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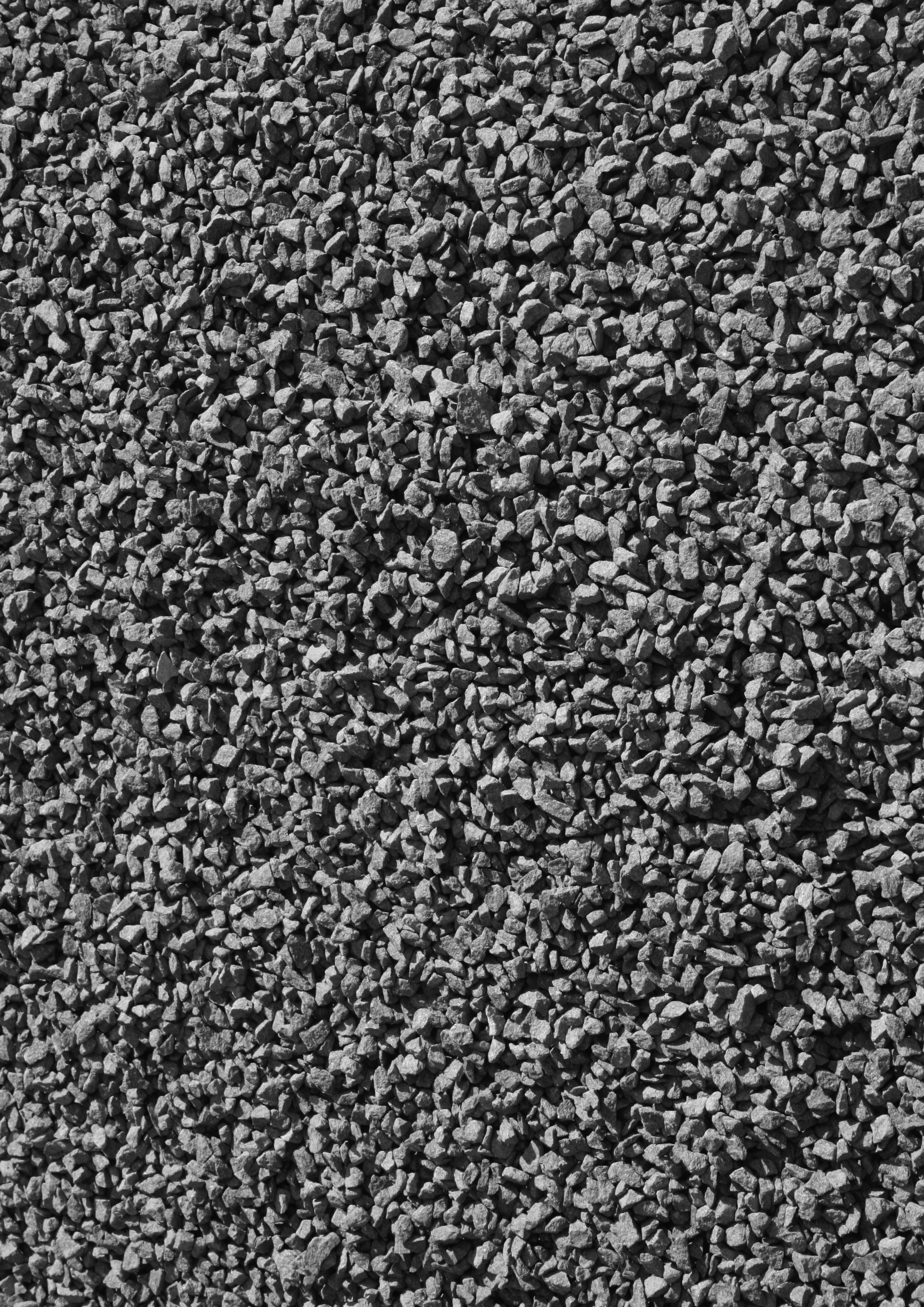
ANNUAL REPORT 2014

WEARNE

WG WEARNE LTD



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INTRODUCTION

WG Wearne Limited and its subsidiaries ("the Group"), is proudly one of South Africa`s oldest suppliers of materials to the building and construction industry. Established in 1910 as a construction concern by its founder William George Wearne, the company was initially involved in the sand and stone business in the small town of Carletonville, 120 kilometres from Johannesburg.

The ready-mix division was established in the early 1970s and firmly positioned Wearne as a serious player in the industry. From there the company grew and became what is now known as The Wearne Group of Companies, supplying the construction industry with a complete building material solution.

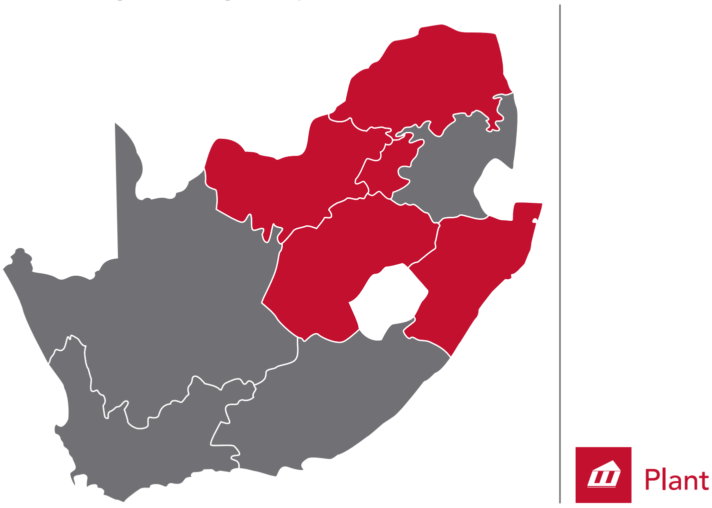
The Group has operations in Gauteng, North West, Limpopo, Free State and KwaZulu-Natal. Our products and services include aggregates, ready-mixed concrete, pre-cast concrete products, mobile crushing and ready-mix concrete pumps. The Group supplies customers in the construction, housing and mining industries as well as various government projects.

What was once a small family business is today a JSE AltX listed company operating across a large portion of South Africa with a staff compliment of over 600 people

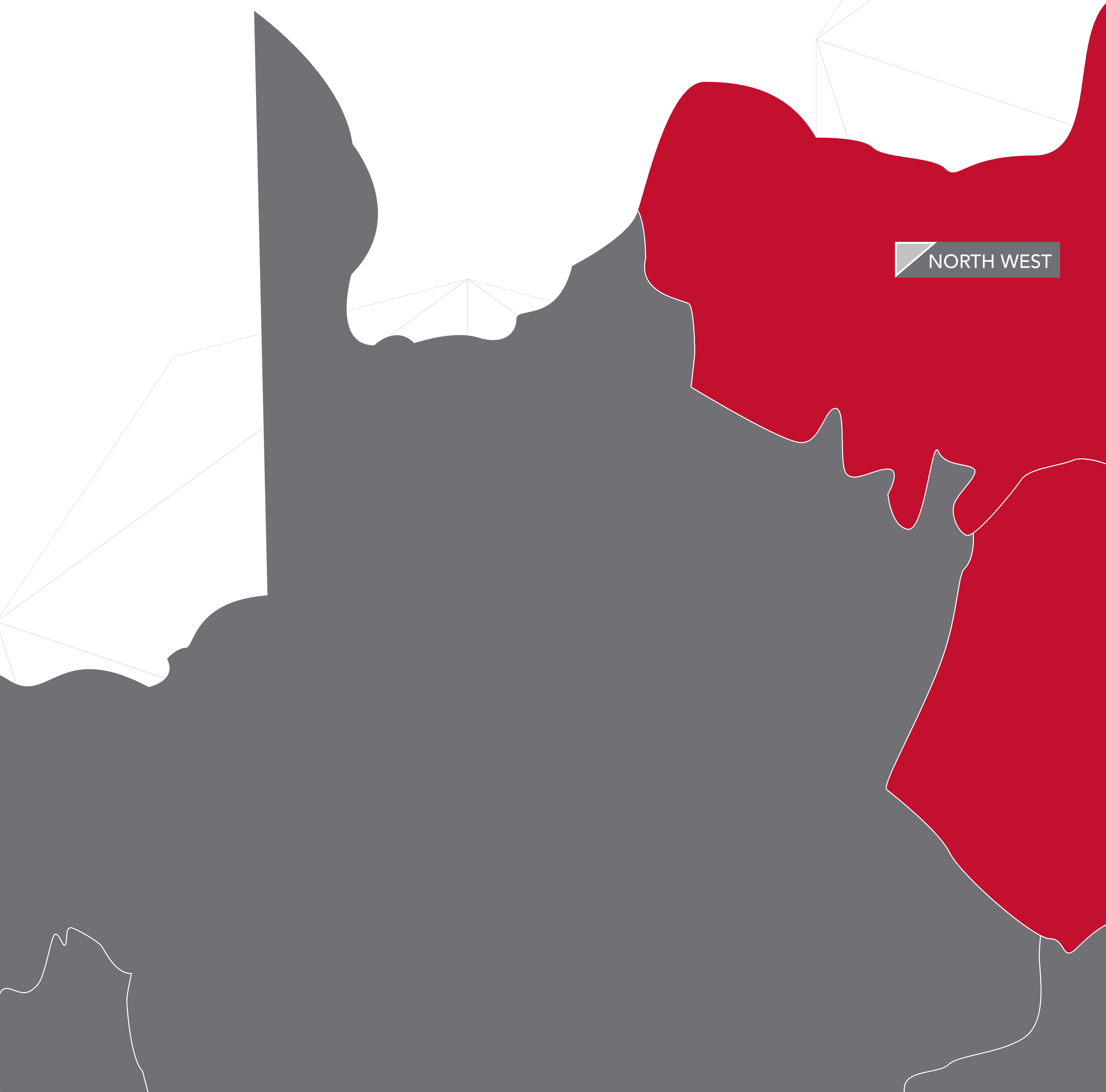
The Group`s goal is to be one of the leading concrete products and aggregate suppliers in South Africa. We strive to achieve this by providing a professional service and a complete range of products to the building industry, establishing us as the preferred supplier in all the areas we operate.

"Our value system is based on the principle value of Professionalism"

GROUP STRUCTURE



GEOGRAPHICAL FOOTPRINT




LIMPOPO
Makhado
Tzaneen
Polokwane
Laezonia
GAUTENG
Brandvlei
Muldersdrift
Randfontein
Marshalltown
Potchefstroom
Vanderbijlpark
Carltonville
FREE STATE
Bethlehem
KWAZULU-NATAL
Pietermaritzburg

BUSINESS MODEL OVERVIEW

OUR VISION: TO BECOME ONE OF THE LEADING CONCRETE PRODUCTS AND AGGREGATE SUPPLIERS IN SOUTH AFRICA

SUMMARY OF KEY ACHIEVEMENTS

ENVIRONMENTAL

- No Sanctions from the Government or other parties
- No major environmental incidents occurred during the year

CORPORATE GOVERNANCE

- Compliant with King III
- Continued rollout of whistle blowing facility
- Continuously improved induction processes

PEOPLE

- 78% of workforce are Historically Disadvantaged South Africans

14.4%
of workforce are women

↑ 57%
increase in training spend

- 3.5% decrease in resignations

FINANCIAL

↑ 16%
increase in Group revenue

↑ 17.91cents
increase in NAV

↑ 30%
improvement in EBITDA

↑ 68%
increase in cash generated from operations

↑ 3.69c
Earning Per Share

OPERATING CONTEXT

WEARNE AGGREGATES

Wearne Aggregates currently operates at eight quarries throughout various provinces within South Africa which provide both the road building and construction industries with aggregates.

We manufacture aggregates that comply with COLTO and SANS specifications and our crushing operations are all active members of ASPASA (Aggregate and Sand Producers Association of South Africa).

We currently maintain an ISO9001 based quality management system and regularly perform in-house and external testing on all our products to ensure compliance to the specifications.

Financial Overview

External Turnover up **10%**

Cash generated from operations up **4.93%**

Prospects

Wearne Aggregates remains optimistic on the outlook for sustainable growth opportunities in South Africa. Key growth drivers are expected to come from the ongoing infrastructure developments at local municipal and provincial level. Wearne Aggregates eagerly awaits government to unlock further infrastructure investment spend in the interest of service delivery.

Below find the range of products that are typically produced through our aggregates operations:

- Base course materials (G1 – G3)
- Sub base materials (G5– G7)
- 6.7mm-37mm Concrete stone
- 6.7mm-19mm Road stone
- Dump rock
- Ballast stone
- Crusher sand
- River sand (Decomposed Granite)
- Pit / Building sand
- Plaster sand
- Builders Mix
- UTFC(Ultra Thin Friction Course)

WEARNE READY MIXED CONCRETE

Wearne Ready Mixed Concrete has been operating in the industry since the 1970's and has firmly set itself in the industry with a well established brand. The company has 11 active plants situated in 4 provinces and prides itself in being able to provide quality concrete to customers. We supply ready mixed concrete to a range of customers including the following: housing, industrial, commercial, mining and civil sector. Wearne Ready Mixed Concrete is an active member of the SARMA (South African Ready Mixed Association) and continues to meet the SABS 878 code of practice for the production of ready mixed concrete. Our ISO 9001 accreditation on product quality was achieved in 2011 and we have consistently maintained this.

Financial Overview

Revenue increased 20% from the prior year. Gross margins remained consistent to the prior year. Given the competitive environment of the ready mix concrete industry, this was considered to be an achievement.

The company has recently entered into a supply agreement with a leading cement supplier. This not only aided in ensuring the cement was readily available for the manufacture of concrete but resulted in a reduction in costs of raw materials which allowed for more competitive prices being quoted in the market, resulting in an improvement in our market share.

Prospects

The governments infrastructure spend is expected to increase in the 2015 financial year. This is expected to have a positive impact on the ready mix industry and hence Wearne Ready Mixed Concrete

Generic Concrete Range

No fines

Screeds

Mortars (retarded and normal)

Concrete for pumping

Wearne Speciality Concrete

Wearne Easyflow

Wearne Triblend

High performance concrete

High-Strength Concrete

Early-Strength Concrete

FibreCrete

High Density Concrete

WEARNE PRECAST

Precast concrete products are manufactured to satisfy all storm water and sewer irrigation needs. Our products are used in the infrastructure set up for developments, road construction as well as in the civil industry or any specialized products that are required.

The company is based in Polokwane but provides services to the entire Limpopo Province.

All Precast products comply with SANS specifications and we have implemented an ISO9001 quality assurance plan.

Overview

Wearne Precast saw a remarkable improvement in the current year with an increase in revenue of 44%.

Net profit increased by an impressive 106% from a loss making position in the prior year.

The satisfying results were in part due to new state of the art machinery that was introduced in the division. This allowed for new product lines being manufactured in addition to production occurring at a faster rate. The increased capacity was met with higher demand for the products. The competitive advantaged gained yielded truly impressive results which are expected to improve further in the 2015 financial year.

The division was not impacted by the industry strike during the year and was therefore able to consistently service customers.

Prospects

The concrete manufacturing industry is expected to improve in the following year as government spend on infrastructure is expected to be favourable to the industry.

New production equipment and methods will be introduced in the 2015 year which is expected to increase the future production capacity of the plant. This will further aid the company's ability to service its customers and increase the diversity of products being produced at the plant.

Product range

Our superior technology provides the following quality products:

Concrete Pipes

Culverts

Man Holes

CONTRACT CRUSHING

Description
A crusher is heavy machinery bound to break stone into small fragments called aggregates. A crusher can use two kinds of crushing modes, a jaw and a cone crusher. The cone crusher uses cone centrifugal force to break up stones on its inner wall. The Jaw Crusher uses a Power Press (called a Jaw) to produce aggregates. The Crusher can be mobile equipment, on wheels or on tracks, or fixed.

WG Wearne Limited is able to provide mobile crushing, contract crushing and screening services to mines, civil companies, demolition contractors and construction companies throughout South Africa.

Industry compliance
With over 30 years of experience in mobile crushing and screening, we can do small or large jobs and provide all the necessary plant equipment with fully certified operators.

Prospects
Our mobile crushing division is expected to grow from strength to strength as we continue to service all through South Africa.

Products and services
The most popular stone sizes our mobiles crush:

Base course Materials (G1-G3)

Sub base materials (G5-G7)

6.7mm stone

9.5mm stone

13.2mm stone

19 mm stone

26.5mm stone

Mobiles available for hire

8 x Jaw crushers

6 x Cone crushers

8 x Aggregate Screens

3 x VSI Crushers

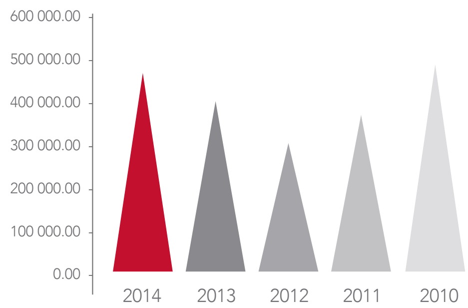
Excavators and loaders required to effectively operate a plant


340
WEARNE
(011) 412-3000

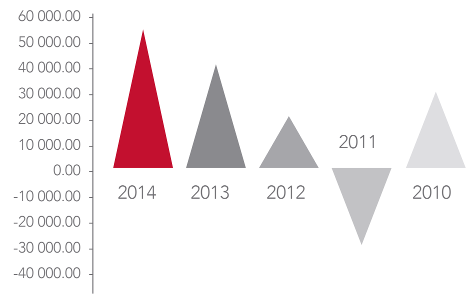
FIVE YEAR FINANCIAL REVIEW

	2014	2013	2012	2011	2010
Total assets (R'000)	**440,845**	433,062	450,584	504,886	712,073
Net working capital (R'000)	**(213)**	(200)	(11,761)	(14,265)	14,555
Total equity (R'000)	**48,908**	35,489	52,786	61,451	210,246
Total borrowings (R'000)	**266,123**	270,739	263,032	223,215	289,902
Net asset value per share (cents per share)	**17.91**	13.00	19.33	24.91	85.50
EBITDA interest cover (times)	**0.27**	(0.72)	(1.47)	(3.13)	(1.48)
Revenue (R'000)	**463,277**	400,001	305,870	370,461	484,662
Gross Profit (R'000)	**91,855**	84,523	58,072	26,701	159,434
Gross profit margin (%)	**19.83**	21.13	18.98	7.2	32.89
Normalised EBITDA	**53,786**	41,176	20,601	(28,819)	30,969
Normalised EBITDA margin (%)	**11.6**	10.3	6.63	(7.78)	6.38
Operating profit (R'000)	**14,126**	7,160	(18,346)	(77,499)	(21,355)
Profit/(loss) for the year (R'000)	**13,420**	(17,374)	(11,683)	(148,502)	(49,424)
Effective taxation rate (%)	**14.0**	22.0	(0.80)	1.37	17.49
Normalised EPS (cents per share)	**3.69**	(5.61)	(21.76)	(45.36)	(28.41)
Normalised HEPS (cents per share)	**(6.07)**	(6.15)	(19.88)	(21.12)	(15.52)
Cash generated from operations (R'000)	**53,411**	31,729	24,516	75,102	83,647
Investment in property, plant and equipment	**16,191**	9,003	18,417	8,490	9,814
Weighted average number of ordinary shares in issue during the year ('000)	**273,038**	273,038	273,038	246,491	184,660

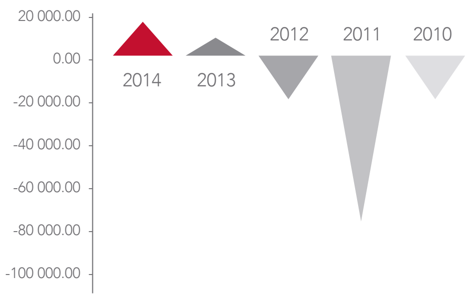
REVENUE



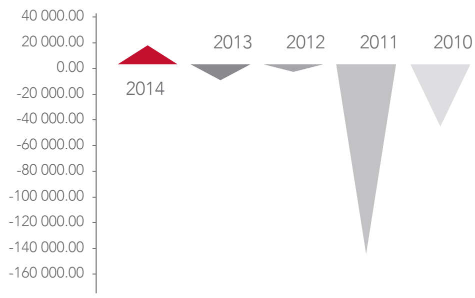
NORMALISED EBITDA



OPERATING PROFIT



PROFIT/(LOSS) FOR THE YEAR



CHIEF EXECUTIVE OFFICER AND CHAIRMAN'S REPORT

OVERVIEW

The Chairman and CEO are proud to present the Group's 2014 annual report reflecting significant improvement despite operating in a tough macro-economic environment. The core focus has been on the continued monitoring and implementation of turnaround strategies implemented in 2012. These strategies continue to bear fruit as improvements were seen in almost all of the individual operating units despite high competition, adverse weather conditions and less than anticipated government spend on infrastructure. The Group continues to strive to be one of the leading concrete products and aggregate suppliers in South Africa. We aim to achieve this by providing a professional service and a complete range of products to the building industry, establishing the Group as a preferred supplier to the sectors in which it operates.

FINANCIAL PERFORMANCE

The Group is pleased to report revenue increased by 16% (or R63.2 million) to R463 million (2013: R400 million) for the year ended 28 February 2014. The largest contributor to the increase in turnover was the ready mixed concrete division where turnover increased by 20% (or R39.1 million) to R231 million (2013: R192 million). The Group's aggregates division has remained a consistent contributor to the Group's turnover with a 10% or R19.5 million increase in revenue period-on-period (excluding inter-company sales). The precast division has shown a 44% or R4.7 million increase in revenue.

The Group's gross profit margins were maintained at around 20% even though the Group increased its market share significantly.

The Group's EBITDA improved by 30% to R53.5 million (2013: R41.2 million). During the year the Group disposed of unproductive assets resulting in proceeds of R9.6 million. In addition, the Group also improved some of its critical plant by spending R16.1 million on these assets. The Group reflects a total comprehensive profit of R13.4 million (2013: loss of R17.4 million) which included the gain on property revaluations of R29.5 million (net of deferred tax).

During the 2011 annual financial year the Muldersdrift quarry was impaired by R 32.8 million through the profit and loss statement. During the 2014 annual financial year, the quarry was revalued. As the previous revaluation resulted in an impairment that was recognised in profit and loss, the revaluation in the current year of R 26.4 million was credited to profit and loss to reverse the previous impairment.

Total liabilities decreased by R5.4 million to R391.9 million (2013: R397.6 million) and the Group settled R31 million in short-term borrowings.

The current year performance resulted in a headline loss per share of 6.07 cents (2013:6.15 cents) and a diluted earnings per share from continuing operations of 3.69 cents (2013: loss of 6.49 cents). The net asset value per share increased to 17.91 cents (2013: 13.00 cents).

SOLVENCY, LIQUIDITY AND GOING CONCERN

The Group incurred a headline loss for the 2014 financial period of R 16.6 million. This highlights a material uncertainty regarding the going concern issue which is emphasised further by the Group`s negative liquidity position and high gearing.

The Group is currently technically solvent with net asset value of R48.9 million. Current liabilities of R167.4 million exceed current assets of R87.8 million by R79.6 million. The Group's financiers have agreed to extend the repayment terms of long term borrowings and the Bank Overdraft was converted into a two year Term Loan in September 2013. Negotiations are underway to sell further properties in the portfolio to further reduce the long term loans. All debt outstanding in terms of the Creditors' scheme of arrangement was settled in March 2013. In response to this position the Group has been working closely in conjunction with its financiers in order to meet all its working capital requirements.

CASH FLOW

The Group's cash flow management remains a priority and is monitored and reviewed by management in order to ensure the Group's obligations are met when due.

PROSPECTS

The Group's strategy of focusing on tight cost control and the drive to increase market share further continues to drive the business's turnaround initiatives.

The ready mixed concrete division has continued to improve and has performed admirably, given market conditions, showing pleasing growth as the turnover increased by 20%. The industry continues to be competitive and margins have to be carefully monitored. An intensive sales drive is to be implemented to gain market share, increase volumes sold and improve on gross profit margins. New entrants in the cement industry could however further increase the competition in this sector.

The aggregates business improved external turnover by 10% year on year. The above inflation increase in energy costs has however been difficult to pass onto our customers and this has put further pressure on gross profit margins. The aggregates division's outlook remains positive though as more road and railway projects have materialised. Prospects in the Limpopo province especially have improved significantly due to the involvement of Treasury in the finances of the Provincial Government. Further government infrastructure spend on dams together with the improved business climate should ensure the divisions growth.

The Concrete Manufactured Products division benefited from the additional capital expansion resulting in new product lines. The increased product offering to the market resulted in a turnover increase of an admirable 44%. A greater demand for concrete pipes and culverts is also occurring as increased road building projects materialise in the Limpopo province.

The Group continues to operate in a difficult economic environment where the fuel price, competitive margins, labour unrest and less than anticipated government spend are constant industry concerns. The Group is highly geared and a medium term strategy is in place to reduce debt levels to increase profit levels. Together with strategic initiatives, focus on cost reduction, increased sales, investing in employees and improved industry conditions, the Group is confident that it can continue to offer the highest levels of customer satisfaction and grow within the market. With over 100 years experience in the industry the Group has the necessary experience and is well positioned geographically to capitalise on the expected upturn in the construction industry.

SUSTAINABILITY

The Group values the importance of sustainable development and the board and executive leadership remain committed to ensure that our activities take into account the economic, social and environmental impacts on the communities in which the Group operates. We continue to evaluate our activities against best practices, implement corrective action where necessary and make meaningful progress in benefitting the communities in which we operate. Managing the economic, social and environmental impacts of our operations is essential to our long term success.

