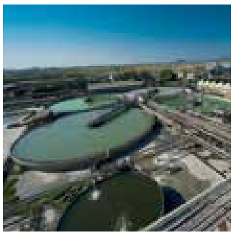



integrated

IMPLATS
Distinctly Platinum

Integrated annual report 2013

Safeguarding the health and safety of our employees, and caring for the environment in which we operate ▷

Ensuring the safety and health of our employees and contractors is essential if we are to respect their most fundamental human rights; without a meaningful commitment to respecting the rights of those with whom we interact, we will have no social or political licence to operate.

If we are to create sustainable value for shareholders and society we need our people to be healthy, safe, motivated and equipped with the requisite skills; this requires a work environment informed by mutual trust and respect.

Welcome to our 2013 integrated annual report...

Additional information is provided in the following reports, all of which are available at **www.implats.co.za**

sustainable

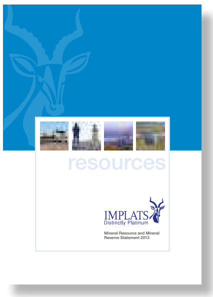
Sustainable development report

This has been developed in line with the recommendations of the G3 Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI), and with consideration to the UN Global Compact.

transparent

Annual financial statements

These were prepared according to International Financial Reporting Standards (IFRS), the requirements of the South African Companies Act, the regulations of the JSE and recommendations of King III.



resources

Mineral resource and mineral reserve statement

This conforms to the South African Code for Reporting of Mineral Resources and Mineral Reserves (SAMREC) and the Australasian Code for the Reporting of Mineral Resources and Ore Reserves (JORC), and has been signed off by the competent persons, as defined by these codes.

Table of contents

Our scope/approach to reporting

Our vision

Our vision is to be the world's best platinum-producing company, delivering superior returns to stakeholders relative to our peers.

Our mission

To safely mine, process, refine, recycle and market our products at the best possible cost ensuring sustainable value creation for all our stakeholders.

Our values

We respect

- all our stakeholders, including:
  - shareholders
  - employees and their representative bodies
  - communities within which we operate
  - regulatory bodies
  - suppliers and customers
  - directors and management
  - all other interested and affected parties
- the principles of the UN Global Compact
- the laws of the countries within which we operate
- Company policies and procedures
- our place and way of work
- open and honest communication
- diversity of all our stakeholders
- risk management and continuous improvement philosophies

We care

- for the health and safety of all our stakeholders
- for the preservation of natural resources
- for the environment in which we operate
- for the socio-economic well-being of the communities within which we operate

We strive to deliver

- positive returns to our stakeholders through an operational excellence model
- a safe, productive and conducive working environment
- on our capital projects
- a fair working environment through equitable and competitive human capital practices
- on the development of our employees
- on our commitments to all stakeholders
- quality products that meet or exceed our customers' expectations

About our 2013 integrated annual report

This integrated annual report, compiled for Impala Platinum Holdings Limited (Implats) and its subsidiaries, provides information relating to governance practices and performance for the financial year 1 July 2012 to 30 June 2013. In addition information regarding strategy and prospects is provided. The integrated annual report is the responsibility of the Company's directors.

This is Implats' fourth integrated annual report. It has been produced in line with the recommendations of the South African Code of Corporate Practice and Conduct (King III), and draws on the guidance provided in the Discussion Paper, Towards Integrated Reporting, issued by the International Integrated Reporting Council (IIRC).

The report seeks to provide a concise and balanced account of performance over the reporting period, and of the approach taken to address those social, economic, environmental and governance issues and risks that have a material impact on the long-term success of the business and that are important to key stakeholders. The process for identifying the issues that we regard as being most material to Implats in 2013 is described on pages 32 to 33.

Feedback

We welcome your feedback to make sure we are covering the things that matter to you. Go to **www.implats.co.za** or email **investor@implats.co.za** for the feedback form, or scan the code above with your smartphone.

While the report is targeted at existing and prospective stakeholders who wish to make an informed assessment of the Group's ability to create and sustain value, it focuses primarily on meeting the needs of shareholders, analysts and investors. Additional information is provided in separately available annual financial statements, mineral resource and mineral reserve statement, and sustainable development report. This report contains abridged financial information which was compiled in accordance with the JSE Limited's requirements for summary financial statements and the requirements of the Act as applicable to summary financial statements.

In this report production is reported in terms of platinum and platinum group metals (PGMs), which include platinum, palladium, rhodium, ruthenium and iridium as well as gold; when included these are referred to as 6E. Both historical and forward looking data is provided. Unless otherwise stated, information in this report is primarily for the year ended 30 June 2013, except for that relating to physical metals markets, which is provided by calendar year.

There has been no significant change to the organisational structure, nor were there any significant restatements of data during the year. Data restatement has been indicated. Certain statistical information is provided for comparative purposes for up to 10 years (financial years 2004 to 2013). Information in the report covers all subsidiary, joint venture and investment companies over which the Group has direct control and for which it sets and implements policy and standards. For sustainability elements, information relating to managed operations is disclosed, while that for joint ventures and associates is excluded. Where information is attributable to Implats it is highlighted. In all cases, US$ or dollar refers to the US dollar.

Board approval

The board acknowledges its responsibility for the integrity of this report. The directors confirm they have collectively assessed the content and believe it addresses the material sustainability topics and is a fair representation of the integrated performance of the Group. The audit committee, which has oversight responsibility for the integrated annual report, recommended the report for approval by the board of directors. The board has therefore approved the 2013 integrated annual report for release to stakeholders.

Forward looking statements

This integrated annual report contains certain forward looking statements with respect to the financial condition, results, operations and businesses of the Group. These statements and forecasts involve risk and uncertainty because they relate to events and depend on circumstances that occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward looking statements.

How to navigate your way through our integrated report:

These icons show you where you can find related information, and in which report you will find it.

This icon tells you where you can find more information online on **www.implats.co.za**	Mineral resource and mineral reserve statement	Annual financial statements	Sustainable development report

Chairman's statement

Dear Stakeholder

In my letter to you last year, I wrote that "the mining sector finds itself in its most turbulent state since the onset of democracy in 1994." Given the challenges of last year, I argued that I could think of few times when good leadership was more sought after – for our industry, our country, our region and the world at large. At the time, the events we had been witnessing reaffirmed my belief that our ability to create value for our stakeholders required us to be particularly attuned to the rapidly changing social context, and especially responsive to the aspirations of our stakeholders.

One year later, and each of these sentiments is more relevant now than it was then, with the South African platinum sector facing a combination of market, operational and societal challenges that potentially threaten the future viability of the industry. Responding appropriately to these challenges – many of which are of a structural and systemic nature – will require a collective effort, underpinned by strong leadership from business, government and labour, and informed by a sound appreciation of the underlying causes. The events leading up to and after Marikana have made it very clear that we will not make progress in addressing these challenges unless business, the investment community, government and labour adopt a new idiom of conversation based on mutual trust, with each party acknowledging the valuable role the other parties play in the social dynamic. This will require that each of us be willing to question some of the fundamental assumptions and beliefs that we may have long taken for granted. This won't always be easy, but is an important step forward in realising the common goals we hope to achieve.

The challenging business context

In many respects the events we have seen in the past 12 months constituted a perfect storm, both for the global mining industry in general and the South African platinum sector in particular. Globally, net profit for the top 40 mining companies was down almost 50% as a result of decreasing commodity prices, and escalating costs and reduced productivity. In the global platinum market, we have seen static platinum group metal (PGM) basket prices due to higher than average stock levels, accompanied by continuing cost pressures and significantly reduced margins.

In South Africa, these tough market conditions were compounded by reduced productivity and the operational and societal challenges facing the platinum sector, characterised in particular by the unprecedented levels of violent strike action that had significant human and financial costs for mining companies, neighbouring communities and the country. As platinum producers, we are confronted with continuing challenges associated with the changing industrial relations environment, the increasing cost of skills and resources such as energy and water, the declining quality of supporting infrastructure, and the ongoing uncertainty regarding key aspects of the mining regulatory regime. In a country where unemployment and poverty are high, and where service delivery by local government has been slow, the industry has seen heightened expectations from neighbouring communities and host governments to deliver jobs and essential services.

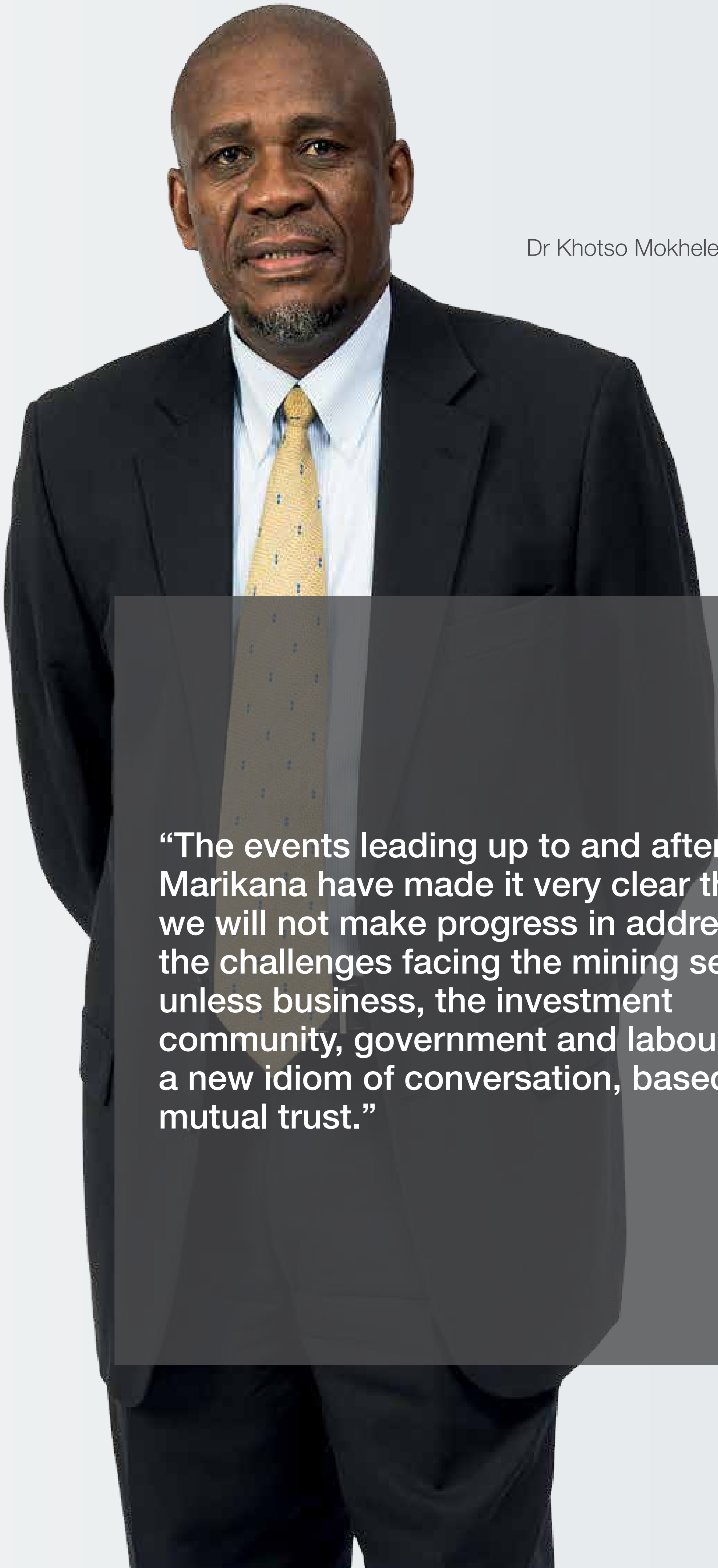
Balancing the expectations of government and communities against the need to provide investors with a return on their investment, presents us with a particular challenge. If we get this balance wrong, then all parties will lose value; if we get it right, then we will benefit collectively. This report, our fourth integrated annual report, describes how Implats seeks to strike this balance by outlining our strategic approach and our performance in terms of creating, sustaining and sharing value.

Understanding the societal context

Superficially, an immediate cause of the labour unrest permeating the sector last year was a failure in communication – between management and mine employees at mine level, between union members and their leaders at a secondary level, and between union leaders and business leaders at the highest level. This breakdown was itself as a result of the exposed weaknesses in the majoritarian labour system, as well as the impact of the rivalry between the established and emergent trade unions.

The causes, however, run deeper than this. They are rooted in the country's history and in the social problems that are a legacy of the migrant labour system: the poor housing conditions in the mining areas, the persistent illiteracy plaguing migrant labourers, and the high level of indebtedness associated with supporting multiple households. All of these challenges are exacerbated by the inequality between rich and poor, and the increasing costs of food, energy and water. This has given rise to communities and individuals who understandably feel increasingly helpless, frustrated and angry.

As a business we have both a moral obligation, and a fiduciary responsibility to find solutions to these challenges. Given the nature and extent of the challenges, it is clear that we cannot focus narrowly on meeting short-term shareholder interests alone. For our company to survive and prosper, and to deliver sustained returns to our investors, our corporate strategy must seek meaningful



Dr Khotso Mokhele

"The events leading up to and after Marikana have made it very clear that we will not make progress in addressing the challenges facing the mining sector unless business, the investment community, government and labour adopt a new idiom of conversation, based on mutual trust."

Chairman's statement continued

value creation for all our stakeholders. For us to do this, we will need the active engagement and commitment of all our stakeholders – including in particular, government, our employees, representative unions, our business peers and the investment community – to develop a business environment that is conducive to sustainable and long-term value creation.

Transforming the business model

In seeking to adjust to the changing context, we need to recognise that while many things have changed in the last decade or so, there is much that has not yet changed, particularly when it comes to people issues. The industry is still predominantly using labour-intensive manual mining methods relying on poorly educated individuals who perform manual tasks that offer limited opportunities for personal development and career progression. Across the industry, most of these workers still do not reside with their primary families in decent formal accommodation; and many of these workers retain their traditional links with the rural areas from which they originate. If our business is to prosper, we need to move away from an industry mentality where people are largely being seen and treated as units of production.

As we seek to make these changes, it is important however that we do so in a climate where all stakeholders recognise the crucial contribution of the mining sector to its host economies. Factors that constrain our ability to survive – such as an uncertain and inconsistently applied legislative framework, inadequate infrastructure, or pay demands that are out of sync with improved productivity and market realities – will significantly undermine our broader contribution. At the same time, business (and the shareholders who invest in us) must recognise that protecting the profitability of the mining sector cannot come at any cost. While it is true, for example, that without a viable platinum sector there will be very limited economic activity in Rustenburg; it is similarly the case that without a viable local community and a robust social fabric it will not be possible for us to mine platinum. The importance for us as a company to engage with our stakeholders in finding and implementing solutions that create shared value has never been clearer.

Our performance

In his CEO review, Terence Goodlace provides a detailed overview of our performance for the financial year. Without wishing to duplicate any of this, I would like to reflect very briefly on our performance in four priority areas: our financial performance, our response to the challenging industrial relations climate in South Africa, safety, and our activities relating to indigenisation in Zimbabwe.

The impacts of the challenges I spoke about earlier are clearly reflected in this year's disappointing financial performance. This has been driven primarily by lower production from our Impala operations, as well as increased labour and energy costs. Reflecting a trend that is broadly similar across the sector, our share price ended the financial year at R93, down from R135 per share at the beginning of the reporting period. Headline earnings per share decreased by 52% from 685 to 330 cents per share. While this is obviously disappointing, and while I do not foresee the market trend to change significantly in the year ahead, I believe strongly in the underlying fundamentals for PGMs, and in the valuable role that these metals will play into the future. It is thus important that we continue to make capital investments with the aim of maintaining and increasing volumes over the long-term.

With this in mind, a significant development this year was the launch of a dual offering of US$500 million (in rand and US dollars) senior unsecured convertible bonds due in 2018. The proceeds from this offering will be used primarily to fund major capital projects at Impala. I am confident that the significant capital investments that we are making in our new shafts are justified given the longer-term fundamentals of the global PGM market and will greatly enhance our long-run competitiveness.

For these capital projects to deliver, however, it is critical that we recapture the hearts and minds of our employees, and that we respond appropriately to the changing industrial relations environment in South Africa. We are committed to institutionalising a new, more open, and more democratic industrial relations dispensation with direct engagement between employees and management. Employees are recognised and respected as equals, based on a culture of trust and respect. I believe that the conclusion in July 2013 of a new recognition agreement with AMCU for our Rustenburg operations provides an important foundation for us to deliver on this commitment, and to foster a much more constructive and collaborative relationship between management and employees.

Underpinning any efforts aimed at recapturing the hearts and minds of our employees is the need to prioritise safety. While we still have some way to go to reach our target of zero harm, it has been encouraging to see the very positive progress that we have made this year under difficult circumstances. Although our strategy remains strongly focused on developing an appropriate safety culture, we have recognised the need to complement this approach with a substantial investment in technical measures aimed at minimising safety risks in our mines. I believe that the returns on this investment and on our training initiatives are already being realised, with a 25% improvement in our fatal injury frequency rate and a 15% improvement in our lost-time injury frequency rate. There has been particular progress from our focus on preventing fall of ground incidents, with no fatalities resulting from such incidents this year.

I welcome the political certainty that was brought about by the recent elections in Zimbabwe and remain optimistic that, given the Group's commitment to indigenisation, ongoing engagements will result in a solution that will be acceptable to all.

Looking to the future: cause for optimism?

In my statement in last years report I expressed concern that "the optimism that must be one of the major prerequisites for a prosperous future of any nation is being tested in our country", and I highlighted the critical need for good leadership from the governments in both South Africa and Zimbabwe. It was exactly good leadership that was provided by deputy president of the country, the ministers of finance, mineral resources and labour, the leadership of the mining sector, including the Chamber of Mines and the labour leadership that resulted in the 2013 wage negotiation season being free of the customary violence and destruction of property.

I believe that every nation gets the future it deserves, but I believe also that it is within its control to craft its own future. We have it within our power to create the future we want. It is imperative that we as business leaders do not become spectators, watching as the countries in which we operate struggle to deal with the profound challenges that they are facing. As business, we constantly need to ask ourselves what we can do – in partnership with others – to craft this future.

Appreciation

In closing, I express my sincere appreciation to my fellow board members for their advice and support during the challenging times that the board and the Company have faced during the year under review. Their diversity of experience and views has proved exceptionally valuable.

During the year there have been various changes to the composition of the board. Mr AS Macfarlane joined the board as an independent non-executive director on 1 December 2012 and Mr PW Davey joined us in the same capacity with effect from 1 July 2013. Both Mr Macfarlane and Mr Davey bring to the board strong technical expertise and I look forward to their contribution going forward.

In August 2013, Mr OM Pooe and Mr TV Mokgatlha both resigned as non-executive directors representing Royal Bafokeng Holdings (RBH). It is my pleasure to welcome, in their stead, Ms A Kekana (CEO, RBH) and Mr B Nagle (Head of Investments: South Africa, RBH). Mr Pooe had been appointed as alternate director to Ms Kekana, but resigned from this position on 19 September 2013. Mr Mokgatlha has accepted the board's invitation to join the Company as an independent non-executive director. Ms Kekana and Mr Nagle bring valuable experience in their new positions, and I look forward to working with them in the years ahead. I wish to place on record my sincere appreciation to Mr Mokgatlha and Mr Pooe for their contribution during their tenure as non-executive directors.

It is a particular pleasure to work with Mr Terence Goodlace, who took over as chief executive officer on 1 July 2012. During his year at the helm we have benefited significantly from his deep knowledge and experience in the mining sector, and from his strong commitment to safety and the promotion of a culture of trust, respect and care in the Company. I am confident that under his leadership, the Company will continue to generate value for all our stakeholders.

Finally, I wish to thank all our employees who continue to contribute to the success of the Company during these difficult times.

Dr Khotso Mokhele
Chairman

The year in perspective – salient events

October 2012

A wage adjustment

Implats implements a market adjustment for its South African employees adding 4.8% to its wage bill. This followed a commitment to conduct a full wage benchmarking exercise. The adjustment succeeded in stabilising the then volatile labour environment.

Calls for peace, order, and stability in union/worker relationships

Implats urges all role-players to focus on reducing tensions in the industry. By ensuring peace, order and stability, mines and mining communities create an environment for safe production.

December 2012/January 2013

Mimosa commits to indigenisation

Implats announces that its 50% held subsidiary, Mimosa, had concluded a non-binding termsheet for a proposed indigenisation implementation plan ("IIP") with the Government of Zimbabwe.

Zimplats reiterates commitment

In January 2013, Implats signs a non-binding termsheet with the Government of Zimbabwe to similarly sell 51% of Zimplats to specified indigenous groupings demonstrating its commitment to meeting the government's indigenisation objectives.

9 November 2012

Refineries achieves 9 million fatality-free shifts

2012

1 July 2012

Implats appoints a new chief executive officer to improve safety and operational performance

13 December 2012

Impala number 1 Shaft achieves 6 million fatality-free shifts

January 2013

Implats delivers new Rustenburg school

Implats together with the North West Department of Education and the Impala Bafokeng Trust, funded and built the Sunrise View Primary and Secondary School in Rustenburg.

The project, which included the design and construction of a combination primary and secondary school, has a budget of R86 million of which a total of R58 million has been spent to date. The primary school opened its doors on 9 January 2013 and has already enrolled 800 pupils at the new facilities. The secondary school has been constructed and will open in January 2014.

July 2013

New recognition agreement with AMCU

Impala signs a new recognition agreement with AMCU laying the foundation to advance the election of shop stewards for wage negotiations and to progress the health, safety and environment agreement.

June 2013

Implats continues to invest in housing

The second development in Implats' housing programme, Platinum Village, was initiated in Rustenburg in 2012. A total of R166 million was spent on this project in 2013 and the first proud homeowner, an electrical artisan working at 9 Shaft, took ownership of his home on 7 June.

February 2013

Implats successfully launches convertible bond

Implats issues rand and dollar bonds equivalent to US$500 million to ensure that it has the ability to continue funding its critical capital projects.

2013

21 June 2013

Impala commissions a new shaft in South Africa

The new 16 Shaft complex ensures that Implats remains in an excellent position to benefit from the long-term PGM market fundamentals, specifically in an industry in which the supply side is being constrained by a lack of investment. This will also secure jobs for 6 500 people that are currently employed at the older generation Rustenburg shafts.

26 March 2013

Zimplats achieves 10 million fatality-free shifts

April 2013

Zimplats commissions its Phase 2 concentrator plant and begins its ramp-up from 4mtpa to 6mtpa

Our performance

			2013	2012	2011	2010	2009
Operating statistics							
Gross refined production							
Platinum	(000oz)	△	**1 582**	1 448	1 836	1 741	1 704
Palladium	(000oz)	△	**1 020**	950	1 192	1 238	1 008
Rhodium	(000oz)	△	**220**	210	262	252	248
Nickel	(000t)	△	**16.0**	15.4	16.3	15.2	14.5
IRS metal returned (toll refined)							
Platinum	(000oz)	△	**189**	121	220	233	194
Palladium	(000oz)	△	**190**	148	210	259	181
Rhodium	(000oz)	△	**36**	25	42	49	38
Nickel	(000t)	△	**3.2**	3.1	3.4	2.8	2.5
Sales volumes							
Platinum	(000oz)	▽	**1 333**	1 368	1 665	1 435	1 503
Palladium	(000oz)	△	**859**	765	1 011	945	781
Rhodium	(000oz)	▽	**176**	183	221	228	180
Nickel	(000t)	△	**14.7**	13.9	15.5	12.8	13.5
Prices achieved							
Platinum	(US$/oz)	▽	**1 551**	1 614	1 691	1 433	1 219
Palladium	(US$/oz)	▽	**676**	687	670	376	263
Rhodium	(US$/oz)	▽	**1 143**	1 601	2 275	2 149	3 517
Nickel	(US$/t)	▽	**16 437**	19 513	23 965	18 981	12 995
Consolidated statistics							
Average exchange rate achieved	(R/US$)	△	**8.80**	7.71	7.03	7.58	8.63
Closing exchange rate for period	(R/US$)	△	**9.88**	8.17	6.77	7.67	7.76
Revenue per platinum ounce sold	(US$/oz)	▽	**2 528**	2 601	2 799	2 316	1 995
	(R/oz)	△	**22 246**	20 054	19 677	17 555	17 217
Tonnes milled ex mine	(000t)	△	**18 399**	17 788	20 974	20 309	20 083
PGM refined production	(000oz)	△	**3 233**	3 016	3 772	3 689	3 428
Group unit cost per platinum ounce	(R/oz)	△	**16 570**	13 450	10 867	10 089	9 129
	(US$/oz)	△	**1 879**	1 737	1 545	1 335	1 005

Implats refined
▷ 1 582 000oz

Group refined platinum production

Mine-to-market operations

Impala ▷ **709 000oz**
Zimplats ▷ **180 000oz***
Marula ▷ **71 000oz***
Mimosa ▷ **97 000oz***
Two Rivers ▷ **157 000oz***

Impala Refining Services (IRS)

Third-party concentrate purchase contracts, recycling and toll treatment ▷ **368 000oz**

Refined platinum ounces indicated above have been rounded for illustrative purposes
**Ex-IRS*

Key financial performance

			2013	2012	2011	2010	2009
Revenue	(Rm)	△	**30 032**	27 593	33 132	25 446	26 121
Gross profit	(Rm)	▽	**5 052**	6 256	10 997	7 567	9 265
Profit from operations	(Rm)	▽	**2 376**	5 703	10 193	7 031	8 823
Profit for the year	(Rm)	▽	**1 075**	4 299	6 810	4 794	6 004
Headline earnings	(Rm)	▽	**2 001**	4 151	6 639	4 718	6 015
Dividends	(cps)	▽	**95**	195	570	390	320
Gross profit margin	(%)	▽	**16.8**	22.7	33.2	29.7	35.5
Capital expenditure	(Rm)	▽	**6 391**	8 142	5 540	4 554	6 923
Cash net of debt	(Rm)	▽	**(3 014)**	(2 416)	2 700	1 730	1 363
Cash generated from operations	(Rm)	△	**5 938**	4 978	8 269	5 918	6 507

Key non-financial performance

			2013	2012	2011	2010	2009
Fatality injury frequency rate	(pmmhw*)	▽	**0.065**	0.087	0.053	0.122	0.082
Lost-time injury frequency rate	(pmmhw*)	▽	**4.21**	4.96	4.94	4.61	2.92
Total injury frequency rate	(pmmhw*)	▽	**10.91**	11.19	13.47	15.21	13.95
Employees (including contractors)	(no)	▽	**57 000**	63 000	57 000	54 000	53 000
Employee turnover	(%)	▽	**6.0**	10.0	8.3	6.0	7.8
Energy consumption	(000GJ)	△	**17 574**	17 542	18 222	17 013	16 388
Energy intensity	(GJ/tonnes milled)	▽	**0.955**	0.986	0.869	0.837	0.816
Water consumption	(Ml)	△	**40 711**	40 114	41 868	37 060	37 434
Water intensity	(Ml/tonnes milled)	▽	**0.0022**	0.0023	0.0020	0.0018	0.0019
Total direct SO_2 emissions	(tpa)	△	**18 536**	18 463	18 881	16 926	21 152
Total CO_2 emissions	(000tpa)	△	**3 788**	3 707	4 022	3 755	3 391
Voluntary counselling and testing	(no)	△	**11 782**	9 820	14 072	6 837	6 263

Share performance

			2013	2012	2011	2010	2009
Headline earnings per share	(cents)	▽	**330**	685	1 105	786	1 001
Closing share price	(R)	▽	**93**	135	182	180	170
Market capitalisation	(R billion)	▽	**59**	85	115	114	108

**pmmhw – per million man-hours worked.*

△▽ *Improvement.*
△▽ *Deterioration.*
△▽ *Similar performance.*

1.58m
gross production of platinum ounces
9% up on 2012

0.065
reduced fatality injury frequency rate
2012: 0.087

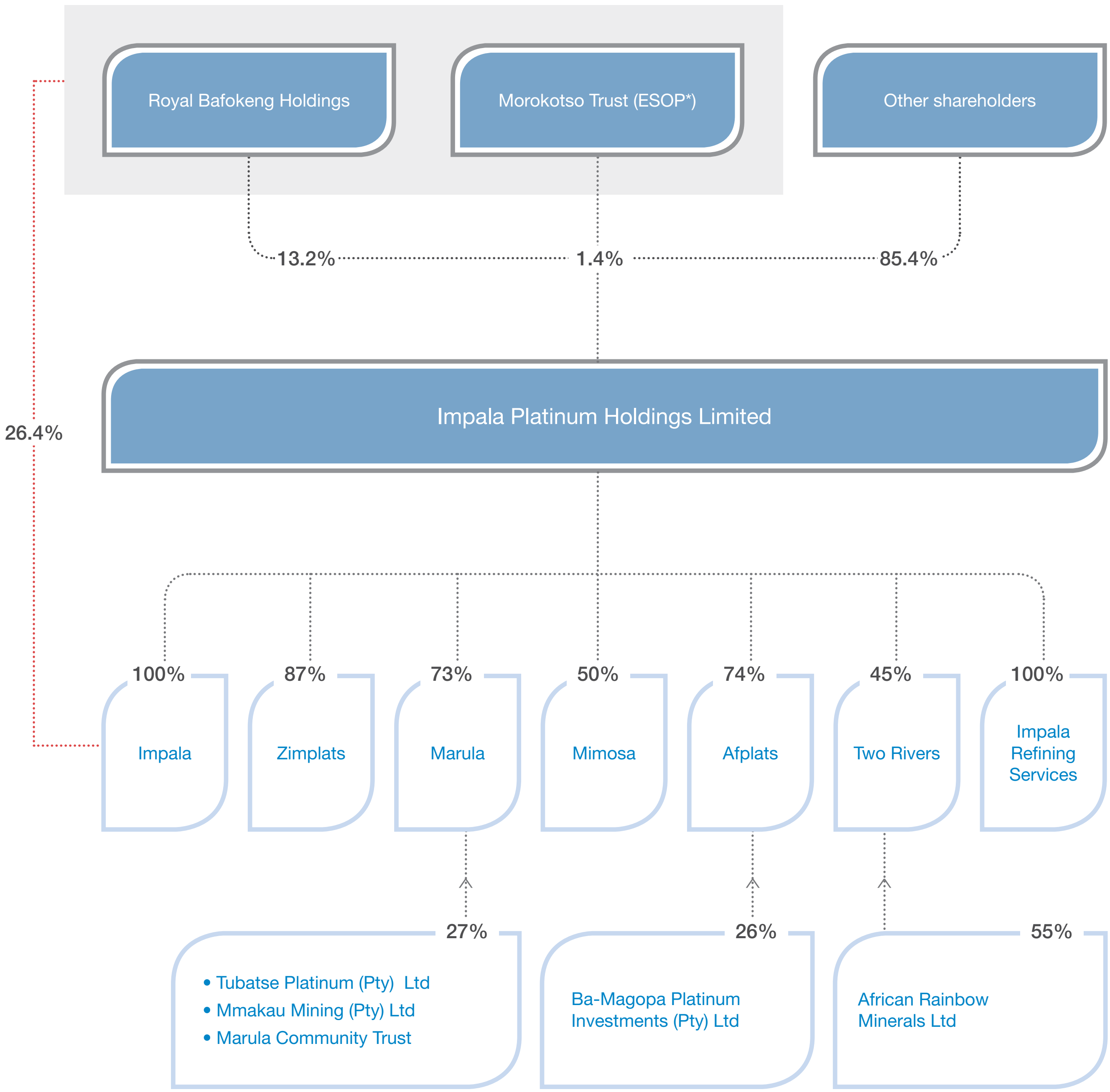






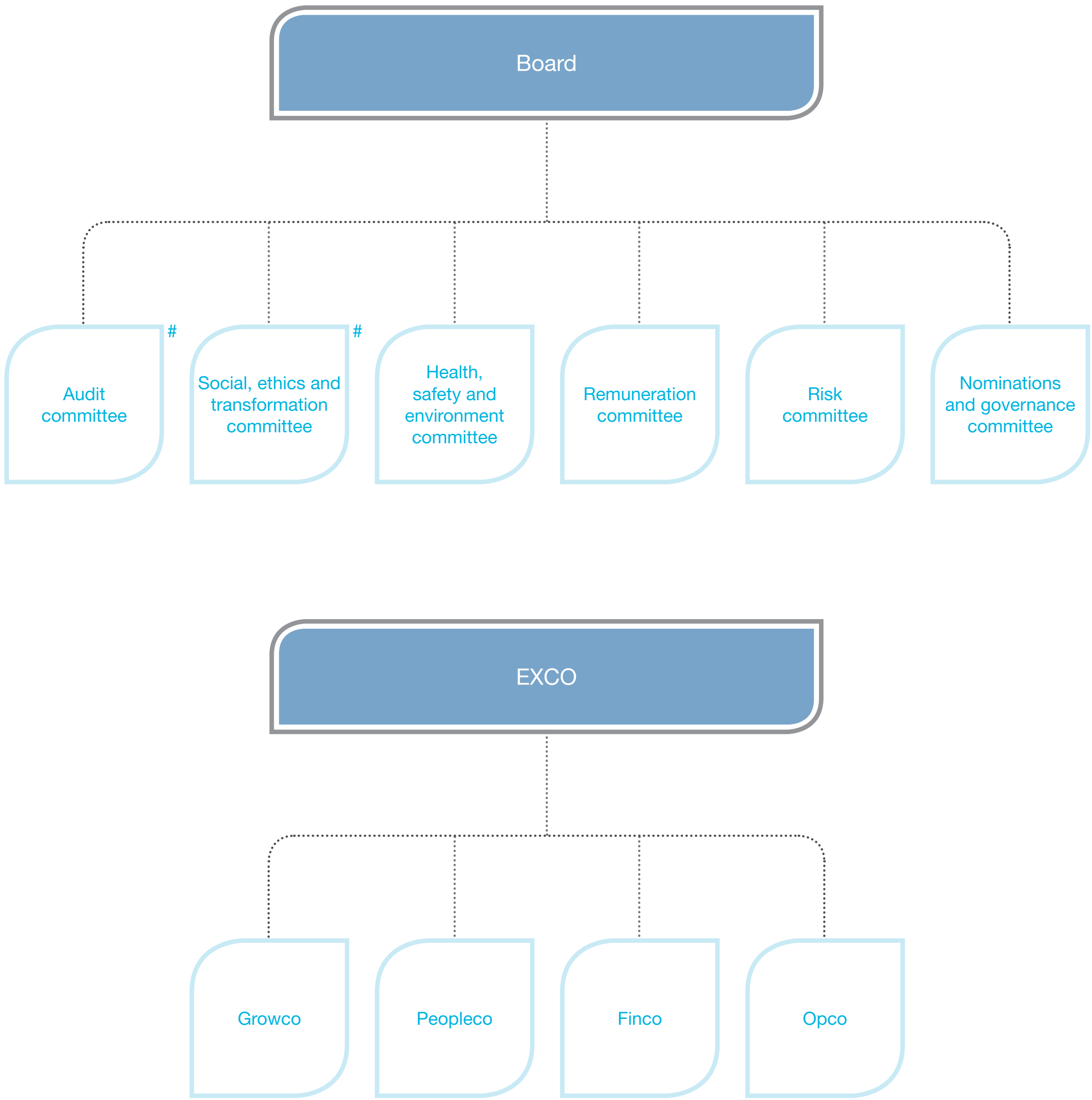
The Implats Group

How we are structured



*Employee Share Ownership Programme

-----: Royal Bafokeng Holdings and Morokotso Trust's direct shareholding is equivalent to 26.4% ownership in Implats for purposes of conversion of its mining rights



#Statutory committees

Where we operate

57 000
workforce, including
17 000 contractors

Implats produces approximately 22% of the world's supply of primary platinum. In the review period, the Group produced 3.233 million ounces of PGMs, including 1.582 million ounces of platinum.

South Africa

Marula

Marula is 73% owned by Implats and is one of the first operations to have been developed on the relatively under-exploited eastern limb of the Bushveld Complex in South Africa. Marula is located in the Limpopo province, some 50 kilometres north of Burgersfort.

