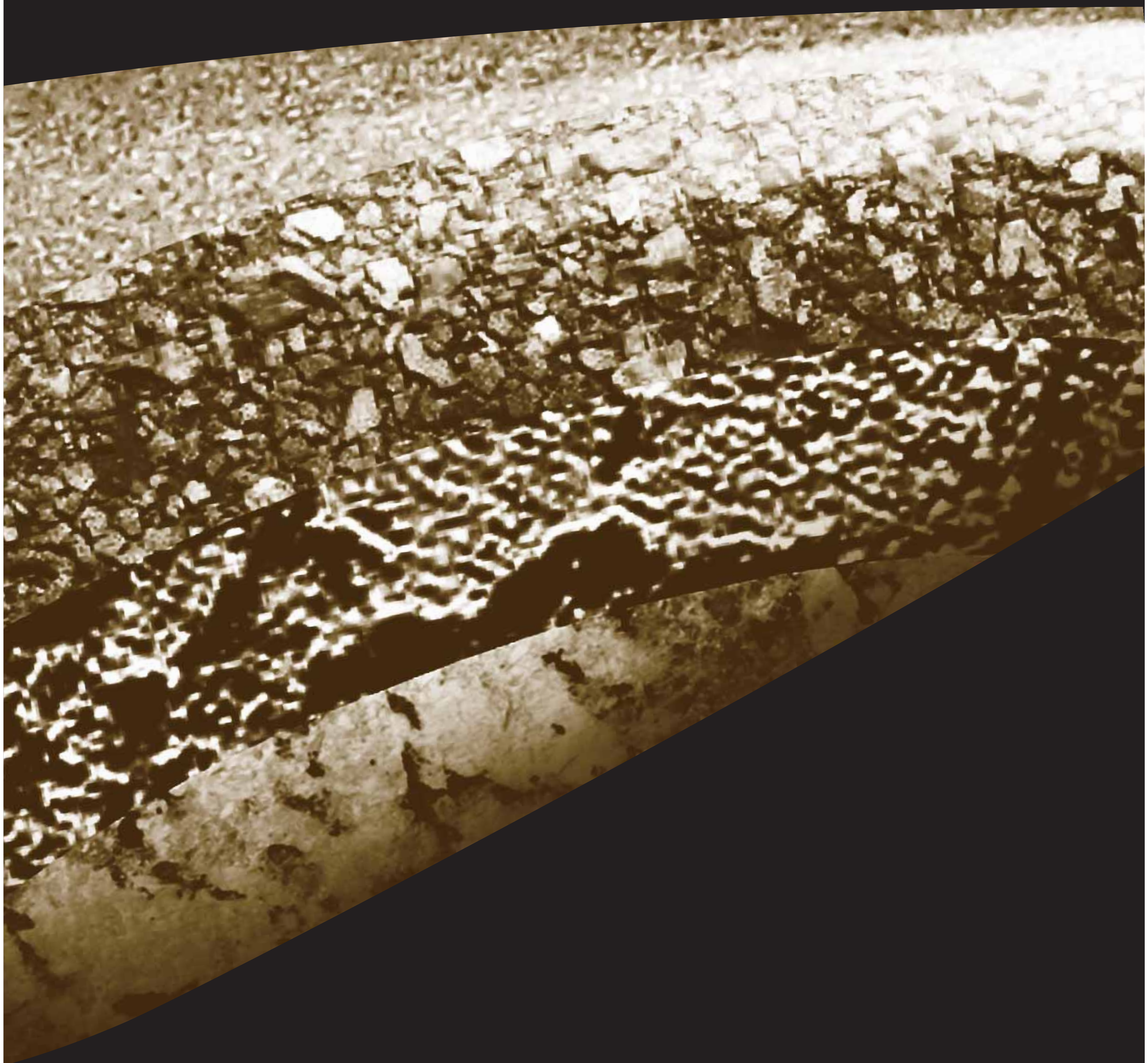
INFRASORS
HOLDINGS LIMITED



Financial Statements 2009

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corporate governance review

The directors are committed to conducting the business of the Group with integrity and fairness and in accordance with good governance practice and the Code of Corporate Practices and Conduct, as set out in the King Report on Corporate Governance for South Africa, 2002 (King II). In anticipation of the introduction of King III in 2010, the Board conducted a high-level review during the year of the Group's corporate governance in relation to the proposed new requirements. A further review will be conducted by the Board when the final King III report is released, after which corrective action for areas requiring attention will be implemented.

The directors have accordingly established mechanisms and policies which are appropriate to the business and risks of the Group and will ensure continuous reassessment of the quality of the Group's corporate governance practices.

1. Composition of the Board of Directors

At the date of this report, the Board of Directors ('Board') consisted of three executive directors and four non-executive directors. The Board is chaired by a non-executive chairman. The composition of the Board ensures that there are the necessary professional skills and experience to judge objectively matters relating to the strategic and business direction of the Group.

Infrasors adopted a policy detailing the procedure for appointments to the Board. All appointments are formal and transparent and subject to Board approval.

2. Board

The Board's responsibilities include providing Infrasors with clear strategic direction, ensuring that there is adequate succession planning at senior levels, overseeing operational performance and management, determining policies and processes which seek to ensure the integrity of Infrasors' risk management and internal controls, implementing and maintaining Infrasors' communication policy and overseeing director selection, orientation and evaluation.

The Board will retain full and effective control over the business of Infrasors. The Board has defined levels of materiality through a written delegation of authority, which sets out decisions requiring Board approval. The delegation is regularly reviewed and monitored.

Non-executive directors bring an independent view to the Board's decision-making. As a group, they enjoy significant influence at the meetings.

The executive directors have fixed terms of appointment and all the non-executive directors are subject, by rotation, to retirement and re-election by shareholders, at least every three years, in accordance with Infrasors Articles of Association.

Generally, directors have been and will be nominated based on their calibre, credibility, knowledge, experience and impact and are expected to have time and devote attention to the role. The Remuneration Committee is responsible for vetting the individuals proposed for directorship and making recommendations to the full Board for approval. Before nomination, appropriate background checks are performed on proposed new directors. New directors are taken through a formal induction programme and are provided with all the necessary background information to familiarise them with issues affecting the Board.

The Board meets four times a year with additional meetings called if necessary or desirable. Information relevant to a meeting is supplied on a timely basis to the Board ensuring directors can make reasoned decisions. The directors have unrestricted access to information and management in relation to Infrasors, and where appropriate, may seek the advice of independent professionals on matters concerning the affairs of Infrasors, at the expense of Infrasors.

2.1 Director's remuneration

2009	Short-term benefits: Remuneration package R000's	Short-term benefits: Benefits short-term R000's	Short-term benefits: Fees R000's	Benefits Post-employment R000's	Total 2009 R000's	Total 2008 R000's
Executive directors						
J.L.R Roets*	2 091	-	-	-	2 091	2 136
F Roets*	1 255	-	-	-	1 255	1 791
S Vorster	727	-	-	-	727	528
H.S Courtney	2 601	-	-	-	2 601	2 567
Non-executive directors						
P Molefe	-	-	150	-	150	150
D Alexander	-	-	60	-	60	60
C Boulle	-	-	60	-	60	60
M Noge	-	-	60	-	60	60
Sub-total	**6 674**	**-**	**330**	**-**	**7 004**	**7 352**
Less: Amounts capitalised					(829)	(1 623)
Total - Infrasors Board of directors					**6 175**	**5 729**
Total - Group senior management	**7 846**	**83**	**-**	**93**	**8 022**	**6 042**
Total - Key management	**14 520**	**83**	**330**	**93**	**14 197**	**11 771**

* in respect of Infrasors directors' remuneration, see note 18 for Group remuneration earned, inclusive of subsidiary directors.

2.2 Directors' service and restraint contracts

Name	Title	Contract term	Financial commitment 2010 R000's	Financial commitment 2011 R000's	Further restraint period
H.S Courtney	Commercial director	3 years to 28 February 2010	2 842	2 993	1 year to 28 February 2011
T Robinson	Chief executive officer	3 years to 30 September 2012	1 408[1]	2 656	2 years to 30 September 2014

* [1] based on seven months to 28 February 2010

2.3 Directors' dealings in shares

The Board complies with the requirements of the JSE in relation to the restrictions required in the trading of Infrasors shares by Directors and employees during the defined closed periods. Restrictions may also be placed on share dealings at other times during the year should the Group be involved in corporate activity or sensitive negotiations. Directors and key employees are advised of the closed period, between the end of each accounting period and the results being made public, and of periods in which they may be deemed to possess price sensitive information, during which periods they may not trade in company securities.

Directors may not at any time deal in any securities of Infrasors without first receiving clearance from the chairman.

Details of directors' share dealings are disclosed to the Listings Division of the JSE and communicated through its electronic news service, SENS. These dealings are also disclosed at Board meetings.

There were no reportable dealings by directors during the year under review.

2.4 Directors' interests

On 28 February 2009 and at the date of this report, the directors of Infrasors held the following interests in the company's ordinary shares:

Director	2009 Direct beneficial	2009 Indirect beneficial	2009 Shares by associates	Total 2009	% of issued share capital	2008 Direct beneficial	2008 Indirect beneficial	2008 Shares held by associates	Total 2008	% of issued share capital
J.L.R Roets	4 097 108	-	-	4 097 108	2.30	4 097 108	-	-	4 097 108	2.30
F Roets	97 108	4 000 000	-	4 097 108	2.30	97 108	4 000 000	-	4 097 108	2.30
S Vorster	1 010 000	-	-	1 010 000	0.57	1 010 000	-	-	1 010 000	0.57
H.S Courtney	8 107 108	-	-	8 107 108	4.56	8 107 108	-	-	8 107 108	4.56
P Molefe	-	-	-	-	0.00	-	-	-	-	0.00
D Alexander	3 192 000	-	-	3 192 000	1.79	3 192 000	-	-	3 192 000	1.79
C.H Boulle	1 000 000	-	-	1 000 000	0.56	1 000 000	-	-	1 000 000	0.56
M Noge	700 000	-	-	700 000	0.39	700 000	-	-	700 000	0.39
Total	**18 203 324**	**4 000 000**	**-**	**22 203 324**	**12.47**	**18 203 324**	**4 000 000**	**-**	**22 203 324**	**12.47**

2.5 Share option scheme

To date no policy has been formalised or authorised, and therefore no options have been granted.

3. Independence of the Board

The Board's independence from the team responsible for the daily management of Infrasors will be maintained by:

- Keeping separate the roles of the chairperson and the chief executive officer;
- Functioning Board Committees comprised mainly of independent non-executive directors;
- The non-executive directors not holding fixed-term service contracts;
- All directors, with prior permission of the Board, being entitled to seek independent professional advice on the affairs of Infrasors at the Company's expense;
- All directors having access to the advice and services of the Company secretary; and
- The appointment or dismissal of the Company secretary being decided by the Board as a whole and not by one individual director.

4. Board Committees

The responsibilities delegated to the Committees are formally documented in terms of reference for that Committee, which have been approved by the Board. It is intended that the effectiveness of the Committees will be reviewed annually by the Board, based on a self evaluation done by each Committee of the degree to which they have fulfilled their terms of reference.

Committee members have unrestricted access to information and management of Infrasors and, where appropriate, may seek the advice of independent professionals on matters concerning the affairs of Infrasors, at the expense of Infrasors.

During the year under review the directors' attendance at meetings were as follows:

	Board attendance	Audit committee	Remuneration committee	Risk committee	Investment committee	Transformation committee
No. of meetings held (2009)	4	4	2	2	1	1
J.L.R Roets	4	n/a	1*	n/a	1	n/a
F Roets	3	n/a	n/a	n/a	A	n/a
H.S Courtney	4	4*	1*	1*	1	n/a
P Molefe	3	n/a	1	n/a	n/a	1
D Alexander	4	4	2	2	n/a	1
C Boulle	4	n/a	2	2	n/a	n/a
M Noge	4	4	1*	2	n/a	n/a
S Vorster	1	1	n/a	n/a	n/a	n/a
M Potgieter	4	4*	n/a	n/a	n/a	n/a

* Attendance by invitation.
n/a: Not applicable as the director is not a member of the Committee.
A: Apologies were received from directors who were unable to attend meetings. Reasons varied from, *inter alia*, other commitments and being away on other business.

5. Audit Committee

The Audit Committee is chaired by an independent non-executive director. The Committee consists of two non-executive directors. The current members are:

- Mochele Noge (Chairman); and
- Dereck Alexander.

It is intended that the Committee will meet at least four times a year and is responsible for assisting the Board in fulfilling its duties in respect of financial reporting issues, internal and external audit management, ensuring compliance with laws and regulations, risk management and development/maintenance of an effective internal control system.

The Audit Committee sets the principles for recommending the use of external auditors for non-audit purposes, which include:

- Tax services, including advice on tax planning and transfer pricing issues;
- Corporate structures;
- Merger and acquisition advice; and
- Training.

6. Remuneration Committee

The Remuneration Committee is chaired by an independent non-executive director. The Committee consists of three non-executive directors. The current members are:

- Dereck Alexander (Chairman);
- Popo Molefe; and
- Chris Boulle.

The Committee will meet at least twice a year and is responsible for assisting the Board in fulfilling its responsibilities in respect of maintaining an appropriate remuneration strategy, ensuring Infrasors directors and senior executives are fairly remunerated, providing for succession planning, assessing the effectiveness of the composition of the Board and evaluating the Board and individual director's performances.

The remuneration strategy is aimed at ensuring that levels of remuneration are sufficient to attract, retain and motivate executives and, where appropriate, aimed at aligning the executives' interests with those of shareholders. Consequently, an element of the strategy is aimed at ensuring that the performance-related elements of the executive's remuneration should constitute a growing portion of total remuneration. A portion of the remuneration package shall be subject to certain pre-defined performance targets being met.

In setting and approving remuneration levels and structures, the Committee makes comparisons to remuneration paid by other companies in the same industry or similar industries, taking into account differing levels of responsibility, performance and complexity. The Committee will also get advice from specialist remuneration consultants as and when needed and consider remuneration levels for other executives and staff of Infrasors.

It is the intention of Infrasors to add an additional element to the remuneration package, namely an Infrasors Employee Share Incentive Scheme, which will be subject to certain pre-defined performance targets being met. Infrasors will implement this share scheme after the 2009 financial year end.

7. Risk Management Committee

The objective of the Risk Management Committee ("RMC") is to assist the Board in the discharge of its duties relating to corporate accountability and the associated risk in terms of management, assurance and reporting. The RMC:

- Reviews and assesses the integrity of the risk control systems of the Group and ensures that the risk policies and strategies are effectively managed;
- Sets out the nature, role, responsibility and authority of the risk management function within Infrasors and outlines the scope of risk management work to be undertaken from time to time;
- Monitors external developments relating to the practice of corporate accountability and the reporting of specifically associated risk and
- Provides an independent and objective oversight and review of the information presented by management on, *inter alia*, corporate accountability and specifically associated risk, also taking account of reports by management and the Audit Committee to the Board on financial, business and strategic risk.

The RMC comprises:

- Chris Boulle (Chairman);
- Dereck Alexander; and
- Mochele Noge.

8. Investment Committee
The Committee consists of:

- Stephen Courtney (Chairman);
- Le Roux Roets;
- Francois Roets; and
- Walter Stander.

The objective of this Committee is to:

- Consider potential new projects and review projects in progress;
- Determine possible acquisition opportunities; and
- Determine opportune moments in time and appropriate circumstances to dispose of assets in line with the Group's overall strategy.

9. Transformation Committee

The Committee consists of:

- Popo Molefe (Chairman); and
- Dereck Alexander.

The objective of this Committee is to:

- Develop policies and guidelines for the management of transformation, human resources and communication issues, including procurement, employment equity, human resource development and retention and social development, and to ensure the progressive implementation of these throughout the Group;
- Provide a forum for discussion of transformation issues and presenting key findings to the Board from the ongoing monitoring and reporting process;
- Develop, implement, monitor and review the Group's progress in terms of transformation and compliance with the Mining Charter and the MPRDA; and
- Ensure there is a disciplined and co-ordinated approach to all transformation and social issues within the Group.

