Sentula MINING

Incorporated in the Republic of South Africa (Registration number 1992/001973/06)
Share code: SNU ISIN: ZAE000107223 ("Sentula" or "the Company" or "the Group")

58% CIFR improved to 0.31 (2013: 0.74)

69% Loss per share improved to 13.3 cents (2013: 42.8 cents)

24% Revenue decreased to R723 million (2013: R951 million)

REVIEWED CONDENSED CONSOLIDATED INTERIM RESULTS FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2014

Condensed consolidated statement of financial position

at 30 September 2014

R'000	Reviewed September 2014	Reviewed September 2013	Audited March 2014
ASSETS			
Total non-current assets	**850 175**	1 168 497	984 706
Property, plant and equipment	**798 937**	1 097 664	932 313
Intangible assets	**1 346**	2 692	2 019
Goodwill	**37 427**	37 426	37 427
Deferred income tax asset	**12 465**	30 715	12 947
Total current assets	**494 632**	652 321	499 497
Inventories	**114 460**	130 489	113 979
Trade and other receivables	**348 053**	425 211	323 725
Cash and cash equivalents	**28 163**	95 683	60 358
Current tax receivable	**3 956**	938	1 435
Assets classified as held-for-sale	**328 873**	280 930	300 983
TOTAL ASSETS	**1 673 680**	2 101 748	1 785 186
Equity and liabilities			
Total equity attributable to equity holders of the Company	**950 927**	1 315 850	1 024 617
Share capital and premium	**1 994 406**	1 994 406	1 994 406
Reserves	**114 397**	135 369	110 850
Accumulated loss	**(1 157 876)**	(813 925)	(1 080 639)
Non-controlling interest	**1 855**	(85 746)	1 467
Total equity	**952 782**	1 230 104	1 026 084
Liabilities			
Total non-current liabilities	**103 628**	259 929	135 156
Loans and borrowings	**12 907**	149 649	25 082
Finance lease obligations	**5 068**	2 518	6 118
Deferred income tax liabilities	**85 653**	107 762	103 956
Total current liabilities	**549 960**	526 706	555 266
Trade and other payables	**208 501**	216 975	169 452
Loans and borrowings	**257 822**	262 923	309 852
Deferred revenue	**—**	—	2 351
Finance lease obligations	**5 967**	2 325	5 110
Bank overdraft	**35 710**	—	28 134
Current income tax liabilities	**41 960**	44 483	40 367
Total liabilities held-for-sale	**67 310**	85 009	68 680
Total liabilities	**720 898**	871 644	759 102
TOTAL EQUITY AND LIABILITIES	**1 673 680**	2 101 748	1 785 186
Net asset value per share (excluding treasury shares)	**164 cents**	226 cents	176 cents
Tangible net asset value per share (excluding goodwill – excluding treasury shares)	**157 cents**	220 cents	170 cents

Condensed consolidated income statement

for the six months ended 30 September 2014

R'000	Reviewed September 2014	Reviewed September 2013	Audited March 2014
Revenue	**723 075**	950 665	1 591 482
Results from operations	**(21 416)**	34 578	(41 979)
Recovery of unaccounted funds	**500**	30 000	30 000
Results from operating activities pre-impairments and inventory write-off	**(20 916)**	64 578	(11 979)
Provision for slow moving/obsolete inventory	**—**	(40 527)	(43 293)
Net loss on sale of plant and equipment	**(14 807)**	(397)	(9 940)
Impairment of plant and equipment	**(132)**	—	(69 923)
Impairment of plant and equipment transferred to held-for-sale assets	**(11 803)**	(5 774)	(5 774)
Impairment of assets held-for-sale	**—**	—	(398)
Impairment of goodwill	**—**	(35 138)	(35 138)
Results from operating activities	**(47 658)**	(17 258)	(176 445)
Net finance charges	**(27 036)**	(25 341)	(52 433)
Loss before taxation	**(74 694)**	(42 599)	(228 878)
Taxation	**5 374**	(38 403)	(54 277)
Loss for the period from continuing operations	**(69 320)**	(81 002)	(283 155)
Discontinued operations			
Loss for the period from discontinued operations	**(7 529)**	(286 114)	(292 923)
Total loss for the period	**(76 849)**	(367 116)	(576 078)
Loss attributable to:			
Owners of the parent	**(77 237)**	(248 628)	(533 565)
– continuing operations	**(69 320)**	(81 002)	(277 392)
– discontinued operations	**(7 917)**	(167 626)	(256 173)
Non-controlling interest	**388**	(118 488)	(42 513)
– continuing operations	**—**	—	(5 763)
– discontinued operations	**388**	(118 488)	(36 750)
Basic and diluted loss per share (cents)	**(13,29)**	(42,79)	(91,83)
– continuing operations (cents)	**(11,93)**	(13,94)	(47,74)
– discontinued operations (cents)	**(1,36)**	(28,85)	(44,09)
Headline and diluted loss per share (cents)	**(8,49)**	(6,77)	(43,70)
– continuing operations (cents)	**(7,13)**	(6,62)	(28,31)
– discontinued operations (cents)	**(1,36)**	(0,15)	(15,39)
Shares in issue at end of the period excluding treasury shares ('000)	**581 005**	581 005	581 005

