

# EXECUTIVE SUMMARY SHORT FORM SAMREC COMPLIANT TECHNO ECONOMIC VALUATION STATEMENT

## On The Southern Cluster Of The Bauba Mineral Platinum Properties For Absolute Holdings

### As at 14<sup>th</sup> April 2010

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absoluteholdings

#### KEY FEATURES

These documents comply with the Executive Summary requirements of Section 12.9 (h)

Competent Persons and Competent Valuers:

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14<sup>th</sup> April 2010.

Absolute Holdings Limited, (Absolute).

Compiled by:

Effective Date :

Prepared For :

Purpose:

This is an Independent assessment and verification of Bauba's PGE prospective properties on behalf of Absolute Holdings. Absolute's strategic objective is to initially build a 0.35Moz p.a. PGE mine within the next 10 years and ramp it up to 1 Moz p.a. within 20 years. The Company has entered into a binding agreement with Bauba A Hlabirwa Mining Investments (Pty) Limited ("Bauba") whereby Absolute will acquire a 60% share in the PGE explorer.

Sources of Information :

Technical Reports as supplied by Qinisele Resources including Press releases of 16<sup>th</sup> February 2010 Business Day article, "Absolute takes 60% stake in the PGE explorer Bauba", as well as reports from the public domain of adjacent mineral properties. Property areas were obtained from Win Deed, a Deeds and Office Enquiry website.

Personal Inspection :

A site inspection was carried out on 25<sup>th</sup> February by Venmyn, S. Gain from Gain Consulting cc and Qinisele Resources personnel. The Southern and Central Clusters were visited at the time.

Reliance on Other Experts:

Stephen Gain (Pr.Sci.Nat Msc), Snowden, Qinisele Resources.

Property Description and Location:

Bauba holds prospecting rights, in the North Eastern Bushveld Igneous Complex (BIC), over nine farms extending over an area of approximately 56km in length and 6km in width (approximating 14,480ha). The farms have been grouped into three areas namely the Northern, Central and Southern Clusters. The Southern Cluster is being dealt with in this report. It consists of Groot Vygenboom 284 KT, Genokakop 285KT and Houtbosch 323 T. The total area covers just over 4,626ha. All the Bauba farms lie along the Leolo mountain range in the Limpopo Province approximately 40km northwest of the Limpopo Province town of Steelpoort and 245km northeast of Johannesburg. To the east and up-dip, the Bauba mineral assets are surrounded by several current operating mines and development projects.

License Status:

Prospecting Right No. 256/2006PR due to expire on the 6<sup>th</sup> July 2011.

Ownership Details:

Bauba owns the prospecting rights. These were ceded to Bauba, on 9<sup>th</sup> April 2007, by King Moruthane Ben Sekhukhune and Motubatse Ben Bokgobela representing Sekhukhune Rhyne Thulare for and on behalf of the Bapedi Nation. Absolute Holdings is in the process of acquiring 60% of the PGE explorer, Bauba.

Topography and Climate:

The Southern Cluster lies in rugged terrain inter-spaced with flat valleys. Elevations lie between 1,487m in the valleys and 1,886m on the peaks. The elevation difference between the three farms forming the Southern Cluster is about 400m. The climate of the area is typical of sub-tropical Highveld with warm moist summers and cool dry winters. The rainfall on the escarpments is higher at 700mm compared to about 500mm in the valleys. Temperatures recorded at Steelpoort vary between 30°C and 17.6 °C in January and 21.6°C to 3.8 °C in July. Extremes of 40 °C and -2.3 °C have also been recorded.

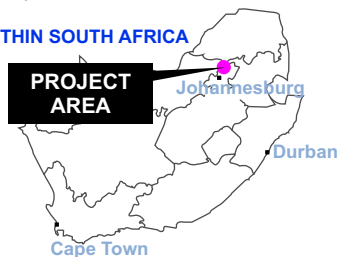
Infrastructure and Accessibility:

The farms are relatively easy to access but field camps will have to be constructed. Access roads will be cut with the aid of bulldozers and water for drilling will have to be taken to site using bowsers.

Geological Setting and Deposit Type:

The Bauba prospects are located on the North Eastern Limb of the BIC, which lies on the eastern portion of the world's largest layered igneous intrusion and known to host more than 80% of the world's PGE's and associated base and precious metal deposits. The farms lie down dip of existing mines and exploration projects. Reconnaissance mapping carried out to-date shows that the farms lie in the Main and Upper Zones of the BIC. The Critical Zone which is known to host both PGE targets, the Merensky Reef and the UG-2 Chromitite, lies directly below the Main Zone. These two layers are expected to be at least a 1,050m below surface and between 350 to 365m apart, with dips ranging between 7° W and 8° W in the Southern Cluster.

#### LOCATION WITHIN SOUTH AFRICA



License Status:

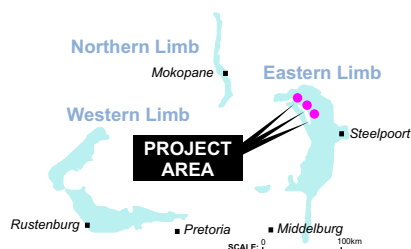
Ownership Details:

Topography and Climate:

Infrastructure and Accessibility:

Geological Setting and Deposit Type:

#### BUSHVELD IGNEOUS COMPLEX (BIC)



# EXECUTIVE SUMMARY SHORT FORM SAMREC COMPLIANT TECHNO ECONOMIC VALUATION STATEMENT

## On The Southern Cluster Of The Bauba Mineral Platinum Properties For Absolute Holdings

### As at 14<sup>th</sup> April 2010

#### 1. LOCALITY, PROPERTY DESCRIPTION AND NEIGHBOURING PROPERTIES

The Bauba farms lie along the Leolo mountain range in the Limpopo Province, approximately 40km north-northwest of the Limpopo Province town of Steelpoort and 245km northeast of Johannesburg. The farms are surrounded, by operating PGE mines and development projects on the eastern side. The Southern Cluster, in particular, lies due west and down dip of Nkwe PGE prospects and Modikwa Platinum Mine, which is owned by Anglo Platinum and ARM. The location of these properties is shown in Figure 1.

