



## **Sedibelo Platinum Mines Limited**

### **Condensed Consolidated Interim Financial Statements for the nine-month period ended September 30, 2021 and September 30, 2020**

*(December 2020 Audited, September 2021 & September 2020 Unaudited, expressed in United States dollars, unless otherwise stated)*

# Sedibelo Platinum Mines Limited

## Condensed consolidated interim statement of financial position

as at September 30, 2021

(Expressed in United States Dollars, unless otherwise stated)

	Notes	Sep 30, 2021 USD'000	Dec 31, 2020 USD'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Mining assets	5	744,491	773,275
Intangible assets	6	32,225	33,564
Property, plant and equipment	7	89,068	92,498
Long-term loans receivable		16,431	16,506
Restricted cash investments and guarantees	8.2	19,168	18,090
Deferred tax asset		85,816	101,949
Investment in joint venture	10	-	-
<b>Total non-current assets</b>		<b>987,199</b>	<b>1,035,882</b>
<b>Current assets</b>			
Inventories	9	10,091	11,818
Trade and other receivables		54,577	133,893
Short-term loans receivable		666	-
Cash and cash equivalents	8.1	148,710	62,986
<b>Total current assets</b>		<b>214,044</b>	<b>208,697</b>
<b>TOTAL ASSETS</b>		<b>1,201,243</b>	<b>1,244,579</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital	11	2,549,583	2,549,583
Other components of equity		(553,257)	(521,743)
Accumulated deficit		(847,496)	(865,651)
		1,148,830	1,162,189
<b>Non-controlling interests</b>		<b>(7,545)</b>	<b>(7,126)</b>
<b>Total equity</b>		<b>1,141,285</b>	<b>1,155,063</b>
<b>Non-current liabilities</b>			
Long-term borrowings	12.1	5,458	26,976
Decommissioning and rehabilitation provision	13	17,225	16,787
<b>Total non-current liabilities</b>		<b>22,683</b>	<b>43,763</b>
<b>Current liabilities</b>			
Short-term borrowings	12.2	-	14,408
Trade payables and accrued liabilities		23,321	26,134
Revolving commodity facility	14	13,954	5,211
<b>Total current liabilities</b>		<b>37,275</b>	<b>45,753</b>
<b>Total liabilities</b>		<b>59,958</b>	<b>89,516</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,201,243</b>	<b>1,244,579</b>

The accompanying notes are an integral part of these consolidated and separate financial statements.

# Sedibelo Platinum Mines Limited

## Condensed consolidated interim statement of comprehensive income for the three and nine months ended September 30, 2021

(Expressed in United States Dollars, unless otherwise stated)

	Notes	For the three months ended		For the nine months ended	
		Sep 30, 2021 USD'000	Sep 30, 2020 USD'000	Sep 30, 2021 USD'000	Sep 30, 2020 USD'000
Revenue	15	35,511	83,264	199,334	178,559
Cost of operations	16	(45,373)	(43,124)	(137,758)	(110,118)
<b>Gross (loss)/profit</b>		<b>(9,862)</b>	<b>40,140</b>	<b>61,576</b>	<b>68,441</b>
Administrative and general expenses		(8,066)	(6,239)	(21,862)	(15,226)
Other income/(expenses)		48	21	(2,680)	102
Foreign exchange gain/(loss)		1,765	(318)	2,151	3,796
<b>Operating (loss)/profit</b>	<b>17</b>	<b>(16,115)</b>	<b>33,604</b>	<b>39,185</b>	<b>57,113</b>
Finance income		1,596	913	4,049	3,356
Finance costs		(751)	(1,750)	(3,548)	(5,740)
Share of loss of investments accounted for using the equity method	10	(468)	(348)	(527)	(1,188)
<b>(Loss)/Profit before income tax</b>		<b>(15,738)</b>	<b>32,419</b>	<b>39,159</b>	<b>53,541</b>
Income tax credit/(expense)		2,953	-	(13,854)	-
<b>(LOSS)/PROFIT FOR THE PERIOD</b>		<b>(12,785)</b>	<b>32,419</b>	<b>25,305</b>	<b>53,541</b>
<i>Attributable to:</i>					
Owners of the parent		(12,642)	32,534	25,724	53,933
Non-controlling interest		(143)	(115)	(419)	(392)
		<b>(12,785)</b>	<b>32,419</b>	<b>25,305</b>	<b>53,541</b>
<b>Other Comprehensive (loss)/income:</b>					
<i>Items that may be reclassified subsequently to profit or loss</i>					
Exchange differences on loan designated as net investment		9,734	8,691	(7,151)	63,054
Exchange differences on translation from functional to presentation currency		(74,739)	7,040	(31,549)	(233,088)
Other comprehensive share of investment accounted for using the equity method		(25)	13	(418)	(467)
Movement in other reserves		56	(16)	35	177
Other comprehensive (loss)/income - net of tax		(64,974)	15,728	(39,083)	(170,324)
<b>TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD</b>		<b>(77,759)</b>	<b>48,147</b>	<b>(13,778)</b>	<b>(116,783)</b>
<i>Attributable to:</i>					
Owners of the parent		(77,616)	48,262	(13,359)	(116,391)
Non-controlling interest		(143)	(115)	(419)	(392)
		<b>(77,759)</b>	<b>48,147</b>	<b>(13,778)</b>	<b>(116,783)</b>
Earnings per share (cents)					
Basic earnings per share	18			<b>0.83</b>	<b>1.74</b>

# Sedibelo Platinum Mines Limited

## Condensed consolidated interim statement of changes in shareholders' equity

for the three and nine months ended September 30, 2021

(Expressed in United States Dollars, unless otherwise stated)

