RECM and CALIBRE LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2009/012403/06)

Preference share code: RACP

ISIN: ZAE000145041

("RAC" or "the Company")

Audited results

Audited condensed financial results for the year ended 31 March 2011

Condensed Statement of FINANCIAL POSITION as at 31 March 2011

| Condensed Statement of Financial Tobilion as                             | 31 March 2011<br>Audited | 31 March 2010<br>Audited<br>R |
|--|--------------------------|-------------------------------|
| ASSETS   |                          |                               |
| Non-Current assets   |                          |                               |
| Other financial assets   | 219 875 090              | 0                             |
| Current assets   |                          |                               |
| Other financial assets   | 288 509 508              | 0                             |
| Trade and other receivables  | 6 217 106                | 0                             |
| Cash and cash equivalents  | 883 079                  | 0                             |
| Total assets   | 515 484 783              | 0                             |
| EQUITY AND LIABILITIES   |                          |                               |
| Equity   | 63 127 654               | (344 198)                     |
| Share capital  | 50 000 000               | 70                            |
| Reserves   | 86 017                   | 0                             |
| Retained Income  | 1 226 749                | (344 268)                     |
| Preference shareholders' interest  | 11 814 888               | 0                             |
| Non-current liabilities  | 450 140 279              | 0                             |
| Other financial liabilities  | 450 000 000              | 0                             |
| Deferred tax   | 140 279                  | 0                             |
| Current liabilities  | 2 216 850                | 344 198                       |
| Loans from shareholders  | 0                        | 338 622                       |
| Trade and other payables   | 2 216 850<br>515 484 783 | 5 576                         |
| Total equity and liabilities Condensed Statement of COMPREHENSIVE INCOME | 515 484 783              | 0                             |
|  |                          |                               |
| for the period ended 31 March 2011                                       | 12 months                | 9 months                      |
|  | 31 March 2011            | 31 March 2010                 |
|  | Audited                  | Audited                       |
|  | R                        | R                             |
| Operating expenses   | (6 376 434)              | (344 268)                     |
| Operating Loss   | (6 376 434)              | (344 268)                     |
| Investment revenue   | 24 041 715               | 0                             |
| Finance costs  | (113)                    | 0                             |
| Taxation   | (5 053 413)              | 0                             |
| Profit for the year  | 12 611 755               | (344 268)                     |
| Available-for-sale financial assets adjustme                             | nts 1 000 446            | 0                             |
| Taxation related to components of other                                  |                          |                               |
| comprehensive income   | (140 167)                | 0                             |
| Other comprehensive income for the year                                  |                          |                               |
| net of taxation  | 860 167                  | 0                             |
| Total comprehensive income/(loss)  | 13 471 922               | (344 268)                     |
| Condensed Statement of CHANGES IN EQUITY                                 |                          |                               |
| for the period ended 31 March 2011                                       |                          |                               |
|  | 12 months                | 9 months                      |
|  | 31 March 2011            |                               |
|  | Audited                  | Audited                       |
| D-1 04 Ton- 0000   | R                        | R                             |
| Balance as at 1 April 2010   | (244 100)                | 0                             |
| Balance as at 1 April 2010   | (344 198)<br>49 930      | 70                            |
| Issue of shares  | 49 930                   | 70                            |
| Share premium Fair value adjustment assets-                              | 49 900 000               | _                             |
| Available-for-sale reserve   | 860 167                  | _                             |
| Total comprehensive income/(loss)  | 000 10/                  | _                             |
| for the year   | 12 611 755               | (344 268)                     |
| Total equity   | 63 127 654               | (344 198)                     |
| Condensed Statement of CASH FLOWS  | 00 12, 001               | (311 130)                     |
|  |                          |                               |