#### 2. PHYSIOGRAPHY, ACCESS AND CLIMATE

The Southern Cluster lies along the Leolo mountain range in the Limpopo Province, with elevations lying between 1,487m and 1,886m. The elevation difference between Groot Vygenboom 284 KT, Genokakop 285KT and Houtbosch 323KT is about 400m. There are some inter-mountain flat lying valleys where dirt roads are used by vehicles and the local people to access the villages and will be used to access some of the drilling sites. Accessibility to some of the drilling sites could be a problem. Road building will be necessary.

The photograph in Figure 2, taken in February 2010 during a site visit, serves to illustrate how some parts of the Southern Cluster can easily be accessed using dirt roads that are already in place.

The climate of the area is typical of sub-tropical Highveld with warm moist summers and cool dry winters. The rainfall on escarpments is higher at annual averages of 700mm compared to about 500mm in the valleys. Precipitation is usually in the form of thunderstorms during summer. The sudden downpours pose some risk of flooding in low-lying areas. Temperatures recorded at Steelpoort vary between 30° and 17.6°C in January and 21.6° to 3.8°C in July. Extremes of 40° and -2.3° C have also been recorded.

The mostly moderate climate means that exploration and mining operations can be undertaken throughout the year, with no extraordinary measures required. Field camps will be constructed for the drilling.

Where necessary, access roads into the properties will be cut with the aid of bulldozers. Water for drilling will be transported to site.