The Group continues its emphasis on safe work environments but failed to meet the key safety objective of zero fatalities during the period under review. Regrettably, we recorded a fatal accident during the year when Pheneas Ndoda Mkhontfo lost his life at our Polokwane operation. We extend our sincere condolences to the families and friends of the deceased.

GOVERNANCE

This annual report outlines how the Group is progressing with its journey to apply the principles set out in the King III Report. The Group's directors endorse the code of corporate practices and conduct set out in the King III report on corporate governance. The Group complies with the Companies Act no. 71 of 2008, the Listing Requirements of the JSE Limited and other relevant legislation.

DIVIDEND POLICY

In line with Group Policy, the Board has resolved that no dividend has been declared.

APPRECIATION

We extend our gratitude to the Board and the Executive Team for their leadership and counsel and to the employees who have continued to show loyalty and commitment.

A special thanks to all stakeholders including our bankers, creditors, advisers and customers for your ongoing support.

SJ Wearne

M Patel

HUMAN CAPITAL

HIGHLIGHTS

- No Industrial Action

Zero retrenchments despite selling of the Premix division

- Full compliance with Social and Labour plans for Gauteng and Free State Regions

2% Job Creation increase.

No incidents of discrimination reported

2015 Objectives

Zero retrenchments

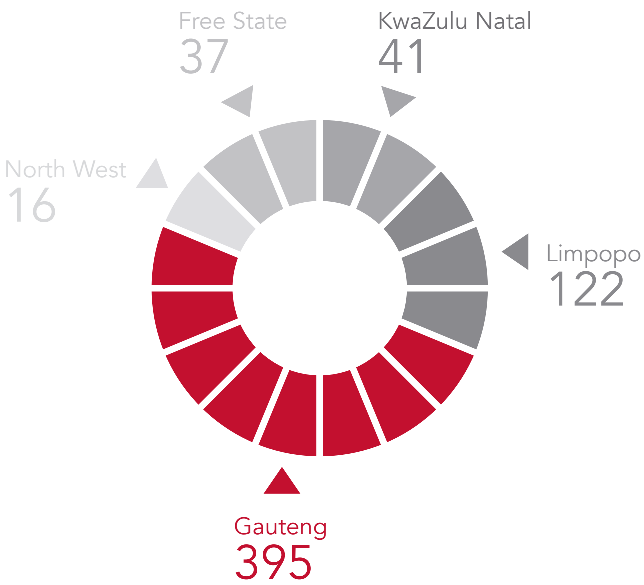
- A 2 year wage agreement to be concluded by June 2015
- Successful completion of learnership programmes
- Approval and Implementation of Social and Labour Plans for Limpopo region and Pietermaritzburg

While the Group is highly regarded for our service quality and vast experience in the opencast mining and ready mixed concrete field, we are equally recognised as a Group that takes care of its employees and provides an excellent work environment coupled with opportunities for development. We are committed to providing a workplace based on professionalism, passion, respect, integrity and non-discrimination. We ensure compliance with all labour legislation.

TOTAL WORKFORCE PER REGION

We attract and retain employees by focusing on the development of employees, communicating openly and sharing information, caring for employees and recognising achievements and celebrating success.

Total = 611



	2014	2013
Resignations	6.6%	7.5%
Dismissals	2.1%	5.6%

EMPLOYMENT EQUITY

- 78% of workforce HDSA (Historically Disadvantaged South Africans)
- 14.4% Female
- Top Management Employment Equity (EE) Target Exceeded

Recruitment and developments plans are focused on meeting the Group`s Employment Equity target as set out in the 3 year employment equity plan. The plan address the following long and short term measures: Affirmative action measures, skills development programmes, learnership programmes as well as diversity training.

Group Employee Profile as at 28 February 2014

Occupational	Male					Female					Total
Level	African	Coloured	Indian	White	FN	African	Coloured	Indian	White	FN	
Top Management	1			5				1			7
Senior Management	1		1	9					2		13
Middle Management	3		2	15		2			4		26
Skilled/Juniour Management	58	1	2	56	1	6	4	2	28	1	159
Semi-skilled	269	1		9	2	14	1		10	1	306
Unskilled	86			1		13					100
Total	**418**	**2**	**5**	**99**	**3**	**34**	**5**	**3**	**44**	**1**	**611**

SKILLS DEVELOPMENT AND TRAINING

We consider our employees as part of a team that values individual strengths and believes that each employee contributes to the success of the organisation; we do our best to demonstrate this.

The overall Human Resources Development approach in the Group provides a broad scope for growth opportunities allowing employees to access career developments across all operations.

	2014	2013
Training Spend	Increased by 57%	Increased by 53%
ABET (percent of employees)	11.47%	10.4%
Learnership (percent of employees)	2.1%*	2.9%

**decrease in learnerships due to 1 resignation*

The Group offers ABET Training to all employees in order to equip them to meet the entry requirements of the Learnership Programme.

In an effort to increase the artisan pool to meet the Group's technical requirements, emphasis is placed on the recruitment and development of learners through registered learnership programmes. This process applies to both employed and unemployed learners. The placement of learners to gain practical experience is managed according to the size of the operation in order to give learners as much experience as possible to develop their skills.

The Skills Development and Training Plan is geared to ensure that all employees have the necessary skills and competencies to meet required performance standards and to address training and development needs that will enhance present job competence and prepare employees for career growth and portable skills.

We place emphasis on technical skills training to assist in overcoming scarce-skills shortages in our business environment as well as ensuring our overall equipment effectiveness (OEE) targets are achieved. In addition to the Group's technical focus, the Group will continue to develop management and supervisory competencies and to support individual development priorities.

STAKEHOLDER COMMUNICATION

The Group supports the rights of employees regarding union representation. We believe in a proactive approach in terms of stakeholder engagement. 59% of our workforce are represented by unions with the majority union being SATAWU (South African Transport and Allied Workers Union).

We will continue transparent stakeholder engagement with concerned parties to ensure a harmonious work environment.

BROAD BASED BLACK ECONOMIC EMPOWERMENT

The Group is presently rated as a level 3 contributor in terms of the generic codes of the Department of Trade and Industry. The verification was performed by SEFV and is valid from 6 November 2013 to 5 November 2014.

	2014	2013
Ownership	22.24	22.35
Management	8.55	2.84
Employment Equity	3.91	4.33
Skills Development	11.00	8.97
Preferential Procurement	18.04	18.15
Enterprise Development	10.32	11.54
Socio-Economic Development	5	5
Total Score	**79.06**	**73.18**
BBE Level	**3**	**4**

SOCIAL CAPITAL AND THE COMMUNITY

The Group acknowledges its responsibility towards the communities' in which it operates as well as broader development projects.

St Mungo's Diepsloot Community Action which provides ABET and artisan training to the Diepsloot community as well as Mavumbha Combined Primary School were assisted with a donation during the financial year.

We are committed to the development and upliftment of local stakeholders whereby we engage in Local Economic Development Projects and offer community bursaries. During the financial year under review we awarded 2 bursaries to students who successfully completed their matric year at a secondary education level and are furthering their studies at the University of Witwatersrand at a tertiary level.

HEALTH AND SAFETY

HIGHLIGHTS

60% of operations reported zero lost time injuries

- Favourable external audits conducted by ASPASA and SARMA
- No new cases of Silicosis or Noise Induced Hearing Loss reported
- Recruitment of 3 Safety Officers

LOWLIGHTS

- 1 Fatality at Polokwane in February 2014
- 23 Lost time injuries

2015 OBJECTIVES

Zero Fatalities

Encourage a more proactive approach to **Safety** and **Health**

Reduction of Lost Time Injuries

Continuous improvement of Safety System

One of the Group's main focus is to ensure a safe and healthy workplace for all employees. The purpose of the health and safety system is to define how the Group will manage risks, identify and mitigate risks, implement a process to identify and correct non-conformances and continually improve processes.

Furthermore the health and safety system is continuously reviewed to ensure compliance with the relevant legislation namely, the Occupational Health and Safety Act and Mine Health and Safety Act as well as other relevant legislation and guidelines provided by the Department of Mineral and Resources.

The Group ensures that all employees are equipped with the relevant training to enhance and emphasise a safe and healthy workplace for all stakeholders. The following training was conducted during the year: Safety induction, HIV/AIDS Training and Environmental Induction for all employees, First Aid, Fire Fighting, Risk Assessment, Incident Investigation, Safety Representative, Mine Health and Safety Act, Advanced Occupational Health and Safety Act and Operator training.

All employees excluding head office staff, go through entry, annual and exit medicals which are conducted by a registered Occupational Nurse and Medical Practitioner in order to detect occupational illness and/or diseases.

Monthly Occupational Hygiene surveys are carried out on all quarries by a registered Occupational Hygienist as per the requirements of the Mine, Health and Safety Act.

All accidents and incidents (which include damage to property, near misses, first aid and medical cases as well as environmental incidents) are reported on the daily incident/accident report. A competent investigation team conducts a full formal investigation to identify the root cause of incidents or accidents which is then addressed to ensure non-recurrence.

We are active members of the Aggregates and Sand Producers Association of South Africa (ASPASA) and the South African Ready Mix Association (SARMA) who annually conduct audits at our operations.

STATS FOR FINANCIAL YEAR

- Number of Lost time injuries: 23
- Disabling Injury Frequency Rate: 2.54
- Fatalities: 1

CONDOLENCES

We extend our heartfelt and sincere condolences to the family, friends and colleagues of Pheneas Mkhontfo who sadly lost his life due to a work related accident at our Polokwane Quarry.

ENVIRONMENTAL RESPONSIBILITY

The Group`s Environmental Policy recognises concern for the environment as fundamental to operations. The Group`s formal policy not only requires legislative compliance but extends to best practice. Period audits of our environmental policies against international standards and guidelines are undertaken to meet the Group policy requirements. All Stakeholders are obliged to identify environmental risks and take preventive action to minimise the potential and actual environmental impact of the Group's activities, products and services. All operations have an alien vegetation removal programme in which unwanted vegetation is removed in accordance with government legislation.

All operations are engaged in the recycling of waste and bi-products from our production process. Water recycling has been introduced at a number of the Group`s quarries and ready mix concrete operations. Where water is present on our operations we endeavour to maintain these areas free from pollution.

About Face Environmental Audits are conducted at all quarries by ASPASA, furthermore, an external party measures all quarries against the Environmental Management Plan (EMP) on a bi-annual basis.

SOCIAL CAPITAL

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

John Wearne (44)
Chief Executive Officer
B Rek (Stell), Hons B Compt

John joined Wearne as Financial Manager in 1998, was appointed as Financial Director in 2000 and then as CEO in 2003. He resigned as CEO in November 2010 and was re-appointed with effect from 29 February 2012.

Michael Ross (29)
Chief Financial Officer
B Comm (Wits), B Compt Hons (UNISA), CA (SA)

Michael completed his articles with RSM Betty and Dickson in 2010 and joined the Group's finance team in 2011. After performing roles of the Group Accountant and Financial Manager he was appointed as Chief Financial Officer effective 7 March 2014.

NON-EXECUTIVE DIRECTORS

Mitesh Patel (40)
Chairman
B Acc (Wits), CA (SA), (Independant)

Mitesh is currently the Managing Partner at Nkonki Inc, one of the leading black firms of chartered accountants, and also serves on the boards of various other listed companies.

Matsobane Khwinana (49)
B Comm Hons (Unisa)

Matsobane served articles at Deloitte and Touche in Johannesburg. As part of his career development, Matsobane has attended various courses in Private Equity and Venture Capital. He currently works for Industrial Development Corporation of South Africa Limited (IDC) in the Workout and Restructuring Department where he is responsible for managing a portfolio of IDC clients that are in distress.

Wessel van der Merwe (44)
B Comm (UJ), B Comm Hons, CA (SA), (Independant)

Wessel has been involved with Wearne since its initial listing and brings a wealth of experience and knowledge to the Board. He has served as a member of the AltX Advisory Committee since 2007 and previously headed a corporate advisory business for more than 14 years. His directorships include Alert Steel Ltd, Imbalie Beauty Limited and Taste Holdings Ltd.

CORPORATE GOVERNANCE REPORT

CORPORATE PRACTICE AND CONDUCT

We affirm our commitment to the principles of openness, integrity and accountability and to providing timeous, relevant and meaningful reporting to all stakeholders as set out in the King Report on Governance for South Africa, 2009 ("King III").

The information below is based on the current governance practices and processes.

STATEMENT OF COMPLIANCE

JSE Limited
The Group is subject to, and remains compliant with, the Listings Requirements of the JSE Limited.

King Report on Governance for South Africa, 2009
The Wearne Group remains committed to compliance with the regulatory requirements of sound corporate governance principles. The Group endorses the application of the principles recommended in the King III Report, and has been effectively implementing and reporting on a spectrum of governance principles, underpinned by the values of responsibility, accountability, fairness and transparency.

The provisions of King III became effective on 1 March 2010. The Group is committed to applying these principles to all its subsidiaries as appropriate. We continue to improve our well-established corporate governance processes and remain abreast of the latest industry developments. A number of these principles are reflected in the Group's internal controls and policy procedures. The Board is satisfied that every effort has been made to comply in all material aspects with King III. Where we do not comply, this is stated and explained. While the Board is satisfied with its level of compliance with applicable governance and regulatory requirements, it recognises that its practices can always be improved, and accordingly the Board has and will continuously review the Group's governance framework against governance best practices. The following matrix was compiled to indicate the level of compliance based on the 27 main principles per Chapter 2 of King III. Refer to our website for a detailed matrix that considers all 75 principles of King III at www.wearne.co.za.

BOARD AND DIRECTORS

King III compliance		Applied (A)/ Explained (E)	Details/explanation as per the relevant sections of the Annual Report noted below
2.1	The board should act as the focal point for and custodian of corporate governance	A	Corporate governance report: Board of directors
2.2	The board should appreciate that strategy, risk, performance and sustainability are inseparable	A	Corporate governance report: Board of directors
2.3	The board should provide effective leadership based on an ethical foundation	A	Corporate governance report: Board of directors
2.4	The board should ensure that the Group is and is seen to be a responsible corporate citizen	A	Human capital and environment responsibility
2.5	The board should ensure that the Group's ethics are managed effectively	A	Corporate governance report: Board committees
2.6	The board should ensure that the Group has an effective and independent audit committee	E	Corporate governance report: Board committees and Audit Commitee report
2.7	The board should be responsible for the governance of risk	A	Corporate governance report: Board committees
2.8	The board should be responsible for information technology (IT)	A	Corporate governance report: Board committees
2.9	The board should ensure that the Group complies with applicable laws and considers adherence to non-binding rules, codes and standards	A	Corporate governance report: Board committees

King III compliance		Applied (A)/ Explained (E)	Details/explanation as per the relevant sections of the Annual Report noted below
2.10	The board should ensure that there is an effective risk-based internal audit	E	Due to the financial constraints of the Group, the Board has delegated the responsibility for ensuring that a system of internal controls are implemented and assessed regularly by management. The Group Finance department regularly reviews the internal controls at the various operations. The Audit Committee and Risk Committees also play an important role in monitoring the credibility of internal controls and risk management processes
2.11	The board should appreciate that stakeholders' perceptions affect the Group`s reputation	A	Corporate governance report: Relationship with Stakeholders
2.12	The board should ensure the integrity of the Group's Annual report	A	Corporate governance report: Board committees
2.13	The board should report on the effectiveness of the Group`s system of internal controls	A	Directors` report in the annual financial statements
2.14	The board and its directors should act in the best interests of the Group	A	Corporate governance report: Board of directors
2.15	The board should consider business rescue proceedings or other turnaround mechanisms as soon as the Group is financially distressed as defined in the Act	N/A	
2.16	The board should elect a chairman of the board who is an independent non-executive director. The CEO of the Group should not also fulfill the role of chairman of the board	E	Corporate governance report: Board of directors
2.17	The board should appoint the chief executive officer and establish a framework for the delegation of authority	E	Corporate governance report: Board of directors
2.18	The board should comprise a balance of power, with a majority of non-executive directors. The majority of non-executive directors should be independent	A	Corporate governance report: Board of directors
2.19	Directors should be appointed through a formal process	A	Corporate governance report: Board of directors
2.20	The induction of, and ongoing training and development of directors should be conducted through formal processes	A	Corporate governance report: Board of directors
2.21	The board should be assisted by a competent, suitably qualified and experienced company secretary	A	Corporate governance report: Company secretary
2.22	The evaluation of the board, its committees and the individual directors should be performed every year	E	Corporate governance report: Monitoring of performance
2.23	The board should delegate certain functions to well-structured committees but without abdicating its own responsibilities	A	Corporate governance report: Board committees
2.24	A governance framework should be agreed between the Group and its subsidiary boards	N/A	Corporate governance report: Board of directors
2.25	Companies should remunerate directors and executives fairly and responsibly	A	Corporate governance report: Board committees
2.26	Companies should disclose the remuneration of each individual director and persons falling within the definition of prescribed officers of the Group	A	Annual financial statements: Note: 32
2.27	Shareholders should approve the Group`s remuneration policy	A	Corporate governance report: Board committees

BOARD OF DIRECTORS

The Group has a unitary board structure comprising of non-executive and executive directors. The majority of non-executive directors are independent. As such, there exists a clear division of responsibilities at Board level to ensure a balance of power and authority, and no one individual has unfettered powers of decision making.

The Board is responsible for directing and controlling strategy and activities and for providing leadership and guidance to executive management in terms of an approved charter which delegates authority to the chief executive officer. The Board has a formal charter which, amongst other things, sets out its role and responsibilities in areas such as ethical leadership, strategy, financial management, risk management, compliance, sustainability and governance in general. The charter addresses the specific duties of individual directors both in terms of the common law as well as the provisions of the Companies Act of 2008, one of which includes the duty to act in the best interest of the Group at all times. Important elements of good governance that are also covered in the charter include the role of the chairman and the chief executive officer, the focus on stakeholder relationships, the implementation of a proper delegation of authority and the composition and evaluation of the Board and its various committees. The Board is satisfied that, for the year under review, it has complied with the terms of its charter.

At 28 February 2014, the Board comprised two executive directors (Mr Wearne and Mr Ross) and two independent non-executive directors (Messrs Patel and van der Merwe) and one non-execututire director (Mr Khwinana). Mr Bierman, resigned as chief financial officer ("CFO") 31 December 2013 and Mr Ross was appointed interim CFO. On 7 March 2014 Mr Ross was formally appointed to the Board as Group CFO. Mr G M Salanje resigned as a director on 7 March 2014.

All changes to the composition of the Board of Directors are reflected in the Directors' Report that forms part of the annual financial statements.

The independent non-executive directors contribute an objective and independent viewpoint on all major decision processes and standards of conduct. The Group provides a formal induction process for newly appointed directors. The offices of chairman and chief executive officer ("CEO") are separated. The Remuneration and Nomination Committee assesses the performance of the chairman, CEO and CFO.

The Board meets quarterly when practically possible, with additional meetings when necessary, and although specific authority has been delegated to Board committees and management as appropriate, the Board retains full and effective control over the Group and monitors management's implementation of the Board's approved plans and strategy. The following Board meetings were held during the period under review:

Summary attendance table of Board meetings during the financial year ended 28 February 2014

Member	27/05/2013	06/08/2013	05/11/2013	* 07/03/2014
SJ Wearne	P	P	P	P
W Van der Merwe	P	P	P	P
MM Patel	P	P	P	P
GM Salanje	P	A	P	A
M Khwinana	P	P	P	P
JJ Bierman	P	P	P	N/A
M Ross	N/A	N/A	N/A	P

Key:
P - Present
A - Apology
N/A - Not applicable
** - Meeting postponed due to unforeseen circumstances*

All directors have access to the services and advice of the Company Secretary and are entitled to seek independent professional advice at the Group's expense. The Board has unrestricted access to all information, documents and property. All directors are provided with appropriate and timely information, including detailed Board packs prior to all Board and Board committee meetings. The performance of the Board and its committees is evaluated on an annual basis.

In terms of the memorandum of incorporation one third of directors retire every year, but if eligible they may be re-elected by shareholders at the annual general meeting. At the last annual general meeting (October 2013), Messrs Salanje and Khwinana were re-elected as directors to the Board. It is proposed that Messrs Patel and van der Merwe retire by rotation at the forthcoming annual general meeting. The Board, with the assistance of the Remuneration and Nominations Committee, has assessed the independence of all independent non-executive directors with a particular focus on any directors who have served for more than 9 years. The Board has satisfied itself that all independent non-executive directors, notwithstanding their term of office, have displayed the required level of independence. The Board furthermore recommends the re-election of directors retiring by rotation and confirms that it is satisfied with the performance, contribution and objectivity of the directors standing for re-election

In compliance with the JSE Listings Requirements, a representative of Exchange Sponsors (2008) Proprietary Limited, the Group's Designated Adviser, attends all Board and Audit Committee meetings.

Company Secretary
iThemba Governance and Statutory Solutions Proprietary Limited ("iThemba"), represented by Ms Elise Beukes (B.Proc), is the Company Secretary. Ms Beukes has broad experience in various aspects of commercial law, having spent three years in both litigation and commercial practice as an admitted attorney and four years as corporate legal counsel. During the year under review, the Board is satisfied with the competence, qualifications and experience of the Ms Beukes and that iThemba and Ms Beukes maintained an arms-length relationship with the Board of Directors.

Contact details of the secretary are disclosed on page 111.

Remuneration
Details of Directors' fees and remuneration are fully disclosed in note 32 to the annual financial statements. In addition, the proposed fees to be paid to non-executive directors for approval by shareholders by way of a special resolution are set out in the notice of the annual general meeting forming part of this report. Non - executive directors only receive remuneration that is due to them as members of the Board. Directors serving as members on Board sub-Committees receive additional remuneration. Remuneration of executive directors in their capacities as executive members of the management team, as approved by the Remuneration and Nominations Committee is fully disclosed in note 32 to the financial statements.

Monitoring of performance

The chairman is appointed on an annual basis by the Board, with the assistance of the Remuneration and Nominations Committee. The Remuneration and Nominations Committee assesses the independence of non-executive directors annually.

In 2014 a detailed self-assessment of the performance of the Board and its Committees was conducted in line with the latest recommendations by King III and the results thereof were considered in order to identify areas for improvement. The assessments found the structures and processes governing the Board and its Committees were well established and functioning satisfactorily. It also found that the Board had fulfilled its role and responsibilities and had discharged its responsibility to the Group, shareholders and other stakeholders in an exemplary manner.

BOARD COMMITTEES

The Board has established a number of standing Committees with delegated authority from the Board. Each Committee has agreed terms of reference as approved by the Board that addresses issues such as composition, duties, responsibilities and scope of authority.

Although the Board delegates certain functions to these Committees, it retains ultimate responsibility for their activities. The majority of Committee members are independent non-executive directors and the CEO and CFO are invitees to each Committee meeting. Each Board Committee is chaired by a non-executive director.

Committees operate in accordance with Board approved terms of reference, as well as annual work plans, which are reviewed and updated on a regular basis to align them further with best practice. The Board appoints the chairmen and the members of these Committees. In addition, the Committees are required to evaluate their effectiveness and performance on an annual basis and to report the respective findings to the Board for consideration. The Board has an Audit, Risk, Remuneration and Nomination Committee as well as a Social and Ethics Committee. All these Committees operate under Board approved terms of reference.

Executive Committee ("EXCO")

The EXCO comprises the Group's executive directors, together with managers of the respective business units. It is responsible for the daily running of the Group and regularly reviews current operations in detail, and develops strategy and policy proposals for submission to the Board.

The CEO liaises on a regular basis with the CFO and other Directors, with regard to matters concerning the daily running of the Group to be raised at EXCO meetings.

Audit Committee

The Committee consisted of three non-executive directors throughout the financial year and membership and attendance at meetings is set out on page 33. Following the resignation of Mr M Salanje as non-executive director and Audit Committee chairman on 10 March 2014, Mr M Patel, chairman of the Board, was appointed an interim member of the Audit Committee, on recommendation of the Nominations Committee, which the Committee believes that the benefits of his extensive financial experience and knowledge outweigh any other consideration. Mr WP van der Merwe was appointed acting chairman of the Audit Committee effective from 10 March 2014. At the time of publishing the annual report, the composition of the Audit Committee was as follows:

- **Mr W van der Merwe (acting chairman)**
- **Mr M Khwinana**
- **Mr MM Patel**

The relevant resolution for the appointment of the Audit Committee as required by the Act is set out in the notice of the AGM as contained in this report. The Board is satisfied that the members as proposed for approval by shareholders meet the definition of non-executive directors, as defined in the Act.

The Audit Committee has updated, formal Board approved terms of reference. The Board is satisfied that the Committee has complied with these terms and with its legal and regulatory responsibilities as set out in the Act, King III and the JSE Listings Requirements. The terms of reference for the Audit Committee intend to ensure compliance with both governance recommendations and statutory requirements.

The Board believes that the members collectively possess the knowledge and experience to exercise oversight of the Group's financial management, internal and external auditors, the quality of the Group's financial controls, the preparation and evaluation of the Group's financial statements and financial reporting. The Board has established and maintains internal controls and procedures, which are reviewed on a regular basis. These are designed to manage the risk of business failures and to provide reasonable assurance against such failures but this is not a guarantee that such risks are eliminated.

It is the duty of this Committee, among other things, to monitor and review:

- Audit findings, audit reports and the appointment of external auditors, their independence, objectivity and effectiveness, and the supply of non-audit services by them;
- Reports of external auditors;
- Evaluation of the performance of the CFO;
- The adequacy and effectiveness of the Group's enterprise-wide risk management policies, processes and mitigating strategies;
- The governance of information technology (IT) and the effectiveness of the Group's information systems;
- Quarterly and annual financial and operational reports, the annual financial statements and all other widely distributed documents;
- Accounting policies of the Group;
- Compliance with applicable legislation, requirements of appropriate regulatory authorities;
- The integrity of the Annual report (by ensuring that its content is reliable and recommending it to the Board for approval); and
- undertaking the prescribed functions (in terms of section 94(7) of the Companies Act 71 of 2008 (Act 71 of 2008)) on behalf of the Group.