Impala

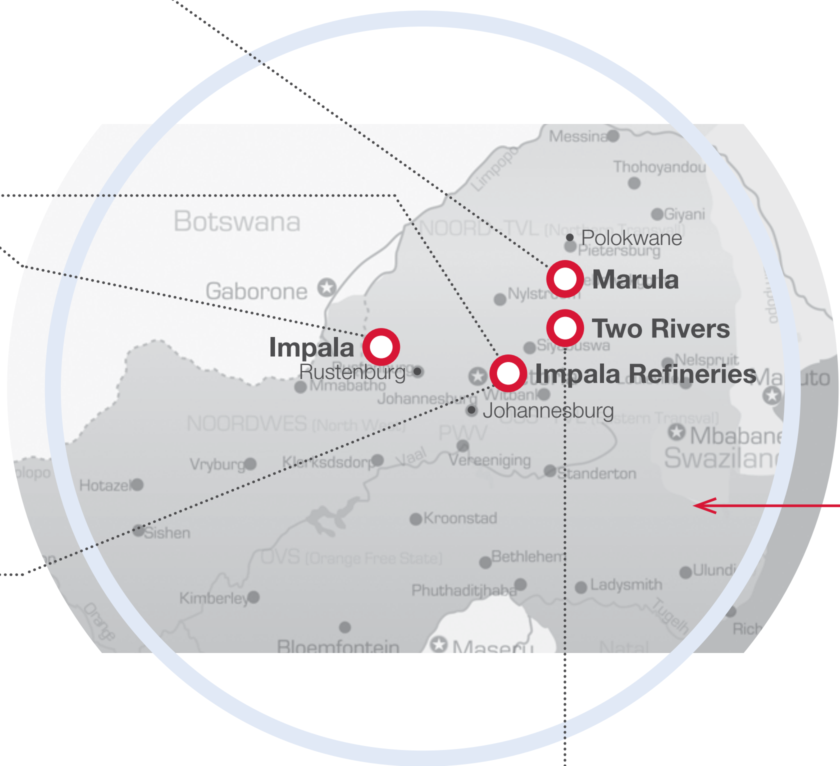
Impala, Implats' 100% owned primary operational unit, has operations situated on the western limb of the world-renowned Bushveld Complex near Rustenburg in South Africa. This operation comprises a 16 shaft mining complex and concentrating and smelting plants. The base and precious metal refineries are situated in Springs, east of Johannesburg.

IRS

Impala Refining Services (IRS) was created in July 1998 as a dedicated vehicle to house the toll refining and metal concentrate purchases built up by Implats. IRS is situated in Springs some 35 kilometres east of Johannesburg. IRS provides smelting and refining services through offtake agreements with Group companies (except Impala) and third parties' recycling and toll-treatment.

Two Rivers

Two Rivers is a joint venture between African Rainbow Minerals (55%) and Implats (45%). The operation is situated on the southern part of the eastern limb of the Bushveld Igneous Complex some 35 kilometres south-west of Burgersfort in Mpumalanga, South Africa.



The most significant PGM deposits in the world are the Bushveld Complex in South Africa and the Great Dyke in Zimbabwe, which contribute around three quarters of global platinum output. PGMs are a relatively rare commodity – only around 500 tonnes (excluding recycling) are produced annually, of which less than 200 tonnes are platinum – yet they play a progressively more important role in everyday life, such as autocatalysts to control vehicle emissions, in the production of LCD glass and as hardeners in dental alloy. PGMs – primarily platinum, and the associated by-products, palladium, rhodium, ruthenium, iridium and gold usually occur in association with nickel and copper.

Zimbabwe

Mimosa

Mimosa is jointly held by Implats and Aquarius. Its operations are located on the Wedza Geological Complex on the Zimbabwean Great Dyke, 150 kilometres east of Bulawayo. The operation comprises a shallow underground mine, accessed by a decline shaft, and a concentrator.

Zimplats

Zimplats is 87% owned by Implats and its operations are situated on the Zimbabwean Great Dyke south-west of Harare. Zimplats operates four underground mines (including the expansion portal) and a concentrator at Ngezi. The Selous Metallurgical Complex (SMC), located some 77 kilometres north of the underground operations, comprises a concentrator and a smelter.

Our business operations

Business summary

Impala

	2013	2012		2013	2012
			Total employees including contractors (no)	**46 671**	48 307
Platinum (oz)	**709 200**	750 100	Cost (R/Pt oz)	**17 241**	13 913
Palladium (oz)	**350 500**	408 600	Capex (Rm)	**4 390**	5 269
Rhodium (oz)	**101 300**	98 900	FIFR (pmmhw)	**0.087**	0.110
Nickel (t)	**4 035**	4 757	LTIFR (pmmhw)	**4.91**	5.74

- A 16 Shaft mining complex
- Mineral processes, incorporating concentrating and smelting plants
- Refineries, housing the base and precious metals refineries
- **Reserves:** 19.8 million attributable ounces of platinum
- Resources (including reserves) 73.9 million attributable ounces of platinum

Zimplats*

	2013	2012		2013	2012
			Total employees including contractors (no)	**5 704**	9 204
Platinum (oz)	**198 100**	187 100	Cost (R/Pt oz)	**11 524**	9 594
Palladium (oz)	**157 100**	149 200	Capex (Rm)	**1 449**	2 137
Rhodium (oz)	**17 000**	16 900	FIFR (pmmhw)	**0.000**	0.000
Nickel (t)	**3 909**	3 787	LTIFR (pmmhw)	**0.70**	0.21

- Four shallow mechanised underground mines
- Concentrator and smelter plants at Selous Metallurgical Complex (SMC)
- Concentrator plant at Ngezi
- **Reserves:** 10.8 million attributable ounces of platinum
- Resources (including reserves) 95.5 million attributable ounces of platinum

Marula**

	2013	2012		2013	2012
			Total employees including contractors (no)	**4 018**	3 708
Platinum (oz)	**71 700**	69 100	Cost (R/Pt oz)	**19 665**	16 483
Palladium (oz)	**73 500**	71 200	Capex (Rm)	**125**	223
Rhodium (oz)	**15 200**	14 800	FIFR (pmmhw)	**0.000**	0.130
Nickel (t)	**245**	238	LTIFR (pmmhw)	**5.42**	11.46

- Two decline shafts
- Concentrator plant
- **Reserves:** 1.1 million attributable ounces of platinum
- Resources (including reserves) 7.5 million attributable ounces of platinum

Mimosa**

50:50 joint venture with Aquarius Platinum

	2013	2012		2013	2012
			Total employees including contractors (no)	**1 682**	1 771
Platinum (oz)	**100 300**	106 000	Cost (R/Pt oz)	**15 713**	11 255
Palladium (oz)	**79 500**	82 300	Capex (Rm)	**265**	497
Rhodium (oz)	**8 700**	8 500	FIFR (pmmhw)	**0.000**	0.000
Nickel (t)	**3 161**	3 046	LTIFR (pmmhw)	**0.26**	1.19

- Joint venture with Aquarius Platinum Limited
- Mechanised shallow underground mine
- Concentrator plant
- **Reserves:** 0.7 million attributable ounces of platinum
- Resources (including reserves) 3.9 million attributable ounces of platinum

Two Rivers**

Managed by African Rainbow Minerals

	2013	2012		2013	2012
			Total employees including contractors (no)	**3 706**	3 514
Platinum (oz)	**162 200**	149 900	Cost (R/Pt oz)	**11 683**	10 814
Palladium (oz)	**98 600**	89 500	Capex (Rm)	**489**	467
Rhodium (oz)	**28 700**	25 500	FIFR (pmmhw)	**0.000**	0.280
Nickel (t)	**555**	595	LTIFR (pmmhw)	**1.78**	1.43

- Joint venture with African Rainbow Minerals Limited
- Two on-reef shafts
- Concentrator plant
- **Reserves:** 0.9 million attributable ounces of platinum
- Resources (including reserves) 2.9 million attributable ounces of platinum

IRS

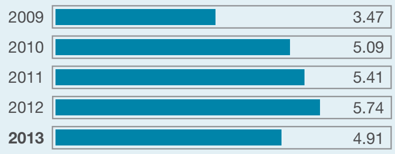
	2013	2012
Platinum (oz)	**872 300**	697 500
Palladium (oz)	**669 800**	541 100
Rhodium (oz)	**118 400**	111 000
Nickel (t)	**11 983**	10 582

- Provides smelting and refining services through offtake agreements with Group companies (except Impala) and third parties
- Recycling and toll-treatment

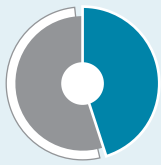
* *Figures are "in matte".*
** *Figures are "in concentrate".*

LTIFR (per million man-hours worked)	Contribution to Group's refined platinum production	Outlook

(14%)



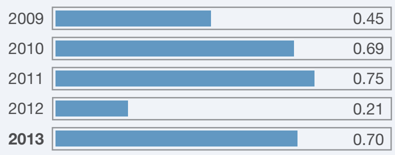
45%



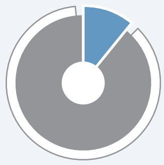
See page 90 for the **abridged mineral resource and mineral reserve statement**

- Training 3 000 safety representatives by December 2014
- Long-term goal to complete 2 420 new housing units at a total cost of R1 billion.
- Production to build to 850 000 ounces of platinum per annum by 2018
- Capital expenditure of R21 billion over the next five years

+233%



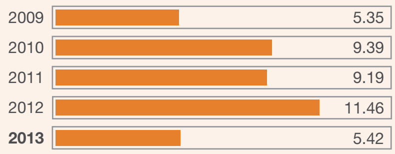
11%



See page 90 for the **abridged mineral resource and mineral reserve statement**

- Remains in negotiations with government on finalising the agreed indigenisation plan.
- Phase 2 expansion project remains on schedule, which will increase production to 270 000 ounces of platinum in matte in 2015

(53%)

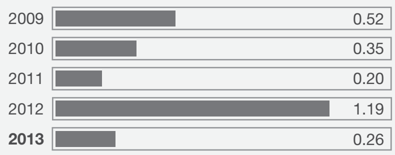


5%

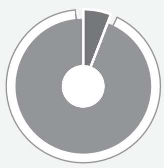
See page 90 for the **abridged mineral resource and mineral reserve statement**

- Optimisation of excising infrastructure
- Production planned to increase to 86 000 ounces over the next five years

(78%)



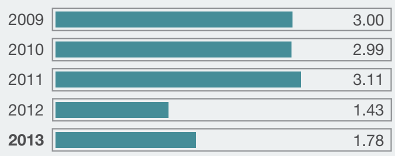
6%



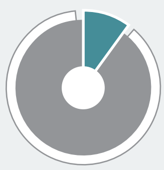
See page 90 for the **abridged mineral resource and mineral reserve statement**

- Steady state platinum concentrate production will be maintained in the region of 100 000 ounces of platinum over the period

+24%



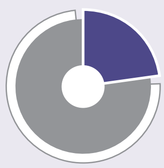
10%



See page 90 for the **abridged mineral resource and mineral reserve statement**

- Chrome plant and tertiary mill was commissioned in September 2013
- Production capacity should be maintained at around 140 000 to 150 000 ounces of platinum in concentrate

23%



Our leadership – board of directors

Independent non-executive directors

Chairman

Khotso Mokhele (58)

BSc (Agriculture), MSc (Food science), PhD (Microbiology)

Experience

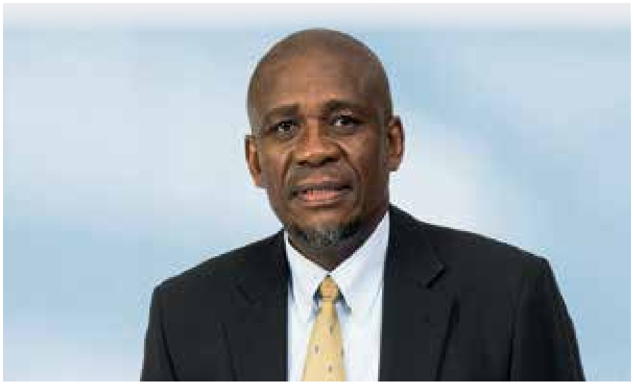
Khotso has been an independent non-executive director of Implats since June 2004. He was appointed chairman of the board in 2009. In addition to his chairmanship of Implats, Khotso is also currently chairman of Adcock Ingram Holdings Limited and a non-executive director of both African Oxygen Limited, Tiger Brands Limited and Hans Merensky Holdings.

Hugh Cameron (62)

BCom, BAcc, CA(SA)

Experience

Hugh was appointed to the board in November 2010 as an independent non-executive director and he was previously a partner at PricewaterhouseCoopers where he specialised in mining and headed up their global mining practice for a number of years. He is also a non-executive director on the board of First Uranium Corporation.



Peter Davey (60)

MSc Mining engineering, MBA

Experience

Peter was appointed to the board in July 2013 as an independent non-executive director. He was previously a resource analyst at various investment banks in the United Kingdom and he also has extensive production experience in the South African gold and platinum mining industry.

Mandla Gantsho (51)

BCom (Hons), CTA, CA(SA), MSc, MPhil, PhD

Experience

Mandla joined the board as an independent non-executive director in November 2010. He was chief executive officer and managing director of the Development Bank of Southern Africa following a number of years as its chief financial officer. He has also held a number of senior management positions at Transnet and Engen. He is currently the chief executive officer of Africa Rising Capital and also serves on the board of Sasol Limited.

Alastair Macfarlane (62) *British*

MSc Mining engineering

Experience

Alastair was appointed to the board in December 2012 as an independent non-executive director. He has extensive experience in various senior management positions in mining, and is currently a consultant to several mining companies within the sector. Alastair is also a senior mining lecturer at the University of the Witwatersrand and the chairman of the South African Mineral Asset Valuation Committee (SAMVAL). .

Almorie Maule (66)

MSc (Mathematics and statistics)

Experience

Almorie was appointed to the board in November 2011 as an independent non-executive director. She was previously chief executive officer of Engen Limited. She is currently a non-executive director of Mutual and Federal Insurance Company, Old Mutual Life Assurance Company (SA) and Women in Oil and Energy South Africa NPC.

Thabo Mokgatlha (38)

BCompt (Hons), CA(SA)

Experience

Thabo was previously a financial director of Royal Bafokeng Resources Management Services (Pty) Limited. He was a non-executive director of Royal Bafokeng Holdings (Pty) Limited. He joined the board in February 2003 as a nominee of the Royal Bafokeng Nation. He holds directorships in Rand Merchant Bank Holdings Limited, Rand Merchant Insurance Holdings Limited and York Timber Limited.

Babalwa Ngonyama (38)

BCompt (Hons), CA(SA), MBA

Experience

Babalwa joined the board in 2010 as an independent non-executive director. She is currently a non-executive director of Evraz Highveld Steel and Vanadium, Barloworld Limited, Hollard Insurance Company Limited and the Kelly Group.

Our leadership – board of directors continued

Independent non-executive directors

Thandi Orleyn (57)

BJuris, BProc, LLB

Experience

Thandi was previously National Director of the Commission for Conciliation, Mediation and Arbitration. She joined the Implats board in April 2004 as an independent non-executive director and she is currently a non-executive director of ArcelorMittal South Africa Limited, Reunert Limited, Lafarge and BP South Africa.

Non-executive directors

Albertinah Kekana (40)

BCom, Diploma in accounting, CA(SA)

Experience

Albertinah was appointed in August 2013 as a non-executive director representing the Royal Bafokeng Holdings (Pty) Limited (RBH) after she was appointed in June 2013 as alternate director to Mr Pooe. She is currently chief executive officer of RBH and serves as a non-executive director of Rand Merchant Bank Holdings and Rand Merchant Insurance Holdings.

Brett Nagle (36)

BCom (Cum Laude), Diploma in accounting (Distinction), CA(SA)

Experience

Brett was appointed to the board in August 2013 as a non-executive director representing Royal Bafokeng Holdings (Pty) Limited. He has extensive experience in resources finance and has worked for Rand Merchant Bank.

Executive directors

Terence Goodlace (54)

NHD in metalliferous mining, BCom, MBA

Experience

Terence was appointed to the Implats board in August 2010 as an independent non-executive director. He has extensive mining experience and is currently the chief executive officer. He held the position of group chief operating officer at Gold Fields Limited where he worked for 27 years in various capacities. He then held the position of chief executive officer at Metorex Limited for three years until 2012. He is a council member of the Chamber of Mines (SA).

Brenda Berlin (49)

BCom, BAcc, CA(SA)

Experience

Brenda was appointed to the board in 2011 as an executive director: finance. Prior to her appointment she was the Group executive: commercial. Brenda is a member of the executive committee.

Paul Dunne (50)

BSc Eng, MBA

Experience

Paul joined Implats in 1987 and was appointed as general manager: Mineral Processes in 2000. In 2009 he was appointed as Group executive: Operations. He was later appointed to the Implats board as executive director in 2010. He is the chairman of the operations committee and leads the South African mining and mineral processing operations. He is also a member of the executive committee.

Alternate director

Mpueleng Pooe (51)

BProc

Experience

Mpueleng was appointed to the board in August 2010 as a non-executive director representative of Royal Bafokeng Holdings (Pty) Limited (RBH). He serves on the boards of Metair Investments Limited, Royal Bafokeng Platinum Limited and Impala Platinum Limited.

Our leadership – executive committee (EXCO)

Day-to-day management of Group operations

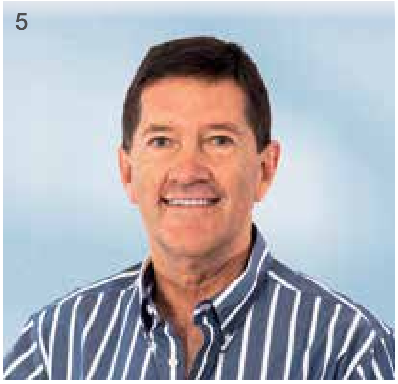
Permanent members

1

2

3

4

5

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7

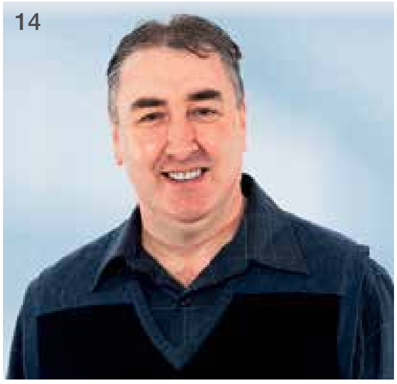
8

9


1. Terence Goodlace *(Chairman)*
   Chief executive officer
2. Brenda Berlin
   Chief financial officer
3. Jon Andrews
   Group executive: HSE
4. Paul Dunne
   Executive director: operations
5. Derek Engelbrecht
   Group executive: marketing
6. Paul Finney
   Group executive: refining
7. Alex Mhembere
   Chief executive officer: Zimplats
8. Humphrey Oliphant
   Group executive: employee relations
9. Gerhard Potgieter
   Group executive: growth projects and consulting mining engineer
10. Johan Theron
    Group executive: people

10


Permanent invitees



11. Cindy Mogotsi
    Group sustainable development manager
12. Bob Gilmour
    Group executive: corporate relations
13. Nonhlanhla Mgadza
    Chief audit executive
14. Paul Skivington
    Group executive: strategy and risk
15. Seef Vermaak
    Group executive: mineral resource management
16. Avanthi Parboosing
    Company secretary

Market review

Our markets

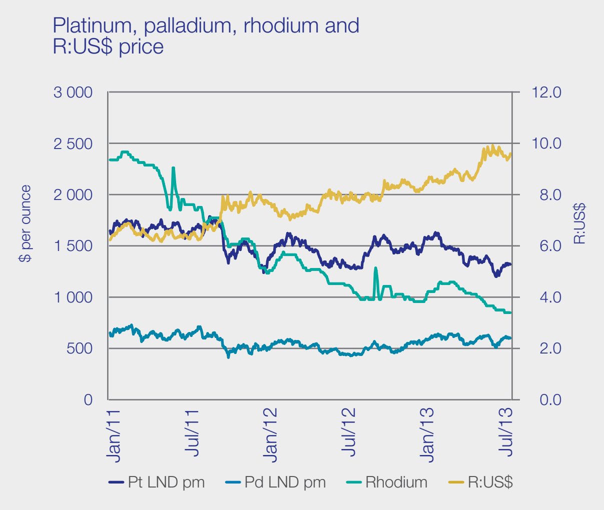
Global GDP growth for 2012 was just over 3% but with a wide geographic dispersion. The US market grew at around 2% for the year and this has strengthened marginally into 2013, while China's growth rate of about 7.8% is expected to contract this year. Europe remains firmly in the grip of recession as austerity programmes constrain any prospects of growth. At the time of writing, however, very tentative signs of stability and recovery are beginning to emerge. The European Union and indeed the euro have managed to survive the economic turmoil, but much more is required to stimulate this economy.

Japan has adopted its own version of quantitative easing with the yen depreciating nearly 20%, thereby boosting export focused industries such as automotive and electronic. Despite this seemingly good news, world growth remains fragile and tentative and further shocks can by no means be ruled out.

Against this backdrop of global uncertainty, investor sentiment towards the PGMs and commodities in general remain weak, and the ample availability of physical metal negatively impacted the prices of our metals.

Market performance

Significant labour disruptions compounded by government-led safety stoppages resulted in the loss of some 600 000 ounces of platinum production during 2012 to a level not seen for a decade or more. Perversely this allowed the removal of some of the excess above-ground inventory from the market, but even this could not impact on pricing, highlighting the extent of inventories.

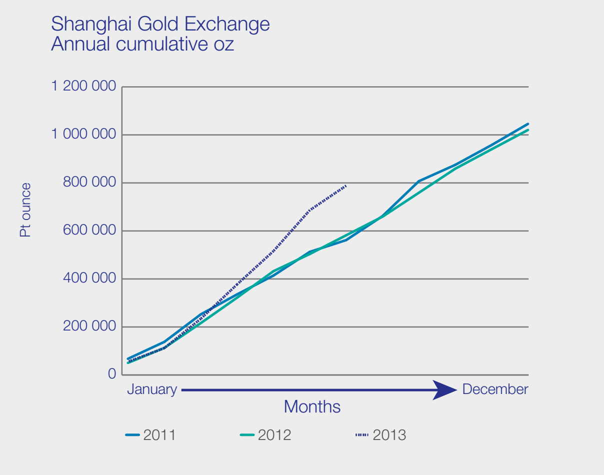


The growing automotive industry continues to underpin demand for our metals, notwithstanding the geographic diversity of this growth. China and the US – both gasoline dominated markets – continue to perform well and are driving global growth, but European sales continue to disappoint and are hovering at multi-year lows. With Europe's significant diesel share this is having an impact on platinum demand. Remaining elusive is the emergence of cleaner diesel in China, which will allow the fitment of catalytic devices to the world's largest heavy-duty diesel fleet in order to alleviate the pollution problem being experienced in that country.

Light-duty vehicle sales

Units: Millions	2011	2012	Forecast 2013
North America	13.1	15.4	**16.1**
Western Europe	14.0	12.7	**12.1**
China	17.1	18.2	**20.3**
Japan	8.1	9.5	**9.2**
Rest of the world	24.3	25.7	**25.6**
	76.6	**81.5**	**83.3**

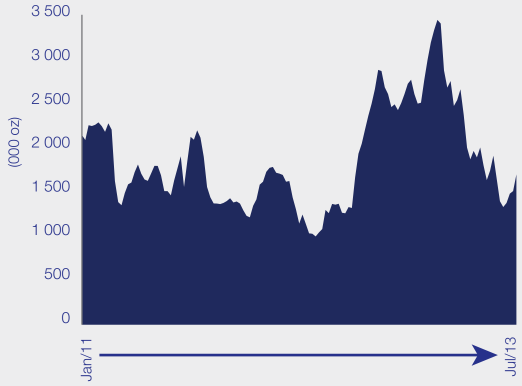
Platinum jewellery demand remains resilient in the lower price environment, and is further supported by the extension of China's retailers into third and fourth tier cities which have until now not had significant access to this metal. Gold's premium over platinum during parts of the last year also stimulated some substitution away from white gold. Trade on the Shanghai Gold Exchange during the first half of 2013 has been significantly above that for 2012, but we believe a greater industrial bias is emerging from this source.



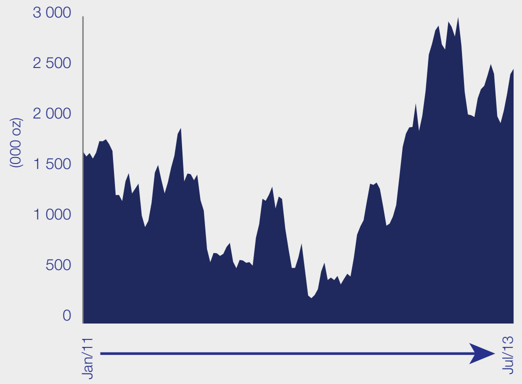
Once again, it is the investment or speculative market which is holding sway over our markets, and hence determining the price of our metals. The graphs below represent the futures exchange investments, and demonstrate the extent of their influence over our products. What is not reflected in the graphs below is that more than 80% of gold longs liquidated their positions representing some 25 million ounces or nearly four years of South African production. Platinum and palladium were clearly affected by this liquidation, and the extent of the selling in the futures market was much lower but damaging nevertheless.

On the physically backed exchange traded funds (ETFs), the launch and subsequent uptake of over half a million ounces in a new South African-based product, has demonstrated the ready availability of above-ground stock, with a very marginal impact on price. This can be compared to the launch of the US-based platinum ETF in 2010, which consumed less metal during its first three months, but drove prices US$200 per ounce higher.

Platinum exchange investment



Palladium exchange investment

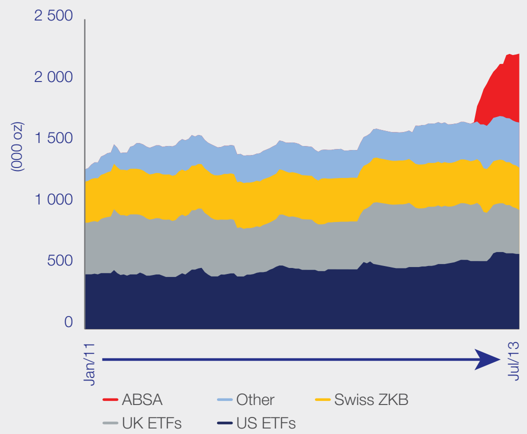


Prices for the financial year under review were once again extremely volatile. Platinum prices averaged US$1 550 per ounce, but traded in a range of almost US$450. Highs of US$1 736 per ounce were overcome by investor liquidation in the second half of the financial year to depress prices to a low of just over US$1 300 per ounce in June 2013.

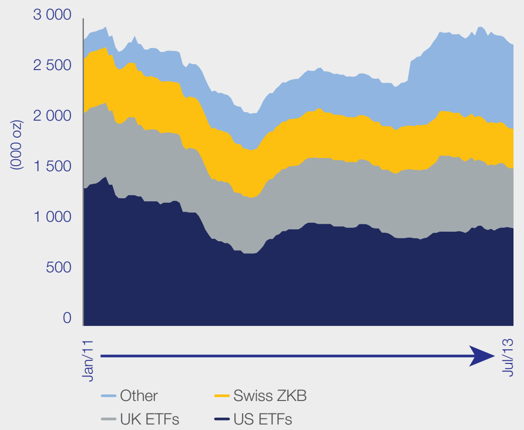
Similarly palladium's average price of US$680 per ounce masked a US$774 high and US$565 low.

Rhodium prices traded relatively calmly but have succumbed to increased recycle volumes. High prices of US$1 400 per ounce could not be sustained and prices ended the financial year at just US$1 000 per ounce.

Platinum ETF investment



Palladium ETF investment



Market review continued

Outlook

It is difficult to recall a time when the outlook for our metals was so uncertain. From a supply point of view, no meaningful increase is expected from South African producers over the next three to five years and production could even fall further if current market conditions persist.

From a demand perspective, the outlook looks a little healthier with a growing automotive industry and more stringent emission standards should continue to provide an underpin to these markets. What has and will continue to exert an influence is the extent of above ground inventories, which have clearly been underestimated in the past. It is only the reduction and or elimination of these inventories through supply reductions or demand stimulation that will reignite prices and restore the health of this industry. Intensive efforts are under way with regards to the latter.

Platinum

In line with a gradual increase in demand we expect prices to slowly recover from the lows experienced during this period. Above ground stocks will continue to have an impact in the short term, but once eroded, the promising fundamentals should reassert themselves.

Palladium

Growing global car sales, particularly in the US and China, should see this market remain in a fundamental deficit for the next three to five years at least. As with platinum, above ground inventories will suppress prices in the short term, but these should recover and head back to the highs seen during 2000 and 2001.

Rhodium

Despite the improving fundamentals, successive years of surplus have left more than sufficient inventory to handle any attempt at a price recovery. Hence prices are expected to remain subdued for the short to medium term.

(000oz)	2011	2012	Forecast 2013
Platinum supply/demand balances			
Demand			
Automobile	3 400	3 470	**3 475**
Jewellery	2 415	2 525	**2 565**
Industrial	1 730	1 700	**1 750**
Investment	150	200	**600**
Total demand	7 695	7 895	**8 390**
Supply			
South Africa	4 735	4 025	**4 175**
North America	375	380	**335**
Other	1 020	1 040	**1 125**
Recycle	1 110	1 120	**1 230**
Russian sales	800	795	**800**
Total supply	8 040	7 360	**7 665**
Balance	345	(535)	**(725)**

(000oz)	2011	2012	Forecast 2013
Palladium supply/demand balances			
Demand			
Automobile	5 600	6 000	**6 300**
Industrial	3 160	3 110	**3 125**
Investment	(520)	300	**250**
Total demand	8 240	9 410	**9 675**
Supply			
South Africa	2 595	2 245	**2 300**
North America	860	930	**950**
Other	1 465	1 080	**650**
Recycle	1 500	1 600	**1 850**
Russian sales	2 750	2 700	**2 700**
Total supply	9 170	8 555	**8 450**
Balance	930	(855)	**(1 225)**
Rhodium supply/demand balances			
Demand			
Automobile	760	790	**800**
Industrial	180	190	**190**
Total demand	940	980	**990**
Supply			
South Africa	635	580	**590**
North America	20	19	**20**
Other	30	31	**35**
Recycle	265	260	**300**
Russian sales	70	65	**65**
Total supply	1 020	955	**1 010**
Balance	80	(25)	**20**

Major PGM uses

	Platinum	Palladium	Rhodium	Ruthenium	Iridium
Automotive	Catalyst to control exhaust emissions Spark plug tips Oxygen sensors in vehicle on-board diagnostic systems	Catalyst to control exhaust emissions (particularly hydrocarbon control) Oxygen sensors in vehicle on-board diagnostic systems	Catalyst to control exhaust emissions (essential for NO_x control)	–	Alloying agent in spark plug tips
Chemical	Gauze for catalytic production of nitric acid Process catalyst for producing bulk (PTA) and speciality chemicals (eg silicones)	Catchment gauze to recover platinum and rhodium in nitric acid production Process catalysts	Process catalysts, eg acetic acid, oxo alcohols and rubber products Alloy with platinum in nitric acid production	Process catalysts, eg production of ammonia (Kellogg process)	Process catalysts, eg production of acetic acid (Cativa process)
Dental	Hardener in dental alloys	Alloying agent	–	Alloying agent	–
Electro-chemical	–	–	–	Coating for anodes in chlorine and caustic soda production Sodium chlorate production	Coating for anodes in chlorine and caustic soda production Sodium chlorate production Coating for electrode – for electro-galvanising of steel strip
Electronics	Alloy coating for hard disks to improve storage capacity Thermocouples to monitor temperature in steel, semi-conductor and glass industries	Conductive paste in multi-layer ceramic chip capacitators Conductive tracks of hybrid integrated circuits Salts for plating processes	Alloyed with platinum in thermocouples	Resistor pastes for hybrid integrated circuits and chip resistors PMR technology to increase hard disk memory storage	Fabrication of crucibles for growing rare earth and other crystals (lasers and memory chips) Thermocouples

	Platinum	Palladium	Rhodium	Ruthenium	Iridium
Glass	Production of LCD glass Bushings for producing glass fibre Speciality glasses Glass for TVs, monitor and cathode ray tubes Glass substrates for hard disks	–	Alloyed with platinum in producing LCD glass Alloyed with platinum in bushings	–	–
Investment	Small/large bars, coins ETFs	Coins ETFs	–	–	–
Jewellery	Fabrication	Fabrication Alloying agent in platinum jewellery Whitening agent in production of white gold	Electroplating to give jewellery white finish	Alloying agent in platinum jewellery	Alloying agent in platinum jewellery
Petroleum	Reforming and isomerisation for upgrading octane quality	Hydrocracking to achieve higher yields	–	–	Alloyed with platinum in reforming catalysts
Other	Anti-cancer drugs Protective coating on turbine blades Pacemakers and catheters Control of industrial emissions (volatile organic compounds) Magnets	Control of industrial emissions (volatile organic compounds)	–	–	Alloyed with platinum in pacemakers and catheters
Fuel cells	Electrode coating in fuel cell stack Fuel-processing catalyst Tailgas burner	Tailgas burner	Fuel-processing catalyst	Electrode coating in fuel cell stack	–

Identifying material business risks and opportunities

The business identifies its strategic objectives, and material sustainability focus areas, through a structured internal risk management process, and with consideration to the views and interests of key stakeholders.

Business risk assessment and management process

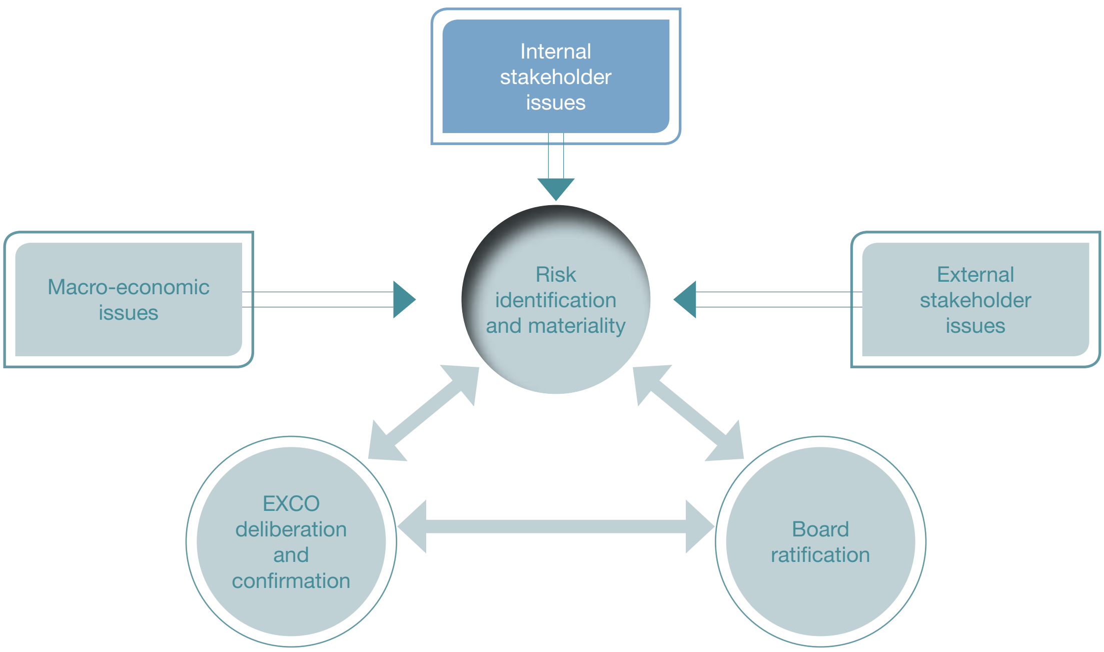
Implats' risk management process sets out to achieve an appropriate balance between minimising the risks associated with any business activity and maximising the potential reward. This process enables the board and senior managers to take decisions regarding the possible trade-off between risk and reward, and assists them to identify and pursue appropriate strategic growth opportunities informed by the Group's risk appetite and risk tolerance levels.

