

**SOUTH AFRICAN COAL MINING HOLDINGS LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017**

| Particulars                         | Note | As at               | As at               |
|-------------------------------------|------|---------------------|---------------------|
|                                     |      | 31st March, 2017    | 31st March, 2016    |
|                                     |      | RAND                | RAND                |
| <b>I EQUITY AND LIABILITIES</b>     |      |                     |                     |
| (1) <b>Shareholders' Funds:</b>     |      |                     |                     |
| (a) Share capital                   | 1    | 45,245,420          | 45,245,420          |
| (b) Reserves and surplus            | 2    | -430,641,832        | -444,067,050        |
|                                     |      | <b>-385,396,412</b> | <b>-398,821,630</b> |
| (2) <b>Non-Current Liabilities:</b> |      |                     |                     |
| (a) Long-term Borrowings            | 3    | 608,843,939         | 658,525,469         |
| (b) Deferred Tax                    | 4    | 9,791,840           | -5,931,604          |
| (c) Long-term provisions            | 5    | 53,751,426          | 41,350,779          |
|                                     |      | <b>672,387,206</b>  | <b>693,944,645</b>  |
| (3) <b>Current Liabilities:</b>     |      |                     |                     |
| (a) Trade payables                  | 6    | 4,799,969           | 3,183,440           |
| (b) Other current liabilities       | 7    | 3,125,895           | -                   |
| (c) Short-term provision            | 8    | 3,731,923           | 5,224,828           |
|                                     |      | 11,657,788          | 8,408,268           |
| <b>TOTAL</b>                        |      | <b>298,648,581</b>  | <b>303,531,283</b>  |
| <b>I ASSETS</b>                     |      |                     |                     |
| (1) <b>Non-current assets:</b>      |      |                     |                     |
| (a) Fixed assets                    | 9    | 52,481,455          | 67,382,485          |
| (b) Intangible assets               | 10   | 180,907,869         | 180,907,869         |
| (c) Non-current investments         | 11   | 50,499,900          | 50,500,000          |
|                                     |      | <b>283,889,224</b>  | <b>298,790,354</b>  |
| (2) <b>Current assets:</b>          |      |                     |                     |
| (a) Cash and Bank balances          | 12   | 4,853,508           | 230,232             |
| (b) Trade receivables               | 13   | 9,905,850           | 4,215,583           |
| (c) Other Current assets            | 14   | -                   | 295,114             |
|                                     |      | <b>14,759,357</b>   | <b>4,740,929</b>    |
| <b>TOTAL</b>                        |      | <b>298,648,581</b>  | <b>303,531,283</b>  |

**SOUTH AFRICAN COAL MINING HOLDINGS LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017**

| Particulars                           | Note | For the year ended<br>31st March, 2017 | For the year ended<br>31st March, 2016 |
|---------------------------------------|------|--|--|
|                                       |      | RAND                                   | RAND                                   |
| <b>I Revenue from Operations</b>      |      |  |  |
| <b>II Other income</b>                | 15   | 34,043,441                             | 18,046,380                             |
| <b>III Total Revenue (I+II)</b>       |      | <b>34,043,441</b>                      | 18,046,380                             |
| <b>IV Expenses:</b>                   |      |  |  |
| Operational expenses                  |      | 19,498,481                             | 20,925,810                             |
| Depreciation                          |      | 15,545,788                             | 5,862,851                              |
| Finance costs                         | 16   | 28,497,407                             | 10,720,365                             |
| Other expenses                        | 17   | 47,863,892                             | 53,951,245                             |
| <b>Total Expenses</b>                 |      | <b>111,405,568</b>                     | 91,460,271                             |
| <b>V Profit before tax (III-IV)</b>   |      | <b>-77,362,127</b>                     | -73,413,890                            |
| <b>VI Tax Expenses</b>                |      | 16,999,582                             | -68,576,895                            |
| <b>VII Profit for the year (V-VI)</b> |      | <b>-94,361,709</b>                     | -4,836,995                             |