The Committee is responsible for facilitating the relationship with the external auditors and for monitoring the non-audit services provided by the external auditors. The external auditors have direct access to the chairman of the Committee and attend all meetings of the Committee ensuring that auditors are able to maintain their independence. The Committee is responsible for recommending the appointment of a firm of external auditors to the Board who in turn will recommend the appointment to the shareholders. The Audit Committee is satisfied that the audit partner observed the highest level of business and professional ethics and independence. Rotation of the engagement partner responsible for the external audit happens every five years. The Audit Committee also considered and satisfied itself that the Group's external auditors as registered on the JSE register of auditors as contemplated in paragraph 3.86 of the JSE Listing Requirements. Pre-approved non-audit related services do not exceed 10% of the total Group audit fee agreed by the Audit Committee for the financial year in question.

The chairman of the Audit Committee is present at the AGM of the shareholders, to answer questions on the Audit Committee's activities and matters within the scope of the Audit Committee's responsibilities. The external auditors also attend the AGM of shareholders. The Committee is also responsible for determining that the designated appointee has the necessary experience, qualifications and skills and that the audit fee is adequate.

The Committee has, in addition to its other duties, also satisfied itself as to the appropriateness of the experience and expertise of the Financial Director as required in terms of the JSE Listings Requirements.

The Board is satisfied that the Committee has been equipped to properly fulfil its duties going forward.

The Statutory Report of the Committee as required by the Act can be found on page 47 of the annual report.

Summary attendance table of members at the Audit Committee meetings during the financial year

Member	22/05/2013	06/08/2013	29/10/2013	*07/03/2014
W P Van Der Merwe	P	P	P	P
GM Salanje	P	A	P	A
M Khwinana	P	P	A	P

Key:
P --------- Present
A --------- Apology
N/A ------ Not applicable

** ----- Meeting postponed due to unforeseen circumstances*

Risk Committee
The main purpose of the Risk Committee is to assist the Board in ensuring that management has implemented an effective risk management process that identifies and monitors the management process that identifies and monitors the management of the key risks facing the Group in an integrated and timely manner.

Mr M Salanje resigned as a non-executive director and member of the Risk Committee on 10 March 2014.

The composition of the Risk Committee for the period under review was as follows:

- **Mr GM Salanje (chairman)**
- **Mr WP van der Merwe**
- **Mr SJ Wearne**

Member	06/08/2013	*03/03/2014
GM Salanje	A	A
SJ Wearne	P	P
W Van der Merwe	P	P

Key:
P --------- Present
A --------- Apology
N/A ------ Not applicable
** ----- Meeting postponed due to unforeseen circumstances*

Risk Management
The Board has overall responsibility to provide leadership, direction and oversight over the design, development and operation of risk management structures, processes and activities. The Board also determines the level of risk it is willing to manage in the pursuit of growth and in maximising opportunities. The Audit and Risk Committees assists the Board in the execution of its fiduciary duties regarding risk management, the scope of which includes:

- Risk management policy and framework;
- Risk management implementation plan and progress against it;
- Risk management infrastructure, processes and culture;
- Risk profiling, mitigation and reporting;
- Combined assurance activities;
- Stakeholder disclosures; and
- Risk management effectiveness.

Executive management is responsible for designing, implementing and monitoring the system and process of risk management and its integration into the day-to-day activities of the Group. Management is also accountable to the Board for providing assurance that it has fulfilled its mandate and the manner in which this has been done. Executive management considers business risks when setting strategic objectives, approving budgets, contracting balanced scorecards and monitoring progress against balanced scorecards and budgets.

A corporate risk management function is responsible to assist with the identification, assessing, mitigation and reporting of material risks. An independent whistle-blowing facility is also in place providing employees with a confidential, yet effective means to voice any concerns.

The Risk Management Report on page 40 hereof contains the detail of the key strategic risks facing the Group.

Social and Ethics Committee
The Group has a Social and Ethics Committee, in compliance with the statutory requirements as contained in the Companies Act of 2008 and the Companies Regulations 2011. This is a formal committee of the Board which has specific powers delegated to it by the Board, as set out in the Social and Ethics Committee Report on pages 38 to 39 of the annual report.

At the time of publishing the annual report, the composition of the Social and Ethics Committee was as follows:

- **Mr WP van der Merwe (chairman)**
- **Mr M Ross**
- **Mr SJ Wearne**

Summary attendance table of members at the Social and Ethics Committee meetings for the period under review:

Member	29/10/2013	*03/03/2014
SJ Wearne	P	P
JJ Bierman	P	N/A
W Van der Merwe	P	P
M Ross	N/A	P

Key:
P --------- Present
A --------- Apology
N/A ------ Not applicable
** ----- Meeting postponed due to unforeseen circumstances*

Remuneration and Nominations Committee
The functions of the Remuneration and Nominations Committee are more fully set out in the Remuneration Report, but primarily the Committee is responsible for:

- formulating a fair remuneration strategy, remuneration philosophy for approval by shareholders and remuneration policies, as well as the terms and conditions of employment of executive directors and senior executives; and
- making recommendations to the Board on the appointment of new executive and non-executive

directors, including recommendations on the composition of the Board generally and the balance between executive and non-executive directors.

Details of directors' fees and remuneration are fully disclosed in the financial statements. In addition, the proposed fees to be paid to non-executive directors for approval by shareholders by way of a special resolution are set out in the notice of the AGM. Non-executive directors only receive remuneration that is due to them as members of the Board. Directors serving as members on Board committees receive additional remuneration. Remuneration of executive directors in their capacities as executive members of the management team as approved by the Remuneration and Nominations Committee is fully disclosed in the consolidated financial statements.

The nomination process itself is formal and transparent and a matter of consideration for the Board as a whole. The Committee is also responsible for identifying and nominating candidates to fill Board vacancies and to put succession plans in place.

The following persons were members of the Remuneration and Nominations Committee as at the date of this report:

- **Mr MM Patel**
- **Mr WP van der Merwe**
- **Mr M Khwinana**

Meetings of the Remuneration and Nominations Committee took place on the following dates:

Member	29/10/2013	*3/03/2014
MM Patel	P	P
W P Van Der Merwe	P	P
GM Salanje	P	A
M Khwinana	A	A

Key:
P --------- Present
A --------- Apology
N/A ------ Not applicable
** ----- Meeting postponed due to unforeseen circumstances*

CERTIFICATION BY COMPANY SECRETARY

In terms of Section 88(2) (e) of the Companies Act 71 of 2008, as amended, I certify that, to the best of my knowledge and belief, the Group has, in respect of the financial year reported upon, lodged with the Companies and Intellectual Property Commission all returns required of a public Group in terms of the Act and that all such returns are true, correct and up to date.

E Beukes

iThemba Governance and Statutory Solutions Proprietary Limited

30 May 2014

SHARE DEALINGS

The Board has an approved Trading in Shares Policy in terms of which dealing in the Group's shares by directors and employees is prohibited during closed periods.

Directors may also not deal in the Group's shares without first advising and obtaining clearance from the chairman of the Board. In the absence of the chairman, clearance must be obtained from any two directors, one of whom must be an independent non-executive director. No director or executive may trade in the Group`s shares during closed periods as defined in the JSE Listings Requirements. The directors of the Group advise the company secretary of all their dealings in securities for publication purposes.

Directors and employees are subject to an embargo on trading in shares during closed periods when the Group is operating under a cautionary announcement and in the period between the close of annual and half-yearly reporting periods and the publishing of results.

RELATIONSHIP WITH STAKEHOLDERS

The Board is very much aware of the importance of constructive and positive relationships with all stakeholders of the Group.

The Group adopts a proactive stance in timely dissemination of appropriate information to stakeholders through print and electronic news releases and the statutory publication of the Group's financial performance.

The Board encourages shareholders to attend its annual general meeting, notice of which is contained in this annual report, where shareholders will have the opportunity to put questions to the Board, including the chairman of the board Committees.

REMUNERATION PHILOSOPHY

Details of Directors' fees and remuneration are fully disclosed in note 32 to the financial statements. In addition, the proposed fees to be paid to Non-Executive Directors for approval by shareholders by way of a special resolution are set out in the notice of the AGM forming part of this report. Non-Executive Directors only receive remuneration that is due to them as members of the Board. Directors serving as members on Board sub-Committees receive additional remuneration. Remuneration of Executive Directors in their capacities as executive members of the management team as approved by the Remuneration and Nominations Committee is fully disclosed in note 32 to the financial statements. Executive directors do not receive Board fees in addition to their remuneration packages.

Our Remuneration and Nominations Committee meets half-yearly and its mandate includes:

- ensuring alignment of the remuneration strategy and policy with the Group's business strategy, desired culture, shareholders' interests and commercial well-being;
- determining remuneration packages needed to attract, retain and motivate high performing executives without paying more than is necessary for this purpose;
- ensuring that remuneration levels relative to other comparable companies are pitched at the desired level taking relative performance into account;
- ensuring adequacy of retirement and healthcare funding for senior executives;
- communicating remuneration policies and strategic goals and objectives to all stakeholders; and
- identifying candidates and making recommendations for the appointment of directors.
- The Remuneration and Nominations Committee reviews its terms of reference annually. In discharging its responsibilities the committee consults with the company secretary and draws extensively on external surveys, independent outside advice and information.

REMUNERATION PHILOSOPHY, STRATEGY AND POLICY

Using a consultative process our remuneration policy and approach, retention policy and incentive schemes were aligned with our business objectives. Our primary remuneration philosophy is to employ and retain high-calibre, high-performing individuals who subscribe to our shared values and the culture of our Group. Our key aim is to motivate our employees and align their behaviour with our business objectives and our shared values.

RETENTION POLICY

Our retention policy provides mechanisms that allow us to identify the type of potential employees we need to attract in terms of the skills we require and the type of employees we need to retain. The policy assists us in proactively identifying retention risks at supervisory level and above and ensuring that critical resources are remunerated at market levels.

SOCIAL AND ETHICS COMMITTEE REPORT

The Group`s Social and Ethics Committee was established in 2012 in accordance with the requirements of the Companies Act No. 71, 2008 (the Act), Section 72 (4) and Regulation 43 (2). The Social and Ethics Committee of a Group is entitled to the rights set out in Section 72(8) of the Act and carries the responsibilities described in the Companies Act Regulations.

A distinction is made for purposes of the terms of reference of the Committee between those functions where the Committee has a direct line of sight and those which have been allocated to other committees of the Board and where the Committee will only fulfil an oversight role. As required in terms of the Act, the Committee shall monitor the activities of the Group and relevant subsidiaries, having regard to any relevant legislation, other legal requirements or prevailing codes of best practice, in the areas as prescribed by law.

The Committee is chaired by Mr Wessel van der Merwe, an independent non-executive director, and as at the date of this report, consists of two additional executive directors. A summary of its membership, the meetings held during the year under review as well as attendance at these meetings is reported in the Corporate Governance report on pages 28 to 29 of the annual report. The Committee has an independent role and is governed by formal terms of reference which are reviewed annually by the Board. The Committee assists the Board in monitoring the Group's activities in terms of legislation, regulation and codes of best practice relating to:

- ethics;
- stakeholder engagement, including employees, customers, communities and the environment;
- strategic empowerment and compliance with the transformation codes;

and is responsible for:

- monitoring the Group's activities relating to social and economic development, good corporate citizenship, the environment, and health and public safety;
- ensuring appropriate short- and long- term targets are set by management monitoring progress on strategic empowerment and performance against targets;
- monitoring changes in the application and interpretation of empowerment charters and codes; and
- monitoring functions required in terms of the Companies Act and its regulations.

The Committee also assists the Board in implementing and monitoring the Broad-Based Black Economic Empowerment and Employment Equity programmes and policies, directing affirmative procurement initiatives, monitoring the skills development policy and the development of Enterprise Development and Socio Economic Development programmes. The members of the Committee believe that the Group is substantively addressing the issues it is required to monitor in terms of the Companies Act.

ETHICS AND HUMAN RIGHTS

The Group believes in ethical business conduct and have a zero tolerance approach to corrupt employees, including contractors and consultants and are required to apply the highest ethical standards when conducting business on behalf of the Group. Both a Code of Ethics and a whistle blowing facility are in place to facilitate the management and monitoring of ethics. Members of the workforce and suppliers are encouraged to report any suspicions they may have of irregularities. Anyone using the whistle blowing facility is guaranteed anonymity. Reported cases on the whistle blowing facility are investigated and corrective action is taken if it is required. During the past financial year, zero cases have been reported. These cases are reported on to the Audit and Risk Committee and the Social and Ethics Committee.

CODE OF ETHICS

The Code of Ethics confirms that acts of bribery or fraud by employees, contractors, suppliers, joint venture partners and other business partners are not tolerated. Immediate action is taken (which may include dismissal and legal action) against any organisation or person committing bribery or fraud. The Group remains committed to fair trade and purchasing in an ethical manner.

HUMAN RIGHTS

The Group is committed to upholding the UN Universal Declaration of Human Rights and the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work and complying with all relevant South African legislation.

Mr. W P van der Merwe
Chairman

RISK MANAGEMENT

Risk is inherent in everything the Group does. Our aim is to achieve best practice in controlling all the risks to which the Group is exposed to. We will achieve this by identifying our priority exposures, addressing these, incorporating appropriate risk management strategies, risk improvements and contingency planning into our business, monitoring and reviewing on-going risk to account for changes in our operations and to enable us to make well-informed decisions on risk controls.

RISK MANAGEMENT STRUCTURE AND RESPONSIBILITIES

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations

RISK MANAGEMENT STEERING COMMITTEE

Co-ordinate the regular formal updating of business unit and corporate risk registers and risk treatment action plans and compiling into a master set

Maintain corporate risk and risk control information

Ensure that all relevant risk areas are considered including those emanating from the services of external providers and contractors

Analyse and report to the Group's Executive

Ensure appropriate linkages to the Group's business and corporate planning processes, and where necessary, to budget processes

BUSINESS UNIT MANAGERS

Oversee the business unit risk management program and endorse risk mitigation strategies and action plans

ALL EMPLOYEES

Responsible for managing risk within their span of control, for promoting the application of risk management by contractors, and assisting with the identification of global or broadly based risks that could impact the Group as a whole.

The Risk Management function is one directed by the Group's Board, facilitated by the Group's Risk Management Steering Committee and carried out by every manager in each area as a core activity.

The Group Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

The Group has exposure to the following risks:

Risk Category	Risk Description	Response to Risk
CREDIT RISK	Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities.	Management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, when available, and in some cases bank references. Purchase limits are established for each customer, who represents the maximum open amount; these limits are reviewed on an ad hoc basis. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group only on a cash-on-delivery basis.
LIQUIDITY RISK	Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.	The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.
MARKET RISK	Market risk is the risk that changes in market prices, such as interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments.	The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group incurs financial liabilities in order to manage market risks.
OPERATIONAL RISK	Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Group's operations.	The Group's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Group's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity. The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit. This responsibility is supported by the development of overall Group standards for the management of operational risk in the following areas: • requirements for appropriate segregation of duties, including the independent authorisation of transactions • requirements for the reconciliation and monitoring of transactions • compliance with regulatory and other legal requirements • documentation of controls and procedures • requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified • requirements for the reporting of operational losses and proposed remedial action • development of contingency plans • training and professional development • ethical and business standards • risk mitigation, including insurance where this is effective.

Risk Category	Risk Description	Response to Risk
LEGAL RISK	Legal risk arises where: • the Group's businesses or functions may not be conducted in accordance with applicable laws; • incorrect application of regulatory requirements takes place; • the Group may be liable for damages to third parties; and • contractual obligations may be enforced against the Group in an adverse way, resulting from legal proceedings being instituted against it.	Although the Group has processes and controls in place to manage its legal risk, failure to manage risks effectively could result in legal proceedings impacting the Group adversely, both financially and reputational.
ENVIRONMENTAL RISK		Environmental risk falls within the Group sustainability management programme, which aims to create a consistent approach to environmental and social risk management within the Group's operations. Raising awareness and training will be an on-going element of managing environmental risk and identifying opportunities and business solutions to environmental and social concerns.
OCCUPATIONAL HEALTH AND SAFETY		The health and safety of employees, customers and other stakeholders is a priority and the Group aims to identify and reduce the potential for accidents or injuries in all its operations. Training of health and safety officers and staff awareness is an on-going endeavour. Standards that support uniform health and safety requirements across all Group operations are being developed. The focus on health and safety is closely linked to employee wellbeing and the Group's efforts to attract, retain and develop skilled and talented employees.
COMPLIANCE RISK	Compliance risk is the risk of legal or regulatory sanctions, financial loss or loss to reputation that the Group may suffer as a result of its failure to comply with all laws, regulations, codes of conduct and standards of good practice applicable to its activities.	The Group's approach to managing compliance risk is proactive and premised on internationally-accepted principles of risk management. It is also aligned with other Group risk type methodologies. Staff are made aware of their responsibilities in terms of current and emerging legislative and regulatory requirements and developments through induction programmes and on-going training and awareness initiatives.

STAKEHOLDER ENGAGEMENT

Stakeholder	Mode of engagement	Stakeholder concerns	Response to concerns
Employees	• Regular notification of significant changes in the Group • Frequent meetings • Intranet • Employment equity committee	• Market related remuneration and incentives • Skills development and training • Job security • Health and Safety • Career development and growth prospects • HIV/Aids	• Open communication with employees regarding remuneration and incentives • Training programs aimed at assisting employees acquire new skills and improve existing skills. • Provision of financial assistance to employees to furthering their education • Continuous training and monitoring of health and safety and regular plant visits and audits • Focus on employment equity • Succession planning • HIV &Aids training
Shareholders and investors	• Sens announcement • Website • Media • Annual general meeting • Meetings	• Market price of shares • Profitability/ return on investment • Dividend payout	• SENS announcements on matters affecting the share price issued timeously • Communication of strategic plans to improve profitability to enable dividends to be paid in the future.
Providers of debt	• Quarterly meetings • Daily communication via email and telephonic means • Monthly management reports	• Debt repayment on set dates • Profitability of companies • Monthly cash generation/ revenue	• Cash flow position monitored by treasury and creditors department to ensure timely payments. • Consistent communication regarding the Group's monthly results and cash position.
National industry bodies	• Audits • Regular meetings • Telephonic and email communications	• Products are of the standard and quality required to meet industry body specifications • Health and safety requirements	• Compliance with audits and regulations
Trade Unions	• Frequent meetings • Telephonic and email communications	• Employees registered with the union receive fair increases and remuneration • Employment equity • Conditions of employment	• Labour negotiations and agreements with Unions for fair increases and remuneration • Involvement of Union representatives in drafting production bonus policy • Regular communication to improve relations

Stakeholder	Mode of engagement	Stakeholder concerns	Response to concerns
Communities	• Donations • Direct communication	• Impact on environment/ community	• Donations to communities • Bursary and sponsorship programs • Compliance with the Mine, Health & Safety Act
Suppliers	• Email and telephonic communication • Meetings	• Payments within agreed terms	• Consistent feedback on payments and terms of payment. • Continuous review and monitoring of costs • Implementation of procurement policy • Enhancing supplier relationships
Government and regulators	• DMR – communication of injuries on quarries • Audits • Meetings with SARS and Government bodies	• Health and safety at individual plants • Compliance with laws and regulations • BEE ratings • Disclosure • Effect on environment	• Communication regarding incidents • Incidence reporting • Legal compliance • Social labour plans • Improvement of BEE ratings and compliance • Transparent disclosure • Provision for environmental rehabilitation
Customers	• Continuous direct and indirect communication including meetings and site visits	• Product quality • On time delivery	• Addressing customer concerns • Continuous testing of quality of products

VALUE ADDED STATEMENT

Value Added Statement for the year ended 28 February 2014

The value added statement shows how much value (wealth) has been created by the Group through utilisation of its capacity, capital, manpower, and other resources, and how it is allocated among different stakeholders.

This statement shows the total wealth was created and how it was distributed.

R'000	Notes	2014	2013
Revenue		**463,277**	400,001
Paid to suppliers for materials and services	1	**282,990**	260,132
Value added		**180,287**	139,869
Other Income		**7,147**	2,065
Total wealth created		**187,434**	137,804
Wealth distribution:			
Salaries, wages and other benefits	2	**91,269**	81,161
Providers of capital		**31,980**	27,318
Finance Costs		**31,980**	27,318
Government	3	**14,157**	13,020
Reinvested in the group to maintain and develop operations		**50,028**	16,305
Depreciation and amortisation		**39,960**	34,016
Retained Profit		**10,068**	(17,711)
		187,434	137,804
Value added ratios			
Number of employees		**611**	626
Revenue per employee		**758.23**	638.97
Wealth created per employee		**306.77**	220.13
Notes			
1.Included in "Paid to suppliers for materials and services" is:			
Donations and social labour plan expenditure		**54**	216
2.Salaries, wages and other benefits			
Salaries, wages, overtime payments, commissions, bonuses and allowances		**86,992**	76,808
Employer contributions		**4,277**	4,353
		91,269	81,161
3.Government			
Rates and taxes paid to the local authorities		**385**	909
PAYE		**11,567**	10,270
Skills Development Levy		**879**	742
UIF		**1,326**	1,099
		14,157	13,020

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required in terms of the Companies Act 71 of 2008 to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While operating risk cannot be fully eliminated, the Group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The external auditors are responsible for independently auditing and reporting on the Group's annual financial statements. The annual financial statements have been examined by the Group's external auditors and their report is presented on pages 51 to 52.

The annual financial statements set out on pages 53 to 98, which have been prepared on the going concern basis, were approved by the board of directors and were signed on its behalf by:

SJ Wearne
Chief Executive Officer

MM Patel
Chairman

Johannesburg
30 May 2014

AUDIT COMMITTEE REPORT

For the year ended 28 February 2014

The information below constitutes the report of the Audit Committee.

Following the resignation of Mr M Salanje as non-executive director and Audit Committee chairman on 10 March 2014, Mr WP van der Merwe was appointed acting chairman of the Audit Committee. The Audit Committee comprises further of two non-executive directors Mr M Khwinana and Mr MM Patel. A brief summary for each director has been set out on page 27 of the Annual report demonstrating their suitable and relevant skills and experience. Although Mr MM Patel as Chairman of the board and Mr M Khwinana as a non-independant director should not be members of the Audit Committee in terms of the King III Report, the directors believe this is ameliorated by their qualifications and experience and the limited number of available non-executive directors to take their place. The Group is currently looking to recruit another independant non-executive director that will form part of the Audit Committee.

The Committee's charter promotes the overall effectiveness of corporate governance in accordance with the King III Report. Further it provides for the monitoring of the Group's compliance with disclosure requirements, relevant laws and regulations and its own code of conduct. The Audit Committee charter is reviewed annually.

The Committee meets four times a year and attendance of directors is set out on page 33. Special meetings are convened as required. The external auditors and executive management are invited to attend every meeting. The Committee annually conducts a self-assessment and the board in addition evaluates the Committee, based on several factors including:

- Expertise
- Inquiring attitude, objectivity, and independence
- Judgement
- Understanding of the business
- Understanding of and commitment to the Committee's duties and responsibilities
- Willingness to devote the time needed to prepare for and participate in Committee deliberations
- Timely responses
- Attendance at meetings.

The Committee members were all satisfied with the functioning of the Committee. The board was also satisfied that the Committee members collectively have sufficient academic qualifications or experience in economics, law, corporate governance, finance, accounting, commerce, industry, public affairs and human resource management as required by section 94(5) of the Companies Act, read with Regulation 42.

Internal financial control

The Audit Committee performed an assessment of the effectiveness of the Group's system of internal control and risk management, including internal financial controls. This assessment conducted formed the basis for the Audit Committee's recommendation to the board that nothing has come to the attention of the Committee that would suggest that the prevailing internal controls are not, in all material aspects, effective.

The assurance provided by the Audit Committee serves to assist the board in fulfilling its disclosure obligations to report annually to shareholders on the effectiveness of the Group's system of internal financial control and risk management procedures.

In terms of the Companies Act and the JSE Listings Requirements the Audit Committee has considered and satisfied itself of the appropriateness of the expertise and experience of the CFO, Mr M Ross.

The Audit Committee has further satisfied itself that Grant Thornton and Mr Z Sadek, the designated auditor, are independent of the Group.

The Audit Committee recommended the annual financial statements for the year ended 28 February 2014, for approval to the board. The board has subsequently approved the annual financial statements which will be open for discussion at the forthcoming annual general meeting. The Audit Committee is satisfied that appropriate risk management processes are in place and has obtained combined assurance given by the external auditors and management.

Mr WP van der Merwe
Acting Chairman
30 May 2014

DIRECTORS` REPORT

The directors` of WG Wearne Limited present their report for the group for the year ended 28 February 2014.

1. NATURE OF BUSINESS

The company and its subsidiaries are engaged in the mining, manufacturing, marketing and transport of crushed stone, sand, ready-mixed concrete and pre-cast concrete products in the Gauteng, North West, Free State, Limpopo and KwaZulu-Natal Provinces, all of which are in the Republic of South Africa.

2. GROUP STRUCTURE

Details of the company`s subsidiary companies are contained in Annexure A of the annual financial statements.