	Share capital <sup>(a)</sup>	Accumulated deficit	Other reserves	Foreign currency translation reserve	Subtotal	Non-controlling interest	Total equity
(a) Note 11	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
<b>Balance at January 1, 2020</b>	<b>2,549,583</b>	<b>(1,100,208)</b>	<b>(1,021)</b>	<b>(457,107)</b>	<b>991,247</b>	<b>(6,608)</b>	<b>984,639</b>
Profit/(loss) for the period	-	21,399	-	-	21,399	(277)	21,122
Other comprehensive income/(loss) for the period	-	53,884	194	(240,128)	(186,050)	-	(186,050)
<b>Total comprehensive income/(loss)</b>	<b>-</b>	<b>75,283</b>	<b>194</b>	<b>(240,128)</b>	<b>(164,651)</b>	<b>(277)</b>	<b>(164,928)</b>
<b>Balance at September 30, 2020</b>	<b>2,549,583</b>	<b>(1,024,925)</b>	<b>(827)</b>	<b>(697,235)</b>	<b>826,596</b>	<b>(6,885)</b>	<b>819,711</b>
Profit/(loss) for the period	-	175,313	-	-	175,313	(241)	175,072
Other comprehensive (loss)/income for the period	-	(16,039)	(192)	176,511	160,280	-	160,280
<b>Total comprehensive income/(loss)</b>	<b>-</b>	<b>159,274</b>	<b>(192)</b>	<b>176,511</b>	<b>335,593</b>	<b>(241)</b>	<b>335,352</b>
<b>Balance at December 31, 2020</b>	<b>2,549,583</b>	<b>(865,651)</b>	<b>(1,019)</b>	<b>(520,724)</b>	<b>1,162,189</b>	<b>(7,126)</b>	<b>1,155,063</b>
Profit/(loss) for the period	-	25,724	-	-	25,724	(419)	25,305
Other comprehensive (loss)/income for the period	-	(7,569)	35	(31,549)	(39,083)	-	(39,083)
<b>Total comprehensive income/(loss)</b>	<b>-</b>	<b>18,155</b>	<b>35</b>	<b>(31,549)</b>	<b>(13,359)</b>	<b>(419)</b>	<b>(13,778)</b>
<b>Balance at September 30, 2021</b>	<b>2,549,583</b>	<b>(847,496)</b>	<b>(984)</b>	<b>(552,273)</b>	<b>1,148,830</b>	<b>(7,545)</b>	<b>1,141,285</b>

# Sedibelo Platinum Mines Limited

## Condensed consolidated interim cash flow statement

### for the nine months ended September 30, 2021

(Expressed in United States Dollars, unless otherwise stated)

		For the nine months ended	
		Sep 30, 2021	Sep 30, 2020
	Notes	USD'000	USD'000
<b>Cash flows from operating activities</b>			
Profit before income tax		39,159	53,541
Depreciation of property, plant and equipment	7	5,933	9,539
Amortisation of intangible assets	6	426	323
Loss/(Profit) on disposal of property, plant and equipment	7	3	(3)
Loss on assets scrapped	7	5	1
Loss on disposal mining asset	5	3,141	-
Revolving commodity facility fair value adjustment	14	(1,944)	5,871
Share of loss of investments accounted for using the equity method	10	527	1,188
Unrealised foreign exchange gain		(1,968)	(3,796)
Finance income		(4,049)	(3,356)
Finance cost		3,548	5,740
<i>Operating profit before working capital changes</i>		44,781	69,048
Decrease / (Increase) in trade and other receivables		78,754	(41,492)
(Decrease) / Increase in trade and other payables		(956)	3,388
Decrease / (Increase) in inventories		1,273	(2,015)
<i>Cash generated from operations</i>		123,852	28,929
Interest paid		(499)	(275)
Interest received		3,203	2,163
<i>Net cash generated from operating activities</i>		<b>126,556</b>	<b>30,817</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	7	(5,780)	(2,615)
Disposal of property, plant and equipment	7	2	-
Additions to mining assets	5	(743)	(1,235)
Disposal of mining assets	5	7	3
Additions to intangible assets	6	(240)	(377)
Funds invested in restricted cash		(1,216)	(1,055)
Loans granted to related party		(1,922)	(1,721)
Loan granted to external party		(678)	-
Loans repaid by external parties		1,132	741
<i>Net cash utilised in investing activities</i>		<b>(9,437)</b>	<b>(6,259)</b>
<b>Cash flows from financing activities</b>			
Interest paid on The Industrial Development Corporation ("IDC") of South Africa loan	12.3	(1,940)	(2,959)
Capital repayment on the IDC loan	12.3	(37,083)	(2,504)
Proceeds from revolving commodity facility	14	70,538	59,073
Repayment of revolving commodity facility	14	(58,269)	(66,878)
<i>Net cash utilised in financing activities</i>		<b>(26,753)</b>	<b>(13,268)</b>
<b>Net increase in cash and cash equivalents</b>		90,367	11,290
<b>Cash and cash equivalents at beginning of the year</b>		62,986	43,393
Exchange loss on cash and cash equivalents		(4,642)	(6,664)
<b>Cash and cash equivalents at end of the period</b>	8.1	<b>148,710</b>	<b>48,019</b>

## Notes to the condensed consolidated interim financial statements for the nine months ended September 30, 2021

(Expressed in United States Dollars, unless otherwise stated)

### 1. General information

Sedibelo Platinum Mines Limited (“the Company”) and its subsidiaries (“the Group”) is a mining group engaged in the acquisition, exploration, development and operation of Platinum Group Metals (“PGM”) properties in South Africa. Through its 100% owned subsidiary, Pilanesberg Platinum Mines Proprietary Limited, the Group has established the Pilanesberg Platinum Mines (“PPM”) on the Western Limb of the Bushveld Complex.

The Company is registered in Guernsey and reports in accordance with the provisions of The Companies (Guernsey) Law, 2008. For the nine months ended September 30, 2021, the Group made a profit of USD25.305 million (2020: USD53.541 million).

### 2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, as amended to reflect the adoption of new standards, amendments, and interpretations which became effective in the year (see Note 4).

#### a) Basis of preparation

The condensed interim financial statements have been prepared in accordance with IAS 34 – Interim financial reporting, IFRIC (“International Financial Reporting Interpretations Committee”) interpretations and with the requirements of The Companies (Guernsey) Law, 2008 applicable to companies reporting under International Financial Reporting Standards (“IFRS”).

The condensed consolidated interim financial statements do not include all the disclosures required for complete annual financial statements prepared in accordance with IFRS as issued by the International Accounting Standards Board (“IASB”).

