

● **Wesizwe shareholders overwhelmingly approve transaction with Chinese consortium**

At a General Meeting of shareholders held in Johannesburg on Wednesday, 9 March, the requisite number of shareholders indicated their approval to implement the transaction agreement between Wesizwe Platinum and Jinchuan Group Limited (Jinchuan), China Africa Development Fund (CADFund) and Micawber 809 (Pty) Limited ("Micawber").

Wesizwe Chairman, Dawn Mokhobo, said: "We are pleased that shareholders have recognised the full value proposition presented by the Chinese Consortium in this transaction. Not only has the consortium provided a funding solution on very favourable terms, but the consortium members have also given shareholders a firm undertaking that their interest in Wesizwe Platinum will not be further diluted until the project has reached construction completion."

In terms of this transaction, the Company will receive an equity injection of US\$227 million through Jinchuan and the CADFund subscribing for approximately 732.5 million Wesizwe Platinum shares, which constitutes 45% of the fully diluted issued share capital of Wesizwe Platinum. Micawber, a special purpose vehicle established to enhance black economic empowerment participation in Wesizwe Platinum, will subscribe for about 97.4 million ordinary shares, which constitutes 6% of the share capital of Wesizwe Platinum. Furthermore, Jinchuan and CADFund will underwrite a project finance facility of US\$650 million (at globally competitive financing rates) for the completion of the Project.

The transaction remains subject to the fulfillment of a number of conditions precedent, which include the necessary Chinese regulatory approvals having been obtained by Jinchuan and CADFund..

Wesizwe CEO, Arthur Mashiatsidi said: "Today's shareholders' approval marks a significant milestone towards the ultimate finalisation of this transaction. All energies are now focused on ensuring that the remaining conditions to the transaction are successfully achieved, which will then enable Wesizwe Platinum to commence full scale construction of its 350,000 ounce a year Frischgewaagd-Ledig PGM project."

**AGM successfully concluded**

On 9 March 2011, Wesizwe reconvened its Annual General Meeting, which was postponed by an Order of the Court on 19 August 2010 following an urgent application over who had the right to vote the shares of the Bakubung Community Development Corporation (BCDC) and the company, Newshelf 925. In January this year, the applicants withdrew their case and this allowed for the resumption of the AGM.

All the proposed resolutions included in the Notice of Annual General Meeting were approved by the majority of shareholders present in person and by proxy except for Ordinary Resolution Number 2 where non-executive director Julian Williams was not re-elected to the Board.

[Read more on the Wesizwe website](#)

**Black Economic Empowerment consideration**

Micawber is wholly owned by The Wesizwe Empowerment Trust and has as its shareholders the identifiable Wesizwe Platinum black economic empowerment shareholders reflected in the public share register as at 30 October 2010, provided that they remain invested in Wesizwe. The Micawber structure is interesting in that it introduces a costless lock-in incentive for the BEE investors in Wesizwe. This is necessary if the company is to meet its MPRDA obligations.

Wesizwe Platinum, Chairman, Dawn Mokhobo, commented: "I am exceptionally pleased that we have also been able to strengthen our BEE equity credentials through this transaction by enabling a further 6% participation for our current BEE shareholders. This means our BEE shareholding, following the conclusion of the transaction, will remain strong. Various strategic initiatives are being considered to increase this to the required 26% within the stipulated timeframe."

● **Wesizwe has fully funded interest in Maseve**

In April 2010 Wesizwe received the necessary regulatory approvals required under Project Delta to assume 100% ownership of its core Frischgewaagd-Ledig Project while retaining a 45.25% interest in neighbouring Projects 1 and 3 of Maseve Investments 11 (Pty) Ltd. ("Maseve").

The terms of this transaction granted Platinum Group Metals (PTM) the option to enhance its stake to 74% through an injection of capital (R 408 million) into Maseve on behalf of Wesizwe, whose interest would be diluted to 26%. The capital is held in an escrow account at Maseve but will be used solely for funding Wesizwe's 26% contribution to project development, making the Company's participation fully funded.

The Maseve projects are located near Rustenburg in the North West province of South Africa. Project 1 adjoins Wesizwe's Frischgewaagd-Ledig Project. It also shares a boundary with the Styldrift mine, which is under construction, as well as the producing Bafokeng Rasimone Platinum Mine, both of which are owned by Royal Bafokeng Platinum Limited.

Wesizwe CEO, Arthur Mashiatsidi, commented: "This was the final step in concluding Project Delta and we are hopeful that the clarified ownership structure will ensure that the market attributes the appropriate value from this project to the Company."

PTM is the manager and operator of the Maseve Projects 1 and 3 and announced an initial construction budget of US\$100 million for the Project 1 platinum mine in December 2010. The budget was unanimously approved by the Maseve Board, on which Wesizwe currently holds four seats.

The Project 1 platinum mine plan calls for a production rate of 275,000 ounces 4E (platinum, palladium, rhodium and gold). The engineering, procurement and construction management, ("EPCM") contractor has been appointed and work has begun on the planning of the surface infrastructure and underground mine development.

**Site visit**

In February, Wesizwe hosted a visit to the Frischgewaagd-Ledig site for a group of North American bankers and fund managers who were in South Africa as guests of PTM.

[Read more about the Maseve projects](#)

Market information (as at 10 March 2011)	
JSE Share Code: WEZ	
Issued shares	797,942,598
Share price	R2.35
Market Cap	R1,875,165,105

**PROJECT UPDATE**

**Frischgewaagd-Ledig Project moves ahead**

Ground-breaking work has begun in preparation for the full-scale development of Wesizwe's core asset, the Frischgewaagd-Ledig Project.

In August 2010, Wesizwe announced that an interim funding facility of R91 million was signed with the Johannesburg branch of the Bank of China (BOC). The facility was intended solely for ongoing capital construction of the Frischgewaagd-Ledig Project while the Company was concluding negotiations for the comprehensive funding of the Project. The facility was agreed at very favourable terms and will be repaid once the full funding for the Project has been secured.

The BOC funding has been used to start provisional earthworks; these include the terracing for Eskom's power plant as well as the ventilation shaft. Other site preparation includes access roads, fencing of the construction site, phase 1 pollution control dams, surface drainage and an environmental berm.

The work done in 2010 paves the way for expeditious shaft sinking which is expected to start in 2011, once all the conditions precedent have been fulfilled on the deal and the cash is in the bank.



UPCOMING EVENTS	
Release of annual results (SENS)	22 March 2011