Greenhills Resources Limited

ANNUAL FINANCIAL STATEMENTS

For the year ended 29 February 2012

Greenhills Resources Limited
Statement of Directors' Responsibilities

The Companies (Guernsey) Law 2008, as amended (the "2008 Law") requires the directors to ensure that the financial statements are prepared properly and in accordance with any relevant enactment for the time being in force. The directors have elected to prepare group financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU").

The financial statements are required by IFRS as adopted by the EU to present fairly the financial position of the Group and the financial performance of the Group. Applicable law provides in relation to such financial statements that references to financial statements giving a true and fair view are references to their achieving a fair presentation.

The directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that period.

In preparing the Group financial statements, the directors are required to:

i. select suitable accounting policies and then apply them consistently;

ii. make judgements and accounting estimates that are reasonable and prudent;

iii. state whether they have been prepared in accordance with IFRSs as adopted by the EU; and

iv. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with applicable law. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The directors confirm they have discharged their responsibilities as noted above.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREENHILLS RESOURCES LIMITED

We have audited the group financial statements of Greenhills Resources Limited for the year ended 29 February 2012 on pages 4 to 20. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with section 262 of The Companies (Guernsey) Law 2008. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements within them.

Scope of the audit

A description of the scope of an audit of financial statements arising from the requirements of International Standards on Auditing (UK and Ireland) is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's affairs as at 29 February 2012 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the group financial statements have been prepared in accordance with the requirements of the Companies (Guernsey) Law 2008.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the The Companies (Guernsey) Law 2008 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the company; or
- we have not received all the information and explanations we require for our audit.

Baker Tilly UK Audit LLP

BAKER TILLY UK AUDIT LLP, Auditor
Chartered Accountants and Registered Auditors
25 Farringdon Street
London
EC4A 4AB

23 August 2012

Greenhills Resources Limited

Consolidated Income Statement

for the year ended 29 February 2012

	29 February 2012 £	28 February 2011 £
Expenditure		
Non prospecting consultancy fees	(612,907)	-
Travelling expenses	(11,056)	-
Administration fees	(3,754)	(1,950)
Bank charges	(543)	-
Filing fees	(500)	(520)
Company incorporation fees	-	(1,500)
Operating loss	**(628,760)**	**(3,970)**
Foreign exchange loss	(4,645)	-
Loss for the year	**(633,405)**	**(3,970)**
Attributable to:		
Owners of the parent company	(633,405)	(3,970)
Non-controlling interest	-	-

Operating losses all derive from continuing operations.

Consolidated Statement of Comprehensive Income

for the year ended 29 February 2012

	29 February 2012 £	28 February 2011 £
Loss for the year	(633,405)	(3,970)
Foreign currency translation	(78,941)	-
Total comprehensive income for the year	(712,346)	(3,970)
Attributable to:		
Owners of the parent company	(712,346)	(3,970)
Non-controlling interest	-	-

Greenhills Resources Limited
Consolidated Statement of Financial Position
as at 29 February 2012

	Note	29 February 2012 £	28 February 2011 £
Assets			
Non-current assets			
Property, plant and equipment	3	49,594	-
Intangible assets	4	870,378	-
Total non-current assets		919,972	-
Current assets			
Trade and other receivables	5	610,020	100
Cash and cash equivalents		255,705	-
Total current assets		865,725	100
Total assets		1,785,697	100
Current liabilities			
Trade and other payables	6	(12,368)	-
Loans and advances due to related parties	6	(2,457,866)	(3,970)
Total current liabilities		(2,470,234)	(3,970)
Total liabilities		(2,470,234)	(3,970)
Net liabilities		(684,537)	(3,870)
Equity			
Share capital	7	100	100
Retained loss	8	(637,375)	(3,970)
Foreign exchange translation reserve	8	(78,941)	-
Total equity attributable to:			
Owners of the parent company		(716,216)	(3,870)
Non- controlling interest		31,679	-
Total equity		(684,537)	(3,870)

The notes on pages 9 to 20 form an integral part of the consolidated financial statements.

The financial statements were approved and authorised for issue on 23 August 2012.