The financial information has been prepared under the historical cost basis, as modified by the revaluation of financial assets and financial liabilities at fair value.

The financial information is presented in US dollars (“USD”) and all monetary results are rounded to the nearest thousand (USD’000) except when otherwise indicated.

There are no changes in these accounting policies for the nine-month period ended September 30, 2021 except as disclosed in Note 4 below “Changes in accounting policy”.

#### *Going concern*

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IAS 34 – Interim financial reporting and IFRIC interpretations as issued by the IASB applicable to a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Group be unable to continue as a going concern and therefore be required to realise its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying unaudited condensed interim consolidated financial statements. Such adjustments could be material.

The Group operates in a cyclical industry where levels of cash flow have historically been materially influenced by market prices for commodities and exchange rates; accordingly, when considering going concern, Management consider key assumptions, such as exposure to the ZAR:USD exchange rate and PGM prices, in their cash flow forecasts. Continuance as a going concern is dependent upon the Group’s ability to achieve profitable operations, obtain adequate equity or debt funding, or, alternatively, dispose of its non-core properties on an advantageous basis.

PPM has an agreement with Investec Bank Limited (“Investec”) to provide a rand denominated revolving commodity finance facility of up to USD59.458 million (ZAR900 million) for the financing of concentrate deliveries. The outstanding balance bears interest at JIBAR plus 0.50% and is available up to March 31, 2022.

Management has also considered the possible impact of Covid-19 on the Group’s ability to produce at current levels and its impact on unit costs. During 2020, the mine ceased operations for forty-one (41) days during the initial hard lock down imposed by the South African government. The likelihood of a government mandated shutdown on the mining industry is regarded very low. South-Africa had its third wave of Covid-19 with no restrictions enforced on the mining industry after the hard lock down in the prior period.

Operational risks that Management considered during the assessment included operating cash flows, short term PGM prices and ZAR:USD exchange rates. Capital expenditure (sustaining and growth) was included in line with the budget and Management’s current plans. Based on current assumptions there is no reason for Management to believe that the Group cannot repay debt, expenses and/or obligations in accordance with the current terms of the relevant agreements.

## Notes to the condensed consolidated interim financial statements for the nine months ended September 30, 2021

(Expressed in United States Dollars, unless otherwise stated)

### 2. Summary of significant accounting policies (continued)

#### a) Basis of preparation (continued)

The following exchange rates to the US dollar have been applied:

	At Sep 30, 2021	Average nine months ended Sep 30, 2021	Average three months ended Sep 30, 2021	At Dec 31, 2020	Average nine months ended Sep 30, 2020	Average three months ended Sep 30, 2020
South African Rand (USD:ZAR)	15.14	14.57	14.62	14.62	16.75	16.92

#### Property, plant and equipment

Depreciation and amortisation are calculated on a units-of-production method for the mining assets and straight-line method for all other assets to write off the cost of the assets to their residual values over their estimated useful lives. The useful lives applicable to each category of property, plant and equipment are as follows:

Asset category	Useful life
Producing mines	Units of production (ore tonnes mined)
Pre-stripping costs	Units of production (ore tonnes mined)
Plant construction and mine development	Units of production (ore tonnes mined)
Deferred stripping costs	Units of production (ore tonnes mined)
Decommissioning assets	Units of production (ore tonnes mined)
Leased assets	10 years
Plant and equipment	Units of production (ore tonnes processed)
Buildings	20 years
Land	Indefinite
Other	
- Vehicles	5 years
- Computer equipment	3 years
- Office equipment	6 years
- Furniture and fittings	6 years
- Other equipment	5 years

### 3. Estimates

The preparation of interim financial statements requires Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2020.

### 4. Change in accounting policy including initial adoption

There were no other changes in the accounting policies applied since the issue of the audited consolidated financial statements for the year ended December 31, 2020.

*New standards and amendments to standards and interpretations not yet adopted:*

- IAS 1 (Amendments): Disclosure of accounting policies - applicable to annual periods beginning on or after January 1, 2023. Early adoption is permitted.
- IAS 8 (Amendments): Definition of accounting estimates - applicable to annual periods beginning on or after January 1, 2023.

The Group performed an assessment of the above amendments and concluded that these amendments as noted, do not have a material impact based on the nature of the Group's business

# Sedibelo Platinum Mines Limited

## Notes to the condensed consolidated interim financial statements

for the nine months ended September 30, 2021

(Expressed in United States Dollars, unless otherwise stated)

### 5. Mining assets

	Sep 30, 2021 USD'000	Dec 31, 2020 USD'000
Exploration and evaluation assets	18,104	21,071
Mineral properties and rights	726,387	752,204
<b>Balance at the end of the period</b>	<b>744,491</b>	<b>773,275</b>

	Exploration & evaluation assets USD'000	Mineral properties & rights USD'000	TOTAL USD'000
<b>Balance at January 1, 2020</b>	<b>19,781</b>	<b>778,614</b>	<b>798,395</b>
Additions	1,708	-	1,708
Foreign exchange variance	(418)	(26,410)	(26,828)
<b>Balance at December 31, 2020</b>	<b>21,071</b>	<b>752,204</b>	<b>773,275</b>
Additions	743	-	743
Disposals <sup>(a)</sup>	(2,928)	-	(2,928)
Foreign exchange variance	(782)	(25,817)	(29,599)
<b>Balance at September 30, 2021</b>	<b>18,104</b>	<b>726,387</b>	<b>744,491</b>

a) Exploration data relating to Grootboom, an Eastern Limb exploration project was sold to a third party.

