	4
Born Free Investments 330(Pty) Ltd.	-	4
Keenan Investments (Pty) Ltd.	40	38
Dream World Investments (Pty) Ltd	-	3
Moepi Resources Limited	-	6
Crowned Cormorant Investments 13 (Pty) Ltd.	-	2
	<u>14,504</u>	<u>13,552</u>

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.

⁽¹⁾ The loan receivable from Moepi Capital (Pty) Ltd relates to bridging finance advanced to Moepi Capital during fiscal 2007. The loan bears interest at LIBOR and is repayable on the following dates:

November 1, 2007
February 2, 2008
March 27, 2008

The shares in Boynton that were acquired by Moepi at the same time as the loan are held by Platmin as security for the loan.

Platmin Limited

(a development stage entity)

Notes to the Consolidated Financial Statements

(unaudited, expressed in U.S. dollars, unless otherwise stated)

6 Supplementary cash flow information

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

	For the three months ended		For the six months ended	
	August 31, 2007	August 31, 2006	August 31, 2007	August 31, 2006
	\$ 000	\$ 000	\$ 000	\$ 000
Receivables	284	478	(129)	(191)
Prepaid expenses	(11)	114	(8)	(407)
Accounts payable	15	1,514	148	1,973
Accrued liabilities	20	(201)	(71)	214
Increase/(Decrease)	308	1,905	60	1,689

7 Property, plant and equipment

	August 31, 2007		
	Cost \$ 000	Accumulated amortization \$ 000	Net \$ 000
Vehicles	355	137	218
Computer equipment	181	120	61
Computer software	79	58	21
Office equipment	25	15	10
Furniture and fittings	86	23	63
Other equipment	16	12	4
Leasehold Improvements	81	7	74
Plant Construction	1,325	-	1,325
Rehabilitation asset	493	-	493
	2,641	372	2,269

	February 28, 2007		
	Cost \$ 000	Accumulated amortization \$ 000	Net \$ 000
Vehicles	353	154	199
Computer equipment	175	118	57
Computer software	58	52	6
Office equipment	22	13	9
Furniture and fittings	36	18	18
Other equipment	14	11	3
Rehabilitation asset	493	-	493
	1,151	366	785

8 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 period.

For the three months ended For the six months ended

Platmin Limited

(a development stage entity)

Notes to the Consolidated Financial Statements

(unaudited, expressed in U.S. dollars, unless otherwise stated)

	August 31, 2007 \$ 000	August 31, 2006 \$ 000	August 31, 2007 \$ 000	August 31, 2006 \$ 000
Loss attributable to shareholders (\$000)	1,888	952	4,859	2,863
Weighted average number of common shares	95,128,093	67,671,457	94,465,453	61,724,825
Basic and diluted loss per common share in US\$ per share	0.02	0.02	0.05	0.05

On August 10, 2006, the Company converted preference shares into common shares and implemented a ten-for-one split of its common shares. The split is reflected as if it took place at the beginning of all reporting periods presented.

As the Company is reporting a loss for all periods presented and all potential common shares are anti-dilutive, diluted loss per share equals basic loss per share. There are no other securities with potential dilutive effect as at August 31, 2007 other than the outstanding options described in note 12.

9 Mineral rights

	August 31, 2007 \$ 000	February 28, 2007 \$ 000
Balance – beginning and end of period	1,108	1,108

Boynton is the registered owner of an undivided share of all mineral rights (excluding chrome) in respect of certain portions of the property known as Vogelstruisnek 173, Registration Division J.P., North West Province and of all mineral rights (excluding chrome) over certain portions of the farm, Ruighoek 169, Registration Division J.P., North West Province.

Both of these properties form part of the Pilanesberg project and the new order prospecting rights have been granted in terms of the MPRDA.

10 Mineral exploration properties and deferred exploration expenses

Mineral exploration properties – Acquisition cost	August 31, 2007	February 28, 2007
Balance brought forward and carried forward	4,619	4,619
Deferred exploration expenses	August 31, 2007	February 28, 2007
Balance brought forward	21,503	13,787

Platmin Limited

(a development stage entity)

Notes to the Consolidated Financial Statements

(unaudited, expressed in U.S. dollars, unless otherwise stated)

Additions	3,623	8,260
Revenue credited	-	(544)
Balance carried forward	<u>25,126</u>	<u>21,503</u>