**SOUTH AFRICAN COAL MINING HOLDINGS LIMITED**  
**NOTES ACCOMPANYING TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016**

| <b>Note : 1</b>  | <b>As at<br/>31st March, 2017</b> | <b>As at<br/>31st March, 2016</b> |
|--|-----------------------------------|-----------------------------------|
| <b>SHARE CAPITAL</b>   | <b>RAND</b>                       | <b>RAND</b>                       |
| <b>Authorised:</b><br>700,000,000 Equity Shares of Rand 0.10 each<br>(Previous year 700,000,000 Equity shares of Rand 0.10 each)             | 70,000,000                        | 70,000,000                        |
| <b>Issued:</b><br>452,454,204 Equity Shares of Rand 0.10 each<br>(Previous year 452,454,204 Equity shares of Rand 0.10 each)                 | 45,245,420                        | 45,245,420                        |
| <b>Subscribed and paid up:</b><br>452,454,204 Equity Shares of Rand 0.10 each<br>(Previous year 452,454,204 Equity shares of Rand 0.10 each) | 45,245,420                        | 45,245,420                        |
|  | <b>45,245,420</b>                 | 45,245,420                        |
| <b>Note : 2</b>  | <b>As at<br/>31st March, 2017</b> | <b>As at<br/>31st March, 2016</b> |
| <b>RESERVES AND SURPLUS</b>  | <b>RAND</b>                       | <b>RAND</b>                       |
| Foreign currency monetary items translation difference account   | -82,922,774                       | -190,709,701                      |
| Security premium account   | 188,639,738                       | 188,639,738                       |
| Surplus in Profit and Loss account   | -536,358,795                      | -441,997,086                      |
| <b>TOTAL</b>   | <b>-430,641,832</b>               | <b>-444,067,050</b>               |
| <b>Note : 3</b>  | <b>As at<br/>31st March, 2017</b> | <b>As at<br/>31st March, 2016</b> |
| <b>LONG TERM BORROWINGS</b>  | <b>RAND</b>                       | <b>RAND</b>                       |
| Unsecured Loan:<br>From Related Party (Including Interest accrued)   | 608,843,939                       | 658,525,469                       |
|  | <b>608,843,939</b>                | 658,525,469                       |
| <b>Note : 4</b>  | <b>As at<br/>31st March, 2017</b> | <b>As at<br/>31st March, 2016</b> |
| <b>DEFERRED TAX</b>  | <b>RAND</b>                       | <b>RAND</b>                       |
| Deferred tax   | 9,791,840                         | -5,931,604                        |
|  | <b>9,791,840</b>                  | -5,931,604                        |
| <b>Note : 5</b>  | <b>As at<br/>31st March, 2017</b> | <b>As at<br/>31st March, 2016</b> |
| <b>OTHER LONG TERM PROVISIONS</b>  | <b>RAND</b>                       | <b>RAND</b>                       |
| Provision for Rehab  | 53,751,426                        | 41,350,779                        |
|  | <b>53,751,426</b>                 | 41,350,779                        |