FIGURE 1: LOCATION MAP SHOWING THE BAUBA SOUTHERN CLUSTER ON THE EASTERN BIC

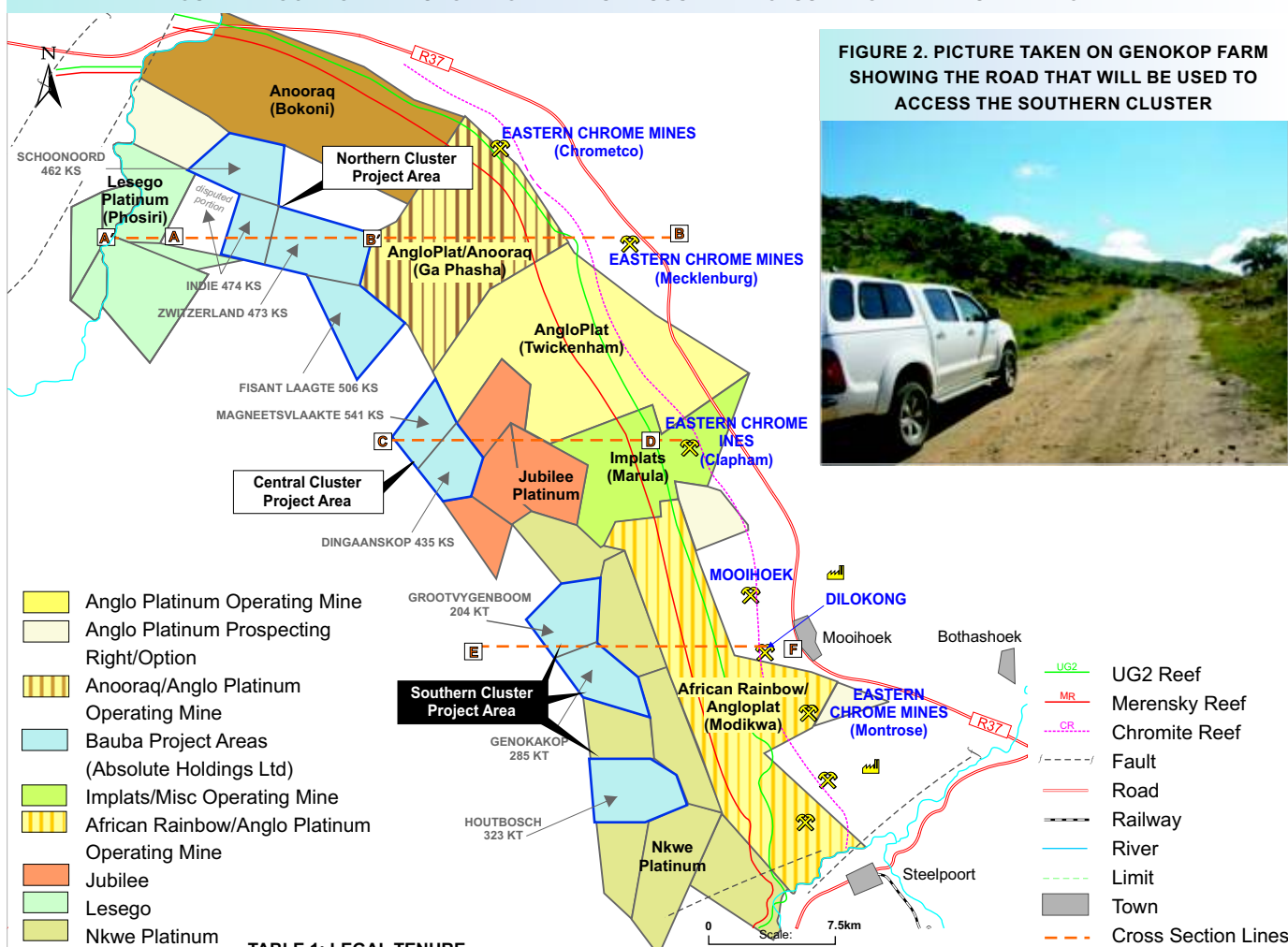


FIGURE 2. PICTURE TAKEN ON GENOKOP FARM SHOWING THE ROAD THAT WILL BE USED TO ACCESS THE SOUTHERN CLUSTER



TABLE 1: LEGAL TENURE

COUNTRY	PROVINCE	CLUSTER	FARM NAME	FARM No.	AREA (ha)	APPLICATION NAME	PROSPECTING RIGHT No.	DATE ISSUED	EXPIRY DATE
South Africa	Limpopo	Southern	Grootvygenboom	284KT	1,610	Bauba A Hlabirwa Mining Investments (Pty) Limited	256/2006PR	7-Jun-06	6-Jul-11
			Genokakop	285KT	1,304				
			Houtbosch	323KT	1,712				

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The Prospecting Right 256/2006PR was issued in June 2006 to King Moruthane Ben Sekhukhune and Motubatse Ben Bokgobela, as representatives of Sekhukhune Rhyne Thulare for and on behalf of the Bapedi Nation. The Prospecting Right was ceded to Bauba on the 9<sup>th</sup> April 2007. This is due to expire on the 6<sup>th</sup> July 2011. Absolute has now entered into a binding agreement with Bauba where Absolute will hold a 60% direct and indirect share in Bauba.

### 3. REGIONAL GEOLOGY

The Bauba prospects are located on the eastern limb of the BIC as shown in Figure 3. The limb forms part of three layered mafic-ultramafic bodies, defined as the northern, western and eastern limbs. These form an ellipse in plan, some 200km by 370km in extent with granites and felsic volcanic in the central and southern regions. The BIC exhibits remarkably consistent layering that can be correlated extensively throughout the geologic expression of the whole complex. Figure 3 portrays the plan view as well as the vertical representation of the stratigraphy of the Bauba Project area in relation to the geology of the Eastern BIC. The units in Table 2 are the units as they have been described by S. Gain.

#### The Main Zone

The Main Zone is generally poorly layered and contains a monotonous sequence of norite and gabbro-norite, with only minor anorthosite layers which allow for stratigraphic correlation.