G N SPROULE
Director

Greenhills Resources Limited
Consolidated Statement of Changes in Equity
for the year ended 29 February 2012

	Attributable to owners of the parent company				Non-Controlling Interests	Total
	Share Capital	Retained Loss	Foreign Exchange Translation Reserve	Controlling Interests		
	£	£	£	£	£	£
On incorporation	-	-	-	-	-	-
Loss for the period	-	(3,970)	-	(3,970)	-	(3,970)
Transactions with owners:						
Issue of shares	100		-	100	-	100
Balance at 1 March 2011	100	(3,970)		(3,870)	-	(3,870)
Loss for the year	-	(633,405)		(633,405)	-	(633,405)
Other comprehensive income:						
Foreign currency translation	-	-	(78,941)	(78,941)	-	(78,941)
Transactions with owners:						
On acquisition of Renetype	-	-	-	-	31,679	31,679
Balance at 29 February 2012	**100**	**(637,375)**	**(78,941)**	**(716,216)**	**31,679**	**(684,537)**

There are no external impositions on capital.

Greenhills Resources Limited
Consolidated Statement of Cash Flows
for the year ended 29 February 2012

	29 February 2012 £	28 February 2011 £
Loss for the year	(633,405)	(3,970)
Increase in payables	12,368	-
Net cash flows from operating activities	(621,037)	(3,970)
Investing activities		
Exploration expenditure	(854,215)	-
Acquisition of property, plant and equipment	(59,749)	-
Net cash flows from investing activities	(913,964)	-
Financing activities		
New loans raised from related parties	2,453,896	3,970
Loans provided to related parties	(663,189)	-
Net cash flows from financing activities	1,790,706	3,970
Net increase in cash and cash equivalents	255,705	-
Cash and cash equivalents at beginning of the year	-	-
Effect of foreign exchange rate changes	-	-
Cash and cash equivalents at end of the year	255,705	-
Bank balances and cash	255,705	-

Significant non-cash movements: on incorporation Greenhills issued £100 of new ordinary share capital to VML Resources Limited ("VML"). This balance remained unpaid as at 29 February 2012.

1. Significant Accounting Policies

Corporate information and activities

Greenhills Resources Limited ("Greenhills") was incorporated on 25 November 2010.

As at 29 February 2012 the Greenhills Group comprised Greenhills Resources Limited, a company registered and domiciled in Guernsey, it's wholly owned subsidiary, Mokopane Tin Company (Proprietary) Limited ("Mokopane") a company registered in South Africa, through which it has a 74% ownership of Renetype (Proprietary) Limited ("Renetype"), a company registered in South Africa.

Greenhills is an investment holding company which was formed to invest in resource - based exploration companies.

The minority shareholders of Renetype are African Women Enterprise Investments (Proprietary) Limited and Cannosia Trading 62 CC who own 10% and 16% respectively and are both incorporated in South Africa.

As at 29 February 2012 the Greenhills Group was comprised as follows:

Company	*Equity Holding and Voting rights*	*Country of incorporation*	*Nature of Activities*
Greenhills	n/a	Guernsey	Holding company
Mokopane	100%	South Africa	Holding company
Renetype	74%	South Africa	Tin exploration - prospecting right 2205

Basis of accounting

The Greenhills consolidated financial statements have been prepared under the historical cost convention in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

Basis of consolidation

The Greenhills consolidated financial statements include that of Greenhills and its subsidiaries. The results of the subsidiaries are included from the date that control passes.

On acquisition the Greenhills Group recognises the subsidiary's identifiable assets, liabilities and contingent liabilities at fair value. The excess of the cost of an acquisition over the fair values of the Group's share of identifiable assets and liabilities acquired is recognised as goodwill.

All intercompany transactions, balances, income and expenses are eliminated in full on consolidation.

1. Significant Accounting Policies *(continued)*

Foreign currencies

Functional and presentation currency
The Rand is the local currency in South Africa and is the functional currency of the Greenhills subsidiaries. For reporting purposes the financial statements have been presented in sterling ("GBP"), the currency of the United Kingdom as the group's new parent company, Bushveld Minerals Limited which listed in the AIM Market in London in March 2012.