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

	August 31, 2007		February 28, 2007	
	Acquisition cost \$ 000	Deferred exploration expenses \$ 000	Acquisition cost \$ 000	Deferred exploration expenses \$ 000
Pilanesberg project				
Tuschenkomst	25	8,834	25	7,833
Witkleifontein	-	1,865	-	1,665
Rooderand	-	1,409	-	1,148
Ruighoek	-	3,354	-	3,067
Vogelstruisnek	-	55	-	50
Bakhoutrantje	-	45	-	30
Palmietfontein	-	532	-	531
Rietfontein 380JS	-	3	-	-
M'Phatlele project	3,055	5,710	3,055	4,181
Grootboom project				
Grootboom	1,514	1,614	1,514	1,469
Grootboom Tailings	-	43	-	42
Annex	-	493	-	454
Loskop project				
Loskop 2	-	478	-	388
Rietfontein 70JS	-	33	-	33
Golden Valley	-	67	-	59
Oorlogsfontein	-	84	-	84
Apiesboomen	-	94	-	94
Woolrich area 2	-	3	-	3
Woolrich area 3	-	3	-	3
Woolrich area 4	-	2	-	2
Veeplaats	-	13	-	10
Vogelenzang	-	75	-	71
Setseka area	25	7	25	7
Defacto area	-	18	-	16
Scheiding	-	227	-	224
Bashoek	-	5	-	5
Tweelaagte, Diamant & Kleingenoeg	-	40	-	34
Moloena JV (Ruighoek (Ptn5) & Vogelstruisnek (Ptn2))	-	11	-	-
Strydfontein	-	9	-	-
	<u>4,619</u>	<u>25,126</u>	<u>4,619</u>	<u>21,503</u>

Moloena JV

Platmin Limited

(a development stage entity)

Notes to the Consolidated Financial Statements

(unaudited, expressed in U.S. dollars, unless otherwise stated)

The prospecting right for Vogelstruisnek (Ptn 2) and Ruighoek (Ptn 5) was granted on January 23, 2007. Expenditure on this project only started during the quarter under review to an amount of \$11,056.

11 Share capital

(a) Common shares

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

	Number of shares	Amount \$000
Balance, March 1, 2006	4,866,950	27,286
Rights Issue	733,154	14,663
Exercise of options	10,000	62
Conversion of preferred shares	<u>2,173,000</u>	<u>12,483</u>
Balance, August 10, 2006 - before ten-for-one split	<u>7,783,104</u>	<u>54,494</u>
Ten-for-one split	77,831,040	
Common shares – issued for IPO	11,375,000	40,565
Over allotment – option under IPO	1,706,250	6,160
Exercise of options	873,460	990
Fair value of options exercised	-	422
Fair value of warrants exercised	-	1,459
Exercise of warrants	2,000,000	1,460
Broker compensation options exercised	17,063	60
Share issue expenses	-	(6,068)
Balance, February 28, 2007 and May 31, 2007	<u>93,802,813</u>	<u>99,542</u>
Balance, June 1, 2007	93,802,813	99,542
Broker compensation options exercised	767,813	2,913
Exercise of options	1,804,312	162
Fair value of options exercised	-	1,014
Share issue expenses	-	-
Balance, August 31, 2007	<u>96,374,938</u>	<u>103,631</u>

On January 17, 2006, the Company announced a one-for-nine shares held rights issue at \$20 per share. The first round closed on February 27, 2006 and the Company received \$11,169,200. During fiscal 2007, the Company received \$3,493,800 for the second and third rounds of the rights issue. All the shares related to this rights issue were issued during fiscal 2007.

On August 10, 2006, the Company's shares were listed on the Toronto Stock Exchange ("TSX") and the Alternative Investment Market of the London Stock Exchange ("AIM"). On this day, the 2,173,000 preference shares were converted into common shares taking the total common shares prior to a ten-for-one split to 7,783,104. These 7,783,104 common shares were then subject to a ten-for-one split giving a total of 77,831,040 common shares outstanding after the split.

Platmin Limited

(a development stage entity)

Notes to the Consolidated Financial Statements

(unaudited, expressed in U.S. dollars, unless otherwise stated)

In the initial public offering on August 10, 2006, 11,375,000 common shares were issued. On August 25, 2006, the underwriters exercised the over allotment option and the Company issued a further 1,706,250 common shares.

(b) Preferred shares

An unlimited number of preferred shares have been authorised.

The preferred shares were converted on August 10, 2006 to common shares on a one-for-one basis. They had no preferential rights over the common shares other than a preferential right to repayment of capital on liquidation.