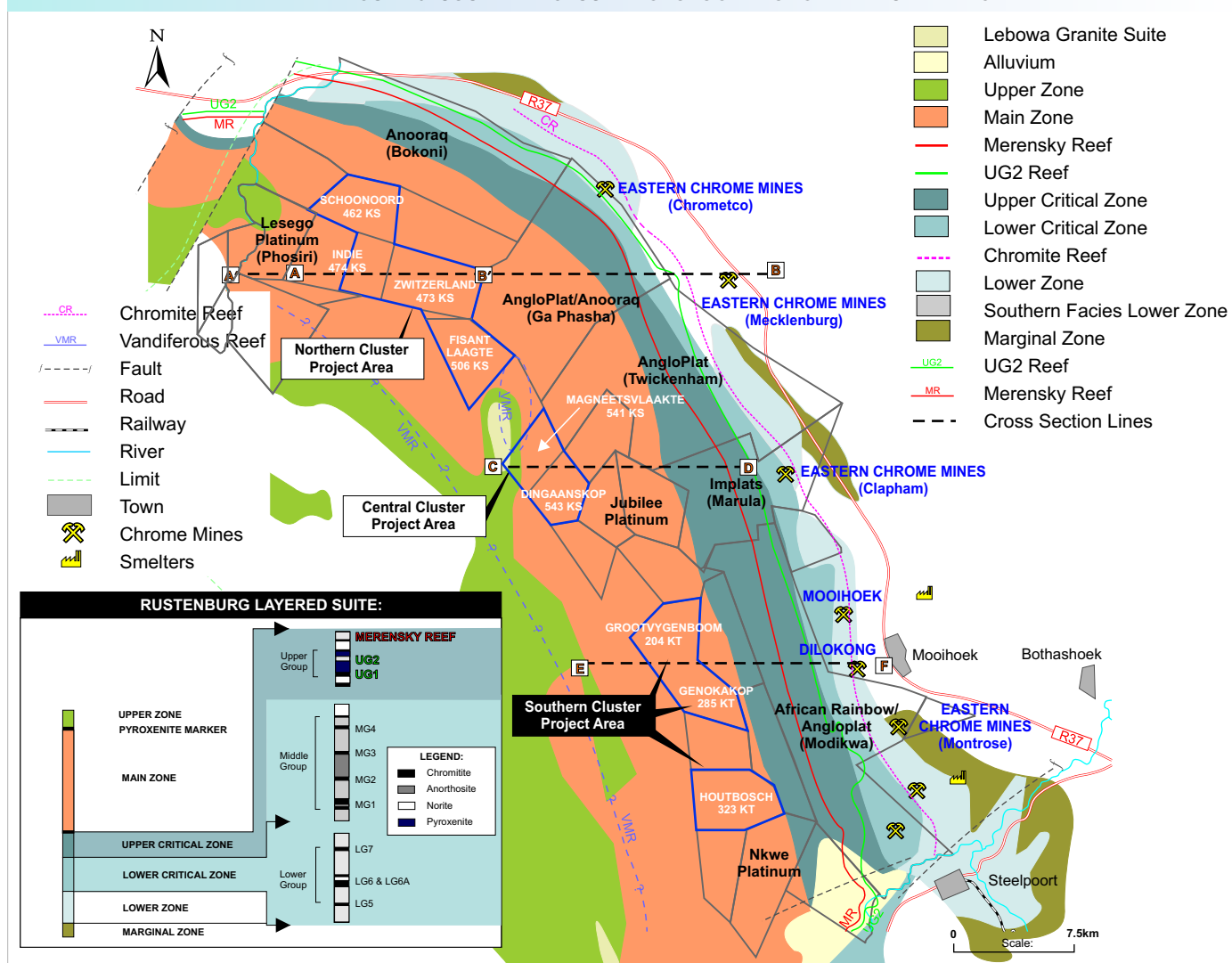
#### The Critical Zone

The Critical Zone, which lies below, contains well defined, and easy to correlate, layers which can be broadly sub-divided into the rock types dunite, harzburgite, pyroxenite, norite, anorthosite and chromitite. These layers have both sharp and gradational contacts and progress through subtle variations to produce leucocratic and melanocratic variations of medium grained rocks. In places the rocks are pegmatoidal and can form pipes and segregations. Later dolerite dykes intruded into faults. The Critical Zone contains the main economic targets namely the Merensky Reef and the UG2 chromitite layer.

#### The Merensky Cyclic Unit and Merensky Reef

The Merensky Cyclic Unit occurs close to the top of the Critical Zone. At Winnarshoek this unit consists of a 2-5 meter thick feldspathic orthopyroxenite that is overlain by norite-leuconorite, spotted anorthosite and then mottled anorthosite. A similar stratigraphic sequence is described on Nkwe's Garatau and Maandagshoek. The Merensky pyroxenite is typically medium-grained, brownish-gray, and can be described as feldspathic orthopyroxenite. Detailed microscopic studies have shown the feldspathic pyroxenite to consist of medium-grained (1-30mm) orthopyroxene with intercumulus plagioclase.

FIGURE 3: SOUTHERN CLUSTER GEOLOGY ALONG THE EASTERN BIC



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**TABLE 2: STRATIGRAPHIC ZONES OF THE RUSTENBURG LAYERED SUITE**

UNIT	THICKNESS	DOMINANT LITHOLOGY	DESCRIPTION
Upper Zone	Varies	Gabbros with banded anorthosite and magnetite layers.	No chilled contact with the hanging wall rocks, which consist of rhyolites and granophyres.
Main Zone	3,900m	Norite, gabbro-norite, anorthosite and minor pyroxenite.	Comprises half of the RLS. Banding and layering not well developed.
Upper Critical Zone		Layered pyroxenites, norites, anorthosites and chromitites.	The base of the UCZ marked by cumulus plagioclase. Norites dominate the UCZ, with subordinate pyroxenites and anorthosites present at intervals through the sequence.
Critical Zone	1,400m	Pyroxenite inter-layered with hartzburgite and chromitite.	Chromitite seams occur in three distinct groupings. The LG series of seams occur exclusively in the Lower Critical Zone, the MG series of seams straddle the contact between the Lower and UCZ, whereas the UG2 group of seams occur within the UCZ. Economic PGE mineralisation is hosted in the Merensky Reef and UG2, a laterally continuous pyroxenite unit containing PGE and base metal sulphide mineralisation.
Lower Zone	Varies, reaches a maximum of 1,700m	Cyclically layered units of dunite-hartzburgite.	Thickness varies and thins over basement highs. The most complete exposure is in the northeastern part of the Eastern Limb of the RLS which occurs as a series of dunite-hartzburgite cyclically layered units.
Marginal Zone	Several metres to hundreds of metres	Unlayered, heterogeneous ultramafic rocks mostly norites.	Contamination of the basic magmas by the enclosing host rocks. Sedimentary rock fragments are contained as xenoliths in the lower portions. Exposures of this zone are poor.

This work, together with diamond drilling, has allowed for the production of a map in which the general structural setting is defined. S. Gain outlines that this work has determined the following:-

- both the Merensky Reef and the UG2 dip constantly at angles varying from 6-8°W. Indications are that dip reduces with depth as the measurements on Maandagshoek showed an average dip of 9-10°W;
- the airborne magnetic information, combined with SPOT and conventional airborne photography and ground mapping, show the strike of the layering to be NNW-SSE;
- dykes of a Karoo to post-Karoo age occur in the region. Two prominent dykes on Garatau trend N-S and show a positive magnetic polarity. The dykes are commonly vertical to sub-vertical. If there is a dip, it is towards the east;
- the dolerite dykes intrude along fault lines and structural zones of weakness. Displacements (faulting) are generally minimal, although one dyke on Garatau shows a 65m normal throw; and
- various ultramafic pipes occur on Maandagshoek and Garatau. There is no information on their composition and whether they have been tested for their PGE content.