Transactions and balances
Transactions in foreign currencies are initially recorded at the rates of exchange prevailing on the dates of the transaction. At each reporting date, monetary assets and liabilities that are denominated in foreign currency are translated into the reporting currency at the rate prevailing on that date. Non-monetary assets and liabilities are carried at cost and are translated into the reporting currency at the rate prevailing on the reporting date. Gains and losses arising on retranslation are included in profit or loss for the period, except for exchange differences on non-monetary assets and liabilities, which are recognised directly in other comprehensive income when the changes in fair value are recognised directly in other comprehensive income.

On consolidation, the assets and liabilities of the Group's overseas operations are translated into the Group's presentational currency at exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period unless exchange rates have fluctuated significantly during the year, in which case the exchange rate at the date of the transaction is used. Exchange differences arising, if any, are taken to other comprehensive income and the Group's translation reserve. Such translation differences are recognised as income or as expenses in the period in which the operation is disposed of.

Intangible exploration and evaluation assets

All costs associated with mineral exploration and evaluation including the costs of acquiring prospecting licences, mineral production licences and annual licences fees, rights to explore, topographical, geological, geochemical and geophysical studies, exploratory drilling, trenching, sampling and activities to evaluate the technical feasibility and commercial viability of extracting a mineral resource, are capitalised as intangible exploration and evaluation assets and subsequently measured at cost.

Where a third party has transferred control of a prospecting right to a subsidiary of the Greenhills Group in return for being granted a certain interest in that subsidiary, the resulting net asset value ascribed to the non-controlling interest is considered to be the relevant acquisition cost of the prospecting right, and is capitalised accordingly.

If an exploration project is successful, the related expenditures will be transferred at cost to property, plant and equipment and amortised over the estimated life of the commercial ore reserves on a unit of production basis. Where a project does not lead to the discovery of commercially viable quantities of mineral resources and is relinquished, abandoned, or is considered to be of no further commercial value to Greenhills, the related costs are recognised in profit or loss.

The recoverability of deferred exploration costs is dependent upon the discovery of economically viable ore reserves, the ability of Greenhills to obtain necessary financing to complete the development of ore reserves and future profitable production or proceeds from the extraction or disposal thereof.

1. Significant Accounting Policies *(continued)*

Impairment of exploration and evaluation assets

Whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable, the asset is reviewed for impairment. An asset's carrying value is written down to its estimated recoverable amount (being the higher of the fair value less costs to sell and value in use) if that is less than the asset's carrying value. Impairment losses are recognised to profit or loss.

An impairment review is undertaken when indicators of impairment arise but typically when one of the following circumstances applies:

- unexpected geological occurrences that render the resources uneconomic; or
- title to the asset is compromised; or
- variations in mineral prices that render the project uneconomic; or
- variations in the foreign currency rates; or
- Greenhills determines that it no longer wishes to continue to evaluate or develop the field.

Property, plant and equipment

Property, plant and equipment assets are stated at historical cost.

Depreciation is provided on all plant and equipment assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life as follows:

- Geological equipment over 2 years
- Motor vehicles over 3 years
- Office and computer equipment over 2 years

The estimated useful lives, residual values and depreciation methods are reviewed at each period end, with the effect of any changes in estimate accounted for on a prospective basis.

Financial assets and liabilities

Greenhills classifies its financial assets and liabilities as follows:

Trade and other receivables
Trade and other receivables are stated at the fair value of the consideration receivable less any impairment. Impairment provisions are recognised when there is objective evidence that the Greenhills Group will be unable to collect all of the amounts due under the terms of the receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

Trade and other payables
Trade and other payables are not interest bearing and are initially recognised at fair value. They are subsequently measured at amortised cost using the effective interest rate method.

Cash and cash equivalents
Cash and cash equivalents comprise cash at hand and deposits on a term of not greater than three months.

1. Significant Accounting Policies *(continued)*

Financial liabilities and equity
Financial liabilities (including loans and advances due to related parties) and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. When the terms of a financial liability are negotiated with the creditor and settlement occurs through the issue of the Company's equity instruments, the equity instruments are measured at fair value and treated as consideration for the extinguishment of the liability. Any difference between the carrying amount of the liability and the fair value of the equity instruments issued is recognised in profit or loss.

