Sylvania Platinum Limited
Preliminary Results for the year ended 30 June 2014
("Sylvania", "the Company" or "the Group")
AIM (SLP)

The Directors of the Company are pleased to present the unaudited preliminary results for the financial year ended 30 June 2014. Unless otherwise stated, the consolidated financial information contained in this report is presented in US Dollars.

Financial snapshot

- Revenue up 18% to $47.2 million (FY2013: $40.0 million)
- EBITDA increased 29% to $11.2 million for the Sylvania Dump Operations ("SDO") (FY2013: $8.7 million)
- Group adjusted EBITDA increased by 121% to $7.5 million (FY2013 $3.4 million excluding the Iron Ore transaction)
- SDO Capital expenditure down 83% to $1.3 million (FY2013: $7.6 million);
- Cash generated from operations up 24% to $5.1 million (FY2013: $4.1 million)
- Group cash decreased 20% year on year to $5.3 million (FY2013: $6.6 million); but up 36% from $3.9 million H1 to $5.3 million H2

Operations snapshot

- Total SDO production for the year up 22% to a record 53,808 ounces (FY2013: 44,095 ounces), modestly exceeding the 51,000 ounce production guidance given by the Company in the FY2013 annual report
- Group cash cost $712/oz, marginally higher than the Company's guidance of $700/oz

Corporate snapshot

- Consolidation of mining and surface rights over Zoetveld and Grasvally farms completed after Section 11 Consent registered with Mining Titles Office
- Key management changes: appointment of Jaco Prinsloo as MD of Sylvania Metals (Pty) Ltd; retirement of Nigel Trevarthen, former deputy CEO

SYLVANIA FINANCIAL AND OPERATIONS REVIEW

In a year that has seen drawn out industrial action and a weakening SA Rand against the US Dollar the Sylvania operations have performed exceptionally well. Despite the five month long strike in the platinum industry there was no direct involvement by Sylvania employees and therefore Sylvania was not directly affected by the strike.

The Company has consistently improved production quarter on quarter for the financial year, achieving a record annual production figure of 53,808 ounces. This is a 22% improvement on the FY2013 production of 44,095 ounces and is in excess of the guidance of 51,000 ounces stated in the Company's Annual Report for FY2013. The production results can be attributed to increased and more consistent plant feed tons, improved plant stability and increased technical focus on the operations.

Revenue increased 18% to $47.2 million in 2014, up from $40.0 million in the prior year. The annual cash cost of production for the SDO showed a 6% decrease from $708/oz (R6,253/oz) in 2013, to $665/oz (R6,896/oz) . The Group cash cost was $712/oz, marginally higher than the market guidance of $700/oz disclosed in the previous year's Annual Report. The SDO cash cost was furthermore countered by the drop in general and administration costs achieving an 11% reduction in Group cash cost year on year.

The Group cash balance at 30 June 2014 was $5.3 million. The Group cash dropped by $1.3 million (20%) from $6.6 million in the prior year with cash generated from operations growing 24% to $5.1 million. The Group cash profit (earnings after interest and tax paid, before non-cash items including depreciation, amortisation, impairment, foreign exchange loss, share-based payments, rehabilitation provision movements and deferred tax) was $9.3 million. During the year, $3.4 million was spent on the Grasvally project, including the $2.4 million to acquire the prospecting right and $1.2 million on the stay in business capital for the SDO plants (FY2013: $10 million), as well as a $1 million advance was also made to Ironveld Holdings (Pty) Ltd under the terms of the facility agreement entered into with Ironveld Plc. The impact of the exchange rate fluctuations on cash held at year end was $348,794.

During the year the Group impaired its exploration and evaluation asset relating to its Everest North project. Everest North is a joint venture project with Aquarius Platinum SA (Pty) Ltd ("AQPSA") and the viability of the project depends on the operation of AQPSA's Everest South processing plant. The Everest South operation was placed on care and maintenance in June 2012 and management are not aware of any plans to restart this operation in the foreseeable future.