The structured risk management process comprises the following steps:

- *Establishing the context:* Consider the nature of the external operating context, and the views and interests of stakeholders
- *Identifying the risk:* Establish both the source and cause of the risk, and evaluate all possible consequences
- *Analysing the risk:* Identify and assess what this means for the achievement of our objectives
- *Evaluating the risk:* Determine the risk rating (by severity, exposure and frequency), identify the controls (both existing or new), and prioritise the risks
- *Treating the risk:* Consider all options to establish the most appropriate response for each identified risk.

Arising from this process is the identification of a set of objective-based risk assessments (ORAs) that cover approximately 60 of the most important aspects of the Implats business. Each identified risk, as well as its associated controls, has a clearly defined line management owner. This process is repeated and reviewed regularly, ensuring that the information remains relevant. All information is captured into the Group risk repository system that informs the Group risk profile. The Group risk profile is presented on a monthly basis to the EXCO and quarterly to the board risk committee, which has been separated from the audit committee.

This process culminates in the identification of a prioritised set of Group strategic risks. Collectively, these risks, along with the outcomes of our internal and external stakeholder engagement activities, and our assessment of market fundamentals, are used to identify our material sustainability-related issues and business strategic objectives. These issues are prioritised in terms of their impact both on the organisation and on our key stakeholders. They inform the nature of our strategic objectives, as well as the performance issues for monitoring and reporting.



Classification of Group strategic risks – June 2013

The Group risk profile identified the following key risks (see page 7 of the sustainable development report):

Group strategic risk	Our response measure
Platinum group metal (PGM) price fluctuations	Understanding the future demand for our products, and the corresponding industry supply-side profile. Scanning the environment for technological advances that may affect the demand for Implats' products (substitution), and instituting appropriate responses where possible.
Volatility of the rand/ US$ exchange rate	Closely monitoring the rand/dollar exchange rate as a source of significant volatility for our business and where prudent try to mitigate its impact.
Non-delivery of production and productivity targets at Impala Rustenburg	Maintaining reliable and effective production processes and delivering product on time and to specification. Improving delivery on development, equipping, construction and ledging and through this increasing ore reserve availability.
Potential labour unrest – wage negotiations and employee relations climate	Striving to provide an enabling work environment that fosters open, honest and effective relations between management, employees and elected union representatives. Working with Chamber of Mines, government and labour representatives to find sustainable solutions to industrial relations challenges in the country.
Poor safety performance and an increase in safety stoppages	Aiming to achieve continuous improvement in safety performance towards the vision of 'zero harm'. Adoption of the cultural transformation framework.
Delayed capital project delivery	Maintaining effective project management processes and skills to ensure successful project implementation and delivery over the short, medium and long-term.
Staff turnover and demotivated employees	Advancing an employee value proposition that prioritises safe production, offers attractive career advancement and development opportunities as well as competitive remuneration. Mobilising all production teams to enhance employee engagement and to promote safe production.
Uncertainty regarding political and regulatory risk in South Africa and Zimbabwe	Maintaining regular contact with government officials. Ensuring full legal and regulatory compliance in a continuously changing environment. Investing in community and social development initiatives.
Maintaining a social licence to operate in South Africa and Zimbabwe	Addressing relevant issues regarding sustainability, corporate responsibility, and being recognised as a good corporate citizen. Maintaining sound and mutually beneficial relationships with communities and the general public. Striving to retain permission to operate, and ensuring full legal and regulatory compliance in a continuously changing environment.
The supply and cost of electricity in South Africa	Ensuring we minimise our consumption of energy and water by promoting efficient processes, and adopting appropriate technologies.

Our business strategy

To achieve the organisation's vision, the Group remains focused on the following four strategic objectives. These objectives are responsive to the material risks that impact our capacity to create value.

- Cultural transformation framework
- Effective supervision
- Technical initiatives
- Remuneration, recognition and rewards
- Talent management
- Team mobilisation
- Training

1

- Operations and logistics management
- Mineral resources management
- Quality mining
- Ore reserve flexibility
- Improved systems
- New technology

2

3

- Energy and water management
- Climate change and emission control
- Land and biodiversity management

4

- Building effective relationships with key stakeholders
- Collaborating with social partners to make positive investment in communities surrounding our operations

Strategic objective 1 – Developing safe and effective people with respect and care

We aim to achieve this by:

- Improving safety and health through implementing safety and health strategies
- Implementing the effective people strategy
- Attracting, retaining and developing talent and skills.

Why this is material

- Ensuring the safety and health of our employees, contractors and suppliers is essential if we are to respect their most fundamental human rights; without a meaningful commitment to respecting the rights of those with whom we interact, we will have no social or political licence to operate
- If we are to create sustainable value for shareholders and society we need our people to be healthy, safe, motivated and equipped with the requisite skills and abilities; this requires a work environment informed by mutual trust, respect and care.

How we manage this objective

- People management is headed up by a dedicated Group executive reporting to the CEO; his scope of work includes remuneration, human resource development, talent management, employment equity, stakeholder engagement and sustainable development. The Group health, safety and environment (HSE) executive, is a member of the executive committee (EXCO) and is responsible for guiding the Group strategy on HSE issues
- Policies and procedures on people management issues are established at corporate level and apply at our operations. These seek to ensure the continuous development of our employees, in line with business demands, while at the same time offering career progression opportunities with particular emphasis on historically disadvantaged South Africans (HDSAs) within our South African operations
- Each operation has a transformation committee made up of representatives drawn from management, employee unions, women and people with disabilities, as well as other stakeholder groupings that we engage with to advance transformation at each operation
- Group and site-specific HSE policies, procedures and standards have been set, with the aim of ensuring that our activities comply with legislative requirements. Responsibility for implementing Group-wide HSE policies and procedures rests at an operational level with line management. The operations submit quarterly performance reports to the board appointed HSE committee. HSE specialists, at a Group and operational level, support line management in implementing their strategy, and in monitoring and managing performance.

Our 2013 performance

- Nine work-related fatalities (2012: 12)
- Fatal injury frequency rate (FIFR) improved by 25.3% to 0.065 (2012: 0.087)
- Lost time injury frequency rate (LTIFR) improved by 15.1% to 4.21 (2012: 4.96)
- The Group completed a total of 662 152 breathalyser tests (192% increase), 39 820 road behaviour checks (59% increase), and 71 545 STOP® visible felt leadership observations (43% increase). There were 3 528 internal work safety stoppages (51% increase).

Our business strategy continued

- Notable safety achievements across operations (pages 64 to 88)
- Implemented best practice with increased use of nets and bolts in stoping and development, proximity detection systems on trackless machinery and the introduction of self-contained self-rescuers for the whole workforce
- 50 new cases of noise-induced hearing loss (2012: 63), and 334 new cases of pulmonary TB (2012: 389)
- Over 90 000 occupational health-screening examinations and no previously unknown occupational risks detected. Employees on wellness programme increased to 6 014 (2012: 5 179)
- No strike action for the year and a new recognition agreement signed with organised labour
- Staff turnover in the total workforce was 5.7% (2012: 10.0%)
- R428 million (2012: R354 million) spent on skills development.
- A new training facility for all miners, shift supervisors and mine overseers at 9 Shaft.

Our commitments for achieving this objective in future

- Retain strong focus on cultural transformation framework, increasing supervision and leadership skills and introducing best practice technical initiatives
- Further developing leading indicators and increase the safety weighting in short-term incentive schemes and in so doing improve performance
- Focus efforts on ensuring further mitigation of risks relating to noise induced hearing loss (NIHL) and Aids.
- Increase membership of the Impala Medical Plan by a further 5%
- Ensure alignment with the SA government's national health strategy, including providing healthcare facilities around our lease areas
- Implement the new employee engagement model and develop new values through the "Exchange for Change" programme based upon the Respect, Care and Delivery initiative
- Address potential skills shortages through in-house technical trainee programmes, capacity-building at supervisory and managerial level, and enhanced people-leadership initiatives
- Devote an additional 1% of payroll levy towards creating and entrenching critical skills
- Continue to drive transformation and achieve 80% and 65% HDSA representation at D and E levels respectively by 2020
- Focus strongly on local employment.

Strategic objective 2 – Operational excellence

We will achieve this by:

- Implementing the operational excellence model which includes a new mineral resource management initiative
- Maintaining an intense cost and productivity focus.

Why this is material

- Delivering consistent returns through optimised operations focused on mine volumes and mining quality is essential to rewarding those who invest their capital in our business and to secure their continued support. Superior returns ensure that we have access to internal capital and to borrowings with which we finance new operations
- Profits enable us to invest in our human resources, to motivate our staff and to keep contributing to the development of well-functioning sustainable communities and to the economic growth of South Africa and Zimbabwe.

How we manage this objective

- A robust annual budgeting process is undertaken with a high focus on cost containment and safe production levels
- Performance against this budget is monitored continually and reported in detail on a monthly basis to EXCO and on a quarterly basis to the board.

Our 2013 performance

- Tonnage milled increased by 3% to 18.4 million tonnes
- Refined platinum produced increased by 9% to 1.58 million ounces. PGMs produced increased by 7% to 3.2 million ounces
- Unit costs increased by 23% to R16 570 per refined platinum ounce
- Capital investment amounted to R6.4 billion mainly for the Impala 20, 16 and 17 Shafts and the Zimplats Phase 2 expansion. The 16 Shaft complex and the Zimplats Phase 2 expansion were commissioned. The 20 Shaft project continued with its planned ramp up on the Merensky Reef. The 17 Shaft project was optimised to exclude high cost development and include improved hoisting facilities from the ventilation shaft while the main shaft is being sunk
- A R4.5 billion convertible bond was raised to secure the investment into the new shafts
- A new mineral resource management strategy was developed to focus on creating more ore reserve flexibility and improve mining quality at the Impala operation
- External consultants were employed to improve productivity at Marula. This project was successful
- External consultants were employed to assist 11 and 14 Shafts at Impala to increase mineable face length through a focus on development, equipping, construction and ledging
- Unprofitable UG2 stoping was stopped at the Impala mine
- A Group new technology team was formulated to drive, amongst other initiatives, the mechanisation of underground development at all of the new shafts.

Our commitments for achieving this objective in future

- The key focus for the next five years will be to build Impala up to an annual production rate of 850 000 ounces of platinum per year. This plan is predicated on closing depleted shafts and ramping up production at the new 20 and 16 Shaft complexes as well as the brownfield projects at 11 and 14 Shafts
- The Impala operation will transition the Merensky: UG 2 ratio from 46:54 to 50:50 over the next five years. This change has positive yield benefits as the Merensky Reef has a higher platinum content and higher plant recovery than the UG2 reef horizon
- The transition at Impala over the next five years will reduce shaft infrastructure and associated overheads and lead to improved mining efficiencies through concentrated mining activity. A new Zero Harm Production bonus will be implemented in 2014
- The Zimplats expansion will realise an additional 2 mtpa through the new concentrator and mining portal. The mine is planned to produce 270 000 ounces of platinum per year per year from 2015
- Marula is planned to increase output to 86 000 ounces of platinum per annum over the next five years. All other operations are to remain at current levels of production
- Cost leadership will be achieved through improved productivity and stoping efficiencies and better utilisation of infrastructure. Negotiations with suppliers of commodity inputs for improved rates is ongoing
- Cementing a new, more sustainable labour compact with our employees will be fundamental to achieving the growth in returns that we believe we are capable of achieving and that stakeholders expect of us. We will be focusing efforts on advancing the new employee engagement model in which management at all operations will liaise more closely with employees
- A full team mobilisation programme is planned for 2014 onwards. This programme is to be enhanced through new training facilities being established. The focus of this training is on technical education and people leadership skills.

Our business strategy continued

Strategic objective 3 – Preserving natural resources and mitigating impacts

We will achieve this by implementing our:

- Water and carbon management strategies
- Energy efficiency initiatives
- Biodiversity management plans
- Air quality management plans
- Waste management plans

Why this is material

- The Group creates value primarily by extracting and refining PGMs. Without access to these minerals we have no business. To support our extraction and processing of these resources we require additional mineral resources as well as access to reliable supplies of water and energy (mainly in the form of electricity). We recognise that the supply of some of these resources is constrained and likely to become more so in future, leading to anticipated increases in costs as well as growing competition with other potential users including local communities
- It is important that we demonstrate responsible stewardship of the resources we share with the societies in which we operate, particularly as our underground operations become deeper and consume greater amounts of energy and water. This involves taking measures not only to address security of supply (for example through efficiency, recycling and fuel-switching), but also to actively minimise our impacts on natural resources. This has direct benefits in terms of reduced costs and liabilities, enhanced resource security and improved licence to operate.

How we manage this objective

- The Group (HSE) executive, is a member of the EXCO and is responsible for guiding the Group environmental strategies. All material environmental matters are reported to the HSE committee of the board on a quarterly basis
- The Group has established environmental specialist teams that work closely with operations and are involved in due diligence exercises undertaken in connection with acquisitions, and the development of strategic resources
- The Group has implemented environmental management systems which are ISO 14001 compliant. These systems are audited by third parties.

Our 2013 performance

- All South African operations including Marula, are now certified in terms of ISO 14001, continued with the implementation of carbon and water conservation strategies and participated in the CDP Water Disclosure Project and the CDP Climate Change Programme
- Engaged with the regulators on the requirements of water-use licences at all South African operations
- Marginally increased total direct emissions of SO_2 and CO_2
- Total Group water consumption was 40 711 megalitres (Ml) (2012: 40 114). Unit consumption per tonne of ore milled reduced to 2.21 kl/t (2012: 2.26 kl/t)
- Recycled 15 271 Ml water which equates to 38% of all water consumed (2012: 37%)
- Obtained a waste licence for Rustenburg and recycle 68% of waste generated
- Completed the Biodiversity Management Plan for the Rustenburg operations. Rehabilitated 18.4ha at Rustenburg and continued on plan with the backfilling of open pits at Zimplats
- The coal-to-biomass fuel switch project aims to utilise bamboo as an alternate fuel source to coal which qualifies for carbon credits through the Clean Development Mechanism (CDM). Ongoing studies into the calorific content of the bamboo briquettes and their durability was a concern during both the first and second phase of testing. The other major challenge this year has been in growing the bamboo. Bamboo requires more management than originally envisaged and protection from local community livestock is difficult to manage.

Our commitments for achieving this objective in future

- Appropriate engagement with non-governmental organisations and communities on environmental and sustainability matters
- Updating the Group carbon footprint and setting realistic reduction targets for each operation in line with our carbon management strategy
- Continuing work with government and academic institutions on the development of fuel-cell technologies that will utilise PGMs as alternative energy sources. An amount of R2 million a year has been committed for this work with a total budget of R6 million allocated to the project
- Ensuring that we have the internal systems in place to meet the regulations in terms of the National Energy Act, 2008. Further improve our data on our energy-efficiency initiatives
- Several energy-efficiency projects were completed in 2013 and others are nearing completion. We are installing power factor correction equipment at Rustenburg, which is expected to deliver 2.5% in annual savings. Fibreglass reinforced plastic fan blades are being trialled for performance testing to confirm the purported energy savings
- Complete the feasibility study for the Zimplats SO_2 abatement plant in 2015 for construction to begin in 2016.

Strategic objective 4 – Social capital investment

We will achieve this by:

- Making a meaningful and sustainable contribution to the societies in which we operate
- Implementing projects that impact positively on our communities
- Respecting the human rights and interests of all stakeholders
- Respecting and abiding by the laws of the countries within which we operate.

Why this is material

- Our strategic approach to investing in socio-economic development initiatives is informed by our belief that the long-term success of a business is closely linked to the success and well-being of the communities in which it operates and from which it draws its employees. Ensuring the trust and endorsement of these communities and their political representatives is essential to our licence to operate and to our ability to operate effectively and efficiently
- We believe that our commitment to housing provides a clear opportunity for differentiation and to build a sustainable competitive advantage among current and prospective employees and other stakeholders. It presents a strong business/employee linkage and serves as a cornerstone of the other pillars of our broader transformation strategy: it supports skills retention, procurement and enterprise development initiatives, as well as making a meaningful contribution to community development.

How we manage this objective

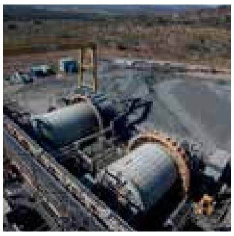
- Our sustainable development department based at our Rustenburg operations manages our socio-economic development initiatives in our South African operations. The stakeholder engagement department assists with community relations
- Community projects are identified at quarterly forums attended by community representatives, local government and employees. Mine operational committees approve projects and submit them to the executive-level Group sustainable development forum for final approval. The social, ethics and transformation committee established in 2012 oversees social and economic development projects.

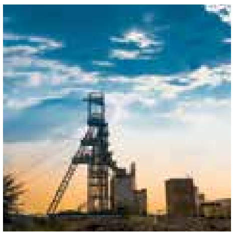
Our 2013 performance

- Although significantly affected by market conditions and cash preservation strategies, we nevertheless continued to contribute important economic value-added for stakeholders, and in the region more broadly through our core activities including:
- At a Group level, cash payments of:
  - R8 632 million in employee wages and benefits
  - R1 658 million in taxation and royalties
  - R 580 million in dividends paid to shareholders
  - R6 360 million in payments to providers of capital goods
  - R8 338 million in payments to suppliers of consumables, utilities and services
- This value-added was supplemented with additional investments of R102 million in socio-economic development initiatives and R445 million in the upgrading of employee housing, home ownership facilitation and the conversion of single-sex residences
- Met all the 2013 housing objectives and on track to deliver on 2020 objectives in South Africa. Continued with accommodation initiatives at all other operations
- 55% of our total discretionary spend of R10.0 billion was spent with vendors with HDSA/BEE ownership of greater than 25% (2012: R4.8 billion or 51%)
- 52% of procurement expenditure spent with companies in the North West province, and 6% with companies owned by local communities close to the operations.

Our commitments for achieving this objective in future

- Our revised enterprise development policy envisages the Group allocating greater resources to developing local SMMEs and HDSA suppliers as well as assisting those small suppliers that are in distress
- Continue to work closely with the Royal Bafokeng Enterprise Development Unit in Rustenburg and the Marula Community Development Agency in Burgersfort to effect greater local procurement by identifying and mentoring black-owned smaller suppliers
- Our investments in improving the accommodation of employees will continue. The Impala housing project is scheduled to be completed, as projected by 2020, and the conversion of all hostels to one-person-per room accommodation has been achieved
- Implementation of our social and labour plans are on track for completion in 2013
- Conduct a baseline survey at the South African operations that will inform future social initiatives based on informed community needs and will align with future social and labour plan commitments.





Group performance

Chief executive officer's review

Dear Shareholders
My first year as chief executive has been challenging and eventful. The platinum industry is facing its toughest time yet with depressed PGM metal prices, low productivity, cost pressures and industrial relations challenges. The Implats team has, during the course of the year, come to grips with the considerable operational and industrial relations challenges faced specifically by the Impala Rustenburg operations and we now have a plan in place to deliver on safety, health and production performance, among others. We aim to do this with the necessary respect and care, deserving of our stakeholders.

Overview of 2013

Safety, health and the environment

I am pleased with the progress we have made in improving our safety performance and during the year, we significantly re-energised our safety efforts. Our strategy is built on changing the culture of the organisation (as included in the industry cultural transformation framework), improving our supervision and adopting and implementing various technical initiatives which aim to improve workplace safety.

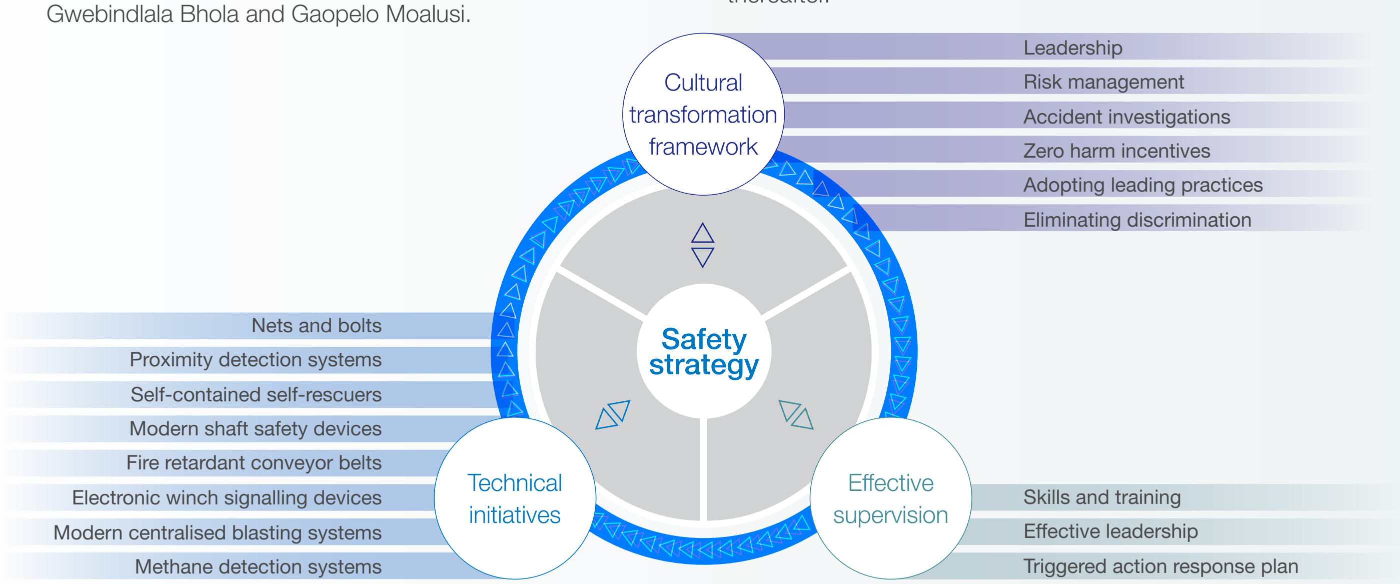
The Group fatal injury frequency rate improved by 25.3% to 0.065 per million man-hours worked and there were no fall-of-ground fatal accidents throughout the Group, which is a considerable achievement. The lost-time injury frequency rate improved by 15.1% to 4.21 per million man-hours worked. However, nine work colleagues died while on duty and I extend, on behalf of the Group, my sincere condolences to the families and friends of the deceased. We remember Joseph Matatiele, Albert Mlamleli, Gaoagiwe Wesi, Sonwabile Sidinana, Tembekile Nomvethe, Joel Selebogo, Daniel Motenalapi, Gwebindlala Bhola and Gaopelo Moalusi.

There were some notable safety achievements at our operations during the year, as highlighted below:

Operation	Achievement
Zimplats	10 million fatality-free shifts on 26 March 2013
Impala refineries	9 million fatality-free shifts 9 November 2012
Impala 1 Shaft	6 million fatality-free shifts on 13 December 2012
Impala 12 Shaft	4 million fatality-free shifts on 9 May 2013
Mimosa	3 million fatality-free shifts on 22 April 2013
Impala 16 Shaft	2 million fatality-free shifts on 1 March 2013
Impala 10, 14, 20, 6 Shafts and Marula	Each achieved 1 million fatality-free shifts during the year
Mimosa	Improved its lost-time injury rate by 78% for the year
Marula	Improved its lost-time injury rate by 53% for the year

An increased focus on leading indicators and actions has been implemented and for the year the Group completed a total of 662 152 breathalyser tests (an annual increase of 192%), 39 820 road behaviour checks (an annual increase of 59%), and 71 545 STOP® visible felt leadership observations (an annual increase of 43%). Furthermore, there were 3 528 internal work stoppages (an annual increase of 51%).

The diagram below depicts the overall Group safety strategy, with some commentary on certain areas thereafter.



Terence Goodlace

“Ensuring the sustainability of our business requires us to deliver on short-term performance measures and to focus on overcoming the strategic challenges which are likely to impact our business over the long-term”

For more information on employee and contractor safety see page 32 of our **sustainable development report**

Chief executive officer's review continued

Nets and bolts have been adopted and implemented on 90% of the Impala Merensky Reef horizon stopes and 45% of the UG2 Reef horizon stopes. All development ends have safety nets in use. It is planned to complete the full roll-out of this initiative at Impala in 2014. Nets and bolts are fully implemented at the Marula operation. The South African operations have now equipped 79% of the trackless vehicle fleet with "Proximity Detection Systems" and we plan to complete this programme in 2014. In addition, a decision was made to equip all underground employees with self-contained self-rescuers and all units have now been purchased for a full roll-out over the coming year. A decision was made late during 2013 to replace the entire centralised blasting system over a period of two years. The South African operations have chosen the Sasol SafeBlast® system used in conjunction with the SafeStart® detonators, which offers much-improved levels of safety and reliability over our current blasting operations. The system has been installed at Marula and at the Impala 20 and 6 Shaft complexes. The Group has also made a decision to replace all of its conveyor belts with fire retardant conveyor belts. A fully revised methane management plan and associated initiatives was developed to cater for increased flammable gas intersections being encountered on some of the deeper shafts at Impala (11, 11c, 14, 16 and 20 Shafts).

Employee health has also received renewed focus and attention during 2013, with 90 000 employees and contractors undergoing occupational screening examinations during the year across the Group. For non-occupational healthcare, medical aid membership of the Impala Medical Plan increased by 7% and there are now 20 386 people on the scheme. The antiretroviral uptake increased by 13.5% in 2013 and there are now 4 039 people on the programme. Initiatives to mitigate against noise induced hearing loss include the silencing of machines, the provision of custom fitted hearing protection devices, audiometric screening of all employees and the reporting and counselling of all early 2.5% to 5% and 5% to 9.9% noise-induced hearing loss cases. Compliance to the wearing of the customised, fitted hearing protection is still not at the required 100% level and programmes are in place to drive this initiative forward and improve in this area. Alignment with the Department of Health and National Health Insurance continued and the Job Thabane Hospital Neonatal Unit and the Freedom Park Clinic were renovated and handed over to the Department during the year under review.

Protection of our natural resources and respect for the environment in which we operate remains paramount to our sustainable development strategy and all Implats' operations are ISO 14001 certified, with Marula having obtained certification in September 2012. The Group has continued with various initiatives to manage air quality emissions, increase energy efficiency and reduce water consumption through increased water recycling. The back-filling of open pits is ongoing at specifically Impala and Zimplats, as is the full rehabilitation of previously back-filled sites through grassing and chemical amelioration.

Implats compiles an annual Group carbon footprint for all operational areas and participates in the Carbon Disclosure Project (CDP) and a new five level environmental incident classification system was approved for managing environmental performance.

PGM market conditions

Global economic conditions continue to weigh heavily on the PGM prices and US$ prices for all of the major metals were lower than the prior year. For the calendar year 2012, the platinum market moved into a deficit of half a million ounces on the back of low primary supplies from the South African producers. There was a marginal increase in auto-catalyst demand but glass and electrical demand were sharply down for the year. Strong rising jewellery demand from China offset some of the reduced demand and the lower US$ prices retarded auto-catalyst recycling.

For the same period, palladium moved into a deficit of nearly 900 000 ounces on the back of lower primary production and secondary supplies. Russian state stock sales were significantly lower and auto-catalyst demand was at an all-time high. In line with global economic performance, there was weaker industrial and jewellery demand. Offsetting this was a net investment increase of over one million ounces.

Looking ahead, there should be an increase in auto-catalyst demand, especially for palladium, and this demand is expected to increase at a rate of 3% to 4% per annum. This is being driven by increasing motor vehicle production especially in the United States and Asia and new emissions standards being implemented in various parts of the world. Primary supply of PGMs from South Africa will continue to be stunted on the back of operational challenges.

Employee relations

During the year, significant progress was made in advancing our employee relations (ER) strategy. Most significantly for Impala, a new recognition agreement was concluded in July 2013 with AMCU for the Rustenburg operations. The principles of the agreement provide a clear framework to advance the election of shop stewards for wage negotiations and to progress the Health, Safety and Environment (HSE) Agreement. The recognition agreement also sets the tone for the successful negotiation and conclusion of other critical labour arrangements and issues. To this end, shop steward elections have now been completed. Following on from this, wage negotiations are commencing in earnest.

Deliberations on the new HSE agreement at our Rustenburg operations have also progressed within the broader framework of the new recognition agreement with AMCU. A detailed draft has been agreed in principle, with more work being required to finalise the population of the worker representative statutory structures. The framework and design of the draft HSE agreement has taken account of our past experience and is based on independent legal advice. The objective is to affirm an agreement framework that not only measures up to legal scrutiny, but also aligns our employees and their representatives more directly with our zero harm vision.

With the signing of the recognition agreement, the opportunity now exists to make further progress towards advancing our ER strategy, specifically to foster a collaborative employee relations environment at the Impala Rustenburg operations and within the broader industry. This environment will afford us the opportunity to inculcate a stronger and more direct relationship with our employees while, at the same time, fostering significantly better relationships with our unions and other stakeholders.

Operational performance

Impala

During the year, Impala's safety performance improved and there were 505 (2012: 574) lost-time injuries in the year at a lost-time injury rate of 4.91 (2012: 5.74) per million man-hours worked. Ore milled increased by 2.3% to 10.9 (2012: 10.7) million tonnes while platinum refined decreased by 5.5% to 709 200 (2012: 750 100) ounces. Milled head grades (6E) were marginally lower at 4.32 (2012: 4.38) grams per tonne. Recoveries improved slightly to 85.3% (2012: 84.7%) as a result of better efficiency at the tails scavenging plant and lower opencast volumes milled.

Total development activity at 97.4 (2012: 96.8) kilometres increased as did on-reef development which increased by 13.6% to 29.7 (26.2) kilometres. Key to optimal performance at Impala, or at any mine for that matter, is having sufficient ore reserve flexibility. The mine is currently face length constrained and only mined 17.4 kilometres of face at an average panel length of 21.7 metres and a face advance of 10.3 metres per month. The key to reversing this situation is to optimise development, equipping, construction and ledging activities on existing shafts and at the newly commissioned 20 and 16 Shaft complexes.

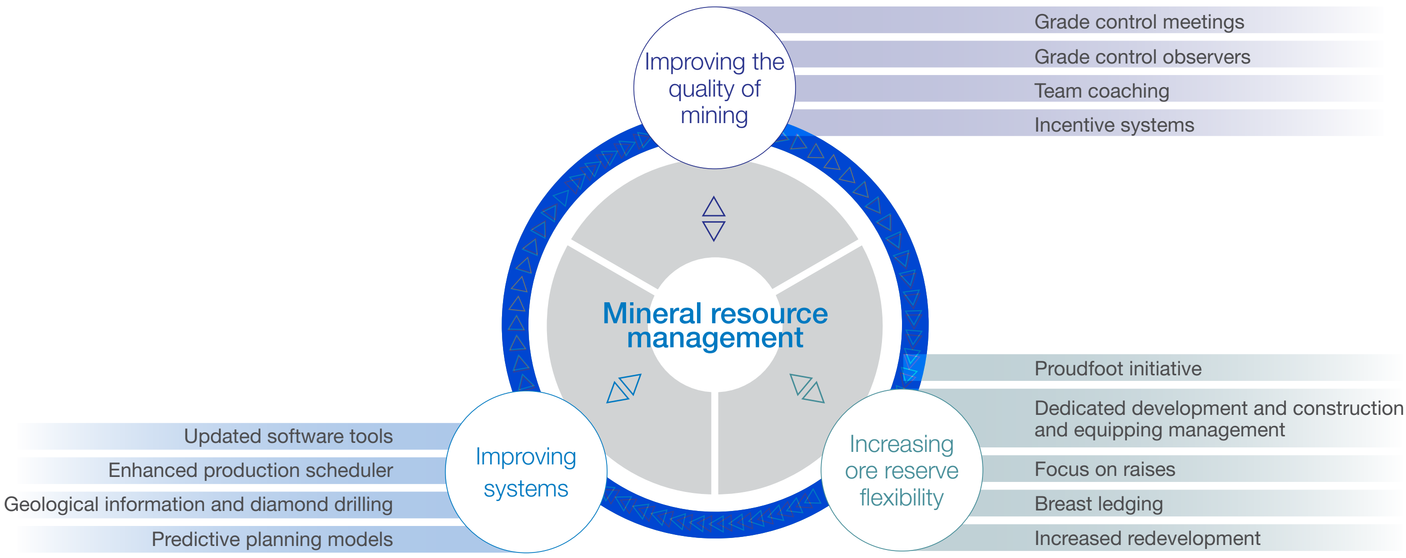
Impala's unit costs are uncompetitive at R17 241 (2012: R13 913) per refined platinum ounce and this figure increased by 23.9% for the year. In 2012, the costs included strike-related savings of R418 million. Above inflation wage increases, lower productivities and above inflation power costs (in conjunction with lower volumes) all affected unit costs.

As illustrated in the picture below, the team at Rustenburg are implementing a number of key initiatives to improve the overall performance of the mine. These initiatives are focused on:

- ▷ Planning and executing on optimal mine designs
- ▷ Increasing on-mine motivation and increasing the skills and knowledge of the teams.

Chief executive officer's review continued

In addition, a new mineral resource management approach has been adopted. This approach is focused on increasing mining quality, increasing ore reserve flexibility and improving mineral resource management systems. The initiatives underpinning this approach are set out in the diagram below.



An intensive planning exercise and review of Impala was completed in June 2013. This exercise was completed with the assistance of and review by third-party independent consultants. The aim was to establish the robustness of the current production base and plan the ramp-up required to increase the volumes necessary to regain economies of scale and cost competitiveness. The resultant planning indicates that production at Impala will be maintained at around current levels for the coming year and thereafter build up systematically from the current base to 13.2 million tonnes milled per annum in 2018 (equivalent to circa 850 000 ounces of platinum). Nine of the existing older generation shafts will be depleted over the next five years and it is planned that volumes will be restored to an average of 7.5 million tonnes per annum from the current 6.6 million tonnes at the big 5 Shaft complexes (1, 10, 11, 12 and 14 shafts). In addition the build-up from the 20 and 16 Shaft complexes is planned to increase from the current 0.4 million tonnes to 4.5 million tonnes over the next five years. The 17 Shaft complex will only commence with ore production in 2018.

Zimplats

Zimplats' safety performance regressed to 12 (2012: 4) lost-time injuries in the year and a lost-time injury rate of 0.70 (2012: 0.21) per million man-hours worked. Ore milled increased by 6.6% to 4.7 million tonnes while platinum in matte increased by 5.9% to 198 100 ounces albeit that there were smelter problems in December 2012 which necessitated a shutdown of 21 days. During the year over R1 billion was spent on the Phase 2 expansion project and hot commissioning of the front-end crushing and milling circuits and the concentrator was completed in April 2013. As a result, more concentrator and mining staff have been trained and employed. Platinum unit costs in matte increased by 5.5% to US$1 307 per ounce mainly due to US$ inflation of 6.2% offset by the increase in platinum production.

Marula

Marula's safety performance improved to 45 (2012: 88) lost-time injuries in the year and a lost-time injury rate of 5.42 (2012: 11.46) per million man-hours worked.

Ore milled increased by 3.1% to 1.6 (2012: 1.6) million tonnes while platinum in concentrate increased by 3.8% to 71 700 (2012: 69 100) ounces. Marula's costs per platinum ounce in concentrate increased by 19.3% mainly due to inflation of 11.5%, unforeseen maintenance and repairs and consulting costs. No major capital projects are currently being advanced on the mine.

Mimosa

Mimosa had an excellent safety performance for the year with only two (2012: 11) lost-time injuries. As a result, the lost-time injury rate improved to 0.26 (2012: 1.19) per million man-hours worked. Tonnes milled at 2.4 million for the year increased by 2.5% and platinum in concentrate reduced by 5.4% to 100 300 ounces. Mimosa's unit costs increased by 22.6% from US$1 453 per platinum ounce in concentrate to US$1 782 per platinum ounce in concentrate mainly due to the lower production, Zimbabwe inflation, the impact of a stockpile building mining team and the higher dosage of plant chemicals and reagents. During the year US$30 million was spent on capital, of which US$22 million was for "stay in business" extensions and replacements and US$3.5 million was spent on process improvements.

