

- Successful rights issue concluded
- Loan of US\$10 million finalised with Aberdeen
- Buffelsfontein mine acquired from DRDGold
- Year-on-year share price increase of 168%
- BEE partners introduced

### CONSOLIDATED INCOME STATEMENTS

	Unaudited six months ended 30 September 2005 R000	Unaudited restated six months to 30 September 2004 R000	Audited restated twelve months to 31 March 2005 R000
<b>Revenue</b>	<b>13 291</b>	20 394	30 887
Cost of sales	(19 692)	(23 782)	(37 802)
<b>Loss from mining activities</b>	<b>(6 401)</b>	(3 388)	(6 915)
Amortisation and depreciation	(5 405)	(4 075)	(6 943)
Management fee received	4 14 789	–	–
Exploration and corporate expenditure	(8 326)	(4 064)	(11 518)
<b>Loss from operations</b>	<b>(5 343)</b>	(11 527)	(25 376)
Profit/(loss) on disposal of subsidiary	5 3 086	(14 683)	(14 683)
Interest received	301	34	65
Finance charges	(333)	(4 135)	(8 665)
<b>Loss on ordinary activities before taxes and minority interest</b>	<b>(2 289)</b>	(30 311)	(48 659)
Taxation	–	–	–
Minority interest	374	–	–
<b>Loss for the period/year</b>	<b>(1 915)</b>	(30 311)	(48 659)
<b>Reconciliation between loss and headline loss:</b>			
Basic loss for the period/year	(1 915)	(30 311)	(48 659)
Add back:			
Profit/(Loss) on disposal of subsidiary	(3 086)	14 683	14 683
<b>Headline loss for the period/year</b>	<b>(5 001)</b>	(15 628)	(33 976)

### CONSOLIDATED BALANCE SHEETS

	Unaudited six months ended 30 September 2005 R000	Unaudited restated six months to 30 September 2004 R000	Audited restated twelve months to 31 March 2005 R000
<b>ASSETS</b>			
<b>Non-current assets</b>	<b>57 147</b>	31 435	32 386
Mining assets	6 56 804	31 341	32 184
Other assets	343	94	202
<b>Current assets</b>	<b>50 861</b>	2 849	3 606
Loan receivable	7 38 128	–	–
Other current assets	10 633	2 752	3 085
Cash and cash equivalents	2 100	97	521
	<b>108 008</b>	34 284	35 992
<b>EQUITY AND LIABILITIES</b>			
<b>Equity capital and distributable reserves/(accumulated loss)</b>	<b>60 830</b>	(33 814)	(48 089)
Shareholders' interest	64 290	(33 815)	(48 090)
Minority shareholders' interest	(3 460)	1	1
<b>Non-current liabilities</b>	<b>24 860</b>	463	1 000
Loan payable	8 23 860	–	–
Other non-current liabilities	1 000	463	1 000
<b>Current liabilities</b>	<b>22 318</b>	67 635	83 081
Other current liabilities	22 093	4 080	6 083
Shareholders' loans	–	63 555	76 152
Loan payable	8 225	–	846
	<b>108 008</b>	34 284	35 992
Ordinary shares in issue ('000)	741 184	215 432	224 942
Treasury shares – Share Incentive Trust ('000)	(21 500)	(11 990)	(21 500)
Adjusted shares in issue at year-end ('000)	<b>719 684</b>	203 442	203 442
Weighted average number of shares ('000)	<b>370 063</b>	203 442	203 442
Loss per share (cents)*	(0,52)	(14,07)	(22,50)
Diluted loss per share (cents)*	(0,50)	(0,14)	(0,22)
Headline loss per share (cents)*	(1,35)	(7,25)	(15,71)
Diluted headline loss per share (cents)*	(1,41)	(0,07)	(0,15)
* Based on weighted average number of shares in issue ('000)	<b>370 063</b>	203 442	203 432
Net asset/(liability) value per share (cents)	<b>0,16</b>	(0,17)	(0,24)

### CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share capital R000	Share premium R000	Treasury shares – Share Incentive Trust R000	Fair value and other reserves R000	Distributable reserves/ (Accumulated loss) R000	Total R000
<b>Balance at 1 April 2004</b>	4 309	106 541	(1 199)	160	(113 315)	(3 504)
Net loss for the six months	–	–	–	–	(30 311)	(30 311)
<b>Balance as at 30 September 2004</b>	4 309	106 541	(1 199)	160	(143 626)	(33 815)
Net loss for the six months	–	–	–	–	(18 348)	(18 348)
Treasury shares sold	190	2 188	(2 378)	–	–	–
Share-based payments	–	–	–	4 073	–	4 073
<b>Balance as at 31 March 2005</b>	4 499	108 729	(3 577)	4 233	(161 974)	(48 090)
Shares issued in terms of rights offer	10 325	118 735	–	–	–	129 060
Expenses written off against share premium	–	(1 481)	–	–	–	(1 481)
Net loss for the six months	–	–	–	–	(1 915)	(1 915)
Movement i.r.o. fair valuation of loan	–	–	–	(13 786)	–	(13 786)
Treasury shares sold	196	4 998	(5 194)	–	–	–
Share-based payments	–	–	–	502	–	502
<b>Balance as at 30 September 2005</b>	<b>15 020</b>	<b>230 981</b>	<b>(8 771)</b>	<b>(9 051)</b>	<b>(163 889)</b>	<b>64 290</b>

