



Sedibelo Platinum Mines Limited

Condensed Consolidated Interim Financial Statements for the three-month period ended March 31, 2022

*(As at March 31, 2022 and for the three months ended March 31, 2022 and 2021 Unaudited,
expressed in US dollars, unless otherwise stated.)*

Sedibelo Platinum Mines Limited

Condensed consolidated interim statement of financial position

Unaudited as at March 31, 2022

(Expressed in United States Dollars, unless otherwise stated)

	Notes	Mar 31, 2022 USD'000	Dec 31, 2021 USD'000
ASSETS			
Non-current assets			
Mining assets	5	778,129	708,902
Intangible assets	6	33,562	30,540
Property, plant and equipment	7	109,260	92,625
Loans receivable	8	22,727	19,063
Restricted cash investments and guarantees	9.2	20,409	18,432
Deferred tax asset		80,072	76,138
Investment in joint venture	11	-	-
Total non-current assets		1,044,159	945,700
Current assets			
Inventories	10	12,106	10,208
Trade and other receivables		79,722	82,816
Loans receivable	8	702	637
Cash and cash equivalents	9.1	152,555	140,595
Total current assets		245,085	234,256
TOTAL ASSETS		1,289,244	1,179,956
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	12	2,549,583	2,549,583
Other components of equity		(479,686)	(616,842)
Accumulated deficit		(860,816)	(831,400)
		1,209,081	1,101,341
Non-controlling interests		(7,838)	(7,687)
Total equity		1,201,243	1,093,654
Non-current liabilities			
Long-term borrowings	13	5,904	5,289
Share-based payment obligation	15	1,447	445
Decommissioning and rehabilitation provision	14	21,100	18,782
Total non-current liabilities		28,451	24,516
Current liabilities			
Share-based payment obligations	15	1,780	1,505
Trade payables and accrued liabilities		24,535	29,029
Revolving commodity facility	16	33,235	31,252
Total current liabilities		59,550	61,786
Total liabilities		88,001	86,302
TOTAL EQUITY AND LIABILITIES		1,289,244	1,179,956

The financial statements were authorized by Erich Clarke, on behalf of the Board of Directors, on June 22, 2022, and were signed on their behalf:



Erich Clarke
Director

Sedibelo Platinum Mines Limited



Condensed consolidated interim statement of comprehensive income

Unaudited for the three months ended March 31, 2022 and 2021

(Expressed in United States Dollars, unless otherwise stated)

		For the three months ended	
		Mar 31, 2022	Mar 31, 2021
	Note(s)	USD'000	USD'000
Revenue	17	53,063	95,800
Cost of operations	18	(36,595)	(43,901)
Gross profit		16,468	51,899
Administrative and general expenses		(8,193)	(6,793)
Other income		1,070	57
Foreign exchange (loss)/gain		(3,773)	444
Operating profit	19	5,572	45,607
Finance income		1,618	980
Finance costs		(985)	(1,563)
Share of profit/(loss) of investments accounted for using the equity method	11	225	(194)
Profit before income tax		6,430	44,830
Income tax		(3,235)	(13,265)
PROFIT FOR THE PERIOD		3,195	31,565
<i>Profit attributable to:</i>			
Owners of the Company		3,346	31,697
Non-controlling interest		(151)	(132)
		3,195	31,565
Other Comprehensive income/(loss):			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on loan designated as net investment		(32,361)	(8,284)
Exchange differences on translation from functional to presentation currency		137,246	(16,367)
Other comprehensive share of investment accounted for using the equity method		(401)	(438)
Movement in other reserves		(90)	22
Other comprehensive income/(loss) - net of tax		104,394	(25,067)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		107,589	6,498
<i>Attributable to:</i>			
Owners of the parent		107,740	6,630
Non-controlling interest		(151)	(132)
		107,589	6,498
Earnings per share (cents)			
Basic earnings per share	20	0.11	1.02
Diluted earnings per share	20	0.11	1.02