Two Rivers

Two Rivers regressed in its safety performance with 13 (2012: 10) lost-time injuries for the year. The lost-time injury rate was 1.78 (2012: 1.43) per million man-hours worked. Tonnes milled were 2.2% higher at 3.2 million for the year and platinum in concentrate increased by 8.2% to 162 200 (149 900) ounces. Costs per platinum ounce in concentrate increased by 8% to R11 683. Capital expenditure amounted to R489 million of which R233 million was spent on underground extensions and fleet replacement. A new plant to recover chrome and additional PGMs from the tailings stream was constructed for R97 million, for commissioning during the first quarter of 2014.

Refining

Gross platinum refined at 1 582 000 ounces was 9% higher than that refined in 2012. Mine to market operations decreased by 2% to 1 214 000 ounces while third party mining contracts reduced by 41% on the back of mine closures. Autocatalyst recycling for A1 was 8% lower at 114 000 platinum ounces. All shipping from A1 has now ceased and legal proceedings to recoup all amounts due to Implats have been instituted against A1 in Pennsylvania. It was decided to impair, in full, the carrying value of loans outstanding and this amounted to R1.2 billion. A total of 116 000 ounces of platinum was refined for Northam and Platmin during the year. Costs at the refineries were well contained and unit costs remained constant at R591 per platinum ounce. The construction of a new final metals processing facility to replace the existing final metals section has commenced. This is a R2.2 billion project which will take six years to complete. Also, a new boiler emissions abatement plant is being constructed and this R250 million project should be completed in 2016.

Capital expenditure and progress on major capital projects

Total capital expenditure for the year amounted to R6.4 billion with spend primarily focused on the Impala 20 Shaft project now in build up (R0.9 billion), the recently commissioned Impala 16 Shaft project (R1.2 billion), the Impala 17 Shaft sinking project (R0.6 billion) and the Phase 2 mine and concentrator plant expansion at Zimplats (R1.1 billion). The new shafts (at Impala) and portal complex (at Zimplats) will ensure that Implats regains its competitive position and benefits from the long-term PGM market fundamentals, specifically in an industry in which the supply side is being constrained by a lack of investment.

The 20 Shaft "1.7 million tonnes per annum" and "125 000 ounces of platinum per annum" project achieved 352 000 ore tonnes in 2013 (21 000 platinum ounces) and build-up to full production is still planned for 2018. A total of 2 100 people (including contractors) are now employed at the complex.

The 16 Shaft project was successfully and safely commissioned during June 2013. Preparations for mining operations have commenced and first production is expected to start in second quarter of 2014. This shaft secures jobs for 6 500 people that are currently employed at the older generation Rustenburg shafts.

The 17 Shaft "2.7 million tonnes per annum" and "180 000 ounces of platinum per annum" project was slowed down during the year as a result of our cash preservation measures. In alignment with restoring and maintaining the Impala Rustenburg production profile at 850 000 ounces of platinum by 2018, first production from this shaft is expected in financial year 2018.

At Zimplats, the concentrator plant was successfully commissioned in April 2013. The rated throughput of the plant has been achieved and the build-up of ore reserves through the new Mupfuti portal (Portal 3) is progressing on

Chief executive officer's review continued

target. Full production from this project at 2.0 million tonnes per annum and 90 000 ounces of platinum per annum is planned to be achieved in 2015.

Financial performance

Revenue per platinum ounce was 2.8% lower than 2012 at US$2 528 per ounce but was 10.9% higher in rand terms at R22 246 per platinum ounce. The average exchange rate weakened by 14.1% to R8.80 per US$ and the rand closed the year at R9.88 per US$. Sales for the year increased by 8.8% to R30.0 billion while cost of sales increased by 17.1% to R25.0 billion. The gross margin for the year declined to 16.8%. Group unit costs increased by 23.2% to R16 570 mainly due to mining inflation of 13% and reduced production from Impala. The main contributors to the inflation were wage increases of 15.5% at the South African operations and power increases of 10.1%. Capital expenditure was reduced by 21.5% from R8.1 billion to R6.4 billion in line with cash conservation measures. Headline earnings per share decreased by 51.8% from 685 to 330 cents per share.

On 14 February 2013, Implats announced the launch of a dual offering of US$500 million rand and dollar senior unsecured convertible bonds due in 2018. The bonds were offered through an accelerated book-building process to qualifying institutional investors and the offering was successfully completed on 15 February 2013. The bonds are convertible into ordinary Implats shares and this was approved by shareholders on 7 May 2013 at a special general meeting. The proceeds from the offering (R4.5 billion) are to be used for general corporate purposes with a primary focus on funding the major capital projects at Impala. The bonds were issued to maintain a strong financial position and secure the funding of the critical new projects at Impala in the current global economic and operating environment in the platinum mining sector. As a result of the bond the Group had R4.5 billion in cash at year-end.

Sustainability

Zimbabwe

On 14 December 2012 and 11 January 2013 respectively we announced that we had signed non-binding termsheets for the Mimosa and the Zimplats indigenisation implementation plans with the Government of Zimbabwe. The termsheets stipulated the key terms, subject to certain conditions precedent, for the sale of an aggregate of 51% shareholding in each of the two entities to select indigenous groupings. The purchase prices proposed were US$550 million in the case of Mimosa and US$971 million in the case of Zimplats. The plan was to facilitate the transactions by providing vendor funding to the indigenous entities. The vendor financing would be repayable from 85% of the dividends declared. The interests in Mimosa and Zimplats were to be sold as follows:

- 10% to community share ownership trusts for the benefit of communities surrounding the business operations
- 10% to employee share ownership trusts for the benefit of all full-time indigenous employees
- 31% to the National Indigenisation and Economic Empowerment Fund (NIEEF).

We continue to engage with the Government of Zimbabwe on the proposed indigenisation requirements.

On 1 March 2013, a *Zimbabwe Government Gazette* was published indicating the President's intention to compulsorily acquire about 50% of the mining claims owned by Zimplats' operating subsidiary company. Zimplats formally objected to this acquisition and has lodged a claim for compensation under Zimbabwean law.

At Mimosa, spend on community development increased by some 36% to US$4.6 million and a further US$2.1 million was spent on employee housing. Indigenous procurement as a percentage of total discretionary expenditure was 92%.

At Zimplats, social development projects included the construction of buildings and facilities at a number of primary and secondary schools, at a total cost of US$850 000, and the US$250 000 construction of a secondary school. A community clinic was also rehabilitated, extended and equipped at an amount of US$650 000. During the year, a further US$8 million was spent on employee housing.

Zimplats has set itself a target of directing 60% of annual supplier spend towards local suppliers in order to assist in the broader economic recovery of the country. During the year local suppliers accounted for 64% of the Company's annual expenditure on goods and services, up from 57% in 2012.

Mining Charter and social licence to operate

The Group is well positioned with regard to performance against the current Mining Charter and this is more widely reported on in the sustainable development report. A key initiative that was advanced during the year was the commencement of the construction of the Phase 1 (R140 million) project to build 557 out of a planned 2 420 new houses at the Platinum Village which is located near the 10 Shaft complex. The full project will cost R1 billion. The strategy of providing quality bonded houses to employees is key to normalising the living and working environment of our employees. Another highlight for the year was the opening of the Sunrise View Primary School near Rustenburg. The school came about as a result of the Boitekong 1 717 unit housing programme which commenced in 2007. This development is sold out and was built and funded by Implats. The houses were sold at cost to employees with Impala providing interest-free loans of up to one-third of the value of house, effectively providing the initial deposit whilst reducing the risk to banks and increasing their appetite to grant bonds.

The Refineries is in the final stages of completing the Tswelepele home ownership development of 108 units to the value of R37 million. The first units are expected to be sold during the first half of the new financial year. Further afield, Implats has also signed a contract to build 122 houses at Marula. The contract value is R58 million and the total project cost is estimated at R144 million.

From a transformational perspective the organisation continues to advance previously historically disadvantaged South Africans and women into key positions and aims to fully comply with the Mining Charter requirements in 2014. In 2013 HDSAs represented 48% of management and women 19% of management. Procurement with HDSA suppliers was up at 55% from 51% in the previous year with satisfactory performance in the key Charter elements of capital goods, consumables and services against the 2013 targets.

In a worrying development the Minister introduced the Minerals and Petroleum Resources Development Bill of 2013 to Parliament in June this year. The Bill seeks to fundamentally amend the administration of the mineral (and petroleum) landscape in many respects with the proposed amendment of section 26 pertaining to beneficiation being foremost. While Implats fully supports the national imperative to achieve greater downstream manufacturing and upstream procurement beneficiation in the South African mineral and petroleum industries, the mechanism proposed to achieve such beneficiation via government pricing intervention is of concern. The proposed developmental pricing methodology promoted by the Bill does not reflect requirements that it be at competitive, non-discriminatory and at export parity market prices. Implats, as an active member of the Chamber of Mines (representing more than 90% of the country's mining industry by sales value) has and continues to participate in the Chamber's working group on the subject of beneficiation and also the DMR's Platinum Beneficiation Committee, which will continue, in the hope of finding common ground that is workable to both industry and government.

The South African operations have continued to deliver on their social licence to operate, with the Impala five-year social and labour plan (SLP), scheduled for completion in December 2013. The total socio-economic expenditure amounted to R102 million for the South African operations, inclusive of social and labour plan commitments and benefited over 100 000 people in the form of infrastructure, health, education, sport and employment.

Of significance in the year under review was the opening of the Neonatal ICU at the Job Shimakane Hospital in Rustenburg at a cost of R8.5 million and the completion of the water infrastructure project for 4 000 people in the Greater Tubatse area at a cost of R12 million. These initiatives form part of the organisation's SLP commitments. To better understand the social status of communities surrounding the operations and to inform future SLPs the operations have undertaken to conduct a baseline survey on key social indicators which will commence in 2014.

The next five-year SLP for Impala is currently being developed and will be submitted to the DMR by the end of calendar year 2013, while that of Marula is at the execution stage.

Conclusion

Implats' management and the board are of one mind that safety and health is an absolute imperative for the Group and I will continue to drive all of the associated initiatives with vigour as long as I am the chief executive of your company. We firmly believe in PGMs and their importance for society at large and it is with this in mind that we have to survive the current storm by re-energising and rebuilding Impala, increasing volumes at Marula as well as fully implementing the plant and mine expansion at Zimplats.

I sincerely thank the board for their leadership and the Implats team for their understanding and support as we protect the Company in these turbulent times and position it for a more secure and sustainable future.

Terence Goodlace
Chief executive officer

Financial director's report

The financial review is intended to assist the reader in understanding Implats' financial performance and the significant variances compared to the prior year. The review should be read in conjunction with the audited consolidated financial statements for the year ended 30 June 2013 as available on the website and the non-GAAP financial performance measures on pages 144 to 149 of this report.

Production

Refined platinum production

(000oz)	2013	2012
Impala	**709**	750
Zimplats	**180**	185
Marula	**71**	63
Mimosa (100%)	**97**	100
Two Rivers (100%)	**157**	145
Offtake contracts	**138**	81
Other:		
Autocatalyst recycling	**114**	124
Once-off toll treatment	**116**	–
Total production	**1 582**	1 448

Commentary

The individual operation reviews, set out on pages 64 to 88 should be read for a full appreciation of the changes in production. Set out below are the salient features of the managed operations.

Impala

Ore milled increased by 2.3% to 10.9 million tonnes while refined platinum decreased by 5.5% to 709 200 ounces. Key to this performance was the milled head grades (6E) which were marginally lower at 4.32 (2012: 4.38) grams per tonne, due to deterioration of quality mining and grade control.

Zimplats

Ore milled increased by 6.6% to 4.7 million tonnes while platinum in matte increased by 5.9% to 198 100 ounces despite the smelter fire in December 2012 which necessitated a shutdown of 21 days.

Marula

Ore milled increased by 3.1% to 1.6 million tonnes while platinum in concentrate increased by 3.8% to 71 700 ounces. As a result of an external intervention during the first half of the year, in-stope team productivities increased by 8.5%.

Statement of comprehensive income

The abridged statement of comprehensive income is presented below with an analysis of material variances thereafter.

	2013 Rm	2012 Rm
Revenue	**30 032**	27 593
Cost of sales	**(24 980)**	(21 337)
Gross profit	**5 052**	6 256
Other net income	**59**	363
Impairment	**(2 330)**	(378)
Net finance (expense)/income	**(230)**	9
Profit before tax	**2 551**	6 250
Income tax expense	**(1 476)**	(1 951)
Profit for the year	**1 075**	4 299
Headline earnings per share (cents)	**330**	685
Dividends per share (cents)	**95**	195

Revenue

The increase in revenue is attributable to the following:

A positive volume variance of R351 million

Platinum and rhodium had negative volumes variances of R425 million and R81 million respectively due to the lower Impala production and build-up of platinum inventories at year-end. This was more than offset by positive volume variances for palladium and nickel of R494 million and R114 million respectively due to a draw-down of refined stock levels from the previous year.

Lower dollar metal prices gave rise to a negative variance of R1.7 billion

All metal prices declined in dollar terms year on year, culminating in a decrease in revenue per platinum ounce by 3% from $2 601 per ounce to $2 528 per ounce.

Brenda Berlin

- Group production increased from 1.448 million ounces of platinum to 1.582 million ounces due to once-off tolling treatment for third party producers
- Revenues increased by R2.4 billion to R30 billion mainly assisted by a weaker rand/dollar exchange rate
- Group unit costs per platinum ounce, excluding share-based compensation, rose by 23% to R16 570 per platinum ounce
- Gross profit was down by R1.2 billion to R5.05 billion and the gross profit margin declined from 22.7% to 16.8%
- Headline earnings per share and dividends per share was 52% lower
- Dividends maintained at a 3.5 times headline earnings cover
- Closing gross cash of R4.5 billion due to successful launch of convertible bond

Financial director's report continued

A weaker rand/dollar exchange rate contributed a positive variance of R3.8 billion
The average rand/dollar exchange rate achieved during the current year was R8.80 to the dollar compared to R7.71 in 2012. Consequently, although the dollar revenue per platinum ounce decreased by 3%, the rand revenue per platinum ounce increased by 11%.

Of the total PGMs refined by the Group, 727 000 ounces (or 27%) were sold to customers who use the metals to manufacture autocatalysts. 20% of PGM sales were sold to South African customers for further beneficiation.

Cost of sales

Cost of sales rose by R3.6 billion to R25 billion and the material variances on the prior year are set out below.

Increases

- ▷ Wages and salaries increased by R1.6 billion or 22%. Of the total amount of R8.6 billion, R7.4 billion was paid to Patterson grade D levels and below – an increase of 21% on the previous year. Most of this increase was due to an escalation in pay scales for lower level employees although the prior year amount was reduced by wages not paid for the period of the strike. The guaranteed package for the lowest paid job category increased by 8.4%
- ▷ Materials and consumables, increased by 19% and utilities increased by 11%. Both of these increases, amounting to a total of R1.3 billion, were exacerbated by the lower costs in 2012 due to the strike
- ▷ Depreciation increased by R716 million due a higher asset base to amortise and the start of mining at Zimplats' Mupfuti Mine and 20 Shaft. Additional depreciation due to capitalised development, housing leases and a weaker exchange rate on the Zimbabwean amortisation added to the increase.

Decreases

- ▷ Lower share-based payment credits of R275 million due to a reduction in the Implats' share price from R135 to R93 per share at year-end. This credit to cost of sales was offset by a compensation charge of some R42 million for the first issue of the new Long-term Incentive award as approved by shareholders at the last annual general meeting
- ▷ An increase in year-end stock levels was the major reason for the final positive variance of R317 million for metals purchased and change in inventories.

Implats has a procurement policy based on granting preferential status to suppliers identified and accredited as being historically disadvantaged South Africans (HDSAs) or qualifying as BEE candidates. Included in the cost of sales is a total discretionary spend of R6.4 billion of which 64% was spent with vendors with HDSA/BEE ownership of greater than 25% (2012: R5.3 billion or 51%).

% HDSA/BEE discretionary procurement* included in cost of sales (SA)

	Mining Charter target 2013 Rm	**Actual 2013 Rm**	Actual 2012 Rm
Consumables	**40**	**64**	55
Services	**60**	**60**	61

* *Discretionary procurement is defined as total procurement less procurement from public sector vendors (example rates and taxes), utility service providers (example electricity), pass through payments (example medical and pension) and sponsorships.*

Cost per platinum ounce

The cash cost per platinum ounce produced by the Group increased by 23% from R13 450 to R16 570 per platinum ounce. The increase was mainly attributable to the inflationary increases (as referred to above in the 'cost of sales' analysis) and the lower production volumes from Impala.

Gross profit

Gross profit was down by R1.2 billion to R5.05 billion and the gross profit margin declined from 22.7% to 16.8%. The table below sets out the contribution of each business segment to the gross profit and the associated gross profit percentage.

	Gross profit (R million)		**Gross profit margin (%)**	
	2013	2012	**2013**	2012
Impala	**2 097**	2 889	**14.4**	22.2
Zimplats	**1 451**	1 589	**34.9**	43.4
Marula	**(216)**	(80)	**(15.4)**	(6.7)
Mimosa	**314**	449	**24.2**	37.7
Afplats	**(2)**	(1)	**–**	–
IRS	**1 397**	1 335	**9.5**	9.5
Chrome processing	**38**	–	**21.0**	–
Intersegment adjustment	**(27)**	75		–
Implats Group	**5 052**	6 256	**16.8**	22.7

Other net income

Other net income decreased from R363 million to R59 million largely due to:

- A smaller reduction in IRS' creditors due to commodity price movements of R331 million compared to R511 in the prior year
- A R136 million charge for penalties and interest on Zimplats' prior year tax adjustment
- Higher royalties of R100 million mainly due to higher Group revenue and the higher State royalty in Zimbabwe being payable a full year
- The above reductions in "other net income" were moderated by a revaluation of the US$ bond conversion option (R106 million) and the revaluation of a hedge – a cross currency interest rate swap (R90 million).

Impairment

The impairment charge of R2 330 million relates in the main to:

- The impairment of the remaining carrying value of amounts owed by a recycling customer of R1.2 billion. The customer has ceased delivery of material and has been in default on its commitments since October 2012. Court proceedings have commenced to recover the full amount owed by this customer, but due to the unknown financial strength of the customer and the factors listed above, it was deemed appropriate to impair the remaining carrying value of the amounts due
- An impairment of goodwill of R1 billion relates to the impairment of the goodwill arising on the acquisition by Implats of Afplats Plc in 2006. Afplats Plc held both the Afplats mining rights, which includes the Leeuwkop project, and the Imbasa Inkosi prospecting rights.

Net finance expense

Net interest expense was R239 million higher as a result of lower average cash balances and higher interest paid due to housing leases and the convertible bond for the last quarter of 2013.

Income tax expense

The tax charge decreased by R475 million due to lower taxable profits in the Group but did include a once off charge of R187 million for Zimplats for a tax adjustment, excluding interest and penalties, for capital expenditure claimed upfront in prior years instead of over four years. The effective tax rate of 57.9% (2012: 31.2%) was due primarily to the non-deductibility of the impairments.

Headline earnings

Headline earnings decreased by 52% from 685 cents per share to 330 cents per share. The table below sets out each company's contribution to headline earnings.

Contribution to headline earnings by company

	2013 Rm	**%**	2012 Rm	%
Impala	**1 650**	**49.9**	1 973	43.6
Zimplats	**533**	**16.1**	838	18.4
Marula	**(297)**	**(9.0)**	(192)	(4.2)
Mimosa	**120**	**3.6**	266	5.9
Two Rivers	**156**	**4.7**	107	2.4
IRS	**1 031**	**31.2**	1 543	34.0
Impala Chrome	**19**	**0.6**		
Investment and other	**95**	**2.9**	(6)	(0.1)
Normalised earnings	**3 307**	**100.0**	4 529	100.0
Impairments	**(1 306)**		(378)	
Headline earnings	**2 001**		4 151	
Headline earnings (cents per share)	**330**		685	

Dividends

The total dividend for the year decreased by 51% in line with the decrease in headline earnings. The dividend cover was maintained at 3.5 time headline earnings to yield a final dividend of 60 cents per share or R364 million (2012: 60 cents per share). This dividend was declared on 29 August 2013 and was paid on 23 September 2013. An interim dividend of 35 cents per share (2012: 135 cents per share) was paid in March 2013.

Capital expenditure

During the year, the Group continued to invest in maintaining and expanding its operations to secure its production profile in the future. At Impala, R2.7 billion was spent on 20, 16 and 17 Shafts, which are critical to grow and then maintain production. At Zimplats, R1.1 billion was spent on the Phase 2 project, which will grow production to 270 000 ounces of platinum from this company in 2015.

Financial director's report continued

Capital expenditure by entity

	2013 Rm	2012 Rm
Impala	**4 390**	4 502
Zimplats	**1 449**	2 123
Marula	**125**	146
Mimosa (50%)	**133**	248
Afplats	**215**	265
Impala Chrome	**79**	–
Sub-total	**6 391**	7 284
Leases capitalised and other	**–**	858
Implats Group	**6 391**	8 142

The total spend of R6.4 billion is in line with the estimate for 2013 as reported in the 2012 integrated annual report. It is estimated that some R32 billion will be spent over the next five years, with R5.5 billion being spent in 2014. In line with the focus on cash conservation in the short to medium term, the revised estimate for 2014 has been reduced substantially by R1.8 billion from the previous estimate for 2014. The spend over the five year period will, in the main be funded from internally generated cash flows and the objective is to maintain the cash raised from the convertible bond to fund unforeseen events and/or opportunities.

As with the procurement of consumables and services, the Group has a policy of granting preferential status to HDSA/BEE suppliers of capital goods.

% South African capital spend procured from HDSA/BEE suppliers

(%)	Mining Charter target 2013	Actual 2013	Actual 2012
Capital	**30**	**42**	41

The Group also promotes procuring capital equipment, consumables and services from vendors surrounding the areas of operations (local procurement). In 2013, total local procurement amounts to R2.4 billion or 24% of total spend (2012: 22%).

Cash flow statement

An abridged cash flow statement and commentary on material items is set out below:

	2013 Rm	2012 Rm
Cash generated from operating activities	**5 938**	4 978
Cash flows from investing activities	**(5 998)**	(6 758)
Cash flows from financing activities	**3 922**	(2 264)
Net cash generated	**3 862**	(4 044)
Opening balance	**587**	4 542
Exchange rated adjustment – cash translation	**48**	89
Closing balance	**4 497**	587
Debt	**(6 114)**	(1 582)
Sub-total	**(1 617)**	(995)
Finance leases	**(1 397)**	(1 421)
Debt net of cash	**(3 014)**	(2 416)

Operating activities

Profit before tax was R2.6 billion and income taxes of R1.1 billion were paid. A positive adjustment was made to profit before tax for non-cash items of R5.2 billion. The two largest items were an add-back of deprecation (R2.4 billion) and impairments (R2.3 billion). Cash utilised to increase working capital decreased from R1.1 billion in 2012 to R487 million in 2013. This decrease included a once-off receipts from the sale of houses of R677 million.

Investing activities

Net cash used in investing activities was R6.0 billion, which was mainly as a result of the capital spend of R6.4 billion offset by finance income (R218 million) and proceeds from sale of property, plant and equipment (R102 million).

Financing activities

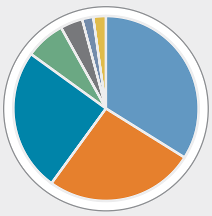
In line with the Group's strategy of maintaining a strong financial position to, amongst other things, secure the funding of the critical new projects at Impala, Implats issued R4.5 billion in senior unsecured rand and dollar bonds in February 2013. The bonds are convertible into ordinary Implats shares and this was approved by shareholders on 7 May 2013 at a special general meeting.

Cash from financing activities was reduced by dividends paid to shareholders of R580 million.

Net cash generated

Of the total revenue realised by the Group of R30 billion, R25.6 billion was deployed as illustrated in the chart below. Monies raised from the bond and other loans, movements in working capital and cash outlays to fund metal purchases accounted for a further net outflow of R0.5 billion leaving overall cash generated for the period of R3.9 billion.

Allocation of the R25.6 billion cash spend



Debt

Total debt of R6.1 billion (2012: R1.6 billion) comprised:

- The rand and dollar convertible bonds due in 2018
- The Marula BEE debt of R876 million which is guaranteed by Implats and is due in 2020
- Zimplats' borrowings of R1 billion. These borrowings are also guaranteed by Implats and repayments commence in January 2015.

The net results of Implats' operating, investing and financing activities, combined with the opening cash and debt positions, was to end the year with cash of R4.5 billion and net debt (excluding finance leases) of R1.6 billion. The Group will continue to monitor its cash requirements closely and attempt to limit these to cash generated from operations. In addition to the cash on hand, the Group had committed undrawn facilities of R2.8 million at year-end.

Brenda Berlin
Financial director

Five-year performance

to the year ended 30 June 2013

Statement of comprehensive income

(Rand million)	2013	2012	2011	2010	2009
Revenue	**30 032**	27 593	33 132	25 446	26 121
Platinum	**18 215**	16 962	19 710	15 547	15 996
Palladium	**5 125**	3 990	4 714	2 679	1 779
Rhodium	**1 766**	2 236	3 523	3 683	5 240
Nickel	**2 122**	2 087	2 593	1 840	1 500
Other	**2 804**	2 318	2 592	1 697	1 606
Cost of sales	**(24 980)**	(21 337)	(22 135)	(17 879)	(16 856)
On-mine operations	**(12 566)**	(10 213)	(9 952)	(8 490)	(7 819)
Processing operations	**(3 200)**	(2 777)	(2 601)	(2 257)	(1 962)
Refining operations	**(941)**	(883)	(826)	(731)	(645)
Selling and administration	**(732)**	(734)	(613)	(539)	(556)
Share-based payments	**98**	373	51	(385)	717
Chrome operations	**(137)**	–	–	–	–
Depreciation	**(2 424)**	(1 708)	(1 372)	(1 083)	(979)
Metals purchased	**(6 571)**	(6 855)	(6 835)	(5 522)	(3 867)
Change in inventories	**1 493**	1 460	13	1 128	(1 745)
Gross profit	**5 052**	6 256	10 997	7 567	9 265
Royalty expense	**(764)**	(664)	(804)	(536)	(442)
Finance income – net	**(230)**	9	(187)	2	794
Net foreign exchange transaction (losses)/gains	**207**	520	(448)	52	(211)
Other (expense)/income	**(859)**	12	(233)	55	(54)
Share of profit of associates	**163**	117	238	95	41
BEE compensation charge	**–**	–	–	–	–
(Loss)/profit from sale of investments/subsidiaries	**–**	–	(2)	(10)	–
(Impairment of assets)/reversal of impairment of assets (Goodwill)	**(1 018)**	–	–	–	–
Profit before tax	**2 551**	6 250	9 561	7 225	9 393
Income tax expense	**(1 476)**	(1 951)	(2 751)	(2 431)	(3 389)
Profit for the year	**1 075**	4 299	6 810	4 794	6 004
Attributable to non-controlling interest	**(53)**	(119)	(172)	(79)	16
Profit attributable to owners of the Company	**1 022**	4 180	6 638	4 715	6 020
Headline earnings	**2 001**	4 151	6 639	4 718	6 015
Earnings per share (cents)					
– Basic	**168**	690	1 105	786	1 001
– Headline (basic)	**330**	685	1 105	786	1 001
Dividend per share (cents)					
– Interim and proposed	**95**	195	570	390	320
– Special	**–**	–	–	–	–

Statement of financial position

(Rand million)	2013	2012	2011	2010	2009
Assets					
Non-current assets	**62 740**	58 939	52 808	49 743	46 180
Property, plant, equipment and exploration assets	**50 263**	44 463	37 431	33 940	30 518
Deferred tax assets	**118**	–	–	–	–
Investments and other	**12 359**	14 476	15 377	15 803	15 662
Current assets	**17 979**	13 688	14 796	12 828	11 500
Total assets	**80 719**	72 627	67 604	62 571	57 680
Equity and liabilities					
Equity attributable to owners of the Company	**52 037**	50 168	47 563	43 792	40 939
Non-controlling interest	**2 579**	2 307	2 047	1 941	1 864
Non-current liabilities	**19 656**	14 076	11 480	11 072	9 785
Deferred tax liabilities	**10 917**	9 625	8 337	7 747	6 909
Borrowings	**7 259**	2 882	1 698	1 827	1 778
Long-term provisions and liabilities	**1 480**	1 569	1 445	1 498	1 098
Current liabilities	**6 447**	6 076	6 514	5 766	5 092
Total equity and liabilities	**80 719**	72 627	67 604	62 571	57 680

Financial ratios

Cash, net of debt	(Rm)	**(3 014)**	(2 416)	2 700	1 730	1 363
Current liquidity	(Rm)	**2 848**	531	2 811	1 680	2 160
Gross profit margin	%	**16.8**	22.7	33.2	29.7	35.5
Return on equity	%	**4.0**	8.7	15.2	11.5	13.9
Return on non-current assets	%	**3.2**	7.0	12.6	9.5	13.0
Return on total assets	%	**2.5**	5.7	9.8	7.5	10.4
Debt to equity	%	**13.8**	5.7	3.7	4.7	4.6
Current ratio		**2.8:1**	2.3:1	2.3:1	2.2:1	2.3:1

Implats share statistics

Number of shares in issue at year-end	(m)	**606.9**	606.6	601.0	600.4	599.8
Average number of issued shares	(m)	**606.8**	606.2	600.8	600.2	601.1
Number of shares traded	(m)	**485.7**	396.0	571.0	672.6	804.2
Highest price traded	(cps)	**17 600**	18 950	24 365	22 870	31 400
Lowest price traded	(cps)	**8 325**	12 898	17 005	15 550	8 655
Year-end closing price	(cps)	**9 300**	13 525	18 219	18 000	17 045

Five-year performance continued

to the year ended 30 June 2013

US$ information (unaudited)

(US$ million)	2013	2012	2011	2010	2009
Revenue	**3 413**	3 581	4 714	3 359	3 026
Platinum	**2 069**	2 207	2 816	2 056	1 833
Palladium	**581**	525	677	355	205
Rhodium	**202**	293	502	489	633
Nickel	**241**	272	372	243	176
Other	**320**	284	347	216	179
Cost of sales	**(2 834)**	(2 755)	(3 147)	(2 366)	(1 856)
On-mine operations	**(1 425)**	(1 318)	(1 415)	(1 123)	(861)
Processing operations	**(363)**	(359)	(370)	(299)	(216)
Refining operations	**(107)**	(114)	(117)	(97)	(71)
Selling and administration	**(83)**	(95)	(87)	(71)	(61)
Share-based payments	**11**	48	7	(51)	79
Chrome operations	**(16)**	–	–	–	–
Depreciation	**(275)**	(221)	(195)	(143)	(108)
Metals purchased	**(745)**	(885)	(972)	(731)	(426)
Change in inventories	**169**	189	2	149	(192)
Gross profit	**579**	826	1 567	993	1 170
Royalty expense	**(87)**	(86)	(114)	(71)	(49)
Finance income – net	**(26)**	1	(27)	–	87
Net foreign exchange transaction (losses)/gains	**23**	67	(64)	7	(23)
Other (expense)/income	**(98)**	2	(33)	7	(6)
Share of profit of associates	**18**	15	34	13	5
BEE compensation charge	**–**	–	–	–	–
(Loss)/profit from sale of investments/subsidiaries	**–**	–	–	(1)	–
(Impairment of assets)/reversal of impairment of assets (Goodwill)	**(115)**	–	–	–	–
Profit before tax	**294**	825	1 363	948	1 184
Income tax expense	**(167)**	(252)	(391)	(322)	(373)
Profit for the year	**127**	573	972	626	811
Attributable to non-controlling interest	**(6)**	(15)	(24)	(10)	2
Profit attributable to owners of the Company	**121**	558	948	616	813
Headline earnings	**232**	554	948	616	812
Earnings per share (cents)					
– Basic	**20**	92	158	103	135
– Headline (basic)	**78**	91	158	103	135
Dividend per share (cents)					
– Interim and proposed	**11**	25	81	52	35
– Special	**–**	–	–	–	–

Operating statistics

		2013	2012	2011	2010	2009
Gross refined production						
Platinum	(000oz)	**1 582**	1 448	1 836	1 741	1 704
Palladium	(000oz)	**1 020**	950	1 192	1 238	1 008
Rhodium	(000oz)	**220**	210	262	252	248
Nickel	(000t)	**16.0**	15.4	16.3	15.2	14.5
Impala refined production						
Platinum	(000oz)	**709**	750	941	871	950
Palladium	(000oz)	**351**	409	511	459	426
Rhodium	(000oz)	**101**	99	127	121	124
Nickel	(000t)	**4.0**	4.8	5.5	4.9	6.2
IRS refined production						
Platinum	(000oz)	**873**	698	895	870	754
Palladium	(000oz)	**669**	541	681	779	582
Rhodium	(000oz)	**119**	111	135	131	124
Nickel	(000t)	**12.0**	10.6	10.8	10.3	8.3
IRS returned metal						
Platinum	(000oz)	**189**	121	220	233	194
Palladium	(000oz)	**190**	148	210	259	181
Rhodium	(000oz)	**36**	25	42	49	38
Nickel	(000t)	**3.2**	3.1	3.4	2.8	2.5
Consolidated statistics						
Tonnes milled ex mine	(000t)	**18 399**	17 788	20 974	20 309	20 083
PGM refined production	(000oz)	**3 233**	3 016	3 772	3 689	3 428
Capital expenditure	(Rm)	**6 391**	8 142	5 540	4 554	6 923
	(US$m)	**725**	1 051	788	603	762
Group unit cost per platinum ounce	(R/oz)	**16 570**	13 450	10 867	10 089	9 129
	(US$/oz)	**1 879**	1 737	1 545	1 335	1 005
Exchange rate:						
– Closing rate on 30 June	(R/US$)	**9.88**	8.17	6.77	7.67	7.76
– Average spot rate	(R/US$)	**8.82**	7.74	7.03	7.56	9.08
– Average rate achieved	(R/US$)	**8.80**	7.71	7.03	7.58	8.63
Free market revenue per platinum ounce sold	(US$/oz)	**2 497**	2 570	2 822	2 359	1 826
Revenue per platinum ounce sold	(US$/oz)	**2 528**	2 601	2 799	2 316	1 995
	(R/oz)	**22 246**	20 054	19 677	17 555	17 217
Prices achieved						
Platinum	(US$/oz)	**1 551**	1 614	1 691	1 433	1 219
Palladium	(US$/oz)	**676**	687	670	376	263
Rhodium	(US$/oz)	**1 143**	1 601	2 275	2 149	3 517
Nickel	(US$/t)	**16 437**	19 513	23 965	18 981	12 995
Sales volumes						
Platinum	(000oz)	**1 333**	1 368	1 665	1 435	1 503
Palladium	(000oz)	**859**	765	1 011	945	781
Rhodium	(000oz)	**176**	183	221	228	180
Nickel	(000t)	**14.7**	13.9	15.5	12.8	13.5

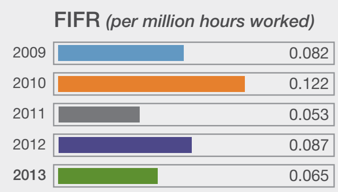
Non-financial performance

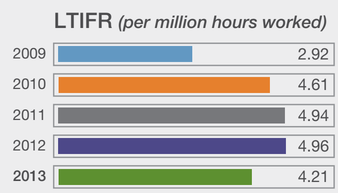
A more detailed review of non-financial 2013 performance and the focus for 2014 and beyond is provided in the sustainable development report at an operational level.

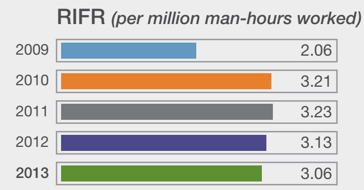
Our 2013 safety performance

It is with regret that we report that eight employees and one contractor died at the operations during in 2013. All nine fatalities occurred at Impala's Rustenburg operation. Three of these fatalities were explosion related, three were scraper related and there was one incident in each of the following: inundation, equipment handling and trucks/ tramming. The Company has undertaken investigations into the root causes of these fatal incidents and have implemented remedial actions.

The decrease in the fatalities from 12 last year and the reduction in the fatality rate from 0.087 to 0.065, reflects the renewed focus on safety during the year. There has been particular progress arising from a stronger focus on preventing fall-of-ground incidents, with no such fatal incidents occurring this year. While there has been some welcome improvement in performance, there is still much work to be done.