### CONSOLIDATED CASH FLOW STATEMENTS

	Unaudited six months to 30 September 2005 R000	Unaudited restated six months to 30 September 2004 R000	Audited restated twelve months to 31 March 2005 R000
<b>Cash from/(utilised in) operations</b>	<b>7 959</b>	(5 870)	(9 821)
Income received	301	34	65
Finance charges paid	(35)	(130)	(149)
<b>Cash flows from/(to) operating activities</b>	<b>8 225</b>	(5 966)	(9 905)
Cash flows to investing activities	(68 294)	(652)	(4 676)
Cash flows from finance activities	61 648	5 700	13 783
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1 579</b>	(918)	(798)
Cash and cash equivalents at beginning of year	521	1 015	1 319
<b>Cash and cash equivalents at end of period/year</b>	<b>2 100</b>	97	521

### NOTES TO THE FINANCIAL STATEMENTS

#### 1 ACCOUNTING POLICIES

##### 1.1 Basis of preparation

The Group has adopted International Financial Reporting Standards ("IFRS") for the year ending 31 March 2006. These Interim Financial Statements have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting, and are covered by IFRS 1 – First time adoption of IFRS.

The Company has made use of the exemption available under IFRS 1 to only apply IAS 32 and IAS 39 from 1 March 2005.

##### 1.2 Share-based payments

The Company has changed its accounting policy with regard to share-based payments to comply with IFRS 2. Costs associated with share-based awards to employees and non-executive directors under the share option scheme are now charged to the income statement over the vesting periods. The cost is determined by using independent valuations of the share options.

#### 2 TRANSITION TO IFRS

The Company's financial statements for the year ending 31 March 2006 will be the first annual financial statements that comply with IFRS. The Company's transition date is 1 April 2004. In preparing these interim financial statements, the Company has applied certain of the optional exemptions from full retrospective application of IFRS.

Exemptions from full retrospective application:

- Exemption from restatement of comparatives for IAS 32 and IAS 39
- Share-based payment transaction exemption

The Company has elected not to apply IFRS 2 to share options granted prior to 7 November 2002 that had not yet vested by 1 March 2005. The Company has elected to apply the share-based payment exemption. It applied IFRS 2 from 1 April 2004 to those options that were issued after 7 November 2002 but that had not vested by 1 April 2004.

#### 3 RECONCILIATION BETWEEN IFRS AND GAAP INCLUDING OTHER PRIOR YEAR ADJUSTMENTS

The following reconciliation provides a quantification of the effect of the transition to IFRS on equity and net income in terms of the items referred to 2 above as well as the effect of other prior year adjustments:

	1 Apr 2004 R000	30 Sep 2004 R000	31 Mar 2005 R000
<b>Reconciliation of equity:</b>			
Equity as previously reported in terms of GAAP	5 582	(8 419)	(34 922)
IFRS reconciling items			
– Share-based payment reserves	160	160	4 233
– Movement in distributable reserves as a result of fair value of mining assets	(9 086)	(11 203)	(17 241)
Other prior year adjustments not related to IFRS			
– Net effect of disposal of Mimco not taken into account in the September 2004 interim results		(14 193)	–
– Change in accounting policy in respect of share-based payments	(160)	(160)	(160)
Equity as reported in terms of IFRS	(3 504)	(33 815)	(48 090)
<b>Reconciliation of loss:</b>			
Net income as previously reported in terms of GAAP		(14 001)	(40 504)
IFRS reconciling items			
– Movement in distributable reserves as a result of fair value of mining assets		(2 117)	(4 082)
– Share-based payments			(4 073)
Other prior year adjustments not related to IFRS			
– Net effect of disposal of Mimco not taken into account in the September 2004 interim results		(14 193)	–
Net loss as reported in terms of IFRS		(30 311)	(48 659)

#### 4 MANAGEMENT FEE RECEIVED

In July 2005, Simmers entered into an interim agreement with the provisional liquidators of Buffelsfontein Gold Mines Limited ("Buffelsfontein"). In terms of the agreement, Simmers took over the surface operations of Buffelsfontein and received a management fee in return, based on the profit made on the surface operations.

The interim agreement terminated on 20 October 2005, the date the High Court had sanctioned Simmers' bid to acquire Buffelsfontein from the provisional liquidators.