10. Company secretary

The Company secretary acts as advisor to the Board and plays a pivotal role in ensuring compliance with statutory regulations and the code, the induction of new directors, tabling information on relevant regulatory and legislative changes, and giving guidance to the Directors regarding their duties and responsibilities. The directors have unlimited access to the advice and services of the Company secretary.

11. Stakeholder communication

In all communications with stakeholders, the Board aims to present a balanced and understandable assessment of the Group's position. This is done through adhering to principles of openness and striving to address material matters of significant interest and concern to all stakeholders.

The Board will encourage shareholder attendance at general meetings and, where appropriate, provide full and understandable explanations of the effects of resolutions to be proposed.

Communication with institutional shareholders and investment analysts will be maintained through periodic presentations of financial results, one-on-one visits, trading statements and press announcements of interim and final results, as well as the pro-active dissemination of any messages considered relevant to investors.

12. Environment

Infrasors recognises that its activities have an impact on the environment. Infrasors has adopted a strategy that strives to minimise this impact by regularly reviewing its activities and compliance with all relevant legislation.

13. Employment equity

Infrasors has a clearly defined employment equity strategy aimed at realising the potential of previously disadvantaged people in South Africa. Infrasors continues to implement strategies to be compliant with all aspects of the South African legislative requirements on employment equity and has implemented employment equity plans.

14. Whistle blowing measures

In accordance with the provisions of the Protected Disclosures Act Number 26 of 2000, management has ensured that no employee who has made a protected disclosure shall be subject to any occupational detriment. Such employees will be protected against any victimisation or other adverse treatment in terms of the aforementioned legislation.

15. Share dealing policy

Infrasors implemented a code for dealing in securities of Infrasors shares. The document has been distributed to all directors and senior management who have in turn relayed the share dealing process to all employees.

audit committee report

Background

The Corporate Laws Amendment Act ("the Act") became effective on 14 December 2007, and the Committee commenced with implementation of its requirements.

The Committee's operation is guided by a detailed charter that is informed by the Act and is approved by the Board as and when it is amended.

Purpose

The purpose of this Committee is:

- To assist the Board in discharging its duties relating to safeguarding of assets, the operations of adequate systems, control and reporting processes, and the preparation of accurate reporting and financial statements in compliance with the applicable legal requirements and accounting standards;
- To provide a forum for discussing business risk and control issues for developing recommendations for consideration by the Board;
- To oversee the activities of internal and external audit; and
- To perform duties which are attributed to it by the Act.

Membership

During the course of the year, the membership of the Committee comprised solely of independent non-executive directors. They are:

- Mochele Noge (Chairman); and
- Dereck Alexander.

Appointment of a Financial director

Mr. Marius Potgieter was recommended by the Board to the Audit Committee as a suitable candidate for the position of Group financial director. The Committee approved the appointment after having received a detailed CV, and satisfying themselves that he was qualified and experienced to add value to the existing Board.

External audit

The Committee has established itself through enquiry that the auditor of Infrasors Holdings Limited is independent as defined by the Act.

The Committee, in consultation with executive management, agreed to a provisional audit fee for the 2009 financial year. The fee is considered appropriate for the work that could reasonably have been foreseen at the time. The final adjustment fee will be agreed on completion of the audit. Audit fees are disclosed in note 18 to the financial statements.

There are formal procedures that govern the process whereby the auditor is considered for non-audit services, and each engagement letter for such work is reviewed by the Committee.

Meetings are held with the auditor where management was not present, and no matters of concern have been raised.

The Committee has nominated, for approval at the annual general meeting, Mazars Moores Rowland as the external auditor for the 2010 financial year, and Mr. Mark Snow as the designated auditor.

Annual financial statements

The Committee has recommended the financial statements for approval to the Board. The Board has subsequently approved the financial statements which will be open for discussion at the forthcoming annual general meeting.

Mochele Noge
Chairman of the Audit Committee
Rivonia
6 August 2009

approval of the annual financial statements

The directors of Infrasors are required by the South African Companies Act, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information. It is their responsibility to ensure that the financial statements present fairly the state of affairs of the Company and the Group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa and the JSE Listing Requirements. The external auditors are engaged to express an independent opinion on the financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa, and are based upon appropriate accounting policies and supported by reasonable and prudent judgments and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong control environment. The system of internal financial control is aimed at reducing the risk of error or loss in a cost effective manner and includes the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties. These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach. While operating risk cannot be fully eliminated, the Group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have made an assessment of the Group's and Company's ability to continue as a going concern and there is no reason to believe the businesses will not be going concerns in the year ahead. Accordingly, the financial statements have been prepared on the going concern basis.

The financial statements which appear on pages 11 to 57 were approved by the Board of Directors on 11 August 2009 and signed on their behalf by:

P Molefe
Chairman

T Robinson
Chief Executive Officer

CERTIFICATE OF COMPANY SECRETARY

I certify that the requirements as stated in Section 268G(d) of the Companies Act have been met and that all returns, as are required of a public company in terms of the aforementioned Act, have been submitted to the Registrar of Companies and that such returns are true, correct and up to date.

Kerry Colley
Company Secretary
Rivonia
11 August 2009

independent auditor's report

TO THE MEMBERS OF INFRASORS HOLDINGS LIMITED

We have audited the annual financial statements and Group annual financial statements of Infrasors Holdings Limited which comprise the balance sheet and consolidated balance sheet at 28 February 2009, the income statement and consolidated income statement, the statement of changes in equity and consolidated statement of changes in equity and cash flow statement and the consolidated cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes set out on pages 11 to 57.

Directors' Responsibility for the Financial Statements

The Company's directors are responsible for the preparation and fair presentation of these annual financial statements in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these annual financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of the Company and the Group as at 28 February 2009, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa.

Mazars Moores Rowland
Registered Auditor
Partner: Mark Snow
Registered Auditor
Date: 11 August 2009
Johannesburg

directors' report

The directors have pleasure in presenting the audited annual financial statements of the Company and the Group for the year ended 28 February 2009. We submit our directors' report which forms part of the annual financial statements and report as follows:

Incorporation

Infrasors Holdings Limited, previously known as Romador 123 (Proprietary) Limited, was incorporated on 29 January 2007 and converted into a public company on 19 April 2007.

Nature of business

Infrasors is a holding company whose principal subsidiaries, Lyttelton Dolomite (Proprietary) Limited, Delf Sand (Proprietary) Limited, Pienaarspoort Ontwikkeling (Proprietary) Limited and Infrabric (Proprietary) Limited, conduct mining & quarrying operations and are manufacturers and suppliers of infrastructural products consisting primarily of:

- aggregate stone products;
- aggregate slag;
- metallurgical grade dolomite;
- cement bricks;
- industrial sands;
- sands and stone dust;
- silica sands;
- silica flint;
- building and construction sand; and
- golf course and recreational sand.

Review of operations

The review of the Group's businesses and operations for the year ended 28 February 2009, is contained in the operational review. The Group and the Company's annual financial statements have been prepared on a going concern basis and the directors are of the opinion that the Company and the Group will realise at least the values at which they are stated on the balance sheet.

The results for the year ended 28 February 2009 reflect a full year of operations for all the subsidiaries and operations acquired.

The Group reported a net profit after tax for the year of R30.1 million (F2008: R103.3 million).

The results of the subsidiary companies were net profit after tax for the year of R22.5 million (F2008: R83.8 million).

The Directors are not aware of any breach of laws and regulations for the year ended 28 February 2009.

Property, plant and equipment

Details of the movements during the year in property, plant and equipment of the Group are set out in note 2 of the consolidated financial statements. The nature or use of the assets did not change during the year.

Share Capital

Authorised and Issued Share Capital

Shares	2009 R	2008 R
Authorised		
2 000 000 000 Ordinary shares of 0.5 cent each	10 000 000	10 000 000
	10 000 000	**10 000 000**
Issued		
177 839 491 Ordinary shares of 0.5 cent each	889 197	889 197
Treasury shares held by subsidiary	(24 274)	(1 250)
Share premium	246 850 290	251 326 588
	247 715 213	**252 214 535**

Details of the movement during the year in the share capital of the Company are set out in note 12 of the consolidated financial statements.

During the year, the Company, through its subsidiary, Infrasors Management Services (Proprietary) Limited, repurchased certain of its own shares through the JSE, details of which are set out in note 12 to the consolidated financial statements. The directors considered that, as the Company's shares were trading at a discount to the net asset value per share, the repurchases would increase the net asset value per share of the Company.

Distribution to shareholders

The directors have elected not to declare a dividend for the period under review in view of the current economic climate and the need for prudent capital preservation policies.

Interest in subsidiaries

Details of the Group's subsidiary companies are set out in Annexure A - Subsidiary Companies and Associate, on page 54 of this report.

Directors

The names of the directors in office at the date of this report are:

Executive directors	Date of appointment
HS Courtney	3 March 2007
T Robinson	15 July 2009
M Potgieter	1 July 2009
Non-executive directors	**Date of appointment**
P Molefe	1 June 2007
C Boulle	24 April 2007
D Alexander	24 April 2007
M Noge	24 April 2007

Directors' interest and remuneration

Details of directors' interests in the Company's issued shares and directors' remuneration are detailed in the Corporate Governance section of this report as follows:

Directors' remuneration	Section 2.1 - page 3
Share dealings	Section 2.3 - page 3
Directors' interests	Section 2.4 - page 4
Share options	Section 2.5 - page 4

Directors' interests in contracts of significance

No contract of significance to which the Company, fellow subsidiaries or subsidiaries was a party and in which a director of the Company has a material interest, whether directly or indirectly, existed at the end of the year or at any time during the year.

Secretary

Mrs Kerry Colley was appointed Company secretary on 6 March 2007 and will continue in the position. Contact details for the Company Secretary are available on the inside back cover.

Substantial shareholders

Refer to Annexure B for the details of major shareholders in the Company.

Emolument policy

The Emolument policy for the employees of the Group is set by the Remuneration Committee on the basis of their merit, qualifications and competence.

The emoluments of the directors of the Company are decided by the Remuneration Committee, having regard to the Group's operating results, individual performance and comparable market statistics.

Borrowings

The company entered into an agreement with ABSA Bank to secure loan facilities of R100 million and instalment sale agreements were entered into between the subsidiary companies and various financial institutions, to facilitate the purchase of transport vehicles, and plant and machinery. Details of the said agreements are summarised under notes to the financial statements (refer note 13) on pages 37 to 40.

Special resolutions

The following special resolution was passed during the year under review:

- Passed a special resolution with the requisite majority shareholders that Infrasors and/or any of its subsidiaries be authorised to acquire shares in the Company from time to time in terms of Sections 85 and 89 of the Companies Act and the Listings Requirements of the JSE Limited.

No special resolutions were passed by subsidiary companies during the year under review.

Mining charter

Following the first democratic elections held in 1994, there has been a concerted effort on behalf of the government to give previously disadvantaged groups meaningful participation in all sectors of the economy. To fulfil this effort a Broad-Based Socio Economic Empowerment Charter for the mining industry was negotiated by government and the industry, and ratified by both parties in October 2002. The principal feature of the Mining Charter is the industry's commitment to facilitate empowerment transactions in respect of existing mining assets up to May 2009.

Infrasors is fully committed to the transformation process and its primary strategy is to achieve BEE at project level. Since listing on the JSE, the Group has consistently been working on actively engaging local communities. These activities have included assisting community members to acquire technical skills and facilitate the establishment of social development initiatives, as well as training previously disadvantaged staff members to acquire enhanced technical and financial skills.

BEE at project level

- Infrabric is an ash mining and brick manufacturing facility near Tembisa, in a rapidly growing, but still economically depressed area. Since expanded mining and brick manufacturing activities started after the Group was listed on the JSE, significant additional staff members have been recruited and trained in the skills of mining ash and manufacturing bricks. When the mining and manufacturing capacity was increased, preference was given to local people and in particular to artisan miners, when hiring workers.

  Bricks manufactured are set aside for the local community and are sold to these members at preferential rates to empower previously disadvantaged people to build their own homes at affordable prices.
- After expansion of the aggregate and dolomite mining activities at the Lyttelton Dolomite operations, the company employed further mining and artisan staff recruited from the local communities at both its mining operations in Lyttelton Pretoria, as well as its mining operations in Marble Hall.

  Furthermore the company supplies the Bombela Gautrain project with aggregate and dolomite products, forming part of the BEE strategy as employed by the Gauteng government, to reduce the unemployment rate in Gauteng, as well as stimulating economic growth in both the mining and transport sectors.

The Group's BEE strategy is, however, not limited to project level.

BEE at holding company level

The collective BEE shareholding held at year end totalled 30.9%, exceeding the Mining Charter's target of 15% by 2009, and 26% by 2014. Lereko Investments (Proprietary) Limited who owns 13.5% of the issued share capital, is led by Valli Moosa, Popo Molefe, Dr Lulu Gwagwa and Cedrik Mampuru, who are all full time executives of the company. Popo Molefe acts as chairman of the Infrasors Board.

Of the Group's seven Board members, two are from the ranks of previously disadvantaged South Africans. There is active participation in the management of the company and on the Board by the BEE shareholders in the decision making process, who thus contribute to its growth and value creating objectives.

Employment equity

The Group is committed to employment equity. Equal employment opportunities are offered to all prospective employees without discrimination. These policies are designed to attract, motivate and retain quality staff at all levels.

Migrant labour

The Groups' recruitment policy is non-discriminatory. A few migrant workers are employed as emphasis is placed on local recruitment.

Housing and living conditions

It is the Group's policy to provide hostels and hostel accommodation only for night shift workers, to prevent the separation of family units. The quality of food supplied at mining operations is contractually regulated to ensure balanced nutritional requirements of the mining employees.

Procurement

Policy guidelines and systems have been implemented to promote procurement from BEE companies. The Group is committed to identify potential BEE suppliers and service providers to supply products and services for BEE businesses, and preference is given to black owned, and black empowered suppliers.

Beneficiation

New beneficiation projects have been identified and evaluation of potential products is ongoing.

Reporting

The Group is committed to extensive reporting on the progress towards achieving its commitments through the scorecard, internet site and annual report.

Major customers and suppliers

In order to maintain its competitiveness, especially under the volatile market conditions during the past year, the Group has endeavoured to streamline its production costs. The Group has successfully reduced fuel costs in the second half of F2009, as well as various other expenses.

In F2009, the Group's largest customer accounted for 2.3% (F2008: 2.0%) of turnover.

Post balance sheet events

New Order Mining Licences

Delf Sand was granted a new order mining licence and Pienaarspoort was provisionally granted their new order mining licence from the DME, effective July 2009.

Resignation of Directors

Mr. Le Roux Roets, having completed his contracted term of office has resigned from the position of director and chief executive officer (CEO) of Infrasors with effect from end June 2009.

Mr. Francois Roets resigned as chief operating officer upon expiration of his service contract.

Appointment of Chief Executive Officer ("CEO")

With effect from July 2009 Mr. Trevor Robinson, Pr Eng BSc (Civil) was appointed as CEO of Infrasors.
Mr. Robinson is a member of the Engineering Council of South Africa and has more than twenty years experience in contract mining, most recently as the former managing director of Concor Mining and Director of Concor Holdings (Proprietary) Limited. The Infrasors board welcomes the integration of his expertise and skills to the Group.

Appointment of Financial Director ("FD")

In compliance with paragraph 3.84(h) of the JSE Listings Requirements, the Company is pleased to announce the appointment of Mr. Marius Potgieter as FD of Infrasors with effect from 1 July 2009.

Mr. Potgieter joined the Group in October 2007 as Group Financial Manager. Since then he has served on the Infrasors executive committee and has acted as Group chief financial officer.

Mr. Potgieter obtained a Bachelor of Commerce degree, an Honours degree (CTA) and Master of Commerce degree in financial management from the Rand Afrikaans University in Johannesburg. He qualified as a Chartered Accountant after serving articles at Deloitte in South Africa and audit manager at Watermans CA in Johannesburg. He has 8 years of diverse experience in finance and administration, obtained in the tile adhesive manufacturing industry, the office furniture manufacturing industry and base mineral mining industry. He also lectured a Financial Management course at the Rand Afrikaans University from 2002 to 2004.