The Group's 25% investment in Chrome Tailings Retreatment Plant ("CTRP") was impaired in H1 FY2014. The plant remains on care and maintenance and there is no agreement between the parties or plan to restart the operation.

Further to the above impairments in the first half of the financial year, $180,931 has been impaired at year end. This relates to a prospecting right that expired and was not renewed.

Financial and production summary Half-year and Full year

Unaudited	Unit	Jan - Jun 2014 H2	Jul – Dec 2013 H1	+- % Change		FY 2014	FY 2013	+- % Change
Group Revenue								
Revenue	$'000	26,689	20,532	30%		47,221	39,982	18%
Gross Basket Price	$/oz	1,000	911	10%		970	1,000	-3%
Net Basket Price[1]	$/oz	879	809	9%		868	867	0%
Gross Cash Margin – Group	%	27%	9%	200%		19%	12%	58%
Capital Expenditure	$'000	4,038	1,492	171%		5,530	10,310	-46%
Adjusted EBITDA[2]	$'000	6,135	2,941	109%		7,592	3,441	121%
Ave R/$ rate[3]	R/$	10.70	10.08	6%		10.37	8.83	17%
Group Cash Cost								
Per 3E & Au oz	$/oz	683	744	-8%		712	802	-11%
SDO Revenue								
Revenue	$'000	26,689	20,532	30%		47,221	39,982	18%
Gross Basket Price	$/oz	1,000	911	10%		970	1,000	-3%
Net Basket Price	$/oz	879	809	9%		868	867	0%
Gross Cash Margin - SDO	%	30%	15%	100%		24%	22%	9%
Capital Expenditure	$'000	463	809	-43%		1,272	7,598	-83%
EBITDA	$'000	8,855	4,692	89%		11,157	8,658	29%
Ave R/$ rate[3]	R/$	10.70	10.08	6%		10.37	8.83	17%
SDO Cash Cost[4]								
Per PGM Feed ton	$/t	30	32	-6%		31	33	-6%
Per 3E & Au oz	$/oz	643	691	-7%		665	708	-6%

Unaudited	Unit	Jan - Jun 2014 H2	Jul – Dec 2013 H1	+- % Change		FY 2014	FY 2013	+- % Change
Production - SDO								
Plant Feed	T	1,300,329	1,209,700	7%		2,510,029	2,012,633	25%
Feed Head Grade	g/t	2.06	1.86	11%		2.05	2.02	1%
PGM Plant Feed Tons	T	610,301	539,455	13%		1,149,756	892,986	29%
PGM Plant Grade	g/t	3.75	3.54	6%		3.65	3.75	-3%
PGM Plant Recovery	%	38.9%	41.1%	-5%		39.9%	41.0%	-3%
Total 3E and Au	Oz	28,619	25,189	14%		53,808	44,095	22%

[1] The net basket price reported is based on the estimated price received from the smelters. The actual net basket price is only determined in the invoicing month which is three months after the delivery month.
[2] Adjusted EBITDA is Earnings before Interest, taxation, impairment adjustments, depreciation and amortisation.
[3] The functional currency for SDO is SA Rand and the exchange rate shown is the average over the period indicated.
[4] Cash costs include plant operating costs such as mining, processing, administration, royalties and production taxes, but are exclusive of depreciation, amortisation, reclamation, capital, project development and exploration costs.

Health, safety and environment

The Company has shown continued commitment towards improved health, safety and environmental measures. Where there have been no significant environmental incidents at any of the plants during the course of the year, there was one section 54 stoppage notice issued by the Department of Mineral Resources ("DMR") at the Mooinooi plant during the second quarter (refer to the Mooinooi operations summary below for further details). After being Lost Time Injury ("LTI") free for a period of 19 months, the Company unfortunately experienced one LTI at the Mooinooi operation in the third quarter. All other SDO's have been LTI free for periods ranging from 24 months at Doornbosch Plant, to over 6 years at the Steelpoort Plant.