### 6. Intangible assets

	Sep 30, 2021 USD'000	Dec 31, 2020 USD'000
Water pipeline	22,356	23,435
ERP software	6	6
Computer software	747	683
Research and development	9,116	9,440
<b>Balance at the end of the period</b>	<b>32,225</b>	<b>33,564</b>



# Sedibelo Platinum Mines Limited

## Notes to the condensed consolidated interim financial statements for the nine months ended September 30, 2021

(Expressed in United States Dollars, unless otherwise stated)

### 6. Intangible assets (continued)

Reconciliation of intangible assets:

	Water pipeline USD'000	ERP Software USD'000	Computer software USD'000	Research and development USD'000	Power and water rights USD'000	TOTAL USD'000
<b>COST</b>						
<b>Balance at January 1, 2020</b>	<b>28,801</b>	<b>124</b>	<b>1,802</b>	<b>9,767</b>	<b>18,560</b>	<b>59,054</b>
Additions during the year	67	-	408	4	-	479
Assets scrapped	-	-	(98)	-	-	(98)
Foreign exchange variance	(969)	(4)	(9)	(331)	-	(1,313)
<b>Balance at December 31, 2020</b>	<b>27,899</b>	<b>120</b>	<b>2,103</b>	<b>9,440</b>	<b>18,560</b>	<b>58,122</b>
Additions during the period	15	-	225	-	-	240
Foreign exchange variance	(958)	(4)	(83)	(324)	-	(1,369)
<b>Balance at September 30, 2021</b>	<b>26,956</b>	<b>116</b>	<b>2,245</b>	<b>9,116</b>	<b>18,560</b>	<b>56,993</b>
<b>ACCUMULATED AMORTISATION</b>						
<b>Balance at January 1, 2020</b>	<b>4,208</b>	<b>113</b>	<b>1,433</b>	-	<b>18,560</b>	<b>24,314</b>
Amortisation for the year	341	4	116	-	-	461
Assets scrapped	-	-	(98)	-	-	(98)
Foreign exchange variance	(85)	(3)	(31)	-	-	(119)
<b>Balance at December 31, 2020</b>	<b>4,464</b>	<b>114</b>	<b>1,420</b>	-	<b>18,560</b>	<b>24,558</b>
Amortisation for the period	297	-	129	-	-	426
Foreign exchange variance	(161)	(4)	(51)	-	-	(216)
<b>Balance at September 30, 2021</b>	<b>4,600</b>	<b>110</b>	<b>1,498</b>	-	<b>18,560</b>	<b>24,768</b>
<b>CARRYING AMOUNTS</b>						
<b>Balance at January 1, 2020</b>	<b>24,593</b>	<b>11</b>	<b>369</b>	<b>9,767</b>	-	<b>34,740</b>
<b>Balance at December 31, 2020</b>	<b>23,435</b>	<b>6</b>	<b>683</b>	<b>9,440</b>	-	<b>33,564</b>
<b>Balance at September 30, 2021</b>	<b>22,356</b>	<b>6</b>	<b>747</b>	<b>9,116</b>	-	<b>32,225</b>

**Sedibelo Platinum Mines Limited**  
**Notes to the condensed consolidated interim financial statements**  
*for the nine months ended September 30, 2021*

(Expressed in United States Dollars, unless otherwise stated)

**7. Property, plant and equipment**

	Producing Mines USD'000	Plant construction and mine development USD'000	Pre- stripping cost USD'000	Deferred stripping cost USD'000	Decom- missionin g asset USD'000	Leased assets USD'000	<sup>(a)</sup> Plant and equipment USD'000	Land and buildings USD'000	Other USD'000	TOTAL USD'000
<b>COST</b>										
<b>Balance at January 1, 2020</b>	<b>6,399</b>	<b>11,788</b>	<b>120,773</b>	<b>52,183</b>	<b>14,785</b>	<b>5,017</b>	<b>167,399</b>	<b>3,357</b>	<b>7,048</b>	<b>388,749</b>
Additions	-	1,390	-	-	61	227	3,575	163	500	5,916
Disposals	-	-	-	-	-	(289)	-	-	(471)	(760)
Change in estimate	-	-	-	-	(6,418)	-	-	-	-	(6,418)
Foreign exchange variance	(217)	(235)	(4,097)	(1,770)	(626)	(162)	(5,314)	(94)	(151)	(12,666)
<b>Balance at December 31, 2020</b>	<b>6,182</b>	<b>12,943</b>	<b>116,676</b>	<b>50,413</b>	<b>7,802</b>	<b>4,793</b>	<b>165,660</b>	<b>3,426</b>	<b>6,926</b>	<b>374,821</b>
Additions	-	2,926	-	-	-	-	1,893	278	683	5,780
Change in estimate	-	-	-	-	(90)	-	-	-	40	(50)
Reclassifications	-	2,184	-	-	-	(239)	(2,184)	-	239	-
Disposals/assets scrapped	-	-	-	-	-	-	-	-	(63)	(63)
Foreign exchange variance	(212)	(637)	(4,004)	(1,730)	(265)	(149)	(5,674)	(127)	(326)	(13,124)
<b>Balance at September 30, 2021</b>	<b>5,970</b>	<b>17,416</b>	<b>112,672</b>	<b>48,683</b>	<b>7,447</b>	<b>4,405</b>	<b>159,695</b>	<b>3,577</b>	<b>7,499</b>	<b>367,364</b>
<b>ACCUMULATED DEPRECIATION</b>										
<b>Balance at January 1, 2020</b>	<b>5,330</b>	<b>-</b>	<b>95,968</b>	<b>41,038</b>	<b>8,412</b>	<b>3,424</b>	<b>117,107</b>	<b>763</b>	<b>5,614</b>	<b>277,656</b>
Additions	351	-	4,173	1,912	224	163	6,317	125	485	13,750
Disposals	-	-	-	-	-	(247)	-	-	(464)	(711)
Change in estimate	-	-	-	-	(562)	-	-	-	-	(562)
Foreign exchange variance	(141)	-	(2,718)	(1,166)	(272)	(103)	(3,260)	(13)	(137)	(7,810)
<b>Balance at December 31, 2020</b>	<b>5,540</b>	<b>-</b>	<b>97,423</b>	<b>41,784</b>	<b>7,802</b>	<b>3,237</b>	<b>120,164</b>	<b>875</b>	<b>5,498</b>	<b>282,323</b>
Depreciation for the period	97	-	1,159	511	98	21	3,543	106	589	6,124
Change in estimate	-	-	-	-	(191)	-	-	-	-	(191)
Disposals/assets scrapped	-	-	-	-	-	-	-	-	(53)	(53)
Foreign exchange variance	(194)	-	(3,394)	(1,456)	(262)	(112)	(4,242)	(34)	(213)	(9,907)
<b>Balance at September 30, 2021</b>	<b>5,443</b>	<b>-</b>	<b>95,188</b>	<b>40,839</b>	<b>7,447</b>	<b>3,146</b>	<b>119,465</b>	<b>947</b>	<b>5,821</b>	<b>278,296</b>

