

**ABRIDGED REVIEWED INTERIM RESULTS
 FOR SIX MONTHS ENDED 31 AUGUST 2009**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	Six months ended 31 August 2009 Reviewed R'000	Six months ended 31 August 2008 Reviewed R'000	Year ended 28 February 2009 Audited R'000
Assets			
Non-current assets	18 845	18 215	19 403
Plant and equipment	4 606	5 777	5 164
Exploration and evaluation assets	14 239	12 438	14 239
Current assets	2 227	2 425	1 853
Inventories	1 530	1 197	1 215
Short-term trading investments	36	277	65
Trade and other receivables	502	810	493
Short-term loans	77	-	-
Cash and cash equivalents	82	141	80
Total assets	21 072	20 640	21 256
Equity and liabilities			
Capital and reserves			
Share capital	2 279	2 201	2 279
Share premium	27 260	26 561	27 260
Accumulated loss	(19 928)	(14 392)	(20 061)
Equity attributable to equity holders of the Group	9 611	14 370	9 478
Non-current liabilities	2 057	-	1 968
Current liabilities	9 404	6 270	9 810
Bank overdraft	-	-	32
Trade and other payables	2 660	3 013	3 029
Short-term loans	5 844	2 632	5 877
Taxation payable	900	625	872
Total equity and liabilities	21 072	20 640	21 256
Shares in issue	22 786 887	22 006 887	22 786 887
Net asset value per share (cents)	42.18	65.30	41.59
Net tangible asset value per share (cents)	(20.31)	8.78	(20.90)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	Six months ended 31 August 2009 Reviewed R'000	Six months ended 31 August 2008 Reviewed R'000	Year ended 28 February 2009 Audited R'000
Revenue	120	87	282
Cost of sales	(144)	(79)	(301)
Gross (loss)/profit	(24)	8	(19)
Other operating income	3 488	376	1 070
Administration expenses	(939)	(2 233)	(1 291)
Other operating expenses	(2 275)	(1 283)	(8 028)
Operating profit/(loss)	250	(3 132)	(8 268)
Finance income	3	5	5
Finance expenses	(120)	(15)	(548)
Profit/(loss) before taxation	133	(3 142)	(8 811)
Taxation	-	-	-
Total comprehensive profit/(loss) for the year	133	(3 142)	(8 811)
Attributable to:			
Equity holders of the Group	133	(3 142)	(8 811)
Minority interest	-	-	-
Weighted average number of shares in issue	22 786 887	21 702 539	21 930 394
Basic earnings/(loss) per share (cents)	0.58	(14.48)	(40.18)
Diluted earnings/(loss) per share (cents)	0.58	(14.48)	(40.18)
Headline loss per share (cents)	(11.73)	(14.48)	(41.76)
Diluted headline loss per share (cents)	(11.73)	(14.48)	(41.76)
RECONCILIATION OF HEADLINE EARNINGS/(LOSS)			
Profit/(loss) attributable to ordinary shareholders	133	(3 142)	(8 811)
Profit on disposal of unlisted investment	-	-	(500)
Impairment of unlisted investments	-	-	103
Loss on disposal of plant and equipment	-	-	49
Profit on disposal of interest in subsidiary	(2 806)	-	-
Headline loss	(2 673)	(3 142)	(9 159)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	Six months ended 31 August 2009 Reviewed R'000	Six months ended 31 August 2008 Reviewed R'000	Year ended 28 February 2009 Audited R'000
Net cash (outflow)/inflow from operating activities	(2 772)	266	(533)
Net cash inflow/(outflow) from investing activities	2 806	12	(59)
Net cash in/(out) flow from financing activities	-	-	777
Increase in cash and cash equivalents	34	278	185
Cash at beginning of period	48	(137)	(137)
Cash at end of period	82	141	48

CONDENSED CONSOLIDATED GROUP STATEMENT OF CHANGES IN EQUITY	Six months ended 31 August 2009 Reviewed R'000	Six months ended 31 August 2008 Reviewed R'000	Year ended 28 February 2009 Audited R'000
Share Capital	2 279	2 201	2 279
Issue of ordinary shares	-	100	178
Share capital at the beginning of the period	2 279	2 101	2 101
Share Premium	27 260	26 561	27 260
Share premium on issue of ordinary shares	-	1 900	2 602
Share issue expenses	-	(4)	24 665
Share premium at the beginning of the period	27 260	24 665	-
Accumulated Loss at end of the period	(19 928)	(14 392)	(20 061)
Profit/(loss) for the period	133	(3 142)	(8 811)
Accumulated Loss at the beginning of the period	(20 061)	(11 250)	(11 250)
Fair value reserve at end of year	-	-	-
Change in fair value of available for sale financial instrument	-	-	500
Fair value reserve recycled through the income statement	-	-	(500)