The Company remains committed to zero harm and will continue to focus on health and safety compliance at all operations in order to eliminate safety deviations, and to maintain the high standards of the overall safety culture, physical conditions, and health and environmental standards at our operations.

Millsell

The Millsell operation produced 7,908 ounces for the year, an 18% increase on the 6,727 ounces produced in 2013. This increase was primarily due to a combination of improved plant feed grades and higher plant throughput rates that were enabled by increased plant stability and running times. Recovery efficiencies were slightly lower than the previous year associated with the final scrapings of the Waterkloof dump. The second pass treatment of the plus one million ton primary dump is planned to commence by early 2015, and consistent production levels will be maintained at this mature plant.

The cash cost was $516/oz (R5,354/oz), a 4% decrease on prior years $539/oz (R4,646/oz). In Rand terms costs were impacted by higher mechanical mining rates and higher electricity charges, but the impact on the Group was mitigated by the weaker SA Rand.

Steelpoort

Steelpoort plant produced 7,751 ounces during the current year, a 12% increase on the previous year's 6,943 ounces. Steelpoort is processing second pass treatment material from the old Steelpoort Tailings Dams and the increase in PGM production was primarily due to a combination of 3% higher PGM feed tons and an 8.5% improvement in recovery efficiency for the year. Steelpoort operation remains a stable operation, and will continue to treat second pass material during the next financial year. The primary focus for the plant in the year ahead will remain on higher feed rates and improving recovery efficiencies to increase ounce production, and to lower the unit costs while treating this lower grade material.

The cash cost per ounce for the year was 12% lower at $591/oz (R6,130/oz) against $673/oz (R5,801/oz) in the previous year.

Lannex

The Lannex operation produced 8,028 ounces during the year, a 2% improvement on the previous year's 7,850 ounces. Lannex is treating a combination of dump material from the old Lannex Tailings Dam complex and current arisings from the host mine's Lannex operation. The plant faced a very challenging year with low PGM feed grades that are associated with the coarser outer walls and final scrapings of the old Lannex Tailings Dam complex, which were 20% lower during 2014 than in FY2013. In order to mitigate the lower feed grades the plant has shown a significant increase in PGM plant throughput tonnages of 9.3% on the previous year, as well as a 1% improvement in PGM recovery efficiency for the year. Lannex will commence second pass treatment of the new Lannex Tailings Dam during the next year and will continue to treat current arisings from the host mine.

The cash operating cost for the plant was $725/oz (R7,523/oz), 6% higher than the previous year's $686/oz (R5,918/oz). This increase is primarily attributable to increased maintenance costs associated with major abnormal mill repairs during the fourth quarter of the year, which outweighed the benefit of the higher ounces during this period.

Mooinooi Dump Operation

The Mooinooi Dump operation produced 6,918 ounces for the year, 54% higher than the 4,480 ounces of the previous year, due to a combination of higher plant feed grades, and a 32% and 5.6% improvement compared to the previous year in PGM plant feed tons and PGM recovery efficiency respectively. Following a Section 54 Safety Stoppage issued by the DMR during the second quarter that resulted in approximately 21 days production down-time at both the Mooinooi Dump and ROM Plants, various safety improvements and behavioural interventions were implemented to fully resolve all safety aspects identified by the Inspector of Mines. The management structure was moreover strengthened in order to improve operational discipline and operating efficiencies, and this was evidenced in the 18% improvement in ounces for the six month period between January to June 2014, compared to the previous six months between July to December 2013. The Mooinooi Dump plant continues to treat material from the old Mooinooi dumps and current arisings from the host mine's Mooinooi plant.

The cash operating cost for the year was $764/oz (R7,927/oz), 27% lower compared to $1,042/oz (R8,984/oz) in the previous year. Higher production levels and improved plant efficiencies assisted to off-set higher mechanical mining rates during the past year.