This rock can exhibit both poikilitic and porphyritic textures due to the presence of variably distributed, oikocrysts (10-20mm) of clinopyroxene. Two thin chromitite layers occur to the top of the orthopyroxenite. At Garatau the lower stringer is defined as the bottom reef contact or ("BRC") and the top reef contact ("TRC"). The TRC occurs some 1,8m above the BRC (Winnarshoek). The BRC is 1-25mm thick and is generally less persistent than the 1-25mm thick TRC which is commonly present and laterally persistent. Sulphide mineralization is associated with both chromitite layers and can comprise up to 2% of the mode. The best combination of sulphide and associated PGE mineralization occurs for about a metre below the TRC. Diffuse segregations and selvages of pegmatoidal pyroxenite occur above the TRC and sometimes below the BRC.

**UG2 chromitite layer**

The UG2 chromitite layer ("UG2") is located some 350-360m below the Merensky Reef (Gain, 1995). The following description of the UG2 pertains to work conducted on Garatau by Nkwe Platinum, but is typical for this part of the Bushveld Complex. The UG2 is a composite layer commonly, but not always, underlain by a basal pegmatoid. This is overlain, through a dimpled contact, by a massive chromitite layer which is 0,5 to 0,8m thick. This massive chromitite layer consists of fine grained chromite grains with intercumulus orthopyroxene and plagioclase and commonly has a sharp and planar upper contact. The silicate minerals, found in the chromitite layer, form irregularly distributed crystals which poikilitically enclose the chromite and form "mottles" up to 15mm in diameter. The UG2 has up to 3 chromitite stringers above which are enclosed within a fine- to medium-grained feldspathic orthopyroxenite forming a composite package, 0,10-0,15m thick. PGE mineralization is associated with very meager sulphide (<1% of the mode) and increases towards the top and bottom of the chromitite layer. It can also occur within the overlying chromitite stringers and the basal pegmatoid.

**Later Dykes, Pipes and Structural Setting**

A detailed aeromagnetic survey, under the supervision of GAP Geophysics, was conducted on the Garatau during 2007. Line spacing was 50m and the ground clearance was 20-30m.

**The Genesis of the PGE sulphide Mineralisation**

The origin of the PGE mineralisation in the BIC has been investigated for 100 years and remains a matter of debate. A possibility exists that PGE's are concentrated in primary basaltic to komatiitic composition magma when a high degree of partial melting (30%) of the upper mantle occurs. Within this primary melt, some mechanism to induce sulphide saturation was active to produce a sulphide liquid which segregates from the primary magma. Magma mixing, crustal contamination and fractional crystallisation are the most important processes known to induce sulphide saturation in magma during intrusion.

Once sulphide saturation of magma was reached, a sulphide liquid segregated from the primary magma and strong partitioning of PGE's, Ni and Cu into this segregated liquid took place. It is has been suggested that these sulphide droplets act as a scavenging medium for the PGE's and the droplets collect on the floor of the magma chamber where the ore-bearing layers form (Eales, 2001).

**4. LOCAL GEOLOGY**

Reconnaissance mapping carried out has revealed that the farms lie in the Main and Upper Zones of the BIC. The Critical Zone which is known to host both PGE targets, the Merensky Reef and the UG2, lies directly below the Main Zone.

Throughout the BIC the PGE and other mineral layers are tabular bodies extending laterally over hundreds of square kilometres, resulting in extensive mineral resources whose continuity has been established over years of exploration and mining. Using exploration information from public domain of companies surrounding the Southern Cluster, a series of reef contours was constructed by S. Gain and used to predict the behaviour of the mineralisation on the farms. These showed that both the MR and the UG2 reefs should have shallowed to dips of about 7° to 8° west under the Southern Cluster farms.

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The southern area of the Eastern BIC is traversed by faults and dykes and has a known presence of unconformable pegmatoids on adjacent properties. These together with potholes have been known to disturb the Critical Zone on the Eastern Limb. The precise extent of the structural complexity of the area will be a focus of the technical assessment of the area by Absolute.

## 5. DEPOSIT TYPE AND MINERALISATION

The mineralised Merensky Reef and UG2 are magmatic and layered, segregation deposits containing economic quantities of PGE's and base metals. The PGE's are associated with chromite and base metal sulphides.

### Depth of Mineralisation

The Merensky layer is expected to be at least 1,050m to 2,150m below surface in the Southern Cluster and the parting between the Merensky and UG2 is expected to be between 350 and 365m. Of the three Clusters, mineralisation should be closest to surface under the Southern Cluster.

Figure 4 illustrates a schematic cross sectional view of the Eastern BIC including the Southern Cluster PGE prospect. The section is important to illustrate the disposition of the chrome, Merensky and UG2 mines in the area and the extent to which Absolute's strategy to explore the deeper extension of the existing operation is technically feasible. The figure also illustrates how the reefs outcrop on surface on the adjacent Nkwe and Modikwa properties.

## 6. EXPLORATION TARGETS

Surrounding properties and projects were studied and used to predict the resource parameters for the Southern Cluster target area. Information was obtained from reports by S. Gain, Qinisele internal reports, Snowden as well as projects and mines on the public domain. The summary of these is shown in Table 3.

The parameters were then used to estimate a reconnaissance estimate for the Southern Cluster in table 4. The areas used are as given through the Deeds' office website.

## 7. EXPLORATION WORK STRATEGY

Desk top studies have already been carried out by S. Gain and Snowden of the Clusters and surrounding properties. Due to the remoteness of the area under review, a base camp will have to be built and access roads to some of the drill sites be constructed by bulldozers. The 1:10,000 topographic map has been used to lay boreholes and roads for the Southern Cluster.

