

Mine Restoration Investments Limited

(Incorporated in the Republic of South Africa)

(Registration number 1987/004821/06)

Share Code: MRI

ISIN Code: ZAE000164562

("MRI" or the "Company")

REVIEWED PROVISIONAL CONDENSED CONSOLIDATED ANNUAL FINANCIAL RESULTS FOR THE YEAR ENDED 28 FEBRUARY 2018

The Board of Directors (the "Board") of MRI are pleased to announce the reviewed provisional condensed consolidated annual financial results for the year ended 28 February 2018.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Reviewed 12-months to February 2018 R' 000	Audited 12- months to February 2017 R' 000
Revenue	-	187
Other income	-	646
Operating expenses	(2 840)	(1 299)
Operating loss	(2 840)	(466)
Investment revenue	-	567
Finance cost	(843)	(1 088)
Loss before taxation	(3 683)	(987)
Taxation	-	(9)
Loss for the period	(3 683)	(996)
Total comprehensive loss	(3 683)	(996)
(Loss) attributable to:		
Owners of the parent	(3 681)	(1 037)
Non-controlling interests	(2)	41
Total comprehensive loss attributable to:		
Equity holders	(3 681)	(1 037)
Non-controlling interests	(2)	41
Basic and Diluted loss per share	(0.43)	(0.12)
Weighted average number of shares in issue ('000)	863 053	863 053
Diluted weighted average number of shares in issue ('000)	863 053	863 053

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Reviewed 28 February 2018 R' 000	Audited 28 February 2017 R' 000
Assets		
Current Assets		
Trade and other receivables	41	282
Cash and cash equivalents	51	29
	92	311
Total Assets	92	311
Equity and Liabilities		
Equity		
Amount attributable to equity holders	(7 880)	(4 199)
Non-Controlling Interest	(66)	(64)
	(7 946)	(4 263)
Liabilities		
Current Liabilities		
Other financial liabilities	6 994	3 324
Trade and other payables	1 044	1 250
	8 038	4 574
Total Equity and Liabilities	92	311

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Capital Reserve	Reserve for capital based payments R'000	Equity due to change in ownership	Accumulated loss R'000	Amount attributable to Equity Holders R'000	Non- Controlling Interest R'000	Total equity R'000
Balance at 28 February 2016	85 020	5 000	559	(2 459)	(91 282)	(3 162)	(105)	(3 267)
Total comprehensive loss for the period	-	-	-	-	(1 037)	(1 037)	41	(996)
Share-based payment charges reversed	-	-	(559)	-	559	-	-	-
Balance at 28 February 2017	85 020	5 000	-	(2 459)	(91 760)	(4 199)	(64)	(4 263)
Total comprehensive loss for the period	-	-	-	-	(3 681)	(3 681)	(2)	(3 683)
Balance at 28 FEBRUARY 2018	85 020	5 000	-	(2 459)	(95 441)	(7 880)	(66)	(7 946)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Reviewed 12-months to February 2018 R' 000	Audited 12-months to February 2017 R' 000
Cash flows from operating activities		
Operating loss	(2 806)	(313)
Interest revenue	-	567
Finance cost	(843)	(1 088)
Net cash from operating activities	(3 649)	(834)
Cash flows from investing activities		
Sale of other financial assets	-	9 772
Cash flows from financing activities		
(Repayment of) / Proceeds from other financial liabilities	3 671	(9 343)
Total cash movement for the period	22	(405)
Cash and cash equivalents at the beginning of the period	29	434
Cash and cash equivalents at end of the period	51	29

COMMENTARY

1. BASIS OF PREPARATION

The reviewed provisional condensed annual financial results have been prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards ("IFRS") and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council, and as a minimum, contains the information required by IAS 34: Interim Financial Reporting and comply with the JSE Limited's Listings Requirements ("Listings Requirements") and the Companies Act of South Africa, 2008.

The directors take full responsibility for the preparation of this report and that the financial information has been correctly extracted from the underlying financial statements.