Mooinooi ROM Operation

The Mooinooi ROM Plant's production for the year was 4,953 ounces and this is a 27% improvement on the previous year's production of 3,894 ounces. This is due to a combination of higher plant feed grades, higher PGM plant throughput rates and improved PGM recovery efficiencies. The Mooinooi ROM and Dump Plants are on the same premises and fall under the same management structure, hence the comments regarding the Section 54 Stoppage notice issued by the DMR during the second quarter. Consequently, the subsequent remedial measures discussed under the Mooinooi Dump Plant section above, also apply to the ROM Plant. The Mooinooi ROM plant continues to treat MG2 material from Samancor's Mooinooi and Buffels underground mines, and the optimization of an Ultra-Fine Grinding Toll Milling circuit was introduced during quarter 3, following its successful implementation on the Dump plant during quarter 1. This remains an important focus area to improve recovery efficiency and ounces on this plant.

The cash operating cost for the year was $1,084/oz (R11,243/oz), which equates to a 17% decrease from the prior year $1,313/oz (R11,321/oz), but still well above the target level for this operation. This area remains a priority focus area for the operation during the next year, where the higher plant throughput tons will probably have the highest impact to reduce operating unit costs.

Doornbosch

The Doornbosch operation produced 9,919 ounces in the year, 4% lower than the 10,384 ounces produced in 2013. This is attributable to the operation's move in the second half of the year towards the treatment of the lower grade second pass material from the old Doornbosch Dump, together with final scrapings from the old Montrose areas, which is expected to be depleted during the first half of 2015. With the final clearing of the Montrose footprint and other surface dumps, the operation managed to find some high-grade pockets of material that assisted to boost the ounce production during the fourth quarter. Consequently, due to this, the plant recorded a new quarterly production record for the operation at 3,390oz, compared to an average of approximately 2,200oz per quarter for earlier quarters. The plant feed grade will however reduce and normalise once the operation converts to a combination of full second pass treatment of the current Doornbosch Tailings Dam and current arisings from the host mine during the next six months. The primary metallurgical focus will then be on increasing plant feed tons, improving PGM concentrate grade and reducing chrome in concentrate in order to reduce smelter penalties. This is in addition to improving plant recovery efficiency in order to improve PGM ounces and to maintain operating unit costs.

Total operating cash costs was $516/oz (R5,350/oz), which was 8% higher than the $480/oz (R4,143/oz) for the previous year and was, primarily due to significant maintenance repair costs associated with an abnormal breakdown on the primary mill during the third quarter.

Tweefontein

The Tweefontein operation produced 8,331 ounces for the year, which was 118% higher than the 3,816 ounces in 2013. With first ounces delivered in September 2012, the higher ounce yields are a result of ramped up production and increased plant stability. Tweefontein is currently still operating on treating a blend of MG1-MG4 ROM Fines from the host mine's Klarinet Opencast mine, current arisings from the host mine's Tweefontein operation, and old dump material from the Tweefontein Paddocks. The primary focus during the past year was to stabilise production and to optimise process parameters and recovery efficiencies. The plant and operating team have proven during the past year that the expected targets can be met at this operation, and production levels are expected to improve further during the next financial year.

Total operating cash cost for the year was $648/oz (R6,718/oz), compared to $869/oz (R7,491/oz) in 2013, primarily as a result of higher production volumes and ounce production, as well as the upgraded power supply infrastructure which occurred in the first quarter that eliminated the need to run the diesel generators for extended periods of time.

EXPLORATION AND OPENCAST MINING PROJECTS

Harriet's Wish, Aurora and Cracouw Exploration

The Company still awaits the outcome of the Mining Right Application for this project and will decide on the best way to advance this once the mining right has been received.

Volspruit Platinum Exploration

Following an extensive Public Participation process, the Environmental Impact Assessment ("EIA") to the Mining Right Application ("MRA") on Volspruit was submitted 28 January 2014. A flood event occurred on the Nyl River in the third quarter which provided crucial data to confirm the expected environmental and hydrological impacts of the proposed mining activity. These findings were assessed and submitted as an addendum to the MRA and independently reviewed by various specialists, including those from the Institute for Groundwater Studies at the University of the Free State. The data and subsequent modelling will also enhance the Water Use License Application process envisioned to proceed upon the receipt of the Mining Right. The Company still awaits the outcome of this but expects further communication from the DMR in the imminent future.