Condensed consolidated statement of comprehensive income

for the six months ended 30 September 2014

R'000	Reviewed September 2014	Reviewed September 2013	Audited March 2014
Loss for the period	**(76 849)**	(367 116)	(576 078)
Other comprehensive income			
Foreign currency translation differences for foreign operations	**3 547**	27 242	32 384
Other comprehensive income for the period, net of income tax	**3 547**	27 242	32 384
Total comprehensive loss for the period	**(73 302)**	(339 874)	(543 694)
Loss attributable to:			
Owners of the parent	**(73 690)**	(221 386)	(501 181)
– continuing operations	**(69 320)**	(53 760)	(245 008)
– discontinued operations	**(4 370)**	(167 626)	(256 173)
Non-controlling interest	**388**	(118 488)	(42 513)
– continuing operations	**—**	—	(5 763)
– discontinued operations	**388**	(118 488)	(36 750)

Information about reportable segments

The Group is organised in four major operating segments, namely opencast mining services, exploration drilling, crane hire and coal mining. Megacube is disclosed under the "Opencast mining services" as a discontinuing business operation as it is in the process of being wound down. Benicon, CCT and JEF are included in the continuing opencast mining services. Benicon Coal, Nkomati and Benicon Mining are included in the "Discontinuing coal mining operations" as they are currently held-for-sale. Equipment trading spares and engineering is included in "Other". Segment performance is measured based on the segment profit before interest and income tax. Inter-segment revenue is priced on an arms' length basis.

R'000	Continuing opencast mining services	Megacube	Total opencast mining services	Exploration drilling	Crane hire	Coal mining	Other	Total
Reviewed six months ended 30 September 2014								
Continuing operations								
Total segment revenue	615 967	—	615 967	134 794	49 877	—	30 462	831 100
Inter-segment revenue	86 133	—	86 133	1 329	656	—	19 907	108 025
External revenue from continuing operations	529 834	—	529 834	133 465	49 221	—	10 555	723 075
External revenue from discontinuing operations	—	—	—	—	—	547	—	547
External revenue	529 834	—	529 834	133 465	49 221	547	10 555	723 622
Continuing operations								
Total segment results pre-impairment	7 081	(1 563)	5 518	(23 548)	22 759	(99)	(26 046)	(21 416)
Net loss on sale of assets	(15 700)	—	(15 700)	1 258	(365)	—	—	(14 807)
Impairment of assets transfered to held-for-sale	(11 803)	—	(11 803)	(132)	—	—	—	(11 935)
Recovery of unaccounted funds	—	500	500	—	—	—	—	500
Total segment results from continuing operations	(20 422)	(1 063)	(21 485)	(22 422)	22 394	(99)	(26 046)	(47 658)
Total segment results from discontinuing operations	—	—	—	—	—	(7 759)	—	(7 759)
Segment results	(20 422)	(1 063)	(21 485)	(22 422)	22 394	(7 858)	(26 046)	(55 417)
Reviewed restated six months ended 30 September 2013								
Total segment revenue	730 894	15	730 909	227 038	40 492	—	26 903	1 025 342
Inter-segment revenue	60 668	—	60 668	1 533	72	—	12 404	74 677
External revenue from continuing operations	670 226	15	670 241	225 505	40 420	—	14 499	950 665
External revenue from discontinuing operations	—	—	—	—	—	656	—	656
External revenue	670 226	15	670 241	225 505	40 420	656	14 499	951 321
Continuing operations								
Total segment results pre-impairment	52 966	6 302	59 268	(748)	19 510	(240)	(43 212)	34 578
Net loss on sale of assets	(215)	—	(215)	135	(74)	—	(243)	(397)
Impairment of goodwill	—	—	—	—	—	—	(35 138)	(35 138)
Impairment of assets held-for-sale	(5 774)	—	(5 774)	—	—	—	—	(5 774)
Provision for slow-moving/obsolete inventory	—	—	—	—	—	—	(40 527)	(40 527)
Recovery of unaccounted funds	—	30 000	30 000	—	—	—	—	30 000
Total segment results from continuing operations	46 977	36 302	83 279	(613)	19 436	(240)	(119 120)	(17 258)
Total segment results from discontinuing operations	—	—	—	—	—	(388 807)	—	(388 807)
Segment results	46 977	36 302	83 279	(613)	19 436	(389 047)	(119 120)	(406 065)