Share capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax from proceeds.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax payable is based on taxable profit for the year. The Greenhills Group's liability for current tax is calculated by using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based upon rates enacted and substantively enacted at the reporting date. Deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

Use of estimates and judgements

The preparation of the Greenhills consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Management's only critical estimate and judgement in determining the value of assets, liabilities and equity is the valuation of intangible exploration assets.

The valuation of intangible exploration assets is dependent upon the discovery of economically recoverable deposits which, in turn, is dependent on future Tin prices, future capital expenditures and environmental and regulatory restrictions.

1. Significant Accounting Policies *(continued)*

Accounting standards and interpretations not applied

At the date of authorisation of these financial statements , the following standards and interpretations relevant to the Group that have not been applied in these financial statements were in issue but not yet effective or endorsed (unless otherwise stated):

		Effective Date
IFRS 7	Financial Instruments: Disclosures – Amendments; Disclosures – Transfers of Financial Assets	1 Jan 13
IFRS 9	Financial Instruments	1 Jan 15
IFRS 10	Consolidated Financial Statements	1 Jan 13
IFRS 11	Joint Arrangements	1 Jan 13
IFRS 12	Disclosure of Interests in Other Entities	1 Jan 13
IFRS 13	Fair Value Measurement	1 Jan 13
IAS 27	Separate Financial Statements (as amended 2011)	1 Jan 13
IAS 28	Investments in Associates and Joint Ventures (as amended 2011)	1 Jan 13
IAS 1	Presentation of financial statements – Amendment; Presentation of items of other comprehensive income	1 Jul 12
IAS 19	Employee Benefits – Amendments	1 Jan 13
IAS 32	Financial Instruments – Presentation – Amendment; Offsetting Financial Assets and Financial Liabilities	1 Jan 14
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	1 Jan 13

The Directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the Group.

Going Concern

An assessment of going concern is made by the directors at the date the directors approve the financial statements, taking into account the relevant facts and circumstances at that date including:

- Review of cash flow forecasts for the year ahead
- Review of actual results against forecast
- Timing of cash flows
- Any financial or operational risks

After making enquiries the Directors have a reasonable expectation that the Group, and having received written support from its new parent company Bushveld Minerals Limited, has adequate resources to continue in operational existence for the foreseeable future, and that it is therefore appropriate to adopt the going concern basis in preparing the financial statements. The directors have satisfied themselves that Bushveld Minerals Limited is in a sound financial position given its recent AIM listing in March raising £5.5m and will be able to support the Group's foreseeable cash requirements.

Segmental information

The Greenhills Group has one segment being the exploration for Tin in the Mogalakwena District located in the Limpopo Province of South Africa by its 74% subsidiary Renetype. The Greenhills Group's assets and liabilities solely relate to that segment.

2. Taxation

	29 February 2012 £	28 February 2011 £
Loss before tax	(633,405)	(3,970)
Tax calculated at domestic tax rates applicable to profits in the respective countries at 0% (2011 : 0%)	-	-
Tax charge	-	-

The applicable rate of taxation in Guernsey is nil.

The applicable rate of taxation in South Africa is 28%

Although the application of corporation tax legislation in South Africa may give rise to an assessable tax loss which could give rise to a deferred tax asset as at 29 February 2012 of £213,000 (based on the current applicable tax rate of 28%), no such deferred tax asset has been recognised due to the uncertainty at that date of future taxable income arising from such activities.

3. Property, plant and equipment

	Geological equipment £	Motor vehicles £	Office and computer equipment £	Total £
Cost				
At 25 November 2010 and 1 March 2011	-	-	-	-
Additions	27,069	26,078	6,602	59,749
At 29 February 2012	27,069	26,078	6,602	59,749
Depreciation				
At 25 November 2010 and 1 March 2011	-	-	-	-
Charge for period	(1,937)	(7,098)	(1,120)	(10,155)
At 29 February 2012	(1,937)	(7,098)	(1,120)	(10,155)
Net Book Value at 29 February 2012	25,132	18,980	5,482	49,594
Net Book Value at 28 February 2011	-	-	-	-

Computer equipment with a value of £3,328 was transferred in from the Bushveld Group, a related party, during the period.