# Sedibelo Platinum Mines Limited

## Notes to the condensed consolidated interim financial statements

for the nine months ended September 30, 2021

(Expressed in United States Dollars, unless otherwise stated)

### 7. Property, plant and equipment (Continued)

	Producing Mines USD'000	Plant construction and mine development USD'000	Pre- stripping cost USD'000	Deferred stripping cost USD'000	Decom- missioning asset USD'000	Right to use assets USD'000	<sup>(a)</sup> Plant and equipment USD'000	Land and buildings USD'000	Other USD'000	TOTAL USD'000
<b>CARRYING AMOUNTS</b>										
Balance at January 1, 2020	1,069	11,788	24,805	11,145	6,373	1,593	50,292	2,594	1,434	111,093
Balance at December 31, 2020	642	12,943	19,253	8,629	-	1,556	45,496	2,551	1,428	92,498
Balance at September 30, 2021	527	17,416	17,484	7,844	-	1,259	40,230	2,630	1,678	89,068

(a) Tailings dam is included in plant and equipment.

Long term borrowings were secured on Plant and equipment to the value of ZAR600 million (USD40 million) and on all moveable assets to the value of ZAR100 million (USD7 million).

Refer to note 12.

# Sedibelo Platinum Mines Limited

## Notes to the condensed consolidated interim financial statements for the nine months ended September 30, 2021

(Expressed in United States Dollars, unless otherwise stated)

### 8. Cash and cash equivalents, restricted cash investments and guarantees

#### 8.1 Cash and cash equivalents

	Sep 30, 2021 USD'000	Dec 31, 2020 USD'000
Cash at bank	148,710	62,986
<b>Balance at the end of the period</b>	<b>148,710</b>	<b>62,986</b>

Cash at banks earns interest at fixed and floating rates. Cash is deposited at reputable financial institutions within the Republic of South Africa and in the United Kingdom. The fair value of cash and cash equivalents equates to the values as disclosed in this note.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise only the cash at bank and financial institutions or asset managers and are disclosed for each period above.

#### 8.2 Restricted cash investments and guarantees

Cash investments were made relating to certain guarantees required by the Republic of South Africa's Department of Mineral Resources and Energy ("DMRE") and ESKOM Holdings Limited ("ESKOM"), the South African state utility supplier, of which the details are as follows:

	Sep 30, 2021 USD'000	Dec 31, 2020 USD'000
<b>Balance at the end of the period</b>	<b>19,168</b>	<b>18,090</b>

The DMRE requires rehabilitation guarantees for all prospecting and mining rights. These rehabilitation guarantees primarily relate to the mining and prospecting rights for the Western and Eastern Limb operations and projects. These guarantees have been provided to the DMRE on two separate bases:

- On an insurance basis with a portion of the total guarantee being paid over in a separate bank account controlled by the Group and ceded in favour of the insurance company and the remaining portion paid in premiums over the expected life of the mine; and
- On a cash backed basis.

As at September 30, 2021, the Group had USD31 million (2020: USD32 million) in guarantees to the DMRE and ESKOM, of which USD19 million (2020: USD18 million) is funded.

### 9. Inventories

	Sep 30, 2021 USD'000	Dec 31, 2020 USD'000
Ore stockpiled	268	2,862
Work in progress	437	472
Chrome stockpile	245	333
Consumables	9,141	8,151
<b>Balance at the end of the period</b>	<b>10,091</b>	<b>11,818</b>

# Sedibelo Platinum Mines Limited

## Notes to the condensed consolidated interim financial statements for the nine months ended September 30, 2021

(Expressed in United States Dollars, unless otherwise stated)

### 10. Investment in joint venture

Management have accounted for its interest in KellTech Limited as a joint venture through the equity method of accounting due to the nature of the joint arrangement. The joint venture has share capital consisting solely of ordinary shares, which is held directly by the Group:

Name of entity	Country of incorporation	% of ownership interest	Nature of relationship	Measurement method
Kelltech Limited	Mauritius	50	Provides access to new technology to the SPM Group	Equity

### Investment in associate

	Sep 30, 2021 USD'000	Dec 31, 2020 USD'000
January 1 <sup>st</sup>	-	-
Share of loss from associate	(527)	(1,130)
Share of other comprehensive loss	(418)	(214)
Foreign exchange gain/(loss) on investment in associate	19	(466)
Application of Equity Accounting on loan receivable	926	1,810
<b>Investment in joint venture value</b>	<b>-</b>	<b>-</b>

### Details of joint venture

Summarised financial and profit and loss information in respect of Kelltech Limited reflecting 100% of the joint venture is set out below:

	Sep 30, 2021 USD'000	Dec 31, 2020 USD'000
<b>Summarised balance sheet</b>		
Non-current assets	7,915	8,116
Current assets	2,139	736
Non-current liabilities	(14,612)	(12,420)
Current Liabilities	(512)	(504)
<i>The above assets and liabilities include the following:</i>		
Cash and cash equivalents	1,254	736
<b>Net asset value</b>	<b>(5,070)</b>	<b>(4,072)</b>
SPM ownership interest	<b>50%</b>	<b>50%</b>

	Sep 30, 2021 USD'000	Dec 31, 2020 USD'000
<b>Summarised statement of comprehensive loss</b>		
Loss for the period	(1,054)	(2,260)
Other comprehensive expense	(836)	(932)
<b>Total comprehensive expense</b>	<b>(1,890)</b>	<b>(3,192)</b>

*The above loss for the period includes the following:*

Finance income	10	7
Finance expense*	(284)	(346)

\*Including interest accrued to the Group

# Sedibelo Platinum Mines Limited

## Notes to the condensed consolidated interim financial statements

for the nine months ended September 30, 2021

(Expressed in United States Dollars, unless otherwise stated)

### 11. Share capital

#### 11.1 Common shares authorised

The Company has an unlimited number of authorised common shares with no par value.