Sedibelo Platinum Mines Limited

Condensed consolidated interim statement of changes in shareholders' equity

Unaudited for the three months ended March 31, 2022 and 2021

(Expressed in United States Dollars, unless otherwise stated)

	Share capital ^(a)	Accumulated deficit	Other reserves	Foreign currency translation reserve	Subtotal	Non-controlling interest	Total equity
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Balance at January 1, 2021	2,549,583	(865,651)	(1,019)	(520,724)	1,162,189	(7,126)	1,155,063
Profit/(loss) for the period	-	31,697	-	-	31,697	(132)	31,565
Other comprehensive income/(loss) for the period	-	(8,722)	22	(16,367)	(25,067)	-	(25,067)
Total comprehensive income/(loss)	-	22,975	22	(16,367)	6,630	(132)	6,498
Balance at March 31, 2021	2,549,583	(842,676)	(997)	(537,091)	1,168,819	(7,258)	1,161,561
Profit/(loss) for the period	-	2,036	-	-	2,036	(429)	1,607
Other comprehensive (loss)/income for the period	-	9,240	61	(78,815)	(69,514)	-	(69,514)
Total comprehensive income/(loss)	-	11,276	61	(78,815)	(67,478)	(429)	(67,907)
Balance at December 31, 2021	2,549,583	(831,400)	(936)	(615,906)	1,101,341	(7,687)	1,093,654
Profit/(loss) for the period	-	3,346	-	-	3,346	(151)	3,195
Other comprehensive (loss)/income for the period	-	(32,762)	(90)	137,246	104,394	-	104,394
Total comprehensive (loss)/income	-	(29,416)	(90)	137,246	107,740	(151)	107,589
Balance at March 31, 2022	2,549,583	(860,816)	(1,026)	(478,660)	1,209,081	(7,838)	1,201,243

(a) Note 12

Sedibelo Platinum Mines Limited

Condensed consolidated interim cash flow statement

Unaudited for the three months ended March 31, 2022 and 2021

(Expressed in United States Dollars, unless otherwise stated)

		For the three months ended	
		Mar 31, 2022	Mar 31, 2021
	Notes	USD'000	USD'000
Cash flows from operating activities			
Profit before income tax		6,430	44,830
Depreciation of property, plant and equipment	7	1,449	1,685
Amortization of intangible assets	6	(100)	136
Revolving commodity facility fair value adjustment	15	1,793	(71)
Share of (profit)/loss of investments accounted for using the equity method	11	(225)	194
Share-based payments	16	1,032	-
Unrealized foreign exchange loss/(gain)		3,906	(444)
Finance income		(1,618)	(980)
Finance cost		985	1,563
<i>Operating profit before working capital changes</i>		13,652	46,913
Increase in trade and other receivables		3,979	5,783
Decrease in trade and other payables		(7,112)	(3,645)
(Increase)/decrease in inventories		(888)	2,271
<i>Cash generated from operations</i>		9,631	51,322
Interest paid		(105)	(189)
Interest received		1,282	723
<i>Net cash generated from operating activities</i>		10,808	51,856
Cash flows from investing activities			
Purchase of property, plant and equipment	7	(8,929)	(629)
Additions to mining assets	5	(1,418)	(191)
Additions to intangible assets	6	-	(54)
Funds invested in restricted cash		-	(399)
Loans granted to related party		(2,619)	(514)
Loans repaid by external parties		389	416
<i>Net cash utilized in investing activities</i>		(12,577)	(1,371)
Cash flows from financing activities			
Interest paid on The Industrial Development Corporation ("IDC") of South Africa loan ^(a)		-	(1,660)
Capital repayment on the IDC loan ^(a)		-	(2,778)
Proceeds from revolving commodity facility	16	54,613	13,871
Repayment of revolving commodity facility	16	(54,607)	(18,815)
<i>Net cash generated/(utilized) in financing activities</i>		6	(9,382)
Net (decrease)/increase in cash and cash equivalents		(1,763)	41,103
Cash and cash equivalents at beginning of the year		140,595	62,986
Exchange gain/(loss) on cash and cash equivalents		13,723	(1,554)
Cash and cash equivalents at end of the period	9.1	152,555	102,535

(a) The loan with the IDC was settled in full on June 1, 2021.