4. Intangible assets

	Exploration expenditure £
Cost	
As at 25 November 2010 and As at 1 March 2011	-
Asset acquisition	121,844
Additions	774,206
Foreign exchange translation	(25,672)
As at 29 February 2012	**870,378**

Control of Prospecting Right 2205 was acquired by Greenhills upon the acquisition of 74% of Renetype on 27 May 2011 from VM Investment Company (Pty) Limited ("VMI"), a related party through common directorships, for ZAR 1,000,000 (£90,164).

This was accounted for as an asset acquisition, with the payment of £90,164 for a 74% interest in Renetype (Proprietary) Limited ("Renetype") conferring a value of £121,844 for a 100% interest in Renetype. It is therefore this latter value that has been recognised as the value of the intangible asset arising on consolidation with £31,679 being allocated to non-controlling interest.

5. Trade and other receivables

	29 February 2012 £	28 February 2011 £
Loans and other amounts due from related parties	610,020	100

Loans and other amounts due from related entities are made up of amount owing from Bushveld Resources Limited and VML Resources Limited ("VML") as set out in note 10.

6. Current liabilities

	29 February 2012 £	28 February 2011 £
Trade and other payables	12,368	-
Loans and advances due to related parties	2,457,866	3,970
	2,470,234	**3,970**

Loans and other amounts due to related entities are made of amounts owing to Obtala Resources Limited ("Obtala"), and VMI as set out in note 10.

7. Share capital

	Number	£
Allotted, issued and fully paid ordinary shares of £1.00 each:		
As at 25 November 2010, 1 March 2011 and 29 February 2012	**100**	**100**

The board may subject to Guernsey Law, issue shares or grant rights to subscribe for or convert securities into shares. It may issue different classes of shares ranking equally with existing shares. It may convert all or any classes of shares into redeemable shares. The company may also hold treasury shares in accordance with the law. Dividends may be paid in proportion to the amount paid up on each class of shares.

8. Capital reserves

	Foreign currency translation reserve £	Retained Loss £
Balance at 1 March 2011	-	(3,970)
Movement in foreign exchange translation reserve	(78,941)	-
Loss for the year	-	(633,405)
Balance at 29 February 2012	(78,941)	(637,375)

The foreign exchange translation reserve records the cumulative exchange differences arising upon translation of the assets and liabilities at the exchange rates prevailing at the end of the reporting period of the foreign subsidiaries.

9. Financial instruments

Capital risk management

Greenhills manages its capital to ensure that entities in the Greenhills Group will be able to continue as a going concern while maximising the return to stakeholders. The overall capital risk management strategy of Greenhills and the Greenhills Group is to minimise costs and liquidity risk.

The capital structure of the Greenhills Group consists of equity attributable to equity holders of the parent, comprising issued share capital, as disclosed in note 8, and in the Statement of Changes in Equity.

The Greenhills Group is exposed to a number of risks through its normal operations, the most significant of which are credit and liquidity risks. The management of these risks is vested in the Board of Directors.

Credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as at 29 February 2012 was:

	£
Due from Bushveld Resources Limited	609,920
Cash and cash equivalents	255,705
	865,625

No age analysis is presented as no financial assets are past due at this reporting date.

9. Financial instruments *(continued)*

Liquidity risk

The following are the contractual maturities of financial liabilities as at 29 February 2012.

	Carrying Amount	Contractual Cash Flows	12 Months or less
	£	£	£
Obtala	2,156,729	2,156,729	2,156,729
VMI	243,324	243,324	243,324
Bushveld Resources Limited	57,813	57,813	57,813
	2,457,866	**2,457,866**	**2,457,866**

The amount due to Obtala was converted into equity of the company on 26 March 2012 with the issue of 100 ordinary shares in Greenhills Resources Limited.

VMI has funded a proportion of the exploration expenditure and will be paid when requested. The Directors are of the opinion that given VMI is a related party the above the liquidity risk is appropriately managed.