Going Concern

The annual financial statements and Group annual financial statements set out on pages 11 to 57 have been prepared on the going concern basis. The Board regards the Group as a going concern for the following reasons:

- There have been no operating losses;
- Working capital and related ratios are positive;
- Trading cash flows are positive;
- The F2010 budget reflects a continuation of positive trading and financial performance;
- The Group has sufficient borrowing capacity;
- Key executive management is in place;
- The Board is not aware of any material changes that may adversely impact on the Group relative to customers, suppliers, services or geographic markets;
- The Group is not aware of any material non-compliance with statutory or regulatory requirements and there are no pending legal proceedings; and
- There are no pending changes in government legislation that may adversely affect the Group.

Auditors

Mazars Moores Rowland will continue in office in accordance with Section 270(2) of the Companies Act of South Africa.

On behalf of the Board

Popo Molefe
Chairman
11 August 2009

Trevor Robinson
Chief executive officer
11 August 2009

balance sheets

at 28 february 2009

	Notes	Group 2009 R000's	Group 2008 R000's	Company 2009 R000's	Company 2008 R000's
ASSETS					
Non-current assets					
Property, plant and equipment	2	288 672	253 452	1 668	535
Mineral rights	3	72 500	72 500	-	-
Goodwill	4	16 949	16 949	-	-
Investments	5	7 000	-	216 000	209 000
Other financial assets	6	68 880	58 286	64 273	54 000
Deferred tax assets	7	171	3 720	171	124
Total non-current assets		**454 172**	**404 907**	**282 112**	**263 659**
Current assets					
Inventories	8	16 240	14 744	5 146	2 919
Trade and other receivables	9	41 757	53 690	4 070	15 539
Loans receivable	10	-	-	51 597	26 859
Current tax receivable		2 773	-	-	-
Cash and cash equivalents	11	51 200	59 725	40 165	34 798
Total current assets		**111 970**	**128 159**	**100 978**	**80 115**
Total assets		**566 142**	**533 066**	**383 090**	**343 774**
EQUITY AND LIABILITIES					
Capital and reserves					
Issued capital	12	247 715	252 215	252 957	252 957
Retained earnings		111 916	103 312	26 979	19 490
Total equity		**359 631**	**355 527**	**279 936**	**272 447**
LIABILITIES					
Non-current liabilities					
Borrowings	13	98 809	9 247	86 569	-
Environmental rehabilitation provision	14	14 030	14 105	-	-
Deferred tax liabilities	7	43 469	37 430	-	-
Total non-current liabilities		**156 308**	**60 782**	**86 569**	**-**
Current liabilities					
Borrowings	13	17 167	5 382	9 271	-
Trade and other payables	15	31 060	28 452	6 058	1 659
Vendor liabilities	16	-	72 587	-	66 000
Current tax liabilities		1 976	10 336	1 256	3 668
Total current liabilities		**50 203**	**116 757**	**16 585**	**71 327**
Total equity and liabilities		**566 142**	**533 066**	**383 090**	**343 774**

income statements

for the year ended 28 February 2009

	Notes	Group 2009 R000's	Group 2008 R000's	Company 2009 R000's	Company 2008 R000's
Revenue	**17**	**250 328**	**245 590**	**39 603**	**29 782**
Turnover	17	239 717	237 027	7 400	21 300
Cost of Sales		(167 918)	(137 643)	-	-
Gross Profit		**71 799**	**99 384**	**7 400**	**21 300**
Other income	17	368	652	21 300	-
Operating expenses		(33 434)	(23 775)	(5 335)	(3 868)
Purchase price allocation excess over net asset value acquired	25.3	-	41 519	-	-
Operating profit	**18**	**38 733**	**117 780**	**23 365**	**17 432**
Finance income	19	10 243	7 911	10 903	8 482
Finance costs	19	(9 987)	(5 194)	(7 893)	(2 879)
Profit before taxation		**38 989**	**120 497**	**26 375**	**23 035**
Income tax expense	20	(8 911)	(17 185)	2 454	(3 545)
Net profit		**30 078**	**103 312**	**28 829**	**19 490**
Analysis of profit					
Holding Company		7 529	19 490		
Subsidiaries		22 549	83 822		
		30 078	**103 312**		
Earnings per share (cents)	22	17.0	74.5		
Diluted earnings per share (cents)	22	17.0	74.5		

cash flow statements

for the year ended 28 February 2009

	Notes	Group 2009 R000's	Group 2008 R000's	Company 2009 R000's	Company 2008 R000's
Cash flow from operating activities					
Cash receipts from customers		247 668	216 589	23 112	10 004
Cash paid to suppliers and employees		(190 567)	(161 390)	(10 458)	(9 346)
Cash generated from operations	**25.1**	**57 101**	**55 199**	**12 654**	**658**
Dividends paid		(21 208)	-	(21 340)	-
Dividends received		-	-	21 300	-
Interest received		10 174	7 911	10 903	8 482
Interest paid		(9 987)	(5 194)	(7 893)	(2 879)
Taxation paid	25.2	(10 722)	(10 963)	(5)	-
Net inflow from operating activities		**25 358**	**46 953**	**15 619**	**6 261**
Cash flow from investing activities					
Acquisition of subsidiary companies net of cash acquired	25.3	-	(162 988)	-	(143 000)
Additions to property, plant and equipment		(45 620)	(21 792)	(1 658)	(573)
Proceeds from disposal of property, plant and equipment		1 091	2 266	-	12
Increase in other financial assets		(13 556)	(54 000)	(17 273)	(54 000)
Increase in loans to group companies		-	-	(24 738)	(26 859)
Investment in environmental policy		(321)	(1 136)	-	-
Net cash outflow from investing activities		**(58 406)**	**(237 650)**	**(43 669)**	**(224 420)**
Cash flow from financing activities					
Net proceeds from issue of shares	25.4	(4 500)	252 215	-	252 957
Vendor liabilities paid		(72 587)	-	(66 000)	-
Increase in loans payable	25.5	263	267	3 577	-
Changes in borrowings	25.6	101 347	(4 205)	95 840	-
Net cash inflow from financing activities		**24 523**	**248 277**	**33 417**	**252 957**
Increase/(decrease) in cash and cash equivalents for the period		**(8 525)**	**57 580**	**5 367**	**34 798**
Cash and cash equivalents acquired	25.3	-	2 145	-	-
Cash and cash equivalents at the beginning of the period		59 725	-	34 798	-
Cash and cash equivalents at the end of the period	**11**	**51 200**	**59 725**	**40 165**	**34 798**

statements of changes in shareholders' equity

GROUP	Share capital R000's	Share premium R000's	Retained earnings R000's	Total R000's
Balance at 1 March 2007	**-**	**-**	**-**	**-**
Issue of shares	650	-	-	650
Private placement	239	262 878	-	263 117
Listing expenses	-	(10 810)	-	(10 810)
Treasury shares buy back	(1)	(741)	-	(742)
Profit for the period to 29 February 2008	-	-	103 312	103 312
Balance at 1 March 2008	**888**	**251 327**	**103 312**	**355 527**
Dividends paid (note 21)	-	-	(21 208)	(21 208)
Treasury shares buy back	(23)	(4 477)	-	(4 500)
Deferred tax on rehabilitation investments	-	-	(266)	(266)
Profit for the period to 28 February 2009	-	-	30 078	30 078
Balance at 28 February 2009	**865**	**246 850**	**111 916**	**359 631**
Note:	12	12		
COMPANY				
Balance at 1 March 2007	**-**	**-**	**-**	**-**
Issue of shares	650	-	-	650
Private placement	239	262 878	-	263 117
Listing expenses	-	(10 810)	-	(10 810)
Profit for the period to 29 February 2008	-	-	19 490	19 490
Balance at 1 March 2008	**889**	**252 068**	**19 490**	**272 447**
Dividends paid (note 21)	-	-	(21 340)	(21 340)
Profit for the period to 28 February 2009	-	-	28 829	28 829
Balance at 28 February 2009	**889**	**252 068**	**26 979**	**279 936**
Note:	12	12		

notes to the annual financial statements

SIGNIFICANT ACCOUNTING POLICIES

1. Presentation of annual financial statements and Group annual financial statements

Infrasors Holdings Limited is a company domiciled in South Africa. The consolidated financial statements at 28 February 2009 comprise the Company and its subsidiaries (together referred to as "the Group"). The principal accounting policies adopted in the preparation of the financial statements are set out below.

Statement of compliance

The Company and Group's annual financial statements have been prepared in accordance with and comply with International Financial Reporting Standards ("IFRS") and its Interpretations adopted by the International Accounting Standards Board ("IASB") and the requirements of the Companies Act of South Africa as amended.

Basis of preparation

The Company and Group's annual financial statements are prepared using a combination of the historical cost and fair value bases of accounting. Those categories to which the fair value basis of accounting has been applied are indicated in the individual accounting policies.

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that may affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from the other sources. Actual results may differ from these estimates.

The accounting estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected. Judgements made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are disclosed in the notes to the financial statements where appropriate.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements, are described in the following policies:

- Mineral rights
- Environmental rehabilitation provision

The financial statements are presented in Rand, which is the Group's functional currency, and all values are rounded to the nearest thousand Rand except when otherwise indicated.

The accounting policies have been applied consistently for all years presented by Group entities.

Basis of consolidation

Subsidiaries

The Group annual financial statements comprise the consolidated annual financial statements of the Company and its subsidiaries. The annual financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

Subsidiaries are those entities over whose financial and operating policies the Group has the power to exercise control, so as to obtain benefits from their activities. In assessing control, potential voting rights that are presently exercisable are taken into account. Where an investment in a subsidiary was acquired and disposed of during the financial year, its results are included from, or to, the date control commences or ceases.

New acquisitions are included in the Group's financial statements using the purchase method whereby the assets and liabilities are measured at their fair value. The purchase consideration is allocated on the basis of the fair values on the dates of acquisition.

Investments in subsidiaries are initially recognised at cost. The cost of an investment in a subsidiary is the aggregate of the fair value, at the date of exchange, of assets acquired, liabilities incurred or assumed, equity instruments issued and the direct costs attributable to the acquisition of the subsidiary.

Investments in subsidiaries are subsequently measured at cost less any accumulated impairment.

Associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity. Associates are accounted for using the equity method and are initially recognised at cost which includes directly attributable costs. The Group's investment includes goodwill (or negative goodwill) where applicable identified on acquisition, net of any accumulated impairment losses. The consolidated financial statements include the Group's share of the income and expenses and equity movements of equity accounted investments, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or control commences or ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Business combinations

The initial accounting of a business combination on the date of acquisition follows the purchase method of accounting. The purchase method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired, and liabilities and contingent liabilities assumed.

Where the business combination agreement to acquire a subsidiary provides for an adjustment to the cost of the acquisition of that subsidiary which is contingent on future events, the initial accounting for the cost of the combination is adjusted at acquisition if the adjustment is probable and can be measured reliably.

The cost of the business combination is the total of the fair values of all assets given, liabilities incurred and equity instruments issued to acquire the business, including directly attributable cost.

Transactions eliminated on consolidation

All intra-Group transactions and balances arising from intra-Group transactions are eliminated in preparing the consolidated financial statements.

Property, plant and equipment

Property, plant and equipment are initially recognised at cost. The cost of property, plant and equipment includes amounts incurred initially to acquire an item of property, plant and equipment and amounts incurred subsequent to add or replace part of the asset. Included in the cost are any amounts relating to the cost of labour and transport to bring a particular item to a useable condition to enable it to operate in the manner intended by management. Amounts incurred subsequent to initial recognition to add or replace part of an asset or as part of major maintenance are also recognised at cost.

Property, plant and equipment are subsequently measured at cost, less accumulated depreciation and any accumulated impairment losses.

Property, plant and equipment are recorded at historical cost and depreciated to write down the cost, less residual value, over their useful lives as follows:

Item	Useful life	Method
Land	Indefinite life	
Buildings, foundations and civils	25 years	Straight line

Item	Useful life	Method
Plant and equipment	5-20 years	Straight line
Computer equipment and software	3-5 years	Straight line
Furniture, fittings and office equipment	6-10 years	Straight line
Leasehold improvements	2-5 years	Straight line

Where a part of an item of property, plant and equipment is significant in relation to the cost of the item, that part is depreciated separately. The depreciation charge is recognised as an expense in the income statement. Depreciation starts when the asset is available to operate for its intended use, until completion of its useful life. The residual values, useful lives and depreciation methods applied to property, plant and equipment, are reviewed and adjusted if necessary, at each financial year end. These changes are accounted for as a change in estimate.

The residual value of an asset is the estimated amount the company would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, as if the asset were already of the age and in the condition expected at the end of its useful life.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment, is included in the income statement and is calculated as the difference between the net disposal proceeds, if any, and the carrying amount of the item at the date of derecognition.

Normal repair and maintenance costs incurred on property, plant and equipment to keep property, plant and equipment in its normal operating condition are expensed in the income statement as operating expenses.

When a decision is made to sell an item of property, plant and equipment during the year and it meets the requirements of IFRS 5, “Non-current assets held for sale and discontinued operations”, the asset is carried at the lower of its carrying amount or fair value less costs to sell, and depreciation on that asset ceases. Any impairment is recognised directly in profit and loss.

Mineral reserves and mine development costs

Expenses incurred which result in future benefits in respect of acquiring mineral reserves and resources are capitalised on the balance sheet as incurred. Capitalised costs (development expenditure) include expenditure incurred to expand the capacity of the mine and to maintain production. Qualifying, directly attributable exploration expenditure is capitalised when incurred. Capitalised development expenditure and capitalised exploration expenditure (mineral assets) are stated at cost less accumulated amortisation and impairment losses. Capitalised development expenditure and exploration expenditure are amortised over their useful life on a units-of-production basis.

The useful life of the mineral assets and mine development costs over which it is depreciated, equal the estimated useful life of the mine as indicated by the Competent Person’s Report. Depreciation of the capitalised costs of mineral assets and mine development costs start at the time when the mining activities commence on the acquired mineral assets.

Item	Useful life	Method
Mineral assets and mine development costs	LOM	Units-of-production

Goodwill

Goodwill arises from business combinations and is initially measured at cost. Cost represents the excess of the purchase consideration over the fair value of the Company's and the Group’s share of the identifiable assets, liabilities and contingent liabilities acquired at the date of the acquisition. Subsequently goodwill is carried at cost less any accumulated impairment.

Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired.

In calculating the value of the goodwill, cognisance is taken of any potential claw-back of any purchase price that may arise if profit warranties are not met by that particular business or entity.

At the acquisition date, goodwill is allocated to each of the cash generating units expected to benefit from a business combination. Impairment is determined by assessing the recoverable amount of the cash-generating unit to which goodwill relates. The recoverable amount is determined as the value in use of each cash-generating unit by estimating the expected future cash flows in each unit and choosing a suitable discount rate in order to calculate the present value of those cash flows.

Where the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, an impairment loss is recognised in the income statement beginning with the write off of the goodwill allocated to such cash-generating unit. Where the goodwill is insufficient to cover the amount of the impairment adjustment, the remaining assets in the cash-generating unit are impaired on a pro-rata basis.

Other intangible assets

Other intangible assets consist of mineral rights which are initially recognised at cost. The cost of other intangible assets includes amounts incurred initially to acquire an item of other intangible assets. Amounts incurred subsequent to initial recognition are also recognised at cost.

Item	Useful life	Method
Mineral rights	LOM	Units-of-production

The amortisation charge is recognised as an expense in the income statement. The residual values, useful lives and amortisation methods applied to other intangible assets are reviewed and adjusted, if necessary, at each financial year end. These changes are accounted for as a change in estimate.

An item of an intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of an intangible asset is included in the income statement and is calculated as the difference between the net disposal proceeds, if any, and the carrying amount of the item at the date of derecognition.

An independent competent person was commissioned to evaluate each mine, which included the preparation of a Mineral Resources and Mineral Reserves Statement. This information contains all laboratory test results and relevant information upon which the competent person bases his assumptions.

Impairment of assets

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired.
If any such indication exists, the Group estimates the recoverable amount of the asset or the cash generating unit to which it relates.

The recoverable amount of an asset is the higher of its fair value, less costs to sell and its value in use.

The value in use of an asset involves the estimating of the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal; and applying the appropriate discount rate to those future cash flows.

Where the carrying amount exceeds the recoverable amount the asset is then impaired to its estimated recoverable amount, and the impairment cost is expensed through the income statement.