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 three months ended March 31, 2022, the Group made a profit of USD3.195 million (2021: USD31.565 million). On June 9, 2022, the Company’s name was subsequently changed to “Sedibelo Resources Limited”.

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 periods presented.

a) Basis of preparation

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 – Interim financial reporting and IFRIC (“International Financial Reporting Interpretations Committee”) interpretations applicable to companies reporting under International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

The condensed consolidated interim financial statements do not include all the disclosures required for complete annual financial statements prepared in accordance with IFRS.

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 three-month period ended March 31, 2022.

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 realize 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.

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 USD62 million (ZAR900 million) for the financing of concentrate deliveries. The outstanding balance bears interest at JIBAR plus 1.92% and is available up to November 30, 2022.

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

Unaudited for the three months ended March 31, 2022

(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 Mar 31, 2022	Average three months ended Mar 31, 2022	At Dec 31, 2021	At Mar 31, 2021	Average three months ended Mar 31, 2021
South African Rand (USD:ZAR)	14.52	15.25	15.90	14.94	14.96

Property, plant and equipment

Depreciation and amortization 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 condensed consolidated 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, 2021.

4. Change in accounting policy including initial adoption

There were no changes in the accounting policies applied since the issue of the audited consolidated financial statements for the year ended December 31, 2021.

Sedibelo Platinum Mines Limited

Notes to the condensed consolidated interim financial statements

Unaudited for the three months ended March 31, 2022

(Expressed in United States Dollars, unless otherwise stated)

5. Mining assets

	Mar 31, 2022 USD'000	Dec 31, 2021 USD'000
Exploration and evaluation assets	20,675	17,589
Mineral properties and rights	757,454	691,313
Balance at the end of the period	778,129	708,902

	Exploration & evaluation assets USD'000	Mineral properties & rights USD'000	TOTAL USD'000
Balance at January 1, 2021	21,071	752,204	773,275
Additions	874	-	874
Disposals ^(a)	(2,786)	-	(2,786)
Foreign exchange variance	(1,570)	(60,891)	(62,461)
Balance at December 31, 2021	17,589	691,313	708,902
Additions	1,418	-	1,418
Foreign exchange variance	1,668	66,141	67,809
Balance at March 31, 2022	20,675	757,454	778,129

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

6. Intangible assets

	Mar 31, 2022 USD'000	Dec 31, 2021 USD'000
CARRYING VALUE		
Water pipeline	23,332	21,180
ERP software	8	8
Computer software	718	677
Research and development	9,504	8,675
Balance at the end of the period	33,562	30,540

Sedibelo Platinum Mines Limited

Notes to the condensed consolidated interim financial statements

Unaudited for the three months ended March 31, 2022

(Expressed in United States Dollars, unless otherwise stated)

6. Intangible assets (continued)

Reconciliation of intangible assets:

	Water pipeline	ERP software	Computer software	Research and development	Power and water rights	TOTAL
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
COST						
Balance at January 1, 2021	27,899	120	2,103	9,440	18,560	58,122
Additions	15	2	168	-	-	185
Foreign exchange variance	(2,260)	(12)	(191)	(765)	-	(3,228)
Balance at December 31, 2021	25,654	110	2,080	8,675	18,560	55,079
Foreign exchange variance	2,452	10	198	829	-	3,489
Balance at March 31, 2022	28,106	120	2,278	9,504	18,560	58,568
ACCUMULATED AMORTIZATION						
Balance at January 1, 2021	4,464	114	1,420	-	18,560	24,558
Amortization	370	-	100	-	-	470
Foreign exchange variance	(360)	(12)	(117)	-	-	(489)
Balance at December 31, 2021	4,474	102	1,403	-	18,560	24,539
Amortization	(122) ^(a)	-	22	-	-	(100)
Foreign exchange variance	422	10	135	-	-	567
Balance at March 31, 2022	4,774	112	1,560	-	18,560	25,006
CARRYING AMOUNTS						
Balance at January 1, 2021	23,435	6	683	9,440	-	33,564
Balance at December 31, 2021	21,180	8	677	8,675	-	30,540
Balance at March 31, 2022	23,332	8	718	9,504	-	33,562