3. SHARE CAPITAL

In terms of the resolution passed at the annual general meeting, and valid until the next annual general meeting, the company authorised the directors, subject to the regulations of the JSE, to:

- repurchase shares in the company, by special resolution and
- allot and issue for cash any shares in the company, limited to 50% of the company`s issued capital, by ordinary resolution.

An analysis of the company`s shareholders is provided in Annexure B of the integrated annual report. At 28 February 2014 there were 1470 public shareholders in the company, who held 43.16% of the ordinary shares.

There were no changes in the authorised or issued share capital of the company during the year under review.

As far as the company is aware, at 28 February 2014, the following represent shareholders who hold an interest of 5% or more in the company:

Shareholder	Percentage held
Samant Trust	17.94%
Industrial Development Corporation (IDC)	15%
Richtrau No 329 Proprietary Limited	15%
SJ Wearne (Director as well)	7.66%

4. DIVIDENDS

In line with Group policy no dividend has been declared for the year.

5. DIRECTORS

The directors of the company during the year and to the date of this report are as follows:

Executive directors	Nationality	Changes
SJ Wearne	South African	
JJ Bierman	South African	Resigned 31 December 2013
MJ Ross	South African	Appointed 7 March 2014
Non-executive directors	**Nationality**	**Changes**
WP van der Merwe	South African	
MM Patel	South African	
GM Salanje	South African	Resigned 7 March 2014
MC Khwinana	South African	

6. SHAREHOLDING OF DIRECTORS

Details of the number of shares in the company benefically held by directors and their associates at 28 February 2014 are as follows:

Executive directors	2014 Direct	2014 Indirect	2013 Direct	2013 Indirect
SJ Wearne *	21 180 400	-	21 180 400	-
Non-executive directors	**2014 Direct**	**2014 Indirect**	**2013 Direct**	**2013 Indirect**
WP Van Der Merwe	-	3 400 000	-	3 400 000

The shares listed above were all beneficially held.

** Beneficaries of the Samant Trust hold 49 588 967 shares in the company.*

There have been no changes to the above subsequent to year-end.

7. DIRECTORS` AND OFFICERS` INTEREST IN CONTRACTS

No material contract in which directors have an interest was entered into during the year.

8. PROPERTY, PLANT AND EQUIPMENT

The directors have critically reviewed the fixed asset requirements of the Group as well as the carrying values. As a result of this, nonessential and surplus-to-requirement fixed assets have been sold. Where carrying values were higher than recoverable amount, these assets have been appropriately impaired. The revaluation on land and buildings was conducted by an independent appraiser. The fair values were determined by the appraiser based on the discounted cashflow analysis and the projected income revenue streams from mining sand and other materials. The equipment used in the Premix plant operating in Wearne Aggregates Proprietary Limited was sold for R 205 200 effective 21 February 2014. Other than the acquisitions, disposals, impairments and revaluation disclosed in note 3, there have been no major changes in the property, plant and equipment of the Group during the period or any changes in the policy relating to their use.

9. REMUNERATION OF DIRECTORS

The directors` remuneration is reflected in full in note 32 to the annual financial statements.

10. ACCOUNTING POLICIES

Detailed accounting policies are set out on pages 57 to 67 of the annual financial statements.

11. EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any matter or circumstance arising since the end of the financial year that has a material impact on the financial statements.

12. GOING CONCERN

The consolidated annual financial statements have been prepared on the basis of accounting policies applicable to a going concern.

The basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

In order to ensure that these required funds are available, the directors of Wearne implemented a turnaround strategy from March 2011. The most significant features of the strategy include the following in the current financial year.

- The sale of non-critical assets and business segments, which includes the disposal of non-essential components of property, plant and equipment. The proceeds from these disposals were applied to reduce the Group`s outstanding debt.
- The Group has entered into a re-payment plan with its financiers regarding the outstanding long term debt in order to ensure optimal cash flow management, and
- Cost cutting programmes focusing on reducing unnecessary expenditure.

The board considered the material uncertainty regarding the going concern assumption in the context of the deliberations on the annual financial statements. These indicate that the Group has yielded a headline loss of approximately R 16 million for the last two years, high levels of borrowings and negative liquidity.

In addressing these matters the directors have taken into account the headline losses incurred in the current financial year attributable to the implementation of the turnaround strategy as well as expected revenues for the foreseeable future combined with budgets and cash flow forecasts, indicating that the Group will be able to honour its commitments.

Lastly, the Group still maintains the support of its financiers and creditors with whom it continues to work closely in order to ensure that its working capital is managed. Furthermore, the Group continues to maintain a strict financial discipline ensuring that costs are tightly managed and assets effectively utilised.

As a result of the actions and plans presented above, the annual financial statements have been prepared on the going concern basis as the directors are of the view that the Group has adequate resources and facilities in place to continue in operation for the foreseeable future.

13. AUDITORS

Grant Thornton will continue in office in accordance with section 90 of the Companies Act 71 of 2008.

14. FINANCIAL RESULTS

The Group's business and operations, and the results thereof, are reflected in the attached annual financial statements and no other fact or circumstance material to a fair assessment of the financial position of the Group has occurred.

The current year performance saw the Group make a basic headline loss per share of 6.07 cents (2013: 6.15 cents) and basic and diluted earnings/(loss) per share of 3.69 cents (2013: (5.61) cents). The net asset value per share increased to 17.91 cents (2013: 13.00 cents).

15. COMPANY SECRETARY

Ithemba Governance and Statutory Solutions Proprietary Limited continued to act as company secretary during the current financial year.

16. ACQUISITIONS AND DISPOSALS

The Group made no acquisitions or disposals of businesses in the financial year under review.

17. BORROWINGS

The borrowing powers of the directors are unlimited in terms of the company`s Memorandum of Incorporation. However, in terms of the Loan Agreement with the IDC the company shall not without prior written consent from the IDC lend a excess of R 5 million per calendar year except if such liabilities are incurred in the ordinary course of business.

18. LEVEL OF ASSURANCE

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

19. PREPARER

MJ Ross CA(SA)

20. APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

The annual financial statements as set out on pages 53 to 94 were approved by the board of directors at Johannesburg on 30 May 2014, and were signed on its behalf by:

	Date
SJ Wearne	**30 May 2014**
	Date
MM Patel	**30 May 2014**

Grant Thornton

Independent Auditor's Report
To the shareholders of
WG Wearne Limited

We have audited the consolidated and separate annual financial statements of WG Wearne Limited set out on pages 8 to 70, which comprise the consolidated and separate statements of financial position as at 28 February 2014, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in equity and statements of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the financial statements
The company's directors are responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express an opinion on these consolidated and separate financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the consolidated and separate financial position of WG Wearne Limited at 28 February 2014, and its consolidated and separate financial performance and consolidated and separate cash flows for the year than ended in accordance with International Financial Reporting Standards, and the requirements of the Companies Act of South Africa.

Other reports required by the Companies Act
As part of our audit of the consolidated and separate financial statements for the year ended 28 February 2014, we have read the Directors' Report for the purpose of identifying whether there are material inconsistencies between this report and the audited financial statements. This report is the responsibility of the respective preparers. Based on reading this report we have not identified material inconsistencies between this report and the audited financial statements. However, we have not audited this report and accordingly do not express an opinion thereon.

Emphasis of matter
Without qualifying our opinion, we draw attention to Note 41 in the consolidated financial statements which indicates that the group incurred a headline loss of R16.6 million for the year ended 28 February 2014 and as of that date, the Group's current liabilities exceeds its current assets by R80 million. These conditions, along with other matters as set forth in Note 41, indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

Grant Thornton

GRANT THORNTON
Chartered Accountants (SA)
Registered Auditors

MZ Sadek
Partner
Chartered Accountant (SA)
Registered Auditor

30 May 2014

42 Wierda Road West
Wierda Valley
2196

STATEMENT OF FINANCIAL POSITION

Figures in Rand thousand	Note	Group 2014	Group 2013	Company 2014	Company 2013
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	3	332 307	339 726	214 824	200 595
Investments in subsidiaries	4	-	-	2	2
Other financial assets	5	5 213	4 875	-	14
Deferred taxation	6	7 312	10 560	-	-
		344 832	**355 161**	**214 826**	**200 611**
CURRENT ASSETS					
Inventories	7	26 874	19 848	4 234	1 258
Loans to group companies	8	-	-	-	2 435
Other financial assets	5	-	987	-	987
Trade and other receivables	9	60 025	45 519	12 468	9 585
Cash and cash equivalents	10	929	7 047	253	3 537
		87 828	**73 401**	**16 955**	**17 802**
Non-current assets held for sale	11	8 185	4 500	8 185	4 500
Total Assets		**440 845**	**433 062**	**239 966**	**222 913**
EQUITY AND LIABILITIES					
EQUITY					
Share capital	12	178 357	178 357	181 838	181 838
Reserves	13	892	759	-	-
Revaluation reserve	13	45 098	39 296	39 423	32 912
Accumulated loss		(175 439)	(182 923)	(256 318)	(217 646)
		48 908	**35 489**	**(35 057)**	**(2 896)**
LIABILITIES					
NON-CURRENT LIABILITIES					
Other financial liabilities	14	203 658	218 272	142 849	147 975
Deferred taxation	6	9 152	13 860	1 564	4 157
Provisions	15	11 750	11 875	-	-
		224 560	**244 007**	**144 413**	**152 132**
CURRENT LIABILITIES					
Loans from group companies	8	-	-	66 017	610
Other financial liabilities	14	62 465	52 467	46 403	36 424
Current tax payable		899	647	-	-
Trade and other payables	16	87 112	65 567	18 066	17 008
Bank overdraft	10	16 901	34 885	124	19 635
		167 377	**153 566**	**130 610**	**73 677**
Total Liabilities		**391 937**	**397 573**	**275 023**	**225 809**
Total Equity and Liabilities		**440 845**	**433 062**	**239 966**	**222 913**

STATEMENT OF COMPREHENSIVE INCOME

		Group		Company	
Figures in Rand thousand	Note	2014	2013	2014	2013
Continuing operations					
Revenue	17	463 277	400 001	116 693	81 868
Cost of sales	18	(371 422)	(315 478)	(59 518)	(43 618)
Gross profit		**91 855**	**84 523**	**57 175**	**38 250**
Other income		7 147	2 065	3 954	5 237
Operating expenses		(84 876)	(79 428)	(118 954)	(37 974)
Operating profit (loss)	**19**	**14 126**	**7 160**	**(57 825)**	**5 513**
Investment revenue	20	322	475	13 343	12 607
Fair value adjustments		2	-	2	-
Revaluation of land and buildings: reversal of impairment	22	26 391	-	26 391	-
Finance costs	21	(31 980)	(27 318)	(19 886)	(17 596)
Profit (loss) before taxation		**8 861**	**(19 683)**	**(37 975)**	**524**
Taxation	23	1 208	4 365	2 593	-
Profit (loss) from continuing operations		**10 069**	**(15 318)**	**(35 382)**	**524**
Discontinued operations					
Loss from discontinued operations	24	-	(2 393)	-	-
Profit (loss) for the year		**10 069**	**(17 711)**	**(35 382)**	**524**
Other comprehensive income:					
Items that will be reclassified subsequently to profit or loss					
Fair value adjustments : Available-for-sale		174	414	-	-
Deferred tax on fair value adjustment		(41)	(77)	-	-
Items that will not be reclassified subsequently to profit or loss					
Fair value adjustments: Revaluation of land and buildings		3 218	-	3 218	-
Total comprehensive income (loss) for the year		**13 420**	**(17 374)**	**(32 164)**	**524**
Total comprehensive Income (loss) attributable to :					
Owners of the parent		13 420	(17 374)	(32 164)	524
		13 420	**(17 374)**	**(32 164)**	**524**
Continuing operations					
Basic and diluted loss per share (cents)	35	3,69	(5,61)	-	-
Continuing and discontinued operations					
Basic and diluted loss per share	35	3,69	(6,49)	-	-

STATEMENT OF CHANGES IN EQUITY

Figures in Rand thousand	Share capital	Share premium	Total share capital	Revaluation reserve	Available for sale	Total reserves	Accumulated loss	Total equity
Group								
Balance at 01 March 2012	**273**	**178 084**	**178 357**	**43 299**	**422**	**43 644**	**(169 215)**	**52 863**
Loss for the year	-	-	-	-	-	-	(17 711)	(17 711)
Other comprehensive income	-	-	-	-	337	337	-	337
Release of revaluation reserve	-	-	-	(4 003)	-	(4 003)	4 003	-
Balance at 01 March 2013	**273**	**178 084**	**178 357**	**39 296**	**759**	**40 055**	**(182 923)**	**35 489**
Profit for the year	-	-	-	-	-	-	10 068	10 068
Other comprehensive income	-	-	-	3 218	133	3 351	-	3 351
Transfer between reserves	-	-	-	2 584	-	2 584	(2 584)	-
Balance at 28 February 2014	**273**	**178 084**	**178 357**	**45 098**	**892**	**45 990**	**(175 439)**	**48 908**
Note(s)	**12**	**12**	**12**	**13**				
Company								
Balance at 01 March 2012	**276**	**181 562**	**181 838**	**36 205**	**-**	**36 205**	**(221 463)**	**(3 420)**
Profit for the year	-	-	-	-	-	-	524	524
Transfer between reserves	-	-	-	(3 293)	-	(3 293)	3 293	-
Balance at 01 March 2013	**276**	**181 562**	**181 838**	**32 912**	**-**	**32 912**	**(217 646)**	**(2 896)**
Loss for the year	-	-	-	-	-	-	(35 379)	(35 379)
Other comprehensive income	-	-	-	3 218	-	3 218	-	3 218
Transfer between reserves	-	-	-	3 293	-	3 293	(3 293)	-
Balance at 28 February 2014	**276**	**181 562**	**181 838**	**39 423**	**-**	**39 423**	**(256 318)**	**(35 057)**
Note(s)	**12**	**12**	**12**	**13**				

STATEMENT OF CASH FLOWS

		Group		Company	
Figures in Rand thousand	Note	2014	2013	2014	2013
Cash flows from operating activities					
Cash generated from (used in) operations	25	53 411	31 729	(48 370)	3 900
Interest income		322	275	13 343	12 420
Dividends received		13	-	-	-
Finance costs		(31 980)	(25 343)	(19 886)	(16 671)
Net cash from operating activities		**21 766**	**6 661**	**(54 913)**	**(351)**
Cash flows from investing activities					
Replacement of property, plant and equipment	3	(16 191)	(9 003)	(6 798)	(2 074)
Proceeds on disposal of property, plant and equipment		9 634	1 380	3 834	626
Proceeds on sale of other financial asset		987	1 094	987	1 094
Receipt from group company`s loans		-	-	-	12 026
Loan written off on disposal of Joint Venture		-	(5 184)	-	(1 570)
Movement on other financial asset		(338)	-	14	-
Net cash from investing activities		**(5 908)**	**(11 713)**	**(1 963)**	**10 102**
Cash flows from financing activities					
Overdraft converted to long term loan		16 302	-	16 302	-
Proceeds from IDC funding		-	16 000	-	16 000
Repayment of borrowings		(20 294)	(11 823)	(11 041)	(13 612)
Trade and other payables		-	(2 023)	-	(917)
Loans to group companies		-	-	2 435	-
Receipt from group company`s loans		-	-	65 407	-
Net cash from financing activities		**(3 992)**	**2 154**	**73 103**	**1 471**
Total cash movement for the year		**11 866**	**(2 898)**	**16 227**	**11 221**
Cash at the beginning of the year		(27 838)	(24 137)	(16 098)	(27 319)
Net cash flows from discontinued operations		-	(803)	-	-
Total cash and cash equivalents	10	**(15 972)**	**(27 838)**	**129**	**(16 098)**

ACCOUNTING POLICIES

1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The consolidated financial statements of WG Wearne Limited have been prepared in accordance with International Financial Reporting Standards and SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE Limited Listing Requirements and the Companies Act of South Africa. The consolidated annual financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings, available-for-sale financial assets, and financial assets and financial liabilities at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated annual financial statements are disclosed in the notes to these consolidated annual financial statements.

Functional and presentation currency:
These financial statements are presented in South African Rand, which is the Group's functional currency.

These accounting policies are consistent with the previous financial period, except for the adoption of amendments and standards set out in note 2.

1.1 CONSOLIDATION

Basis of consolidation
The consolidated annual financial statements incorporate the consolidated annual financial statements of the group and all investees which are controlled by the group.

Control exists when the Group has power over the investee, exposure, or rights, to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the investor`s returns.

Subsidiaries
Subsidiaries are all entities where the company has the power to govern the financial and operating policies controlled by the Group. The results of subsidiaries are included in the consolidated annual financial statements from the effective date of acquisition to the effective date of disposal. Adjustments are made when necessary to the financial statements of subsidiaries to bring their accounting policies in line with those of the Group.

Transactions which result in changes in ownership levels where the Group has control of the subsidiary both before and after the transaction are regarded as equity transactions and are recognised directly in the statement of changes in equity.

The difference between the fair value of consideration paid or received and the movement in non-controlling interest for such transactions is recognised in equity attributable to the owners of the parent.

Where a subsidiary is disposed of and a non-controlling shareholding is retained, the remaining investment is measured to fair value with the adjustment to fair value recognised in profit or loss as part of the gain or loss on disposal of the controlling interest.

Investments in joint operations
Investments in jointly controlled entities are proportionately consolidated from the date on which the company has the power to exercise joint control, up to the date on which the power to exercise joint control ceases. This excludes cases where the investment is classified as held-for-sale in accordance with IFRS 5 Non-current assets held-for-sale and discontinued operations.

The company's share of assets, liabilities, income, expenses and cash flows of jointly controlled entities are combined on a line by line basis with similar items in the annual financial statements.

The company's proportionate share of inter-company balances and transactions, and resulting profits or losses between the company and jointly controlled entities are eliminated on consolidation.

Special purpose entities

The Group has established special purpose entities (SPEs) for investment and incentive purposes. The Group does not have any direct or indirect shareholdings in these entities. An SPE is consolidated if, based on an evaluation of the substance of its relationship with the Group and the SPE's risks and rewards, the Group concludes that it controls the SPE. SPEs controlled by the Group were established under terms that impose strict limitations on the decision-making powers of the SPEs' management and that result in the Group receiving the majority of the benefits related to the SPEs' operations and net assets, being exposed to the majority of risks incident to the SPEs' activities, and retaining the majority of the residual or ownership risks related to the SPEs or their assets.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated annual financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

1.2 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

In preparing the consolidated annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the consolidated annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the consolidated annual financial statements. Significant judgements include:

Trade and other receivables

The group assesses its loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the group makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for loans and receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases the market rate of interest is determined by reference to similiar lease agreements.

Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price.

The Group uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments.

When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of tangible assets.

The Group reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in note 15 - Provisions.

Decommissioning and quarry rehabilitation provision

Group companies are required to restore quarry and processing site at the end of their useful lives to a condition acceptable to the relevant authorities. A rehabilitation trust fund has been established at the request of the regulatory authorities, and annual contributions have been made to the trust as required, in order for the ultimate rehabilitation cost to be provided for at the end of the useful life of a site.

Quantifying the future costs of these obligations is complex and requires various estimates to be made as well as interpretations of and decisions regarding regulatory requirements, particularly with respect to the degree of rehabilitation required, with reference to the sensitivity of the environmental area surrounding the sites. Consequently, the guidelines issued for quantifying the future rehabilitation cost of a site, as issued by the Department of Minerals and Energy, have been used to estimate future rehabilitation costs.

The expected costs of any decommissioning and rehabilitation programme, discounted to its net present value, are capitalised at the beginning of a project and amortised over the estimated remaining useful life of the quarry.

The quantification of future rehabilitation costs was conducted by an independent expert, Pieter Jacobus Greyling (a Quantity Surveyor, member of Plato as Professional Mine Surveyor 1995, Member.PMS0122). The rehabilitation costs were determined by the quantity surveyor based on the current market conditions necessary for quarry rehabilitation.

Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The Group recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the Group to make significant estimates related to expectations of future taxable income.

Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the end of the reporting period could be impacted.

Property, plant and equipment

The useful lives and residual values of items of property, plant and equipment are assessed annually and may differ depending on various factors. The details of useful lives are disclosed in note 1.3.

Items of property, plant and equipment may consist of separately identifiable components with a cost that is significant in relation to the total cost of the item. The determination of what constitutes a significant separately identifiable component requires judgement. Where management has determined that components of particular items of property, plant and equipment are significant, having different useful lives and residual values, these components are depreciated separately.

Significant judgement is required in the valuation classes of property, plant and equipment measured according to revaluation model. In valuing these classes of assets the Group makes use of independent experts.

Inventory

The determination of what constitutes slow moving, damaged, or obsolete inventory requires judgement. When inventory has been identified as slow moving, damaged, or obsolete it is written off.

A significant portion of the Group's inventory relates to Aggregate that is held in stockpiles at various locations. The determination of the volume of a stockpile is complex and requires both a degree of judgement and estimation. Management utilizes independent quantity surveyors in order to quantify the volume of Aggregate on hand.

1.3 PROPERTY, PLANT AND EQUIPMENT

Cost model

The following classes of property, plant and equipment are carried according to the cost model;

- Motor vehicles
- Office equipment
- IT equipment
- Plant-under-construction

Recognition and measurement:

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Revaluation model

The following classes of property, plant and equipment are carried according to the revaluation model;

- Land and buildings
- Plant and machinery

Recognition and measurement:

Items of property, plant and machinery are measured at their revalued amount, being its fair value at the date of revaluation less subsequent depreciation and impairment. On initial recognition application of the revaluation model to a particular class of property, plant and equipment any revaluation surplus is credited directly to equity via the statement of other comprehensive income under the heading revaluation reserve. A decrease is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of the asset. Any further impairment balance remaining after the debit against other comprehensive income is taken to profit and loss as an impairment loss.

The revaluation surplus in equity related to a specific item of property, plant and equipment is transferred directly to retained earnings as the asset is used. The amount transferred is equal to the difference between depreciation based on the revalued carrying amount and depreciation based on the original cost of the asset.

If an asset`s carrying amount is increased as a result of a revaluation, the increase shall be recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. However, the increase shall be recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss.

If an asset`s carrying amount is decreased as a result of a revaluation, the decrease shall be recognised in profit or loss. However, the decrease shall be recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognised in other comprehensive income reduces the amount accumulated in equity under the heading of revaluation surplus.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self- constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment. The revaluation surplus in equity related to a specific item of property, plant and equipment is transferred directly to retained earnings when the asset is derecognised.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation
Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated except where the land is used for quarrying activities.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Average useful life
Land: Commercial Land	Indefinite
Land: Quarry	Life of quarry
Buildings	20 - 50 years
Plant and machinery	1 - 15 years
Motor vehicles	5 - 10 years
Office equipment	5 - 10 years
IT equipment	2 - 3 years
Plant under construction	*

** The Plant-under-construction is not depreciated until it becomes ready for use.*

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

The Group is required to restore quarry sites at the end of their productive lives to a condition acceptable to the relevant authorities. A rehabilitation trust fund has been established at the requirement of the regulatory authorities, and annual contributions are made to the trust as required, in order for the ultimate rehabilitation cost to be provided for at the end of the useful life of the site. These contributions are capitalised to the investment in the rehabilitation trust.

Assets relating to quarry resources are classified as tangible assets and are capitalised to the cost of land. Stripping costs in the production phase of a quarry are capitalised to the cost of land and are depreciated over the expected useful life of the quarry.

The commercial land has been revalued based on fair value less cost to sell whereas quarrying land has been revalued using the value in use based on the life of quarry.

1.4 FINANCIAL INSTRUMENTS

Non-derivative financial assets
The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial assets: loans and receivables and available-for sale financial assets.

Loans to (from) group companies
These include loans to and from holding companies and fellow subsidiaries and are recognised initially at fair value plus direct transaction costs.

Loans to group companies are classified as loans and receivables.

Loans from group companies are classified as financial liabilities measured at amortised cost.

Loans and receivables
Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses. Loans and receivables comprise trade and other receivables.

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows

Available-for-sale financial assets
Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale and that are not classified in any of the previous categories. The Group's investments in equity securities and certain debt securities are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses, are recognised in other comprehensive income and presented within equity in the fair value reserve. When an investment is derecognised, the cumulative gain or loss in other comprehensive income is transferred to profit or loss

Non-derivative financial liabilities
The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial liabilities: loans and borrowings, bank overdrafts, trade and other payables.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

1.5 TAXATION

Income tax, current tax assets and liabilities
Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities
Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

1.6 LEASES

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and the leased assets are not recognised in the Group's statement of financial position.

Lease payments
Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

1.7 INVENTORIES

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing inventories to their present location and condition.

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the entity.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.8 IMPAIRMENT OF ASSETS

Financial assets (including receivables)
A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

The Group considers evidence of impairment for receivables at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables and held- to-maturity investment securities with similar risk characteristics.

In assessing collective impairment the Group uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

Non-financial assets:
The carrying amounts of the Group's non-financial assets and inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit ("CGU") exceeds its estimated recoverable amount. Recoverable amount is determined as the greater of Fair value less cost to sell and Value-in-use. Impairment loss represents the difference between the asset's carrying amount and the recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.9 SHARE CAPITAL AND EQUITY

Ordinary shares
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Repurchase of share capital (treasury shares)
Where any group company purchases the company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the company's equity holders until the shares are cancelled or reissued. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to / from retained earnings.

1.10 EARNINGS PER SHARE AND HEADLINE EARNINGS PER SHARE

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for options granted to employees.

Headline Earnings per share is calculated as per the Johannesburg Stock Exchange requirements and prepared in accordance with The South African Institute of Chartered Accountants, Headline Earnings per share circular 2/2013.