Condensed consolidated statement of changes in equity

for the six months ended 30 September 2014

R'000	Share capital	Share premium	Employee share incentive reserve	Treasury shares	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interest	Total ordinary shareholders' funds
Restated balance as at 31 March 2013	5 866	2 014 438	66 345	(25 898)	41 782	(565 297)	1 537 236	32 742	1 569 978
Loss for the period	—	—	—	—	—	(248 628)	(248 628)	(118 488)	(367 116)
Other comprehensive income	—	—	—	—	27 242	—	27 242	—	27 242
Balance as at 30 September 2013	5 866	2 014 438	66 345	(25 898)	69 024	(813 925)	1 315 850	(85 746)	1 230 104
Loss for the period	—	—	—	—	—	(284 937)	(284 937)	75 975	(208 962)
Other comprehensive income	—	—	—	—	5 142	—	5 142	—	5 142
Transactions with owners, recorded directly in equity									
Acquisition of non-controlling interest	—	—	—	—	—	(11 438)	(11 438)	11 238	(200)
Share options forfeited	—	—	(7 034)	—	—	7 034	—	—	—
Share options lapsed	—	—	(22 627)	—	—	22 627	—	—	—
Balance as at 31 March 2014	5 866	2 014 438	36 684	(25 898)	74 166	(1 080 639)	1 024 617	1 467	1 026 084
Loss for the period	—	—	—	—	—	(77 237)	(77 237)	388	(76 849)
Other comprehensive income	—	—	—	—	3 547	—	3 547	—	3 547
Balance as at 30 September 2014	5 866	2 014 438	36 684	(25 898)	77 713	(1 157 876)	950 927	1 855	952 782

Reconciliation of headline loss

R'000	Reviewed September 2014			Reviewed September 2013			Audited March 2014		
	Continuing operations	Discontinued operations	Group	Continuing operations	Discontinued operations	Group	Continuing operations	Discontinued operations	Group
Loss for the period attributable to equity holders of the Company	(69 320)	(7 917)	(77 237)	(81 002)	(167 626)	(248 628)	(277 392)	(256 173)	(533 565)
Adjust for:									
Profit on disposal of plant and equipment	(2 750)	—	(2 750)	(257)	—	(257)	(239)	—	(239)
Profit on disposal of Schoongezicht prospecting right	—	—	—	—	—	—	(17 552)	—	(17 552)
Loss on disposal of plant and equipment	17 557	—	17 557	654	—	654	10 179	—	10 179
Loss on disposal of held-for-sale assets	—	—	—	—	—	—	450	—	450
Scrapping of assets	1 357	—	1 357	—	—	—	6 987	—	6 987
Profit on disposal of held-for-sale assets	(213)	—	(213)	(318)	—	(318)	—	—	—
Impairment of mineral right	—	—	—	—	365 431	365 431	—	365 431	365 431
Impairment of property, plant and equipment	132	—	132	—	—	—	69 923	10 000	79 923
Impairment of property, plant and equipment transferred to held-for-sale assets	11 803	—	11 803	5 774	—	5 774	5 774	—	5 774
Impairment of assets held-for-sale	—	—	—	—	10 000	10 000	398	—	398
Impairment of goodwill	—	—	—	35 138	—	35 138	35 138	—	35 138
Tax effect of above adjustments	—	—	—	1 577	(102 321)	(100 744)	1 856	(102 321)	(100 465)
Total non-controlling interest effects of adjustments, net of tax	—	—	—	—	(106 364)	(106 364)	—	(106 364)	(106 364)
Headline loss attributed to ordinary shareholders	(41 434)	(7 917)	(49 351)	(38 434)	(880)	(39 314)	(164 478)	(89 427)	(253 905)