(a) The depreciation was adjusted to incorporate the correct remaining life of mine. The adjustment relates to 2021 and is not considered material.

Sedibelo Platinum Mines Limited

Notes to the condensed consolidated interim financial statements

Unaudited for the three months ended March 31, 2022

(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- missioning asset USD'000	Leased assets USD'000	^(a) Plant and equipment USD'000	Land and buildings USD'000	Other USD'000	TOTAL USD'000
COST										
Balance at January 1, 2021	6,182	12,943	116,676	50,413	7,802	4,793	165,660	3,426	6,926	374,821
Additions	-	6,797	-	-	-	-	5,737	645	876	14,055
Change in estimate	-	-	-	-	1,868	-	-	-	40	1,908
Reclassification	-	2,007	-	-	-	(148)	(2,007)	-	148	-
Disposals/write offs	-	-	-	-	-	-	-	-	(188)	(188)
Foreign exchange variance	(500)	(1,573)	(9,445)	(4,081)	(630)	(361)	(13,402)	(309)	(697)	(12,666)
Balance at December 31, 2021	5,682	20,174	107,231	46,332	9,040	4,284	155,988	3,762	7,105	359,598
Additions	-	6,222	-	-	-	-	2,619	-	88	8,929
Foreign exchange variance	543	2,205	10,248	4,428	864	304	15,033	360	790	34,775
Balance at March 31, 2022	6,225	28,601	117,479	50,760	9,904	4,588	173,640	4,122	7,983	403,302
ACCUMULATED DEPRECIATION										
Balance at January 1, 2021	5,540	-	97,423	41,784	7,802	3,237	120,164	875	5,498	282,323
Depreciation for the period	133	-	1,593	701	132	134	4,977	136	586	8,392
Change in estimate	-	-	-	-	(6)	-	-	-	-	(6)
Reclassification	-	-	-	-	-	(12)	-	-	12	-
Disposals/write offs	-	-	-	-	-	-	-	-	(173)	(173)
Foreign exchange variance	(459)	-	(8,003)	(3,434)	(635)	(264)	(10,182)	(82)	(504)	(23,563)
Balance at December 31, 2021	5,214	-	91,013	39,051	7,293	3,095	114,959	929	5,419	266,973
Depreciation for the period	19	-	231	104	21	34	855	32	153	1,449
Foreign exchange variance	500	-	8,711	3,738	698	223	11,062	91	597	25,620
Balance at March 31, 2022	5,733	-	99,955	42,893	8,012	3,352	126,876	1,052	6,169	294,042

Sedibelo Platinum Mines Limited

Notes to the condensed consolidated interim financial statements

Unaudited for the three months ended March 31, 2022

(Expressed in United States Dollars, unless otherwise stated)

	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	Leased assets USD'000	^(a) Plant and equipment USD'000	Land and buildings USD'000	Other USD'000	TOTAL USD'000
CARRYING AMOUNTS										
Balance at January 1, 2021	642	12,943	19,253	8,629	-	1,556	45,496	2,551	1,428	92,498
Balance at December 31, 2021	468	20,174	16,218	7,281	1,747	1,189	41,029	2,833	1,686	92,625
Balance at March 31, 2022	492	28,601	17,524	7,867	1,892	1,236	46,764	3,070	1,814	109,260

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

Sedibelo Platinum Mines Limited

Notes to the condensed consolidated interim financial statements

Unaudited for the three months ended March 31, 2022

(Expressed in United States Dollars, unless otherwise stated)