Grasvally Chrome Exploration

As a critical extension and envisioned as part of the Volspruit Project, the Company purchased the surface rights to the Grasvally and Zoetveld farms adjacent to Volspruit during the third quarter of FY2013. During the second quarter FY2014, the Company entered into an agreement to purchase the prospecting right over this land, thereby consolidating the surface and mineral rights. The DMR's consent in terms of Section 11 of the Mineral and Petroleum Resources Development Act ("MPRDA") to transfer the Prospecting Right to the Company's subsidiary was registered at the Mining Titles Office in the fourth quarter and enquiries have begun towards the eventual application for a Mining Right on the property. Continuation of mapping and exposing of the old adits is ongoing, with focus shifting towards the lower chrome layer, which initial investigations show to be of higher grade than that currently exposed.

Consolidation of mining and surface rights over Zoetveld and Grasvally farms

As reported above, the Company entered into a binding agreement to purchase the prospecting right on the portions of land over which the Company already holds surface rights at the Zoetveld 294KR and Grasvally 293KR Farms, adjacent to the Volspruit project. The consideration for the acquisition of the prospecting right was settled in cash in two instalments of R5 million (approximately $0.5million) and R20 million (approximately $1.9 million). The first of the two payments was made in December 2013 upon submission of the Section 11 application to the DMR, with the subsequent payment made in the fourth quarter FY2014 upon the registration of this consent at the Mining Titles Office.

CORPORATE ACTIVITIES

Grant of Options

As reported in the first quarter FY2014, the Company announced that it had granted 1,600,000 options over ordinary shares of $0.10 each in the Company under the Sylvania Platinum Option Plan. 800,000 of the options awarded were granted to Directors of the Company and the balance was awarded to senior and operational management. The options have a nil exercise price and will vest between 29 August 2015 and 29 August 2017. The options are subject to the participants' continued employment and will expire on 29 August 2023.

Key management changes

Due to the improved production performance and stability of the SDO, as well as the scaling back of the Group's development of exploration projects, Nigel Trevarthen decided to retire from his position as Deputy CEO at the end of March 2014. It was decided not to replace Nigel and, following his retirement, he has made himself available to the Company to provide advisory and consultancy services on an ad hoc basis should it be required. Furthermore, effective 1 April 2014, Jaco Prinsloo, previously Executive Officer Operations, was appointed as MD of Sylvania Metals (Pty) Ltd. Having joined the Company in January 2012, he has shown exceptional leadership skills, which is evident in the Company's continued improvement in operations and the record quarterly results reported by the Company in the fourth quarter following his promotion.

Withdrawal of Platmin Matter

The Company, through its legal representatives, received notification on 11 July 2014 that Platmin South Africa (Pty) Ltd ("Platmin"), previously Boynton Investments (Pty) Ltd, had removed the matter for hearing on 1 August 2014. In this matter, Platmin claims co-ownership of the tailings, alternatively of the PGMs contained in the Lannex Tailings Dam. This is a similar claim to that which Platmin has previously brought, with such previous claim being later withdrawn in its entirety and with Platmin required to pay all costs. In that the withdrawal in this instance merely relates to the date the matter was set to proceed to trial, it appears that Platmin still intends to proceed at a later date. The Company, having consulted its legal advisers, accordingly continues to refute these claims and will keep shareholders apprised of any developments as they arise.

Change of Reporting Format

As of Q1 FY2015 the Company will move away from the current reporting format per plant towards a combined SDO reporting procedure. The Directors believe that this will streamline current reporting measures, as well as formalise focus on driving sustainable growth as a single entity.