Condensed consolidated statement of cash flows

for the six months ended 30 September 2014

R'000	Reviewed September 2014	Reviewed September 2013	Audited March 2014
Cash flows from operating activities	**11 918**	198 405	207 321
Cash generated from operating activities	**50 660**	238 707	288 782
Income taxes paid	**(14 340)**	(14 076)	(29 934)
Interest paid	**(24 402)**	(26 226)	(51 527)
Cash flows from investing activities	**11 267**	(28 406)	(31 924)
Interest received	**182**	847	2 373
Acquisition of non-controlling interest	**—**	—	(200)
Purchase of property, plant and equipment	**(22 188)**	(52 456)	(94 462)
Proceeds from disposal of property, plant and equipment	**20 513**	22 512	39 279
Capitalised exploration expenditure	**—**	(409)	(564)
Additions to assets held-for-sale	**(7 526)**	—	(11)
Proceeds from disposal of assets held-for-sale	**20 286**	1 100	2 856
Proceeds from disposal of Schoongezicht prospecting right	**—**	—	22 000
Increase in restricted investments	**—**	—	(3 195)
Cash flows from financing activities	**(64 575)**	(132 295)	(203 772)
Loans raised	**971**	—	8 438
Loans repaid	**(65 546)**	(132 295)	(212 210)
Net (decrease)/increase in cash and cash equivalents	**(41 390)**	37 704	(28 375)
Cash and cash equivalents at the beginning of the period	**33 744**	51 929	51 929
Exchange gain on cash and cash equivalents	**1 012**	6 751	10 190
Cash and cash equivalents at the end of the period	**(6 634)**	96 384	33 744
Included in cash and cash equivalents per the balance sheet	**(7 547)**	95 683	32 224
Included in the assets of the disposal group	**913**	701	1 520
	(6 634)	96 384	33 744

COMMENTARY

"Notwithstanding the persistent and challenging market conditions, the process embarked upon with the Group's lenders, to deal with the residual senior debt and the ongoing progress made towards the disposal of its coal and idle assets, continues to improve Sentula's sustainability in the medium term. The earnings from Sentula's earthmoving entities has remained an area of key focus, during the period under review. The initiatives implemented in these entities, including the rationalising of overhead structures, coupled with the rightsizing of its exploration business, positions Sentula to benefit from the next commodity cycle upswing." – ***Robin Berry, CEO – Sentula Mining Limited***

FINANCIAL OVERVIEW

- Revenue decreased by 24% to R723 million (2013: R951 million)
- Basic loss per share improved to 13.3 cents (2013: 42.8 cents)
- Headline loss per share increased to 8.5 cents (2013: 6.8 cents)
- Net asset value per share : 164 cents (March 2014: 176 cents)
- Tangible net asset value per share: 157 cents (March 2014: 170 cents)
- Debt to equity gearing ratio improved to 30% (March 2014: 31%)

The Group's earnings for the six-month period were adversely impacted by the following:

- A R14.8 million loss on the disposal of non-economical idle opencast mining equipment with an additional impairment on classification of equipment to held for sale of R11.8 million;
- Retrenchment cost of R9.5 million and R6.5 million incurred in the opencast mining services and the exploration drilling segments respectively; and
- An additional final cost of R8.8 million incurred in the closing down of the Exploration drilling operations in West, Central and Eastern Africa.