Irrespective of whether there is any indication of impairment, the Group also tests goodwill acquired in a business combination for impairment annually, at the same time each year, by comparing its carrying amount with its recoverable amount. This impairment test is performed annually.

The accounting policy that deals with impairment of goodwill is included in the accounting policy notes for that asset.

Financial instruments

Initial recognition

Financial assets and financial liabilities are initially measured at fair value. Transactions costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Subsequent to initial recognition these instruments are measured as set out below:

Classification

Financial assets are classified as 'loans and receivables' held to maturity or fair value through profit and loss (“FVTPL”) and financial liabilities are classified as 'financial liabilities held at amortised cost'.

Currently, the Company and Group have not classified any of its financial assets as available-for-sale (“AFS”). Should this category be utilised in the future, the appropriate accounting treatment as specified by IAS 39 will be applied. Similarly for financial liabilities at FVTPL.

Effective interest rate method

The effective interest rate method is a method of calculating the amortised cost of a financial asset/liability and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts/payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset/liability, or, where appropriate, a shorter period.

The interest income/expense is recognised on an effective interest basis for all financial instruments, other than those financial assets designated as FVTPL.

Financial assets

The Group's financial assets include loans to Group companies, trade and other receivables, cash and cash equivalents and other financial assets.

Loans receivable that bear interest with determinable terms of repayment are included in non-current assets. Interest is accrued at an interest rate linked to bank prime rate. All interest charges are recognised in the income statement as finance income.

Loans receivable that bear no interest and where there are no determinable terms of repayment or are exceeding 12 months are included in non-current assets.

Loans to Group companies

Loans to group companies are subsequently measured at amortised cost using the effective interest rate method, less any impairment loss.

Trade and other receivables: loans and receivables

Trade and other receivables are subsequently measured at amortised cost, using the effective interest rate method.

An allowance for estimated irrecoverable amounts is recognised in the income statement when there is objective evidence (as described below) that the asset is impaired.

The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Cash and cash equivalents: loans and receivables

Cash and cash equivalents comprise cash at bank and cash on hand. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. These are subsequently measured at amortised cost.

For purposes of the cash flow statement, cash and cash equivalents comprise cash and cash equivalents as defined above.

Held to maturity financial assets

At subsequent reporting dates these are measured at amortised cost using the effective interest rate method, less any impairment loss recognised to reflect irrecoverable amounts. An impairment loss is recognised in the income statement when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's financial carrying amount and the present value of the estimated future cash flows discounted at the effective interest rate computed at initial recognition. Financial assets where there is a positive intention and ability to hold to maturity are classified as held to maturity.

Investments in environmental insurance policies: loans and receivables

Environmental insurance policy is measured at the amortised cost, which represents the present value of the guaranteed funds after the deduction of fees and finance costs.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the loan or receivable have been impacted.

Objective evidence of impairment could include:

- significant financial difficulty of the counterparty; or
- default in interest or principal payments; or
- probability that the borrower will enter bankruptcy or financial reorganisation.

The amount of the impairment for financial assets carried at amortised cost is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss, directly only when all legal steps have been exhausted and there is no possibility of an additional recovery.

If there is any indication that a financial asset may be impaired, the recoverable amount is estimated. The financial asset is then impaired to its estimated recoverable amount, and the impairment loss is expensed through the income statement.

The recoverable amount of a financial asset is the higher of its fair value, less costs to sell and its value in use.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the loan or receivable at the date the impairment is reversed, does not exceed what the amortised cost would have been, had the impairment not been recognised.

Derecognition of financial assets

The Company or Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition, the difference between the carrying amount of the financial asset and proceeds receivable are included in the income statement for the period.

Financial liabilities

The Group's financial liabilities include interest-bearing debt, trade payables and vendor liabilities.

Financial liabilities incurred by the Company and Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. The accounting policies adopted for specific financial liabilities are set out below.

Borrowings

Interest-bearing borrowings, including instalment sale obligations, are subsequently measured at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

Trade payables

Trade and other payables are measured at amortised cost, using the effective interest rate method.

Vendor liabilities

Vendor liabilities are measured at cost.

Derecognition of financial liabilities

The Company or Group derecognises financial liabilities, when the Company or Group's obligations are discharged, cancelled or they expire. On derecognition, the difference between the carrying amount of the financial liability and the amount paid for it are included in the income statement for the period.

Offsetting of financial assets and liabilities

Financial assets and liabilities are offset when there is both an intention to settle on a net basis (or simultaneously) and a legal right to offset exists.

Fair value methods and assumptions

The fair value of financial instruments traded in an organised financial market is measured at the applicable quoted prices.

The fair value of financial instruments not traded in an organised financial market is determined using a variety of methods and assumptions that are based on market conditions and risk existing at balance sheet date, including independent appraisals and discounted cash flow methods.

Inventories

Inventories are valued at the lower of cost or net realisable value. Cost is determined on the weighted average basis and comprises all costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated selling costs.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised.

The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount, of any reversal of any write-down of inventories arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories which is recognised as an expense in the period in which the reversal occurs.

Current taxation

Tax expenses

Current and deferred taxes are recognised as income or expense and included in the income statement. The current tax payable is based on taxable profit. Taxable profit differs from profit reported in the income statement where there are items of income or expense that are taxable or deductible in other years and it also excludes items that are never taxable or deductible under existing legislation.

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a tax payable in the balance sheet. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as a tax receivable in the balance sheet.

Current tax liabilities and current tax assets are measured at the amount expected to be paid to/(recovered from) the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of goodwill, recognition of assets arising from business combinations, or the initial recognition of an asset or liability in a transaction, affects neither accounting profit/(accounting loss) nor taxable profit/(tax loss).

A deferred tax liability is recognised for all taxable temporary differences associated with investments in subsidiaries, except to the extent that the Company or the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax asset is recognised for all deductible temporary differences arising from investments in subsidiaries, to the extent that it is probable that the temporary difference will reverse in the foreseeable future, and taxable profit will be available against which the temporary difference can be recognised.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be recognised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination at the time of transaction, affects neither accounting profit/(accounting loss) nor taxable profit/(tax loss).

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is recognised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date. The measurement of deferred tax assets and liabilities reflect the tax consequences that would follow from the manner in which the Company or Group expects to recover or settle the carrying amounts of its assets and liabilities at the balance sheet date.

Capital and reserves

Ordinary shares

Ordinary share capital is 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 the proceeds on shares issued.

Dividends

Dividends are recognised as an expense or liability in the period in which they are declared.

Treasury shares

Shares purchased by subsidiary companies of Infrasors Holdings Limited are treated as treasury shares and deducted from share capital at cost in the Group financial statements. Dividends received on treasury shares are eliminated on consolidation.

Leases

Leases of assets where the Company or Group substantially assumes all the benefits and risks of ownership are classified as finance leases. Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. When an arrangement is or contains a lease, that lease is recognised in terms of the lease policy below.

Lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Group’s net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group’s net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on straight-line basis over the lease term.

Lessee

Finance leases are recognised as assets and liabilities in the balance sheets at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payment is the incremental borrowing rate of interest. The lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate on the remaining balance of the liability.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where the term of the lease is shorter, the terms of the lease.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments is recognised as an operating lease liability. This liability is not discounted.

Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits such as medical aid, cars and housing), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of accrued leave is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating leave, when the absence occurs. Accrued leave is measured as the amount that the Group expects to pay as a result of unused entitlement that has accumulated to the employee at the balance sheet date.

The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Post employment benefits

Payments to defined contribution benefit plans, governed by the Pension Funds Act, 1956 (Act no. 24 of 1956), are charged as an expense as the related service is rendered.

Provisions and contingencies

Provisions are recognised when the Company or the Group has a present obligation as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the obligation.

The amount of the provision is the present value of the best estimate of the expenditure required to settle the obligation. The amount of the provision is discounted using a pre-tax discount rate when the effect of the expected future cash outflow related to the provision is not expected to occur soon after the balance sheet date and the effect of discounting is material. Provisions are reviewed annually to reflect current best estimates of the expenditure required to settle the obligation.

Contingent assets and contingent liabilities are not recognised, but are disclosed in the notes to the financial statements.

Environmental rehabilitation provision

Estimated rehabilitation costs, which are based on the Group's interpretation of current environmental and regulatory requirements, represent the present value of the expected future costs to rehabilitate the mine properties on termination of mining operations. The estimated costs of operations are reviewed at year end and adjusted as appropriate for changes in legislation, technology or other circumstances.

Movements in the environmental rehabilitation provision are charged as an expense in the income statement.

Provision is made for the Group's legal and constructive obligations to dismantle, remove and restore items of property, plant and equipment and remediation of disturbed areas in the financial period when the related environmental disturbance occurs, based on the estimated future costs using information available at the balance sheet date. The provision is discounted using a current, market-based pre-tax discount rate and the unwinding of the provision is included in interest expense. Based on current environmental regulations and known rehabilitation requirements, management has included its best estimate of these obligations in its rehabilitation provision. However, it is reasonably possible that the Group's estimate of its ultimate rehabilitation liabilities could change as a result of changes in regulations or cost estimates.

Rehabilitation trust funds holding monies committed for use in satisfying environmental obligations are included in other financial assets on the balance sheet.

Revenue

Revenue is recognised at the fair value of the consideration received or receivable. Revenue from the sale of goods is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods, or continuing management involvement with the goods.

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's carrying value.

Rental income due from operating leases is recognised on a straight line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Translation of foreign currencies

The functional currency of the Group is South African Rands.

Foreign currency transactions are recorded, on initial recognition, in Rands by applying to the foreign currency amount the spot exchange rate between the Rand and the foreign currency at the date of the transaction. At each balance sheet date, foreign currency monetary items (such as trade receivables and trade creditors) are translated using the spot exchange rate at the balance sheet date (closing rate).

Exchange differences arising in the settlement of monetary items or on translating monetary items at rates different from those at which they were translated in initial recognition during the period or in previous financial statements, are recognised in the income statement in the period on which they arise.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.

Segmental reporting

The Group has adopted IFRS 8 Operating segments which requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by management in order to allocate resources to the segment and to assess its performance.

Segment information reported externally is focused on the category of customer for type of product. The principal categories for these products are direct sales to major customers and retail outlets.

Standards and interpretations issued and not yet effective

At the date of authorisation of the annual financial statements, the following Standards and Interpretations applicable to the Group and Company were in issue but not yet effective:

Ref	Description	Effective date	Expected effect
IFRS 5	Non-current assets held for sale and discontinued operations	1 July 2009	No effect
IAS1	Presentation of Financial Statements	1 January 2009	Change to disclosure only
IAS 27	Consolidated and Separate Financial Statements	1 July 2009	To be assessed
IFRIC 17	Distribution of non-cash assets to owners	1 July 2009	No expected effect
IFRIC 18	Transfer of assets from customers	1 July 2009	To be assessed

These standards and interpretations are expected to be applied when they become effective in the Group.

notes to the annual financial statements

	Group		Company	
	2009 R000's	2008 R000's	2009 R000's	2008 R000's
2. Property, plant and equipment				
Cost-owned				
Land	159 083	152 423	-	-
Buildings, foundations and civils	10 858	7 813	-	-
Mineral assets and mine development costs	6 703	297	306	-
Plant and equipment	140 444	97 026	72	76
Computer equipment and software	1 941	568	359	149
Furniture, fittings and office equipment	1 075	351	762	204
Leasehold improvements	719	131	719	131
Total cost or valuation	**320 823**	**258 609**	**2 218**	**560**
Accumulated depreciation and impairment				
Land	-	-	-	-
Buildings, foundations and civils	(3 281)	(349)	-	-
Mineral assets and mine development costs	(1 446)	-	(306)	-
Plant and equipment	(26 625)	(4 726)	(28)	(8)
Computer equipment and software	(580)	(64)	(62)	(12)
Furniture, fittings and office equipment	(110)	(14)	(45)	(1)
Leasehold improvements	(109)	(4)	(109)	(4)
Total accumulated depreciation	**(32 151)**	**(5 157)**	**(550)**	**(25)**
Carrying amount	**288 672**	**253 452**	**1 668**	**535**

The carrying amount of property, plant and equipment can be reconciled as follows:

	Carrying amount 1 March 2007 R000's	Additions R000's	Disposals R000's	Impairment R000's	Depreciation R000's	Carrying amount 29 February 2008 R000's
Group						
Land	-	152 423	-	-	-	152 423
Buildings, foundations and civils	-	7 813	-	-	(349)	7 464
Mineral assets and mine development costs	-	297	-	-	-	297
Plant and equipment	-	99 292	(2 266)	-	(4 726)	92 300
Computer equipment and software	-	568	-	-	(64)	504
Furniture, fittings and office equipment	-	351	-	-	(14)	337
Leasehold improvements	-	131	-	-	(4)	127
At 29 February 2008	**-**	**260 875**	**(2 266)**	**-**	**(5 157)**	**253 452**

	Carrying amount 1 March 2008 R000's	Additions R000's	Disposals R000's	Impairment R000's	Depreciation R000's	Carrying amount 28 February 2009 R000's
Group						
Land	152 423	6 660	-	-	-	159 083
Buildings, foundations and civils	7 464	425	-	-	(312)	7 577
Mineral assets and mine development costs	297	6 406	-	(1 446)	-	5 257
Plant and equipment	92 300	29 583	(999)	-	(7 065)	113 819
Computer equipment and software	504	1 275	-	-	(418)	1 361
Furniture, fittings and office equipment	337	687	-	-	(59)	965
Leasehold improvements	127	584	-	-	(101)	610
At 28 February 2009	**253 452**	**45 620**	**(999)**	**(1 446)**	**(7 955)**	**288 672**

	Carrying amount 1 March 2007 R000's	Additions R000's	Disposals R000's	Impairment R000's	Depreciation R000's	Carrying amount 29 February 2008 R000's
Company						
Mineral asset and mine development costs	-	-	-	-	-	-
Plant and equipment	-	89	(13)	-	(8)	68
Computer equipment and software	-	149	-	-	(12)	137
Furniture, fittings and office equipment	-	204	-	-	(1)	203
Leasehold improvements	-	131	-	-	(4)	127
At 29 February 2008	**-**	**573**	**(13)**	**-**	**(25)**	**535**

	Carrying amount 1 March 2008 R000's	Additions R000's	Disposals R000's	Impairment R000's	Depreciation R000's	Carrying amount 29 February 2009 R000's
Company						
Mineral asset and mine development costs	-	306	-	(306)	-	-
Plant and equipment	68	-	-	-	(24)	44
Computer equipment and software	137	211	-	-	(51)	297
Furniture, fittings and office equipment	203	557	-	-	(43)	717
Leasehold improvements	127	584	-	-	(101)	610
At 28 February 2009	**535**	**1 658**	**-**	**(306)**	**(219)**	**1 668**

Note:During the year under review, certain assets were reclassified a a collective asset category, plant and equipment, to reflect a more accurate classification of assets. Opening balance asset classification has been restated in line with current year asset classification, as follows:

Previously classified in Infrasors 2008 Annual Report	Carrying amount 1March2007 R000's	Additions R000's	Disposals R000's	Depreciation R000's	Carrying amount 29February2008 R000's
Group					
Plant and machinery	-	59 025	-	(1 818)	57 207
Mobile equipment	-	27 380	(555)	(1 931)	24 894
Transport vehicles	-	12 887	(1 711)	(977)	10 199
Reclassified in the current Infrasors 2009 Annual Report					
Plant and equipment	-	99 292	(2 266)	(4 726)	92 300

Certain of the plant and equipment held in Delf Sand (Proprietary) Limited and Infrabric (Proprietary) Limited are encumbered in terms of instalment sale agreements (refer note 13).

A land and buildings register containing details of the above is available for inspection by members or their duly authorised agents during business hours at the registered office of the Company.

Land within the Group was pledged to ABSA Bank as security over the notarial bond issued to ABSA in the amount of R100 million.

A profit on disposal of the old vehicles was realised in the amount of R92 000.

No depreciation was applied to the mineral asset and mine development costs as the mine is not yet operational.

An impairment charge was raised after exploration for and evaluation of potential mineral occurances in specific areas have not led to any commercial benefits and accordingly the Group decided to discontinue such activities of specific projects.