1.11 INVESTMENT INCOME

Investment income comprises interest income on funds invested (including available-for-sale financial assets), dividend income, gains on the disposal of available-for-sale financial assets, changes in the fair value of financial assets at fair value through profit or loss, and gains on hedging instruments that are recognised in profit or loss.

Interest income is recognised as it accrues in profit or loss, using the effective interest method. Dividend income is recognised in profit or loss on the date that the Group's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, changes in the fair value of financial assets at fair value through profit or loss, impairment losses recognised on financial assets, and losses on hedging instruments that are recognised in profit or loss. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

1.12 EMPLOYEE BENEFITS

Defined contribution plans
Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed retirement benefit schemes are dealt with as defined contribution plans where the group's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

1.13 PROVISIONS AND CONTINGENCIES

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

1.14 REVENUE

Goods sold
Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts, volume rebates and value added taxes.

Revenue recognition criteria for Sale of goods
When persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably, the corresponding revenue is recognised. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

The timing of the transfers of risks and rewards varies depending on the individual terms of the agreement of sale.

Revenue recognition Criteria for the Rendering of services
When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognised by reference to the stage of completion of the transaction at the balance sheet date.

The outcome of the transaction can be estimated reliably when all the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity;
- The stage of completion of the transaction at the reporting date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measure reliably.

Revenue recognition criteria for the receipt of rental income
Rental income is recognised as revenue on the straight line basis over the lease term.

1.15 COST OF SALES

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The related cost of providing services recognised as revenue in the current period is included in cost of sales.

1.16 FINANCIAL RISK MANAGEMENT

Overview

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group Risk and Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk, particularly in the currently deteriorating economic circumstances.

Management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, when available, and in some cases bank references. Purchase limits are established for each customer, who represents the maximum open amount; these limits are reviewed on an ad hoc basis.

Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group only on cash-on-delivery basis.

As a result of the deteriorating economic circumstances certain purchase limits have been redefined.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

During the 2012 financial year the Wearne Limited Group and its subsidiary Wearne Aggregates Proprietary Limited entered into a scheme of arrangement with both its secured and concurrent creditors. In terms of the scheme of arrangement the companies have been granted payment moratoriums and extended repayment terms which have improved the Groups liquidity position. In March 2013 the moritorium has been lifted.

Market risk
Market risk is the risk that changes in market prices, such as interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Operational risk
Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Group's operations.

The Group's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Group's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit. This responsibility is supported by the development of overall Group standards for the management of operational risk in the following areas:

- Requirements for appropriate segregation of duties, including the independent authorisation of transactions
- Requirements for the reconciliation and monitoring of transactions
- Compliance with regulatory and other legal requirements
- Documentation of controls and procedures
- Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
- Requirements for the reporting of operational losses and proposed remedial action
- Development of contingency plans
- Training and professional development
- Ethical and business standards
- Risk mitigation, including insurance where this is effective.

Compliance with Group standards is supported by a programme of periodic reviews. The results of reviews are discussed with the management of the business unit to which they relate, with summaries submitted to the Risk and Audit Committee and senior management of the Group.

Capital management
The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity. The Board of Directors also monitors the level of dividends to ordinary shareholders.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

There were no changes in the Group's approach to capital management during the year.

1.17 OPERATING SEGMENT

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's CEO to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2. NEW STANDARDS AND INTERPRETATIONS

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

IAS 32 – Annual Improvements for 2009 – 2011 cycle
Tax effects of distributions made to holders of equity instruments. Income tax relating to distributions made to holders of equity instruments and tax effects of transaction costs of equity transactions must be accounted for in accordance with IAS 12 Income Taxes.

The impact of the amendment is not material.

Consolidated Financial Statements, Joint Arrangements and Disclosures of Interests in Other Entities: Transition Guidance.
Transitional guidance for the application of IFRS 10, IFRS 11 and IFRS 12. The amendment limits the requirement to provide adjusted comparative information to only the preceding comparative period.

The impact of the amendment is not material.

IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine.
Clarifies the requirement for accounting for stripping costs in surface mining. Specifically, it provides requirements on when to recognise costs as assets, when they provide improved access to ore. The depreciation requirements are also clarified.

The impact of the amendment is not material.

2.2 Standards and interpretations not yet effective

The group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the group's accounting periods beginning on or after 01 March 2014 or later periods:

IFRS 9 Financial Instruments
This new standard is the first phase of a three phase project to replace IAS 39 Financial Instruments: Recognition and Measurement. To date, the standard includes chapters for classification, measurement and derecognition of financial assets and liabilities. The following are main changes from IAS 39:

- Financial assets will be categorised as those subsequently measured at fair value or at amortised cost.
- Financial assets at amortised cost are those financial assets where the business model for managing the assets is to hold the assets to collect contractual cash flows (where the contractual cash flows represent payments of principal and interest only). All other financial assets are to be subsequently measured at fair value.
- Under certain circumstances, financial assets may be designated as at fair value.
- For hybrid contracts, where the host contract is an asset within the scope of IFRS 9, then the whole instrument is classified in accordance with IFRS 9, without separation of the embedded derivative. In other circumstances, the provisions of IAS 39 still apply.
- Voluntary reclassification of financial assets is prohibited. Financial assets shall be reclassified if the entity changes its business model for the management of financial assets. In such circumstances, reclassification takes place prospectively from the beginning of the first reporting period after the date of change of the business model.
- Financial liabilities shall not be reclassified.
- Investments in equity instruments may be measured at fair value through other comprehensive income. When such an election is made, it may not subsequently be revoked, and gains or losses accumulated in equity are not recycled to profit or loss on derecognition of the investment. The election may be made per individual investment.
- IFRS 9 does not allow for investments in equity instruments to be measured at cost.
- The classification categories for financial liabilities remains unchanged. However, where a financial liability is designated as at fair value through profit or loss, the change in fair value attributable to changes in the liabilities credit risk shall be presented in other comprehensive income. This excludes situations where such presentation will create or enlarge an accounting mismatch, in which case, the full fair value adjustment shall be recognised in profit or loss.

The effective date of the standard is for years beginning on or after 01 January 2018.

The group expects to adopt the standard for the first time in the 2018 annual financial statements. Management does not consider the impact to be material.

Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32)
Clarification of certain aspects concerning the requirements for offsetting financial assets and financial liabilities.

The effective date of the amendment is for years beginning on or after 01 January 2014.

The group expects to adopt the amendment for the first time in the 2015 annual financial statements. Mangement does not consider the impact to be material.

3. PROPERTY, PLANT AND EQUIPMENT

Group	2014			2013		
	Cost / Valution	Accumulated depreciation and impairments	Carrying value	Cost / Valuation	Accumulated depreciation and impairments	Carrying value
Land and buildings	219 101	(42 394)	176 707	192 917	(39 229)	153 688
Plant and machinery	259 930	(138 742)	121 188	252 498	(116 229)	136 269
Motor vehicles	95 864	(62 591)	33 273	97 454	(49 198)	48 256
Office equipment	1 574	(1 042)	532	1 566	(844)	722
IT equipment	5 033	(4 426)	607	4 768	(4 035)	733
Plant under construction	-	-	-	58	-	58
Total	**581 502**	**(249 195)**	**332 307**	**549 261**	**(209 535)**	**339 726**

Company	2014			2013		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Land and buildings	199 192	(37 025)	162 167	172 625	(37 004)	135 621
Plant and machinery	137 377	(85 779)	51 598	141 905	(78 555)	63 350
Motor vehicles	2 694	(2 043)	651	3 046	(1 977)	1 069
Office equipment	260	(153)	107	259	(122)	137
IT equipment	3 039	(2 738)	301	2 923	(2 505)	418
Total	**342 562**	**(127 738)**	**214 824**	**320 758**	**(120 163)**	**200 595**

Reconciliation of property, plant and equipment - Group 2014

	Opening balance	Additions	Disposals	Classified as held for sale	Transfers	Revaluations	Depreciation	Impairment loss	Impairment reversal	Total
Land and buildings	153 688	748	(489)	(3 685)	-	3 218	(3 165)	-	26 392	176 707
Plant and machinery	136 269	12 737	(5 363)	-	58	-	(22 213)	(300)	-	121 188
Motor vehicles	48 256	2 417	(4 007)	-	-	-	(13 393)	-	-	33 273
Office equipment	722	8	-	-	-	-	(198)	-	-	532
IT equipment	733	281	(16)	-	-	-	(391)	-	-	607
Plant under construction	58	-	-	-	(58)	-	-	-	-	-
	339 726	**16 191**	**(9 875)**	**(3 685)**	**-**	**3 218**	**(39 360)**	**(300)**	**26 392**	**332 307**

Reconciliation of property, plant and equipment - Group 2013

	Opening balance	Additions	Disposals	Depreciation	Total
Land and buildings	154 419	1 929	-	(2 660)	153 688
Plant and machinery	161 630	4 809	(5 531)	(24 639)	136 269
Motor vehicles	53 317	1 594	(510)	(6 145)	48 256
Office equipment	951	-	(9)	(220)	722
IT equipment	470	629	(14)	(352)	733
Plant under construction	16	42	-	-	58
	370 803	**9 003**	**(6 064)**	**(34 016)**	**339 726**

Reconciliation of property, plant and equipment - Company 2014

	Opening balance	Additions	Disposals	Classified as held for sale	Revaluations	Depreciation	Impairment reversal	Total
Land and buildings	135 621	642	-	(3 685)	3 218	(21)	26 392	162 167
Plant and machinery	63 350	5 729	(3 656)	-	-	(13 824)	-	51 599
Motor vehicles	1 069	292	(386)	-	-	(325)	-	650
Office equipment	137	-	-	-	-	(30)	-	107
IT equipment	418	135	(16)	-	-	(236)	-	301
	200 595	**6 798**	**(4 058)**	**(3 685)**	**3 218**	**(14 436)**	**26 392**	**214 824**

Reconciliation of property, plant and equipment - Company 2013

	Opening balance	Additions	Disposals	Depreciation	Total
Land and buildings	135 539	103	-	(21)	135 621
Plant and machinery	75 793	1 673	(790)	(13 326)	63 350
Motor vehicles	1 336	22	(14)	(275)	1 069
Office equipment	168	-	-	(31)	137
IT equipment	411	277	-	(270)	418
	213 247	**2 075**	**(804)**	**(13 923)**	**200 595**

For the detail for property, plant and equipment pledged as security refer to note 10.

Revaluations

Fair value of certain of the Group`s property, plant and equipment is estimated based on appraisals performed by independent, professionally-qualified property valuers. The significant inputes and assumptions are developed in close consultation with management. The valuation processes and fair value changes are reviewed by the board of directors and audit committee at each reporting date.

The revaluation in the current year on the Muldersdrift Quarry (Level 3 in terms of IFRS 13) was conducted by an independent appraiser in March 2013. The appraisal was carried out using a market approach that reflects observed prices for recent market transactions for similar properties and incorporates adjustments for factors specific to the land in question, including plot size, location, encumbrances, current use and discounted cash flows.

The revaluation in 2012 was conducted by an independent appraiser. The fair values were determined by the appraiser based on the current market values for similarly traded items of property, plant and equipment and discounted cash flows.

Had the assets continued to be carried according to the cost model the carrying values would be as follows:

Group 2014	Cost Model R `000	Revaluation Model R `000	Surplus R `000
Land and buildings	119 630	176 707	57 077
Plant and Machinery	113 294	121 188	7 894

Group 2013	Cost Model R `000	Revaluation Model R `000	Surplus R `000
Land and buildings	113 519	153 688	40 169
Plant and Machinery	127 099	136 269	9 170

Company 2014	Cost Model R `000	Revaluation Model R `000	Surplus R `000
Land and buildings	119 630	162 167	42 537

Company 2013	Cost Model R `000	Revaluation Model R `000	Surplus R `000
Land and buildings	113 519	135 621	22 102

4. INVESTMENTS IN SUBSIDIARIES

Name of company	% voting power 2014	% voting power 2013
Noordvaal Crushers Proprietary Limited	100,00%	100,00%
Wearne Platkop Quarry Proprietary Limited	100,00%	100,00%
Wearne Aggregates Proprietary Limited	100,00%	100,00%
Wearne Precast Proprietary Limited	100,00%	77,00%
Wearne Quarries Free State Proprietary Limited	100,00%	100,00%
Wearne Quarries Gauteng Proprietary Limited	100,00%	100,00%
Wearne Quarries Limpopo Proprietary Limited	100,00%	100,00%
Wearne Quarries Natal Proprietary Limited	100,00%	100,00%
Wearne Ready Mixed Concrete Proprietary Limited	100,00%	100,00%

Name of company	Carrying amount 2014	Carrying amount 2013
Noordvaal Crushers Proprietary Limited	*	*
Wearne Platkop Quarry Proprietary Limited	*	*
Wearne Aggregates Proprietary Limited	*	*
Wearne Precast Proprietary Limited	2	2
Wearne Quarries Free State Proprietary Limited	*	*
Wearne Quarries Gauteng Proprietary Limited	*	*
Wearne Quarries Limpopo Proprietary Limited	*	*
Wearne Quarries Natal Proprietary Limited	*	*
Wearne Ready Mixed Concrete Proprietary Limited	*	*
	2	**2**
	2	**2**

The 23% shareholding in Precast was purchased for R 1 000.

** Amounts less than R 1 000*

The carrying amounts of subsidiaries are shown net of impairment losses.

Where the carrying value and fair value of investments in subsidiaries is less than a thousand rand it has been rounded to R Nil. Refer to annexure A for carrying value denominated in South African Rand.

All subsidiaries are incorporated in the Republic of South Africa.

Summary of the Group`s interest in its joint ventures

The following relates to the disposal of Wearne Drilling and Blasting at 28 February 2013.

	2014 R `000	2013 R `000
Non-current assets	-	5 981
Current assets	-	7 362
Long term liabilities - Interest bearing	-	(3 968)
Long term liabilities - Non-interest bearing	-	(1 036)
Current liabilities - Interest bearing	-	(305)
Current liabilities - Non-interest bearing	-	(2 666)
Revenue	-	12 869
Expenses	-	(7 970)
Finance costs	-	(411)
Profit/ (Loss) after tax	-	4 488
Cash flows from operating activities	-	(3 050)
Cash flow from investing activities	-	4 700
Cash flow from financing activities	-	(1 217)

5. OTHER FINANCIAL ASSETS

Available-for-sale

	Group		Company	
	2014	2013	2014	2013
Held by the Wearne Rehabilitation Trust: Stanlib Wealth Management Limited	5 213	4 861	-	-
Held by WG Wearne Limited: Stanlib Wealth Management Limited	-	14	-	14
	5 213	**4 875**	**-**	**14**
Loans and receivables				
Balance of purchase price of Wearne Bricks Proprietary Limited	-	987	-	987
Loans to share scheme participants	2 054	2 447	-	-
	2 054	**3 434**	**-**	**987**
Impairment losses	(2 054)	(2 447)	-	-
	-	**987**	**-**	**987**
Non-current assets				
Available-for-sale	5 213	4 875	-	14
Current assets				
Purchase price of Wearne Bricks Proprietary Limited	-	987	-	987
	5 213	**5 862**	**-**	**1 001**

Reconciliation of impairment losses

	Group		Company	
	2014	2013	2014	2013
Opening balance	(2 447)	(201)	-	-
Reversed during the year	393	-	-	-
Raised during the year	-	(2 246)	-	-
	(2 054)	**(2 447)**	**-**	**-**

The Stanlib Wealth Management Limited`s fair value of quoted investments is based on the quoted market prices. These financial assets are therefore classified as Level 1 in the IFRS 13 fair value hierachy. The fair values are determined at the Balance Sheet date. The maximum exposure to credit risk at the reporting date is the fair value of the debt securities classified as available-for-sale and the credit risk exposures attributable from the loans and receivables classified in other financial assets.

Loans to the WG Wearne Share Scheme participants bear interest at 6.5%, are unsecured and have no fixed terms of repayment. These loans have been fully impaired. Refer to note 8 for further information on the share scheme.

6. DEFERRED TAXATION

Deferred tax liability

	Group		Company	
	2014	2013	2014	2013
Accelerated capital allowances for tax purposes	(25 620)	(35 389)	(9 867)	(14 382)
Provisions	549	354	178	182
Debtors payments in advance	1 154	(337)	57	129
Estimated loss	14 798	21 512	8 055	9 914
Prepayments	(33)	-	13	-
Total deferred tax liability	**(9 152)**	**(13 860)**	**(1 564)**	**(4 157)**
Deferred taxation asset				
Accelerated capital allowances for tax purposes	(11 894)	(11 060)	-	-
Provisions	420	516	-	-
Debtors payments in advance	744	729	-	-
Estimated losses	18 084	20 375	-	-
Prepayments	(42)	-	-	-
Total deferred tax asset	**7 312**	**10 560**	**-**	**-**

Reconciliation of deferred taxation liability

	Group		Company	
	2014	2013	2014	2013
At beginning of year	(13 860)	(8 921)	(4 157)	(4 157)
Accelerated capital allowances for tax purposes	5 942	23 202	4 148	12 259
Provisions	(68)	(296)	(4)	(46)
Debtors payments in advance	559	(1 465)	(72)	129
Estimated losses	(1 692)	(27 416)	(1 492)	(12 342)
Deferred taxation transferred to discontinued operation	-	1 036	-	-
Prepayments	(33)	-	13	-
	(9 152)	**(13 860)**	**(1 564)**	**(4 157)**

Reconciliation of deferred taxation asset

	Group		Company	
	2014	2013	2014	2013
At beginning of the year	10 560	-	-	-
Originating temporary differences on tangible assets	3 415	-	-	-
Provisions	(135)	-	-	-
Debtors payments in advance	15	-	-	-
Estimated losses	(6 501)	10 560	-	-
Prepayments	(42)	-	-	-
	7 312	**10 560**	**-**	**-**

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. The Group did not recognise deferred income tax assets of R 16 937 586 (2013: R 3 808 081) in respect of total estimated losses amounting to R 60 491 378 (2013: R 13 600 288) that can be carried forward against future taxable income. In addition the Group has deferred capital losses amounting to R 39 148 705 which can be carried forward.

7. INVENTORIES

	Group		Company	
	2014	2013	2014	2013
Raw materials and components	9 773	5 029	2 347	-
Work in progress	-	240	-	-
Finished goods	15 243	13 222	29	-
Diesel	1 858	1 357	1 858	1 258
	26 874	**19 848**	**4 234**	**1 258**

8. LOANS TO (FROM) GROUP COMPANIES

Subsidiaries

	Group		Company	
	2014	2013	2014	2013
Noordvaal Crushers Proprietary Limited	-	-	(22)	(22)
Wearne Aggregates Proprietary Limited	-	-	194 433	133 657
Wearne Precast Proprietary Limited	-	-	15 793	12 571
Wearne Quarries Natal Proprietary Limited	-	-	1 081	1 081
Wearne Ready Mixed Concrete Proprietary Limited	-	-	(65 994)	(588)
Total loans payable	**-**	**-**	**145 291**	**146 699**
Allowance for impairment of loans	-	-	(211 308)	(147 309)
	-	**-**	**(66 017)**	**(610)**

These loans bear interest at prime, are unsecured and have no fixed terms of repayment.

For detail on cession of the above loans as security for overdraft facilities provided to the Group, refer to note 10.

Loans to special purpose entity

	Group		Company	
	2014	2013	2014	2013
WG Wearne Share Incentive Trust	-	-	4 451	4 383
	-	**-**	**4 451**	**4 383**
Allowance for impairment of loan	-	-	(4 451)	(1 948)
	-	**-**	**-**	**2 435**

The loan bears interest at a rate of 6.5% per annum (the official interest rate in terms of the Seventh Schedule of the Income Tax Act of South Africa), is unsecured and has no fixed terms of repayment.

Reconciliation of the allowance for impairment of loans

	Group		Company	
	2014	2013	2014	2013
Opening balance	-	-	149 257	158 852
Reversed during the year	-	-	-	(9 595)
Raised during the year	-	-	66 502	-
	-	**-**	**215 759**	**149 257**
Current assets	-	-	-	2 435
Current liabilities	-	-	(66 017)	(610)
	-	**-**	**(66 017)**	**1 825**

Credit quality of loans to group companies

No credit ratings for loans to and from subsidiaries and to special purpose entities have been performed.

Fair value of loans to and from group companies
Loans to and from subsidiaries are of a short-term nature and arise from trade. Carrying amounts of these loans approximate fair values.

The loan to the special purpose entity is stated at its cost less impairment. The carrying amounts of the loans approximate their fair values.

Loans to group companies past due but not impaired
The loan to the special entity is not past due. As the loan does not have any terms of repayment, the loan is not past its due date. The loan has been impaired in the current financial year.

Loans to group companies impaired
As of 28 February 2014, loans to group companies of R 215 759 771 (2013: R 149 257 414) were considered impaired and an impairment allowance was thus raised.

9. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2014	2013	2014	2013
Trade receivables	54 872	42 265	8 483	8 657
Prepayments	1 227	1 023	986	125
Other receivables	3 926	2 231	2 999	803
	60 025	**45 519**	**12 468**	**9 585**

Trade and other receivables pledged as security
For detail regarding the cession of trade receivables as security for overdraft facilities provided to the Group refer to note 10.

Credit quality of trade and other receivables
Trade receivables comprise a widespread customer base. The table below shows the balances of the five major trade receivables at the Balance Sheet date. Credit ratings were obtained for all external trade receivables.

	Group		Company	
	Credit limit	Balance	Credit limit	Balance
As at 28 February 2014				
Debtor A	4 000	2 936	1 000	743
Debtor B	3 000	2 171	3 000	571
Debtor C	2 500	1 362	1 000	475
Debtor D	2 000	1 352	-	-
Debtor E	2 000	1 027	-	-
	13 500	**8 848**	**5 000**	**1 789**
As at 28 February 2013				
Debtor A	5 500	2 398	3 500	868
Debtor B	1 500	1 326	1 000	430
Debtor C	1 500	1 174	-	-
Debtor D	1 500	1 103	-	-
Debtor E	2 000	1 076	-	-
	12 000	**7 077**	**4 500**	**1 298**

Trade receivables

The table below shows the ageing of net trade receivables:

	Group		Company	
	2014	2013	2014	2013
Less than 30 days	33 507	31 422	7 911	7 924
31 to 60 days	13 957	7 321	456	40
61 to 90 days	1 567	1 679	-	384
91 to 120 days	2 092	1 719	-	163
Over 120 days	3 749	124	116	146
	54 872	**42 265**	**8 483**	**8 657**

Fair value of trade and other receivables

	Group		Company	
	2014	2013	2014	2013
Trade and other receivables	60 025	45 519	12 468	9 585

Trade and other receivables past due but not impaired

Trade receivables which are past due but not considered to be impaired, are detailed below.

The ageing of amounts past due but not impaired is as follows:

	Group		Company	
	2014	2013	2014	2013
Less than 3 months	1 405	1 679	-	384
3 to 6 months	4 661	1 719	-	163
Over 6 months	1 104	124	116	146

Trade and other receivables impaired

Group

As of 28 February 2014, trade and other receivables of R 1 936 000 (2013: R 2 736 000) were impaired and provided for.

Company

As at 28 February 2014 there were no trade and other receivables impaired.

The ageing of the impairment allowance is as follows:

	Group		Company	
	2014	2013	2014	2013
Less than 3 months	143	-	-	-
3 to 6 months	775	651	-	-
Over 6 months	1 018	2 085	-	-
	1 936	**2 736**	**-**	**-**

Reconciliation of allowance for impairment of trade and other receivables

	Group		Company	
	2014	2013	2014	2013
Opening balance	2 736	1 245	-	-
Utilised during the year	(2 426)	(220)	-	-
Raised during the year	2 273	1 711	-	-
Unused amounts reversed during the year	(647)	-	-	-
	1 936	**2 736**	**-**	**-**

10. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

	Group		Company	
	2014	2013	2014	2013
Cash on hand and deposit	164	199	7	42
Bank balances	765	6 661	(124)	3 338
Invoice discounting facility asset	(16 901)	187	246	157
Invoice discounting facility utilised	-	(34 885)	-	(19 635)
	(15 972)	**(27 838)**	**129**	**(16 098)**
Current assets	929	7 047	253	3 537
Current liabilities	(16 901)	(34 885)	(124)	(19 635)
	(15 972)	**(27 838)**	**129**	**(16 098)**

There are no material differences between the fair value of cash and cash equivalents and their nominal value. No credit ratings of the relevant banking institutions have been obtained.