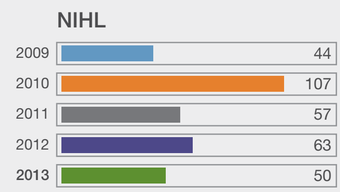


- The lost-time injury frequency rate per million man hours (LTIFR) improved to 4.21 from 4.96 in 2012
- The total injury frequency rate (TIFR) – a measure of all recorded injuries, including fatalities, lost-time injuries, restricted work cases and medical treatment cases – remained almost constant at 10.91
- The serious injury frequency rate (RIFR) improved by 2% to 3.06 per million man hours from 3.13 in 2012.

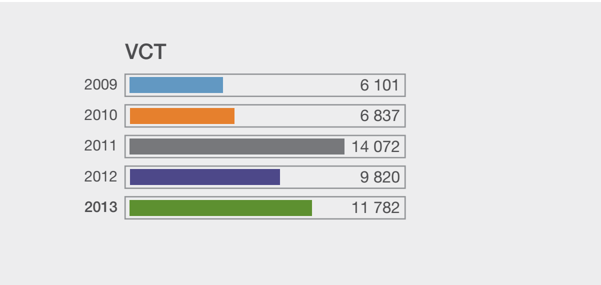
In addition to tracking these important lagging indicators, there is also a continued focus on refining and monitoring a set of leading indicators of performance. These include the number of internal safety stoppages, the results of alcohol testing and road behaviour checks, and the number of safety meetings, induction programmes and safety representative training initiatives. There were improvements during the year in each of these indicators.

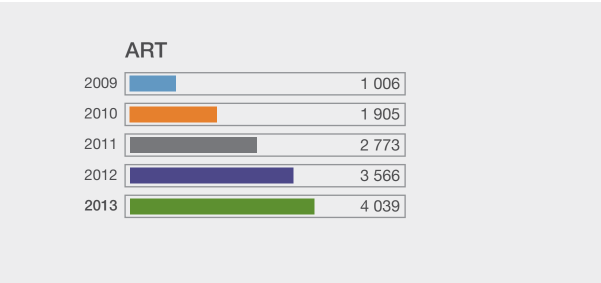
Our 2013 health performance

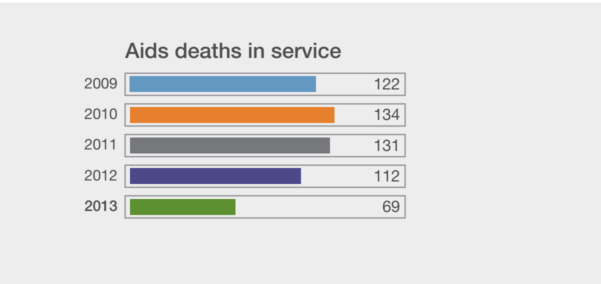
- General health indicators: During the course of the year over 90 000 medical screening examinations were conducted on employees to ensure that they are fit to perform their specific duties

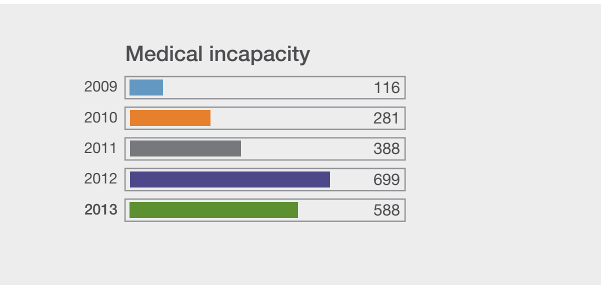


- **Noise-induced hearing loss (NIHL):** 50 cases of NIHL were diagnosed and submitted for assessment for compensation, as compared with 63 in 2012. NIHL remains a major occupational health risk and the number of employees showing early loss of hearing remains a concern

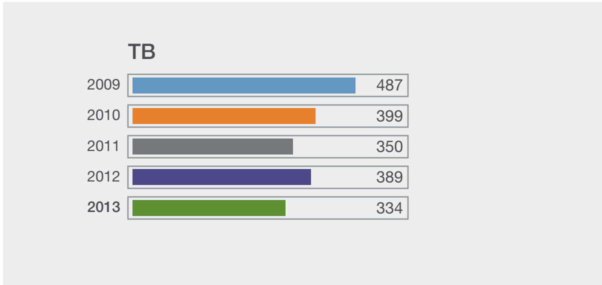








- **HIV/Aids:** During the year 11 782 HIV voluntary counselling and testing (VCT) on employees were conducted (2012: 9 820). Over the year a total of 6014 employees participated in the wellness programme (2012: 5 179), of whom 4039 (2012: 3 566) received antiretroviral therapy (ART). Altogether 1075 of those on ART joined the ART programme during the year. The number of employees receiving ART through external medical aids or government health facilities is not known and so these figures may be underestimated. Regrettably 69 employees passed away due to HIV-related illness during the year (compared with 112 in 2012), while an additional 588 patients applied for medical incapacity and left the Group



- **Pulmonary tuberculosis (TB):** TB remains a significant health risk for employees, due mainly to co-infection with HIV. A total 87% of newly diagnosed TB patients in 2013 are HIV-positive. During the year, 334 new cases of pulmonary TB were detected (2012: 389), equating to a rate of 830 per 100 000 employees
- Diesel particulate matter: All diesel has now been changed to low sulphur diesel; this has resulted in a reduction in particulate matter exposure of 15%
- Malaria: In 2013, 56 cases of malaria were diagnosed at Impala Rustenburg and nine at Ngezi Zimplats. All of these patients had recently travelled to malaria endemic areas. All cases were successfully treated. We will be conducting further malaria surveys at the Ngezi operations in November 2013 to determine if there are adult female anopheles mosquitoes present during the rainy season
- National Health Insurance: Two projects (Neonatal ICU and Freedom Park Clinic) were completed at a cost of R8.5 million and were handed over to the Department of Health during 2013.

Our 2013 performance on people management

A summary of the key performance issues over the year is presented below:

- **Skills turnover:** Total workforce turnover for 2013 was 5.7% (2012: 10%). The turnover of miners at the South African operations was 8.8 % for the year, decreasing from 20% last year due to current job market conditions and the marked salary increases granted in 2012. This has brought some stability to employee skills migration. Turnover of rock drill operators was 4.4%, down from 12% last year; the decrease again attributable to the strike action in 2012. At the Zimplats operations turnover remained stable at 3.9% (2012: 4.2%)
- **Performance and talent management:** The performance management system has been reviewed and amendments have been made to systems and process. In this financial year there was successful

Non-financial performance continued

implementation of discipline-specific talent management forums and area-specific talent identification forums. These forums identify, develop and assess talent at various levels within the organisation as a line management function with the support and assistance of the talent department. Succession planning, performance assessments, developmental priorities and ensuring potential candidates move within/toward the relevant career paths are outcomes of this process to ensure upward mobility and successful talent management of internal talent

- **Skills development:** During the year various initiatives aimed at promoting skills development were implemented:
  - In the South African operations a new training programme, developed in partnership with the mining recruitment company, TEBA, and the Royal Bafokeng Nation to train young people with grade 12 qualifications as winch operators and rock drill operators was implemented. This programme has been registered with the Government Jobs Fund, with the goal of training more than 1 000 people per year (or approximately 60% of the indicated required skills)
  - Group skills development expenditure at our South African operations was R428 million, a 20.8 % increase year on year. Of this, 3.1% (R13 million) went towards ABET training. The skills development expenditure has been maintained at the targeted level of 5.5% of payroll
  - For the Zimplats operations US$2.7 million was spent on skills development, unchanged from the previous year
  - During 2013, the South African operations had 110 full-time bursary holders (88.2% are HDSA) at university studying primarily in the engineering and mining-related disciplines, while we had approximately 10 full-time bursaries from the Zimbabwe operations. In addition, a total of 675 individuals benefited from the apprenticeship and learnership programmes (54.7% are HDSA) across the South African operations
- **Adult basic education and training (ABET):** The level of basic literacy (ABET3) at the South African mining operations has improved over the past five years, up from 30% in 2008 to 80% in 2013. In 2013, 805 employees were enrolled for ABET, in both full-time and part-time classes, representing a 24% decrease on 2012. The major challenge confronting the organisation is that the majority of illiterate employees are over 55 and have little desire for further education. On average 59% of those who wrote exams successfully completed their programmes
- **Leadership development:** Fifteen members of the management team at the South African operations participated in the senior management and executive development programmes, presented by GIBS; 6.6% of those who participated in the programme were women and 53.3 % were HDSAs. At the Zimplats operation, a total of 379 people underwent leadership development courses, comprising a total of 2 661 training days. Courses include management development, industrial relations, supervisory development and report writing. These programmes have been put on hold due to cash conservation measures
- **Promoting local employment:** Despite efforts to hire more local people, migrant workers continue to play an important role in the industry. In particular, for rock drill operators and winch operators come principally from the Eastern Cape, Northern Cape and Lesotho. These two job categories constitute more than 38% of our South African workforce. As outlined above further investments in various skills development initiatives in local communities, as well as seeking to promote local employment through local procurement practices remain an area of focus.

Our 2013 social investment performance

Group expenditure on socio-economic development projects in South Africa this year amounted to R102 million, up from R90 million in the previous reporting period. An additional R445 million was spent on improving accommodation and living conditions for employees through the upgrading of employee housing, home ownership facilitation, completing conversion of single-gender residences to one man per room and family units. Zimplats' social investment decreased by 26% from US$5.7 million in 2012 to US$4.2 million in 2013. Mimosa expenditure was US$4.6 million up 35% from the previous year.

The following is a brief summary of some of the projects:

- Completed the construction of the Sunrise View primary school, which was officially opened in January 2013 The secondary school has also been constructed and will officially open in January 2014. This school building project is a result of a partnership between Implats, Impala Bafokeng Trust, North West Department of Education and the provincial government
- The Sunrise View home ownership development was completed with 1 717 houses being built and sold

- Impala's second flagship project on home ownership named Platinum Village has commenced and should deliver approximately 300 units by the end of December 2013. This development will be executed in phases, with a target of 2 420 units at total cost of R1 billion. Phase one is currently under way and should deliver 557 units
- The conversion of hostels has been completed, accommodating one person per room thus compliant in advance with the 2014 Mining Charter requirements
- Projects in Zimbabwe included the construction of a secondary school in Zimbabwe benefiting nearly 100 students at a cost of US$250 000; the construction of classroom blocks, boarding hostels, a library and related facilities at various primary and secondary schools at an investment of more than US$850 000; the rehabilitation, extension and equipment of a community clinic with an investment of US$670 000 and the launch of two community enterprise development projects.

Our 2013 performance on preserving natural resources and mitigating impacts

This year total water consumption for the Group was 40 711 megalitres. This includes both water withdrawn and water recycled. This represents a marginal increase of 1% on water consumption in 2012.

Unit consumption rate of water (kilolitres per tonne ore milled) decreased over the 2012 levels. Continued focus on recycling initiatives has, over the year, resulted in 15 271 megalitres of water being recycled, which equates to 38% of all the water consumed (2012: 37%).

Total CO_2 emissions for 2013 amounted to 3.8 million tonnes, as compared with 3.7 million tonnes in 2012. This increase is attributable largely to the increased production following resolution of the strike action in 2012. The bulk of our emissions (3.4 million tonnes) are associated with Eskom electricity usage, with the balance (0.4 million tonnes) arising from burning fossil fuels such as coal, diesel, petrol and industrial burning oil. The emissions intensity (tonnes of CO_2 per tonne of ore milled) in 2013 was 0.206, as compared with 0.208 in 2012.

This year, total direct Group emissions of SO_2 were 18 536 tonnes, marginally up from our emissions of 18 464 tonnes in 2012. Zimplats' operations contributed 65% of total direct SO2 emissions, while Rustenburg and Refineries operations contributed 31% and 4% respectively.

During the reporting period the Department of Environmental Affairs issued a waste licence for the Rustenburg operation. As a result, this site is now formally authorised to conduct waste management activities from its newly constructed waste management facility. Both Marula and Refineries have also commenced their waste licence applications and these should be finalised within 2014.

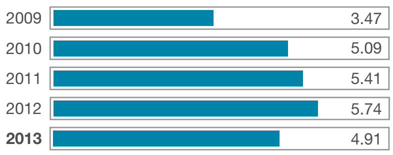
Implementing the Mining Charter

Implats seeks to comply with or exceed all elements of the Mining Charter. Our transformation strategy is informed by the seven elements of the Mining Charter with housing and living conditions playing a pivotal role in five of these elements. We leverage each element of the Mining Charter in terms of our business performance and therefore increase our value creation potential. Refer to pages 60 to 63 of the sustainable development report for a summary of our performance in terms of the Mining Charter requirements.

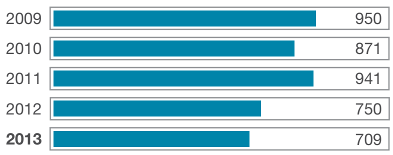
Operational review
/ Impala /

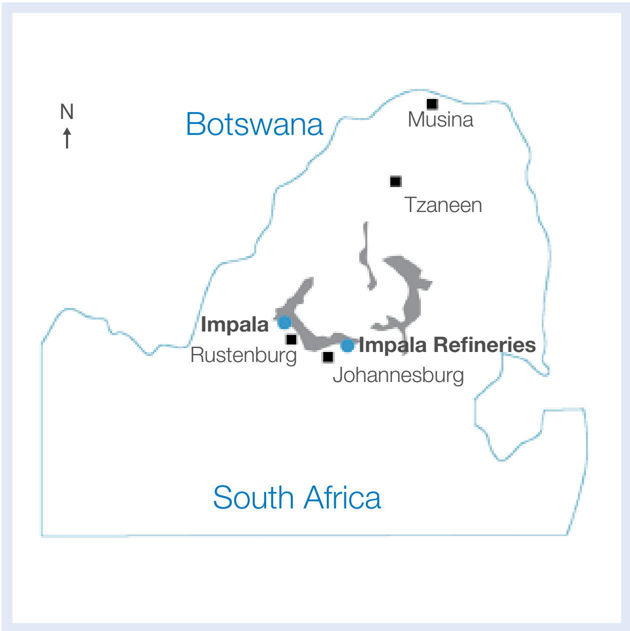
▷ Impala

LTIFR (per million man-hours worked)



Production (000oz of platinum)





Business summary

- ▷ A 16 shaft mining complex
- ▷ Mineral processes, incorporating concentrating and smelting plants
- ▷ Refineries, housing the base and precious metals refineries
- ▷ Reserves: 19.8 million attributable ounces of platinum
- ▷ Resources (including reserves) 73.9 million attributable ounces of platinum
- ▷ Production: 709 200 ounces of refined platinum
- ▷ Employees and contractors: 46 671.

Outlook

- ▷ Training 3 200 safety representatives by December 2014
- ▷ Long-term goal to complete 2 420 new housing units at a total cost of R1 billion
- ▷ Production to build to 850 000 ounces of platinum per annum by 2018
- ▷ Capital expenditure of R21 billion over the next five years.

Impala – key statistics

		2013	2012	2011	2010	2009
Safety leading indicators						
Hazards for which internal STOP Notes have been issued	(no)	**2 680**	1 363	1 212	818	551
Stoppage/instructions issued by State or DMR	(no)	**90**	108	59	47	51
Leadership STOP Observations	(no)	**30 803**	20 518	–	–	–
Safety representative training	(no)	**1 958**	1 254	1 666	1 301	1 147
Safety lagging indicators						
Fatal injury frequency rate	(pmmhw)	**0.087**	0.110	0.058	0.158	0.101
Lost-time injury frequency rate	(pmmhw)	**4.91**	5.74	5.41	5.09	3.47
Total injury frequency rate	(pmmhw)	**11.38**	11.56	13.24	13.98	13.84
Lost days rate	(pmmhw)	**329**	376	380	328	268
Health						
Noise-induced hearing loss cases submitted	(no)	**36**	53	52	92	44
On wellness programme	(no)	**5 542**	4 693	4 451	3 593	2 960
On antiretroviral therapy	(no)	**3 667**	3 248	2 507	1 723	882
Environmental						
Total water consumed	(Mℓ)	**25 979**	27 263	29 288	23 984	27 595
Total water recycled	(%)	**41**	39	36	24	29
CO_2 emissions	(t)	**3 024 489**	2 938 908	3 255 484	3 019 131	2 840 143
SO_2 emitted	(t)	**6 519**	4 993	6 781	4 477	14 678
People						
Own employees	(no)	**33 356**	33 062	32 909	31 870	30 540
Contractors	(no)	**13 315**	15 245	13 744	13 717	12 786
Training spend (% relative to wage bill)	(%)	**6**	6	6	5	7
Literacy (ABET level (III) and above)	(%)	**81**	75	57	56	52
Labour turnover	(%)	**7**	8	7	6	8
HDSA in management	(%)	**47**	48	48	46	45
Social						
Community spend	(Rm)	**79**	65	81	70	–
BEE procurement	(%)	**54**	51	55	49	45
One person per room – hostel units	(no)	**5 375**	5 482	4 092	1 212	724
Mining sales	(Rm)	**14 588**	13 009	18 441	14 025	15 250
Platinum		**9 624**	8 666	11 618	8 833	9 875
Palladium		**2 399**	1 461	2 483	1 410	930
Rhodium		**940**	1 093	2 132	2 386	3 067
Nickel		**600**	704	989	609	640
Other		**1 025**	1 085	1 219	787	738
Mining cost of sales	(Rm)	**(12 491)**	(10 120)	(11 322)	(9 181)	(7 989)
On-mine operations		**(9 329)**	(7 733)	(7 679)	(6 506)	(5 996)
Processing operations		**(1 959)**	(1 782)	(1 673)	(1 457)	(1 349)
Refining operations		**(542)**	(505)	(459)	(413)	(416)
Selling and administration		**(397)**	(416)	(355)	(341)	(374)
Share-based payments		**93**	333	65	(345)	670
Depreciation		**(1 666)**	(1 141)	(923)	(742)	(630)
Change in metal inventories		**1 309**	1 124	(298)	623	106
Mining gross profit	(Rm)	**2 097**	2 889	7 119	4 844	7 261
Royalty expense	(Rm)	**(326)**	(299)	(606)	(420)	(373)
Profit from metal purchased transactions	(Rm)	**218**	5	25	146	18
Sales of metals purchased		**14 522**	14 020	13 589	10 516	10 060
Cost of metals purchased		**(14 304)**	(14 011)	(13 568)	(10 370)	(10 042)
Change in metal inventories		**–**	(4)	4		
Gross margin ex mine	(%)	**14.4**	22.2	38.6	34.5	47.6
Sales volumes ex mine						
Platinum	(000oz)	**703.6**	700.7	980.5	819.1	924.0
Palladium	(000oz)	**398.8**	285.7	527.3	501.9	401.1
Rhodium	(000oz)	**94.0**	89.0	133.5	147.9	100.5
Nickel	(t)	**4 159**	4 633	5 929	4 386	6 220
Prices achieved ex mine						
Platinum	(US$/oz)	**1 553**	1 599	1 693	1 427	1 228
Palladium	(US$/oz)	**681**	682	678	373	271
Rhodium	(US$/oz)	**1 146**	1 611	2 272	2 144	3 733
Nickel	(US$/t)	**16 926**	19 844	23 951	18 286	12 774
Exchange rate achieved ex mine	(R/US$)	**8.79**	7.69	6.99	7.56	8.56

Operational review
/ **Impala** / continued

		2013	2012	2011	2010	2009
Production ex mine						
Tonnes milled ex mine*	(000t)	**10 897**	10 654	14 054	13 531	15 102
% Merensky milled*	(%)	**43.9**	43.4	42.5	39.8	45.1
Total development metres	(metres)	**97 378**	96 841	132 342	122 573	98 115
Headgrade (6E)*	(g/t)	**4.32**	4.38	4.60	4.60	4.56
Platinum refined	(000oz)	**709.2**	750.1	941.2	871.4	950.5
Palladium refined	(000oz)	**350.5**	408.6	510.5	459.3	425.5
Rhodium refined	(000oz)	**101.3**	98.9	126.8	121.7	124.1
Nickel refined	(t)	**4 035**	4 757	5 455	4 852	6 228
PGM refined production	(000oz)	**1 377.9**	1 487.8	1 854.2	1 714.7	1 790.1
Cost						
Total cost	(Rm)	**12 227**	10 436	10 166	8 717	8 135
	(US$m)	**1 387**	1 348	1 446	1 154	896
Cost per tonne milled	(R/t)	**1 122**	980	723	644	539
	(US$/t)	**127**	127	103	85	59
Cost per PGM ounce refined	(R/oz)	**8 874**	7 014	5 483	5 084	4 544
	(US$/t)	**1 006**	906	780	673	500
Cost per platinum ounce refined	(R/oz)	**17 241**	13 913	10 801	10 003	8 559
	(US$/t)	**1 955**	1 797	1 536	1 324	942
Cost net of revenue received for other metals	(R/oz)	**10 241**	8 123	3 552	4 045	2 904
	(US$/t)	**1 161**	1 049	505	535	320
Capital expenditure	(Rm)	**4 390**	5 269	4 240	3 435	4 782
	(US$m)	**498**	680	603	455	526
Labour efficiency						
Centares per employee costed**	(m^2/man/annum)	**47**	48	64	70	89
Tonnes milled per employee costed**	(t/man/annum)	**255**	265	339	341	392

* *The ex mine tonnage and grade statistics tabulated above exclude the low-grade material from surface sources.*
** *Total employees excluding capital project employees.*

Operational review

Rustenburg's safety performance improved this year following the negative trends observed in 2012. However, the operation performed poorly against realistic targets set at the beginning of the year.

The relative harmony that prevailed at Impala this year (relative only to the extremely disruptive and violent discord that characterised the previous year) afforded management the opportunity to press ahead with material investments in the safety and well-being of our workforce and communities.

Unacceptably, seven of our colleagues and one contractor employee died in work-related accidents during the year (2012: eleven including contractors) and there was one non-work-related fatality (2012: nil). These tragic deaths detracted from an improvement in our lost-time injury frequency rate from 5.74 to 4.91 and major progress that was achieved in preventing fall-of-ground incidents (which resulted in no fatalities this year). The board's first aim is to achieve zero fatalities and intense interventions to achieve this goal are being implemented through the HSE committee.

Underground safety enhancements implemented this year – at an approximate cost of R250 million – included much more extensive roof netting and bolting, wider use of fire retardant conveyor belts and winch-signalling devices and the deployment of self-rescuers, proximity detection devices on trackless and track-bound equipment as well as improved shaft bank and station safety devices. Trackless, track-bound and explosives-related accidents accounted for four of our fatalities this year and it is envisaged that the investments made will count considerably towards preventing their tragic repeat, in much the same way that decisive recent action has made our employees and contractors safer from the threat of falls of ground.

This year, in order to fundamentally change our safety culture, we made strenuous efforts to implement the Chamber of Mines' culture transformation framework and utilised the elimination-of-fatalities task team. Some 1 210 miners, 304 shift supervisors and 62 mine overseers were given safety training. In line with shifting industrial relations changes, we began work on developing a revised HSE agreement. The new recognition agreement signed with AMCU in July 2013 provides a clear framework to advance the HSE agreement effectively. In addition, we engaged proactively (and increasingly, effectively) with the

DMR on mandatory safety-related section 54 work stoppages – which numbered 68 (2012: 108). Both internal STOP safety interventions and section 54 notices impacted on production, at a combined estimated cost in terms of lost production of 40 000 ounces of platinum.

Progress was achieved this year on a number of key employee health indicators. Cases of noise-induced hearing loss reduced from 53 the previous year to 36 and the number of employees taking part in voluntary counselling and testing (for HIV) reached 10 325 – up from 7 806 in 2012.

Environmental indicators, including energy and water consumption and water recycling, waste and emissions remained largely unchanged although our CO_2 emissions showed a slight decline.

We increased total socio-economic spend by some 10% to over R100 million. Our flagship infrastructure project, the provision of housing, benefited a further 1 663 people this year. The Sunrise View housing development was completed with 1 717 houses being occupied while our second development, Platinum Village, is on track to deliver another 300 units by December 2013. Our housing impact was not restricted to Impala employees; this year a land-swap agreement with the Rustenburg Local Municipality was concluded in terms of which the council will relocate the Yizo Yizo informal settlement and formally provide 1 000 housing units.

This year the construction of a primary and secondary school, built in partnership with the provincial government at a cost of R86 million, was completed. The primary school was opened in January 2013 with the opening of the secondary school scheduled for January 2014. Two important healthcare projects – a neonatal intensive care unit and the Freedom Park Clinic – were handed over to the health authorities.

Apart from housing, our various infrastructure projects created 400 temporary construction jobs during the year. Some 90 000 people benefited directly from our education, health, sports and community welfare projects which were executed at a cost of R50 million.

In the year reviewed some R3 million was spent on enterprise development and we began a partnership with the Royal Bafokeng enterprise development unit which is aimed at fostering the development of emerging entrepreneurs in our communities. A record 27% of total discretionary spending, of R2.2 billion, was allocated to HDSA procurement in Tier 1, 2 and 3 local areas. Twenty emerging local businesses were trained and mentored.

This year production failed to recover to pre-2012 strike levels with only a marginal increase in tonnes milled to

Operational review
/ **Impala** / continued

10.9 million. One of the key factors affecting production was an ongoing lack of ore reserve flexibility (lack of available mining face). This was due to primarily a backlog in development construction, equipping and ledging and the increased emphasis on safety from both internal STOP observations and DMR Section 54 notices.

Operational performance was further impacted by the difficult labour climate prevailing since the strike in early 2012. While the industrial relations climate has been calm relative to the previous year, progress in implementing various initiatives to normalise the situation has been slow. We have recently signed a recognition agreement with AMCU and one of our key initiatives is to remotivate people and increase their skills and knowledge.

The combined effect of insufficient mineable face coupled with the ongoing labour issues resulted in only a marginal 4% increase in stoping productivity to 282 centares per team. Tonnes milled per employee costed and centares per employee costed declined by 4% and 2% respectively to 255 and 47.

Head grade declined by 1% to 4.32g/t (6E). This was attributable to a lack of operating discipline, specifically lower than planned sweepings coupled with an increase in over break and off-reef mining. The ratio of Merensky to UG2 ore mined improved from 43% to 44%.

Concentrating and smelting operations performed well during the year with recoveries of 85% and 99% respectively. Refining operations maintained excellent recoveries across all metals.

As a result of the operational, labour and safety issues discussed above, refined platinum production declined by 5% to 709 200 ounces.

Unit costs per refined platinum ounce increased by 24% to R17 241 primarily as a result of lower throughput exacerbated by an ongoing high level of inflation. Inflation amounted to 11.6%, mainly comprising a 15.5% increase in wages, 6.7% in consumables and 10.1% for power.

Numbers 2, 2A and 5 Shafts, the first of the older generation shafts to reach the end of their lives, were closed at the end of the year. The opencast operation was also mined out during the year.

Capital expenditure decreased by 17% to R4.4 billion due to the deferral of non-critical projects and the capitalisation of leases in the previous year. Despite the cutback in expenditure, spend on the new 20, 16 and 17 Shafts and the brownfields 11 and 14 Shaft declines, was only marginally lower at R2.9 billion against R3.1 billion the previous year. The balance of expenditure was normal replacement capital across the operations.

In line with refineries' ongoing environmental improvements programme, approval was given for a boiler emissions abatement project. Also, design on a new ignitions plant to accommodate enhanced ignitions, packaging and despatch facilities has commenced.

Capital

Major capital projects	20 Shaft	16 Shaft	17 Shaft
Capital spend 2013	R0.90 billion	R1.12 billion	R0.59 billion
Remaining capital spend	R1.74 billion	R1.40 billion	R8.27 billion
Full production date	2018	2018	2023
Steady-state throughput	1.7mtpa	2.7mtpa	2.7mtpa
Steady-state platinum production	125kozpa	185kozpa	180kozpa
Remaining activities	Complete incline/decline spines to access final four levels.	While ramping up production from the upper levels, develop the lower levels to reef.	Complete sinking of the main and ventilation shafts. Develop to reef through ventilation shaft.

Outlook

Implats is now a full member of the Chamber of Mines and the Implats CEO is a member of the Chamber's CEO elimination of fatalities team. The team is driving international best practice and safety initiatives across the industry. While Implats representatives are members of, or directly participate in, all of the Chamber safety committee structures, adopting the appropriate leading practices from the Chamber of Mines and the Mine Occupational Safety and Health processes has been given high priority.

As part of the organisation's initiative to foster a new cultural transformation, the organisational motto has been reviewed and crafted to encompass the values of Respect and Care.

Work will continue on building a projected 557 housing units in Platinum Village and the long-term goal is to complete 2 420 units within the development at a total cost of R1 billion.

Operationally, our business plan initiatives aim to resource our operations for delivery; optimise our team output/ productivity; rebuild labour discipline, peace, order and stability; develop our talent pipeline and secure our social licence to operate.

Following the decline in production in recent years, an in-depth review of the long-term production potential of the lease area has been undertaken. This review, which has been independently verified, has indicated a steadystate profile of some 850 000 ounces of platinum per annum. This will be achieved in 2018.

With the ongoing depletion of the first and second generation shafts, the bulk of production of approximately 7.5 million tonnes will be derived from numbers 1, 10, 11, 12 and 14 shafts. The key component to delivering the long-term production profile will be the on-time ramp-up of the three new major shafts, namely numbers 20, 16 and 17 Shafts. As older shafts are being replaced, employees have to migrate to a new working environment and during the coming year alone, 4 500 employees will be transferred to the new shafts.

Number 20 Shaft commenced production at the start of the financial year with first-year output of 21 000 ounces of platinum. Steady state throughput of 1.7 million tonnes per annum of Merensky Reef, equivalent to 125 000 ounces of platinum is scheduled for 2018. A focus on incline and decline development to open up access levels was ahead of plan and this will secure the build-up of mineable face. Separate waste and ore rock handling systems were completed during the year and this will enhance grades hoisted and delivered to mineral processing. A total of 2 100 people (including contractors) are now employed at the complex.

Number 16 Main Shaft was commissioned at the end of the year. On-reef development commenced in 2013 and four raise lines were holded. Stoping commenced in September 2013. Output for 2014 is estimated at just above 10 000 ounces of platinum. Initial production will be focused on the Merensky Reef. Full production of approximately 2.7 million tonnes per annum in 2018 (185 000 ounces of platinum), ore will be sourced equally from both the Merensky and UG2 Reefs.

The last of the three new shafts to commence production will be number 17 Shaft. Sinking of the main and ventilation shafts is ongoing and development to reef has started from the refrigeration shaft. First production is scheduled for financial year 2018. The main shaft sinking and station development is ongoing and is at 1 756 metres below collar. The ventilation shaft is still being sunk and is currently at 1 702 metres below collar (26 level). Once this shaft has reached 27 level, it will be equipped to handle lateral station development and development to reef while the main shaft is being equipped. The refrigeration shaft has reached its final depth and will be stripped of the sinking equipment and configured as an upcast facility during this phase. Lateral development was originally planned from the shaft but the scope has been changed in line with our cash preservation initiatives. The shaft will exploit both the Merensky and UG2 Reef horizons. It is now planned to commence the production build-up in 2018 and full production in 2023.

The Impala outlook has been reviewed in detail as part of the business planning process, in particular recognising the present limitation of mineable face length and the mineral reserve status. Some 43% and 53% of the mineral reserves are hosted by the "Big five" (Shafts 1, 10, 11, 12 and 14) and the triple build-up shafts (Shafts 20, 16 and 17) respectively, which indicates the shift in focus. Several initiatives including mineral resource management and team mobilisation will support the goal to reinstate Impala as a 850 000 platinum ounce producer.

The key aspects that will support the achievement of 850 000 ounces of platinum by 2018 are a stable productive workforce and mineable face that needs to increase from the present 19km to 22km in 2014 and up to 27km in 2018. Inherent in this plan is a 4% improvement in productivity in 2014, increasing to a 10% per annum improvement thereafter. In addition, an annual increase in total development metres of 10% will increase development to a total of 108km. The stoping efficiencies are projected to improve by a further 10% to 328 centares per team by 2018 and the number of conventional stoping teams are planned to increase from 530 to 660 by 2018.

Capital expenditure over the next five years is estimated at R21 billion. Of this amount, approximately R11 billion will be spent on replacement projects which includes an allocation of R10 billion for the three new major shafts. No allocation at this stage has been made for any further future replacement shafts.

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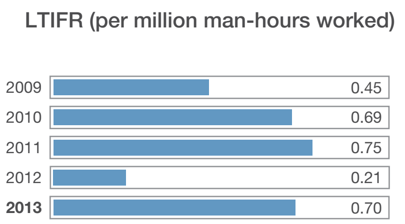
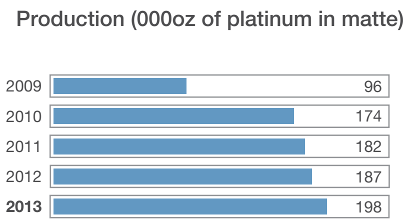
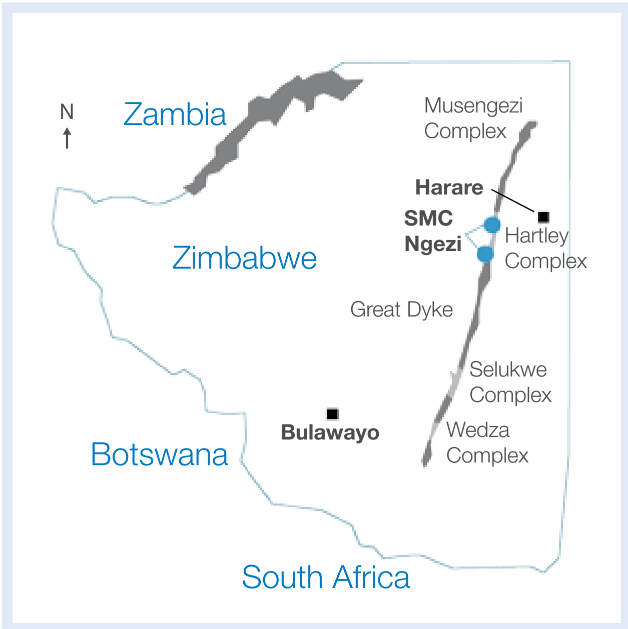
/ Zimplats /

▷ Zimplats







Business summary

- ▷ Four shallow mechanised underground mines
- ▷ Concentrator and smelter plants at Selous Metallurgical Complex (SMC)
- ▷ Concentrator plant at Ngezi
- ▷ Reserves: 10.8 million attributable ounces of platinum
- ▷ Resources (including reserves) 95.5 million attributable ounces of platinum
- ▷ Production: 198 100 ounces of platinum in matte
- ▷ Employees and contractors: 5 704.

Outlook

- ▷ Remains in negotiations with government on finalising the agreed indigenisation plan
- ▷ Phase 2 expansion project remains on schedule, which will increase production to 270 000 ounces of platinum in matte in 2015.