Reconnaissance mapping will be carried out in conjunction with the diamond drilling. S. Gain suggests that field traverses using a portable magnetometer be conducted to better define the positions of dykes, faults and ultra-mafic pegmatoids. The results obtained will be plotted onto a 1:10,000 maps. A phased diamond drilling programme was designed by Snowden and reviewed by S. Gain. Wire-line logging and relative density analyses of the holes will be included. The mother holes are to be deflected into four short deflections from 6, 12, 15 and 24m above reef intersections.

FIGURE 4: SCHEMATIC E-W CROSS SECTION OF THE SOUTHERN CLUSTER ILLUSTRATING THE MR, UG2 AND CHROMITITE LAYERS IN THE EASTERN BIC

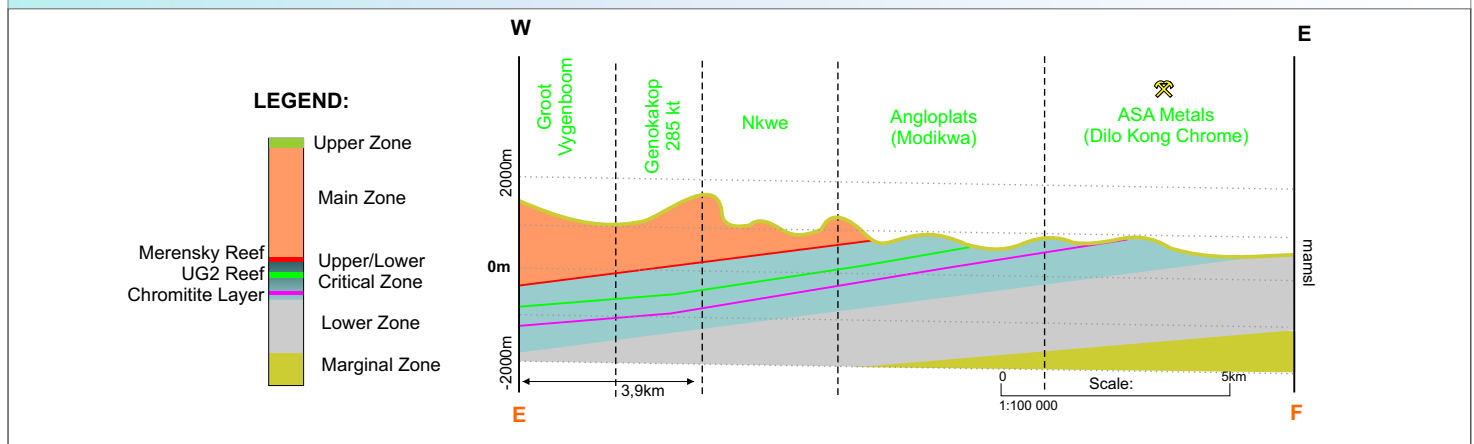


TABLE 3: EXPLORATION TARGETS FOR THE SOUTHERN CLUSTER AS DEDUCED FROM THE EASTERN NEIGHBOURS

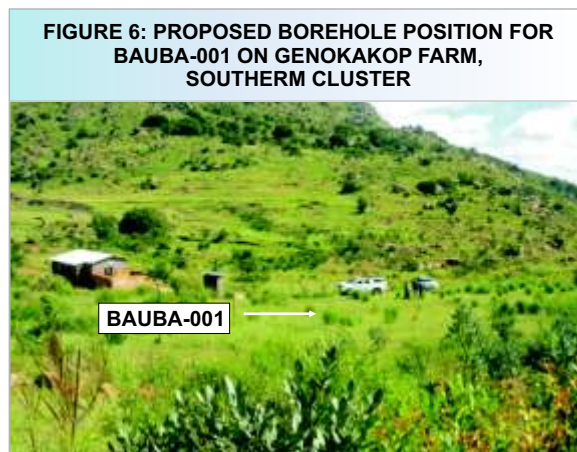
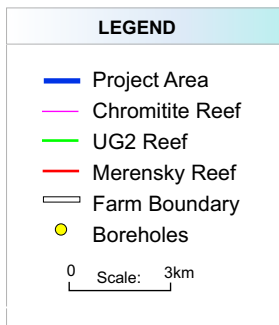
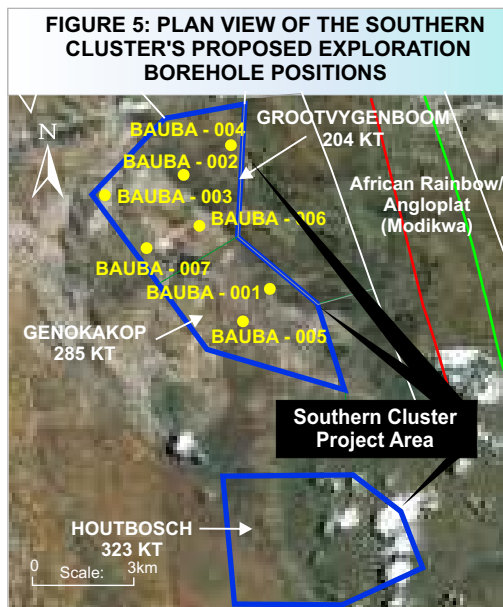
PROPERTY	REEF	EXPECTED DIPS		REEF DEPTH (m)		MR-UG2 PARTING (m)	WIDTH (m)	RD	GEO LOSS (%)	GRADE 4E (g/t)
		MIN	MAX	MIN	MAX					
Modikwa	MR	10°W					1.00			4.43
	UG2						0.58	3.72	30	5.97
Nkwe	MR			0 to 350	700	350-365	1.00	3.35	17	4.74
	UG2			0 to 700	1,100		1.20	3.75	17	5.44
Southern Cluster	MR	7° to 8°W		1,050	2,150	400	1.00	3.35	17	4.59
	UG2	7° to 8°W					0.89	3.75	24	5.71