The Group has a multi-optional facility with Nedbank Limited by way of overdraft, short term loan, factoring agreement with Nedbank Debtor Management (for R 50 000 000) letter of guarantee facility. As security for the facility, the bank holds:

- Unrestricted first cession of all present and future book debts;
- Unlimited inter-linking suretyships including a cession of loan funds in favour of the bank between WG Wearne Limited and its subsidiary companies;
- First and second covering mortgage bond for R 1 300 000 over the remaining extent of Portion 31 (a portion of Portion 1) of the farm Middelvlei No. 225;
- Continuing covering mortgage bond for R 11 200 000 over the remaining extent of Portion 31 (a portion of Portion 1) of farm Middelvlei No. 225 Randfontein;
- Continued covering mortgage bond for R 90 000 of portion 56 of erf 247 Pothindustria
- Continued covering mortgage bond for erf 4038 Bethlehem township of R 1 000 000
- First covering mortgage bond for Portion 64 of Farm Roodepoort 744 of R 10 000 000

WG Wearne Limited has a fixed term loan and a revolving loan with ABSA, as security for these facilities the bank holds:

- First ranking mortgage bond in the amount of R 103 000 000 in favour of ABSA of the farm Rietfontein 189 IQ and portion 7 of farm Groenplaats 157 IQ
- First ranking mortgage bond in the amount of R 4 600 000 of the farm Rietvlei 180 IQ
- Second continuous covering mortgage bond in the amount of R 10 000 000 in favour of ABSA, Nedbank and Wesbank sharing pro-rata basis to the excisting exposure;
- Special Notarial bonds over moveable assets purchased from De Bruyn Sandwerke Group registered in favour of WG Wearne Limited in the amount of R 17 645 000 dated 8 January 2007
- Negative pledge over assets of WG Wearne Limited dated 17 November 2006;
- Unlimited Cross sureties by all WG Wearne Limited subsidiaries, including cession of loan accounts for:

  WG Wearne Limited,

  Wearne Aggregates Proprietary Limited, and

  Noordvaal Crushers Proprietary Limited

  Cession of loan account dated 17 November 2006 in Noordvaal Crushers Proprietary Limited;

  Cession of loan account dated 17 November 2006 in Wearne Aggregates Proprietary Limited; and

  1st Charge over assets financed

Wearne Aggregates Proprietary Limited has a commercial asset finance facility with ABSA of R 4 200 000. As security for the facility, the bank holds:

- Unlimited Cross Securities by all WG Wearne Limited subsidiaries (including cession of loan accounts);
- WG Wearne Limited
- Wearne Aggregates Proprietary Limited; and
- Noordvaal Crushers Proprietary Limited
- Cession of loan account dated 17 November 2006 in Wearne Aggregates Proprietary Limited
- Cession of loan account dated 17 November 2006 in Noordvaal Crushers Proprietary Limited
- Cession of loan account dated 17 November 2006 in WG Wearne Limited
- Special Notarial Bonds over moveable assets purchased from De Bruyn Sandwerke Group in the amount of R 9 355 000 dated 8 January 2007
- 1st charge over assets financed

11. NON CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

In the 2014 financial year the Company committed to a plan to sell the land situated in Roodekop, the selling price of which is R 3.6 million. At 28 February all conditions were met for the land to be classified as held for sale through IFRS 5.

In the 2012 financial year the Company entered into an agreement to sell its land situated in Marshalltown (Wemmer Pan), the selling price of which was R 4.5 million. As at 28 February 2014 the fair value equals the carrying value of R 4.5 million. At 28 February 2013 all conditions have been met for the land to be classified as held for sale although the Group is currently awaiting transfer of the land to the buyer.

The land was reclassified as a non-current asset held for sale and measured in accordance with the requirements of IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations:

2014 - Group and Company

	Carrying value at reclassification date	Fair value adjustment	Carrying value under IFRS 5
Land: Marshalltown	8 639	(4 139)	4 500
Land: Roodekop	467	3 218	3 685
	9 106	**(921)**	**8 185**

2013 - Group and Company

	Carrying value at reclassification date	Fair value adjustment	Carrying value under IFRS 5
Land: Marshalltown	8 639	(4 139)	4 500

12. SHARE CAPITAL

Authorised

	Group		Company	
	2014	2013	2014	2013
500 000 000 Ordinary par value shares of 0.1 cent each	500 000	500 000	500 000	500 000

Reconciliation of number of shares issued:

	Group		Company	
	2014	2013	2014	2013
Balance at the beginning of the year	273	273	276	276

At year end the Company had issued 273 037 963 (2013: 273 037 963) ordinary shares net of treasury shares of 0.1 cents each. The Group holds treasury shares in the WG Wearne Share Incentive Scheme of 3 355 250 (2013: 3 355 250).

The ordinary shares shall have 1 vote in respect of each share at any meeting of the shareholders of the holding company, the right to receive a dividend if declared, and the right to participate in the capital surplus on the winding up of the holding company.

The directors have the authority to allot the unissued shares, in terms of an ordinary resolution passed at the company`s annual general meeting. This authority lapses at the next annual general meeting, unless it is renewed.

Issued

	Group		Company	
	2014	2013	2014	2013
Ordinary	273	273	276	276
Share premium	178 084	178 084	181 562	181 562
	178 357	**178 357**	**181 838**	**181 838**

In 2006, an offer was made to the employees to purchase shares at R1 each prior to listing. Employees agreed to take up 4 185 000 shares. At the inception of the scheme the employees could elect how many shares they wanted to subscribe for. The shares offered to employees were at market value (the listing price) and IFRS 2 was not applicable. The WG Share Incentive Scheme Trust then loaned the employees the money to purchase the shares after this money was loaned from WG Wearne Limited. The loan carried interest and the employee repaid the loan over a period of 4 years. Only once the employee paid the full value of the loan could they receive shares. However, the shares were transferred into the respective employees names on intitial offering date but the share certificates were held as security until the loan was settled. Shares not taken up by employees and shares subsequently repurchased from share participants are considered to be treasury shares and accounted for as such on consolidation.

The 885 000 shares which were not originally taken up by employees were offered to directors and senior management on 20 December 2006 at a price of 340 cents per share (market price of 395 cents). The share based expense was recognized.

13. RESERVES

Non-distributable reserves

Non-distributable reserves consist of share-based payments expenses and fair-value adjustments to available-for-sale investments.

Share-based payment expenses relate to expenses incurred during the settlement of the outstanding purchase price of business combinations and paid in by issue of shares.

For details regarding the fair value adjustments to available-for-sale investments refer to note 11.

Reserves consist of:

	Group		Company	
	2014	2013	2014	2013
Fair value adjustment to available-for-sale investments	892	759	-	-

Revaluation reserves

Revaluation reserves consist of non-distributable revaluation surpluses raised on classes of property, plant and equipment carried according to the revaluation model. In accordance with the requirements of IFRS the revaluation reserves are realised through equity via other comprehensive income over the useful lives of the respective revalued assets.

Reserves consist of:

	Group		Company	
	2014	2013	2014	2013
Land and buildings	46 219	40 460	46 219	40 460
Plant and Machinery	7 881	8 866	-	-
Deferred tax	(9 002)	(10 030)	(6 796)	(7 548)
	45 098	**39 296**	**39 423**	**32 912**

14. OTHER FINANCIAL LIABILITIES

Secured loans held at amortised cost

	Group		Company	
	2014	2013	2014	2013
Revolving loan - ABSA Bank Limited	41 175	40 569	41 175	40 569
Term loan - ABSA Bank Limited	1 290	1 236	1 290	1 236
Term loan - Nedbank Limited	9 344	-	9 344	-
	51 809	**41 805**	**51 809**	**41 805**
Less: current portion at amortised cost	(23 987)	(15 353)	(23 987)	(15 353)
	27 822	**26 452**	**27 822**	**26 452**

Unsecured loans held at amortised cost

	Group		Company	
	2014	2013	2014	2013
IDC - A loan	55 024	50 319	55 024	50 319
IDC - B loan	17 745	18 274	17 745	18 274
Term loan - ABSA Bank Limited	447	1 610	447	1 610
Term loan - Nedbank Limited	-	821	-	821
IDC - C loan	2 000	-	2 000	-
Term loan - Wesbank	1 948	2 283	1 948	2 283
	77 164	**73 307**	**77 164**	**73 307**
Less: current portion at amortised cost	(9 916)	(9 349)	(9 916)	(9 349)
	67 248	**63 958**	**67 248**	**63 958**

Instalment sale agreements

	Group		Company	
	2014	2013	2014	2013
ABSA Bank	7 171	9 179	5 755	6 865
Wesbank	48 145	57 215	22 649	26 800
Imperial Bank	-	140	-	-
Mercedes Benz Finance Services	6 485	8 589	-	87
Nedbank	70 867	80 504	30 568	35 535
ELB Equipment Holdings Limited	4 482	-	1 307	-
	137 150	**155 627**	**60 279**	**69 287**
Less: current portion at amortised cost	(28 562)	(27 765)	(12 500)	(11 722)
	108 588	**127 862**	**47 779**	**57 565**

Non-current liabilities

	Group		Company	
	2014	2013	2014	2013
Secured loans	27 822	26 453	27 822	26 452
Unsecured loans	67 248	63 958	67 248	63 958
Instalment sale agreements	108 588	127 861	47 779	57 565
	203 658	**218 272**	**142 849**	**147 975**

Current liabilities

	Group		Company	
	2014	2013	2014	2013
Secured loans	23 987	15 353	23 987	15 353
Unsecured loans	9 916	9 349	9 916	9 349
Instalment sale agreements	28 562	27 765	12 500	11 722
	62 465	**52 467**	**46 403**	**36 424**
	266 123	**270 739**	**189 252**	**184 399**

Secured loans held at amortised cost
There is no material difference between the fair value of the secured loans and their book value. The loans are secured by mortgage bonds and registered over certain of the group`s land and buildings. Refer to note for further details.

The ABSA Bank Limited term loan bears interest at prime plus 0.5% (9.5% at year end) per annum and is repayable at an average monthly instalment of R 16 987.

The ABSA Bank Limited revolving loan bears interest at prime plus 1.5% (10.5%) and is repayable at an average monthly instalment of R 876 360.

The Nedbank term loan bears interest at prime plus 3% per annum and is repayable at an average monthly instalment of R 635 073

Unsecured loans held at amortised cost
The IDC A loan is repayable beginning February 2015 in 12 quarterly instalments of R 3.8 million with a bulk payment end of 2018. The IDC B loan bears interest at 9.5% per annum and is repayable at an average monthly instalment of R 400 000 for 20 months beginning May 2012.

The IDC C loan bears no interest and has no fixed terms of repayment.

Instalment sale agreements held at amortised cost
There is no material difference between the fair value of instalment sales creditors and their book value.

The instalment sale agreements are secured over property, plant and equipment with a carrrying value in the Group excluding revaluations of R 136 241 754 (2013: R 135 620 960).

The instalment sale agreements for ABSA, Nedbank and Wesbank bears interest between prime less 1% to prime plus 1.75% (prime 9% at year end) and are repayable at an average monthly instalment of R 3 590 173 commencing April 2013.

Instalment sale liabilities are carried at amortised cost. All financial liabilities held at amortised cost are denominated in South African Rand.

Fair value of borrowings
For financial liabilities recognised at fair value, disclosure is required of a fair value hierarchy which reflects the significance of the inputs used to make the measurements.

At cost

	Group		Company	
	2014	2013	2014	2013
Secured loans	51 809	41 806	51 809	41 805
Unsecured loans	77 164	73 308	77 164	73 307
Instalment sale agreements	137 150	155 626	60 279	69 287
	266 123	**270 740**	**189 252**	**184 399**

15. PROVISIONS

Reconciliation of provisions - Group - 2014

	Opening balance	Provision write-back during the year	Total
Environmental rehabilitation	11 875	(125)	11 750

Reconciliation of provisions - Group - 2013

	Opening balance	Provision write-back during the year	Total
Environmental rehabilitation	14 866	(2 991)	11 875

The quantification of future rehabilitation costs was conducted by an independent expert in March 2013, Pieter Jacobus Greyling (a Quantity Surveyor, member of Plato as Professional Mine Surveyor 1995, Member.PMS0122).

16. TRADE AND OTHER PAYABLES

	Group		Company	
	2014	2013	2014	2013
Trade payables	59 222	43 526	13 382	13 308
Amounts received in advance	6 375	4 269	-	-
Value Added Taxation	7 278	6 014	351	1 022
Trade accruals	1 024	1 631	2 107	262
Payroll accruals	7 926	8 618	1 431	1 693
Sundry creditors	5 287	1 509	795	723
	87 112	**65 567**	**18 066**	**17 008**

Fair value of trade and other payables

	Group		Company	
	2014	2013	2014	2013
Trade payables	87 112	65 567	18 066	17 008

17. REVENUE

	Group		Company	
	2014	2013	2014	2013
Sale of goods	428 314	352 553	70 898	42 273
Rendering of services	34 963	45 982	22 925	-
Rental Income	-	-	8 955	20 767
Other revenue	-	-	13 915	18 828
Interest on discounting of revenue	-	1 466	-	-
	463 277	**400 001**	**116 693**	**81 868**

18. COST OF SALES

Sale of goods

	Group		Company	
	2014	2013	2014	2013
Cost of goods sold	(349 536)	(295 901)	(59 518)	(43 618)
Rendering of services	(21 886)	(19 280)	-	-
Interest on discounting of cost of sales	-	(297)	-	-
	(371 422)	**(315 478)**	**(59 518)**	**(43 618)**

19. OPERATING PROFIT (LOSS)

Operating profit (loss) for the year is stated after accounting for the following:

	Group		Company	
	2014	2013	2014	2013
Operating lease charges				
Premises				
• Contractual amounts	(1 019)	(1 204)	(1 020)	(933)
Motor vehicles				
• Contractual amounts	(1 396)	(446)	(241)	(233)
	(2 415)	**(1 650)**	**(1 261)**	**(1 166)**
Loss on sale of property, plant and equipment	(241)	(216)	(223)	(177)
Loss on scrapping of property, plant and equipment	-	-	-	17
Profit/(Loss) on sale of Wearne Drilling and Blasting Proprietary Limited	-	(667)	-	4 700
Impairment of loans	-	(1 979)	-	-
Depreciation on property, plant and equipment	(39 360)	(34 016)	(14 437)	(13 924)
Employee costs	(91 269)	(81 161)	(34 219)	(31 813)

20. INVESTMENT REVENUE

	Group		Company	
	2014	2013	2014	2013
Dividend revenue				
Stanlib Management - Unit trusts	13	14	-	-
Interest revenue				
Interest on loans to subsidiaries	-	-	13 228	12 323
Bank	115	97	58	97
Other interest	194	364	57	187
	309	**461**	**13 343**	**12 607**
	322	**475**	**13 343**	**12 607**

21. FINANCE COSTS

	Group		Company	
	2014	2013	2014	2013
Bank overdraft and loans	(13 022)	(11 958)	(12 082)	(11 916)
Instalment sales` agreements	(12 916)	(14 136)	(5 447)	(5 478)
Other interest paid	(5 171)	(1 022)	(1 486)	-
Trade payables	(871)	(202)	(871)	(202)
	(31 980)	**(27 318)**	**(19 886)**	**(17 596)**

22. REVALUATION OF LAND AND BUILDINGS: REVERSAL OF IMPAIRMENT

	Group		Company	
	2014	2013	2014	2013
Reversal of impairment	26 391	-	26 391	-

During the 2011 annual financial year the Muldersdrift quarry was impaired by R 32.8 million through profit and loss. During the 2014 annual financial year, the quarry was valued as disclosed in note 3. As previous revaluation resulted in an impairment that was recognised in profit and loss, the revaluation in the current year of R 26.4 million was credited to profit and loss to reverse the previous impairment.

23. TAXATION

Major components of the tax expense

	Group		Company	
	2014	2013	2014	2013
Current				
Mineral taxation	(251)	(222)	-	-
Deferred				
Originating and reversing temporary differences	7 960	11 626	2 593	-
Utilisation estimated losses	1 466	(126)	-	-
Reversal of deferred taxation asset	(7 967)	(6 913)	-	-
	1 459	**4 587**	**2 593**	**-**
	1 208	**4 365**	**2 593**	**-**

Reconciliation of the tax expense

Reconciliation between applicable tax rate and average effective tax rate.

	Group		Company	
	2014	2013	2014	2013
Applicable tax rate	28,00%	(28,00)%	(28,00)%	(28,00)%
Disallowable charges	(79,00)%	6,00%	30,00%	28,00%
Royalty Tax	3,00%	1,00%	-	-
Deferred tax not raised on estimated losses	137,00%	(35,00)%	11,00%	-
Deferred tax previously not recognised	(20,00)%	6,00%	(19,00)%	-
Capital losses recognised	(83,00)%	-	-	-
	(14,00)%	**(22,00)%**	**(6,00)%**	**-**

24. DISCONTINUED OPERATIONS

During the previous year the Group disposed of its interest in Wearne Drilling and Blasting Proprietary Limited which has been presented as a discontinued operation.

The discontinued operations presented on the face of the consolidated Statement of Comprehensive Income has been presented net of inter-company transactions between Wearne Drilling and Blasting and the holding company and its subsidiaries. The eliminations are presented as follows:

Group – 2013	Disposal group	Inter- company elimination	Disposal group net of eliminations
Revenue	12,869	(3,831)	9,038
Cost of sales	(7,819)	56	(7,763)
Gross profit	**5,050**	**(3,775)**	**1,275**
Other income	17	-	17
Operating expenses	(168)	(3,106)	(3,273)
Operating profit	**4,899**	**(6,881)**	**(1,982)**
Finance costs	(411)	-	(411)
Loss before taxation	**4,488**	**(6,881)**	**(2,393)**
Taxation	-	-	-
Loss after taxation	**4,488**	**(6,881)**	**(2,393)**
Loss attributable to:			
Owners of the parent	4,488	(6,881)	(2,393)
Non-controlling interest	-	-	-
	4,488	(6,881)	(2,393)

Group – 2013	Disposal group	Inter- company elimination	Disposal group net of eliminations
Loss attributable to the owners	-	-	(2,393)
Loss on discontinued operation	**-**	**-**	**(2,393)**
Cash flow from discontinued operations			
Cash flows from operating activities	-	-	(3,050)
Cash flows from investing activities	-	-	4,700
Cash flows from financing activities	-	-	(1,217)
Net cash flows	**-**	**-**	**433**
Discontinued operation:			
Discontinued operation attributable to Wearne Drilling and Blasting Proprietary Limited	-	-	(2,393)

25. CASH GENERATED FROM (USED IN) OPERATIONS

	Group		Company	
	2014	2013	2014	2013
Profit (Loss) before taxation	8 861	(19 683)	(37 975)	524
Adjustments for:				
Depreciation, amortisation and impairment	39 660	34 016	14 436	13 924
Loss on sale of assets	241	307	224	177
Loss (profit) on sale of Wearne Drilling and Blasting	-	667	-	(4 700)
Dividends received	(13)	-	-	-
Interest received - investment	(322)	(461)	(13 343)	(12 607)
Finance costs	31 980	27 318	19 886	17 596
Fair value adjustments	(2)	-	(2)	-
Reversal of impairment	(26 391)	-	(26 391)	-
Impairment of loans receivable	-	2 245	-	-
Reversal of impairment of loans receivable	(393)	-	-	(5 170)
Movement on environmental provision	(125)	(737)	-	-
Other non-cash items	(97)	(32)	(403)	(53)
Write-off of loans to share incentive participants	-	769	-	-
Changes in working capital:				
Inventories	(7 026)	(2 543)	(2 976)	358
Trade and other receivables	(14 506)	(4 108)	(2 883)	146
Trade and other payables	21 544	(6 029)	1 057	(6 295)
	53 411	**31 729**	**(48 370)**	**3 900**

26. FINANCIAL ASSETS BY CATEGORY

The accounting policies for financial instruments have been applied to the line items below:

Group - 2014

	Loans and receivables	Available-for-sale	Total
Other financial assets	-	5 213	5 213
Trade and other receivables	60 025	-	60 025
Cash and cash equivalents	929	-	929
	60 954	**5 213**	**66 167**

Group - 2013

	Loans and receivables	Available-for-sale	Total
Other financial assets	987	4 875	5 862
Trade and other receivables	44 496	-	44 496
Cash and cash equivalents	7 047	-	7 047
	52 530	**4 875**	**57 405**

Company - 2014

	Loans and receivables	Available-for-sale	Total
Trade and other receivables	11 482	-	11 482
Cash and cash equivalents	253	-	253
	11 735	**-**	**11 735**

Company - 2013

	Loans and receivables	Available-for-sale	Total
Other financial assets	987	14	1 001
Trade and other receivables	9 460	-	9 460
Cash and cash equivalents	3 537	-	3 537
Loans to group companies	2 435	-	2 435
	16 419	**14**	**16 433**

27. FINANCIAL LIABILITIES BY CATEGORY

The accounting policies for financial instruments have been applied to the line items below:

Group - 2014

	Financial liabilities at amortised cost	Total
Other financial liabilities	266 123	266 123
Trade and other payables	71 907	71 907
Bank overdraft	16 901	16 901
	354 931	**354 931**

Group - 2013

	Financial liabilities at amortised cost	Total
Other financial liabilities	270 739	270 739
Trade and other payables	59 553	59 553
Bank overdraft	34 885	34 885
	365 177	**365 177**

Company - 2014

	Financial liabilities at amortised cost	Total
Other financial liabilities	189 252	189 252
Trade and other payables	16 284	16 284
Bank overdraft	124	124
	205 660	**205 660**

Company - 2013

	Financial liabilities at amortised cost	Total
Other financial liabilities	184 399	184 399
Trade and other payables	17 007	17 007
Bank overdraft	19 635	19 635
	221 041	**221 041**

28. RETIREMENT BENEFITS

It is the policy of the Group to provide retirement benefits to all its employees, all of which are subject to the Pension Funds Act. The Group is under no obligation to cover any undefined benefits.

	Group		Company	
	2014	2013	2014	2013
Total Group contributions to such schemes	4 277	4 353	1 437	1 855

29. COMMITMENTS

Operating leases – as lessee (expense)

	Group		Company	
	2014	2013	2014	2013
Minimum lease payments due				
- within one year	(1 191)	(1 191)	(544)	(544)
- in second to fifth year inclusive	(1 536)	(2 727)	-	-
	(2 727)	**(3 918)**	**(544)**	**(544)**

The Group`s operating leases relate to the rental of production vehicles, motor vehicles and the head office premises. These leases range between 1 and 6 years in length.

30. CONTINGENCIES

Disputes regarding the repayment of previously claimed diesel rebate from SARS including penalties and interest to the value of R 9 539 556 were pending.

31. RELATED PARTIES

Relationships

Controlled entities (and related transactions)	Subsidiaries as set out in Annexure A
Executive directors	SJ Wearne MJ Ross
Entities controlled by the directors	Senatla Structures Proprietary Limited
Special purpose entities	WG Wearne Rehabilitation Trust WG Wearne Share Incentive Scheme

32. DIRECTORS` AND PRESCRIBED OFFICERS` EMOLUMENTS

Executive

2014

	Basic	Total
SJ Wearne	1 512	1 512
JJ Bierman (1)	910	910
	2 422	2 422

2013

	Basic	Total
SJ Wearne	1 386	1 386
JJ Bierman	1 016	1 016
GL Bosman	179	179
AC Van Heerden	1 010	1 010
	3 591	**3 591**

Non-executive

	Type of earnings	2014	2013
MM Patel	Fees	240	245
GM Salanje	Fees	150	180
WP Van der Merwe	Fees	100	101
		490	**526**

Appointments and resignations of directors

(1) JJ Bierman resigned as a director on 31 December 2013.

(2) MJ Ross was appointed as a director on 7 March 2014.

(3) GM Salanje resigned as a director on 7 March 2014.

33. RISK MANAGEMENT

Capital risk management

The board of directors has approved strategies for the management of financial risks which are in line with the corporate objectives. These guidelines set up the short and long-term objective and actions to be taken in order to manage the financial risks that the Group faces.

The major guidelines of the policy are the following:

- Minimise interest rate, currency and market risk for all kinds of transactions,
- All financial risk management activities are carried out and monitored at central level, and
- All financial risk management activities are carried out on a prudent and consistent basis, while following the best market practices.

The Group`s activities expose it to a variety of financial risks. These risks include the following:

- Market risk (which includes interest rate risk, cash flow interest rate risk and price risk)
- Credit risk, and
- Liquidity risk

The Group`s overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group`s financial performance.

The board provides principals for overall risk management as well as policies covering specific areas such as interest rate risk, credit risk and investment of excess liquidity.

At year end the Group`s share capital consisted solely of share capital. The Group is currently aiming to reduce the debt equity ratio.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities

The group's risk to liquidity is a result of the funds available to cover future commitments. The group manages liquidity risk through an ongoing review of future commitments and credit facilities. Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored. Such forecasting takes into consideration the group`s debt financing plans, covenant compliance and compliance with internal balance sheet ratio targets.

The table below analyses the group's financial liabilities into relevant maturity groupings based on the remaining period at the period end date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Group

At 28 February 2014	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years
Other financial liabilities	62 465	203 658	-
Trade and other payables	71 909	-	-
Bank overdraft	16 901	-	-
At 28 February 2013	**Less than 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**
Other financial liabilities	61 812	62 122	185 579
Trade and other payables	48 917	2 023	-
Bank overdraft	34 698	-	-

Company

At 28 February 2014	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years
Other financial liabilities	46 403	142 849	-
Trade and other payables	16 283	-	-
Bank overdraft	124	-	-
At 28 February 2013	**Less than 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**
Other financial liabilities	39 754	40 210	126 343
Trade and other payables	14 292	-	-
Bank overdraft	19 478	-	-

The carrying amount of the financial liabilities approximates the fair value at period end date.

At present the Group expects to pay all liabilities at their contractual maturity date. In order to meet such commitments the Group expects the operating activity to generate sufficient funds. In addition, the Group holds financial assets for which there is a liquid market and they are readily available to meet liquidity needs.