Zimplats – key statistics

		2013	2012	2011	2010	2009
Safety leading indicators						
Hazards for which internal STOP Notes have been issued	(no)	**8**	353	1 140	–	–
Stoppage/instructions issued by State or DMR	(no)	**1**	15	–	–	–
Leadership STOP Observations	(no)	**22 027**	18 942	–	–	–
Safety representative training	(no)	**74**	183	30	–	–
Safety lagging indicators						
Fatal injury frequency rate	(pmmhw)	**0.000**	0.000	0.000	0.000	0.000
Lost-time injury frequency rate	(pmmhw)	**0.70**	0.21	0.75	0.69	0.45
Total injury frequency rate	(pmmhw)	**2.20**	2.22	3.39	3.61	5.49
Lost days rate	(pmmhw)	**28**	11	28	20	29
Health						
Noise-induced hearing loss cases submitted	(no)	**2**	–	–	–	–
On wellness programme	(no)	**135**	129	106	68	78
On antiretroviral therapy	(no)	**120**	114	92	63	51
Environmental						
Total water consumed	(Mℓ)	**7 852**	6 003	5 528	6 172	3 793
Total water recycled	(%)	**26**	27	28	23	29
CO_2 emissions	(t)	**410 356**	427 713	416 598	397 658	250 121
SO_2 emitted	(t)	**12 017**	13 470	12 100	12 449	6 474
People						
Own employees	(no)	**2 929**	2 791	2 757	2 418	2 136
Contractors	(no)	**2 775**	6 412	2 610	1 262	3 323
Literacy (ABET level (III))	(%)	**99**	99	99	99	99
Labour turnover	(%)	**4**	4	4	5	11
Social						
Community spend	(Rm)	**37**	41	9	2	7
Sales	(Rm)	**4 159**	3 665	3 709	3 052	1 099
Platinum		**2 321**	2 026	2 004	1 767	749
Palladium		**854**	674	692	405	118
Rhodium		**133**	145	211	252	(18)
Nickel		**411**	410	465	366	135
Other		**440**	410	337	262	115
Cost of sales	(Rm)	**(2 708)**	(2 076)	(1 779)	(1 626)	(1 216)
On-mine operations		**(1 434)**	(1 089)	(870)	(806)	(795)
Processing operations		**(627)**	(494)	(446)	(373)	(224)
Selling and administration		**(222)**	(212)	(183)	(145)	(108)
Share-based payments		**4**	17	(20)		
Depreciation		**(433)**	(329)	(239)	(184)	(210)
Change in metal inventories		**4**	31	(21)	(118)	121
Gross profit/(loss)	(Rm)	**1 451**	1 589	1 930	1 426	(117)
Intercompany adjustment*	(Rm)	**(33)**	43	(81)	(412)	406
Adjusted gross profit	(Rm)	**1 418**	1 632	1 849	1 014	289
Royalty expense	(Rm)	**(303)**	(262)	(113)	(69)	(20)
Gross margin	(%)	**34.9**	43.4	52.0	46.7	(10.6)
Sales volumes in matte						
Platinum	(000oz)	**195.4**	187.2	182.2	171.5	96.0
Palladium	(000oz)	**156.2**	150.5	148.9	139.8	75.8
Rhodium	(000oz)	**17.8**	16.7	16.3	15.1	8.2
Nickel	(t)	**3 908**	3 769	3 481	3 131	1 613
Prices achieved in matte						
Platinum	(US$/oz)	**1 347**	1 398	1 564	1 364	852
Palladium	(US$/oz)	**620**	578	661	384	171
Rhodium	(US$/oz)	**849**	1 124	1 841	2 204	(241)
Nickel	(US$/t)	**11 919**	14 041	18 997	15 466	9 195
Exchange rate achieved	(R/US$)	**8.82**	7.74	7.03	7.56	9.08

* *Adjustment note: The adjustment relates to sales from Zimplats to the Implats Group which at year-end were still in the pipeline.*

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		2013	2012	2011	2010	2009
Production						
Tonnes milled ex mine	(000t)	**4 683**	4 393	4 223	4 095	2 167
Headgrade (6E)	(g/t)	**3.53**	3.53	3.56	3.56	3.52
Platinum in matte	(000oz)	**198.1**	187.1	182.1	173.9	96.0
Palladium in matte	(000oz)	**157.1**	149.2	148.1	140.2	75.6
Rhodium in matte	(000oz)	**17.0**	16.9	16.8	15.5	8.4
Nickel in matte	(t)	**3 909**	3 787	3 519	3 105	1 608
PGM in matte	(000oz)	**416.2**	396.4	388.8	368.9	201.7
Cost						
Total cost	(Rm)	**2 283**	1 795	1 499	1 324	1 127
	(US$m)	**259**	232	213	175	124
Cost per tonne milled	(R/t)	**487**	409	355	323	520
	(US$/t)	**55**	53	50	43	57
Cost per PGM ounce in matte	(R/oz)	**5 485**	4 528	3 855	3 589	5 588
	(US$/t)	**622**	585	548	475	615
Cost per platinum ounce in matte	(R/oz)	**11 524**	9 594	8 232	7 614	11 740
	(US$/t)	**1 307**	1 239	1 171	1 008	1 292
Cost net of revenue received for other metals	(R/oz)	**2 246**	834	(1 131)	224	8 094
	(US$/t)	**255**	108	(161)	30	891
Capital expenditure	(Rm)	**1 449**	2 137	840	698	1 358
	(US$m)	**164**	276	119	92	150
Labour efficiency						
Tonnes milled per employee costed**	(t/man/annum)	**1 159**	1 128	1 166	1 317	901

*** Total employees excluding capital project employees.*

Operational review

Zimplats delivered an excellent operational performance, increasing tonnes milled by 6.6% and restricting the increase in unit cost per platinum ounce in matte to 5.5% in US dollar terms despite the ongoing challenging political and regulatory environments.

Regrettably, performance on safety was less exemplary with the lost-time injury frequency rate worsening from 0.21 in 2012 to 0.70, as a result of which Zimplats surrendered its claim to have the Group's best safety record. The all injury frequency rate was virtually unchanged at 2.20 (per million shifts worked). Encouragingly, Zimplats achieved 10 million fatality-free shifts, equating to five years without a fatal injury.

Skills development received priority, an amount of US$2.6 million being spent on training. Some 379 staff underwent a total of 2 661 days of leadership development while apprenticeships and learnerships benefited 53 employees. Some 99% of employees are literate.

Social development projects included the construction of buildings and facilities at a number of primary and secondary schools, at a total cost of US$850 000, and the US$250 000 construction of a secondary school. A community clinic was also rehabilitated, extended and equipped at an amount of US$650 000.

Construction of employee housing fell short of targets, but at year-end Zimplats had 532 core houses and 1 117 company houses at Turf Village in Ngezi.

Zimplats has set itself a target of directing 60% of annual supplier spend towards local suppliers in order to assist in the broader economic recovery of the country. During the year local suppliers accounted for 64% of the company's annual expenditure on goods and services, up from 57% in 2012. This year, two enterprise development projects in Chegutu and Ngezi focused on market gardening to supply vegetables to Zimplats' catering services provider.

The Community Share Ownership Trust, formed in October 2011 as part of the envisaged indigenisation plan, received US$2 million this year. Projects initiated by the trust include the rehabilitation and extension of schools, the drilling of boreholes and infrastructure to support sustainable income-generating projects.

Industrial relations were mostly settled with employee turnover – at 4.2% – remaining the lowest in the Group.

This year a programme of engaging with sex workers in the informal settlements surrounding the mine as part of our HIV/Aids and sexually transmitted disease programmes resulted in a 50% reduction in the visible incidence of sexually transmitted infections. The number of employees receiving company-supplied antiretroviral medication at year-end was similar at 120 (2012: 114) to the number the previous year. Disappointingly, voluntary counselling and testing appointments halved during the year. This was largely due to a reduced number of contractor employees during the wind up of the projects and the late start of this programme by one of our partners due to logistical issues on their part.

Large investments are planned to mitigate Zimplats' environmental impact. This year US$8 million was allocated to rehabilitation work following the end of opencast mining. Work continued on preparations for the implementation of an SO_2 abatement scrubber which, pending board approval, will cost in the region of US$90 million. This year Zimplats accounted for 65% of group SO_2 emissions.

Tonnes milled increased by 6.6% from 2012 to 4.7 million as the new Mupfuti Mine (Portal 3) commenced production during the last quarter of the year. This resulted in a 5.9% increase in platinum matte production of 198 100 ounces. Efficiencies were marginally impacted by equipment availability and deteriorating ground conditions in some mines. Concentrates that had been stockpiled during the furnace outages in December 2012 were smelted in the second half of the year. Milled head grades (6E) were unchanged at 3.53 grams per tonne and recoveries improved slightly to 82.7% (2012: 82.6%).

Zimplats maintained its position as one of the lowest-cost producers in the industry. Platinum unit costs in matte increased by 5.5% mainly due to US$ inflation of 6.2% offset by the increase in platinum production. The unit costs for the year were US$1 307 (2012: US$1 239) per platinum ounce in matte. Unit costs increased by 20.1% in rand terms as a result of the 14.0% depreciation in the rand.

Despite increased tonnes milled, SO_2 emissions remained very similar to 2012. Encouragingly, total CO_2 emissions showed a decline of some 18%. This resulted from lower concentrates smelted.

The Phase 2 expansion remained on schedule with the hot commissioning of the front-end crushing and milling circuits, the concentrator and associated tailings facility being completed in April 2013. Construction of the underground crusher at the portal is scheduled for commencement in January 2014 with anticipated completion by August 2014 and the mine will reach design production in March 2015.

Capital expenditure for the year amounted to US$164 million of which approximately 80% was spent on the Phase 2 expansion.

Major capital projects	Phase 2
Capital spend 2013	US$125 million
Remaining capital spend	US$144 million
Estimated total capital spend	US$500 million
Full production date	2015
Steady-state throughput	2.0mtpa
Steady-state platinum production	90kozpa
Remaining activities	Completion of Portal 3 and associated infrastructure

On 11 January 2013 Zimplats concluded a non-binding termsheet in respect of proposed indigenisation implementation plans with the Government of Zimbabwe. In terms of this agreement, a collective 51% of the Company's equity would be sold to a community share ownership trust (10%), an employees' share ownership trust (10%), and the National Indigenisation and Empowerment Fund (31%) for a total of US$971 million payable from future dividends due to the entities. Zimplats would provide vendor funding to the indigenous entities at an interest rate of 10% per annum repayable from 85% of the dividends declared by the operating subsidiary. Subsequently, the government has indicated that it wishes to revisit the terms of the plan and engagement in this regard continues.

There is increased pressure from the government to release ground to pave the way for new entrants into the platinum sector. On 1 March 2013 the government published its intention to compulsorily acquire 27 948 hectares or approximately 50% of the mining claims owned by Zimplats in a Government Gazette Extraordinary. Zimplats has lodged an objection and a claim for compensation and awaits an official response.

Outlook

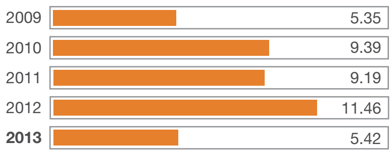
Management remains in negotiations with the government on finalising the agreed indigenisation plan and clarifying other outstanding issues.

The Phase 2 expansion project, which will increase production to 270 000 ounces, remained on schedule. Production in 2014 is expected to be 250 000 ounces of platinum in matte with 270 000 ounces of platinum in matte being achieved in 2015.

Operational review
/ Marula /

▷ Marula

LTIFR (per million man-hours worked)



Production (000oz of platinum)

Business summary

- ▷ Two decline shafts
- ▷ Concentrator plant
- ▷ Reserves: 1.1 million attributable ounces of platinum
- ▷ Resources (including reserves) 7.5 million attributable ounces of platinum
- ▷ Production: 71 700 ounces of platinum in concentrate
- ▷ Employees and contractors: 4 018.

Outlook

- ▷ Optimisation of excising infrastructure
- ▷ Production planned to increase to 86 000 ounces of platinum over the next five years.

Marula – key statistics

		2013	2012	2011	2010	2009
Safety leading indicators						
Hazards for which internal STOP Notes have been issued	(no)	**96**	72	65	–	–
Stoppage/instructions issued by State or DMR	(no)	**13**	8	6	3	–
Leadership STOP Observations	(no)	**2 429**	767	–	–	–
Safety representative training	(no)	**82**	362	99	–	–
Safety lagging indicators						
Fatal injury frequency rate	(pmmhw)	**0.000**	0.130	0.000	0.000	0.134
Lost-time injury frequency rate	(pmmhw)	**5.42**	11.46	9.19	9.39	5.35
Total injury frequency rate	(pmmhw)	**24.81**	36.08	34.15	41.25	28.62
Lost days rate	(pmmhw)	**310**	453	462	652	187
Health						
Noise-induced hearing loss cases submitted	(no)	**12**	10	4	14	1
On wellness programme	(no)	**192**	434	393	359	329
On antiretroviral therapy	(no)	**101**	65	51	29	19
Environmental						
Total water consumed	(Mℓ)	**3 544**	3 585	3 355	2 841	2 160
Total water recycled	(%)	**44**	45	46	47	46
CO_2 emissions	(t)	**182 245**	177 409	176 127	170 706	156 141
People						
Own employees	(no)	**3 175**	2 982	3 272	3 241	2 512
Contractors	(no)	**843**	726	937	727	998
Training spend (% relative to wage bill)	(%)	**4**	3	4	3	3
Literacy (ABET level (III))	(%)	**90**	92	88	88	88
Labour turnover	(%)	**4**	11	22	5	10
HDSA in management	(%)	**62**	50	41	40	42
Social						
Community spend	(Rm)	**16**	17	41	10	–
BEE procurement	(%)	**64**	59	48	52	41
Sales	(Rm)	**1 404**	1 197	1 300	1 130	631
Platinum		**825**	702	728	655	543
Palladium		**384**	298	316	188	112
Rhodium		**115**	122	183	225	(69)
Nickel		**24**	24	28	22	16
Other		**56**	51	45	40	29
Cost of sales	(Rm)	**(1 620)**	(1 277)	(1 341)	(1 141)	(932)
On-mine operations		**(1 249)**	(984)	(1 040)	(850)	(736)
Processing operations		**(161)**	(155)	(152)	(146)	(132)
Share-based payments		**1**	23	6	(26)	36
Treatment charges		**(4)**	(3)	(3)	(2)	(2)
Depreciation		**(207)**	(158)	(152)	(117)	(98)
Gross (loss)/profit	(Rm)	**(216)**	(80)	(41)	(11)	(301)
Intercompany adjustment*	(Rm)	**–**	–	10	27	482
Adjusted gross profit	(Rm)	**(216)**	(80)	(31)	16	181
Royalty expense	(Rm)	**(44)**	(37)	(41)	(23)	(27)
Gross margin	(%)	**(15.4)**	(6.7)	(3.2)	(1.0)	(47.7)
Sales volumes in concentrate						
Platinum	(000oz)	**72.3**	69.0	70.6	70.1	74.0
Palladium	(000oz)	**73.9**	70.9	72.9	72.6	76.3
Rhodium	(000oz)	**15.2**	14.6	14.7	14.7	15.7
Nickel	(t)	**246.4**	236.7	222.0	216.6	219.5
Prices achieved in concentrate						
Platinum	(US$/oz)	**1 304**	1 318	1 481	1 244	824
Palladium	(US$/oz)	**590**	545	622	345	166
Rhodium	(US$/oz)	**856**	1 136	1 782	2 025	(201)
Nickel	(US$/t)	**11 342**	13 082	16 216	13 496	8 570
Exchange rate achieved	(R/US$)	**8.78**	7.66	6.91	7.51	8.35

* *Adjustment note: The adjustment relates to sales from Marula to the Implats Group which at year-end were still in the pipeline.*

Operational review
/ Marula / continued

		2013	2012	2011	2010	2009
Production						
Tonnes milled ex mine	(000t)	**1 628**	1 579	1 542	1 545	1 574
Headgrade (6E)	(g/t)	**4.19**	4.18	4.39	4.36	4.29
Platinum in concentrate	(000oz)	**71.7**	69.1	70.6	70.1	74.0
Palladium in concentrate	(000oz)	**73.5**	71.2	72.9	72.6	76.3
Rhodium in concentrate	(000oz)	**15.2**	14.8	14.7	14.7	15.7
Nickel in concentrate	(t)	**244.9**	237.7	222.7	216.6	219.5
PGM in concentrate	(000oz)	**188.3**	182.2	185.7	184.6	194.4
Cost						
Total cost	(Rm)	**1 410**	1 139	1 192	996	868
	(US$m)	**160**	147	170	132	96
Cost per tonne milled	(R/t)	**866**	721	773	645	551
	(US$/t)	**98**	93	110	85	61
Cost per PGM ounce in concentrate	(R/oz)	**7 488**	6 251	6 419	5 395	4 465
	(US$/t)	**849**	807	913	714	492
Cost per platinum ounce in concentrate	(R/oz)	**19 665**	16 483	16 884	14 208	1 730
	(US$/t)	**2 230**	2 129	2 401	1 880	1 291
Cost net of revenue received for other metals	(R/oz)	**11 590**	9 320	8 782	7 430	10 541
	(US$/t)	**1 314**	1 204	1 249	989	1 262
Capital expenditure	(Rm)	**125**	223	242	281	398
	(US$m)	**14**	29	34	37	44
Labour efficiency						
Centares per employee costed**	(m²/man/annum)	**52**	51	46	66	59
Tonnes milled per employee costed	(t/man/annum)	**428**	470	371	474	503

*** Total employees excluding capital project employees.*

Operational review

Mine throughput increased marginally while operational efficiencies recorded a much more positive performance. Most significantly, Marula improved markedly on the lamentable safety performance of the previous three years, lowering the key lost-time injury frequency rate from 2012's unacceptable 11.46 to 5.42. Other important safety measures showed similar improvements, with the all injury frequency rate dropping by more than 30%.

The implementation of proximity detection systems between man and machine, coupled with cumulative safety improvements and an increasingly embedded safety culture, are expected to contribute to a sustainable lowering in key injury indices. (This year senior management engaged in 2 429 STOP safety observations (2012: 767). These various improvements are likely to impact positively on production; this year the number of DMR-ordered section 54 safety stoppages was 13 compared with eight in 2012.

Important sustainability achievements included the awarding of ISO 14001 environmental certification; a substantial increase in the numbers of employees undergoing training and significant strides on health, preferential procurement and local socio-economic impact.

Encouragingly, the number of workers enrolling for voluntary HIV/Aids counselling and treatment almost doubled to 540, an indication of the success of the occupational and non-occupational health clinic opened the previous year. Similar progress was achieved in the area of human resource development with the number of employees undergoing training (including basic adult education and training) increasing by 67%.

This year 152 houses were being built in Burgersfort and in 2014 a further 122 houses will be built at a cost of R58 million.

In the year some 24 000 individuals in the areas surrounding Marula benefited from socio economic investments by the mine. Overall procurement from local HDSA businesses showed a marginal increase (from 21% the previous year to 22%) but overall BEE procurement rose by 20% to R451 million, 65% of total spend, a statistic that underlines Marula's status as the group leader in preferential procurement.

Implementation of Marula's environmental management programme – as defined by the Mining Charter – was 100% and executing the recommendations of a biodiversity study, including creating conservation areas, is set to start in the new year. Work undertaken this year is expected to result in the operation receiving its waste licence certificate in the new year.

Tonnes milled increased by 3% to 1.63 million despite excessive belt and trackless drill rig breakdowns during the first half of the year from the Clapham Conventional Section. These issues have been resolved and an ongoing maintenance plan put in place. Head grade rose marginally to 4.19g/t. With concentrator recoveries unchanged at 85.9%, platinum production in concentrate increased by 4% to 71 200 ounces.

The Proudfoot initiative to analyse mining efficiencies was successfully completed. Efficiencies, in terms of centares per panel team, increased by 8.5% to 269 centares. The Clapham Hybrid section performed best in this regard, increasing by 21% to 258 centares. As a result of this intervention during the first half of the year, in-stope productivities have increased by 8.5% and an on-mine project team has been established to ensure the continuity of this initiative.

During the past year the ore reserve situation has improved from 20 to 24 months as a result of a development optimisation programme that commenced approximately two years ago. This will support the ongoing increase in production going forward.

Unit cost per platinum ounce in concentrate increased by 19.3% on the previous year to R19 665. This was mainly due to inflation of 11.5%, the employment of an additional 293 employees, unforeseen conveyor belt maintenance, trackless machinery repairs and Proudfoot consulting costs. Costs were partially offset by the 3.8% increase in platinum production.

Capital expenditure for the year amounted to R125 million. Certain aspects of the UG2 optimisation project were deferred in terms of cash preservation and will be completed in due course.

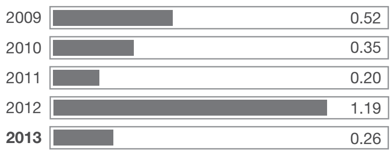
Outlook

The optimisation of Marula's existing infrastructure has been completed. This will provide a platform on which to increase production to 83 000 ounces of platinum over the next five years. The ability to maintain this level of output in the medium to long term is underpinned by the development of Clapham level 5 and securing access to the UG2 Reef within the Modikwa Joint Venture. There are no plans as yet to exploit the Merensky Reef.

Operational review
/ Mimosa /

▷ Mimosa

LTIFR (per million man-hours worked)



Production (000oz of platinum in concentrate)

Business summary

- ▷ Joint venture with Aquarius Platinum Limited
- ▷ Mechanised shallow underground mine
- ▷ Concentrator plant
- ▷ Reserves: 0.7 million attributable ounces of platinum
- ▷ Resources (including reserves) 3.9 million attributable ounces of platinum
- ▷ Production: 100 300 ounces of platinum in concentrate
- ▷ Employees and contractors: 1 682.

Outlook

- ▷ Steady state platinum concentrate production will be maintained in the region of 100 000 ounces over the period.

Mimosa – key statistics

		2013	2012	2011	2010	2009
Safety leading indicators						
Hazards for which internal STOP Notes have been issued	(no)	**742**	550	282	–	–
Stoppage/instructions issued by State or DMR	(no)	**0**	0	0	–	–
Leadership STOP Observations	(no)	**16 282**	9 705	–	–	–
Safety representative training	(no)	**44**	26	32	37	65
Safety lagging indicators						
Fatal injury frequency rate	(pmmhw)	**0.000**	0.000	0.100	0.000	0.000
Lost-time injury frequency rate	(pmmhw)	**0.26**	1.19	0.20	0.35	0.52
Total injury frequency rate	(pmmhw)	**2.83**	4.65	5.70	3.74	5.45
Lost days rate	(pmmhw)	**3**	10	3	6	10
Health						
Noise-induced hearing loss cases submitted	(no)	**0**	0	1	1	–
On wellness programme	(no)	**166**	197	171	131	58
On antiretroviral therapy	(no)	**151**	139	123	90	54
Environmental						
Total water consumed	(Mℓ)	**3 336**	3 263	3 697	4 063	3 885
Total water recycled	(%)	**30**	35	37	35	40
CO_2 emissions	(t)	**170 691**	162 448	174 019	166 166	144 791
People						
Own employees	(no)	**1 552**	1 572	1 567	1 576	1 623
Contractors	(no)	**130**	199	229	226	308
Literacy (ABET level (III))	(%)	**99**	99	96	96	95
Labour turnover	(%)	**4**	4	3	6	6
Social						
Community spend	(Rm)	**41**	26	20	3	6
Sales	(Rm)	**2 579**	2 403	2 569	2 063	1 262
Platinum		**1 323**	1 207	1 277	1 109	708
Palladium		**434**	392	377	217	102
Rhodium		**70**	86	128	114	69
Nickel		**399**	403	495	390	224
Other		**353**	315	292	233	159
Cost of sales	(Rm)	**(1 956)**	(1 498)	(1 229)	(1 137)	(1 076)
On-mine operations		**(1 110)**	(813)	(730)	(665)	(582)
Processing operations		**(311)**	(242)	(196)	(183)	(215)
Selling and administration		**(155)**	(138)	(90)	(65)	(68)
Treatment charges		**(167)**	(134)	(118)	(114)	(119)
Depreciation		**(220)**	(155)	(114)	(80)	(80)
Change in metal inventories		**7**	(16)	19	(30)	(12)
Gross profit	(Rm)	**623**	905	1 340	926	186
Royalty expense	(Rm)	**(180)**	(131)	(87)	(47)	(45)
50% of gross profit from operations attributable to Implats	(Rm)	**314**	449	670	463	93
Intercompany adjustment*	(Rm)	**26**	27	(25)	(74.00)	187.00
Adjusted gross profit	(Rm)	**340**	476	645	389	280

* *Adjustment note: The adjustment relates to sales from Mimosa to the Implats Group which at year-end were still in the pipeline.*

Operational review
/ Mimosa / continued

		2013	2012	2011	2010	2009
Gross margin	(%)	**24.2**	37.7	52.2	44.9	14.7
Sales volumes in concentrate						
Platinum	(000oz)	**99.2**	105.2	105.4	98.4	85.6
Palladium	(000oz)	**78.4**	81.7	81.6	75.5	65.0
Rhodium	(000oz)	**8.4**	8.4	8.4	7.8	7.0
Nickel	(t)	**3 164**	3 012	3 037	2 819	2 443
Prices achieved in concentrate						
Platinum	(US$/oz)	**1 513**	1 481	1 722	1 491	911
Palladium	(US$/oz)	**628**	620	657	380	173
Rhodium	(US$/oz)	**944**	1 325	2 161	1 935	1 087
Nickel	(US$/t)	**14 300**	17 262	23 178	18 311	10 084
Exchange rate achieved	(R/US$)	**8.82**	7.74	7.03	7.56	9.08
Production						
Tonnes milled ex mine	(000t)	**2 381**	2 324	2 311	2 277	2 111
Headgrade (6E)	(g/t)	**3.95**	3.93	3.91	3.86	3.87
Platinum in concentrate	(000oz)	**100.3**	106.0	104.9	101.2	91.5
Palladium in concentrate	(000oz)	**79.5**	82.3	80.4	76.6	69.4
Rhodium in concentrate	(000oz)	**8.7**	8.5	8.4	8.1	7.2
Nickel in concentrate	(t)	**3 161**	3 046	2 945	2 776	2 539
PGM in concentrate	(000oz)	**214.8**	222.8	219.7	210.3	189.3
Cost						
Total cost	(Rm)	**1 576**	1 193	1 016	913	865
	(US$m)	**179**	154	144	121	95
Cost per tonne milled	(R/t)	**662**	513	440	401	410
	(US$/t)	**75**	66	63	53	45
Cost per PGM ounce in concentrate	(R/oz)	**7 337**	5 355	4 624	4 341	4 569
	(US$/t)	**832**	692	658	575	503
Cost per platinum ounce in concentrate	(R/oz)	**15 713**	11 255	9 685	9 018	9 454
	(US$/t)	**1 782**	1 453	1 377	1 194	1 041
Cost net of revenue received for other metals	(R/oz)	**3 190**	(28)	(2 631)	(405)	3 399
	(US$/t)	**362**	(4)	(374)	(54)	374
Capital expenditure	(Rm)	**265**	497	372	255	555
	(US$m)	**30**	64	53	34	61
Labour efficiency						
Tonnes milled per employee costed**	(t/man/annum)	**1 372**	1 381	1 319	1 287	1 182

*** Total employees excluding capital project employees.*

Operational review

Mimosa once again delivered an excellent performance with production that was consistent with steady-state throughput and safety records that reflected considerable improvement.

There were no fatalities and just two lost-time injuries at Mimosa. The lost-time injury frequency rate improved from 1.19 in the previous year to 0.26. While heartening, this statistic was marginally less positive than the 2011 figure of 0.20. The all injury rates improved this year from 4.65 to 2.83.

Spend on community development increased by some 36% to US$4.6 million. Similar progress was achieved in indigenous procurement as a percentage of total discretionary expenditure (92%). Ninety-nine percent of all discretionary services spend was with indigenous suppliers.

Tonnes milled at 2.4 million for the year increased by 2.5% and platinum in concentrate reduced by 5.4% to 100 300 ounces. Milled grades (6E) improved marginally to 3.95 (2012: 3.93) grams per tonne. Consumption of energy and water, CO_2 and SO_2 emissions and water recycled showed similarly marginal increases.

Deteriorating ground conditions are being encountered as mining progresses to the north and south of the central decline. Consequently, mechanised roof support systems have had to be installed. Although power shortages remain an issue in Zimbabwe, Mimosa has secured supply for the next five years on the back of an advance payment to the utility.

Mimosa's unit costs increased by 22.6% from US$1 453 per platinum ounce in concentrate to US$1 782 per platinum ounce in concentrate mainly due to the lower production, Zimbabwe inflation, the impact of a stockpile building mining team and the higher dosage of plant chemicals and reagents. When measured in rand terms, unit costs increased by 39.6% mainly due to the rand having weakened by 14.0%.

The termsheet setting out the details for indigenisation was signed with the Government of Zimbabwe on 14 December 2012. However, the government wishes to revisit the terms of the plan and discussions in this regard are ongoing.

Outlook

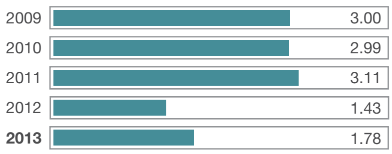
The mine's ore resources comprise the South Hill, North Hill, Far South and Mtshingwe block. Production over the next five years is based on the exploitation of the South Hill ore resource through the Wedza Shaft and the existing plant.

Feed grades are set to gradually drop over the next five years in line with the lower *in situ* grades on the western limb. However, steady state platinum concentrate production will be maintained in the region of 100 000 ounces over the period.

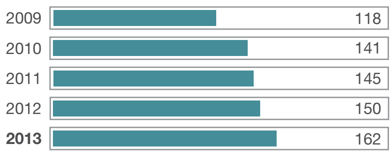
Operational review
/ Two Rivers /

▷ Two Rivers

LTIFR (per million man-hours worked)



Production (000oz of platinum in concentrate)



Business summary

- ▷ Joint venture with African Rainbow Minerals Limited
- ▷ Two on-reef shafts
- ▷ Concentrator plant
- ▷ Reserves: 0.9 million attributable ounces of platinum
- ▷ Resources (including reserves) 2.9 million attributable ounces of platinum
- ▷ Production: 162 200 ounces of platinum in concentrate
- ▷ Employees and contractors: 3 706.

Outlook

- ▷ Chrome plant and tertiary mill was commissioned in September 2013
- ▷ Production capacity should be maintained at around 140 000 to 150 000 ounces of platinum in concentrate.

Two Rivers – key statistics

		2013	2012	2011	2010	2009
Sales	(Rm)	**2 867**	2 335	2 274	2 086	972
Platinum		**1 931**	1 557	1 477	1 370	874
Palladium		**533**	383	365	221	102
Rhodium		**234**	221	290	375	(33)
Nickel		**69**	75	64	57	39
Other		**100**	99	78	63	(10)
Cost of sales	(Rm)	**(2 233)**	(1 827)	(1 651)	(1 512)	(1 325)
Mining operations		**(1 581)**	(1 357)	(1 172)	(992)	(867)
Concentrating operations		**(314)**	(264)	(225)	(201)	(179)
Treatment charges		**(18)**	(18)	(15)	(14)	(13)
Depreciation		**(372)**	(276)	(249)	(257)	(269)
(Decrease)/increase in metal inventories		**52**	88	10	(48)	3
Gross profit		**634**	508	623	574	(353)
Royalty expense		**(92)**	(43)	(11)	(2)	–
Gross margin	(%)	**22.1**	21.8	27.4	27.5	(36.4)
Profit/(loss) for the year	(Rm)	**361**	296	415	325	(395)
45% attributable to Implats	(Rm)	**163**	133	185	147	(178)
Intercompany adjustment*	(Rm)	**(7)**	(26)	46	(52)	219
Share of profit in Implats Group	(Rm)	**156**	107	231	95	41
Sales volumes in concentrate						
Platinum	(000oz)	**161.8**	148.6	145.5	140.9	118.0
Palladium	(000oz)	**98.3**	88.7	83.7	81.6	67.4
Rhodium	(000oz)	**28.5**	25.2	24.2	23.6	19.1
Nickel	(t)	**548**	596	442	443	365
Prices achieved in concentrate						
Platinum	(US$/oz)	**1 358**	1 361	1 461	1 271	781
Palladium	(US$/oz)	**615**	561	629	355	159
Rhodium	(US$/oz)	**931**	1 141	1 717	2 079	(207)
Nickel	(US$/t)	**14 284**	16 414	21 010	16 970	11 949
Exchange rate achieved	(R/US$)	**8.79**	7.70	6.95	7.64	9.46

* *Adjustment note: The adjustment relates to sales from Two Rivers to the Implats Group which at year-end were still in the pipeline.*

Operational review
/ Two Rivers / continued

		2013	2012	2011	2010	2009
Production						
Tonnes milled ex mine	(000t)	**3 172**	3 103	2 950	2 918	2 616
Headgrade (6E)	(g/t)	**4.02**	3.86	3.94	3.95	4.10
Platinum in concentrate	(000oz)	**162.2**	149.9	145.3	140.9	118.0
Palladium in concentrate	(000oz)	**98.6**	89.5	84.1	81.6	67.4
Rhodium in concentrate	(000oz)	**28.7**	25.5	24.6	23.6	19.1
Nickel in concentrate	(t)	**555**	595	444	443	365
PGM in concentrate	(000oz)	**350.4**	320.1	307.2	296.8	246.3
Cost						
Total cost	(Rm)	**1 895**	1 621	1 397	1 193	1 046
Cost per tonne milled	(R/t)	**597**	522	474	409	400
	(US$/t)	**68**	67	67	53	42
Cost per PGM ounce in concentrate	(R/oz)	**5 408**	5 064	4 548	4 020	4 247
	(US$/t)	**613**	654	647	526	449
Cost per platinum ounce in concentrate	(R/oz)	**11 683**	10 814	9 615	8 467	8 862
	(US$/t)	**1 325**	1 396	1 367	1 108	937
Cost net of revenue received for other metals	(R/oz)	**5 912**	5 624	4 129	3 385	8 032
	(US$/t)	**670**	726	587	443	849
Capital expenditure	(Rm)	**489**	467	280	116	349
	(US$m)	**55**	60	40	15	37
Labour including capital						
Own employees	(no)	**2 410**	779	756	702	774
Contractors	(no)	**1 296**	2 735	2 537	2 031	2 078
Labour efficiency						
Tonnes milled per employee costed**	(t/man/annum)	**921**	941	993	1 117	1 015

*** Total employees excluding capital project employees.*

Operational review

Two Rivers regressed in its safety performance with 13 (2012: 10) lost-time injuries for the year. The lost-time injury rate was 1.78 (2012: 1.43) per million man-hours worked. However, one million fatality-free shifts were achieved in May 2013.

The mine delivered another excellent operational performance and all production numbers exceeded those of the previous year. Tonnes milled were 2.2% higher at 3.2 million for the year. Milled grades (6E) improved by 4.1% to 4.02 grams per tonne. Recoveries improved slightly to 85.4% (84.3%) on the back of plant optimisation initiatives. Platinum in concentrate increased by 8.2% to 162 200 (149 900) ounces.

Costs per platinum ounce in concentrate increased by 8% to R11 683 (2012: R10 814).

Capital expenditure amounted to R489 million of which R233 million was spent on underground extensions and fleet replacement. A new plant to recover chrome and additional PGMs from the tailings stream was constructed at a cost of R97 million and will be commissioned during the first quarter of 2014.

Outlook

The chrome plant tertiary mill was commissioned in September 2013. This will result in improved PGM recoveries in addition to the recovery of chrome from tailings.

Production capacity should be maintained at around 140 000 to 150 000 ounces of platinum in concentrate. However, this will require access to Kalkfontein portions 4, 5 and 6. A section 102 has been submitted to the DMR and, once approved, will increase Implats' shareholding in Two Rivers to 49%. Additional resource availability exists on the Merensky reef and a feasibility study has been completed in this regard.

Operational review
/ Impala Refining Services /

▷ Impala Refining Services

Production (000oz of platinum)

Production (000oz of PGMs)

Business summary

- ▷ Provides smelting and refining services through offtake agreements with Group companies (except Impala) and third parties
- ▷ Recycling and toll-treatment.