The Group results for the six-month period were positively impacted by the following:

- A R64 million decrease in debt due to the sale of the Jetpark Property and a release of cash locked up in international operations;
- Continued strong performance in the drilling and blasting operations on the back of additional contracts awarded;
- An increase in turnover of 23% in crane hire operations as a result of new long-term contracts entered into; and
- Initiatives implemented during the second half of the 2014 financial year resulted in an overall reduction in overhead costs.

OPERATIONAL REVIEW

Sustainability

Safety track record

Sentula recorded one lost time injury during the period under review resulting in a Classified Injury Frequency Rate of 0.31 per million man hours worked. This resulted in a 58.1% improvement on the comparative prior period (0.74 per million man hours worked). Sentula has continued to maintain its International Standards Organisation and Occupational Health and Safety accreditations across all its operations.

Transformation

In terms of the DTI codes, measuring Broad-Based Black Economic Empowerment ("B-BBEE"), as at November 2014, Sentula has been independently re-verified as a "level 4" contributor. All aspects of B-BBEE, remain a priority for the Group.

Mining services

With the four operating divisions and five underlying businesses, the provision of mining services remains the core of Sentula's activities. The Group continues to focus on the participation in contracts with quality counterparties, which provide sustainability to the mining services business. Currently, Sentula's operating capacity remains fully contracted.

Opencast mining services

Opencast mining

The period under review has been characterised by stable demand, but on-going exacting trading conditions, as margins remained under pressure across the opencast mining contracting sector.

Following a tough second half in the previous financial year, during the period under review, Benicon managed to stabilise its operations, through consolidating the contracting of all of its drilling and blasting requirements to JEF and the restructuring of its support services and overheads.

Despite the reduced demand for chrome ore from the Samancor Spitskop open pit operation, CCT performed satisfactorily during the period.

Overburden drilling and blasting

JEF Drill and Blast performed well during the period under review, with earnings being positively impacted by the provision of the drilling and blasting services to Benicon and CCT. Sentula has actively supported growth opportunities within this business through the continued investment in its operations.

Exploration drilling

Having concluded the restructuring of its international operations during the period under review, Geosearch now has a focussed client base in the Southern African region. In addition, having reduced its operating footprint in South Africa, Botswana and Mozambique, Geosearch has significantly reduced its overhead structure.

Crane hire

During the period under review, Ritchie Crane Hire continued to sustain its growth while maintaining its level of profitability. The results from this entity continue to be enhanced by the mix of cranes, strong competitive position in the Emalahleni/Middelburg geographical area, the diversity of clientele in coal mining, steel and power generation industries and the proportion of contracted to ad hoc work. The Group has continued to support the business' growth, through ongoing investment in crane capacity.

Coal mining investments

In line with the Group's strategy, to focus on its core mining services entities, while crystalising the value associated with its diversified portfolio of coal assets, the board of directors has continued to drive the process of assessing opportunities to achieve the strategy, through the outright disposal of its interests in these coal assets. Notwithstanding the commitment to assess opportunities that may arise on any of the Group assets, the Board continues to focus its efforts on the disposal of one remaining key interest in the Nkomati anthracite operation ("Nkomati"). While the sale of the Bankfontein mining right is yet to become unconditional, recent indications are that section 11 approval in terms of the Mineral and Petroleum Resources Development Act, 2002, for the transfer of the right, is imminent. In the interim, Sentula has taken steps to secure an offtake agreement, to enable the recommencement of mining operations at Nkomati. This will result in a reduction of the mine's reliance on Sentula for ongoing funding, the establishment of an operating track record and a preservation of the underlying value of the stake in the asset ahead of any potential sale transaction is being concluded.

STRATEGIC REVIEW

The Group's strategic intent remains one of providing a platform for growth by being recognised as a focused mining services provider, with the ability to contract across the African continent. Despite on-going volatility across the full spectrum of minerals sectors and the limited visibility of exploration work in the short term, the Group's firm intention remains one of focusing on the value drivers in its diversified service business offerings.