8. Loans receivable

	Mar 31, 2022 USD'000	Dec 31, 2021 USD'000
Non-current assets		
Kelltech Limited ^(a)	14,983	11,793
Kellplant Proprietary Limited ^(b)	2,607	2,621
Magalies Water ^(c)	5,137	4,649
	22,727	19,063
Current assets		
Phakamani Impact Capital (Pty) Ltd ("Phakamani") ^(d)	702	637
	702	637
Balance at the end of the period	23,429	19,700

- (a) The loan bears interest at the Secured Overnight Financing Rate ("SOFR") + 3%. The loan bore interest at the 3 Month USD LIBOR rate up to February 2022. The change was a direct consequence of interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis (that is, the basis immediately preceding the change) with no immediate gain or loss recognised. The loan is to be repaid from the proceeds generated by the Kell beneficiation plant through royalty payments;
- (b) The loan bears interest at South African prime overdraft rate plus 3.5%. The loan is to be repaid from the proceeds received from Debt- and Equity funding to Kellplant Proprietary Limited;
- (c) The loan is interest free, has variable terms of repayment calculated by amortising the loan based on the monthly units of water consumed; and
- (d) The loan was granted as part of a loan scheme to qualifying Small, Medium and Micro Enterprises ("SMMEs"). The loan is interest free and will be repaid upon settlement of the loans granted by Phakamani to third parties. This loan will resolve as new loans are granted and again repaid.

9. Cash and cash equivalents, restricted cash investments and guarantees

9.1 Cash and cash equivalents

	Mar 31, 2022 USD'000	Dec 31, 2021 USD'000
Cash at bank	152,555	140,595
Balance at the end of the period	152,555	140,595

Cash at banks predominantly earns interest at 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 due to short maturity.

For the purpose of the condensed 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.

Sedibelo Platinum Mines Limited



Notes to the condensed consolidated interim financial statements

Unaudited for the three months ended March 31, 2022

(Expressed in United States Dollars, unless otherwise stated)

9. Cash and cash equivalents, restricted cash investments and guarantees (continued)

9.2 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:

	Mar 31, 2022 USD'000	Dec 31, 2021 USD'000
Balance at the end of the period	20,409	18,432

The DMRE requires rehabilitation guarantees for all prospecting and mining rights. These rehabilitation guarantees primarily relate to the mining and prospecting rights for the PPM and Mphahlele 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 March 31, 2022, the Group had USD33.871 million (December 31, 2021: USD30.916 million) in guarantees to the DMRE and USD6.646 million (December 31, 2021: USD6.066 million) to ESKOM, of which USD20.409 million (December 31, 2021: USD18.432 million) was funded.

10. Inventories

	Mar 31, 2022 USD'000	Dec 31, 2021 USD'000
Ore stockpiled	145	209
Work in progress	653	643
Chrome stockpile	293	313
Consumables	11,015	9,043
Balance at the end of the period	12,106	10,208

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Notes to the condensed consolidated interim financial statements

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(Expressed in United States Dollars, unless otherwise stated)

11. Investment in joint venture

Management has 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 joint venture

	Mar 31, 2022 USD'000	Dec 31, 2021 USD'000
January 1	-	-
Share of profit/(loss) from joint venture	225	(786)
Share of other comprehensive loss	(401)	(90)
Foreign exchange gain on investment in joint venture	172	250
Application of equity accounting on loan receivable	4	626
Investment in joint venture value	-	-

Details of joint venture

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

	Mar 31, 2022 USD'000	Dec 31, 2021 USD'000
Summarized balance sheet		
Non-current assets	13,613	10,096
Current assets	3,952	1,839
Non-current liabilities	(5,605)	(14,927)
Current Liabilities	(7,652)	(2,471)
<i>The above assets and liabilities include the following:</i>		
Cash and cash equivalents	3,670	1,982
Net liability value	4,308	(5,463)
SPM ownership interest	50%	50%