Notes		Group		Company	
		2009 R000's	2008 R000's	2009 R000's	2008 R000's
3.	**Mineral rights**				
	Owned				
	Cost				
	Arising on acquisition of subsidiary (refer note 25.3)	72 500	72 500	-	-
	Total mineral rights	**72 500**	**72 500**	**-**	**-**
	No amortisation is charged, as the mineral rights obtained relate to the operations of mining activities. The mines have not yet become operational.				
4.	**Goodwill**				
	Owned				
	Cost				
	Arising on acquisition of business (refer note 25.3)	16 949	16 949	-	-
	Total goodwill	**16 949**	**16 949**	**-**	**-**
	The purchase price paid for the Infrabric business was allocated between the identifiable assets and liabilities acquired. The amount that exceeded the identifiable assets and liabilities is recognised as goodwill. No impairment of goodwill was applicable in the current year as the entity traded profitably as a going concern.				
5.	**Investments**				
	Investments in subsidiaries	-	-	209 000	209 000
	Directors' valuation on investment in associate	7 000	-	7 000	-
	Total investments	**7 000**	**-**	**216 000**	**209 000**
	Investment of associate is recorded at cost until operations in associate commence.				
6.	**Other financial assets**				
	Environmental insurance policies				
	Environmental insurance policies are investments held in trust to be used to rehabilitate the environment after mining operations are completed at the Lyttelton, Marble Hall and Delf mining sites. (Refer note 14)				
	Balance at beginning of year	4 286	-	-	-
	Balance on acquisition of subsidiary	-	3 150	-	-
	Insurance premium paid	1 350	1 070	-	-
	Insurance policy payout	(1 052)	-	-	-
	Policy costs	(46)	(3)	-	-
	Notional interest earned	69	69	-	-
	Balance at end of year	**4 607**	**4 286**	**-**	**-**

Notes		Group		Company	
		2009 R000's	2008 R000's	2009 R000's	2008 R000's
6.	**Other financial assets *(continued)***				
	Loans receivable				
	Held to maturity investment				
	Infrasors Empowerment Trust	64 273	58 243	64 273	58 243
	Current portion included in trade and other receivables	-	(4 243)	-	(4 243)
	Balance at end of year	**64 273**	**54 000**	**64 273**	**54 000**
	The Infrasors Empowerment Trust ("the Trust") owns 24 325 348 ordinary shares ("the shares") in Infrasors. The beneficiaries of the Trust include any black person (including any executive Director of any company within the Infrasors Group) employed by Infrasors. The shares were acquired by the Trust for a sum of R132 million at an issue price of 550 cents per share, and were initially financed to the extent of R52.8 million by Infrasors and R79.2 million by vendor finance. The shares were pledged to Infrasors as security for the Infrasors debt, and the vendor claim is subordinated in favour of Infrasors. The Infrasors debt bears interest at the prime money market deposit rate and is repayable within 5 years.				
	Total other financial assets	**68 880**	**58 286**	**64 273**	**54 000**
	Fair value and Directors' valuation calculation				
	Debt - Infrasors Empowerment Trust	64 273	54 000	64 273	54 000
	The fair value of the Infrasors Empowerment Trust debt is determined using a discounted cash flow method based on market related rates at 28 February 2009.				
	Debt - Environmental Insurance policies Refer note 14 for details	4 607	4 286	-	-
		68 880	**58 286**	**64 273**	**54 000**
7.	**Deferred tax**				
	Deferred tax assets	171	3 720	171	124
	Deferred tax liabilities	(43 469)	(37 430)	-	-
		(43 298)	**(33 710)**	**171**	**124**
	Balance at beginning of year	(33 710)	-	124	-
	Current - temporary differences per income statement	(9 322)	(33 710)	47	124
	Current - temporary differences per statement of changes in equity	(266)	-	-	-
	Balance at end of year	**(43 298)**	**(33 710)**	**171**	**124**
	Comprising:				
	Provisions	193	3 391	193	99
	Assessed losses	(77)	-	(77)	-
	Property, plant and equipment	55	329	55	25
	Deferred tax assets	**171**	**3 720**	**171**	**124**

Notes		Group 2009 R000's	Group 2008 R000's	Company 2009 R000's	Company 2008 R000's
7.	**Deferred tax *(continued)***				
	Provisions	560	-	-	-
	Environmental rehabilitation provision	3 928	-	-	-
	Assessed losses	6 007	(1 411)	-	-
	Revaluation of land	(15 363)	(15 363)	-	-
	Property, plant and equipment	(38 049)	(20 408)	-	-
	Rehabilitation funds	(515)	(248)	-	-
	Prepaid expenses	(37)	-	-	-
	Deferred tax liabilities	**(43 469)**	**(37 430)**	**-**	**-**
8.	**Inventories**				
	Finished goods	5 171	4 624	-	-
	Mining project work in progress	5 146	2 919	5 146	2 919
	Consumables	5 923	7 201	-	-
	Total inventories	**16 240**	**14 744**	**5 146**	**2 919**
	Total cost of sales consist of inventory costs				
9.	**Trade and other receivables**				
	Gross trade receivables	41 448	47 345	3 860	10 990
	Provision for doubtful debts	(939)	(82)	-	-
	Net trade receivables	40 509	47 263	3 860	10 990
	Insurance claims	-	65	-	-
	Staff loans	601	110	3	-
	Deposits	75	952	75	75
	Current portion Infrasors Empowerment Trust (refer note 6)	-	4 243	-	4 243
	Loans ad receivable	**41 185**	**52 633**	**3 938**	**15 308**
	Prepayments	268	376	132	231
	Value added tax	43	681	-	-
	Sundry receivables	261	-	-	-
		41 757	**53 690**	**4 070**	**15 539**
	Ageing of trade receivables				
	At 28 February 2009 the age analysis of trade receivables is as follows:				
	Neither past due nor impaired	21 222	24 423	60	10 990
	Past due but not impaired	11 001	17 445	3 800	-
	60 days	4 782	3 697		
	90 days	1 216	1 270	-	-
	90 - 120 days	826	290	-	-
	> 120 days	1 462	138	-	-
		40 509	**47 263**	**3 860**	**10 990**

The average debtor days outstanding are 63,1 days. Before accepting a new customer, the company runs thorough credit and background checks to determine the potential customer's credit quality and credit limits. We consider the credit quality of debtors neither past due nor impaired to be acceptable. Credit limits are reviewed at least once a year. None of the trade receivables that are neither past due nor impaired have exceeded the credit limits at year end. None of the customers exceeded more than 5% of the total balance of trade receivables at year end and the concentration of credit risk is limited due to the customer base being large and unrelated.

The Group has provided fully for all receivables that are generally considered irrecoverable. The Group does not hold collateral over these balances, nor have any receivable terms been re-negotiated.

Due to the short term nature of trade receivables, the cost approximates the fair value.

Notes		Group 2009 R000's	Group 2008 R000's	Company 2009 R000's	Company 2008 R000's
9.	**Trade and other receivables (continued)**				
	Movement in provision for doubtful debts				
	Opening balance at the beginning of the year	(82)	-	-	-
	Balance on acquisition of subsidiary	-	(49)	-	-
	Increase in provision for doubtful debt	(857)	(33)	-	-
		(939)	**(82)**	**-**	**-**
10.	**Loans receivable**				
	Delf Sand (Proprietary) Limited	-	-	7 774	89
	Infrasors Management Services (Proprietary) Limited	-	-	4 194	1 200
	Pienaarspoort Ontwikkeling (Proprietary) Limited	-	-	7 434	298
	Infrabric (Proprietary) Limited	-	-	32 195	25 272
		-	**-**	**51 597**	**26 859**

The loans receivable from Infrasors Management Services (Proprietary) Limited and Pienaarspoort Ontwikkeling (Proprietary) Limited are interest free short term loans, payable on request.
The loans receivable from Infrabric (Proprietary) Limited and a portion of the loan receivable from Delf Sand (Proprietary) Limited bear interest at an interest rate linked to the prime bank interest rate. The loans are payable on request.
Due to the short term nature of loan receivables, the cost approximates the fair value.

Notes		Group 2009 R000's	Group 2008 R000's	Company 2009 R000's	Company 2008 R000's
11.	**Cash and cash equivalents**				
	Bank balances	51 169	56 603	40 163	34 777
	Bank guarantee held as security	-	3 000	-	-
	Cash on hand	31	122	2	21
		51 200	**59 725**	**40 165**	**34 798**

Due to the short term nature of cash and cash equivalents, the cost approximates the fair value.

		2009 Number	2008 Number	2009 Number	2008 Number
12.	**Issued capital**				
	Share capital				
	Authorised				
	The total authorised number of ordinary shares with a par value of 0.5 cent per share.	2 000 000	2 000 000	2 000 000	2 000 000
	Issued				
	The issued number of ordinary shares is 177 839 491 at 0.5 cent each. All issued shares are fully paid up.				
	Per share register	177 840	177 840	177 840	177 840
	Treasury shares held by subsidiary company	(4 855)	(250)	-	-
	Shares held by external parties	**172 985**	**177 590**	**177 840**	**177 840**
	Balance at beginning of year	-	-	177 840	-
	Issue of shares	177 590	177 840	-	177 840
	Treasury shares acquired by subsidiary company	(4 605)	(250)	-	-
	Closing balance at end of year	**172 985**	**177 590**	**177 840**	**177 840**

Notes		Group 2009 R000's	Group 2008 R000's	Company 2009 R000's	Company 2008 R000's
12.	**Issued capital *(continued)***				
	Nominal value of issued shares at 0.5 cent each				
	Shares in issue	889	889	889	889
	Held as treasury shares by a subsidiary company	(24)	(1)	-	-
	Held by external parties	865	888	889	889
	Unissued ordinary shares are under the control of the Directors in terms of a resolution of the members passed at the last annual general meeting. The authority remains in force until the next annual general meeting, subject to the regulations of the JSE Limited.				
	Share premium				
	Premium on shares issued	262 878	262 878	262 878	262 878
	Treasury shares	(5 218)	(741)	-	-
	Listing costs written off	(10 810)	(10 810)	(10 810)	(10 810)
		246 850	**251 327**	**252 068**	**252 068**
		247 715	**252 215**	**252 957**	**252 957**
	Balance at beginning of year	252 215	-		
	Shares issued	-	263 767	252 957	263 767
	Treasury shares	(4 500)	(742)	-	-
	Listing costs written off	-	(10 810)	-	(10 810)
		247 715	**252 215**	**252 957**	**252 957**
13.	**Borrowings**				
	Non-current portion	98 809	9 247	86 569	-
	Current portion	17 167	5 382	9 271	-
	Total borrowings	**115 976**	**14 629**	**95 840**	**-**
13.1	ABSA Bank of South Africa (secured)	2 536	3 558	-	-
	Less current portion	(1 124)	(1 226)	-	-
	Non-current portion	**1 412**	**2 332**	**-**	**-**
	The instalment sale agreements are secured by a cession on mobile equipment and transport vehicles, held by Delf Sand (Proprietary) Limited. The instalment sale agreements are for Delf Sand (Proprietary) Limited mobile equipment and transport vehicles (see note 2). The instalment sale agreements are payable in monthly instalment to the value of R128,561, with interest rates ranging from 13.5 - 15% per annum over periods between 48 - 54 months.				
13.2	Mercedes Benz Financial Services (Proprietary) Limited (secured)	1 257	1 906	-	-
	Less current portion	(844)	(751)	-	-
	Non-current portion	**413**	**1 155**	**-**	**-**
	The instalment sale agreements are secured by a cession on transport vehicles, held by Delf Sand (Proprietary) Limited. The instalment sale agreements are for Delf Sand (Proprietary) Limited transport vehicles (see note 2). The instalment sale agreements are payable in monthly instalments to the value of R93,316, with an interest rate of 13.5% per annum over periods between 48 - 54 months.				

Notes		Group 2009 R000's	Group 2008 R000's	Company 2009 R000's	Company 2008 R000's
13.	**Borrowings *(continued)***				
13.3	Wesbank a division of FirstRand Bank Limited (secured)	5 362	3 502	-	-
	Less current portion	(2 547)	(1 369)	-	-
	Non-current portion	**2 815**	**2 133**	**-**	**-**
	The instalment sale agreements are secured by a cession on mobile equipment and transport vehicles, held by Delf Sand (Proprietary) Limited. The instalment sale agreements are for Delf Sand (Proprietary) Limited mobile equipment and transport vehicles (see note 2). The instalment sale agreements are payable in monthly instalments to the value of R164,347, with an interest rate of 13.5% per annum over periods between 48 - 54 months.				
13.4	Stannic a division of Standard Bank of South Africa Limited (secured)	799	1 215	-	-
	Less current portion	(406)	(435)	-	-
	Non-current portion	**393**	**780**	**-**	**-**
	The instalment sale agreements are secured by a cession on mobile equipment and transport vehicles, held by Delf Sand (Proprietary) Limited. The instalment sale agreements are for Delf Sand (Proprietary) Limited mobile equipment and transport vehicles (see note 2). The instalment sale agreements are payable in monthly instalments to the value of R59,462, with interest rates ranging between 12.7 - 14.3% per annum over periods between 48 - 54 months.				
13.5	Wesbank a division of FirstRand Bank Limited (secured)	-	127	-	-
	Less current portion	-	(87)	-	-
	Non-current portion	**-**	**40**	**-**	**-**
	The instalment sale agreements are secured by a cession on mobile equipment and transport vehicles, held by Infrabric (Proprietary) Limited. The instalment sale agreements are for Infrabric (Proprietary) Limited mobile equipment and transport vehicles (see note 2). The instalment sale agreements are payable in monthly instalments to the value of R20,506, with interest rates ranging between 10.5 - 14.5% per annum over periods between 48 - 54 months.				

Notes		Group 2009 R000's	Group 2008 R000's	Company 2009 R000's	Company 2008 R000's
13.	**Borrowings *(continued)***				
13.6	Nedbank Limited (secured)	1 664	4 321	-	-
	Less current portion	(1 075)	(1 514)	-	-
	Non-current portion	**589**	**2 807**	**-**	**-**
	The instalment sale agreements are secured by a cession on mobile equipment and transport vehicles, held by Infrabric (Proprietary) Limited. The instalment sale agreements are for Infrabric (Proprietary) Limited mobile equipment and transport vehicles (see note 2). The instalment sale agreements are payable in monthly instalments to the value of R167,442, with interest rates ranging between of 13.5 - 14.5% per annum over periods between 48 - 54 months.				
13.7	ABSA Bank Notarial bond (secured)	95 840	-	95 840	-
	Less current portion	(9 271)	-	(9 271)	-
	Non-current portion	**86 569**	**-**	**86 569**	**-**
	The Company entered into an agreement with ABSA Bank Limited to secure loan facilities of R100 million. The facilities are secured over freehold land and cession of Group bank account. The facilities were arranged to fund capital expenditure and working capital requirements to support growth and expansion of the Group's mining and operating activities.				
	Property held in the subsidiaries Delf Sand (Proprietary) Limited and Lyttelton Dolomite (Proprietary) Limited was provided as security and the facility accrues interest at an effective interest rate of prime less 2 %. The terms of the bond are fixed with bi-annual capital and interest re-payments over a period of 60 months. Interest is accrued monthly.				
13.8	ABSA Bank of South Africa (secured)	144	-	-	-
	Less current portion	(60)	-	-	-
	Non-current portion	**84**	**-**	**-**	**-**
	The instalment sale agreement is secured by a cession on transport vehicles held by Lyttelton Dolomite (Proprietary) Limited. The instalment sale agreement is held for Lyttelton Dolomite (Proprietary) Limited and transport vehicles (see note 2). The instalment sale agreements are payable in monthly instalments to the value of R6 466 with interest rates of prime +0.5%, over 30 months.				