| Tor the period ended or nateh 2011            | 12 months<br>31 March 2011<br>Audited<br>R |      |       | 31 | 9 months<br>31 March 2010<br>Audited<br>R |      |  |
|---|--|------|-------|----|---|------|--|
| Cash flows from operating activities          |  |      |       |    |   |      |  |
| Cash utilised in operations                   | (11  | 920  | 757)  |    | (338                                      | 692) |  |
| Interest income                               | 23   | 452  | 240   |    |   | 0    |  |
| Dividends received                            |  | 589  | 475   |    |   | 0    |  |
| Finance costs                                 |  |      | (113) |    |   | 0    |  |
| Tax paid                                      | (3   | 514  | 922)  |    |   | 0    |  |
| Net cash from operating activities            | 8  | 605  | 923   |    | (338                                      | 692) |  |
| Cash flows from investing activities          |  |      |       |    |   |      |  |
| Additions to other financial assets           | (507                                       | 384  | 152)  |    |   | 0    |  |
| Net cash from investing activities            | (507                                       | 384  | 152)  |    |   | 0    |  |
| Cash flows from financing activities          |  |      |       |    |   |      |  |
| Proceeds on shares issued                     | 49   | 999  | 930   |    |   | 70   |  |
| Proceeds from other financial liabilities     | 450  | 000  | 000   |    |   | 0    |  |
| Proceeds from shareholders loan               |  |      |       |    | 338                                       | 622  |  |
| Repayment of shareholders loan                |  | (338 | 622)  |    |   | 0    |  |
| Net cash from financing activities            | 499  | 661  | 308   |    | 338                                       | 692  |  |
| Net change in cash and cash equivalents       |  | 883  | 079   |    |   | 0    |  |
| Cash and cash equivalents at beginning of per | riod                                       |      | 0     |    |   | 0    |  |
| Cash and cash equivalents at end of period    |  | 883  | 079   |    |   | 0    |  |
|   | Cents                                      |      |       |    | Cents                                     |      |  |
| Net Asset Value per share                     | 1026.3                                     |      |       |    |   | _    |  |
| Basic Earnings per share                      | 25.2                                       |      |       |    |   | _    |  |
| Calculated on shares in issue                 | 50   | 000  | 000   |    | 50 000                                    | 000  |  |
| - Ordinary shares                             | 5  | 000  | 000   |    | 5 000                                     | 000  |  |
| - Preference shares                           | 45   | 000  | 000   |    | 45 000                                    | 000  |  |

## COMMENTARY

Nature of business

Recm and Calibre Limited is an investment holding company, which was incorporated on 24 June 2009

## Financial review

On 4 May 2010 the company issued 4 930 000 ordinary shares at R0.01 each and a share premium of R9.99 each. The company also issued 45 million redeemable, participating, non-cumulative preference shares of R0.01 each and a share premium of R9.99 each. The preference shares were listed on the JSE on 8 June 2010. The company has deployed its capital by investing in a number of financial instruments yielding investment revenue of R24 million. After accounting for operating expenses and finance expenses as well as an adjustment for available-for-sale financial assets, the company has earned R 13.4 million in income for the year (loss of R 344 268 in 2010).

Basis of preparation and presentation of audited results

The audited condensed financial results of the Company for the year ended 31 March 2011 have been prepared and presented in accordance with International Financial Reporting Standards IAS34, the Listing Requirements of the JSE Limited and the requirements of the Companies Act 61 of 1973, as amended. The accounting policies adopted are consistent with those applied at 31 March 2010.

## Subsequent events

After year end the company, together with Transhex and other parties, reached agreement with De Beers Consolidated Mines ("DBCM") to acquire the assets and liabilities relating to Namaqualand Mines, a division of DBCM, subject to certain conditions precedent. Future outlook

Market conditions continue to be of such a nature so as to prevent us aggressively allocating capital to new ideas. In both public and private markets, prices of businesses have not yet adjusted to a level that adequately compensates us for a future that is, as always, fraught with both known and unknown risks. Until such time as the future is clear (unlikely) or the price-to-value relationship improves (likely), we will continue to be predominantly invested in liquid, high quality assets - i.e. cash. Report of the independent auditors

These condensed financial statements have been audited by our auditors Grant Thornton, whose unqualified report is available for inspection at the company's registered office.

29 June 2011 Cape Town

Directors: V Davis#, T de Bruyn\*; L Potgieter\* (Financial); G Pretorius#; W Stals#^;

JG Swiegers#; PG Viljoen\* (Executive chairman)

\*Executive #Non-executive ^Australian

Registered office: 7th Floor, Claremont Central, 8 Vineyard Road, Claremont, Cape Town,

7700

Sponsor: Deloitte & Touche Sponsor Services (Pty) Limited

Transfer secretaries: Link Market Services South Africa (Pty) Limited

Auditors: Grant Thornton