#### 11.2 Common shares issued

	Number of shares	Amount USD'000
Balance at December 31, 2020	3,095,401,663	2,549,583
Balance at September 30, 2021	3,095,401,663	2,549,583

### 12. Borrowings

#### 12.1 Long term borrowings

	Sep 30, 2021 USD'000	Dec 31, 2020 USD'000
Loan from Corridor Mining Resources Proprietary Limited <sup>(a)</sup>	5,458	5,365
Loan from the IDC <sup>(b)</sup>	-	21,611
<b>Balance at the end of the period</b>	<b>5,458</b>	<b>26,976</b>

a) Corridor Mining Resources Proprietary Limited is a wholly owned subsidiary of Limpopo Economic Development Agency, an agency of the Limpopo Provincial Government, Republic of South Africa.

The long-term loan bears interest at South African prime overdraft rate until otherwise agreed by the shareholders. The loan is to be repaid from the proceeds generated by the Mphahlele project in Tameng Mining and Exploration Proprietary Limited, a subsidiary of Mahube Mining Proprietary Limited.

b) PPM secured a loan of ZAR500 million from the IDC in 2018. The proceeds from this loan were utilised to sustain mining operations. The loan was settled in full on June 1, 2021.

The loan accrued interest at the South African prime overdraft rate plus 3.5% which was accrued for on a monthly basis.

#### 12.2 Short term borrowings

	Sep 30, 2021 USD'000	Dec 31, 2020 USD'000
Loan from IDC	-	14,408
<b>Balance at the end of the period</b>	<b>-</b>	<b>14,408</b>

#### 12.3 IDC loan reconciliation

	Sep 30, 2021 USD'000	Dec 31, 2020 USD'000
Opening balance January 1	36,019	44,961
Capital repayments	(37,083)	(5,296)
Interest repayment	(1,940)	(5,975)
Interest accrued	1,506	4,324
Foreign exchange loss/(gain)	1,498	(1,995)
<b>Balance at the end of the period</b>	<b>-</b>	<b>36,019</b>

# Sedibelo Platinum Mines Limited

## Notes to the condensed consolidated interim financial statements for the nine months ended September 30, 2021

(Expressed in United States Dollars, unless otherwise stated)

### 13. Decommissioning and rehabilitation provision

	Sep 30, 2021 USD'000	Dec 31, 2020 USD'000
Balance at the beginning of the year	16,787	22,163
Unwinding of discount (accretion)	1,150	1,724
Change in estimate	(90)	(6,418)
Subtotal	17,847	17,469
Foreign exchange variance	(622)	(682)
<b>Discounted balance at the end of the period</b>	<b>17,225</b>	<b>16,787</b>

The estimate represents the current cost of closure as at the respective period end. An annual estimate of the quantum of closure costs is necessary in order to fulfil the requirements of the DMRE, as well as meeting specific closure objectives outlined in the mine's Environmental Management Programme. Although the ultimate amount of the asset retirement obligation is uncertain, the measurement of the obligation is based on information that is currently available.

Assumptions and inputs used in determining the asset retirement obligation:

	Sep 30, 2021	Dec 31, 2020
ZAR discount rate	9.1%	9.1%
Inflation rate	3.3%	3.3%
Life of Mine years – West Pit (current operating open pit)	7.3	8
Life of Mine – East Pit (a developing open pit)	10	10

### 14. Revolving commodity facility

In terms of this facility Investec will finance up to 91% of PPM's platinum, palladium, rhodium, nickel, copper and gold deliveries. PPM cedes on an out-and-out basis to Investec all rights to payments under its offtake agreement with Impala until the corresponding liability is settled. This facility is repaid within 2 to 4 months upon which the funds are again available for draw-down. On settlement date, the drawdown is revalued using average commodity prices and exchange rates for the calendar month before settlement date. The outstanding balance bears interest at JIBAR plus 0.50% and is available up to March 31, 2022.

	Sep 30, 2021 USD'000	Dec 31, 2020 USD'000
Balance at the beginning of the year	5,211	19,895
Repayment of drawdown	(58,269)	(81,890)
Drawdown from the facility during the period	70,538	69,228
Fair value adjustments to the balances	(152)	81
IFRS 9 Fair value adjustment	(1,792)	130
Interest paid	389	1,042
Subtotal	15,925	8,486
Exchange rate variance	(1,971)	(3,275)
<b>Balance at the end of the period</b>	<b>13,954</b>	<b>5,211</b>

# Sedibelo Platinum Mines Limited

## Notes to the condensed consolidated interim financial statements for the nine months ended September 30, 2021

(Expressed in United States Dollars, unless otherwise stated)

### 15. Revenue

	For the three months ended		For the nine months ended	
	As at Sep 30, 2021 USD'000	As at Sep 30, 2020 USD'000	As at Sep 30, 2021 USD'000	As at Sep 30, 2020 USD'000
Platinum	9,811	22,597	47,674	46,405
Palladium	10,357	20,679	41,938	56,190
Rhodium	12,310	31,232	86,651	65,900
Gold	546	1,529	2,851	3,267
<b>Revenue from 4E minerals</b>	<b>33,024</b>	<b>76,037</b>	<b>179,114</b>	<b>171,762</b>
Other minerals	3,853	5,255	18,416	12,284
<b>Total revenue from contracts with customers</b>	<b>36,877</b>	<b>81,292</b>	<b>197,530</b>	<b>184,046</b>
Commodity price adjustment	(1,366)	1,972	1,804	(5,487)
<b>Total revenue as per statement of profit or loss</b>	<b>35,511</b>	<b>83,264</b>	<b>199,334</b>	<b>178,559</b>

All revenue is from Impala Platinum Limited and minor chrome sales at the spot market.

