

INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at March 31, 2011, December 31, 2010 and January 1, 2010

(unaudited, in thousands of U.S. dollars)

	March 31, 2011	December 31, 2010	January 1, 2010
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 136,364	\$ 96,225	\$ 30,769
Short-term investments	4,125	13,155	44,796
Inventories	40,729	39,485	30,600
Accounts receivable and other assets	35,227	33,128	27,670
	216,445	181,993	133,835
Assets Held for Sale	25,401	26,119	15,788
	241,846	208,112	149,623
Non-Current Assets			
Restricted cash	30,194	23,369	9,258
Investments at fair value	178,113	174,534	34,403
Exploration and evaluation assets	95,797	93,896	87,129
Mine properties	86,113	79,842	60,457
Property, plant & equipment	206,819	195,360	177,601
Intangible assets	37,166	37,950	4,612
Other long-term assets	404	1,207	10,118
Deferred tax assets	1,800	2,961	818
	636,406	609,119	384,396
TOTAL ASSETS	\$ 878,252	\$ 817,231	\$ 534,019
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities	\$ 35,715	\$ 35,670	\$ 22,351
Current portion of long-term debt	1,571	1,178	5,110
Current portion of long-term liabilities	6,000	5,863	3,158
	43,286	42,711	30,619
Non-Current Liabilities			
Long-term debt	68,502	46,354	12,837
Rehabilitation provisions	37,626	34,741	17,750
Other long-term liabilities	25,225	21,417	11,881
Share based compensation plans	4,993	5,170	1,633
Deferred tax liabilities	10,337	10,320	7,330
	146,683	118,002	51,431
TOTAL LIABILITIES	189,969	160,713	82,050
EQUITY			
Share Capital	372,093	371,461	283,965
Warrants	14,115	14,116	14,117
Contributed surplus	15,099	16,348	11,155
Retained earnings	175,683	161,635	138,703
Accumulated other comprehensive income	82,305	80,558	4,029
Equity attributable to equity holders of the Company	659,295	644,118	451,969
Non-controlling interest	28,988	12,400	-
TOTAL EQUITY	688,283	656,518	451,969
TOTAL LIABILITIES AND EQUITY	\$ 878,252	\$ 817,231	\$ 534,019

INTERIM CONSOLIDATED STATEMENTS OF EARNINGS (LOSS)

For the three months ended March 31, 2011 and 2010

(unaudited, in thousands of U.S. dollars, except per share amounts)

	Three months ended March 31,	
	2011	2010
Revenue	\$ 68,410	\$ 20,469
Cost of sales	45,794	21,669
Gross profit (loss)	22,616	(1,200)
General and administrative expenses	5,568	2,872
Exploration expenses	2,708	689
Depreciation and amortization	786	203
Share based compensation expense	631	153
Operating profit (loss)	12,923	(5,117)
Interest income	448	311
Finance cost	(2,632)	(1,873)
Impairment loss on assets held for sale	(110)	(50,632)
Other income	5,088	2,958
Earnings (loss) before income taxes	15,717	(54,353)
Current income tax expense	2,086	51
Deferred income tax expense (recovery)	1,202	(5,373)
Net earnings (loss)	\$ 12,429	\$ (49,031)
Net earnings (loss) attributable to:		
Equity holders of the Company	\$ 14,048	\$ (49,031)
Non-controlling interest	(1,619)	-
Net earnings (loss)	\$ 12,429	\$ (49,031)
Basic earnings (loss) per share attributable to equity holders of the Company	\$ 0.11	\$ (0.48)
Diluted earnings (loss) per share attributable to equity holders of the Company	\$ 0.10	\$ (0.48)

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

For the three months ended March 31, 2011 and 2010

(unaudited, in thousands of U.S. dollars)

	Three months ended March 31,	
	2011	2010
Net earnings (loss)	\$ 12,429	\$ (49,031)
Other comprehensive income (loss)		
Net unrealized gains on available-for-sale investments, net of income taxes of \$577 (2010 - \$nil)	\$ 6,461	\$ 643
Realized gains on available-for-sale investments transferred to net earnings, net of income taxes of \$(755) (2010 - \$nil)	(5,252)	-
Currency translation adjustments	1,688	(138)
	\$ 2,897	\$ 505
Comprehensive income (loss), net of income taxes	\$ 15,326	\$ (48,526)
Comprehensive income (loss) attributable to:		
Equity holders of the Company	\$ 15,795	\$ (48,526)
Non-controlling interest	(469)	-
Comprehensive income (loss), net of income taxes	\$ 15,326	\$ (48,526)

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOW

For the three months ended March 31, 2011 and 2010

(unaudited, in thousands of U.S. dollars)

	Three months ended March 31,	
	2011	2010
OPERATING ACTIVITIES		
Earnings (loss) before income taxes	\$ 15,717	\$ (54,353)
Items not affecting cash	6,512	58,619
Changes in non-cash working capital	(4,399)	2,956
Income taxes paid	(329)	(2,178)
Net cash provided by operating activities	17,501	5,044
INVESTING ACTIVITIES		
Proceeds from sale of short-term investments	9,030	29,528
Proceeds from sale of available-for-sale investments	7,270	-
Proceeds on disposal of property, plant and equipment	321	-
Purchase of Namibia Custom Smelters (Pty) Ltd. (net of cash acquired of \$1,013)	-	(16,987)
Investment in exploration and evaluation assets	(1,828)	(1,008)
Expenditure on mine properties	(6,072)	(765)
Expenditure on property, plant and equipment	(15,242)	(8,595)
Expenditure on intangible assets	(27)	(282)
Increase in restricted cash	(6,791)	(18)
Loan advances	-	(3,000)
Net cash used in investing activities	(13,339)	(1,127)
FINANCING ACTIVITIES		
Proceeds from share issuance	445	61,981
Proceeds from share issuance - Avala Resources Ltd.	15,686	-
Proceeds from long-term debt	21,966	-
Payments of long-term debt	-	(563)
Payments of finance leases	(996)	(796)
Interest paid	(1,124)	(31)
Net cash provided by financing activities	35,977	60,591
Increase in cash and cash equivalents	40,139	64,508
Cash and cash equivalents, beginning of the period	96,225	30,769
Cash and cash equivalents, end of the period	\$ 136,364	\$ 95,277