TABLE 4: EXPLORATION TARGET ESTIMATE FOR THE SOUTHERN CLUSTER

FARM NAME	AREA (ha)	RD	WIDTH (m)	Merensky			MR			UG2			TOTAL Moz	
				(Mt)	GRADE 4E (g/t)	GEO LOSS (%)	(Moz)	RD	WIDTH (m)	(Mt)	GRADE 4E (g/t)	GEO LOSS (%)		UG2 (Moz)
Groot Vygenboom	1,610	3.35	1.00	53.9	4.59	17%	7.89	3.74	0.89	53.5	5.71	24%	9.8	17.7
Genokakop	1,304	3.35	1.00	43.7	4.59	17%	6.39	3.74	0.89	43.4	5.71	24%	7.9	14.3
Houtbosch	1,712	3.35	1.00	57.4	4.59	17%	8.39	3.74	0.89	56.9	5.71	24%	R 10	18.77
<b>Total</b>	<b>4,626</b>	<b>3.35</b>	<b>1.00</b>	<b>155.0</b>	<b>4.59</b>	<b>17%</b>	<b>22.67</b>	<b>3.74</b>	<b>0.89</b>	<b>153.8</b>	<b>5.71</b>	<b>24%</b>	<b>28.05</b>	<b>50.7</b>

\*The potential quantity, quality and content as expressed above are conceptual in nature and there has been insufficient exploration to define Mineral Resources and it is unclear if further exploration will result in the determination of a Mineral Resource.

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These holes should go at least 1m into the footwall of the reef. S. Gain has reviewed the Snowden work and has proposed starting with seven exploration boreholes (BAUBA-001 to BAUBA-007) in the Southern Cluster. A total of about 14,000m is expected to be drilled initially. The approximate drilling positions are shown in Figure 5.

The first borehole site, BAUBA-001, will be sited on an accessible and flat inter-mountain area as shown in . The picture in Figure 6 was taken looking east from Genokakop farm. The flat lying areas require the minimum amount of site preparation and clearing in terms of drilling sites.

**TABLE 5: APPROXIMATE COSTS FOR DRILLING SEVEN HOLES IN THE SOUTHERN CLUSTER**

SOUTHERN CLUSTER COST ITEM	No. OF HOLES	DEPTH PER HOLE (m)	TOTAL METRES	COST ZAR (m)	
				EXCL VAT	INCL VAT
Geology Staff	7	2,000	14,000	2.35	2.68
Road building				3.50	3.99
Diamond Drilling				19.25	21.95
Analytical costs				1.52	1.73
other				1.13	1.29
<b>TOTAL</b>				<b>27.75</b>	<b>31.64</b>

The exact positions of the rest of the boreholes will be determined after geologic mapping and ground magnetometer surveys. The depth per hole is expected not to exceed 2,000m.

All the reef drilling, sampling, core storage, logging and database management will be carried out in accordance with the accepted industrial QA/QC normal practices as defined in Table 1 of the SAMREC Code.

**TABLE 6: MINERAL RESOURCE BY MINE/PROJECT AS AT 31<sup>ST</sup> December 2009**

MINE/PROJECT	OWNERSHIP	CATEGORY	MERENSKY			UG2		
			(Mt)	4E PGE (g/t)	4E (Moz)	(Mt)	4E PGE (g/t)	4E (Moz)
Modikwa Platinum Mine	50% Anglo Platinum, 50% ARM	Proved				21.4	5.02	3.4
		Probable				26.8	4.87	4.2
		<b>TOTAL</b>				<b>48.2</b>	<b>4.94</b>	<b>7.6</b>

**TABLE 7: MINERAL RESOURCE BY MINE/PROJECT AS AT 31<sup>ST</sup> December 2009**

MINE/PROJECT	OWNERSHIP	CATEGORY	MERENSKY			UG2		
			(Mt)	4E PGE (g/t)	4E (Moz)	(Mt)	4E PGE (g/t)	4E (Moz)
Modikwa Platinum Mine	50% Anglo Platinum, 50% ARM	Measured	18.0	2.94	1.6	54.2	5.84	10.2
		Indicated	54.0	2.73	4.8	94.8	5.88	17.8
		Inferred	136.8	2.65	11.6	75.6	6.19	15.0
		<b>TOTAL</b>	<b>208.8</b>	<b>2.70</b>	<b>18.0</b>	<b>224.6</b>	<b>5.97</b>	<b>43.0</b>

**8. ESTIMATED EXPLORATION COSTS**

The cost amounted to ZAR31.64m for drilling 14,000m.

Qinisele Resources and S. Gain provided the cost to drill the first 2 BQ size holes down to a depth of 2,000m on the Southern Cluster. Venmyn then used the cost to estimate the cost of drilling the first seven holes on the Southern Cluster. The cost amounted to ZAR31.64m. The cost breakdown is shown in Table 5.

**9. BRIEF REVIEW OF NEIGHBOURING PROPERTIES**  
**Modikwa Platinum Mine**

Modikwa Platinum is an underground mine that lies up-dip of the Southern Cluster. Exploration started in the 1920s and by the 1980s both the Merensky and the UG2 had been explored. The mine was established in 1999. In 2001 a 50:50 joint Venture was entered into between Anglo Platinum and ARM Mining Consortium Limited. The igneous layering at Modikwa strikes north-northwest and dips at about 10° to the west. The UG2 gently undulates with amplitudes of less than 2m. This phenomenon is pervasive throughout the mine. Snowden records a UG2 seam width of 0.60m.