Review of results
Operating results

The Group realised a profit for the period of R133 000 (2008 : loss of R3.14 million). The headline loss per share decreased from 14.48 cents to 11.73 cents and the net asset value of the Group decreased from 65.30 cents per share in 2008 to 42.18 cents per share. The Company disposed of 13.33% of its interest in Angel Diamonds (Pty) Ltd ("Angel Diamonds") during the period under review for an amount of US\$350 000 and realised a profit on the disposal of R2 806 000.

Contingent liability

Shareholders are referred to the SENS announcement on 21 December 2009 regarding a possibility that Mantle Diamonds Ltd ("Mantle Diamonds") could seek to recover its expenditure from Angel Diamonds. During the period under review until 14 November 2009 Mantle Diamonds continued to expense exploration expenditure on the Kolo Kimberlite Project. These expenditures were expensed entirely at Mantle Diamonds' own risk. Negotiations with Mantle Diamonds were terminated on 14 December 2009 and the directors are of the opinion that the likelihood of success of a claim is low and will defend any claim vigorously.

Going concern

The Group realised a profit of R133 000 for the period ended 31 August 2009 (loss of R8 811 000 for the year ended 28 February 2009). At that date, the Group's current liabilities exceeded its current assets by R7 177 000 (28 February 2009: current liabilities exceeded current assets by R7 957 000).

The board has considered the ability of the Company and its subsidiaries to continue as going concern and based on reasonable and supportable assumptions, have concluded that the forecast levels of production and the future benefits of the continuing prospecting operations of Angel Diamonds, a subsidiary, will produce sufficient cash flows to allow the Company and its subsidiaries to meet their obligations in the normal course of business for the foreseeable future.

Should the operations of the subsidiary fail to achieve forecast cash flows, there will be a material uncertainty that may cast doubt on the ability of the Company and its subsidiaries to continue as going concerns. The cash flow assumptions are based on a production rate of 10 000 tons per month at an average grade of 14.1cphpt and a modelled rough diamond price of US\$155/ct and an exchange rate of R/US\$7,50.

Basis of preparation

The interim financial results of the Thabex Group have been prepared in accordance with the recognition and measurement requirements of International Financial Reporting Standards which include IAS 34 and the Companies Act of South Africa.

Significant accounting policies

The accounting policies applied by the Group in the audited results are the same as those applied by the Group in the most recent annual financial statements as at 29 February 2009 and for the year ended 29 February 2008.

Dividends

No dividend has been declared during the period (2008 : nil).

Review of results

The results for the six month period ended 31 August 2009 have been reviewed by KPMG Inc. and their review report, which has been modified in respect of the going concern assumption, is available at the Company's registered office. The modification of the review report is set out below:

"Emphasis of matter

Without qualifying our conclusion, we draw attention to the going concern paragraph in the interim results which indicates that at 31 August 2009 the Group's current liabilities exceeded its current assets by R7 177 000 (28 February 2009 : R7 957 000). The going concern paragraph describes the steps taken by the directors in these circumstances and also indicates that, in the event that the operations of its subsidiary fail to achieve the forecast cash flows, there will be a material uncertainty that may cast doubt on the ability of the company and its subsidiaries to continue as going concerns."

Commentary and future prospects

The Kolo Kimberlite project has open castable Measured Diamond Reserves. It is Management's intention to commence commercial mining on the Kolo Kimberlite project once the Mining License has been approved. Shareholders are referred to the SENS announcements, dated 30 March 2009 and 3 April 2009, relating to the Kolo Kimberlite project. Further metallurgical testing at Monastery is necessary to ensure the turning to account of this project. Salt River Resources Ltd ("SRR") is intending to conduct a pre-feasibility study of the Salt River Base Mineral Project. SRR is also considering several funding options to complete a Bankable Feasibility Study of its poly-metallic (Cu-Pb-Zn-Ag-Au) project in the Kenhardt district of the Northern Cape Province.

On behalf of the board

Jeffrey Raymond Rapoo
Chairman

Marius Welthagen
Chief Executive

Johannesburg

22 December 2009

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