Notes		Group 2009 R000's	Group 2008 R000's	Company 2009 R000's	Company 2008 R000's
13.	**Borrowings *(continued)***				
13.9	Wesbank, a division of First Rand Bank Limited (secured)	3 430	-	-	-
	Less current portion	(735)	-	-	-
	Non-current portion	**2 695**	**-**	**-**	**-**
	The instalment sale agreements are secured by a cession on mobile equipment held by Lyttelton Dolomite (Proprietary) Limited. The instalment sale agreements are for Lyttelton Dolomite (Proprietary) Limited mobile equipment (see note 2). The instalment sale agreements are payable in monthly instalments to the value of R97 641, with interest rates of prime less 1% per annum over 48 months.				
13.10	Imperial Bank Limited	629	-	-	-
	Less current portion	(256)	-	-	-
	Non-current portion	**373**	**-**	**-**	**-**
	The instalment sale agreements are secured by a cession on mobile equipment, held by Infrabric (Proprietary) Limited. The instalment sale agreements are for Infrabric (Proprietary) Limited mobile equipment (see note 2). The instalment sale agreements are payable in monthly instalments to the value of R27 555, with interest rates of prime plus 0.25% per annum over 36 months.				
13.11	ABSA Bank Notarial bond (secured)	4 315	-	-	-
	Less current portion	(849)	-	-	-
	Non-current portion	**3 466**	**-**	**-**	**-**
	The facilities are secured over freehold land and cession of Group bank account. The facilities were arranged to fund capital expenditure and working capital requirements to support growth and expansion of the Group's mining and operating activities.				
	Property held in the subsidiaries Delf Sand (Proprietary) Limited and Lyttelton Dolomite (Proprietary) Limited was provided as security and the facility accrues interest at an effective interest rate of prime rate. The instalments are payable monthly to the value of R115 917, payable over 60 months.				
	Total book value of assets ceded in respect of instalment sales	34 802	26 695	-	-
	Total book value of assets ceded in respect of notarial bonds	152 423	152 423	-	-

Borrowing powers

The articles of Infrasors Holdings Limited and its subsidiary companies provide no limitation on the borrowing powers of the Directors, accordingly the borrowings set out above comply with Articles of Association of respective companies.

Notes		Group 2009 R000's	Group 2008 R000's	Company 2009 R000's	Company 2008 R000's
14.	**Environmental rehabilitation provision**				
	Environmental rehabilitation provision at beginning of period	14 105	-	-	-
	Acquisition of subsidiaries	-	15 510	-	-
	Released to the income statement during the year				
	- change in estimate due to life of mine changes	(144)	(1 474)	-	-
	Charged to the income statement during the year			-	
	- notional interest	69	69	-	-
	Environmental rehabilitation provision at the end of the year	**14 030**	**14 105**	**-**	**-**

The environmental provisions are based on management's best estimate of all known obligations. It is however, reasonable to expect changes in the ultimate rehabilitation costs as a result of changes in regulations or cost estimates. Cost estimates are not reduced by potential proceeds from the sale of assets and from future clean-up in view of uncertainty in estimating those proceeds. Other environmental liabilities not directly relating to the rehabilitation are expensed as incurred. The liability is secured by guarantees of R15.3 million (refer note 30) and environmental insurance policy investments held in Infrasors Environmental Rehabilitation Trust of R4.6 million (refer note 6).

The change in the accounting estimate resulted from the increase in the life of mine of the Lyttelton mining operations as calculated by the Competent Persons Report, and change in mining techniques to lengthen the life of mine.

Notes		Group 2009 R000's	Group 2008 R000's	Company 2009 R000's	Company 2008 R000's
	The rehabilitation provision consists of:				
	Decommissioning assets	1 170	1 168	-	-
	Restoration cost	12 860	12 937	-	-
		14 030	**14 105**	**-**	**-**
	Assumptions used in determining the environmental rehabilitation provision				
	Annual inflation rate used	8.20%	8.50%	-	-
	Pre-tax risk-free rate for discounting	8.50%	9.21%	-	-
	Discount periods	11 to 37 years	11 to 30 years	-	-
15.	**Trade and other payables**				
	Trade payables	26 941	26 959	702	1 304
	Vat Control	1 004	-	308	-
	Lyttelton Dolomite (Proprietary) Limited	-	-	3 577	-
	Other accruals	1 105	-	1 005	-
	Leave pay provisions	1 554	1 095	383	267
	Bonus provisions	456	398	83	88
		31 060	**28 452**	**6 058**	**1 659**

Trade payables consist of purchases from suppliers at terms: 30-days from statement date. Interest is charged on overdue accounts at an interest rate linked to the prime bank rate.

Due to the short-term nature of the group's trade and other payables, the cost approximates its fair value.

Notes		Balance at 1 March 2008 R000's	Provisions raised during the year R000's	Provisions utilised during the year R000's	Total provisions at 28 February 2009 R000's
15.	**Trade and other payables *(continued)***				
	Movement in provisions (Group)				
	Leave pay provisions	1 095	1 549	(1 090)	1 554
	Bonus provisions	398	456	(398)	456
		1 493	**2 005**	**(1 488)**	**2 010**
	Movement in provisions (Company)				
	Leave pay provisions	267	376	(260)	383
	Bonus provisions	88	83	(88)	83
		355	**459**	**(348)**	**466**

		Group 2009 R000's	Group 2008 R000's	Company 2009 R000's	Company 2008 R000's
16.	**Vendor liabilities**				
	Delf vendors	-	46 000	-	46 000
	Lyttelton vendors	-	20 000	-	20 000
	Infrabric vendors	-	6 587	-	-
		-	**72 587**	**-**	**66 000**
	The vendor liabilities, settled in the year under review, were in respect of the remaining purchase consideration then due to the Lyttelton, Delf and Infrabric vendors. The Lyttelton and Delf vendor loans were paid, but the Infrabric loan was no longer due and payable as the performance warranties were not met.				
17.	**Turnover**				
	Local sales	239 717	237 027	7 400	21 300
	Revenue	**250 328**	**245 590**	**39 603**	**29 782**
	Turnover	239 717	237 027	7 400	21 300
	Interest received	10 243	7 911	10 903	8 482
	Other income	**368**	**652**	**21 300**	**-**
	Rental income	276	272	-	-
	Dividends received	-	-	21 300	-
	Other	92	380	-	-

18.	**Operating profit**				
	Includes:				
	• Depreciation	(7 955)	(5 157)	(219)	(25)
	- Buildings, foundations and civils	(312)	(349)	-	-
	- Plant and equipment	(7 065)	(4 726)	(24)	(8)
	- Computer equipment and software	(418)	(64)	(51)	(12)
	- Furniture, fittings and office equipment	(59)	(14)	(43)	(1)
	- Leasehold improvements	(101)	(4)	(101)	(4)
	Impairment of mineral assets and mine development cost	(1 446)	-	(306)	-
	• Auditors' remuneration				
	- Audit fees	(754)	(400)	(214)	(40)
	- Audit fees (prior year under provision)	(490)	-	-	-
	• Operating lease payments	(1 061)	(1 109)	(488)	(110)
	• Rental income received	276	272	-	-
	• Directors' emoluments	(11 669)	(12 799)	(3 658)	(3 493)
	- Directors' remuneration	(11 339)	(12 746)	(3 328)	(3 440)
	- for services as Director	(330)	(53)	(330)	(53)
	• directly attributable costs capitalised	1 129	2 521	829	1 623
	- Postmasburg project	-	606	-	606
	- Pienaarspoort project	829	1 017	829	1 017
	- Infrabric plant installation	-	540	-	-
	- Delf plant extension	-	58	-	-
	- Lyttelton Pluto plant installation	300	300	-	-
	Net Directors emoluments	(10 540)	(10 278)	(2 829)	(1 870)
	Employee costs	(46 825)	(39 021)	(6 085)	(2 617)
	• Salaries and wages attributable to cost of sales	(30 897)	(25 316)	-	-
	• Operations salaries and wages	(4 337)	(2 727)	(3 256)	(800)
	• Directors' remuneration	(11 669)	(12 799)	(3 658)	(3 440)
	• Post employment benefits	(1 051)	(700)	-	-
	• Capitalised remuneration	1 129	2 521	829	1 623
	Profit on sale of assets	92	15	-	-
	Purchase price allocation excess over net asset values acquired (Refer note 25.3)	-	41 519	-	-
	Management fee from subsidiaries	-	-	7 400	10 500
	Fair value adjustment on financial assets and liabilities	3 027	-	3 027	-

Notes		Group 2009 R000's	Group 2008 R000's	Company 2009 R000's	Company 2008 R000's
19.	**Net finance income**				
	Finance income	**10 243**	**7 911**	**10 903**	**8 482**
	Interest received - Infrasors Empowerment Trust	6 038	4 243	6 038	4 243
	Interest received - Infrabric (Proprietary) Limited	-	-	1 093	1 748
	Interest received - Delf Sand (Proprietary) Limited	-	-	685	-
	Interest received - Bank institutions	4 136	3 599	3 087	2 491
	Interest received - Notional interest	69	69	-	-
	Finance costs	**(9 987)**	**(5 194)**	**(7 893)**	**(2 879)**
	Financial instruments				
	Interest paid - financial institutions	(9 866)	(2 336)	(7 893)	(21)
	Other financial liabilities				
	Interest paid - SARS	(121)	-	-	-
	Interest paid - vendor loans	-	(2 858)	-	(2 858)
	Net finance income	**256**	**2 717**	**3 010**	**5 603**
20.	**Income tax expense**				
	South African normal tax expense				
	- Current year	(187)	(14 229)	-	(3 669)
	- Prior year	2 733	-	2 411	-
	- Secondary Tax on Companies	(2 135)	-	(5)	-
	Deferred tax expense				
	- Origination and reversal of temporary differences	(9 322)	(2 956)	48	124
		(8 911)	**(17 185)**	**2 454**	**(3 545)**
	Reconciliation of tax rate	**%**	**%**	**%**	**%**
	Standard tax rate	28.0	29.0	28.0	29.0
	Non-deductable expenses	0.2	1.4	-	-
	Deductable expenses capitalised	(0.8)	(2.6)	(6.3)	(13.6)
	Secondary tax on companies	5.5	-	-	-
	Capital allowances	(1.1)	(4.0)	-	-
	Change in tax rate	-	0.5	-	-
	Prior year over-provision	(6.7)	-	(5.2)	-
	Tax exempt revenues	(2.2)	(10.0)	(25.8)	-
	Tax as a percentage of profit before tax	22.9	14.3	(9.3)	15.4
21.	**Dividends**				
	Final dividend no. 1 was paid on 2 June 2008 : 12 cents per share				
	Dividend attributable to treasury shares	-	-	132	-
	Dividends attributable to external shareholders	21 208	-	21 208	-
	Paid to Infrasors Holdings Limited shareholders	**21 208**	**-**	**21 340**	**-**

The Directors have elected not to declare a dividend for the period under review in view of the current economic climate and the need for prudent capital preservation policies.

Notes		2009 Cents	2009 R000's	2008 Cents	2008 R000's
22.	**Basic earnings per share**				
	Weighted average number of shares in issue (000's)		*177 131*		*138 649*
	Basic earnings		30 078		103 312
	Earnings per share	**17.0**		**74.5**	
	Earnings per share is based on the Group's profit divided by the weighted average number of shares in issue				
	Diluted earnings	**17.0**		**74.5**	
	There have been no dilutive effects during the year, thus the diluted earnings per share are equal to the basic earnings per share.				
23.	**Headline earnings reconciliation**				
	Basic earnings		30 078		103 312
	Adjusted for the following:				
	Purchase price allocation excess over net asset values acquired		-		(41 519)
	Profit on disposal of property, plant and equipment		(92)		(16)
	Impairment provided for mineral and mine development costs		1 446		-
	Gross re-measurements excluded from headline earnings		1 354		(41 535)
	Taxation charge on disposal of property, plant and equipment		26		5
	Taxation charge on impairment provided for mineral and mine development costs		(405)		-
			(379)		(5)
	Net re-measurements excluded from headline earnings		**975**		**(41 530)**
	Headline earnings		**31 053**		**61 782**
	Headline earnings per share	**17.5**		**44.6**	
	Headline earnings per share is based on the Group's headline earnings divided by the weighted average number of shares in issue during the 12 month period.				
	Diluted headline earnings per share	**17.5**		**44.6**	
	There have been no dilutive effects during the year, thus the diluted headline earnings per share are equal to the headline earnings per share. There are no factors at this reporting period which require the disclosure or calculation of diluted earnings per share.				
24.	**Net asset value ("NAV") per share**				
	Ordinary share capital and reserves		359 631		355 527
	Total number of shares in issue (net of treasury shares - 4 854 727) (000's)		172 985		177 590
	NAV per share	207.9		200.2	
	Intangible assets (mineral rights and goodwill)		(89 449)		(89 449)
	Tangible net asset value ("TNAV")		270 182		266 078
	TNAV per share	156.2		149.8	

Notes		Group 2009 R000's	Group 2008 R000's	Company 2009 R000's	Company 2008 R000's
25.	**Notes to the cashflow statement**				
25.1	**Cash generated from operations**				
	Profit before taxation	38 989	120 497	26 375	23 035
	Adjustments for				
	- depreciation	7 955	5 157	219	25
	- impairment	1 446	-	306	-
	- notional interest	(69)	(69)	-	-
	- interest paid	9 987	5 194	7 893	2 879
	- interest received	(10 174)	(7 842)	(10 903)	(8 482)
	- dividends received	-	-	(21 300)	-
	- profit on sale of property, plant and equipment	(92)	(15)	-	-
	- change in rehabilitation estimate	(75)	(1 405)	-	-
	- contribution to rehabilitation fund	-	(1 114)	-	-
	- change in current provisions	517	176	111	-
	- movement in other financial assets	(4 243)	4 243	(4 243)	4 243
	- purchase price allocation excess over net asset values acquired	-	(41 519)		-
	Operating cashflow before changes in working capital	**44 241**	**83 303**	**(1 542)**	**21 700**
	(Increase)/decrease in trade and other receivables	12 194	(24 417)	15 712	(19 781)
	Increase in inventory	(1 496)	(8 517)	(2 227)	(2 919)
	Increase in trade and other payables	2 162	4 830	711	1 658
		57 101	**55 199**	**12 654**	**658**
25.2	**Taxation paid**				
	Amount outstanding at beginning of year	(10 336)	-	(3 667)	-
	Acquisition of subsidiaries	-	(7 070)	-	-
	Income statement accrued	2 546	(14 229)	2 411	(3 667)
	Secondary tax on companies paid	(2 135)	-	(5)	-
	Amount outstanding at year end	(797)	10 336	1 256	3 667
		(10 722)	**(10 963)**	**(5)**	**-**

Group

2008

25.3 Acquisition of subsidiary companies net of cash acquired [only applicable to F2008]

On 15 March 2007 the Group acquired 100% of the issued capital of the Lyttelton Group, consisting of Lyttelton Dolomite (Proprietary) Limited and Lyttelton Dolomite Rehabilitation Trust.

On 16 March 2007 the Group acquired 100% of the issued capital of the Delf Group, consisting of Delf Sand (Proprietary) Limited, Delf Security (Proprietary) Limited, Delf Dredging (Proprietary) Limited and Pienaarspoort Ontwikkeling (Proprietary) Limited.

On 23 April 2007 the Group acquired 100% of the issued capital of the subsidiary Infrabric (Proprietary) Limited. Infrabric acquired the business as a going concern and certain business assets of K&F Bricks from Blazecor 10 Close Corporation.