	Mar 31, 2022 USD'000	Dec 31, 2021 USD'000
Summarized statement of comprehensive expense		
Profit/(loss) for the period	450	(1,572)
Other comprehensive expense	(801)	(180)
Total comprehensive expense	(351)	(1,752)

The above loss for the period includes the following:

Finance income	16	21
Finance expense*	(103)	(390)

*Including interest accrued to the Group

Sedibelo Platinum Mines Limited



Notes to the condensed consolidated interim financial statements

Unaudited for the three months ended March 31, 2022

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12. Share capital

12.1 Common shares authorized

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

12.2 Common shares issued

	Number of shares	Amount USD'000
Balance at December 31, 2021	3,095,401,663	2,549,583
Balance at March 31, 2022	3,095,401,663	2,549,583

13. Borrowings

Long-term borrowings

	Mar 31, 2022 USD'000	Dec 31, 2021 USD'000
Loan from Corridor Mining Resources Proprietary Limited	5,904	5,289
Balance at the end of the period	5,904	5,289

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.

14. Decommissioning and rehabilitation provision

	Mar 31, 2022 USD'000	Dec 31, 2021 USD'000
DISCOUNTED		
Balance at the beginning of the period	18,782	16,787
Unwinding of discount (accretion)	498	1,597
Change in estimate	-	1,868
Subtotal	19,280	20,252
Foreign exchange variance	1,820	(1,470)
Balance at the end of the period	21,100	18,782

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:

	Mar 31, 2022	Dec 31, 2021
ZAR discount rate (%)	7.4	7.4
Inflation rate (%)	4.4	4.4
Life of Mine – West Pit (current operating open pit)	6 years and 3 months	6 years and 6 months
Life of Mine – East Pit (a developing open pit)	7.5	7.5

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15. Cash-settled share-based payment obligations

	Mar 31, 2022 USD'000	Dec 31, 2021 USD'000
Opening balance	1,950	-
Cash-settled share-based payment recognised in the current period	1,032	1,954
Grant date fair value	1,032	1,954
Fair value movement after grant date	-	-
Foreign exchange variance	245	(4)
Balance at the end of the period	3,227	1,950

16. Revolving commodity facility

In terms of this facility Investec will finance up to 91% of PPM's platinum, palladium and rhodium 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 November 30, 2022.

	Mar 31, 2022 USD'000	Dec 31, 2021 USD'000
Balance at the beginning of the period	31,252	5,211
Repayment of drawdown	(54,607)	(85,523)
Drawdown from the facility during the period	54,613	114,344
Fair value adjustments to the balances	(3,963)	(956)
IFRS 9 Fair value adjustment	2,170	1,029
Interest accrued	381	619
Subtotal	29,846	34,724
Exchange rate variance	3,389	(3,472)
Balance at the end of the period	33,235	31,252

17. Revenue

	For the three months ended	
	Mar 31, 2022 USD'000	Mar 31, 2021 USD'000
Platinum	11,969	19,661
Palladium	14,501	12,107
Rhodium	23,986	43,100
Gold	816	890
Revenue from 4E minerals	51,272	75,758
Other minerals	7,376	5,956
Total revenue from contracts with customers	58,648	81,714
Commodity price adjustment	(5,585)	14,086
Total revenue as per statement of profit or loss	53,063	95,800

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

The decrease in revenue from platinum and rhodium sales is due to the 11% and 20% decrease in the USD platinum- and rhodium prices year on year, respectively.