(c) Contributed surplus

	August 31, 2007 \$ 000	February 28, 2007 \$ 000
Balance - Beginning of period	2,480	2,147
Surplus - Vesting of previously issued options	1,417	2,215
Surplus - Warrants exercised	-	(1,460)
Surplus - Options cancelled	(20)	-
Surplus - Options exercised (cash)	(300)	-
Surplus - Options exercised (cashless)	(714)	(422)
Balance - End of period	<u>2,863</u>	<u>2,480</u>

12 Stock option plan and warrants

The Board of Directors adopted a resolution dated May 3, 2005, which established a stock option plan (the "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 9% of the outstanding common shares of the Company 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.

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

Platmin Limited

(a development stage entity)

Notes to the Consolidated Financial Statements

(unaudited, expressed in U.S. dollars, unless otherwise stated)

	<u>Number of options</u>	<u>Weighted average exercise price \$</u>
Movement during fiscal 2007		
Options outstanding, March 1, 2006	635,128	9.72
Granted	350,000	20.00
Exercised	<u>(10,000)</u>	(6.25)
Options outstanding, August 31, 2006 – before the ten-for-one split	<u>975,128</u>	13.44
Options outstanding, September 1, 2006 – after the ten-for-one split	9,751,280	1.34
Granted	934,876	3.68
Exercised – compensation options	(17,063)	(3.53)
Exercised – options	(873,460)	(1.09)
Options cancelled - resignations	<u>(160,000)</u>	(1.20)
Options outstanding, February 28, 2007	<u>9,635,633</u>	1.58
Options exercisable, February 28, 2007	<u>7,695,313</u>	1.53
Movement during fiscal 2008		
Options outstanding, March 1, 2007	9,635,633	1.58
Granted	750,000	6.00
Exercised – compensation options	(767,813)	(3.79)
Exercised – options	(1,995,320)	(1.03)
Options cancelled – resignations	<u>(40,000)</u>	(0.70)
Options outstanding, August 31, 2007	<u>7,582,500</u>	1.97
Options exercisable, August 31, 2007	<u>6,882,500</u>	1.60

On June 7, 2006, prior to the TSX and AIM listings and the ten-for-one split, 10,000 options were exercised at \$6.25 per option.

During the third quarter of fiscal 2007, 30,000 options at \$0.63 and 130,000 options at \$1.20 were exercised.

As part of the listing process, a total of 767,813 compensation options at CAD 4.00 were issued to the brokers. On November 24, 2006, 17,063 of these broker options were exercised at \$3.53.

During the fourth quarter of fiscal 2007, 10,000 options at \$0.20, 50,000 options at \$0.63 and 653,460 options at \$1.20 were exercised.

On June 1, 2007 and August 28, 2007 respectively 600,000 options at \$5.74 and 150,000 options at \$7.04 were granted.

On June 5, 2007 50,000 options at \$0.90 were exercised.

Platmin Limited

(a development stage entity)

Notes to the Consolidated Financial Statements

(unaudited, expressed in U.S. dollars, unless otherwise stated)

The remaining broker options of 767,813 options were exercised during July 2007 at \$3.79.

During July 2007 a total of 605,000 options at \$1.20 were exercised. In August 2007 a total of 955,320 options at \$1.20 were exercised. These options were a cashless exercise as per the Plan, calculated on the five day average price.

On August 14, 2007 270,000 options at \$0.20 and 100,000 options at \$0.63 were exercised and 15,000 cashless options were exercised at \$1.20.

Exercise date	Exercise price \$	Number of options
Options exercised during second quarter fiscal 2008		
June 5, 2007	0.90	50,000
July 13, 2007	3.79	316,509
July 20, 2007	1.20	140,000
July 27, 2007	1.20	465,000
July 31, 2007	3.79	451,304
August 8, 2007	1.20	75,000
August 10, 2007	1.20	520,320
August 12, 2007	1.20	360,000
August 14, 2007	0.35	385,000
		<u>2,763,133</u>

Exercise date	Exercise price \$	Number of options
Options exercised during fiscal 2007		
June 7, 2006	6.25	10,000
September 20, 2006	0.63	30,000
September 20, 2006	1.20	65,000
October 4, 2006	1.20	10,000
October 31, 2006	1.20	55,000
November 24, 2006	3.53	17,063
December 4, 2006	0.20	10,000
January 22, 2007	1.20	75,000
February 15, 2007	1.20	578,460
February 21, 2007	0.63	50,000
		<u>900,523</u>