The details of the acquisitions were as follows:

Notes		Delf Group R000'S	Lyttelton Group R000'S	Infrabric R000'S	Total R000'S
25.	**Notes to the cashflow statement *(continued)***				
	Carrying value of assets acquired:				
	Property, plant and equipment	(69 027)	(153 028)	(18 283)	(240 338)
	Inventory	(265)	(4 551)	(1 413)	(6 229)
	Investments	-	(3 150)	-	(3 150)
	Trade and other receivables	(10 915)	(18 359)	-	(29 274)
	Loans payable	(5 521)	-	-	(5 521)
	Mineral rights	(72 500)	-	-	(72 500)
	Borrowings	12 738	-	6 096	18 834
	Trade and other payables	3 301	18 316	1 830	23 447
	Deferred tax	7 448	24 559	-	32 007
	Taxation payable	3 373	3 697	-	7 070
	Environment rehabilitation provision	1 295	14 215	-	15 510
	Fair value of assets acquired	(130 073)	(118 301)	(11 770)	(260 144)
	Goodwill on acquisitions	-	41 519	(16 949)	24 570
	Purchase price	128 000	81 000	28 719	237 719
	Net (bank overdraft)/cash acquired	**(2 073)**	**4 218**	**-**	**2 145**
	Purchase price	128 000	81 000	28 719	237 719
	Less purchase consideration not yet paid	(46 000)	(20 000)	(6 586)	(72 586)
	Net bank overdraft/(cash acquired)	2 073	(4 218)	-	(2 145)
	Acquisition of subsidiary companies net of cash acquired	**84 073**	**56 782**	**22 133**	**162 988**
	Profit before tax contributed since acquisition during the year	**35 290**	**24 913**	**3 090**	**63 293**

		Company 2008 R000'S
	Acquisition of Delf Group	128 000
	Acquisition of Lyttelton Group	81 000
	Total shares acquired at cost (refer note 5)	**209 000**
	Delf Group consideration not paid	(46 000)
	Lyttelton Group consideration not paid	(20 000)
		143 000

Notes		Group 2009 R000's	Group 2008 R000's	Company 2009 R000's	Company 2008 R000's
25.	**Notes to the cashflow statement (continued)**				
25.4	**Net proceeds on issue of shares**				
	Issue of shares	-	650	-	650
	Private placement of shares	-	263 117	-	263 117
	Less treasury shares buy back	(4 500)	(742)	-	-
	Less listing expenses written off	-	(10 810)	-	(10 810)
		(4 500)	**252 215**	**-**	**252 957**
25.5	**Increase in loans payable**				
	Increase in other liabilities payable	**263**	**267**	**3 577**	**-**
25.6	**Changes in borrowings**				
	Opening balance of borrowings (refer note 13)	(14 629)	-	-	-
	Borrowings obtained in acquisition of subsidiaries (refer note 25.3)	-	(18 834)	-	-
	Closing balance of borrowings (refer note 13)	115 976	14 629	95 840	-
	Capital payments and receipts on interest bearing borrowings	**101 347**	**(4 205)**	**95 840**	**-**
26.	**Post balance sheet events**				
	Other than as disclosed in the Directors report on page 15, no further reportable post balance sheet events occurred within the Group				

		Group 2009 R000's	Group 2008 R000's
27.	**Related party transactions**		
27.1	**Transactions with Group entities**		
	Purchases from subsidiary companies		
	Purchases from related parties are consistent with those prices and terms entered into with third parties	4 330	-
	Management fees paid to Infrasors Holdings Limited	7 440	10 500
	Management fees were paid for services rendered in the areas of administration and technical advice, based on the apportioned time spent		
	Interest paid by subsidiary companies to Infrasors Holdings Limited	1 778	1 748
	Interest rate linked to prime bank rate of 14%		
	Contributions made to Infrasors Environmental Rehabilitation Trust	852	1 020
	Dividends received by subsidiary company on treasury shares held	132	-

Notes		Group 2009 R000's	Group 2008 R000's
27.	**Related party transactions *(continued)***		
27.2	**Other transactions with related parties**		
	Rent paid	475	110

Infrasors leases its head office located at Resource House, Three Seasons Office Park 7 Spring Street, Rivonia from Whirlprops 35 (Proprietary) Limited, a company controlled by a director, HS Courtney. The existing lease contract as referred to in the pre-listing statement of 19 July 2007 has been amended to the square meterage occupied 800m^2, leased at a rate of R90 per m^2 (F2008: R82 per m^2) (with an annual escalation of 10%). The amended lease expires on 31 August 2012 and Infrasors has an option to renew it to 31 August 2017 (5 years). The rental charged is arms length and market related, and was determined by an independent expert third party.

Other than as disclosed above there were no significant transactions with related parties.

28. Risk management

Financial risk management aims to limit risks through ongoing operational and finance activities. The Board assesses and manages the Group's financial risk throughout the year. Certain transactions require the prior approval of the Board, and comprehensive monthly financial reports are circulated to the executive Directors for scrutiny.

28.1 Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debt, which includes borrowings disclosed in note 13, cash and cash equivalents and equity holders of the holding company, comprising issued capital, reserves and retained earnings as disclosed in notes 11 and 12 respectively.

28.2 Liquidity risk

The Group's risk to liquidity is a result of funds available to cover future commitments. The Group manages liquidity risk through continuously monitoring the present and future cash flow requirements and maintaining adequate overdraft and borrowing facilities. The risk on the Group's liquid funds, cash equivalents and short-term investments is limited because the counterparties are banks with high credit ratings. The following tables details the Group's remaining contractual maturity for its financial liabilities which are included in the maturity analysis provided internally for the purpose of managing liquidity risk.

2009 Liability repayments	Weighted average interest rate	< 1 year R000's	1 - 5 years R000's	5+ years R000's	Total R000's
Borrowings	14.50%	17 167	68 809	30 000	115 976
Trade and other payables	-	27 292	-	-	27 292
Total liabilities		**44 459**	**68 809**	**30 000**	**143 268**

2008 Liability repayments	Weighted average interest rate	< 1 year R000's	1 - 5 years R000's	5+ years R000's	Total R000's
Borrowings	15.50%	5 382	9 247	-	14 629
Trade and other payables	-	26 959	-	-	26 959
Vendor liabilities	-	72 587	-	-	72 587
Total liabilities		**104 928**	**9 247**	**-**	**114 175**

28. Risk management *(continued)*

28.3 Interest rate risk

Deposits attract interest at rates that vary with prime. The Group policy is to manage interest rate risk so that fluctuations in variable rates do not have a material impact on profit or loss.

At this reporting date, Infrasors had no material exposure to interest rate risk other than that as disclosed in note 13 and has no interest rate derivative contracts.

The interest rate sensitivity analysis below has been determined based on the exposure to interest rates for financial instruments at the balance sheet date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year. A 50 basis point (F2008: 50 basis point) increase or decrease is used when reporting interest rate risk internally to key management and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended 28 February 2009 would (decrease)/increase by (R0,344)/R0,341 million [F2008: (R2,984 million)/R2,451 million] before tax. This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

28.4 Credit risk

Credit risk refers to the risk that a counter-party will default on its contractual obligations resulting in financial loss to the company. The Group is exposed to credit risk from its operating activities and certain finance activities. With regard to financing activities, transactions are only conducted with counterparties who have a high quality credit standing. At the level of operations, the granting of credit is made on application and is approved by the management. Outstanding debts are continuously monitored, and credit risks are taken into account through allowances.

At the reporting date there were no financial guarantees for third party obligations that increase credit risk.

Trade receivables consist of a large number of customers, spread across diverse industries, in the Gauteng region. Ongoing credit valuation is performed on the financial condition of accounts receivable.

The Group does not have any significant credit risk exposure to any single counterparty. At the balance sheet date, the Group had no significant concentration of credit risk.

28.5 Foreign currency risk

Foreign currency risk for the Group represents the risk of adverse changes in foreign currency exchange rates due to the variability of the foreign currency exchange rates of mainly the US Dollar and Euro and the South African Rand which will affect the value of the Group's assets, liabilities and foreign transactions. The Board is responsible for setting the foreign currency risk management strategies.

The Group had no foreign currency denominated trade payables or receivables at 28 February 2009 (F2008: R0).

28.6 Fair value of financial instruments

The fair values of all financial assets and financial liabilities are determined as follows:
- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices; and
- the fair value of other financial assets and financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

		2009		2008	
		Carrying amount R000's	Fair value R000's	Carrying amount R000's	Fair value R000's
28.	**Risk management *(continued)***				
	Interest bearing borrowings	(115 976)	(115 976)	(14 629)	(14 629)
	Vendor liabilities	-	-	(72 587)	(72 587)
	Trade and other payables	(27 292)	(27 292)	(26 959)	(26 959)
	Loans receivable	64 273	64 273	58 243	58 243
	Environmental insurance policies	4 607	4 607	4 286	4 286
	Trade and other receivables	42 310	42 310	47 455	47 455

Notes		Group 2009 R000's	Group 2008 R000's	Company 2009 R000's	Company 2008 R000's
29.	**Commitments**				
29.1	**Capital commitments authorised**				
	- contracted for	-	-	-	-
	- not contracted for	-	235	-	235
		-	**235**	**-**	**235**
30.	**Contingent liabilities**				
	Guarantees				
	• Guarantees for Chevron South Africa (Proprietary) Limited by financial institutions on behalf of Lyttelton Dolomite (Proprietary) Limited.	1 250	-	-	-
	• Guarantees for the environmental rehabilitation made to the DME by financial institutions on behalf of the subsidiary company Lyttelton Dolomite (Proprietary) Limited.	9 300	8 000	-	-
	• Guarantees for the environmental rehabilitation made to the DME by financial institutions on behalf of the subsidiary company Delf Sand (Proprietary) Limited.	3 000	-	-	-
	• Guarantees for the environmental rehabilitation made to the DME by financial institutions on behalf of the subsidiary company Pienaarspoort Ontwikkeling (Proprietary) Limited.	3 000	-	-	-
	The guarantees for the environmental rehabilitation is required in order to ensure finance is available to rehabilitate the environment after completion of mining activities at the various mining sites.				
	• Guarantees were provided on behalf of the subsidiary Delf Sand (Proprietary) Limited to a variety of suppliers including: Eskom; City of Tshwane Metropolitan Municipality; Ehlers Incorporated, and Johnson and Botha Incorporated. No security was provided on the guarantees issued by ABSA Bank on an authorised bank overdraft, which is currently unutilised. The bank overdraft facility available is to the value of R3,2 million (F2008: R3,2 million).	91	1 653	-	-

Notes		Group 2009 R000's	Group 2008 R000's	Company 2009 R000's	Company 2008 R000's
31.	**Operating lease commitments**				
	• 12 months	1 161	1 288	846	945
	• 2 to 5 years	3 369	4 390	3 369	4 005
	• 5 years +	-	-	-	-
	Total operating lease commitments	**4 530**	**5 678**	**4 215**	**4 950**
	The operating lease commitments reflect non-cancellable operating lease rentals.				
	The company leases office space (refer note 27.2).				
	Infrabric (Proprietary) Limited leases property on which the brick plant is erected. The lease is valid until 31 December 2009, with an option to extend the lease for a further 4 years. The lease payments escalate at 8% per year.				
32.	**Instalment sale commitments**				
	• 12 months	7 047	5 382	-	-
	• 2 to 5 years	8 774	9 247	-	-
	• 5 years +	-	-	-	-
	Total instalment sale commitments	**15 821**	**14 629**	**-**	**-**
	The instalment sale commitments relate to mobile equipment and transport vehicles acquired by Delf and Infrabric. (Refer note 13)				
33.	**Notarial bond commitments**				
	• 12 months	10 120	-	9 271	-
	• 2 to 5 years	60 035	-	56 569	-
	• 5 years +	30 000	-	30 000	-
	Total notarial bond commitments	**100 155**	**-**	**95 840**	**-**
	The notarial bond commitment relate to loans acquired by Infrabric (Proprietary) Limited and Infrasors Holdings Limited (Refer note 13).				

segmented consolidated financial results

The Group has adopted IFRS 8, Operating Segments which requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by management in order to allocate resources to the segment and to assess its performance.

Segment information reported externally is focused on the category of customer for type of product. The principal categories for these products are direct sales to major customers and retail outlets. The Group's reportable segments under IFRS 8 are therefore as follows:

Sand	• Direct sales
Aggregate	• Direct sales
Bricks	• Direct sales
Other	• Management services within the group

Information regarding the Group's reportable segments is presented below:

2009	Sand	Aggregate	Bricks	Other	Total
Turnover from external customers	90 733	116 485	32 499	-	**239 717**
Inter-company revenues	-	-	-	7 400	**7 400**
Interest revenue	457	653	-	9 133	**10 243**
Interest expense	2 303	144	1 423	6 117	**9 987**
Depreciation	3 679	2 606	1 451	219	**7 955**
Net profit before tax	22 332	19 127	4 196	(6 666)	**38 989**
Additions to non-current assets	29 900	11 530	2 532	1 658	**45 620**
Assets	208 471	198 720	43 459	115 492	**566 142**
Liabilities	33 066	64 248	9 622	99 575	**206 511**
2008					
Turnover from external customers	87 004	115 495	23 728	10 800	**237 027**
Inter-company revenues	-	-	-	10 500	**10 500**
Interest revenue	490	659	25	6 737	**7 911**
Interest expense	1 568	-	686	2 940	**5 194**
Depreciation	2 242	1 540	1 350	25	**5 157**
Net profit before tax	36 359	28 703	3 751	51 684	**120 497**
Additions to non-current assets	83 544	154 520	22 234	577	**260 875**
Assets	182 752	193 991	45 728	110 595	**533 066**
Liabilities	32 437	47 725	15 393	81 984	**177 539**

annexure A subsidiary companies and associate

Details of Infrasors' subsidiary and investment companies are set out below. All subsidiaries are 100% held.

Name and registration number	Date and place of incorporation and length of time during which business has been carried out	Issued ordinary share capital	Main business	Date of becoming a subsidiary/associate
Delf Group				
Delf Sand (Proprietary) Limited 1998/018044/07	10 September 1998 South Africa 10 years	100 ordinary shares of R1 each	Mining, milling and beneficiation of sand and silica products.	16 March 2007
Pienaarspoort Ontwikkeling (Proprietary) Limited 1993/004118/07	22 July 1993 South Africa 15 years	100 ordinary shares of R1 each	Mining, exploration, proposed future blasting, crushing, milling and beneficiation of silica flint products.	16 March 2007
Delf Silica (Proprietary) Limited 1998/013868/07	Dormant	900 ordinary shares of R1 each	Sales of silica products	16 March 2007
Delf Dredging (Proprietary) Limited 2007/019763/07	13 July 2007 South Africa 3 years	100 ordinary shares of R1 each	Mining activities	16 March 2007
Delf Security (Proprietary) Limited 2004/007731/07	19 March 2004 South Africa 5 years	100 ordinary shares of R1 each	Security procurement company	16 March 2007
Lyttelton Group				
Lyttelton Dolomite (Proprietary) Limited 1998/005918/07	26 March 1998 South Africa 10 years	100 ordinary shares of R1 each	Mining and beneficiation activities, supplying aggregate and metallurgical dolomite.	15 March 2007
Infrasors Environmental Rehabilitation Trust IT3148/99	17 March 1999 South Africa 10 years	R100 Trust capital	Environmental rehabilitation Trust	15 March 2007

Name and registration number	Date and place of incorporation and length of time during which business has been carried out	Issued ordinary share capital	Main business	Date of becoming a subsidiary/associate
Other subsidiaries				
Infrabric (Proprietary) Limited 1998/011330/07	12 June 1998 South Africa (acquired the business assets with effect 28 February 2007)	100 ordinary shares of R1 each	Manufacturing and supplying cement bricks	23 April 2007
Infrasors Management Services (Proprietary) Limited 1999/004612/07	4 March 1999 South Africa 9 years	100 ordinary shares of R1 each	Management services	1 March 2007
Associate				
Inframin Southern Mining Projects Limited 1464259	British Virgin Islands 1 year	100 ordinary shares of US $10 000 each	Mining exploration	1 March 2008

Aggregated profit or loss of subsidiary companies R46.7 million (2008: R90.4 million)

annexure B shareholder information and analysis

as at 28 february 2009

Shareholders diary	
Financial year end	28 February 2009
Annual financial statements issued	26 August 2009
Annual general meeting	16 October 2009
Interim financial results (on or about)	15 November 2009

Detailed below is an analysis of the distribution and ownership of Infrasors' issued share capital as at 28 February 2009 showing the number of shareholders, the shareholder spread, and major shareholders - defined as those holding more than 5% of the issued capital:

	No. of shares
Shares held externally as at 28 February 2009	172 984 764
Treasury shares	4 854 727
Balance per the share register as at 28 February 2009	**177 839 491**

Shareholder spread	Number of shareholders	% of shareholders	Number of shares	% of issued shares
1-500	22	2.60	7 384	0.00
501-1 000	16	1.89	14 232	0.01
1 001-5 000	156	18.42	537 273	0.30
5 001-10 000	276	32.59	2 489 968	1.40
10 001-50 000	277	32.70	6 370 407	3.58
50 001-100 000	40	4.72	2 957 170	1.67
100 001 shares and over	60	7.08	165 463 057	93.04
	847	**100.00**	**177 839 491**	**100.00**
Distribution of shareholders				
Individuals	818	96.58	73 266 794	41.20
Non-resident	1	0.12	45 016 000	25.31
Unit trusts	3	0.35	1 616 565	0.91
Other	1	0.12	537 624	0.30
Pension funds	3	0.35	880 000	0.49
Insurance companies	1	0.12	158 922	0.09
Private and public companies	20	2.36	56 363 586	31.70
	847	**100.00**	**177 839 491**	**100.00**