Interest rate risk

The Group`s exposure to interest rate risk mainly concerns financial assets and financial liabilities. Financial assets and financial liabilities are categorised by interest rate type as follows:

- Non-interest bearing,
- Fixed, and
- Floating rate

The following table analysis the breakdown of financial assets and financial liabilities by interest rate type:

Group- Assets 2014	Non interest bearing	Fixed rate	Floating rate	Total
Other financial assets	-	-	5 213	5 213
Trade and other receivables	58 798	-	-	58 798
Cash and cash equivalents	-	-	929	929
	58 798	**-**	**6 142**	**64 940**

Group-Assets 2013	Non interest bearing	Fixed rate	Floating rate	Total
Other financial assets	-	987	4 875	5 862
Trade and other receivables	44 496	-	-	44 496
Cash and cash equivalents	-	-	6 860	6 860
	44 496	**987**	**11 735**	**57 218**

Group-Liabilities 2014	Non interest bearing	Fixed rate	Floating rate	Total
Other financial liabilities	-	-	266 123	266 123
Trade and other payables	71 909	-	-	71 909
Bank overdraft	-	-	16 901	16 901
	71 909	**-**	**283 024**	**354 933**

Group-Liabilities 2013	Non interest bearing	Fixed rate	Floating rate	Total
Borrowings	-	-	270 739	270 739
Loans from group companies	-	610	-	610
Trade and other payables	59 553	-	-	59 553
Bank overdraft	-	-	34 698	34 698
	59 553	**610**	**305 437**	**365 600**

Company- Assets 2014	Non interest bearing	Fixed rate	Floating rate	Total
Loans to group companies	-	-	-	-
Trade and other receivables	11 482	-	-	11 482
Cash and cash equivalents	253	-	-	253
	11 735	**-**	**-**	**11 735**

Company- Assets 2013	Non interest bearing	Fixed rate	Floating rate	Total
Other financial assets	-	987	14	1 001
Loans to group companies	-	-	2 435	2 435
Trade and other receivables	9 460	-	-	9 460
Cash and cash equivalents	42	-	3 495	3 537
	9 502	**987**	**5 944**	**16 433**

Company-Liabilities 2014	Non interest bearing	Fixed rate	Floating rate	Total
Borrowings	-	-	189 252	189 252
Loans from group companies	-	66 017	-	66 017
Trade and other payables	16 284	-	-	16 284
Bank overdraft	124	-	-	124
	16 408	**66 017**	**189 252**	**271 677**

Company-Liabilities 2013	Non interest bearing	Fixed rate	Floating rate	Total
Borrowings	-	-	184 399	184 399
Loans from group companies	-	609	-	609
Trade and other payables	14 293	-	-	14 293
Bank overdraft	-	-	19 478	19 478
	14 293	**609**	**203 877**	**218 779**

Sensitivity analysis

The analysis has been performed for floating interest rate financial liabilities. The impact of a change in interest rates on floating interest rate financial liabilities has been assessed in terms of the changing of their cash flows and therefore in terms of the impact on net expenses.

The Group`s interest rate risk arises substantially from long term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group`s borrowings at variable rates are denominated in South African rand.

Group

A hypothetical increase/decrease in the interest rate by 50 basis points, with all other variables remaining constant, would result in an increase/decrease in profits after tax of R 860 730 (2013: R 1 239 790).

A hypothetical increase/decrease in the interest rate by 100 basis points, with all other variables remaining constant, would result in an increase/decrease in profits after tax of R 1 721 460 (2013: R 2 479 581).

Company

A hypothetical increase/decrease in the interest rate by 50 basis points, with all other variables remaining constant, would result in an increase/decrease in profits after tax of R 1 281 590 (2013: R 375 093).

A hypothetical increase/decrease in the interest rate by 100 basis points, with all other variables remaining constant, would result in an increase/decrease in profits after tax of R 2 563 180 (2013: R 750 186).

Credit risk

Credit risk is managed on a group basis.

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The Group only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash. Refer to note for details on the quality and allowance for impairment of trade receivables.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	Group - 2014	Group - 2013	Company - 2014	Company - 2013
Other financial assets	-	987	-	987
Loans to group companies	-	-	-	2 435
Trade and other receivables	58 798	44 496	12 468	9 460
Cash and cash equivalents	929	7 047	253	3 537

The Group is exposed to a number of guarantees for its overdraft facilities. Refer to note 10 for additional details.

Price risk

The group is exposed to equity securities price risk because of investments held by the group and classified on the consolidated statement of financial position either as available-for-sale or at fair value through profit or loss. The group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the group.

The table below summarises the impact of increases/decreases of the indexes on the group's post-tax profit for the year and on equity. The analysis is based on the assumption that the equity indexes has increased/decreased by 5% with all other variables held constant and all the group's equity instruments moved according to the historical correlation with the index:

Group

	Group		Company	
Financial instrument	2014	2013	2014	2013
Unit trusts	-	244	-	244

34. EVENTS AFTER THE REPORTING PERIOD

There were no material events subsequent to year end.

35. BASIC AND DILUTED LOSS PER SHARE

	Group		Company	
	2014	2013	2014	2013
Continuing basic and diluted profit/(loss) per share	3,69	(5,61)	-	-
Continuing and discontinued basic and diluted profit/(loss) per share	3,69	(6,49)	-	-

The calculation of continuing basic and diluted earnings per ordinary share is based on profits of R 10 069 000 (2013: R 15 318 000) and a weighted average number of shares in issue of 273 038 000 (2013: 273 038 000).

The calculation of continuing and discontinuing basic and diluted earnings per ordinary shares is based on profits of R 10 069 000 (2013: 17 711 000) and a weighted average number of shares in issue of 273 038 000 (2013: 273 038 000).

The weighted average number of shares is calculated after taking into account the effect of setting off treasury shares of 3 355 000 (2013: 3 355 000).

36. HEADLINE AND DILUTED HEADLINE LOSS PER SHARE

	Group		Company	
	2014	2013	2014	2013
Headline and diluted headline loss per share	(6,07)	(6,15)	-	-
Reconciliation of the headline loss				
Profit / (Loss) for the period	10 069	(17 711)	-	-
Profit on the sale of interest in joint venture	-	667	-	-
Profit (Loss) on the sale of property, plant and equipment	(241)	258	-	-
Reversal of impairment	(26 391)	-	-	-
	(16 563)	**(16 786)**	**-**	**-**

The calculation of basic and diluted headline loss per ordinary share is based on losses of R 16 563 000 (2013: R 16 786 000) and a weighted average number of shares in issue of 273 038 000 (2013: 273 038 000).

The weighted average number of shares is calculated after taking into account the effect of setting off treasury shares of 3 355 000 (2013: 3 355 000).

37. ASSET VALUE PER SHARE

	Group		Company	
	2014	2013	2014	2013
Net asset value per share	17,91	13,00	-	-
Net tangible asset value per share	17,91	13,00	-	-

The calculation of net asset value per ordinary share is based on a net asset value of R 48 908 000 (2013: R 35 489 000) and an issured number of ordinary shares of 273 038 000 (2013: 273 038 000).

The calculation of net tangible per ordinary share is based on net tangible asset of R 48 908 000 (2013: R 35 489 000) and and issued number of ordinary shares of 273 038 000 (2013: 273 038 000).

The number of shares is calculated after taking into account the effect of setting off treasury shares of 3 355 000 (2013: 3 355 000). The treasury shares are held by the WG Wearne Share Incentive Scheme.

38. TAX PAID

	Group		Company	
	2014	2013	2014	2013
Balance at beginning of the year	(647)	(1 821)	-	-
Charge through the statement of comprehensive income	251	(6 195)	-	-
Attributable to the discontinued operation	-	1 395	-	-
Deferred tax adjustment	-	5 947	-	-
Balance at end of year	898	647	-	-
	-	-	-	-

39. SEGMENTAL REPORTING

Revenue: External sales

	Group		Company	
	2014	2013	2014	2013
Aggregates	217 091	197 592	-	-
Readymix mixed concrete	230 868	191 747	-	-
Concrete manufactured products	15 318	10 662	-	-
	463 277	**400 001**	**-**	**-**

Revenue Inter-segment sales

	Group		Company	
	2014	2013	2014	2013
Aggregates	65 953	58 832	-	-
Readymix mixed concrete	78	317	-	-
	66 031	**59 149**	**-**	**-**

Revenue: Total sales

	Group		Company	
	2014	2013	2014	2013
Aggregates	283 045	256 424	-	-
Readymix mixed concrete	230 947	192 064	-	-
Concrete manufactured products	15 318	10 662	-	-
	529 310	**459 150**	**-**	**-**

Operating profit (loss) before taxation

	Group		Company	
	2014	2013	2014	2013
Aggregates	11 364	6 207	-	-
Readymix mixed concrete	1 067	364	-	-
Concrete manufactured products	1 695	589	-	-
	14 126	**7 160**	**-**	**-**

Property, plant and equipment

	Group		Company	
	2014	2013	2014	2013
Aggregates	277 788	276 996	-	-
Readymix mixed concrete	32 781	40 882	-	-
Concrete manufactured products	21 738	21 848	-	-
	332 307	**339 726**	**-**	**-**

Total assets

	Group		Company	
	2014	2013	2014	2013
Aggregates	343 402	338 080	-	-
Readymix mixed concrete	72 388	70 779	-	-
Concrete manufactured products	25 055	24 203	-	-
	440 845	**433 062**	**-**	**-**

The Group`s business segments and segmental information presented above represent the primary basis of segment reporting. The business segment reporting format reflects the Group`s managment and internal reporting structure. Inter-segment transactions are concluded at arm`s length terms and conditions. At year end the Group did not have a customer who individually accounted for more than 10% of the Group`s total sales.

All companies in the Group operate solely in the Republic of South Africa.

40. MEASUREMENT OF FAIR VALUE OF FINANCIAL ASSETS

	Level 1	Level 2	Level 3	Total
Investment for Rehabilitation Trust-Stanlib	5 213	-	-	5 213
Revaluation of Muldersdrift Quarry	-	-	26 391	26 391
Revaluation of Roodekop Property	-	3 218	-	-
	5 213	**3 218**	**26 391**	**31 604**

The Group`s finance team performs valuations of financial items for financial reporting purposes, including level 3 fair values, in conjunction with third party valuation specialists for complex valuations. Valuation techinques are selected based on the characteristcs of each instrument, with the overall objective of maximising the use of market-based information. Valuation processes and fair value changes are discussed among the audit committee and the valuation team at least every two years, in line with Group`s reporting dates.

Level 1

The Rehabilitation Trust Investment is held with Stanlib Wealth Management Limited as at 28 February 2014. The investments are held in various funds to spread the risk related to the investment returns and maximise the return to the Group for the purposes of Rehabilitation.

Level 2

The fair value of the Roodekop Property were determined based on observable average market related property prices in the Roodekop area as at 28 February 2014. The effects of non-observable inputs are not significant for the property valuation purposes. The property is in the process of being sold and all IFRS 5 requirements have been met.

Level 3

Fair value of certain of the Group`s property, plant and equipment is estimated based on appraisals performed by independent, professionally-qualified property valuers. The significant inputes and assumptions are developed in close consultation with management. The valuation processes and fair value changes are reviewed by the board of directors and audit committee at each reporting date. The revaluation in the current year on the Muldersdrift Quarry was conducted by an independent appraiser in March 2013. The appraisal was carried out using a market approach that reflects observed prices for recent market transactions for similar properties and incorporates adjustments for factors specific to the land in question, including plot size, location, encumbrances, current use and discounted cash flows. The discounted cash-flow analysis was performed over a 20 year period, a discount rate of 25% was used for the purposes of the valuation which takes into account the high risk and volatile nature of a mine.

41. GOING CONCERN

The Group incurred a headline loss for the 2014 financial period of R 16.6 million. This highlights a material uncertainty regarding the going concern issue which is emphasised further by the Group`s negative liquidity position and high gearing.

The Group is currently solvent with net asset value of R 48 million or 17.91 cents per share. Current liabilities (R 167 million) exceed current assets (R 88 million) by R 80 million. In addressing these matters the directors have taken into account the implementation of the turnaround strategy as well as expected revenues for the foreseeable future combined with budgets and cash flow forecasts, indicating that the Group will be able to honour its commitments. The Group still maintains the support of its financiers with whom it continues to work closely in order to ensure that its working capital is managed. Furthermore, the Group continues to maintain a strict financial discipline ensuring that costs are tightly managed and assets effectively utilised.

As a result of the above the annual financial statements have been prepared on the basis of accounting policies applicable to going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

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ANNEXURE A - RELATED PARTY TRANSACTIONS

	Issued capital	Interest		Cost of Shares		Loan amounts owing by / (to) subsidiary	
		2014	2013	2014	2013	2014	2013
	R	%	%	R	R	R	R
Subsidiaries (Direct)							
Noordvaal Crushers Proprietary Limited	16 000	100	100	1	1	(21 899)	(21 899)
Wearne Aggregates Proprietary Limited *	3	100	100	3 000 000	3 000 000	194 433 290	133 657 169
Wearne Platkop Quarry Proprietary Limited	100	100	100	100	100	(100)	(100)
Wearne Precast Proprietary Limited	100	77	77	1 770	1 770	15 792 877	12 571 076
Wearne Quarries Free State Proprietary Limited	100	100	100	100	100	-	-
Wearne Quarries Gauteng Proprietary Limited	100	100	100	100	100	-	-
Wearne Quarries Limpopo Proprietary Limited	100	100	100	100	100	-	-
Wearne Quarries Natal Proprietary Limited	100	100	100	100	100	1 081 519	1 081 519
Wearne Ready Mixed Concrete Proprietary Limited	100	100	100	100	100	(65 994 167)	(587 692)
Joint Ventures							
Wearne Drilling and Blasing Proprietary Limited	100	-	50	-	50	-	-
Special purpose entities							
WG Wearne Share Incentive Scheme	-	-	-	-	-		4 382 749
WG Wearne Rehabilitation Trust	-	-	-	-	-	-	-
TOTALS				**3 002 471**	**3 002 471**	**145 291 520**	**151 082 822**

** Wearne Aggregates Proprietary Limited was previously known as WG Wearne Logistics Proprietary Limited*

Amounts included in trade receivables		Net profit / (loss) after tax attributable to group before consolidation entries		Services rendered to subsidiaries		Services rendered by subsidiaries		Interest received from / (paid to) subsidiaries	
2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
R	R	R	R	R	R	R	R	R	R
-	-	-	-	-	-	-	-	-	-
3 092 167	4 686 474	(76 367 564)	(51 328 571)	45 131 299	46 029 893	831 009	16 734	13 805 902	8 681 581
-	-	-	-	-	-	-	-	-	-
58 410	45 559	(1 497 648)	(3 913 827)	470 756	358 916	-	-	1 175 212	1 020 441
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
1017 636	1 793 288	(74 146 537)	7 854 865	19 433 808	15 843 219	45,064	26 735	3 046 626	2 620 686
-	-	-	2 094 867	-	4 191 488	-	76 190	-	-
-	-	(4 427 334)	(2 190 782)	-	-	-	-	-	-
-	-	132 050	129 928	-	-	-	-	-	-
4 168 214	**6 525 321**	**(156 307 034)**	**(47 353 520)**	**65 035 863**	**66 423 516**	**876 073**	**119 659**	**18 027 740**	**12 322 708**

ANNEXURE B - SHAREHOLDER ANALYSIS

Register date: 28 February 2014

Issued Share Capital: 276,393,213

SHAREHOLDER SPREAD	No of Shareholdings	%	No of Shares	%
1 - 1 000 shares	192	13.01	118,697	0.04
1 001- 10 000 shares	680	46.07	3,171,572	1.15
10 001- 100 000 shares	468	31.71	16,514,169	5.97
100 001- 1 000 000 shares	108	7.32	29,569,654	10.70
1 000 001 shares and over	28	1.90	227,019,121	82.14
Totals	**1,476**	**100.00**	**276,393,213**	**100.00**

DISTRIBUTION OF SHAREHOLDERS	No of Shareholdings	%	No of Shares	%
Banks/Brokers	3	0.20	543,840	0.20
Close Corporations	31	2.10	2,929,684	1.06
Empowerment	6	0.41	12,500,000	4.52
Endowment Funds	3	0.20	3,260	0.00
Government	1	0.07	41,458,982	15.00
Individuals	1,297	87.87	86,586,682	31.33
Insurance Companies	2	0.14	58,220	0.02
Investment Companies	1	0.07	105,080	0.04
Nominees & Trusts	78	5.28	65,293,052	23.62
Other Corporations	6	0.41	185,800	0.07
Private Companies	45	3.05	62,805,563	22.72
Public Companies	1	0.07	500,000	0.18
Retirement Fund	1	0.07	67,800	0.02
Share Trust	1	0.07	3,355,250	1.21
Totals	**1,476**	**100.00**	**276,393,213**	**100.00**

PUBLIC / NON - PUBLIC SHAREHOLDERS	No of Shareholdings	%	No of Shares	%
Non - Public Shareholders	6	0.41	157,089,581	56.84
Directors and Associates of the Company holdings	2	0.14	21,227,400	7.68
Strategic Holdings	3	0.20	132,506,931	47.94
Share Trust	1	0.07	3,355,250	1.21
Public Shareholders	1,470	99.59	119,303,632	43.16
Totals	**1,476**	**100.00**	**276,393,213**	**100.00**

Beneficial shareholders holding 3% or more	No of Shares	%
Samant Trust	49,588,967	17.94
Industrial Development Corporation	41,458,982	15.00
Richtrau No 329 Proprietary Limited	41,458,982	15.00
Wearne, SJ	21,180,400	7.66
Wearne, JC	12,107,867	4.38
Totals	**165,795,198**	**59.99**

NOTICE OF ANNUAL GENERAL MEETING

WG WEARNE LIMITED
(Registration Number 1994/005983/06)
("the company" / "Wearne")

Notice is hereby given that the annual general meeting of the shareholders of Wearne will be held in the Boardroom of the company at STONEMILL OFFICE PARK, 3 KIEPERSOL HOUSE, 300 ACACIA ROAD, CRESTA, RANDBURG, on Wednesday, 1 October 2014 at 12H00, to deal with the business as set out below and to consider and, if deemed appropriate, pass, with or without modification, the ordinary and special resolutions set out in this notice.

Kindly note that in terms of section 63(1) of the Companies Act, No. 71 of 2008, as amended ("Companies Act"), meeting participants (including proxies) will be required to provide reasonably satisfactory identification before being entitled to participate in or vote at the annual general meeting. Forms of identification that will be accepted include original and valid identity documents, driver's licenses and passports.

The board of directors of the company has determined the following dates applicable to the annual general meeting:

	2014
Record date for the receipt of notice of the annual general meeting in terms of section 59(1) of the Companies Act	Friday, 29 August 2014
Last day to trade in order to be eligible to participate and vote at the annual general meeting	Friday, 19 September 2014
Record date for determining which shareholders are entitled to participate and vote at the annual general meeting	Friday, 26 September 2014
Last day to lodge forms of proxy for the annual general meeting by 12:00 on:	Monday, 29 September 2014

For the purpose of approving the ordinary resolutions, other than ordinary resolution number 5, the support of more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting is required, unless otherwise indicated.

Shareholders are referred to the explanatory notes as attached to the notice of the annual general meeting for additional information, including abbreviated profiles of the directors standing for re-election.

SPECIAL RESOLUTION NUMBER 1

General authority to the Company to purchase its own shares
"RESOLVED as a special resolution that the Company, or a subsidiary, be and hereby is authorised, by way of general authority as contemplated in section 48 of the Companies Act to acquire from time to time any of the issued ordinary shares of the Company, upon such terms and conditions and in such amounts as the directors of the Company may from time to time determine, but subject to the Memorandum of Incorporation of the Company, the provisions of the Companies Act and the Listings Requirements of the JSE Limited ("JSE").

It is recorded that the Listings Requirements of the JSE require, inter alia, that the Company or a subsidiary may make a general acquisition of shares issued by the Company only if:

- the repurchase of the ordinary shares is effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and the counterparty;
- at any point in time the company may only appoint one agent to effect any repurchases on its behalf;
- this general authority shall only be valid until the next annual general meeting of the company, provided that it shall not extend beyond 15 (fifteen) months from the date of passing of the general authority to repurchase shares;
- the maximum price at which the shares may be acquired will be 10% (ten percent) above the weighted average of the market value at which such ordinary shares traded on the JSE, for the 5 (five) business days immediately preceding the date on which the transaction is effected;
- any such acquisition shall not, in any one financial year, exceed 10% (ten percent) of the company's issued ordinary shares;
- should derivatives be used, such authority is limited to paragraphs 5.72(c) and (d) and 5.84(a) of the JSE Listings Requirements;
- the company and/or its subsidiaries may not repurchase securities during a prohibited period as defined in the JSE Listings Requirements, unless it has in place a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed and full details of the programme have been disclosed in an announcement published on SENS prior to the commencement of the prohibited period;

- the directors have passed a resolution authorising the repurchase, resolving that the company has satisfied the Solvency and Liquidity Test as defined in the Companies Act and resolving that since the Solvency and Liquidity Test had been applied, there have been no material changes to the financial position of the Group;
- the company may not enter the market to proceed with the repurchase until Wearne's Designated Adviser has confirmed the adequacy of Wearne's working capital for the purposes of undertaking a repurchase of shares, in writing to the JSE;
- when the company has cumulatively repurchased 3% (three percent) of the initial number of the relevant class of securities, and for each 3% (three percent) in aggregate of the initial number of that class acquired thereafter, an announcement must be made. Such announcement must be made as soon as possible and in any event by not later than 08:30 on the second business day following the day on which the relevant threshold is reached or exceeded; and
- this authority will only be utilised to the extent that the directors, after considering the maximum effect of such repurchase, for a period of at least 12 (twelve) months after the date of notice of the annual general meeting are of the opinion that:
    - the company and the Wearne Group will be able to repay its debts in the ordinary course of business;
    - the assets of the company and the Wearne Group fairly valued according to International Financial Reporting Standards and on a basis consistent with the last financial year of the company ended 28 February 2013, exceed its liabilities;
    - the company and the Wearne Group have adequate share capital and reserves for ordinary business purposes;
    - the company and the Wearne Group have sufficient working capital for ordinary business purposes.

Voting:
In order for this special resolution number 1 to be adopted, the support of at least 75% (seventy-five per cent) of the total number of votes, which the shareholders present or represented by proxy at this meeting are entitled to cast, is required.

Additional disclosure requirements required in terms of the JSE Listings Requirements

Material changes
No material changes have occurred since the end of the last financial period, being 28 February 2014, and the date of this notice of annual general meeting.

Directors' responsibility statement
The directors of the Group as set out on page 27 of the Annual Report:

- have considered all the statements of fact and opinion in the Annual Report to which this notice is attached;
- accept, individually and collectively, full responsibility for such statements; and
- declare that, to the best of their knowledge and belief, such statements are correct and no material facts have been omitted, the omission of which would make any such statements false or misleading and that they have made all reasonable enquiries to ascertain such facts and that this notice contains all information required by law and the JSE Listings Requirements.

Litigation statement
WG Wearne Limited nor its subsidiaries is party to any legal or arbitration proceedings (including such proceedings which are pending or (threatened) which may have or have had in the previous 12 (twelve) months a material effect on the Group's financial position, except as disclosed in note 30 of the annual financial statements.

Other disclosure in terms of the JSE Listings Requirements
The JSE Listings Requirements require the following disclosures, which are contained in the Annual Report:

Requirements	Reference
Directors	Page 27
Major shareholders	Page 98
Directors' interests in securities	Pages 48 and 49
Share capital of the Company	Page 48, Note 12 - Pages 78 to 79

SPECIAL RESOLUTION NUMBER 2

Approval of non-executive directors' fees
"RESOLVED, as a special resolution:

- that the company be and is hereby authorised to pay remuneration to its directors for their services as directors, as contemplated in section 66(8) and 66(9) of the Companies Act of 2008; and
- that the remuneration structure and amounts as set out below, be and are hereby approved until such time as rescinded or amended by shareholders by way of a special resolution:

Type of fee (per annum)	Actual meeting fee- 2013/14 R	Proposed meeting fee – 2014/15 R
Board		
Chairman	20 000	21 400
Board member	11 000	11 770
Audit Committee		
Chairman	15 000	16 050

In order for this special resolution number 2 to be adopted, the support of at least 75% (seventy-five per cent) of the total number of votes, which the shareholders present or represented by proxy at this meeting are entitled to cast, is required.

SPECIAL RESOLUTION NUMBER 3

Authority to provide financial assistance to any company or corporation which is related or inter-related to the Company
"RESOLVED as a special resolution that, as a general approval, the company may, in terms of section 45(3)(a)(ii) of the Companies Act, provide any direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to it in section 45(1) of the Companies Act) to any related or inter-related company or to any juristic person who is a member of or related to any such company/ies ("related" and "inter-related" will herein have the meaning attributed to it in section 2 of the Companies Act), subject to compliance with the remainder of section 45 of the Companies Act, as the board of directors of the company may deem fit and on the terms and conditions, to the recipient/s, in the form, nature and extent and for the amounts that the board of directors of the company may determine from time to time."

In order for this special resolution number 3 to be adopted, the support of at least 75% (seventy-five per cent) of the total number of votes, which the shareholders present or represented by proxy at this meeting are entitled to cast, is required.

PRESENTATION OF ANNUAL FINANCIAL STATEMENTS AND REPORTS

The consolidated audited annual financial statements for the Company and the Group, including the external Independent Auditor's Report, the Audit Committee Report and the Directors' Report for the year ended 28 February 2014, have been distributed as required and will be presented to shareholders at the annual general meeting.

The consolidated audited annual financial statements, together with the abovementioned reports are set out on pages 47 to 98 of the annual report.

REPORT FROM SOCIAL AND ETHICS COMMITTEE

In accordance with Companies Regulation 43(5)(c), issued in terms of the Companies Act, the chairman of the Social and Ethics Committee, or in the absence of the chairman any member of the Committee, will present the committee's report to shareholders at the annual general meeting.

ORDINARY RESOLUTION NUMBER 1

Appointment and Re-appointment of directors
Mr M Patel and Mr W van der Merwe retire by rotation and, being eligible, offers themselves for re-election as director of the company to be approved and confirmed by shareholders as provided for in the JSE Listings Requirements.

Accordingly, shareholders are requested to consider and, if deemed fit, approve the separate ordinary resolutions set out below.