FINANCIALS

CONSOLIDATED INCOME STATEMENT
For the year ended 30 June 2014

	Notes	2014 $	2013 $
Revenue		**47,220,684**	39,981,761
Cost of sales		**(42,895,037)**	(39,137,783)
Gross profit		**4,325,647**	843,978
Other income		**84,796**	10,014,714
Losses on sale of property, plant and equipment		**(3,725)**	(1,629)
Foreign exchange (loss)/gain	1	**(445,852)**	165,164
(Loss)/gain on financial assets at fair value through profit and loss		**(16,524)**	4,106
Impairment of available-for-sale financial assets		**-**	(44,394)
Impairment of exploration and evaluation assets	2	**(1,591,444)**	-
Impairment of investment in associate	3	**(1,290,604)**	-
Share of loss of associates	3	**(51,975)**	(201,040)
General and administrative costs		**(4,011,699)**	(5,467,202)
Operating (loss)/profit before finance costs and tax expense		**(3,001,380)**	5,313,697
Finance revenue		**227,166**	268,634
Finance costs		**(152,542)**	(220,564)
(Loss)/profit before income tax expense		**(2,926,756)**	5,361,767
Income tax expense		**(2,187,431)**	(992,536)
Net (loss)/profit for the year		**(5,114,187)**	4,369,231
		Cents	Cents
(Loss)/profit per share for (loss)/profit attributable to the ordinary equity holders of the Company:			
Basic (loss)/earnings per share	4	**(1.70)**	1.45
Diluted (loss)/earnings per share	4	**(1.70)**	1.39

1. An inter-company loan denominated in AUD was partially repaid during the year and the exchange difference arising on the translation of that loan has been included in the foreign exchange loss in the current year.
2. Exploration and evaluation assets relating to the Group's Everest North project was impaired during the current financial year. Everest North is a joint venture project with Aquarius Platinum SA (Pty) Ltd (AQPSA) and the viability of the project depends on the operation of AQPSA's Everest South processing plant. The Everest South operation was placed on care and maintenance in June 2012 and management are not aware of any plans to restart this operation in the foreseeable future.
   At 30 June 2014, a further $180,931 was impaired on a prospecting right that expired and was not renewed.
3. The Group's 25% investment in Chrome Tailings Retreatment Project (CTRP) was impaired during the current financial year. The plant remains on care and maintenance and there is no agreement between the parties or plan to restart the operation. The Group ceased to recognise its share of losses of CTRP from the date of impairment.
4. The basic and diluted loss per share is the same, as the effect of the share options is non-dilutive.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 30 June 2014

	Notes	2014 $	2013 $
Net cash inflow from operating activities	5	**5,063,234**	4,053,083
Net cash outflow from investing activities	6	**(5,516,207)**	(11,077,464)
Net cash outflow from financing activities	7	**(442,771)**	(800,325)
Net decrease in cash and cash equivalents		**(895,744)**	(7,824,706)
Effect of exchange fluctuations on cash held		**(348,794)**	(1,327,089)
Cash and cash equivalents beginning of period		**6,564,885**	15,716,680
Cash and cash equivalents, end of period		**5,320,347**	6,564,885

5. Net cash inflow from operating activities includes a net operating cash inflow of $4,920,678, net finance income of $153,069 and taxation paid of $10,513.
6. Net cash outflow from investing activities includes payments for property, plant and equipment of $1,243,472, exploration and evaluation assets of $3,458,778, payments of $1,091,107 to Ironveld Holdings for a loan facility granted and an amount received of $277,150 from the investment in associate Chrome Tailings Retreatment Project.
7. The net cash outflow from financing activities consists of the repayment of borrowings of $222,117 and a payment for the purchase of the Company's own shares held as treasury shares of $220,654.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2014