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(Expressed in United States Dollars, unless otherwise stated)

18. Cost of operations

	For the three months ended	
	Mar 31, 2022 USD'000	Mar 31, 2021 USD'000
On-mine operations		
Total materials and mining costs	(17,214)	(20,003)
Concentrator plant operations		
Materials and other costs	(6,748)	(7,527)
Utilities	(3,505)	(3,588)
Beneficiation		
Smelting and refining costs	(2,143)	(3,129)
Transport	(78)	(128)
Salaries	(5,286)	(4,730)
Sub-total	(34,974)	(39,105)
Amortization and depreciation of operating assets	(1,158)	(1,685)
Inventory adjustments	(463)	(3,111)
Total cost of operations	(36,595)	(43,901)

19. Operating profit

	For the three months ended	
	Mar 31, 2022 USD'000	Mar 31, 2021 USD'000
<i>Operating profit includes:</i>		
Admin and general expenses	(8,193)	(6,793)
Amortization and depreciation	(191)	(136)
Audit fees	(228)	(108)
Community projects	(659)	(940)
Consulting and professional fees	(1,208)	(767)
Consumables	(160)	(410)
Employee expenses	(3,096)	(2,422)
Insurance fees	(318)	(413)
IT related costs	(163)	(159)
Learnerships & bursaries	(52)	(180)
Other admin and general expenses	(1,073)	(673)
Royalty expense	(345)	(161)
Security	(700)	(424)
Foreign exchange (loss)/gain	(3,773)	444
Other income ^(a)	1,070	56

(a) Other income includes charges paid by the Kell group totalling USD1.065 million.

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Notes to the condensed consolidated interim financial statements

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20. Earnings per share

20.1 Basic and diluted earnings per share

	Mar 31, 2022 USD'000	Mar 31, 2021 USD'000
Number of ordinary shares in issue outside the Group (note 12)	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
	USD'000	USD'000
Profit attributable to the owners of the Company	3,346	31,697
Basic earnings per share (cents)	0.11	1.02
Diluted earnings per share (cents)	0.11	1.02

20.2 Headline earnings per share

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

	Mar 31, 2022 USD'000	Mar 31, 2021 USD'000
Profit attributable to the owners of the Company	3,346	31,697
Effect of remeasurement items net of tax	-	-
Headline earnings	3,346	31,697
Headline earnings per share (cents)	0.11	1.02
Diluted Headline earnings per share (cents)	0.11	1.02

21. Financial risk management and financial instruments

21.1 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 financial statements as at March 31, 2022. There have been no changes in the risk management policies since year end.

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21. Financial risk management and financial instruments (continued)

21.2 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.

The Company invests excess funds in fixed deposit structures.

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

	Presented USD'000	Less than 6 months USD'000	Between 6 - 12 months USD'000	Greater than 12 months USD'000
Balances at March 31, 2022				
Long-term borrowings	6,346	-	-	6,346
Trade payables and accrued liabilities	20,935	20,935	-	-
Revolving commodity facility	33,235	33,235	-	-
Total financial liabilities	60,516	54,170	-	6,346
Balances at December 31, 2021				
Long-term borrowings	5,672	-	-	5,672
Trade payables and accrued liabilities	29,031	29,031	-	-
Revolving commodity facility	31,252	31,252	-	-
Total financial liabilities	65,955	60,283	-	5,672

21.3 Accounting classification and measurement of fair values

The following methods and assumptions were used to estimate the fair value of each class of financial instrument:

- **Revolving commodity facility**
The fair value of the revolving commodity facility is determined based on the ruling market prices.
- **Trade receivables**
The fair value for trade receivables is measured at fair value through profit or loss (metal sales) based on the ruling market prices.

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:

	Mar 31, 2022			Dec 31, 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
	USD'000			USD'000		
Financial liabilities measured at fair value						
Revolving commodity facility	-	33,235	-	-	31,252	-
Financial assets measured at fair value						
Trade receivables – Metal sales	-	70,755	-	-	77,783	-
Total balance of financial instruments measured at fair value	-	103,990	-	-	109,035	-

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21. Financial risk management and financial instruments (continued)