Impala Refining Services – key statistics

		2013	2012	2011	2010	2009
Sales	(Rm)	**14 696**	14 069	14 273	11 069	10 507
Platinum		**8 481**	7 982	8 104	6 661	5 954
Palladium		**2 675**	2 464	2 169	1 227	834
Rhodium		**794**	1 113	1 376	1 242	2 142
Nickel		**1 164**	1 236	1 305	1 024	755
Other		**1 582**	1 274	1 319	915	822
Cost of sales	(Rm)	**(13 287)**	(12 730)	(12 860)	(9 910)	(9 272)
Metals purchased		**(12 926)**	(12 147)	(12 649)	(10 470)	(5 822)
Smelting		**(297)**	(225)	(232)	(190)	(150)
Refining		**(399)**	(378)	(366)	(318)	(229)
Other operating cost		**(37)**	(37)	(30)	(29)	(30)
Increase/(decrease) in metal inventories		**372**	57	417	1 097	(3 041)
Gross profit IRS	(Rm)	**1 409**	1 339	1 413	1 159	1 235
Metals purchased – adjustment on metal prices and exchange rates*	(Rm)	**177**	(195)	(20)	–	–
Inventory – adjustment for metal prices and exchange rates	(Rm)	**(189)**	191	(4)	–	–
Gross profit in Implats Group	(Rm)	**1 397**	1 335	1 389	1 159	1 235
Gross margin	(%)	**9.6**	9.5	9.9	10.5	11.8
Revenue	(Rm)	**14 696**	14 069	14 273	11 069	10 507
Direct sales to customers		**111**	116	401	383	424
Sales to Impala		**14 139**	13 702	13 427	10 354	9 778
Treatment income – external		**358**	181	383	272	243
Treatment income – intercompany		**88**	70	62	60	62
Total sales volumes						
Platinum	(000oz)	**629.8**	638.2	684.2	615.4	556.7
Palladium	(000oz)	**460.5**	468.3	474.2	434.3	371.8
Rhodium	(000oz)	**82.5**	94.1	87.1	79.6	79.5
Nickel	(t)	**8 095**	8 209	7 863	7 117	6 253
Prices achieved						
Platinum	(US$/oz)	**1 532**	1 634	1 691	1 432	1 215
Palladium	(US$/oz)	**659**	689	655	374	255
Rhodium	(US$/oz)	**1 099**	1 549	2 254	2 065	3 210
Nickel	(US$/t)	**16 314**	19 723	23 757	19 031	13 695
Exchange rate achieved	(R/US$)	**8.79**	7.65	7.00	7.56	8.72
Refined production						
Platinum	(000oz)	**872.3**	697.5	895.1	870.1	753.8
Palladium	(000oz)	**669.8**	541.1	680.6	778.7	581.7
Rhodium	(000oz)	**118.4**	111.1	134.8	130.5	124.4
Nickel	(t)	**11 983**	10 582	10 829	10 314	8 339
PGM refined production	(000oz)	**1 854.9**	1 527.9	1 918.2	1 974.7	1 638.1
Metal returned						
Platinum	(000oz)	**188.6**	120.7	219.5	233.0	194.1
Palladium	(000oz)	**190.0**	147.5	210.0	259.3	180.9
Rhodium	(000oz)	**35.5**	24.8	41.7	49.3	37.5
Nickel	(t)	**3 193**	3 093	3 370	2 792	2 480

**Adjustments on metal prices and exchange rates have been reallocated to gross profit from other income and expense and foreign exchange profit or loss respectively in the statement of comprehensive income.*

Operational review
/ Impala Refining Services / continued

Operational review
Refined platinum production increased by 25% to 873 000 ounces. Spot toll refining more than offset the impact of the Everest Mine being placed on care and maintenance and the suspension of stoping at the Zandfontein section of the Crocodile River Mine.

Platinum production from mine-to-market operations increased by 2% to 505 000 ounces due to production increases at both Marula and Two Rivers.

('000oz)	**2013**	2012
Zimplats	**180**	185
Marula	**71**	63
Mimosa	**97**	100
Two Rivers	**157**	145
Third-party purchases, recycling and toll	**368**	205
Grand total	**873**	698

Outlook
In the immediate term mine-to-market production will increase following the recent successful commissioning of the Phase 2 expansion at Zimplats and thereafter from further production increases at Marula. While growth is expected from non-managed production, the extent and timing of this growth, and, in particular, the resumption of currently suspended operations will be dictated by market conditions and the economic circumstances of the suppliers. With continued access to smelting and refining capacity from Impala, IRS remains well placed to process additional material from new recycling customers and opportunities in this regard are being evaluated.

Abridged mineral resource and mineral reserve statement

This section serves as the annual update of Implats' mineral resources and mineral reserves and informs shareholders and potential investors of the status of the mineral assets

The details are presented as an abridged summary and a detailed version is available at **www.implats.co.za**

Main features

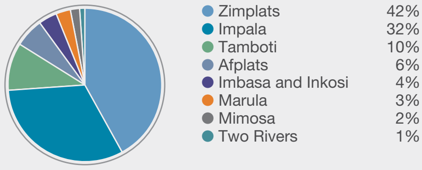
The main features relating to Implats' mineral resources and mineral reserves as at 30 June 2013 relative to 30 June 2012 are:

- Estimated total attributable mineral resources remained constant at 230Moz Pt
- Total attributable mineral reserves decreased by 1Moz to 33Moz Pt
- Year-on-year comparisons show a stable inventory
- Progress is being made to convert mineral resources from the inferred category to an indicated and measured status.

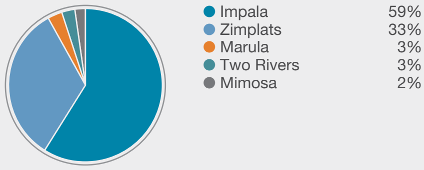
Implats and its associated companies continue to exploit platiniferous horizons within the largest known deposit of platinum group minerals in the world, namely the Bushveld Complex in South Africa and also the world-class deposit in Zimbabwe, namely the Great Dyke. Mining mostly takes place as underground operations, focusing on relatively narrow mineralised horizons with the specific mining methods adapted to suit the local geology and morphology of these mineralised horizons. The mineral resources and mineral reserves are geographically spread but are dominated by Impala and Zimplats.

Importantly it must be noted that as at 30 June 2013 the indigenisation transactions at both Mimosa and Zimplats have not been concluded. Once concluded Implats' attributable mineral resources and mineral reserves may be significantly reduced.

Attributable mineral resources of 230Moz Pt
as at 30 June 2013



Attributable mineral reserves of 33Moz Pt
at 30 June 2013

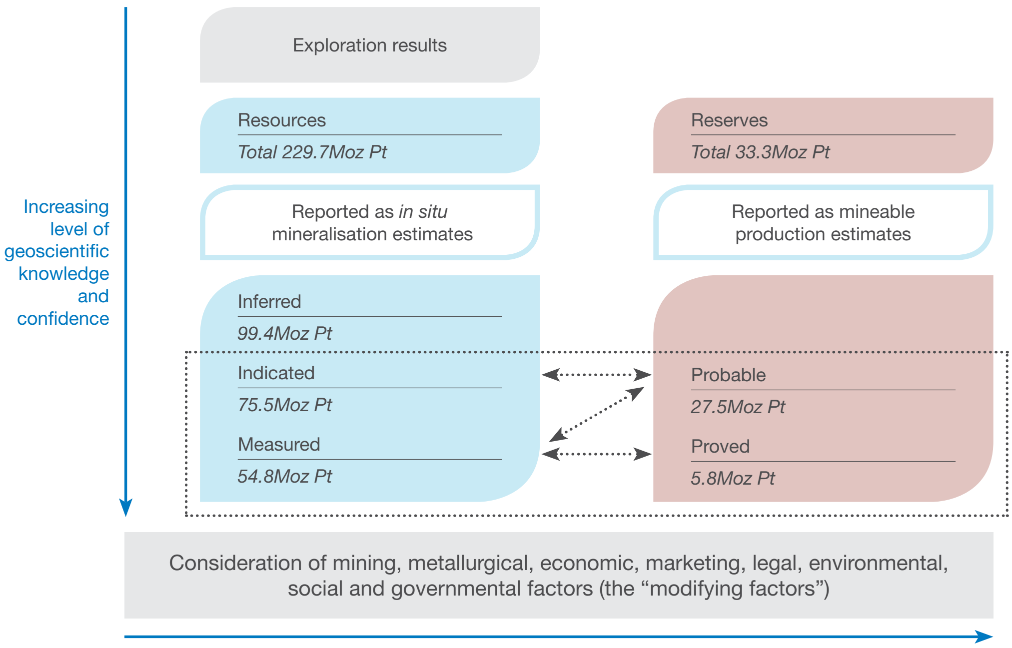


Reporting codes and compliance

The reporting of mineral resources and mineral reserves for Implats' South African operations is done in accordance with the principles and guidelines of the South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC Code). Zimplats, as an Australian Securities Exchange (ASX) listed company, reports its mineral resources and ore reserves in accordance with the JORC Code. Mimosa Investments Limited, a Mauritius-based company, does not fall under any regulatory reporting code but has adopted the 2004 JORC Code for its reporting.

Various Competent Persons, as defined by the SAMREC and JORC codes, contributed to the abridged mineral reserves and mineral resources figures quoted in this report. As such these statements reflect the estimates as compiled by teams of professional practitioners from the various operations, shafts and projects. Accordingly Seef Vermaak (PrSciNat, SACNASP Registration No 400015/88, 27 years' experience) and Gerhard Potgieter (PrEng, ECSA Registration No 20030236, 28 years' experience) take overall responsibility as lead Competent Persons for the mineral resource and mineral reserve statement. Both are full time employees of Implats.

Relationship between exploration results, mineral resources and mineral reserves showing Implats' attributable mineral resources and mineral reserves as at 30 June 2013



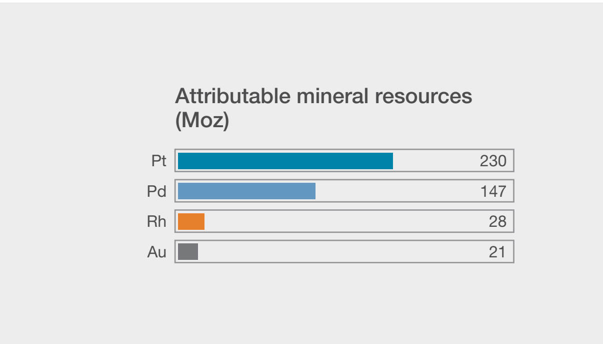
Abridged mineral resource and mineral reserve statement continued

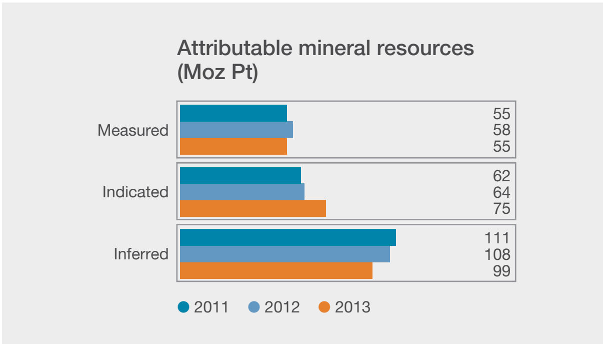
Attributable mineral resources inclusive of mineral reserves

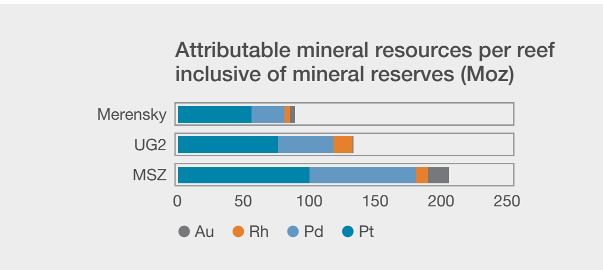
as at 30 June 2013

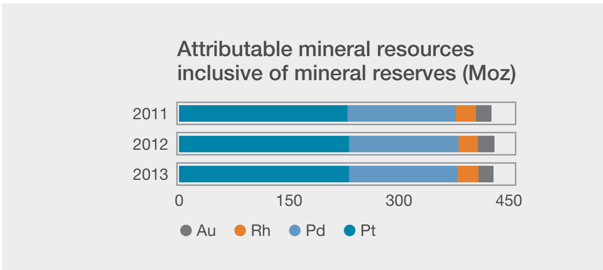
		Category	Tonnes Mt	6E grade g/t	Pt	Moz 4E	6E
Impala (100% attributable)	Merensky	Measured	145.8	7.39	19.6	31.0	34.6
		Indicated	84.8	7.03	10.8	17.2	19.2
		Inferred	68.4	6.14	7.6	12.1	13.5
	UG2	Measured	134.1	8.76	18.3	31.5	37.8
		Indicated	68.1	8.71	9.2	15.9	19.1
		Inferred	34.1	8.92	4.7	8.2	9.8
	Total Impala		535.3	7.78	70.3	115.8	133.9
Impala/RBRJV (49% attributable)	Merensky	Measured	2.6	7.13	0.3	0.5	0.6
		Indicated	4.1	7.78	0.6	0.9	1.0
		Inferred	13.9	6.30	1.6	2.5	2.8
	UG2	Measured	0.8	8.94	0.1	0.2	0.2
		Indicated	1.6	9.41	0.2	0.4	0.5
		Inferred	4.7	8.99	0.7	1.1	1.3
	Total JV		27.6	7.31	3.5	5.7	6.5
	Total		562.9	7.76	73.9	121.5	140.4
Marula (73% attributable)	Merensky	Measured	25.0	4.55	2.0	3.4	3.7
		Indicated	5.6	4.54	0.4	0.8	0.8
		Inferred	7.2	4.46	0.6	1.0	1.0
	UG2	Measured	22.9	10.09	2.8	6.3	7.4
		Indicated	9.1	10.30	1.1	2.6	3.0
		Inferred	4.5	10.33	0.6	1.3	1.5
	Total Marula		74.4	7.30	7.5	15.3	17.5
Afplats (74% attributable)	UG2	Measured	58.6	6.48	6.0	9.8	12.2
		Indicated	10.6	6.28	1.0	1.7	2.1
		Inferred	73.7	6.25	7.2	11.9	14.8
	Total Afplats		142.9	6.35	14.3	23.4	29.2
Imbasa (60% attributable)	UG2	Indicated	15.5	5.76	1.4	2.3	2.9
		Inferred	25.3	5.69	2.3	3.7	4.6
Inkosi (49% attributable)	UG2	Indicated	32.2	6.12	3.1	5.1	6.3
		Inferred	19.2	5.84	1.8	2.9	3.6
	Total Imbasa and Inkosi		92.2	5.88	8.5	14.0	17.4
Two Rivers (45% attributable)	Merensky	Indicated	19.4	3.04	1.0	1.7	1.9
		Inferred	5.0	2.65	0.2	0.4	0.4
	UG2	Measured	6.4	5.66	0.5	1.0	1.2
		Indicated	18.1	4.13	1.1	2.0	2.4
	Total Two Rivers		48.8	3.75	2.9	5.1	5.9

		Category	Tonnes Mt	6E grade g/t	Pt	Moz 4E	6E
Tamboti (100% attributable)	Merensky	Indicated	38.9	3.07	2.2	3.5	3.8
		Inferred	121.9	3.47	7.8	12.4	13.6
	UG2	Indicated	48.3	5.29	3.7	6.9	8.22
		Inferred	128.3	5.22	9.6	18.1	21.52
	Total Tamboti		337.4	4.35	23.2	41.0	47.2
Zimplats (87% attributable)	MSZ	Measured	128.2	3.84	7.4	15.0	15.8
		Indicated	606.0	3.76	34.1	69.3	73.2
		Inferred	1 066.8	3.54	54.0	112.2	121.4
	Total Zimplats		1 801.1	3.63	95.5	196.4	210.4
Mimosa (50% attributable)	MSZ	Measured	28.9	3.99	1.7	3.5	3.7
		Indicated	21.4	3.78	1.2	2.4	2.6
		Inferred	16.3	3.86	0.9	1.9	2.0
	Total Mimosa		66.7	3.89	3.9	7.8	8.3
	Total All		3 126.4	4.74	229.7	424.6	476.3









Abridged mineral resource and mineral reserve statement continued

In comparison with the previous annual mineral resource statement there is no material change in the total attributable platinum ounces of 230Moz. The variation at the individual operations and projects are discussed in the detailed report. The changes in these estimates can be attributed to additional information and updated estimates.

The grouping of the platinum ounces per reef shows that some 44% of the attributable Implats mineral resources are hosted by the Great Dyke. The Zimplats mineral resources make up the bulk of these (42% of the total Implats inventory). The detailed sections indicate various movements due to additional work, newly acquired data and updated estimations. There has been some steady improvement in the conversion of inferred mineral resources; the estimate as at 30 June 2013 reflects an increase in indicated and measured mineral resources from 53% to 57%. The graph comparing the attributable 4E for the last few years reflects a stable situation.

There are two potential material impacts on the attributable mineral resources in Zimbabwe:
- 51% to indigenisation which affects both Zimplats and Mimosa
- the Zimplats land gazetted for acquisition.

Neither of these have been completed by 30 June 2013, but the reader needs to be fully aware that they could have a significant impact on these figures.

Attributable mineral reserves estimates
as at 30 June 2013

	Orebody	Category	Tonnes Mt	6E grade g/t	Moz Pt	4E	6E
Impala (100% attributable)	Merensky	Proved	9.5	4.36	0.8	1.2	1.3
		Probable	111.1	4.85	9.8	15.5	17.3
	UG2	Proved	13.6	4.50	1.0	1.6	2.0
		Probable	117.9	4.50	8.2	14.2	17.0
	Total		252.1	4.65	19.8	32.6	37.7
Marula (73% attributable)	UG2	Proved	2.1	4.72	0.1	0.3	0.3
		Probable	17.0	4.70	1.0	2.2	2.6
	Total		19.1	4.70	1.1	2.5	2.9
Two Rivers (45% attributable)	UG2	Proved	4.7	3.99	0.3	0.5	0.6
		Probable	11.1	3.39	0.6	1.0	1.2
	Total		15.8	3.57	0.9	1.5	1.8
Zimplats (87% attributable)	MSZ	Proved	61.5	3.53	3.2	6.6	7.0
		Probable	145.2	3.54	7.6	15.5	16.5
	Total		206.6	3.53	10.8	22.1	23.5
Mimosa (50% attributable)	MSZ	Proved	7.6	3.75	0.4	0.9	0.9
		Probable	5.9	3.48	0.3	0.6	0.7
	Total		13.5	3.63	0.7	1.5	1.6
All	**Total**		507.1	4.14	33.3	60.1	67.4

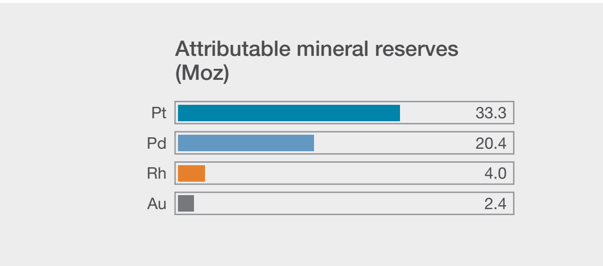
Implats reported mineral reserves of some 34.1Moz Pt in 2012 compared to the estimated 33.3Moz Pt at 30 June 2013. The reports per section in the separate detailed report indicate various changes and updates. Overall there has been a small improvement in the ratio of proved to probable mineral reserves. The attendant graphs below compare the last three reporting periods and indicate an overall decrease in attributable mineral reserves in line with expected depletion. The quantum of proved Merensky Reef mineral reserves at Impala remains low at some 20% below the same for the UG2.

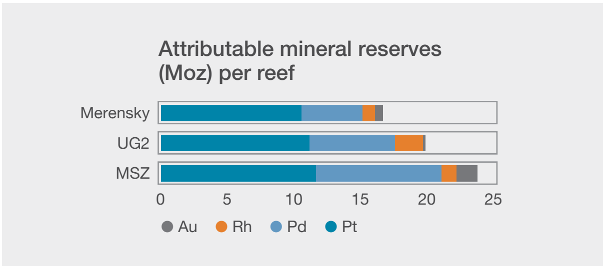
The reader must be aware of the potential material impacts on the attributable mineral reserves in Zimbabwe. 51% of the ownership is earmarked for indigenisation which affects both Zimplats and Mimosa. These transactions have not been completed by 30 June, but the reader needs to be fully aware that they could have a significant impact on these figures.

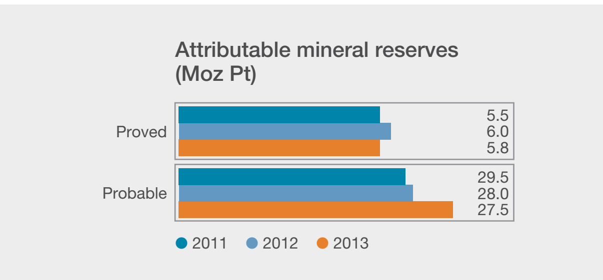
A detailed compilation of Implats' mineral resources and mineral reserves is captured in a separate report entitled, Mineral Resource and Mineral Reserve Statement 2013.

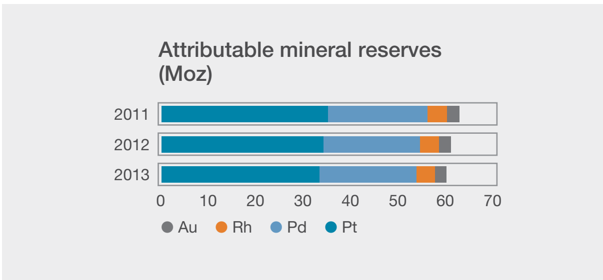
The detailed report expands on aspects such as compliance, mineral rights status, exploration, reporting criteria, auditing, reconciliation and specific details per operation.

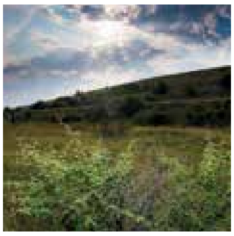
This is available in the annual report section of the Implats website **www.implats.co.za** and may be downloaded as a PDF file using Adobe Acrobat Reader. This information is also available on request from the Implats offices at the address given at the back of this report.











Governance and remuneration

Corporate governance

Introduction

Corporate governance is integral to the success and sustainability of Implats, and the board is therefore committed to ensuring that its policies and practices support and reflect this ethos throughout the Group. The board is also committed to the highest levels of integrity and ethics in the conduct of its business.

In order to ensure that the Company remains at the forefront of best corporate governance practices, compliance with the King III Code on Corporate Governance (King III) and the Companies Act remains high on the board's agenda. The board has satisfied itself with the extent of the Company's compliance with the King III Report and with the JSE Listings Requirements during the financial year ended 30 June 2013 and a table setting out how the Group has applied the principles of King III is contained on the Company's website, **www.implats.co.za**. The table also highlights any exceptions with the application of King III.

During the year under review, additional enhancements and refinements were made to the policies, procedures and strategy of the Company, to further align the Company with the principles of King III and the requirements of the new Companies Act.

These included:

- Revisions to the board charter and terms and reference of the various committees
- The approval of a "trading in shares and securities" policy
- The adoption of the Company's memorandum of incorporation, as approved by shareholders at the AGM held in October 2012
- The approval by shareholders of a new "Long-term Incentive Scheme" which is strongly aligned with the principles of King III, particularly in terms of performance-related incentives.

The board continues to recognise the importance of effective governance in creating long-term value for all its stakeholders. This understanding and recognition continues to guide the board in its vision to lead the Company with practices based on transparency, accountability, integrity and ethical leadership.

Board of directors

The board has 14 directors, comprising nine independent non-executive directors, two non-executive and three executive directors. Dr KDK Mokhele, an independent non-executive director, is chairman of the board. Mr TP Goodlace is the chief executive officer (CEO) and an executive director. The roles of the chairman and CEO are distinctly separate.

Changes to the board

Mr JM McMahon stepped down as an independent non-executive director at the conclusion of the annual general meeting held on 24 October 2012. Following recommendation by the nominations and governance committee, Mr AS Macfarlane and Mr PW Davey were appointed as independent non-executive directors with effect from 1 December 2012 and 1 July 2013 respectively.

The board also approved the following appointments, effective 8 August 2013:

- Ms A Kekana – representing Royal Bafokeng Holdings
- Mr BT Nagle – representing Royal Bafokeng Holdings
- Mr OM Pooe – alternate to Ms A Kekana (following his resignation as a full director)
- Mr TV Mokgatlha – independent non-executive director (following his resignation as a representative of Royal Bafokeng Holdings).

Education and induction

Upon appointment, new directors are offered an induction programme tailored to their specific requirements. During the year under review, meetings with operational executives were arranged to assist the new directors in gaining an intimate understanding of the business on specific points of interest.

At the quarterly board meetings, directors are kept abreast of all applicable legislation and regulations, changes to rules, standards and codes as well as relevant sector developments that could impact the Group and its operations. All education and training programmes are, where necessary, supplemented by external courses.

Role and function of the board

The board fully embraces the principle of ethical leadership in setting and implementing the strategy of the Company, guided by the principles of the King III, the Companies Act, the JSE Listings Requirements and all other applicable laws, standards and codes. In addition, the board takes full responsibility for the management, direction and performance of the Company by exercising independent judgement on all issues reserved for its review and approval while taking cognisance of the needs of all stakeholders. The role and functions of the board are formally and comprehensively documented in a board charter which, inter alia, defines the rights, obligations, responsibilities and powers of the board. The board functions as a unit and through its sub-committees and the management executive committee. A formal delegation of authority (approval framework), which further defines the powers and authority of the board and those of its sub-committees, is in place.

Frequency of meetings

The board meets at least seven times a year. In addition to four quarterly board meetings, three full-day sessions are held annually. On two of these occasions the board meets with the senior executive team to consider and approve long-term strategy or any adjustments to the approved strategy when the need arises and also to approve the budget and business plans. The third full-day session is dedicated to board education and training. The board meets on an ad hoc basis to consider specific issues as the need arises. The status of identified strategic issues is reported and monitored at the quarterly board meetings. Non-executive directors meet both officially and unofficially with management on a regular basis.

Meeting attendance

Directors	15/08/12	10/09/12*	26/09/12*	15/11/12	03/12/12	08/02/13	30/05/13	24/06/13*
KDK Mokhele (Chair)	✓	✓	✓	✓	✓	✓	✓	✓
TP Goodlace	✓	✓	✓	✓	✓	✓	✓	✓
B Berlin	✓	✓	✓	✓	✓	✓	✓	✓
HC Cameron	✓	✓	✓	✓	✓	✓	✓	✓
PA Dunne	✓	✓	✓	✓	✓	✓	✓	✓
MSV Gantsho	✓	✓	✓	✓	✓	✓	✓	✓
TP Goodlace	✓	✓	✓	✓	✓	✓	✓	✓
AA Maule	✓	✓	✓	✓	✓	✓	✓	✓
AS Macfarlane	–	–	–	–	✓	✓	✓	✓
JM McMahon	✓	✓	✓	–	–	–	–	–
TV Mokgatlha	✓	✓	✓	✓	✓	A	✓	✓
B Ngonyama	✓	✓	✓	A	✓	✓	✓	✓
NDB Orleyn	✓	A	✓	✓	✓	✓	✓	✓
OM Pooe	✓	✓	✓	A	✓	✓	A	A**

A = Apology.
– = Meeting not applicable.
** = Special meeting.*
*** = Full director did not attend the meeting in order to facilitate the attendance of the alternate director.*

Board committees

The board has delegated various duties to the appropriate sub-committees, as specified by relevant legislation, to ensure the fulfilment of their duties in the time available. The board remains ultimately responsible for these duties and decisions. Board committees provide feedback to the main board through their chairmen. Each board committee is chaired by an independent non-executive director. The composition of board committees is compliant with the recommendations of King III, with the exception of the risk committee which composition fell below the stated minimum of three members until the appointment of Mr PW Davey on 1 July 2013.

Audit committee

Members of the audit committee were appointed by shareholders at the annual general meeting in October 2012. The committee comprises independent non-executive directors, all of whom are suitably qualified to carry out the duties

Corporate governance continued

specified. The terms of reference of the committee were reviewed and approved by the board during the year under review. In summary, the main purposes of the committee are:

- Monitoring the integrity of the integrated annual report and other relevant external financial reports of Implats, and reviewing all significant inputs, judgements and outputs in order to present a balanced and understandable assessment of the position, performance and prospects of Implats, as appropriate
- Preparing a report to be included in the annual financial statements in terms of section 94(7)(f) of the Companies Act (on page 108 of this report)
- Reviewing the annual financial statements, the interim, preliminary or provisional results announcements and financial information which is to be made public
- Reviewing the Company's internal financial control and financial risk management systems in order to safeguard Implats' assets
- Monitoring and reviewing the effectiveness of Implats' internal audit function
- Appointment of the external auditors, approving the remuneration and terms of engagement of the external auditors and monitoring their independence, objectivity and effectiveness, taking into consideration relevant professional and regulatory requirements
- Regulating the use of the external auditors for non-audit duties in terms of a policy document which governs the use of external auditors for non-audit services
- Receiving and dealing appropriately with any concerns or complaints about the Company's auditing function or financial reporting, whether from within or outside the Company, in terms of section 94(7)(g) of the Companies Act
- Assisting with the establishment and reviewing of statements or requirements on ethical standards
- Ensuring the application of a combined assurance model to provide a coordinated approach to all assurance activities.

The committee has unrestricted access to all Company information, may seek such information from any employee, and may consult external professional advisers in executing its duties. The internal and external auditors have unlimited access to the chairman of the committee and they meet at least once a year, individually, with the board chairman.

The audit committee has, in the past financial year, satisfied its responsibilities in compliance with the new Companies Act as amended, and its terms of reference. Membership of the audit committee and attendance of its meetings during the year was as follows:

Directors	20/07/12	08/08/12	14/11/12	06/02/13	05/04/13	23/05/13
JM McMahon*	✓	✓	–	–	–	–
HC Cameron	✓	✓	✓	✓	✓	✓
AA Maule	✓	✓	✓	✓	✓	✓
B Ngonyama	✓	✓	✓	✓	✓	✓

** Resigned on 24 October 2012.*

Remuneration committee

Membership of the committee remained unchanged during the year under review. The composition of the committee is in line with King III recommendations whereby the majority of members are independent non-executive directors and are all suitably qualified to carry out their duties. The chief executive officer and the human resources executive are invited to attend all meetings except when their own remuneration is under consideration.

The committee terms of reference were reviewed during the year under review and were approved by the board.

The main functions of the remuneration committee are:

- Determining fixed and variable remuneration for executive directors and senior executives
- Ensuring that the right calibre of executive and senior management is attracted, retained, motivated and rewarded for individual performance and contribution to the performance of the Group
- Ensuring the provision of fair, equitable and competitive conditions of employment across the Group
- Ensuring the effectiveness of a comprehensive talent management process encompassing employee development and succession planning

- ▷ Benchmarking remuneration practices against both local and international best practice
- ▷ Monitoring retirement benefits
- ▷ Reviewing and recommending to the board all aspects of remuneration including the incentive schemes, share options schemes and any other remuneration-related schemes of Group executives
- ▷ Discharging the obligations of the board to ensure objectivity regarding the remuneration of directors
- ▷ Recommending the Company's remuneration policy to the board for a non-binding approval by shareholders at the annual general meeting
- ▷ Making recommendations on the remuneration packages of non-executive directors, the chairman, members of sub-committees and committee chairmen to the board and to shareholders for approval.

The Company's remuneration policy, as determined by the remuneration committee, was presented to shareholders for endorsement at the last annual general meeting. The policy strives for competitive and fair reward, to recognise and reward individual and team achievement and to contribute to the attraction, retention and motivation of employees, organisational growth and prosperity.

Membership of the remuneration committee and attendance of its meetings during the year was as follows:

Directors	18/07/12	14/11/12	30/01/13	28/05/13
MSV Gantsho	✓	✓	✓	✓
NBD Orleyn	✓	✓	✓	✓
TV Mokgatlha	✓	✓	✓	✓
KDK Mokhele	✓	✓	✓	✓

Nominations and governance committee

The committee is chaired by the chairman of the board, and the CEO is a permanent invitee. It comprises three members, all of whom are independent non-executive directors. When matters relating to the chairman or his succession are discussed, he is recused from the meeting and the appointed committee member assumes chairmanship. Likewise, when matters concerning other members of the committee are under discussion, they are also recused from the meeting.

During the year under review the board, board chairman, and the identified retiring directors had their performances evaluated. The committee was assisted by PricewaterhouseCoopers as an external service provider, with the assistance of the company secretary. The results of the evaluation were tabled at a board meeting where all areas of concern were acted upon and corrective measures were taken. The annual evaluation of Dr KDK Mokhele formed the basis of his appointment as chairman.

The committee also oversaw the annual board evaluation of the chief executive officer and the Group company secretary.

Finally, an annual evaluation process of the executive directors of the board was initiated during the year under review. The committee considered this process vital, taking cognisance of the decision by the board to exclude executive directors from the annual re-election list, as per the amended memorandum of incorporation. This process will now allow the board to continuously assess the performance of executive directors, despite these directors not standing for re-election.

The committee terms of reference were reviewed and approved by the board during the year under review.

The key functions of the committee are:

- ▷ Ensuring that the board and its sub-committees are so structured and staffed as to enable them to carry out their mandates
- ▷ Responsibility for the performance appraisal of the board, sub-committees and individual directors
- ▷ Proposing the re-election of retiring directors following the achievement of a satisfactory performance review
- ▷ Establishing a formal process for the appointment of directors
- ▷ Developing a formal induction programme for new directors and an ongoing professional board development programme for directors
- ▷ Ensuring that directors receive regular briefings on changes in risks, laws and the environment in which the Company operates.

Corporate governance continued

Membership of the nominations and governance committee and attendance of its meetings was as follows this year:

Directors	13/08/12	12/11/12	30/01/13	28/05/13
KDK Mokhele	✓	✓	✓	✓
MSV Gantsho	✓	✓	✓	✓
NDB Orleyn	✓	✓	✓	✓

Risk committee

A vacancy on the committee existed and, when Mr PW Davey was appointed to the board, he was also appointed as a member of this committee. The formal terms of reference were approved by the board to empower the committee to act within their scope. Through this committee the Company has implemented an effective policy and plan for risk management that will enhance the Company's ability to achieve its strategic objectives. Transparent and relevant disclosure regarding risk is made timeously to the committee and to the board.

The functions of the committee include:

- ▷ Overseeing and monitoring the development, implementation and annual review of a policy and plan for risk management to recommend for approval to the board
- ▷ Making recommendations to the board concerning the levels of risk tolerance and appetite, and reporting on monitoring so as to ensure that risks are managed within the levels of tolerance and appetite as approved by the board
- ▷ Ensuring that frameworks and methodologies are implemented to increase the likelihood of hard-to-predict risks being anticipated
- ▷ Ensuring that management undertakes continuous risk monitoring and that management considers and implements appropriate risk responses
- ▷ Liaising closely with the audit committee to exchange information relevant to risk and the audit committee chairman is required to be a member of the risk committee
- ▷ Relaying to the board the committee's views on the effectiveness of the system and process of risk management
- ▷ Reviewing reporting about risk management to be included in the integrated annual report.

The membership and attendance of risk committee meetings was as follows:

Directors	08/08/12	14/11/12	06/02/13	23/05/13
JM McMahon*	✓	–	–	–
AA Maule	✓	✓	✓	✓
HC Cameron	✓	✓	✓	✓

** Resigned on 24 October 2012.*

Social, ethics and transformation committee

The committee comprises three independent non-executive directors, and one executive director. In the light of challenges experienced during the past 18 months, the committee this year focused on socio-economic matters that have impacted on the Company. Transformation remained a high priority on the committee agenda.

In summary, the duties of the committee are:

- ▷ Ensuring that the Company remains a good corporate citizen
- ▷ Monitoring the social and economic development of the Company and its employees
- ▷ Reviewing and approving framework policies and guidelines for the management of transformation and sustainable development and ensuring their progressive implementation
- ▷ Reviewing the Group's progress on transformation and compliance with the Mining Charter and the Mineral and Petroleum Resources Development Act
- ▷ Reviewing empowerment measures including the level of procurement sourced from graded broad-based black empowerment enterprises; enterprise development through the provision of financial and/or operational assistance to such enterprises; and corporate social responsibility initiatives

- Receiving reports on the Company's performance and, where appropriate, the performance of empowerment partners and contractors, covering matters of material impact on transformation and social development risk and responsibilities facing the Company.

The committee's terms of reference were approved by the board and are subject to, inter alia, the Companies Act, the memorandum of incorporation and the Mining Charter.