As at August 31, 2007, the following options were exercisable and outstanding:

Expiry date	Exercisable		Outstanding	
	Exercise price \$	Number of options	Exercise price \$	Number of options

Platmin Limited

(a development stage entity)

Notes to the Consolidated Financial Statements

(unaudited, expressed in U.S. dollars, unless otherwise stated)

September 6, 2007 - refer to note 19	0.63	300,000	0.63	300,000
February 10, 2008	0.20	800,000	0.20	800,000
November 3, 2010	1.20	500,000	1.20	500,000
December 6, 2010	1.20	1,582,500	1.20	1,582,500
April 12, 2011	2.00	3,500,000	2.00	3,500,000
September 18, 2011	3.86	-	3.86	150,000
June 1, 2012	5.74	200,000	5.74	600,000
August 28, 2012	7.04	-	7.04	150,000
Weighted average	1.60	<u>6,882,500</u>	1.97	<u>7,582,500</u>

As at February 28, 2007, the following options were exercisable and outstanding:

Expiry date	Exercisable		Outstanding	
	Exercise price \$	Number of options	Exercise price \$	Number of options
September 6, 2007	0.20	1,090,000	0.20	1,090,000
September 6, 2007	0.63	400,000	0.63	400,000
August 10, 2007	0.90	50,000	0.90	50,000
August 10, 2007	3.51	665,437	3.51	665,437
August 25, 2007	3.51	102,376	3.51	102,376
November 3, 2010	1.20	500,000	1.20	500,000
December 6, 2010	1.20	2,262,500	1.20	3,177,820
April 12, 2011	2.00	2,625,000	2.00	3,500,000
September 18, 2011	3.86	-	3.86	150,000
Weighted average	1.53	<u>7,695,313</u>	1.58	<u>9,635,633</u>

Stock-based compensation expense is reflected in the consolidated statements of operations and deficit as follows:

	August 31, 2007 \$000	February 28, 2007 \$000
Management and consulting fees	<u>1,417</u>	<u>2,215</u>

The fair value of stock options granted is recorded as an increase in contributed surplus.

The fair value of stock options issued, which had not been charged to employee expenses, was \$1,996,349 (2007: \$213,248).

The fair value of each option granted was estimated on the grant date using the Black-Scholes option pricing model with the following weighted average assumptions:

Platmin Limited

(a development stage entity)

Notes to the Consolidated Financial Statements

(unaudited, expressed in U.S. dollars, unless otherwise stated)

	<u>August 31, 2007</u>	<u>February 28, 2007</u>
Expected dividend yield	0.0%	0.0%
Expected volatility	66.08%	100.0%
Risk-free interest rate	4.5%	3.5%
Expected life	3 years	3.5 years

Warrants

The details of warrants issued are as follows:

	<u>Number of warrants</u>	<u>Weighted average exercise price \$</u>
Movement during fiscal 2007		
Warrants outstanding, March 1, 2006	<u>200,000</u>	<u>7.30</u>
Warrants outstanding, September 1, 2006 - after ten-for-one split	2,000,000	0.73
Exercise of warrants	<u>(2,000,000)</u>	<u>(0.73)</u>
Warrants outstanding, February 28, 2007	<u>-</u>	<u>-</u>

The warrants were exercised on November 7, 2006, which resulted in 2,000,000 common shares being issued for \$1,460,000.

There have been no warrants issued during fiscal 2008.

13 Related party transactions

Ledima Investments (Pty) Ltd

During the six months, transactions took place between Boynton and Ledima Investments (Pty) Ltd, over which one of the Boynton directors, appointed November 29, 2006, exercised significant influence. Consulting services totalling \$52,964 were undertaken by Ledima Investments (Pty) Ltd. These services were provided to Boynton at the exchange amount, which is the amount agreed to by each party, which was considered by the Board of Directors to be fair, and was paid in full. During the quarter under review the consulting services totalled \$27,888.

14 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 which is currently 13.5%, until otherwise agreed by the shareholders, and

Platmin Limited

(a development stage entity)

Notes to the Consolidated Financial Statements

(unaudited, expressed in U.S. dollars, unless otherwise stated)

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 M'Phatlele project in Tameng, a subsidiary of Mahube. The increase in the loan is due to the increase in exploration activities and costs leading to a bankable feasibility study for this project.