Category	Number of shareholders	% of shareholders	Number of shares	% of issued shares
Shareholder spread				
Public	833	98.35	51 847 692	29.15
Non-public	14	1.65	125 991 799	70.85
Directors of the company and its subsidiaries	8	0.94	24 895 324	14.00
Treasury shares held by subsidiary	1	0.12	4 854 727	2.73
Senior management and employees	2	0.24	2 900 400	1.63
Shareholders with an interest of 10% or more in the company	3	0.35	93 341 348	52.49
	847	**100.0**	**177 839 491**	**100.0**
Major shareholders			**Number of shares**	**%**
Shareholders with a beneficial interest in excess of 5%				
SIS Segaintersettle AG			45 016 000	25.31
Infrasors Empowerment Trust			24 325 348	13.68
Lereko Investments (Proprietary) Limited			24 000 000	13.50
RMB Securities (Proprietary) Limited			14 327 147	8.06
			107 668 495	**60.55**

notice of the annual general meeting

Notice is hereby given that the Annual General Meeting of members of Infrasors Holdings Limited ("Infrasors") will be held at Sasfin, Sasfin Place, 29 Scott Street, Waverley, on Friday 16 October 2009 at 09:30 to consider the following business:

Ordinary resolutions

1. **Approval of the annual financial statements**
   To receive the audited financial statements of Infrasors Holdings Limited for the year ended 28 February 2009 together with the reports of the directors and the auditors of Infrasors Holdings Limited.
2. **Directors' remuneration paid**
   To approve the remuneration report of Infrasors Holdings Limited for the year ended 28 February 2009.
3. **Ratification of actions of board of Directors**
   To ratify and confirm the actions of all persons who held office as members of the Board of Directors of Infrasors during the year ended 28 February 2009 in so far as such actions had any bearing on the affairs of Infrasors.
4. **Re-election of Directors**
   To re-elect Messers Popo Molefe and Chris Boulle as non-executive directors of Infrasors Holdings Limited in accordance with the provisions of the Articles of Association of Infrasors Holdings Limited.
5. **Reappointment and remuneration of auditors**
   To reappoint Mazars Moores Rowland as auditors and Mark Snow as the individual designated auditor of the company until the conclusion of the following annual general meeting, and to authorise the audit committee and directors to determine their remuneration for the past year.
6. **Placing authorised but unissued share capital under the control of the Directors**
   Resolved that the unissued ordinary shares in the capital of the Company be and are hereby placed under the control of the directors until the next annual general meeting and that they are hereby authorised to issue any such shares as they may deem fit in accordance with the provisions of the Companies Act, 1973 (Act 61 of 1973), as amended, the articles of association of the Company, and the JSE Limited ("JSE") Listings Requirements."
7. **General authority to issue shares for cash**
   Resolved that, subject to not less than 75% of those shareholders of the Company present in person or represented by proxy and entitled to vote at the annual general meeting at which this resolution is proposed, voting in favour of this resolution, the directors of the Company be and are hereby authorised and empowered, by way of a general authority, to allot and issue for cash without restriction, all or any of the authorised but unissued shares in the share capital of the Company placed under their control as they in their discretion may deem fit, subject to the provisions of the JSE Listings Requirements:
   - the authority shall be valid until the date of the next annual general meeting of the Company, provided that it shall not extend beyond fifteen months from date of passing this resolution;
   - a paid press announcement giving full details, including the impact on the net asset value, net tangible asset value, headline earnings and earnings per share, will be published after any issue representing, on a cumulative basis within any one financial year, 5% or more of the number of shares in issue prior to such issue;
   - the general issues of shares for cash in the aggregate in any one financial year may not exceed 15% of the applicant's issued share capital of that class. The securities of a particular class will be aggregated with the securities that are compulsory convertible into securities of that class which may be issued shall be based on the number of securities of that class in issue at the date of such application less any securities of the class issued during the current financial year, provided that any securities of that class to be issued pursuant to a rights issue (announced and irrevocable and underwritten) or acquisition (concluded up to the date of application) may be included as though they were securities in issue at the date of the application;

Special resolution

1. General authority to repurchase shares

To consider and, if deemed fit, to pass with or without modification, the following special resolution:

"Resolved that the Company hereby approves, as a general approval contemplated in sections 85 and 89 of the Companies Act, No, 61 of 1973 (as amended) ("the Act"), the repurchase by the Company or any of its subsidiaries from time to time of the issued ordinary shares of the Company, upon such terms and conditions and in such amounts as the directors of the Company may from time to time determine, but subject to the articles of association of the Company, the provisions of the Act and the JSE Listings Requirements as presently constituted and which may be amended from time to time, and provided that:

- any such repurchase of shares shall be affected through the order book operated by the JSE trading system or other manner approved by the JSE and done without prior understanding or arrangement between the Company and the counterparty (reported trades are prohibited);
- this general authority shall only be valid until the Company's next annual general meeting, provided that it shall not extend beyond fifteen months from the date of passing of this special resolution;
- a paid press announcement containing full details of the repurchases will be published as soon as the Company and/or its subsidiaries has/have repurchased shares constituting, on a cumulative basis, 3% of the number of shares of the class of shares repurchased in issue at the time of granting of this general authority, and each time the Company acquires a further 3% of such share thereafter;
- repurchases by the Company and its subsidiaries of shares in the share capital of the Company may not, in aggregate, exceed in any one financial year 20% (or 10% where such repurchases relate to the repurchase by a subsidiary) of the Company's issued share capital of the class of shares repurchased from the date of the grant of this general authority;
- at any point in time, the Company will only appoint one agent to affect any repurchase(s) on its behalf;
- the Company will only undertake a repurchase of the Company's shares if, after such repurchase, it will still comply with the Listing Requirements of the JSE concerning shareholder spread requirements; and
- in determining the price at which the Company's shares are repurchased by the Company or its subsidiaries in terms of this general authority, the maximum price at which such shares may be repurchased may not be greater than 10% above the weighted average of the market price at which such shares are traded on the JSE, as determined over the five business days immediately preceding the date of the repurchase of such shares by the Company or its subsidiaries;
- the Company or its subsidiary may not repurchase shares during a prohibited period as defined in paragraph 3.67 of the JSE Listings Requirements unless they have in place a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and full details of the programme have been disclosed in an announcement over SENS prior to commencement of the prohibited period.

Reason and effect

The reason for this special resolution is to grant the Company a general authority in terms of the Act for the repurchase by the Company or any of its subsidiaries of shares issued by the Company, which authority shall be valid until the earlier of the next annual general meeting of the Company or the variation or revocation of such general authority by special resolution by any subsequent general meeting of the Company, provided that the general authority shall not exceed beyond fifteen months from the date of this annual general meeting. The effect of the special resolution will be to reduce the number of shares in issue. In terms of the JSE Listings Requirements any general repurchase by the Company must, inter alia, be limited to a maximum of 20% of the Company's issued share capital in any one financial year of that class at the time the authority is granted.

Statement by the board of Directors of the company

Pursuant to and in terms of the JSE Listing Requirements, the board of Directors of the Company hereby state that:

- the intention of the directors of the Company is to utilise the general authority to repurchase shares in the Company if at some future date the cash recourses of the Company are in excess of its requirements or there are other good grounds for doing so. In this regard the directors will take account of, inter alia, an appropriate capitalisation structure for the Company, the long-term cash needs of the Company, and the interest of the Company;
- In determining the method by which the Company intends to repurchase its shares, the maximum number of shares to be repurchased and the date on which such repurchase will take place, the directors of the Company will only make the repurchase if they are of the opinion that:
- the Company and its subsidiaries will, after the repurchase of the shares, be able to pay their debts as they become due in the ordinary course of the business for the next twelve months.
- the consolidated assets of the Company and its subsidiaries, fairly valued in accordance with International Financial Reporting Standards and recognised and measured in accordance with the accounting policies used in the latest audited financial statements will, after the repurchase, be in excess of the consolidated liabilities of the Company and its subsidiaries for the next twelve months.
- the issued share capital and reserves of the Company and its subsidiaries will, after the repurchase, be adequate for ordinary business purposes of the Company or any acquiring subsidiary for the next twelve months.
- the working capital available to the Company and its or any acquiring subsidiaries will, after the repurchase, be adequate for ordinary business requirements for the next twelve months.
- general information in respect of directors and management (pages 22 to 26 of the annual report), major shareholders (pages 56 and 57), directors' interests in securities (page 4) and the share capital of the Company (page 12) is contained in the annual report to which this notice is attached. There has been no material change to the financial or trading position of the Company since the signature of the audit report and up to the date of this notice.
- the Company is not involved in any legal or arbitration proceedings, nor are any proceedings pending or threatened of which the Company is aware that may have or have had in the previous 12 months, a material effect on Infrasors's financial position; and
- the directors, whose names are given on page 12 of the annual report to which this notice is attached, collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts that have been made and that the notice contains all the information required by law and the JSE Listings Requirements.

To transact such other business as may be transacted at an annual general meeting.

All shareholders are entitled to attend, speak and vote at the general meeting and to appoint one or more proxies to attend, speak and vote or abstain in their stead. A proxy need not be a member of the Company. On a show of hands, every member who is present in person or by proxy shall have one vote, and, on a poll, every member present or by proxy shall have one vote for each share held by him/her.

A form of proxy which sets out the relevant instructions for its completion is attached for the use of certificated and dematerialised own name registered members who cannot attend the general meeting, but who wish to be represented thereat. Any certificated or dematerialised own name registered member who completes and lodges a form of proxy will not be precluded from attending the general meeting, speaking and voting thereat.

Proxy voting procedure

Shareholders are entitled to attend and vote at the annual general meeting or appoint a proxy to attend and speak and on a poll, to vote in their stead. A proxy need not be a member of the Company. A shareholder having duly appointed a proxy may still attend the meeting and vote to the exclusion of the proxy. Proxies must be lodged at the transfer secretaries of the Company at least 48 hours prior to the time of the meeting, excluding Saturdays, Sundays and public holidays.

By order of the Board

Kerry Colley

Secretary

28 August 2009

Johannesburg

proxy form

("Infrasors" or "the Company")

(Incorporated in the Republic of South Africa)

(Registration no. 2007/002405/06)

Shares Code: IRA ISIN: ZAE 000101507

FORM OF PROXY - for use by certificated and own name dematerialised shareholders only

For use by Infrasors shareholders at the Annual General Meeting of Infrasors, Sasfin, Sasfin Place, 29 Scott Street, Waverley, on Friday, 16 October 2009 at 09H30 ("the annual general meeting of shareholders").

I/We (PRINT NAME IN FULL) ______________________________

Of (address) ______________________________

Telephone work ( ) ______________ Telephone home ( ) ______________

Being the holder/s or custodians of ________ shares in the company, hereby appoint (see note 1 overleaf)

1. ______________________________ or failing him/her;
2. ______________________________ or failing him/her;
3. the chairperson of the annual general meeting of shareholders for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at each adjournment or postponement thereof, and to vote for and/or against the resolution and/or abstain from voting in respect of the Infrasors shares registered in my/our name (see note 2 overleaf) as follows:

	Resolution	For	Against	Abstain
1.	To receive and consider the annual financial statements of Infrasors for the year ended 28 February 2009			
2.	To approve the directors' remuneration for the year ended 28 February 2009			
3.	Ratification of actions of the Board of Directors			
4.	Re-elect directors			
	• Popo Molefe (Non-executive chairman)			
	• Chris Boulle (Non-executive director)			
5.	Reappointment and remuneration of Independent Auditors			
6.	Ordinary resolution number 1 - to place unissued shares under the control of the Directors			
7.	Ordinary resolution number 1 - allot and issue shares for cash			
8.	Special resolution number 1 - general authority to repurchase ordinary shares			

(Please indicate with an "X" in the appropriate spaces how you wish your votes to be cast.)

If no instructions are given, the proxy holder will be entitled to vote or to abstain from voting, as that proxy holder deems fit.

Signed at ______________________ on this day__________ 2009

Signature ______________________________

Assisted by me (where applicable) ______________________________

PLEASE READ NOTE ON THE REVERSE SIDE HEREOF

Notes

1. A shareholder may insert the name of a proxy or the names of two alternate proxies of the shareholders' choice in the space/s provided, with, or without deleting "the chairperson of the annual general meeting of shareholders" but any such deletion must be initialed by the shareholder. The person whose name stands first on the form of proxy and who is present at the annual general meeting of shareholders will be entitled to act as proxy to the exclusion of those whose names follow.

2. A shareholders' instructions to the proxy must be indicated by the insertion of the relevant number of exercisable shares by that ordinary shareholder in the appropriate box/es provided. So as to provide for voting on a show of hands or on a poll, as the case may be, shareholders are requested to complete the form of proxy by stating the number of shares held by them. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the annual general meeting of shareholders as he/she deems fit in respect of all the shareholders' votes exercisable thereat. A shareholder or proxy is not obliged to use all the votes exercisable by the shareholder or by his proxy, but the total of the votes cast and in respect of which abstention is recorded may not exceed the total of the votes exercisable by the shareholder or by the proxy.

3. Forms of proxy must be lodged with, posted or faxed to Link Market Services South Africa ProprietaryLimited, 11 Diagonal Street, Johannesburg, 2001 (P.O. Box 4844 Johannesburg 2000) so as to reach the transfer secretaries not less than 48 hours, by no later than 09:00 on Wednesday, 14 October 2009.

4. Each shareholder is entitled to appoint one or more proxies (who need not be a shareholder/s of Infrasors) to attend, speak and vote in place of that shareholder at the annual general meeting of shareholders.

5. Infrasors shareholders who have already dematerialised their ordinary shares through CSDP or broker, other than with own-name registration, must not complete this form of proxy and must provide their CSDP or broker with their voting instructions.

6. The completion and lodging of this form of proxy will not preclude the relevant member from attending the Annual General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof. Where there are joint holders of shares, the vote of the senior joint holder who tenders a vote, as determined by the order in which the names stand in the register of members, will be accepted.

7. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the Company's transfer secretaries or waived by the chairman of the Annual General Meeting

8. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies.

9. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries of the Company.

10. The chairman of the Annual General Meeting may reject or accept a form of proxy which is completed and/or received, other than in accordance with these notes, if the chairman is satisfied as to the manner in which the member wishes to vote.

administrative information

Directors

Trevor Robinson	(Chief executive officer)
Marius Potgieter	(Financial director)
Stephen Courtney	(Commercial director)
Popo Molefe	(Non-executive chairman)
Chris Boulle	(Non-executive director)
Mochele Noge	(Non-executive director)
Dereck Alexander	(Non-executive director)

Company Secretary and Registered Office
Kerry Colley
Resource House
7 Spring Street
Rivonia, 2196
(PO Box 1962, Rivonia, 2128)

Auditors
Mazars Moores Rowland
2nd Floor Mazars Moores Rowland House
5 St David's Place
Parktown, 2193
Johannesburg
(PO Box 6697, Johannesburg, 2000)

Legal Advisers and Attorneys
HR Levin Attorneys Notaries and Conveyancers
(Practise number M2841)
Kentgate
64 Kent Road
Dunkeld, Johannesburg, 2196
(PO Box 52235, Saxonwold, 2132)

Investment Bank and Designated Adviser
Sasfin Capital
A division of Sasfin Bank Limited
(Registration number 1951/002280/06)
27 Scott Street
Waverley, 2020
(PO Box 95104, Grant Park, 2051)

Transfer Secretaries
Link Market Services South Africa (Proprietary) Limited
(Registration number 2000/007239/07)
11 Diagonal Street
Johannesburg, 2001
(PO Box 4844, Johannesburg, 2000)

Commercial Banker
First National Bank of South Africa Limited
Sandton Commercial Suite
Sandown
Sandton, 2196
(PO Box 7791, Johannesburg, 2000)

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