	Notes	**2014** **$**	2013 $
Assets			
Non-current assets			
Investments in associates	8	**10**	1,698,542
Other financial assets	9	**2,551,296**	1,547,514
Exploration and evaluation assets	10	**70,220,438**	67,276,715
Property, plant and equipment		**51,070,245**	60,289,304
Total non-current assets		**123,841,989**	130,812,075
Current assets			
Cash and cash equivalents	11	**5,320,347**	6,564,885
Trade and other receivables	12	**16,696,829**	11,860,948
Inventories	13	**758,893**	612,866
Current tax asset		**-**	49,846
Total current assets		**22,776,069**	19,088,545
Total assets		**146,618,058**	149,900,620
Equity and liabilities			
Shareholders' equity			
Issued capital	14	**29,515,534**	29,515,534
Reserves	15	**70,419,756**	71,055,566
Retained profit		**15,733,702**	20,847,888
Total equity		**115,668,992**	121,418,988
Non-current liabilities			
Interest bearing loans and borrowings	16	**205,948**	170,287
Provisions	17	**3,411,056**	2,578,036
Deferred tax liability		**19,424,960**	18,728,253
Total non-current liabilities		**23,041,964**	21,476,576
Current liabilities			
Trade and other payables		**7,745,669**	6,828,169
Interest bearing loans and borrowings	16	**158,899**	169,151
Current tax liability		**2,534**	7,736
Total current liabilities		**7,907,102**	7,005,056
Total liabilities		**30,949,066**	28,481,632
Total liabilities and shareholders' equity		**146,618,058**	149,900,620

8. As a result of the application of IFRS10 Consolidated Financial Statements and IFRS 11 Joint Arrangements, the Group has changed its accounting policy for determining whether it has control, joint control or significant influence over its investees. The application of IFRS 11 affected the Group's accounting for its 25% interest in CTRP, which resulted in a reclassification of the investment from a joint venture to an associate. The investment continues to be accounted for using the equity method; accordingly there has been no impact on the recognised assets, liabilities and comprehensive income of the Group. Refer to note 3 for further detail on the impairment of CTRP.
9. Other financial assets include available-for-sale financial assets, financial assets at fair value through profit and loss and loans receivable consisting of loans granted to Ironveld Holdings (Pty) Ltd from Sylvania South Africa (Pty) Ltd and Sylvania Metals (Pty) Ltd, both South African subsidiaries of the Group.
10. Additions to exploration and evaluation assets include the acquisition of the Grasvally prospecting right of ZAR 25 million (approximately $2.4 million). Refer to note 2 for detail on the impairment of the Everest North exploration assets.
11. The majority of the cash and cash equivalents are held in South Africa and ZAR denominated balances amount to $4,990,638 (R 52,979,174).
12. Trade and other receivables consist mainly of amounts receivable from major minerals and processing companies for the sale of PGMs.
13. Inventory held is consumables and spares for the SDO.
14. The total number of issued ordinary shares at 30 June 2014 is 297,981,896.

15. Reserves include the share premium reserve, the unrealised gains reserve for fair value adjustments on available-for-sale financial assets, the foreign currency translation reserve, which is used to record exchange differences arising from the translation of financial statements of foreign controlled entities, the share-based payments reserve, the non-controlling interests reserve and the equity reserve. On 4 September 2013, 1,700,000 ordinary shares in Sylvania Platinum Limited were repurchased at 8.15 pence per share and held as treasury shares. The transaction was recognised in the reserve for own shares and on 5 March 2014 it was announced that they were allocated to senior management in recognition of the achievement of performance criteria. These shares vested on 30 June 2014.
16. Interest bearing loans and borrowings are secured over various motor vehicles, plant and equipment and computer equipment.
17. Provision is made for the present value of closure, restoration and environmental rehabilitation costs in the financial period when the related environmental disturbance occurs.

1. The financial information contained in this announcement does not comprise full financial statements.

2. The consolidated financial statements have been prepared on a historical cost basis, except for available-for-sale investments, embedded derivatives, and investments carried at fair value through profit or loss, which have been measured at fair value. The consolidated financial information is presented in US Dollars and the parent's functional currency is Australian Dollars. The presentation currency differs from the functional currency of the parent as the sales of platinum are denominated in US Dollars; and alignment of the functional currency with the sales price is considered to provide more appropriate information to the users of the financial statements.

CORPORATE INFORMATION

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