15 Asset retirement obligation

The DME required a guarantee of \$493,325 before approving the application for a bulk sample. The full amount has been provided for in fiscal 2007. The final retirement obligation will only be established on completion of the bankable feasibility study, and would be provided for once construction has commenced. On August 31, 2007 the Pilanesberg Independent Technical Report for the Positive Pilanesberg Feasibility was filed. The DME required a rehabilitation guarantee of \$7,026,901 before approving the application for a mining right. This guarantee was provided on September 12, 2007.

16 Segmented information

The Company operates in one geographic segment, South Africa, and one industry segment, exploration of precious metals properties, mainly platinum group elements.

Funds raised by the Company are held in USD, GBP and CAD interest bearing accounts in Canada (82.3%) and Guernsey (17.7%) until required by the South African operations.

17 Contingencies and commitments

- The Company has guaranteed the rehabilitation of numerous exploration targets. As at August 31, 2007, the total guarantees held by a bank were \$120,616 (February 28, 2007 - \$66,255).
- 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 farms, Ruighoek 169JP, Vogelstruisnek 173JP and Palmietfontein 208JP. Should Boynton elect not to accept the terms proposed by Impala, a break fee of \$2,089,573 in aggregate will be payable to Impala.
- Under the terms of a joint venture agreement between Boynton and Ranger Minerals Limited (Ranger), a subsidiary of Perilya Ltd., Boynton has committed to contribute up to \$90,000 towards the initial funding on prospecting areas identified by Ranger. The contribution is a pro rata contribution in accordance with Boynton's 30% shareholding in the joint venture.
- Boynton entered into an agreement with Woolrich and Associates (Pty) Ltd., whereby Boynton paid an amount of \$9,987 in aggregate prior to July 31, 2003. The Company undertook to spend \$222,888 in aggregate on prospecting activities on certain prospecting areas within a period of one year from the date on which prospecting permits have been issued. The only prospecting permit received to date is on the Groenfontein area, on which the Company spent \$153,080.

Platmin Limited

(a development stage entity)

Notes to the Consolidated Financial Statements

(unaudited, expressed in U.S. dollars, unless otherwise stated)

- 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 M'Phatlele project. The consequence of not contributing accordingly results in dilution of Boynton's shareholding.
- Boynton has undertaken to provide enough funding up to completion of a first bankable feasibility study, subject to a maximum of \$1,393,049, on projects held by Setseka. The completion of a feasibility study is at Boynton's sole discretion; Boynton has the right to withdraw from prospecting on any particular property held in the joint venture.
- In respect of a joint venture agreement with Western Platinum Ltd. (Lonmin JV), Lonmin will contribute a maximum of \$627 per hectare towards mineral rights existing under the joint venture and towards any additional mineral rights included later. Any costs beyond \$627 per hectare will be shared equally between Lonmin and Boynton.
- Boynton has entered into an agreement with Codoca Beleggings CC (Codoca) where Codoca will transfer its mineral rights to Boynton. A deposit of \$242,840 was paid to Codoca.

The remaining balances will be paid by Boynton if 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 \$222,860.

- A Prospecting Contract was entered into on April 28, 2005 between Boynton and a BEE company, Sephaku, BHP and Samancor with respect to the farm Annex Grootboom 335KT ("Annex Grootboom"). In terms of the agreement, Samancor as the holder of certain old order rights pertaining to Annex 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.

- Pilanesberg Platinum Mines (Pty) Ltd ("PPM"), a subsidiary of the Company, has entered into an agreement with Metso Minerals for the supply, delivery, erection and commissioning of

Platmin Limited

(a development stage entity)

Notes to the Consolidated Financial Statements

(unaudited, expressed in U.S. dollars, unless otherwise stated)

primary and secondary ball mills for PPM. . On August 22, 2007 a deposit of \$1,141,788 was paid to Metso Minerals to start work on the above mentioned order. Should the Company elect not to continue with this order with Metso Minerals, a break fee of \$1,868,756, in aggregate will be payable.

18 Minimum lease payments

	<u>1 Year</u>	<u>2-5 Years</u>
Office Rental	<u>\$154,128</u>	<u>\$660,555</u>

During the first quarter, 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 as per the agreement. The Company has the right to renew the lease for a further period of up to five years, provided in writing at least six months prior to the termination of the initial period.

19 Subsequent events

Subsequent to August 31, 2007, a total of 300,000 options were exercised at an exercise price of \$0.63. The funds for the options exercised were received in September, 2007 in the amount of \$187,500. During the same time 37,500 options were exercised at an exercise price of \$1.20. These were done as a cashless exercise.

20 Comparative amounts

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