#### 5 PROFIT/(LOSS) ON DISPOSAL OF SUBSIDIARY

At the beginning of the year Simmers disposed of 26% of its shareholding in Sabie Mines (Pty) Limited ("Sabie Mines") to Mining Reclamation & Supports (Pty) Limited ("MRS"), a BEE company, which resulted in a profit on disposal of R3,1 million.

The R14,7 million loss incurred in the six months ending 30 September 2004 relates to the disposal of Makonjwaan Imperial Mining Company (Pty) Limited ("Mimco") and its subsidiaries on 31 August 2004.

### COMMENTS

The rights offer exercised in July 2005 was successfully taken up by 91% of the shareholders. The R129 million raised was used to settle the shareholders' loan and to revitalise and expand the mining operations in Pilgrim's Rest and Sabie. The rights issue enabled Simmers to continue as a going concern.

The Company's headline loss per share for the six months ending 30 September 2005 is 1,35 cents, an 81% decrease from the 7,25 cents headline loss per share for the six months ending 30 September 2004. The decrease is mainly a result of the management fee received in respect of the surface operations at Buffelsfontein and the decrease in interest paid subsequent to the settlement of the shareholders' loan.

There was a 100% increase in the Company's exploration and corporate expenditure. This increase is the result of a range of actions taken at operational level such as restructuring the management and Board of the Company and costs relating to the development of additional gold resources.

As indicated on SENS and in the press on 27 October 2005, Simmers appointed four additional independent non-executive directors in keeping with good governance structures as per the guidelines set in the King II Report.

#### OPERATIONS REVIEW

TGME was the only operating asset at the beginning of the year. For the period under review TGME produced 60 257 ROM tonnes, an increase of 120% over the equivalent period for 2004, and milled 17 297 tonnes (a 60% increase) with a yield of 8,55 g/t (a 33% decrease) to produce 147,9 kg gold (an 8% increase). The average gold price received was 9% higher at 90 462 per kg generating revenue of R13,3 million. Operating costs increased by 60% to R19,7 million, which is in line with increased production. R9,8 million was spent on ore reserve replacement development and all of the above expenditure was incurred to rightsize the mine for its planned production expansion and an improvement in production is expected for the remaining six-month period.

TGME submitted an application to the Department of Mineral and Energy ("DME") for new order mining rights for the Dukes Hill, Beta and Frankfort mines. With the subsequent submission of Environmental Management Programmes ("EMPs"), Environmental Impact Assessments ("EIAs"), Social and Labour Plans, etc., the Company expects a successful transfer of rights by February 2006. Unfortunately, this process, which included the application for prospecting rights on a number of the Sabie Mines properties, is a lengthy one and thus limited mining operations to the Dukes Hill mine only during the review period and has delayed the commencement of development of new mining infrastructure by one year. This constraint will remain until such time as the mining and prospecting rights are issued.

On 13 July 2005, Buffelsfontein commenced treatment of surface material in accordance with an interim operating agreement entered into with the provisional liquidators. The interim agreement was the result of Simmers being nominated the preferred bidder for these assets and the forerunner to acquiring them through a scheme of arrangement. The surface operations delivered 309 165 tonnes milled at an average grade of 1,44 g/t producing 446,5 kg gold, generating revenue of R41,2 million against cash operating cost of R26,4 million. On 20 October 2005 the High Court ruled in favour of Simmers acquiring Buffelsfontein. This is a major acquisition for the Group and will add significant value for shareholders. In addition, there is considerable upside in the uranium with good gold production credits from both surface and underground sources.

Simmers, in keeping with its acquisition strategy, submitted an application for the Mining Rights at the No 4 Shaft of Randfontein Estates Limited ("REL"), currently owned by Harmony Gold, in May 2005. The application was accepted and subsequently the EMP, EIA, Social and Labour Plan, etc., have been submitted to the DME and the expectation is that a mining right should be awarded by the end of January 2006. At the end of September 2005, Simmers entered into an interim agreement with REL, whereby Simmers will pay the pumping costs for a minimum period of four months to end January 2006. During this period Simmers will convert its pre-feasibility study to a bankable status by the end of February 2006.

Subsequent to obtaining the mining right, Simmers will conclude an acquisition agreement with REL to acquire the asset. The mine will be named Ezulwini to be operated in a joint venture with Waterpan Mining Consortium, a BEE company, who will have a 10% interest in the mine and will operate it in accordance with an operating agreement. The initial target for this acquisition is to mine an estimated 1,5 million ounces of high grade gold from the main shaft pillar. While the pillar remains the focus of the current feasibility study, there is significant upside in this project for additional gold and uranium mining.

Extensive geological exploration on all operations has commenced to significantly increase the mineral resource base.