To this end, the Group's three-pronged strategy remains to:

- extract operational efficiencies from its opencast mining businesses;
- invest in opportunities and capacity to grow the solid drilling and blasting and mobile crane hire businesses; and
- maintain, through prudent restructuring, the Group's exploration hubs in order to take advantage of expected growth in the mineral exploration sector following a recovery.

The strategy is further enhanced through the finalisation of the disposal of the Group's stakes in various propriety coal investments, for which plans for the key assets have already been implemented.

Sentula's exposure to the coal and energy sector, coupled with its diversified service offering, client base, mineral exposure and geographical spread should continue to provide a solid base for the development of the business into the future.

DIVIDENDS

The Board has decided not to declare an interim dividend for the period under review.

DIRECTORATE

The following changes took place to the Board during the period under review:

Appointments:

JC Lemmer – Financial Director – effective 27 May 2014
SP Naude – Non executive Director – effective 27 May 2014
N Qangule – Non executive Director – effective 27 May 2014
ME Gama – Non executive Director – effective 1 February 2015

Resignations:

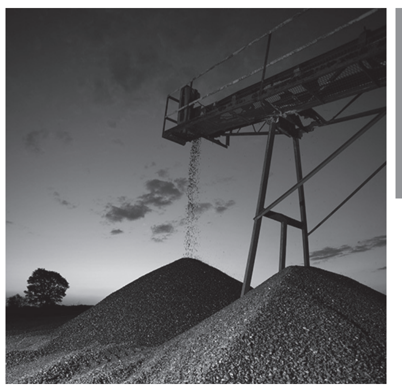
J Best – Chairman and non executive Director – effective 8 August 2014
N Qangule – Non executive director – effective 2 October 2014

On behalf of the Board and approved for issue:

Ralph Patmore Non-executive Chairman

Robin Berry Chief Executive Officer

Woodmead
9 December 2014



Notes to the condensed interim financial statements

1. Basis of preparation

The condensed consolidated interim financial statements for the six months ended 30 September 2014 have been prepared under the supervision of Mr JC Lemmer (CA)SA in accordance with International Financial Reporting Standard IAS 34, *'Interim Financial Reporting'*, the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the South African Companies Act, 71 of 2008 and the Listings Requirements of the JSE Limited.

The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 March 2014, which have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB").

The accounting standards and amendments to issued accounting standards and interpretations, which are relevant to the Group, but not yet effective on 30 September 2014 have not been early adopted.

2. Accounting policies

The significant accounting policies, judgements, estimates and methods of computation are consistent in all material respects with those applied in the annual financial statements for the year ended 31 March 2014 and are presented in South African rand, which is the functional and presentational currency.

The carrying value of financial instrument approximates fair value.

3. Review conclusion

These condensed consolidated interim financial statements for the six months to 30 September 2014 have been reviewed by PricewaterhouseCoopers Inc, who expressed an unmodified review conclusion. A copy of the auditor's review conclusion is available for inspection at the company's registered office together with the interim financial statements identified in the auditor's report.

The auditor's report does not necessarily report on all of the information contained in this announcement/financial results. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement they should obtain a copy of the auditor's report together with the accompanying financial information from the issuer's registered office.

4. Discontinued operations

The Board has taken a decision to dispose of all the coal assets within the Group.

As announced on SENS on 1 August 2014, the Benicon Sale Agreement and the Benicon Coal Guarantee, Pledge and Cession Agreement have lapsed due to the non-fulfilment of certain of the Benicon Coal Conditions Precedent within the agreed timeframe. Accordingly, the Benicon Coal Disposal has automatically terminated and will not be implemented.

The Board remains committed to the sale of the Benicon Coal assets and continues to enter into discussions with parties in this regard.

Financial performance and cash flow information relating to the discontinued operations for the period is set out below.