| <b>Note : 6</b>   | <b>As at<br/>31st March, 2017</b> | <b>As at<br/>31st March, 2016</b> |
|---|-----------------------------------|-----------------------------------|
| <b>TRADE PAYABLES</b>   | <b>RAND</b>                       | <b>RAND</b>                       |
| Trade payables  | 4,799,969                         | 3,183,440                         |
|   | <b>4,799,969</b>                  | <b>3,183,440</b>                  |
|   |                                   |                                   |
| <b>Note : 7</b>   | <b>As at<br/>31st March, 2017</b> | <b>As at<br/>31st March, 2016</b> |
| <b>OTHER CURRENT LIABILITIES</b>                              | <b>RAND</b>                       | <b>RAND</b>                       |
| RBCT Loan Account   | 3,125,895                         | -                                 |
|   | <b>3,125,895</b>                  | <b>-</b>                          |
|   |                                   |                                   |
| <b>Note : 8</b>   | <b>As at<br/>31st March, 2017</b> | <b>As at<br/>31st March, 2016</b> |
| <b>SHORT TERM PROVISION</b>                                   | <b>RAND</b>                       | <b>RAND</b>                       |
| Provision for Rehab   | -                                 | 5,224,828                         |
| Umlabu Outstanding SARS Penalty                               | 3,731,923                         | -                                 |
|   | <b>3,731,923</b>                  | <b>5,224,828</b>                  |
|   |                                   |                                   |
| <b>Note : 9</b>   | <b>As at<br/>31st March, 2017</b> | <b>As at<br/>31st March, 2016</b> |
| <b>FIXED ASSETS</b>   | <b>RAND</b>                       | <b>RAND</b>                       |
| Fixed assets  | 52,481,455                        | 67,382,485                        |
|   | <b>52,481,455</b>                 | <b>67,382,485</b>                 |
|   |                                   |                                   |
| <b>Note : 10</b>  | <b>As at<br/>31st March, 2017</b> | <b>As at<br/>31st March, 2016</b> |
| <b>INTANGIBLE ASSETS</b>                                      | <b>RAND</b>                       | <b>RAND</b>                       |
| Mineral Rights (incl Exploration)                             | 180,907,869                       | 180,907,869                       |
|   | <b>180,907,869</b>                | <b>180,907,869</b>                |
|   |                                   |                                   |
| <b>Note : 11</b>  | <b>As at<br/>31st March, 2017</b> | <b>As at<br/>31st March, 2016</b> |
| <b>NON-CURRENT INVESTMENTS</b>                                | <b>RAND</b>                       | <b>RAND</b>                       |
| Details of Investments<br>Non Current investments<br>(a) RBCT | 50,499,900                        | 50,500,000                        |
|   | <b>50,499,900</b>                 | <b>50,500,000</b>                 |
|   |                                   |                                   |

| <b>Note : 12</b>                                 | <b>As at<br/>31st March, 2017</b>              | <b>As at<br/>31st March, 2016</b>              |
|--|--|--|
| <b>CASH AND BANK BALANCES</b>                    | <b>RAND</b>                                    | <b>RAND</b>                                    |
| Cash and Cash Equivalents<br>On Current accounts | 4,853,508                                      | 230,232  |
|  | <b>4,853,508</b>                               | <b>230,232</b>                                 |
|  |  |  |
| <b>Note : 13</b>                                 | <b>As at<br/>31st March, 2017</b>              | <b>As at<br/>31st March, 2016</b>              |
| <b>TRADE RECEIVABLES</b>                         | <b>RAND</b>                                    | <b>RAND</b>                                    |
| Trade receivables                                | 9,905,850                                      | 4,215,583                                      |
|  | <b>9,905,850</b>                               | <b>4,215,583</b>                               |
|  |  |  |
| <b>Note : 14</b>                                 | <b>As at<br/>31st March, 2017</b>              | <b>As at<br/>31st March, 2016</b>              |
| <b>OTHER CURRENT ASSETS</b>                      | <b>RAND</b>                                    | <b>RAND</b>                                    |
| Others   | -  | 295,114  |
|  | -  | <b>295,114</b>                                 |
|  |  |  |
| <b>Note : 15</b>                                 | <b>For the year ended<br/>31st March, 2017</b> | <b>For the year ended<br/>31st March, 2016</b> |
| <b>OTHER INCOME</b>                              | <b>RAND</b>                                    | <b>RAND</b>                                    |
| Interest income                                  | 34,043,441                                     | 18,046,380                                     |
|  | <b>34,043,441</b>                              | <b>18,046,380</b>                              |
|  |  |  |
| <b>Note : 16</b>                                 | <b>For the year ended<br/>31st March, 2017</b> | <b>For the year ended<br/>31st March, 2016</b> |
| <b>FINANCE COST</b>                              | <b>RAND</b>                                    | <b>RAND</b>                                    |
| Interest expenses                                | 28,497,407                                     | 10,720,365                                     |
|  | <b>28,497,407</b>                              | <b>10,720,365</b>                              |
|  |  |  |
| <b>Note : 17</b>                                 | <b>For the year ended<br/>31st March, 2017</b> | <b>For the year ended<br/>31st March, 2016</b> |
| <b>OTHER EXPENSES</b>                            | <b>RAND</b>                                    | <b>RAND</b>                                    |
| Head office sundry expenses                      | 20,324,685                                     | 6,779,789                                      |
| Exchange Losses                                  | 27,539,206                                     | 47,171,457                                     |
|  | <b>47,863,892</b>                              | <b>53,951,245</b>                              |
|  |  |  |