Management of Market Risk

Loans received from related entities are unsecured and non-interest bearing. As such the group is not exposed to movements in the interest rates.

Management of Foreign exchange risk

The Group conducts its operations in other jurisdictions where the local currency is different from the Group's reporting currency and therefore is subject to fluctuations in exchange rates. These risks are monitored by the board on a regular basis. The Group does not hedge against the effects of exchange rates.

The exposure of the Group's financial assets and liabilities to currency risk is as follows:

	US$	ZAR	Total
	£	£	£
Cash and cash equivalents	59,841	195,864	255,705
Loans receivable	-	610,020	610,020
Total financial assets at 29 February 2012	59,841	805,884	865,725
Other payables and accruals	-	12,368	12,368
Loans and advances from related entities	2,156,729	301,137	2,457,866
Total financial liabilities at 29 February 2012	2,156,729	313,505	2,470,234

9. Financial instruments *(continued)*

	US$	ZAR	Total
	£	£	£
Loans receivable	-	100	100
Total financial assets at 28 February 2011	-	100	100
Loans and advances from related entities	-	3,970	3,970
Total financial liabilities at 28 February 2011	-	3,970	3,970

The table below summarises the impact of a 1 per cent increase / decrease in the relevant foreign exchange rates versus the pound sterling rate on the Groups pre tax loss for the year and on equity.

	29 February 2012	28 February 2011
	£	£
Impact of 1 per cent rate change	21,353	-

Fair Values

The fair values of the financial assets and liabilities are materially consistent with the carrying values.

10. Related party transactions

Balance due from related parties at the end of the period:

	29 February 2012	28 February 2011
	£	£
Bushveld Resources Limited	609,920	-

Bushveld Resources Limited is considered to be a related party to the Greenhills Resources Limited Group and to VML Resources Limited due to common directorships and shareholders.

On the date of its acquisition by Greenhills, the groups subsidiary Renetype owed Bushveld Resources Limited £160,333. This balance, along with the purchase of computer equipment for £3,328 (note 4) has since been paid off with Greenhills advancing a total of £715,769 to the Bushveld Group up until 29 February 2012, leading to the receivables balance above.

Balance due to related parties at the end of the period:

	29 February 2012	28 February 2011
	£	£
Obtala	2,156,729	-
VMI	243,324	-
Bushveld Resources Limited	57,813	-

10. Related party transactions *(continued)*

Obtala Loan

A subscription agreement was entered into in March 2012 whereby Obtala Resources Limited ("Obtala") acquired a 50% shareholding in Greenhills for a total of $4.0 million. This subscription agreement was subject to the completion of the sale of prospecting right DMR 2205 PR from VM Investment Company (Proprietary) Limited to Renetype (Proprietary) Limited and the sale of its 74% interest in Renetype to Mokopane Tin Company (Proprietary) Limited.

In anticipation of the transfer of Prospecting Right 2205 Obtala Resources Limited ("Obtala") lent Greenhills £1,225,933 ($2.0 million) on 24 March 2011, followed by a further £457,635 ($0.75 million) on 28 July 2011. Further amounts of £159,240 and £313,921 were received on 5 October 2011 and 16 February 2012 respectively. £2,156,729 was outstanding at 29 February 2012.

These loans were unsecured, interest free and had no formal repayment date and accordingly the Directors have classified as them being repayable within one year.

The approval and registration of Prospecting Right 2205 were effected on 1 December 2011 and 12 March 2012 respectively.

VML Resources consultancy agreement
On 6 April 2011 the Greenhills Group entered into a consultancy agreement with VML Resources Limited ("VML")whereby the Greenhills Group would pay to VML:

- $1 million (£612,907) upon signature;
- $1 million (c. £612,900) upon admission of Greenhill's shares to an appropriate exchange within 12 months; and
- $0.5 million (c. £306,500) per annum for ongoing consultancy services.

It was further agreed that the ongoing annual costs would be shared equally between the Greenhills Group and the Bushveld Group.

This agreement was subsequently terminated such that the second fee of $1 million and ongoing annual fee of $0.5 million were no longer payable.