21.4 Fair value of financial assets and liabilities measured at amortised cost

	Mar 31, 2022 USD '000	Dec 31, 2021 USD '000
Restricted cash investments and guarantees	20,409	18,432
Loans receivable	23,429	19,700
Trade receivables	2,059	540
Cash and cash equivalents	152,555	140,595
Total financial assets	198,452	179,267
Long-term borrowings	5,904	5,289
Trade payables and accrued liabilities	20,935	29,029
Total financial liabilities	26,839	34,318

The fair value of the financial assets and liabilities carried at amortised cost is approximately equal to their carrying amounts. This is due to the short-term nature of all current assets with the non-current assets being the restricted investment portfolio that is invested in a fixed deposit account, and the loans receivables, both being linked to market related interest rates. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

22. Segmental information

The segment information provided to the Chief Operating Decision Maker ("CODM") for the reportable segment for the period ended March 31, 2022, is as follows:

	For the three months ended	
	Mining Mar 31, 2022	Mining Mar 31, 2021
Amounts in USD'000		
External revenues	53,063	95,800
Depreciation and amortization	(1,349)	(1,821)
Income tax expense	(3,235)	(13,265)
EBITDA	7,146	47,234

All revenues reported are from Impala and minor chrome sales at the spot market.
Reportable segment reconciliation of profit for the year to EBITDA:

	For the three months ended	
	Mining Mar 31, 2022	Mining Mar 31, 2021
Amounts in USD'000		
Profit for the year	3,195	31,565
Income tax	3,235	13,265
Depreciation and amortization	1,349	1,821
Net finance (income)/costs	(633)	583
Total EBITDA for reportable segment	7,146	47,234
Amounts in USD'000	Mining 2022	Mining 2021
Total assets	1,289,244	1,179,956
Total liabilities	88,001	86,303

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23. Related party balances disclosure

	Mar 31, 2022 USD '000	Dec 31, 2021 USD '000
Loan to Kelltech Limited ^(a)	14,983	11,793
Loan to Kellplant Proprietary Limited ^(a)	2,607	2,621
Loan from Corridor Mining Resources Proprietary Limited ^(b)	5,904	5,289

- a) Refer note 8 for the terms of the loans.
b) Refer note 13 for the terms of the loans.

24. Contingencies and commitments

24.1 Contingencies

There were no changes in the contingencies since the issue of the audited consolidated financial statements for the year ended December 31, 2021.

24.2 Commitments

The Group's contractual obligations are as follows:

Commitments as at March 31, 2022

Contractual obligations USD'000	Notes	Total	< 1 year	1-3 years	After 3 years
Mining costs ⁽¹⁾		25,016	25,016	-	-
Open Purchase orders		23,525	23,525	-	-
Total Contractual Obligations		48,541	48,541	-	-

Commitments as at December 31, 2021

Contractual obligations USD'000	Notes	Total	< 1 year	1-3 years	After 3 years
Mining costs ⁽¹⁾		30,352	30,352	-	-
Open Purchase orders		10,398	10,398	-	-
Total Contractual Obligations		40,750	40,750	-	-

- (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.

25. Events after the reporting date

The Group has no adjusting post balance sheet events to report at the date of this report. However, the following non-adjusting post balance sheet events occurred:

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25. Events after the reporting date (continued)

April 2022 production

During the month of April 2022, no ounces were dispatched or sold because of production days lost in the month. Stoppages due to community unrest and excessive rainfall (152mm) hindered safe mining activities. As a result, no run-of-mine inventory was produced, resulting in a production shortfall of 11,093 ounces of 4E PGMs (measured against budgeted ounces). A decision was made by management to bring forward a substantial portion of the annual plant maintenance to April 2022 which had been scheduled for August 2022 and focus on opening reef faces in the East- and West pit while there was no feed to the concentrator. Due to the maintenance performed during the month of April 2022, the planned maintenance downtime scheduled for August 2022 is expected to be reduced.

Due to the different variables, it is not possible to calculate an accurate estimate of the financial effect this had on the Company. Management has not identified any specific indicators of impairment as a result of the production shortfall but the production cessation will have a material impact on our production and results of operations for the second quarter of 2022.