

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 30 June 2018

5 INVESTMENT IN FOREIGN LISTED ASSOCIATE

81 316 667 (2017: 70 833 334) shares in IronRidge Resources Limited (IronRidge) at cost
At cost

– share of net asset value (NAV)

– goodwill

Share of equity losses to date

– balance at beginning of year

– share of equity losses for the year

Foreign currency translation reserve recorded in other comprehensive income*

– carrying value at end of year

The investment represents 28,91% (2017: 29,64%) of IronRidge's ordinary share capital, which is listed on the Alternative Investment Market (AIM) of the London Stock Exchange.

IronRidge is registered in Australia and is a junior exploration company, with a portfolio of gold, lithium, bauxite, titanium and iron ore prospects in Africa and Australia.

In accordance with IFRS, IronRidge is accounted for on the equity-accounting basis and the group's share of IronRidge's loss after taxation has been disclosed in the consolidated income statement. At year-end, the fair value of the group's investment, based on the AIM price, was R410 386 000 (2017: R423 045 000).

The financial information set out below has been extracted from the provisional results of IronRidge for the year ended 30 June 2018, converted to the group reporting currency as follows:

Abridged income statement of IronRidge

Revenue

Total reported comprehensive loss for the year

Abridged statement of financial position of IronRidge

Non-current assets

Current assets

– trade and other receivables

– other current assets

– cash resources

Total liabilities

Trade and other payables

Net assets

Portion owned by group (%)

During the year, the group acquired a further 10 483 333 shares in the amount of R63,6 million by way of a combination of rights issues and exercising the existing "creep" provisions contained in the shareholders' agreement.

2018 R'000	2017 R'000
185 537	121 953
113 890	50 306
71 647	71 647
(27 348)	(13 224)
(13 224)	(8 483)
(14 124)	(4 741)
(3 293)	—
154 896	108 729
506	43
(48 864)	(53 648)
87 823	95 370
11 553	1 067
110 044	130
95 496	23 277
304 916	119 844
10 244	8 460
294 672	111 384
28,91	29,64