Ordinary resolution number 1.1
"RESOLVED that the re-appointment of Mr M Patel as an independent non-executive director of the company be and is hereby approved."

Ordinary resolution number 1.2
"RESOLVED that the re-appointment of Mr W van der Merwe as an independent non-executive director of the Company be and is hereby approved."

ORDINARY RESOLUTION NUMBER 2

Re-appointment of auditors
"RESOLVED that the reappointment of Grant Thornton and the independently registered auditor, Mr MZ Sadek, upon the recommendation of the current Audit Committee, as independent auditors of the company be and is hereby approved."

ORDINARY RESOLUTION NUMBER 3

Appointment of Audit Committee members for the year ending 28 February 2015
It is proposed that the non-executive directors as indicated below be appointed as members of the Audit Committee.

Ordinary resolution number 3.1
"RESOLVED that the appointment of Mr W van der Merwe as a member and chairman of the Audit Committee until the conclusion of the next annual general meeting of the company in 2015, subject to his re-election as a director pursuant to ordinary resolution number 1.2, be and is hereby approved."

Ordinary resolution number 3.2
"RESOLVED that the appointment of Mr M Khwinana as a member of the Audit Committee until the conclusion of the next annual general meeting of the company in 2015, be and is hereby approved."

Ordinary resolution number 3.3
"RESOLVED that the appointment of Mr M Patel as a member of the Audit Committee until the conclusion of the next annual general meeting of the company in 2015, subject to his re-election as a director pursuant to ordinary resolution number 1.1, be and is hereby approved."

ORDINARY RESOLUTION NUMBER 4

Authority to issue shares
"RESOLVED that the directors be and are hereby authorised to allot and issue at their discretion the unissued but authorised ordinary shares in the share capital of the company and/or grant options to subscribe for the unissued shares, for such purposes and on such terms and conditions as they may determine, provided that such transaction(s) has/have been approved by the JSE Limited, as and when required, and are subject to the JSE Listings Requirements and the Companies Act and shareholders hereby waive any pre-emptive rights in relation thereto"

ORDINARY RESOLUTION NUMBER 5

Authority to issue shares for cash
"RESOLVED that Board of Directors of the company be and they are hereby authorised by way of a general authority, to issue all or any of the authorised but unissued shares in the capital of the company for cash, as and when they in their discretion deem fit, subject to the Companies Act, the MOI of the company, the JSE Listings Requirements, when applicable, and subject to the following limitations:

- the equity securities which are the subject of the issue for cash must be of a class already in issue, or where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue;
- any such issue will only be made to "public shareholders" as defined in the Listings Requirements of the JSE and not to related parties;
- this authority is valid until the company's next annual general meeting, provided that it shall not extend beyond 15 (fifteen) months from the date that this authority is given;
- in respect of securities which are the subject of the general issue of shares for cash may not exceed 5% (five percent) of the number of listed equity securities as at the date of the notice of general/annual general meeting, provided that:
    - in the event of a sub-division or consolidation of issued equity securities during the period contemplated above, the existing authority must be adjusted accordingly to represent the same allocation ratio;
    - any such general issues are subject to exchange control regulations and approval at that point in time;
    - a SENS announcement giving full details, including the impact on the net asset value, net tangible asset value, earnings and headline earnings per share, will be published at the time of any issue representing, on a cumulative basis within 1 (one) financial year, 5% (five per cent) or more of the number of shares in issue prior to the issue;
- in determining the price at which an issue of shares may be made in terms of this authority, the maximum discount permitted will be 10% (ten per cent) of the weighted average traded price on the JSE of those shares over the 30 (thirty) business days prior to the date that the price of the issue is agreed between the issuer and the party subscribing for the securities; and
- approval of the general issue for cash resolution achieving 75% majority of the votes cast in favour of such resolutions by all equity securities present or represented by proxy at the general meeting convened to approve such resolution.
- the number of shares issued for cash shall not in aggregate in any one financial year exceed 50% of the company's issued share capital of ordinary shares.

In order for this ordinary resolution number 5 to be passed, the support of at least 75% (seventy-five percent) of the voting rights exercised on the resolution by all equity securities holders (as defined in the JSE Listings Requirements) present in person, or represented by proxy, at the annual general meeting is required.

ORDINARY RESOLUTION NUMBER 6

Advisory endorsement of the remuneration policy

"RESOLVED to approve, as a non-binding advisory vote, the company's remuneration policy (excluding the remuneration of the non-executive directors for their services as directors and members of Board committees), as set out in the Remuneration Report contained in the Annual Report on pages 36 and 37."

ORDINARY RESOLUTION NUMBER 7

Authority to implement the special and ordinary resolutions

"RESOLVED that, any director of the company or the company secretary be and is hereby authorised to do all such things, sign all such documents and take all such actions as may be necessary for or incidental to the implementation of the special and ordinary resolutions as set out in this notice of the annual general meeting."

To transact such other business as may be required at an annual general meeting.

VOTING AND PROXIES

The shareholders of the company will be entitled to attend the annual general meeting and to vote on the ordinary and special resolutions set out above. On a show of hands, every Wearne shareholder who is present in person, by proxy or represented at the annual general meeting shall have one vote (irrespective of the number of shares held in the company), and on a poll, which any shareholder can request, every Wearne shareholder shall have for each share held by him/her that proportion of the total votes in the company which the aggregate amount of the nominal value of that share held by him bears to the aggregate of the nominal value of all the shares issued by the company.

Proxies

A Wearne shareholder entitled to attend and vote at the annual general meeting may appoint one or more persons as his/her proxy to attend, speak and vote in his/her stead. A proxy need not be a shareholder of the company.

A form of proxy is attached for the convenience of certificated shareholders and "own name" dematerialised shareholders of the company who are unable to attend the annual general meeting, but who wish to be represented thereat. In order to be valid, duly completed forms of proxy must be received by the company's Transfer Secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), not later than 12:00 on Monday, 29 September 2014.

Shareholders' rights regarding proxies in terms of section 58 of the Companies Act are as follows:

(1) At any time, a shareholder of a company may appoint any individual, including an individual who is not a shareholder of that company, as a proxy to –

  (a) participate in, and speak and vote at, a shareholders' meeting on behalf of the shareholder; or

  (b) give or withhold written consent on behalf of the shareholder to a decision contemplated in section 60.

(2) A proxy appointment –

  (a) must be in writing, dated and signed by the shareholder; and

  (b) remains valid for –

    (i) one year after the date on which it was signed; or

    (ii) any longer or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in sub-section (4) (c), or expires earlier as contemplated in subsection (8) (d).

(3) Except to the extent that the Memorandum of Incorporation of a company provides otherwise –

  (a) a shareholder of that company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder;

  (b) a proxy may delegate the proxy's authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and

  (c) a copy of the instrument appointing a proxy must be delivered to the company, or to any other person on behalf of the company, before the proxy exercises any rights of the shareholder at a shareholders meeting.

(4) Irrespective of the form of instrument used to appoint a proxy –

(a) the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder;

(b) the appointment is revocable unless the proxy appointment expressly states otherwise; and

(c) if the appointment is revocable, a shareholder may revoke the proxy appointment by –

(i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and

(ii) delivering a copy of the revocation instrument to the proxy, and to the company.

(5) The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of –

(a) the date stated in the revocation instrument, if any; or

(b) the date on which the revocation instrument was delivered as required in sub-section (4)(c)(ii).

(6) A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the instrument appointing the proxy otherwise provides.

Any shareholder of the Company who completes and lodges a form of proxy will nevertheless be entitled to attend and vote in person at the annual general meeting should he/she decide to do so.

Dematerialised shareholders of the Company, other than "own name" dematerialised shareholders of the Company, who have not been contacted by their CSDP or broker with regard to how they wish to cast their votes, should contact their CSDP or broker and instruct their CSDP or broker as to how they wish to cast their votes at the Company's annual general meeting in order for their CSDP or broker to vote in accordance with such instructions. This must be done in terms of the agreement entered into between such dematerialised shareholders of the Company and the relevant CSDP or broker. If your CSDP or broker does not obtain instructions from you, they will be obliged to act in terms of your mandate furnished to them.

Electronic participation

Should any shareholder wish to participate in the annual general meeting by way of electronic participation, that shareholder should make application in writing (including details as to how the shareholder or its representative can be contacted) to so participate to the transfer secretaries at the address below, to be received by the transfer secretaries at least five business days prior to the annual general meeting in order for the transfer secretaries to arrange for the shareholder (and its representative) to provide reasonably satisfactory identification to the transfer secretaries for the purposes of section 63(1) of the Companies Act and for the transfer secretaries to provide the shareholder (or its representative) with details as to how to access any electronic participation to be provided. The company reserves the right to elect not to provide for electronic participation at the annual general meeting in the event that it determines that it is not practical to do so. The costs of accessing any means of electronic participation provided by the company will be borne by the shareholder so accessing the electronic participation. Shareholders are advised that participation in the annual general meeting by way of electronic participation will not entitle a shareholder to vote. Should a shareholder wish to vote at the annual general meeting, he/she may do so by attending and voting at the annual general meeting either in person or by proxy.

By order of the Board
iThemba Governance and Statutory Solutions Proprietary Limited
Company Secretary
Johannesburg
29 July 2014

WG Wearne Limited
Registration number: 1994/005983/06
JSE code: WEA ISIN: ZAE000078002
Registered office, Stonemill Office Park, 3 Kiepersol House, 300 Acacia Road, Cresta, Randburg
Transfer Secretaries: Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
Ground Floor, 70 Marshall Street, Johannesburg, 2001
PO Box 61051, Marshalltown, 2107
Designated Adviser: Exchange Sponsors, 44a Boundary Road, Inanda, Sandton, 2196, PO Box 411216, Craighall, 2024

ANNUAL GENERAL MEETING – EXPLANATORY NOTES

SPECIAL RESOLUTION NUMBER 1 – GENERAL AUTHORITY TO REPURCHASE SHARES

Section 48 of the Companies Act authorises the board of directors of a company to approve the acquisition of its own shares subject to the provisions of section 48 and section 46 having been met. The JSE Listings Requirements require the shareholders of the company to approve the authority to repurchase shares and the approval of a 75% majority of the votes cast by shareholders present or represented by proxy at the annual general meeting for special resolution number 1 to become effective. The directors of the company do not have any specific intentions for utilising this general authority at the date of this annual general meeting.

SPECIAL RESOLUTION 2 – DIRECTORS' REMUNERATION

In terms of section 66(8) and section 66(9) of the Companies Act, a company may pay remuneration to directors for their services as directors unless otherwise provided by the memorandum of incorporation and on approval of shareholders by way of a special resolution. Executive directors are not specifically remunerated for their services as directors but as employees of the company and as such, the resolution as included in the notice requests approval of the remuneration paid to non-executive directors for their services as directors of the company.

SPECIAL RESOLUTION 3 – FINANCIAL ASSISTANCE TO RELATED AND INTER-RELATED COMPANIES

Section 45(2) of the Companies Act authorises the board to provide direct or indirect financial assistance to a related or inter-related company, subject to subsections (3) and (4) of section 45 of the Companies Act and unless otherwise provided in the company's memorandum of incorporation. In terms of section 45(3) of the Companies Act, a special resolution of shareholders is required in these instances. The main purpose of the special resolution as set out in the notice of the meeting is to approve the granting of inter-company loans, a recognised and well known practice, details of which are also set out in the notes to the annual financial statements.

This general authority is necessary for the company to continue making loans to subsidiaries as well as granting letters of support and guarantees in appropriate circumstances. A general authorisation from shareholders avoids the need to refer each instance to shareholders for approval with the resulting time delays and expense. If approved, this general authority will expire at the end of two years.

NOTIFICATIONS

Shareholders are hereby notified in terms of section 45(5) of the Companies Act that the Board has passed the same resolution to take effect on the passing of this special resolution by shareholders.

Shareholders are also advised that the Board is satisfied that after providing the financial assistance, the company will satisfy the solvency and liquidity tests and that the terms under which the financial assistance is proposed to be given are fair and reasonable to the company.

PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

At the annual general meeting, the directors must present the annual financial statements for the year ended 28 February 2014 to shareholders, together with the reports of the directors, the audit committee and the auditors. These are contained within the Annual Report.

PRESENTATION OF REPORT FROM SOCIAL AND ETHICS COMMITTEE

Regulation 43 to the Companies Act of 2008 requires that the Social and Ethics committee reports to shareholders at the annual general meeting on matters within the committee's mandate.

ORDINARY RESOLUTION NUMBERS 1.1 TO 1.2 – ROTATION OF DIRECTORS

In accordance with the company's memorandum of incorporation, one third of the directors are required to retire at each annual general meeting and may offer themselves for re-election.

Brief biographical details of each of the directors standing for re-election are set out below:

MITESH PATEL

Chairman

B Acc (Wits), CA (SA)

Mitesh is currently the Managing Partner at Nkonki Inc, one of the leading black firms of chartered accountants, and also serves on the boards of various other listed companies

WESSEL VAN DER MERWE

B Comm (UJ), B Comm Hons, CA (SA),

Wessel has been involved with Wearne since its initial listing and brings a wealth of experience and knowledge to the Board. He has served as a member of the AltX Advisory Committee since 2007 and previously headed a corporate advisory business for more than 14 years. His directorships include Alert Steel Ltd, Imbalie Beauty Limited and Taste Holdings Ltd.

ORDINARY RESOLUTION NUMBER 2 – RE-APPOINTMENT OF AUDITORS

Grant Thornton has indicated its willingness to continue in office and ordinary resolution 2 proposes the re-appointment of that firm as the company's auditors with effect from 1 March 2014. Section 90(3) of the Companies Act requires the designated auditor to meet the criteria as set out in section 90(2) of the Companies Act. The board of directors of the company is satisfied that the auditors meet all relevant requirements and, on recommendation of the Audit Committee, it is proposed that Grant Thornton be re-appointed.

ORDINARY RESOLUTION NUMBERS 3.1 TO 3.3 – APPOINTMENT OF AUDIT COMMITTEE

In terms of section 94(2) of the Companies Act, a public company must at each annual general meeting elect an audit committee comprising at least three members who are non-executive directors and who meet the criteria of section 94(4) of the Companies Act. Regulation 42 to the Companies Act specifies that one third of the members of the audit committee must have appropriate academic qualifications or experience in the areas as listed in the regulation.

The board of directors of the company is satisfied that the proposed members of the Audit Committee meet all relevant statutory requirements. The appointment of Mr van der Merwe and Mr Patel as members of the Audit Committee will be subject to their re-election as directors of the company and the appointment. As indicated in the Corporate Governance Report forming part of the Annual Report, the chairman of the board is proposed for appointment as a member of the Audit Committee. This is not in full compliance with the recommendations of the King III Report and an explanation for the non-application of this recommendation has been provided in the Annual Report.

Brief biographical details of Mr Patel are set out under Ordinary Resolution 1.1 to 1.2 explanatory notes above.

ORDINARY RESOLUTIONS 4 AND 5 – PLACEMENT AND ISSUE OF SHARES FOR CASH

In terms of the Companies Act, directors are authorised to allot and issue the unissued shares of the company, unless otherwise provided in the company's memorandum of incorporation or in instances as listed in section 41 of the Act. The JSE requires that the memorandum of incorporation should provide that shareholders in a general meeting may authorise the directors to issue unissued securities and/or grant options to subscribe for unissued securities as the directors in their discretion think fit, provided that such transaction(s) has/have been approved by the JSE and are subject to the JSE Listings Requirements. In the absence of the memorandum of incorporation as contemplated in the Companies Act, ordinary resolution 4 has been included to confirm directors' authority to issue shares. Directors confirm that there is no specific intention to issue any shares, other than as part of and in terms of the rules of the company's share incentive scheme, as at the date of this notice.

Also, in terms of the JSE Listings Requirements, the authority to issue shares for cash as set out in ordinary resolution 5 requires the approval of a 75% majority of the votes cast by shareholders present or represented by proxy at the annual general meeting for ordinary resolution 5 to become effective.

ORDINARY RESOLUTION NUMBER 6 – REMUNERATION PHILOSOPHY AND POLICY

The King Report on Corporate Governance for South Africa, 2009 (King III) recommends that the remuneration philosophy of the company be submitted to shareholders for consideration and for an advisory, non-binding vote to provide shareholders with an opportunity to indicate should they not be in support of the material provisions of the remuneration philosophy and policy of the company.

ORDINARY RESOLUTION NUMBER 7 – SIGNING AUTHORITY

Authority is required to do all such things and sign all documents and take all such action as necessary to implement the ordinary and special resolutions set out in the notice and approved at the annual general meeting. It is proposed that the company secretary and/or any director be authorised accordingly.

Summary of the rights established in terms of section 58 of the Companies Act as required by section 58(7) (b)
For purposes of this summary, "shareholder" shall have the meaning ascribed thereto in the Act.

1. At any time, a shareholder of a company is entitled to appoint any individual, including an individual who is not a shareholder of that company, as a proxy, to participate in, speak and vote at a shareholders' meeting on behalf of the shareholder or give or withhold written consent on behalf of such shareholder in relation to a decision contemplated in section 60 of the Companies Act.
2. A proxy appointment must be in writing, dated and signed by the relevant shareholder, and such proxy appointment remains valid for one year after the date upon which the proxy was signed or any longer or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in section 58(4) (c) of the Companies Act or expires earlier as contemplated in section 58(8) (d) of the Companies Act.

3. Except to the extent that the memorandum of incorporation of a company provides otherwise:
    3.1. A shareholder of the relevant company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by such shareholder;
    3.2. a proxy may delegate his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and
    3.3. A copy of the instrument appointing a proxy must be delivered to the company or to any other person on behalf of the relevant company before the proxy exercises any rights of the shareholder at a shareholders' meeting.
4. Irrespective of the form of instrument used to appoint a proxy, the appointment of the proxy is suspended at any time and to the extent that the shareholder who appointed that proxy chooses to act directly and in person in the exercise of any rights as a shareholder of the relevant company.
5. Unless the proxy appointment expressly states otherwise, the appointment of a proxy is revocable. If the appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and the company.
6. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the relevant shareholder as of the later of the date: (a) stated in the revocation instrument, if any; or (b) upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4) (c) (ii) of the Act.
7. If the instrument appointing a proxy or proxies has been delivered to the relevant company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the relevant company's memorandum of incorporation to be delivered by such company to the shareholder, must be delivered by such company to the shareholder or to the proxy or proxies, if the shareholder has directed the relevant company to do so in writing and paid any reasonable fee charged by the company for doing so.
8. A proxy is entitled to exercise or abstain from exercising any voting right of the relevant shareholder without direction, except to the extent that the memorandum of incorporation or the instrument appointing the proxy provides otherwise.
9. If a company issues an invitation to shareholders to appoint one or more persons named by such company as a proxy or supplies a form of instrument for appointing a proxy:
    9.1. such invitation must be sent to every shareholder who is entitled to notice of the meeting at which the proxy is intended to be exercised;
    9.2. the invitation or form of instrument supplied by the relevant company must: (a) bear a reasonably prominent summary of the rights established in section 58 of the Companies Act; (b) contain adequate blank space, immediately preceding the name or names of any person or persons named in it, to enable a shareholder to write in the name and, if so desired, an alternative name of a proxy chosen by such shareholder; and (c) provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour or against the applicable resolution/s to be put at the relevant meeting, or is to abstain from voting;
    9.3. the company must not require that the proxy appointment be made irrevocable; and
    9.4. the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.

FORM OF PROXY

WG Wearne Limited
Incorporated in the Republic of South Africa
Registration number 1994/005983/06
JSE code: WEA ISIN: ZAE000078002
("Wearne" or "the company")

Form of proxy for the annual general meeting of the company to be held on Wednesday, 1 October 2014 at 12:00 at the company's offices Stonemill Office park, 3 Kiepersol House, 300 Acacia Road, Cresta ("the AGM").Only for use by certificated shareholders, nominee companies of Central Securities Depository Participants ("CSDP"), brokers' nominee companies and shareholders who have dematerialised their shares and who have elected own-name registration and who wish to vote on the special and ordinary resolutions per the notice of the annual general meeting to which this form is attached.

Shareholders who have dematerialised their shares through a CSDP or broker must not complete this form of proxy and must provide their CSDP or broker with their voting instructions, except for shareholders who elected own-name registration in the sub-register through a CSDP, which shareholders must complete this form of proxy and lodge it with Computershare Investor Services Proprietary Limited.

Holders of dematerialised shares, other than with own-name registration, who wish to attend the annual general meeting, must inform their CSDP or broker of such intention and request their CSDP or broker to issue them with the necessary letter of representation.

I/We ______________________________ (name in block letters) ______________________________

______________________________ (address)______________________________

Telephone: Landline: ______________________________ Mobile: ______________________________

being the holders of ______________________________ ordinary shares in the company, do hereby appoint:

1 ______________________________ or failing him/her

2 ______________________________ or failing him/her

3 the chairman of the annual general as my/our proxy to act for me/us and on my/our behalf at the annual general meeting of the company, or any adjournment hereof, which will be held for the purpose of considering and, if deemed fit, of passing, with or without modification, the ordinary and special resolutions as detailed in the notice of annual general meeting, and to vote for and/or against the resolutions and/or abstain from voting in respect of the ordinary shares registered in my/our name/s, in accordance with the following instructions:

Number of votes on a poll (one vote per ordinary share)	In favour	Against	Abstain
Special resolution 1: Authority for the Company repurchase its own shares			
Special resolution 2: Authorisation for the Company to pay non-executive directors' remuneration			
Special resolution 3: Authority to provide financial assistance to related and inter-related companies			
Ordinary resolution 1.1: Re-election of Mr M Patel as an independent non-executive director			
Ordinary resolution 1.2: Re-election of Mr W van der Merwe as an independent non-executive director			
Ordinary resolution 2: Re-appointment of Grant Thornton as external auditor			
Ordinary resolution 3.1: Re-election of Mr W van der Merwe as a member and Chairman of the Audit Committee			
Ordinary resolution 3.2: Re-election of Mr M Khwinana as a member of the Audit Committee			
Ordinary resolution 3.3: Re-election of Mr M Patel as a member of the Audit Committee			
Ordinary resolution 4: Authority to issue unissued shares			
Ordinary resolution 5: Authority to issue unissued shares for cash			
Ordinary resolution 6: Sanctioning of the remuneration philosophy			
Ordinary resolution 7: Authority to effect the resolutions			

Signature signed at ____ on 2014.

Assisted by (if applicable)

Please see notes on reverse.

NOTES TO THE FORM OF PROXY

1. Each shareholder is entitled to appoint one or more proxies (none of whom need be a shareholder of the company) to attend, speak and vote in place of that shareholder at the annual general meeting.
2. Shareholder(s) that are certificated or own-name dematerialised shareholders may insert the name of a proxy or the names of two alternative proxies of the member's choice in the space(s) provided, with or without deleting "the chairman of the meeting", but any such deletion must be initialled by the shareholder(s). The person whose name stands first on the form of proxy and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow. If no proxy is named on a lodged form of proxy, the chairman shall be deemed to be appointed as the proxy.
3. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by the shareholder in the appropriate box provided. Failure to comply with the above will be deemed to authorise the proxy, in the case of any proxy other than the chairman, to vote or abstain from voting as deemed fit and in the case of the chairman to vote in favour of the resolution.
4. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholders, but the total of the votes cast or abstained from may not exceed the total of the votes exercisable in respect of the shares held by the shareholder.
5. Forms of proxy must be lodged at or posted to Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) to be received no later than 48 hours prior to the meeting or they may be handed to the Chairman of the meeting at any time prior to the commencement of voting on the resolutions tabled at the annual general meeting.
6. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the annual general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so. Where there are joint holders of shares, the vote of the first joint holder who tenders a vote, as determined by the order in which the names stand in the register of members, will be accepted.
7. The chairman of the annual general meeting may reject or accept any form of proxy which is completed and/or received otherwise than in accordance with these notes, provided that, in respect of acceptances, the chairman is satisfied as to the manner in which the shareholder concerned wishes to vote.
8. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the company or Computershare Investor Services Proprietary Limited or waived by the chairman of the annual general meeting.

CORPORATE DETAILS

REGISTERED OFFICE

WG Wearne Limited
(Registration number 1994/005983/06)
Stonemill Office Park
3 Kiepersol House
300 Acacia Road
PO Box 1674
Cresta, 2118
Telephone: (011) 459 4500
Facsimile: (011) 459 5481 email:info@wearne.co.za

TRANSFER SECRETARY

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
Ground Floor 5th Floor
70 Marshall Street
Johannesburg
PO Box 61051
Marshalltown, 2107
Telephone: (011) 370 5000
Facsimile: (011) 688 5210

DESIGNATED ADVISER

Exchange Sponsors
44A Boundary Road
Inanda
2196, Sandton
P O Box 411216
Craighall
2024
Tel: (011) 880 2113
Fax: (011) 447 4824

COMMERCIAL BANKERS

Nedbank Limited
(Registration number 1951/000009/06)
Nedbank House
12 Fredman Drive
Sandown
PO Box 784088
Sandton, 2146
Telephone: (011) 775 2600
Facsimile: (011) 783 4882

AUDITORS

Grant Thornton Johannesburg
42 Wierda Road West
Wierda Valley, 2196
Telephone: (011) 384 8000
Facsimile: (086) 555-8188

COMPANY SECRETARY

iThemba Governance and Statutory Solutions Proprietary Limited
(Registration number 2008/008745/07)
Monument Office Park
Suite 5 - 102
79 Steenbok Avenue
Monument Park
PO Box, 25160
Monument Park, 0105
Telephone: 086 111 10 10
Facsimile: 086 604 13 15

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