### 16. Cost of operations

	For the three months ended		For the nine months ended	
	As at Sep 30, 2021 USD'000	As at Sep 30, 2020 USD'000	As at Sep 30, 2021 USD'000	As at Sep 30, 2020 USD'000
On-mine operations				
Total materials and mining costs	(23,798)	(20,297)	(68,459)	(49,650)
Concentrator plant operations				
Materials and other costs	(8,011)	(7,091)	(23,841)	(19,669)
Utilities	(4,033)	(4,793)	(12,761)	(10,692)
Beneficiation				
Smelting and refining costs	(2,110)	(3,484)	(8,713)	(8,720)
Transport	(75)	(130)	(334)	(355)
Salaries	(5,878)	(4,446)	(15,262)	(12,961)
<b>Sub-total</b>	<b>(43,905)</b>	<b>(40,241)</b>	<b>(129,370)</b>	<b>(102,047)</b>
Amortisation and depreciation of operating assets	(1,791)	(3,565)	(5,797)	(9,302)
Inventory adjustments	323	682	(2,591)	1,231
<b>Total cost of operations</b>	<b>(45,373)</b>	<b>(43,124)</b>	<b>(137,758)</b>	<b>(110,118)</b>



# Sedibelo Platinum Mines Limited

## Notes to the condensed consolidated interim financial statements for the nine months ended September 30, 2021

(Expressed in United States Dollars, unless otherwise stated)

### 17. Operating (loss)/profit

	For the three months ended		For the nine months ended	
	As at Sep 30, 2021 USD'000	As at Sep 30, 2020 USD'000	As at Sep 30, 2021 USD'000	As at Sep 30, 2020 USD'000
<i>Operating (loss)/profit includes:</i>				
<i>Admin and general expenses</i>				
Amortisation and depreciation	(199)	(186)	(562)	(560)
Audit fees	(146)	(75)	(476)	(292)
Community projects	(821)	(587)	(2,557)	(1,240)
Consulting and professional fees	(2,590)	(853)	(4,136)	(1,463)
Consumables	(271)	(532)	(964)	(879)
Employee expenses	(1,743)	(2,142)	(6,363)	(5,456)
Insurance fees	(432)	(265)	(1,296)	(709)
IT related costs	(172)	(142)	(554)	(382)
Learnerships & bursaries	(124)	(151)	(447)	(463)
Other admin and general expenses	(945)	(447)	(2,481)	(1,665)
Royalty expense	(182)	(384)	(707)	(879)
Security	(441)	(475)	(1,319)	(1,237)
Foreign exchange gain/(loss)	1,765	(318)	2,151	3,796
Other income/(expenses) <sup>(a)</sup>	48	21	(2,680)	102

(a) Other expenses include a loss on the sale of a mining asset.

### 18. Earnings per share

#### 18.1 Basic and diluted earnings per share

	Sep 30, 2021 USD'000	Sep 30, 2020 USD'000
Number of ordinary shares in issue outside the Group (note 11)	3,095,401,663	3,095,401,663
Weighted average number of ordinary shares in issue for basic earnings	3,095,401,663	3,095,401,663
Weighted average number of ordinary shares in issue for diluted earnings	3,095,401,663	3,095,401,663
	<b>USD'000</b>	<b>USD'000</b>
Profit attributable to the owners of the Company	25,724	53,933
<b>Basic earnings per share (cents)</b>	0.83	1.74
<b>Diluted earnings per share (cents)</b>	0.83	1.74

#### 18.2 Headline earnings per share

Reconciliation of profit attributable to the owners of the Company to headline earnings:

	Sep 30, 2021 USD'000	Sep 30, 2020 USD'000
Profit attributable to the owners of the Company	25,724	53,933
<i>Effect of remeasurement items net of tax</i>	3,148	(2)
Loss on disposal of mining assets	3,141	-
Loss/(profit) on assets disposed	3	(3)
Loss on assets scrapped	5	1
Tax effect	-	-
<b>Headline earnings</b>	<b>28,872</b>	<b>53,931</b>
<b>Headline earnings per share (cents)</b>	<b>0.93</b>	<b>1.74</b>

# Sedibelo Platinum Mines Limited

## Notes to the condensed consolidated interim financial statements for the nine months ended September 30, 2021

(Expressed in United States Dollars, unless otherwise stated)

### 19. Financial risk management and Financial instruments

#### 19.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The condensed consolidated interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements as at December 31, 2020. There have been no changes in the risk management policies since year end.

#### 19.2 Liquidity risk

The liquidity position of the Group is managed to ensure sufficient liquid funds are available to meet financial commitments in a timely and cost-effective manner. The Group's Executive Directors continually review the liquidity position including cash flow forecasts to determine the forecast liquidity position.

All excess cash is held by the Company, Platmin South Africa Proprietary Limited ("Platmin SA") or PPM. The Company invests excess funds in fixed deposit structures. Platmin SA keeps excess funds in a current account.

The contractual cashflow maturity analysis of payables at the reporting date was as follows:

GROUP	Presented USD'000	Less than 6 months USD'000	Between 6 - 12 months USD'000	Greater than 12 months USD'000
<b>Balances at September 30, 2021</b>				
Long-term borrowings	5,840	-	-	5,840
Trade payables and accrued liabilities	22,391	22,391	-	-
Revolving commodity facility	13,954	13,954	-	-
<b>Total financial liabilities</b>	<b>42,185</b>	<b>36,345</b>	<b>-</b>	<b>5,840</b>
<b>Balances at December 31, 2020</b>				
Long-term borrowings	30,758	-	-	30,758
Short-term borrowings	14,408	3,602	10,806	-
Trade payables and accrued liabilities	26,134	26,134	-	-
Revolving commodity facility	5,211	5,211	-	-
<b>Total financial liabilities</b>	<b>76,511</b>	<b>34,947</b>	<b>10,806</b>	<b>30,758</b>

# Sedibelo Platinum Mines Limited

## Notes to the condensed consolidated interim financial statements for the nine months ended September 30, 2021

(Expressed in United States Dollars, unless otherwise stated)

### 19. Financial risk management and Financial instruments (continued)

#### 19.3 Fair value estimation

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

- **Level 1:** unadjusted quoted prices in active markets for identical asset or liabilities;
- **Level 2:** inputs other than quoted prices in level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table set out the Group's financial instruments measured at fair value by level within the fair value hierarchy:

	Sep 30, 2021			Dec 31, 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
	USD'000			USD'000		
<b>Financial liabilities measured at fair value</b>						
Revolving Commodity Facility	-	13,954	-	-	5,211	-
<b>Financial assets measured at fair value</b>						
Trade Receivables – Metal sales	-	49,300	-	-	132,222	-
<b>Balance at the end of the period</b>	<b>-</b>	<b>63,254</b>	<b>-</b>	<b>-</b>	<b>137,433</b>	<b>-</b>

#### 19.4 Fair value of financial assets and liabilities measured at amortised cost

	Sep 30, 2021 USD '000	Dec 31, 2020 USD '000
Restricted cash investments and guarantees	19,168	18,090
Loans receivable	16,431	16,506
Trade receivables	1,658	933
Cash and cash equivalents	148,710	62,986
<b>Total financial assets</b>	<b>185,967</b>	<b>98,515</b>
Long-term borrowings	5,458	26,976
Short-term borrowings	-	14,408
Trade payables and accrued liabilities	22,391	26,134
<b>Total financial liabilities</b>	<b>27,849</b>	<b>67,518</b>

The fair value of the financial assets and liabilities carried at amortised cost is approximately equal to their carrying amounts.

### 20. Related party balances disclosure

	Sep 30, 2021 USD '000	Dec 31, 2020 USD '000
Loan to Kelltech Limited <sup>(a)</sup>	11,159	9,926
Loan from Corridor Mining Resources Proprietary Limited <sup>(b)</sup>	(5,458)	(5,365)
Loan from the IDC <sup>(b)</sup>	-	36,019

a) The loan bears interest at 3 Month USD Libor rate + 3%.

b) Refer note 12.1 for the terms of the loans.

# Sedibelo Platinum Mines Limited

## Notes to the condensed consolidated interim financial statements for the nine months ended September 30, 2021

(Expressed in United States Dollars, unless otherwise stated)

### 21. Segmental information

The segment information provided to the Chief Operating Decision Maker (“CODM”) for the reportable segment for the periods ended September 30, 2021 and September 30, 2020 is as follows:

Amounts in USD'000	For the three months ended		For the nine months ended	
	Mining Sep 30, 2021	Mining Sep 30, 2020	Mining Sep 30, 2021	Mining Sep 30, 2020
External revenues	35,511	83,264	199,334	178,559
Depreciation and amortisation	(1,990)	(3,751)	(6,359)	(9,862)
Income tax credit / (expense)	2,953	-	(13,854)	-
<b>EBITDA</b>	<b>(14,593)</b>	<b>37,007</b>	<b>45,017</b>	<b>65,787</b>

All revenues reported are from Impala Platinum Limited and minor chrome sales at the spot market. Management assesses the performance of the operating segment on earnings before interest, taxation, depreciation and amortization (“EBITDA”).

A reconciliation of profit / (loss) for the year to EBITDA:

Amounts in USD'000	For the three months ended		For the nine months ended	
	Sep 30, 2021	Sep 30, 2020	Sep 30, 2021	Sep 30, 2020
(Loss)/Profit for the period	(12,785)	32,419	25,305	53,541
Income tax (credit)/expense	(2,953)	-	13,854	-
Depreciation and amortisation	1,990	3,751	6,359	9,862
Net finance (income)/costs	(845)	837	(501)	2,384
<b>Total EBITDA for reportable segment</b>	<b>(14,593)</b>	<b>37,007</b>	<b>45,017</b>	<b>65,787</b>

Amounts in USD'000	Mining As at Sep 30, 2021	Mining As at Dec 31, 2020
	USD'000	USD'000
Total assets	1,201,243	1,244,579
Total liabilities	59,958	89,516

### 22. Contingencies and commitments

#### 22.1 Contingencies

- At September 30, 2021, the Group had bank and other guarantees of USD31 million (2020: USD32 million) from which it is anticipated that no material liabilities will arise in addition to amounts already provided.
- PPM entered into an agreement with Impala Refining Services Limited for the right of first refusal to supply PGM concentrate produced by PPM from the properties, Ruighoek 169JP, Vogelstruisnek 173JP and Palmietfontein 208JP. Should Platmin SA elect not to accept the terms proposed by Impala Refining Services Limited, a break fee of USD2,090,000 in aggregate will be payable to Impala Refining Services Limited.
- Platmin SA has an obligation, which cannot be quantified, pro rata to its shareholding in Mahube Mining Proprietary Limited to provide funding to Tameng Mining and Exploration Proprietary Limited to undertake the necessary exploration and development on the Mphahlele project. The consequence of not contributing accordingly, results in the dilution of Platmin SA's shareholding.
- The East Pit development at PPM is planned to commence in Q4 2021, all outstanding conditions precedent were met to secure access to the adjacent mining property.

# Sedibelo Platinum Mines Limited

## Notes to the condensed consolidated interim financial statements for the nine months ended September 30, 2021

(Expressed in United States Dollars, unless otherwise stated)

### 22. Contingencies and commitments (continued)

#### 22.2 Commitments

The Group's contractual obligations are as follows:

##### Commitments as at September 30, 2021

<b>Contractual obligations USD'000</b>	<b>Notes</b>	<b>Total</b>	<b>&lt; 1 year</b>	<b>1-3 years</b>	<b>After 3 years</b>
Mining costs <sup>(1)</sup>		14,947	14,947	-	-
Open Purchase orders		12,689	12,689	-	-
<b>Total Contractual Obligations</b>		<b>27,636</b>	<b>27,636</b>	-	-

##### Commitments as at September 30, 2020

<b>Contractual obligations USD'000</b>	<b>Notes</b>	<b>Total</b>	<b>&lt; 1 year</b>	<b>1-3 years</b>	<b>After 3 years</b>
Mining costs <sup>(1)</sup>		15,039	15,039	-	-
Open Purchase orders		4,749	4,749	-	-
<b>Total Contractual Obligations</b>		<b>19,788</b>	<b>19,788</b>	-	-

(1) Committed mining expenses include the estimated cost that will be incurred by the main mining contractors to carry out the opencast mining operations for the required notice period, should the contract with the main mining contractor be cancelled.

### 23. Events after the reporting date

The Group has no adjusting post balance sheet events to report.