The financial results were prepared under the supervision of the Financial Director, Norman Preston

2. **ACCOUNTING POLICIES**

The accounting policies applied in the preparation of these consolidated reviewed financial results are in terms of IFRS and are consistent with those in the preparation of the audited financial results of the Company for the year ended 28 February 2017.

3. **FINANCIAL RESULTS AND FUTURE PROSPECTS**

After closing down the coal operation, the Company focused on eliminating all corporate costs and maintaining the Company as a cash shell. The Board is continuing its discussions regarding the proposed re-capitalisation of the Company, the terms of which will be announced as soon as these have been agreed. Certain creditors subordinated their claims and provided support in order to maintain the Company's solvency, liquidity and going concern.

4. **HEADLINE LOSS PER SHARE ("HLPS")**

Reconciliation of losses to headline losses attributable to equity holders of the parent:

	Reviewed 12-months to February 2018	Audited 12-months to February 2017
Loss per share (cents)	(0.43)	(0.12)
Diluted loss per share (cents)	(0.43)	(0.12)
Headline loss per share (cents)	(0.43)	(0.12)
Diluted headline loss per share	(0.43)	(0.12)
HLPS Calculation		
Loss for the period	(3 681)	(1 037)
Headline (loss)/earnings	(3 681)	(1 037)
Weighted average number of shares in issue ('000)	863 053	863 053
Actual number of shares in issue ('000)	863 053	863 053

5. **CHANGES IN SHARE CAPITAL**

There were no changes in share capital during 2017 or 2018.

6. EVENTS AFTER THE END OF THE REPORTING PERIOD

Investors have subordinated their claims and provided support in order to maintain the company's solvency and going concern.

7. CHANGES TO THE BOARD

Michael Miller was appointed Chief Executive Officer on 28 April 2017.

8. GOING CONCERN

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the consolidated financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a position to continue as a going concern and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company.

The Gamsy Family Trust was secured as an investor in MRI, and the Trust provided a working capital facility to fund operations and transaction costs. Both the Gamsy Family Trust and Growth Equities loans were subordinated to maintain the liquidity and solvency position of the company.

We draw attention to the fact that as at 28 February 2018, the group had accumulated losses of R 95.4 million and that the company's total liabilities exceed its assets by R 7.9 million. There is still material uncertainty whether the group can continue as a going concern as the group currently has no operations and is dependent on the Gamsy Family Trust's financing to settle its other creditors as they become due and payable in the ordinary course of its business.

9. DIVIDENDS

No dividend was declared for the year ended 28 FEBRUARY 2018 (2017: Nil).

10. AUDITOR'S OPINION

Grant Thornton, the Group's independent auditor, has reviewed these condensed provisional consolidated financial results for the year ended 28 February 2018 and have issued a modified review report.

The auditor's report contained the following modification paragraph relating to a material uncertainty related to the Company's going concern:

"Without qualifying our conclusion, we draw attention to the note 8 to the condensed consolidated financial results which indicates that the Group has incurred accumulated losses of R95.4 million for the year ended 28 February 2018. The group currently does not have operations and has secured angel investors who provide the Group with a working capital facility to fund operations and transaction costs for the next 12 months. As stated in Note 8, these events or conditions, along with other matters as set forth in Note 8, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern."

A copy of the auditor's review report is available for inspection at the Company's registered office.

20 June 2018
Johannesburg

R Tait
Non-executive Chairman

MJ Miller
Chief Executive Officer

CORPORATE INFORMATION

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Web: www.minerestoration.co.za

Board of Directors: Q George*, C Roed*, R Tait# (Chairman), S Caddy*, N Preston (FD), M Miller (CEO), A Collins*.
(#Non-Executive, * Independent Non-Executive)

Company Secretary: Neil Esterhuysen & Associates Inc

Transfer Secretaries: Computershare Investor Services (Pty) Limited, 2nd Floor, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, PO Box 61051, Marshalltown 2107

Auditor: Grant Thornton Johannesburg Partnership

Corporate and Designated Adviser: Questco Corporate Advisory
Proprietary Limited