Potholes are recorded to be abundant in their North shaft area decreasing southwards towards the South shaft area which has more prevalence of faults compared to the North shaft area. There are also records of large ultra-mafic pegmatoids intrusions that have disturbed and replaced the UG2 around the Onverwacht Hill which lies south of the South shaft. A mineral Reserve and Resource statement has been collated from Anglo Platinum's website.

**Nkwe Platinum**

Nkwe properties lie due east and up-dip of the Southern Cluster. Diamond drilling has been carried out and over 37km worth of drilling has been recorded. Both reefs outcrop to the east and have been intersected at depths of no more than 700m for the Merensky and no more than 1,100m for the UG2.

# EXECUTIVE SUMMARY SHORT FORM SAMREC COMPLIANT TECHNO ECONOMIC VALUATION STATEMENT

## On The Southern Cluster Of The Bauba Mineral Platinum Properties For Absolute Holdings

### As at 14<sup>th</sup> April 2010

On the Garatau reef widths have been recorded by Snowden as 2.42m up to a depth of 350m for the Merensky and 0.79m to a depth 700m for the UG2. On the Eerste Geluk farm the Merensky outcrops and averages about 2.18m and the UG2 0.77m at a depth of about 300m.

The proximity of the well drilled Nkwe properties to the Southern Cluster will expedite the understanding of the geology and mineralisation. In this area, the mineral intersections are expected to be closest to surface compared to the other two Clusters.

Though collectively the Clusters are considered potentially deep mines, South Africa has the capabilities and the technology to mine down to 4,000m below surface as evidenced by the current deep mining in the Witwatersrand gold mines.

#### 12. REFERENCE TO RISK IN THE FULL CPR

As of the effective date, Venmyn is not aware of any significant risk that could affect Absolute's business plan and production plans other than the normal risks associated with a mining of the PGE's, construction and operation of a PGE processing plant as detailed in Section 18 of the CPR.

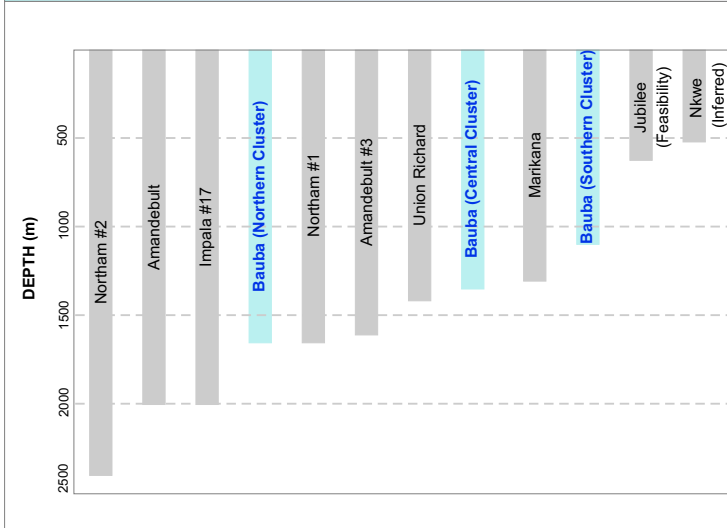
#### 13. COMPETENT PERSONS DECLARATION

Venmyn is an independent advisory company. Its consultants, have extensive experience in preparing competent persons', technical advisors' and valuation reports for mining and exploration companies. Venmyn's advisors have, collectively, more than 75 years of experience in the assessment and evaluation of mining projects and are members in good standing of appropriate professional institutions. The signatories, advisors and associates to this report are qualified to express their professional opinions on the values of the mineral assets described. To this end, Competent Persons and Competent Valuers Certificates are presented in the full CPR.

Neither Venmyn, its staff, nor associates have or have had any interest in this project capable of affecting their ability to give an unbiased opinion and have not and will not, receive any pecuniary or other benefits in connection with this assignment, other than normal consulting fees. Absolute Holdings Limited has warranted in writing that it has openly provided all material information to Venmyn, which, to the best of its knowledge and understanding, is complete, accurate and true.

Venmyn have prepared this Section 12 Executive Summary from the Independent Competent Persons' Report on the Northern Cluster of the Bauba Mineral Platinum Properties for Absolute Holdings Limited and state that the Executive Summary is a true reflection of the full CPR.

**FIGURE 7: COMPARATIVE SHAFT DEPTHS OF EXISTING AND PLANNED PROJECTS**



#### 10. EFFECT OF MINERALISATION DEPTH ON SHAFT DEPTHS

A study was carried out by Snowden to show the shaft depths of existing mines and expected shaft depths of future mines. The Southern Cluster lies in the middle range as shown in Figure 7.

#### 11. CONCLUSIONS AND RECOMMENDATIONS

The Southern Cluster is situated within a prime segment of the Eastern Limb of the BIC, where numerous neighbouring companies are prospecting and successfully mining PGE's from the Merensky Reef and UG2. The expected target resource would be of a sufficient quantity to support the exploration programme being suggested. The exploration approach for the project is systematic and appropriate for the style of mineralisation.

The Southern Cluster has some relatively flat and easily accessible areas that require the least amount of preparation in comparison to the other Clusters.