The Bushveld Group utilises office space leased by VMI, for which no charge is levied against the Bushveld Group.

Other Related Parties
VMI is considered to be a related party to the Greenhills Group due to common directorships and shareholders. VMI has funded a proportion of the exploration expenditure of £243,324 and will be paid when requested.

Renetype has been engaged in developing various targets within Prospecting Right 2205, the right to which were was sold to Renetype by VM Investment Company (Pty) Limited ("VMI"). This sale became effective on 25 July 2010 upon its approval by the Department of Mineral Resources in South Africa ("DME") and registration by the Mineral and Petroleum Titles Registration Office in South Africa ("MPTRO").

Bushveld Resources Limited has advanced a total of £57,813 to the Greenhills group up until 29 February 2012, leading to the creditor balance above.

10. Related party transactions *(continued)*

Transactions and loan balances with related parties during the period:

	Loan balances as at 28 February 2011	Acquisition of Renetype	Liability assumed on acquisition of Renetype	Purchase of PP&E	Consultancy fees	Loan received / (advanced)	Loan balances as at 29 February 2012
	£	£	£	£		£	£
Obtala	-	-	-	-		2,156,729	2,156,729
VML	-	-	-	-	612,907	-	-
VMI	-	90,164	26,165	-		126,995	243,324
Bushveld Group	-	-	160,333	3,228		(715,668)	(552,107)

There were no transactions in the previous period with related entities.

During the year ended 29 February 2012 the following compensation was paid to key management:

	Short-term employee benefits
	£
G. Sproule	35,000
F. Mojapelo	-
A. Viljoen	-

11. Contingent liabilities

There were no contingent liabilities at 29 February 2012.

12. Capital commitments

There were no capital commitments as at 29 February 2012.

Licence fees in respect of the Prospecting Right 2205 are payable annually
to the Department of Mineral Resources in South Africa. Future fees payable are

Year ended 28 February 2013	£ 3,026
Year ended 28 February 2014	£ 3,631

13. Acquisition of subsidiary

Mokopane, Greenhills' wholly owned subsidiary, entered into a sale of shares agreement with VMI, Connosia Trading 62 CC ("Cannosia"), African Women Enterprise Investments (Proprietary) Limited ("Awevest") and Renetype (Proprietary) Limited ("Renetype") to acquire the 74% shareholding in Renetype held by VMI for £90,164 (SAR 1,000,000) (the remaining 36% being held by Cannosia and Awevest). This amount was paid in cash on 28 July 2011.

13. Acquisition of subsidiary *(continued)*

The date of this acquisition was 27 May 2011, and as at this date the net assets and fair value of Renetype were:

	£
Capitalised exploration costs	402,334
VMI creditor	(214,892)
Bushveld Resources Limited creditor	(160,333)
VML Resources accrual	(27,100)
Net Assets	**9**
Share capital	**9**

On 23 May 2011 a sale of prospecting right agreement had been entered into between Renetype and VMI, whereby VMI transferred its ownership of its Prospecting Right 2205 to Renetype for ZAR 1.

Under the terms of this agreement the transfer did not become effective until it was formally approved by the Department of Minerals and Energy in South Africa and registered with the Minerals and Petroleum Titles Registration Office in South Africa, which did not occur until 1 December 2011 and 12 March 2012.

14. Events after the reporting date

Change in parent undertaking

On 15 March 2012, Bushveld Minerals Limited (BML) a company registered in Guernsey, entered into a share for share exchange agreement with Obtala, VML and VMI pursuant to which BML agreed to acquire the entire issued share capital of Greenhills. The share for share exchange agreement contains an indemnity from VML to BML in relation to historic liabilities owed to it and third parties and warranties in favour of BML from Obtala and VML.

The amount due to Obtala of £2,104,932 by Greenhills has been converted into equity on 15 March 2012 following the issue of 100 ordinary shares in Greenhills Resources Limited.

Consultancy Agreement between VMI and, Greenhills

On 20 March 2012 VMI, Greenhills entered into a consultancy agreement whereby VMI agreed to provide consultancy services to the Group. The services to be provided and the amounts to be charged would be agreed by the parties from time to time in accordance with the commercial requirements of the Group.