R'000	**Reviewed September 2014**	Reviewed September 2013	Audited March 2014
Revenue	**547**	656	1 396
Cost of sales	**(7 387)**	(8 165)	(14 786)
Gross profit	**(6 840)**	(7 509)	(13 390)
Other income	**15**	15	30
Impairment of mineral rights	**—**	(365 431)	(365 431)
Impairment of assets held-for-sale	**—**	(10 000)	(10 000)
Administration expenses	**(934)**	(5 882)	(7 049)
Results from operating activities	**(7 759)**	(388 807)	(395 840)
Finance expense	**(7)**	(5)	(9)
Finance income	**237**	266	494
Loss before taxation	**(7 529)**	(388 546)	(395 355)
Taxation	**—**	102 432	102 432
Loss for the period from discontinued operations	**(7 529)**	(286 114)	(292 923)
Loss attributable to:	**(7 529)**	(286 114)	(292 923)
– Equity holders of the Company	**(7 917)**	(167 626)	(256 173)
– Non-controlling interest	**388**	(118 488)	(36 750)
Cash flow attributable to operating activities	**(9 013)**	(26 907)	(20 033)
Cash flow attributable to investing activities	**(518)**	(824)	(4 354)
Cash flow attributable to financing activities	**8 924**	28 145	25 620
Cash flows attributable to discontinued operations	**(607)**	414	1 233
Cash and cash equivalents at the beginning of the period	**1 520**	287	287
Cash and cash equivalents at the end of the period	**913**	701	1 520

5. Assets and liabilities classified as held-for-sale

Assets held-for-sale			
Property, plant and equipment	**232 520**	188 271	205 285
Mineral rights	**45 330**	45 330	45 330
Intangible assets	**7 402**	7 249	7 402
Restricted investment	**11 888**	8 693	11 888
Deferred tax asset	**14 729**	14 729	14 729
Inventories	**14 149**	14 149	14 149
Trade and other receivables	**1 942**	1 808	680
Cash and cash equivalents	**913**	701	1 520
	328 873	280 930	300 983
Liabilities held-for-sale			
Rehabilitation provision	**66 899**	66 899	66 899
Trade and other payables	**411**	5 418	1 781
Deferred tax liability	**—**	12 692	—
	67 310	85 009	68 680
Breakdown of held-for-sale assets:			
Opencast mining equipment	**18 727**	4 546	1 633
Jetpark property	**—**	—	19 185
Exploration drilling equipment	**28 709**	—	—
Discontinued operations	**281 437**	276 384	280 165
	328 873	280 930	300 983

6. Contingent liabilities

Keaton

During the 2013 financial year, Megacube Mining Proprietary Limited ("MM") instituted legal proceedings against Keaton Mining Proprietary Limited ("Keaton") for the recovery of R41.5 million owing to MM for mining services rendered on its Vangatfontein operation.

Subsequent to the above action, Keaton instituted a counter claim of R119.9 million against MM in respect of an alleged breach of contract and substandard mining practices. A hearing with the Arbitrator was held on 4 April 2014, in order to obtain a ruling aimed at splitting the claims. Despite an acknowledgement that MM's claim is not in dispute, the Arbitrator ruled that the merits of the claims could not be split and that the outcome would be subject to a ruling on both claims. It is anticipated that the legal arbitration process may take up to 12 months before certainty is obtained.

7. Events after the reporting period

As announced on SENS on 21 October 2014, Sentula Mining Services Mauritius Limited , which is incorporated in Mauritius, and Senex S.A.R.L, which is incorporated in the Democratic Republic of Congo ("DRC") entered into a Sale of Assets Agreement dated 20 October 2014 to dispose of certain idle property, plant and equipment and associated inventory currently located in the DRC, as one indivisible transaction, for a purchase consideration of US$ 2.4 million. The net book value of these assets sold at 30 September 2014 amount to R5.6 million for inventory and R12.7 million for held-for-sale assets.

The Group mainly funds its operations by means of a Standard Bank led consortium facility. As disclosed in the March 2014 Annual Financial Statements, the facility was restructured in December 2013 in two separate tranches. As at 30 September 2014, Tranche A has been fully repaid. Tranche B is a bullet repayment due on or before 11 February 2015. The Tranche B outstanding balance at 30 September 2014 amounted to R234 million. Subsequent to 30 September 2014, Sentula obtained approval from the Consortium to refinance R120 million of the bullet payment due over a one year structured repayment term with a final bullet payment of R50 million on the final maturity date during February 2016.

The directors are not aware of any other matters or circumstances arising after the reporting period up to the date of this report, not otherwise dealt within this report.

8. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a 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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