#### PROSPECTS

In the period under review, we have focused on a number of acquisition opportunities involving significant gold resources that became available in an environment where a number of South African gold mines were struggling to survive. Buffelsfontein and Hartbeesfontein mines, collectively named Buffelsfontein, have been acquired, following the provisional liquidation of those mines by DRDGold Limited. We were able to access those mines during the liquidation process and, once our offer became unconditional, were able to take control of the situation and managed the mine on behalf of the liquidators. As a result, the transition has gone well, thanks to a proactive approach and a well-prepared mine management team. With the build-up in underground production, we are increasing our labour complement and will reach the projected labour force of 3 600 by mid-2006. Of critical importance is ensuring that safe working conditions are maintained and safe access to the abandoned workings created. The enthusiasm of the workforce, who has been given renewed opportunity to bring the mines to their full potential, has been a hugely significant factor in delivering the positive results shown to date.

	30 Sep 2005 R000	30 Sep 2004 R000	31 Mar 2005 R000
<b>6 MINING ASSETS</b>			
<b>Balance at beginning of the year</b>	<b>32 184</b>	52 793	52 793
Additions	30 000	3 510	7 228
– Capitalised development cost	9 759	3 190	6 394
– Capitalised mineral rights cost	362	–	–
– Metallurgical plant	–	320	320
– Underground equipment	19 851	–	301
– Motor vehicles	–	–	64
– Computer equipment and software	28	–	149
Disposal of assets	–	–	(8)
Disposal of Mimco	–	(20 887)	(20 887)
Amortisation charge for the period/year	(5 380)	(4 075)	(6 942)
<b>Balance at end of the period/year</b>	<b>56 804</b>	31 341	32 184

#### 7 LOAN RECEIVABLE

Simmers paid Buffelsfontein's holding costs of more than R38 million in terms of the interim agreement with the provisional liquidators. Simmers will offset up to R20 million of its contribution to holding costs against the proposed payment of R45 million to the provisional liquidators on 20 October 2005, the effective date of acquisition.

#### 8 LOAN PAYABLE

Simmers entered into an agreement with Aberdeen International Incorporated ("Aberdeen"), a Canadian Exploration and Royalty Company trading on the TSX, whereby Aberdeen provides a loan facility of up to US\$10 million to acquire Buffelsfontein. At 30 September 2005, Aberdeen has provided US\$1 586 330 (R10 million). The loan has a 3% coupon up to US\$400/oz (2,5% thereafter) and a Net Smelter Return ("NSR") on Buffelsfontein's gold production only, tied to the price of gold, ranging from a 1,5% NSR at US\$450/oz to a 5% NSR at gold prices of US\$700/oz or higher, on a graduated scale.

Simmers has the option of extending the term of the loan for an additional two years with a penalty equal to 10% of the existing principal of the loan at the time of the extension. Aberdeen has the option to convert the debt into equity in Simmers shares, subject to Simmers shareholder approval, at R0,80 per share after the one-year anniversary of the loan. The loan has a three-year term. Simmers' share price at 30 September 2005 was R0,75 per share. No value has been placed on the option as it is considered to be immaterial to the financial statements of the Company.

The loan will be secured with an immovable bond over Buffelsfontein's North Plant.

	30 Sep 2005 R000	30 Sep 2004 R000	31 Mar 2005 R000
<b>9 COMMITMENTS</b>			
Authorised capital expenditure			
– Contracted	7 831	–	1 325
– Not yet contracted for	2 859	–	7 916
	<b>10 690</b>	–	9 241

#### 10 NON-CURRENT LIABILITIES

Simmers is currently negotiating the value of the Environmental Rehabilitation Provision and will adjust it accordingly once agreement has been reached with the DME.

#### 11 RELATED PARTIES AND RELATED PARTY TRANSACTIONS

##### Related parties

Related parties where control existed during the year under review were as follows:

Shareholders: Consolidated Mining Management Services Limited ("CMMS")

	30 Sep 2005 R000	30 Sep 2004 R000	31 Mar 2005 R000
<b>Amount owed to related party</b>			
Related party transactions			
Consolidated Mining Management Services Limited	–	63 555	76 081

Until the exercise of the rights issue in July 2005, CMMS was the major shareholder of Simmers and the funder of the Simmers operations. The rights issue enabled Simmers to repay the CMMS loan, thereby eliminating its debt at that time, acquire funding for its capital requirements and replace CMMS with new shareholders.

#### 12 DIVIDENDS

The Board has resolved not to declare any dividends to shareholders for the period under review.

#### 13 SHARE PRICE

	30 Sep 2005	30 Sep 2004	31 Mar 2005
Cents per share	75	28	50
% increase	168%	Base price	79%

The build-up to the forecast annual production rate of 220 000 ounces is on track. Considering that figure was based on a forecast gold price of R85 000 per kg versus the current price which is in