The membership of the social, ethics and transformation committee and attendance at its meetings was as follows:

Directors	13/08/12	12/11/12	30/01/13	28/05/13
NDB Orleyn	✓	✓	✓	✓
KDK Mokhele	✓	✓	✓	✓
TV Mokgatlha	✓	✓	✓	✓
HC Cameron	✓	✓	✓	✓
TP Goodlace	✓	✓	✓	✓

Health, safety and environment committee

The key strategic objective of the committee is to assist the board with oversight of health, safety and environmental (HSE) issues within the Company.

Through formal terms of reference which were reviewed and approved by the board during the year under review, the board has mandated the committee to monitor and review the Group's health, safety and environmental performance. The committee is comprised of four members: two independent non-executive directors, one non-executive and one executive director. The responsibilities of the committee as reflected by its terms of reference include:

- Reviewing the adequacy and appropriateness of the safety, health, environmental and quality systems, policies, standards, codes of practice and procedures of the Group
- Monitoring HSE performance in accordance with stated goals and objectives, including measurement against South African and international norms and benchmarks
- Monitoring the HSE management function and recommending improvements where considered necessary
- Reviewing the HSE element of the Company's business plan and approving the HSE section of the Integrated Annual Report
- Having the right to institute investigations into matters where inadequacies have been identified, or as directed by the board.

The composition of the committee and attendance at its meetings was as follows:

Directors	07/08/12	13/11/12	07/02/13	22/04/13***	24/05/13
JM McMahon*	✓	–	–	–	–
KDK Mokhele	✓	✓	✓	✓	✓
OM Pooe	✓	✓	✓	✓	✓
TP Goodlace	✓	✓	✓	✓	✓
AS Macfarlane **	–	–	✓	✓	✓

* *Resigned on 24 October 2012.*
** *Appointed on 1 December 2012.*
*** *Special meeting of the committee.*

Company secretary

The primary roles of the company secretary are to ensure that the board remains mindful of its duties and responsibilities and to equip the board to discharge such duties and responsibilities. In addition to guiding the board on discharging its responsibilities, the company secretary keeps the board abreast of relevant changes in legislation and governance best

Corporate governance continued

practice. The company secretary oversees the induction of new directors as well as the ongoing education of directors. The company secretary is also secretary to the board committees. All directors have access to the services of the company secretary.

In compliance with JSE Listings Requirements, the board has performed an annual assessment of the company secretary and hereby confirms the following:

- The company secretary has the necessary experience, expertise and competence to carry out her duties
- The company secretary has an arm's-length relationship with the board and is not a director of the Company or any of its subsidiaries.

Other corporate governance issues

Listings

The Company is listed on the Johannesburg Stock Exchange and has a sponsored Level 1 American Depository Receipt programme in New York. During the year under review, the Company de-listed from the London Stock Exchange.

Risk management

The underlying rationale for any enterprise is to create value for its stakeholders in a responsible and sustainable manner.

Effective risk management provides the requisite mitigation of the threats, weaknesses and uncertainties that may cause the enterprise to fail in the achievement of its objectives. Risk management must also establish how much uncertainty the enterprise is willing to accept in its endeavours.

Uncertainty presents both threats and opportunities with the potential to erode or enhance value. This is often expressed in terms of the concept of "risk versus reward". Aversion to risk is incompatible with the creation of long-term value. Conversely, failure to conform to government, legal or societal demands will result in severe and potentially damaging censure or even closure of the organisation.

In general, investors accept a measure of earnings volatility, particularly if such volatility reflects the nature of a Company's industry. However, many stakeholders are not tolerant of what may be perceived as "risk taking" and may even punish uncertainty and unpredictability, which are interpreted as being indicative of an increase in risk.

Problems arise when a business' own view of its risk/reward status differs significantly from that of stakeholders. Effective and timely communication with stakeholders regarding relevant enterprise risk/reward issues is essential to mitigate stakeholder uncertainty and unpredictability.

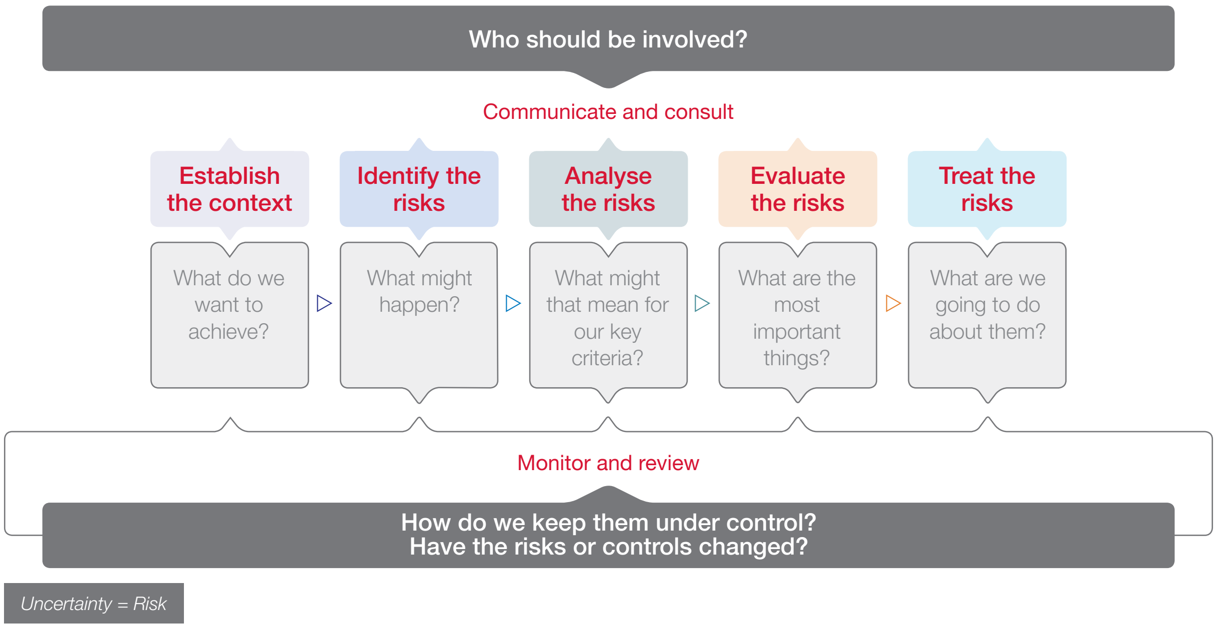
Effective risk management enables management to deal with uncertainty and associated threats and opportunities, thus enhancing the enterprise's capacity to build value. At Implats this is achieved through:

- Using an appropriate method to identify and assess the risks inherent in a decision or action before the decision or action is taken
- Once the risks have been assessed and the relevant controls and risk-mitigation tasks identified, recording a sufficient level of detail in an appropriate form and registry and making these available for independent scrutiny
- Making appropriate risk reports available as and when required, more specifically as part of the motivation for a particular decision. In addition, the state of risk-treatment controls is tracked to provide the requisite assurance that the risks are, in fact, under control as per the risk-assessment reports.

The most important purposes of enterprise risk management are to institutionalise an ongoing and rigorous identification of risks in all aspects of the business, to encourage open and honest dialogue about these risks and to bring about the implementation of the necessary controls and risk-treatment initiatives.

Effective enterprise risk management reduces uncertainty, engenders confidence and enables our organisation to be more decisive in pursuit of its vision, mission and goals. Group risk management policy and the ISO 31000 standard for risk management detail the systematic, consistent and professional approach that is required to ensure successful and effective risk management.

The ISO 31 000 risk management process



Internal audit

Implats Group internal audit (IGIA) is an independent, objective assurance activity which provide assurance regarding the effectiveness of risk management, internal controls, compliance and governance activities. The department offers general and technical audits; control self-assessments; fraud awareness, prevention and detection; and forensic investigations.

The function provides assurance by applying a risk-based methodology that has matured over years of consistent application. All activities in the department are conducted in accordance with the International Standards for the Professional Practice of Internal Auditing. Among others, the department has established reviews to evaluate compliance with King III across the Group.

An appropriate charter ensures that IGIA maintains its independence and objectivity, underpinned by functional reporting to the audit committee chairman by the chief audit executive, quarterly meetings with the chief executive and chief financial officers and a permanent invitation to the executive committee. The function has sufficiently skilled internal auditors all of whom are members of the Institute of Internal Auditors.

Cooperation between internal and external audit provides sufficient coverage to the Implats Group and minimises the duplication of effort in terms of assurance provision. A combined assurance forum ensures that the Group assurance process is optimised and enhanced while covering all key risks.

To ensure the provision of an accredited service, an effective quality assurance and improvement programme covers all aspects of internal audit activity. The programme includes both internal and external assessments (as prescribed by the International Standards for the Professional Practice of Internal Auditing).

Internal controls

Implats' internal controls are designed to mitigate risks that we may face at the strategic, operational and process levels so as to ensure that objectives are met in an economical manner.

Corporate governance continued

Overall responsibility for the framework of internal control rests with the board. Implats management is responsible for the establishment, implementation and maintenance of internal control frameworks which consist of controls that should be both adequate in design and effective in implementation.

We place great reliance on the three lines of defence as described in King III – which are well entrenched within our organisation. The effectiveness of Implats' internal control has been enhanced through the combined assurance forum, membership of which comprises representatives of the risk management, compliance, legal, company secretary, external and internal audit functions, and is jointly chaired by internal audit and external audit. Management has input at forum meetings through their control self-assessments, a process that is facilitated by internal audit. (Control self-assessments are based on the input that management provides on their areas of responsibility through risk assessments. These assessments continue to enhance management's appreciation of risks and controls, thereby continuously improving the adequacy and effectiveness of controls.)

Corruption and fraud

Implats has a zero-tolerance stance on fraud and corruption. Our expectation is that employees, business partners, contractors and associates conduct themselves with the highest level of integrity and in line with the Implats code of ethics and the fraud policy. A detailed code of ethics forms the foundation of the Group's fraud policy, in line with the organisational culture which promotes a strong and healthy ethical fibre. Both policies are fully compliant with the Prevention and Combating of Corrupt Activities Act of 2004.

Executives and line management are responsible and accountable for the implementation of the fraud policy, code of ethics and resultant procedures.

Our fraud policy prescribes that all reported allegations be investigated. A total of 139 allegations were reported Group-wide this year, 65 of which were received by the South African operation, 13 from Mimosa and 61 from Zimbabwe. All reported allegations were investigated in compliance with our fraud policy.

Sixty-six allegations were adjudged to be founded and were taken through the disciplinary process as per the disciplinary codes applicable at the different locations. The status of these at year-end was as follows:

- Forty-three resulted in guilty findings. Sanctions ranged from counselling to dismissal
- Thirteen cases were still pending
- Ten were not guilty.

Fraudulent irregular activity and theft reported Group-wide by internal audit in 2013

	Investigating pending	Allegations unfounded	Allegations founded	**Total**
Nature of allegation				
BEE fronting	2	2	0	**4**
Conflict of interest and corruption	12	4	7	**23**
Fraud and theft	13	18	42	**73**
Misconduct and other	2	20	17	**39**
Total	**29**	**44**	**66**	**139**

Code of ethics

Implats has a code of business practice to which all employees and suppliers are expected to adhere. The policy outlines conflicts of interest, the prevention of dissemination of Company information, the acceptance of donations and gifts and the protection of the Company's intellectual property and patent rights. This policy outlines the disciplinary action (including dismissal or prosecution) that will be taken in the event of any contravention. A "whistleblowing" toll-free helpline is in place to facilitate the confidential reporting of alleged incidents that are then relayed to the chief audit executive, and further to the chairman of the board as a courtesy. All reported allegations are investigated, each to its logical conclusion and formally reported to the appropriate levels in the organisation.

Dealings in securities

The Group observes closed trading periods from the end of the relevant accounting period to the announcement of the interim or year-end results and any period when the Company is trading under cautionary announcement, during which periods neither directors nor employees may deal, either directly or indirectly, in the shares of the Company or its listed subsidiaries.

Certain employees, by virtue of their positions or access to information, are also prohibited from trading during certain periods when they are in possession of unpublished price-sensitive information. The Morokotso Trust is only allowed to trade during closed periods in respect of shares vesting for good leavers. The trust is not a share incentive scheme in terms of the JSE Listings Requirements and the provisions of Schedule 14.9(d) do not apply to the trust.

All directors' dealings require the prior approval of the chairman while the Group secretary retains records of all such dealings and approvals. As highlighted earlier, in May 2013 the board approved a formal policy regulating the trading of the Company's shares and securities.

Sustainability reporting and the JSE Social Responsibility Index (SRI)

Implats' non-financial information and performance is guided by Group-wide definitions and reporting procedures informed by international reporting guidelines and transparency codes such as the Global Reporting Initiative (G3.1), the United Nations Global Compact, the Extractive Industries Transparency Index (EITI), the JSE Social Responsibility Index (SRI) as well as laws and regulations governing the country of operation. Material sustainability information is managed as a fundamental part of the business against set standards and objectives and reported to the relevant operational committee, and to the board via the sub-committees. Sustainability performance is reviewed on a regular basis and the necessary corrective actions and measures taken where required.

Political donations

Group policy prohibits political donations, either directly or indirectly.

Access to information

Implats has complied with the requirements of the Promotion of Access to Information Act of 2000. The corporate manuals are available on the website at www.implats.co.za and from the Group secretary who has been appointed the information officer of the Group.

Sponsor

Deutsche Securities (SA) Proprietary Limited is appointed the Company's corporate sponsor, in compliance with the JSE Listings Requirements.

Audit committee report

for the year ended 30 June 2013

Background

The committee is pleased to present its report for the financial year ended 30 June 2013. The committee's operation is guided by a formal detailed charter and an updated, revised version of the charter was approved by the board in November 2012.

The committee has discharged all its responsibilities as contained in the charter. The committee reviews accounting policies and financial information issued to stakeholders and the chairman of the audit committee reports to the board on the committee's deliberations and decisions. The internal and external auditors have unrestricted access to the committee. Further, the committee regularly reviews its corporate governance practices in relation to the Company's compliance with the requirements of the Act and the King III recommendations.

Objective and scope

The overall high-level objectives of the committee are:

- To assist the board in discharging its duties relating to safeguarding of the Company's assets
- To ensure the existence and operation of adequate systems and control processes
- To control reporting processes and the preparation of fairly presented financial statements in compliance with the applicable legal and regulatory requirements and accounting standards
- To oversee the activities of internal and external audit
- To perform duties that are attributed to it by the Act, JSE Limited (JSE) and King III.

The committee performed the following activities during the year under review:

- Received and reviewed reports from both internal and external auditors concerning the effectiveness of the internal control environment, systems and processes
- Reviewed the reports of both internal and external auditors detailing their concerns arising out of their audits and requested appropriate responses from management
- Made appropriate recommendations to the board of directors regarding the corrective actions to be taken as a consequence of audit findings, as appropriate
- Considered the independence and objectivity of the external auditors and ensured that the scope of their additional services provided did not impair their independence
- Reviewed and recommended for adoption by the board the financial information that is publicly disclosed, which for the year included:
  - The interim results for the six months ended 31 December 2012
  - The annual results for the year ended 30 June 2013
- Considered the effectiveness of internal audit, approved the three-year operational strategic internal audit plan and monitored adherence of internal audit to its annual plan.

The objectives of the committee were adequately met during the year under review.

Membership

During the course of the year, the membership of the committee comprised solely of independent non-executive directors, as detailed below:

Mr HC Cameron – chairman
Ms AA Maule
Ms B Ngonyama

In addition, the chief executive officer, the chief financial officer, head of group internal audit, and the external auditors are permanent invitees to the meeting.

External audit

The committee has satisfied itself, through enquiry, that the auditor of the Company is independent, as defined by the Act. The committee, in consultation with executive management, agreed to an audit fee for the 2013 financial year. The fee is considered appropriate for the work that could reasonably have been foreseen at that time. Audit fees are disclosed in note 24 to the annual financial statements.

The independence of the external auditor is regularly reviewed and a full independent evaluation of the external auditors was carried out in this financial year. Further, the approval of all non-audit related services are governed by an appropriate approval framework.

Meetings were held with the external auditor where management was not present and, where concerns were raised, these concerns were adequately dealt with by the audit committee.

As stated above, the committee has reviewed the performance of the external auditors and will nominate, for approval at the annual general meeting, PricewaterhouseCoopers Inc. as the external auditor for the 2014 financial year, with Mr JP van Staden as the designated auditor. In terms of the rotation requirements of the Act, 2014 will be his final year as designated auditor of the Company. The committee confirms that the auditor and designated auditor are accredited by the JSE.

Chief financial officer review – Ms Brenda Berlin

The committee has reviewed the performance, qualifications and expertise of Ms Brenda Berlin through a formal evaluation process and confirms her suitability for appointment as chief financial officer in terms of the JSE Listings Requirements.

Annual financial statements

The annual financial statements were prepared using appropriate accounting policies, which conform to IFRS. The committee therefore recommended the approval of the annual financial statements to the board and the board approved the annual financial statements on 29 August 2013.

Internal financial control (statement on effectiveness of internal controls)

Based on the results of the formal documented review of the Company's system of internal financial controls, which was performed by the internal audit function and external auditors, nothing has come to the attention of the audit committee to indicate that the internal financial controls were not operating effectively.

Integrated annual report

The committee has evaluated the integrated annual report in respect of its consistency with operational and other information known to the committee. The committee has also considered the sustainability information as disclosed in the integrated annual report, specifically in relation to the assurance provided by the external parties and is satisfied that the information is consistent and reliable. The committee has therefore recommended the approval of the integrated annual report by the board, which has been formally approved by all members of the board.

Mr HC Cameron
Chairman of the audit committee

26 September 2013

Social, ethics and transformation committee report

Introduction

The social, ethics and transformation committee (the committee) is pleased to present its report for the financial year ended 30 June 2013.

The committee was constituted by the board of directors of the Company in terms of section 72(4) of the Companies Act, 2008 (the Act), read with regulation 43 of the Companies Regulations.

Previously, the Company had a transformation committee, which was reconstituted following the advent of the Act. The statutory duties of the social and ethics committee were combined with those of the transformation committee, and it was renamed the "social, ethics and transformation committee".

Over and above compliance with the requirement of the Act, the committee has the primary role of ensuring continuous entrenchment of the companies' transformation initiatives, in line with Group company policy. The committee regularly reviews management's actions in relation to appropriate legislation, King III best practice guidelines, and other industry standards. Another key function of the committee is to act as the social conscience of the business and to ensure that the Company conducts its day-to-day affairs as a responsible corporate citizen.

- The committee carries out its legislative obligations under the Act in relation to the Company and its subsidiaries, taking cognisance of the ten principles of the United Nations Global Compact. The committee guides, monitors and evaluates the progress by management in this regard and its mandate has been expanded to include additional responsibilities and oversight, which include:
- Reviewing the adequacy and effectiveness of the Company's engagement and interaction with its stakeholders
- Reviewing and approving the policy and strategy pertaining to the Company's programme of corporate social investment
- Approving a code of ethics, and ensuring that the Company has processes in place to promote a healthy and ethical working environment for all its stakeholders
- Monitoring changes in the application and interpretation of empowerment charters and codes.

The workplan for the committee is updated on a regular basis to ensure that the most pertinent matters affecting the Company are effectively and timeously addressed.

Composition

The committee consists of four non-executive directors, one of whom is the chairman. The CEO is also a member of the committee. A summary of the committee's membership, meetings held and attendance is set out on page 103 of the integrated annual report, under the corporate governance section.

Responsibilities

The committee has an independent role to play and carries out the following duties:

(a) Monitor the Company's activities, having regard to any relevant legislation, other legal requirements or prevailing codes of best practice, in respect of matters relating to:
- social and economic development
- good corporate citizenship
- the environment, health and public safety, including the impact of the Company's activities and of its products or services
- consumer relationships, including the Company's advertising, public relations and compliance with consumer protection laws
- labour and employment.

Some of the committee's formal duties have been subdelegated to other committees of the board. For example, issues relating to labour and employment are discussed and deliberated upon by the remuneration committee, health, safety and environmental issues by the health, safety and environmental committee and all matters pertaining to Company risk by the risk committee. However, the board, as a collective, coordinates the different perspectives to ensure effective and responsible leadership in all areas to be overseen by the committee.

(b) To report to the stakeholders of the Company at the annual general meeting on matters within its mandate.

Areas of focus

During the year under review, the committee has overseen and approved the following noteworthy initiatives by management:

- The social impact assessment of the South African operations, which aims to understand and document the socio-economic status of the communities within our areas of operation
- A revised "skills and talent development" plan, which is premised on a strategy to provide the Company with the most appropriate skills in a sustainable and structured manner, over time
- A cultural "Change Management" programme premised on respect and care principles, which is underpinned

by the Company's shared values and which focuses on respecting one another and caring for the Company, its people and the environment

- An expanded "stakeholder engagement" strategy, which has been implemented to respond to the current volatility in the mining sector, especially after the events at Marikana, which has culminated in intense interactions between industry, labour, government and civil society
- A renewed focus on "enterprise development", with particular emphasis on the opportunity to introduce more transformed service providers into core business activities and further increase the pool of local service providers, in order to harmonise relations between the Company and local communities.

Evaluation of committee performance

An evaluation of the performance of the committee was carried out in March 2012, and will be conducted again in March 2014, as part of a rolling two-year cycle. The evaluation report recognised the encouraging progress made by the committee against its agreed workplan, and in compliance with the requirements of various pieces of legislation applicable to its functioning. In the forthcoming year, the committee will continue to focus on effective social, ethics and transformation initiatives that enhance the sustainability of the Company. Implats remains fully committed to continuous improvement in this area of focus.

NDB Orleyn
Chairman of the committee

26 September 2013

Remuneration report

Introduction
The board of Implats is ultimately responsible for the Group's remuneration philosophy and the application thereof and is materially guided in this regard by the remuneration committee (Remcom). The board and Remcom continue to understand and embrace the importance of our people to the continued sustainability and growth of the Company and as such, remuneration policies are designed to motivate and retain high-performing employees and to reward them for their individual contribution to the Group's overall performance.

Philosophy
The Company's overall remuneration philosophy is designed to ensure that employees are fairly rewarded for their contribution to the Group's operating and financial performance in line with its corporate objectives and strategy. This design ensures that the interests of all stakeholders are aligned in respect of conditions of remuneration for all employees across the Group in an evolving regulatory and statutory environment.

The remuneration philosophy, as approved by shareholders and the Company, endeavours to match the market in terms of the broad talent pool, but will lead the market in areas of critical appointments, talented individuals, equity candidates and top performers.

The Company's overall remuneration policy aims are to:
- Implement a remuneration philosophy that is clear and transparent and which reinforces the Group's strategic positioning
- Promote and ensure compliance with an evolving regulatory environment, with a specific emphasis on the long-term sustainability of the Group
- Ensure alignment of the interests of the Company's board and management with that of our stakeholders
- Attract and retain talent at all levels
- Encourage employee behaviour that is goal-orientated and consistent with the Group's vision and values
- Set reward levels that are consistent with emerging governance frameworks on executive and non-executive compensation, by conducting regular benchmarking exercises against internal and external comparatives.

Remuneration committee
The Remcom chairman reports formally to the board on the proceedings of the Remcom after each meeting and attends the annual general meeting of Implats to respond to any questions from shareholders regarding the Remcom's areas of responsibility.

The committee utilised the services of PricewaterhouseCoopers Inc. (PwC) and Vasdex Associates (Pty) Limited in different capacities during the past financial year to benchmark guaranteed and variable remuneration against external comparatives and to advise on remuneration policy.

During the year under review, the Remcom took the decision to effect market-related salary adjustments as well as pay adjustments for lower level employees in critical categories to align with our closest competitors in the platinum industry to ensure both internal and external equity.

The current cost constraints being experienced in the industry and at Implats have necessitated the decision to forego annual increases due to middle and senior management employees on 1 October 2013. In a like fashion, no increases will be granted to non-executive directors remuneration.

The chairman of the committee has been empowered to engage directly with stakeholders on all matters affecting remuneration, which will then be taken into account by the committee in the revision and development of the Company's remuneration policy and principles.

Components of remuneration
The following remuneration components for all employees have been adopted:
- Fixed remuneration (comprising basic salary, benefits and allowances)
- Variable remuneration (comprising short and long-term incentives).

Fixed remuneration

Fixed remuneration is defined in terms of a total guaranteed package, which is negotiated to include a basic salary, accommodation and travel allowance, retirement savings, death, disability and health care insurance contributions. Guaranteed packages are market related and are based on the complexity of the role and the employee's personal performance and contribution to the Group's overall performance. Contributions towards travel, retirement, death, disability and health care benefits are included in the total guaranteed package and are applicable to all employees according to the rules of the relevant schemes and Company procedures.

All permanent employees, including executive directors, are required to join one of the approved retirement funds.

The Company offers participation in several nominated medical aid schemes where the choice of scheme vests with the employee. Death benefit insurance is provided for all employees and personal accident insurance is provided for D-upper and E-level employees who are expected to travel regularly in line with their specific role and deployment in the Group. As a result of past practice, the Company has a limited liability in terms of post-retirement medical benefits. This practice was ceased in 2006 and the employees entitled to this benefit were ring-fenced.

Salary increases for management employees (D-level and above) are effected on 1 October annually, and are determined by increases in general cost of living (inflation), individual performance, market conditions, Company performance and collective wage settlements. Salary increases for union-represented employees (A, B and C-level) are effected annually in line with collective agreements concluded with recognised trade unions.

Variable remuneration

The variable pay dispensation varies between employees in different roles and positions in the organisation. This differentiation is based on the principle that higher levels of variable pay will be awarded to employees who are required to put a greater proportion of pay at risk, and to assume greater levels of responsibility in relation to the achievement of organisational goals.

Short-term incentives

Production bonus for operational A, B, C and D-level employees vary based on their roles and positions, but generally constitute a combination of production, mining quality, cost and safety elements.

For the 2013 financial year, executive performance targets were split between corporate performance and individual performance.

Fifty percent of the on-target incentive is based on corporate performance consisting of cost and volume of production targets, referred to collectively as the "value added" target (weighted 40%), safety targets (weighted 25%) and key business drivers (weighted 35%). The remaining 50% of the on-target incentive is based on the individual key performance areas of each senior manager, based on his or her individual balanced scorecard of targets.

In terms of the Executive Incentive Scheme, the bonus structure differs at different grade levels – the on-target bonus amounting to 100% of basic package in the case of the chief executive officer, 60% in the case of executive directors and 50% in the case of E-level executives. Bonuses are graduated from a "threshold" having an assessed probability of 90% achievement, followed by an "on-target" level which has a probability rating of 80%, and above this, a "stretch" level which has a probability of 50%. Bonuses are capped at 200% of the on-target bonus for each individual element, and collectively capped at 150% of basic salary for each individual.

The executive short-term incentive scheme was reviewed to include a drive towards safety, health, environment and communities (SHEC) performance, and the drive for delivery on volume, value, quality, cost, capital and cash flow (VVQ3C) targets set in the business plan. The new scheme for 2014 addresses the need to implement leading safety indicators, reinforce the performance management programme and alignment with strategic plans and risk registers and improved governance and consistency of approach throughout the Group.

Remuneration report continued

The performance targets will be set annually by the Remcom for all executive directors, who in turn will set the performance targets for their subordinates and ensure the cascading of target setting for performance to senior managers (E-level and above).

An equal weighting of 40% of on target performance is assigned to SHEC and VVQ3C respectively with the remaining 20% for personal projects or key performance indicators.

The bonus structure differs at different grade levels – the on-target bonus amounting to 35% of total reward in the case of the chief executive officer, 25% in the case of executive directors and 16% in the case of senior executives and executives.

In order to support the business plan objectives through sustained and focused performance metrics, the time frame and thus the frequency of payment for certain "core production" roles have been shortened. This will address the need to continually motivate some managers on targets specific to their production areas.

Long-term incentives

It is essential for the Group to retain critical skills over the longer term and to motivate and incentivise employees in a way that also aligns the interest of senior managers with those of shareholders. This is principally done through long-term incentive plans. To comply with King III corporate governance principles and remuneration best practice a new Long-term Incentive Plan (LTIP) was approved by shareholders at the annual general meeting on 24 October 2012.

Implats Share Incentive Scheme (ISIS)

The final award made in 2004 in terms of ISIS lapses in 2014.

Implats Share Appreciation Bonus Plan (ISABP)

Adopted in 2005, the ISABP is a cash-settled share appreciation rights plan. Participants receive once-off allocations under the ISABP, expressed as a multiple of their salary which is topped up as awards vest. The rights vest in equal tranches from year two through year five and lapse 10 years after the grant date. The introduction of the new LTIP in November 2012 replaced this scheme.

Long-term Incentive Plan 2012 (LTIP)

The LTIP that was introduced in 2012, comprises both a Conditional Share Plan (CSP) and a Share Appreciation Rights Plan (SAR). In terms of the SAR, conditional rights are awarded to participants to receive shares in Implats calculated with reference to the increase in the share price from the award date until the date on which the SAR is exercised by the participants. A three-year vesting period will apply, during which time the participants have no rights in respect of the underlying shares. Vesting is conditional on continued employment and a prescribed level of corporate performance. The participants are only entitled to exercise the SARs subsequent to and to the extent that vesting has taken place. Participants only become shareholders following the exercise of the SARs.

In terms of the CSP, full shares are awarded free of charge to the participants at the end of a three-year vesting period. On the date of award, participants are only granted conditional rights to acquire these shares at a future date, and only become shareholders with dividend and voting rights from vesting onwards. For the shares to vest, participants must remain employed by a company in the Group and vesting of the shares is subject to the achievement of closely defined performance vesting conditions over the performance period.

The first awards were made in November 2012, and the performance vesting conditions will effectively apply from the commencement of the 2013 financial year. The plan is designed such that the number of awards in the 2014 financial year and those made annually thereafter are determined on the basis that the expected value thereof at the award date, using an approved share option pricing formula, will ensure an appropriate balance between the different components of the more broadly defined total remuneration package of the respective participants. The performance conditions and annual allocation for D and E-level employees are set by the Remcom in accordance with the rules of the proposed scheme.

Performance vesting criteria:

- The performance vesting condition applicable to CSP awards are based on total shareholder return (TSR) relative to a peer group of South African platinum producing companies (the peer group). The TSR is measured as the compound annual growth rate (CAGR) in TSR for Implats and the peer group over the three-year performance period. The peer group companies and Implats are ranked based on their respective CAGR in TSR. This ranking determines the vesting percentage as follows:

Position of Implats relative to peer group	Percentage of CSP that vest
Lowest three	0%
Fourth	50%
Third	60%
Second	75%
First	100%

  To determine the number of conditional shares to be issued to each participant, the expected value of each Implats share is calculated with reference to the listed market price on the date of granting the award less the fair value of expected dividends to be paid over the vesting period. The actual rand value that the Company wishes to deliver to each participant in terms of CSP will then be divided by such expected value to determine the number of conditional shares to be issued.

- Rights awarded in terms of the SAR vest based on the following performance targets, all equal in weighting:

Absolute growth in TSR of CPI + 2% over three years
*EBITDA margin over revenue over three years relative to the peer group
Fatality Frequency Rate over three years relative to the peer group

* *Earnings before interest, tax, depreciation and amortisation.*

To determine the number of share appreciation rights to be issued to each participant, the expected value of each share appreciation right is calculated using a stochastic model approved by the audit committee from time to time. Similarly, the actual rand value that the Company wishes to deliver to each participant in terms of SAR is then divided by such expected value to determine the number of share appreciation rights to be issued.

The Remcom has the discretion, on each grant date, to adjust the number of conditional shares and/or share appreciation rights determined in accordance with the above two paragraphs should it believe that the probability of achieving all the performance conditions is less than 100% thus affecting the number of awards that are likely to vest. Alternatively, the Remcom may vary the performance conditions set each year.

The Morokotso Trust

The Morokotso Trust was founded in 2006 and administers the Employee Share Ownership Programme (ESOP). All South African operations' A, B and C-level employees, who joined the Company before 4 July 2008, are beneficiaries of the ESOP.

Qualifying employees were each allocated 568 or 399 Implats shares depending on joining date, by the Morokotso Trust at an initial purchase price of R159.18 per share. The trust holds these shares on behalf of employees for a period of 10 years, with a 40% scheduled pay-out after five years (2011) and a 60% pay-out scheduled after 10 years (2016). Twenty-three thousand, four-hundred and forty-eight (23 448) beneficiaries benefited from the sale of 40% of their shares in July 2011, receiving an average amount of R3 500 per beneficiary. This release of shares when the Implats share price was relatively low had a demotivating effect at an operational level as employees had much higher expectations.

The shares were acquired by the trust funded by interest-bearing loans from Impala and Marula. Dividends accruing on the shares during the holding period are set off against interest owing.

Remuneration report continued

Retention plans

The Company operates a retention bonus scheme in terms of which 20% of basic salary is awarded but payment deferred. Eligibility to this scheme is confined to senior executives, line managers and senior professional staff. Every year, one third of the award is paid over to the employee, provided that he or she remains employed to the end of that period.

Impala also operates a Group hard currency procedure that applies to executive directors and senior executives (Level 24 and above) on a voluntary basis with the aim to attract and retain senior executive skills.

Package structure

In the case of senior executives the Remcom endeavours to secure that they are given incentives on a scale that secures an appropriate balance between fixed and variable forms of remuneration. The policies approved in relation to this for the 2013 financial year were as follows:

Package structure	CEO	Executive directors	Senior executives	Executives	Managers
Guaranteed package	35%	45%	50%	55%	60%
STI at target	35%	25%	25%	25%	25%
EV of LTI	30%	30%	25%	20%	15%

STI: Short-term incentives
EV: Expected value
LTI: Long-term incentives

Executive remuneration for the past financial year

Fixed remuneration

The following table summarises the fixed remuneration of the executive directors, prescribed officers and other senior executives of the Company for the year ended 30 June 2013:

Individual	Package (R000)	Retirement funds (R000)	Other benefits (R000)	**Total 2013 (R000)**	Total 2012 (R000)
Executive directors					
TP Goodlace	6 420	1 037	92	**7 549**	–
DH Brown (to 30/9/2012)	1 605	168	33	**1 806**	7 049
PA Dunne	3 867	486	13	**4 366**	4 136
B Berlin	3 766	395	94	**4 255**	4 001
Prescribed officers					
PD Finney	2 608	417	137	**3 162**	2 767
G Potgieter	3 813	480	113	**4 406**	4 094
A Mhembere**	614*	–	19*	**633***	471*
Company secretary					
A Parboosing	1 308	137	86	**1 531**	1 384
Senior executives	13 643	1 452	748	**15 843**	14 598

Notes

- *The senior executives account for seven employees.*
- *Other benefits include medical and travelling.*

** (US$'000).*

***2013 fixed remuneration inclusive all payments by Zimplats Pvt only.*

Variable remuneration

Individual	Bonus (R000)	Retention (R000)	Gains on LTIs# (R000)	**Total 2013 (R000)**	Total 2012 (R000)
Executive directors					
TP Goodlace	–	–	–	**–**	–
DH Brown (to 30/9/2012)	14 424**	572	–	**14 996**	6 089
PA Dunne	–	1 270	246	**1 516**	2 923
B Berlin	–	1 428	–	**1 428**	1 277
Prescribed officers					
PD Finney	512	556	1 478	**2 546**	978
G Potgieter	855	840	–	**1 695**	1 175
A Mhembere	188*	–	–	**188***	166*
Company secretary					
A Parboosing	186	241	–	**427**	691
Senior executives	1 600	2 797	105	**4 502**	7 248

– *The senior executives account for seven employees.*
– *Retention includes employee retention scheme and hard currency payments.*
– *The bonus shown is not the bonus for the financial year in review, but the payment made during the financial year.*
* *(US$'000).*
** *Includes severance payment.*
\# *Long-term incentives.*

The bonus payment reflected in the table for 2013 accounts for an achievement of 26.46% in 2012 (5.54% corporate bonus and 20.92% individual bonus) compared to an estimate of 37.2% in 2013 (7.8% corporate bonus and 29.4% individual bonus) for the year under review payable during 2014. No bonus payments were made to executive directors in 2013.

The CEO, TP Goodlace, has, for the second year running, elected not to take any increase nor participate in any long or short-term incentive schemes of the Company. His decision is primarily driven by low PGM commodity prices and low levels of profitability. The CEO's net pay after tax for 2013 is R3.649 million.

Directors' fees in aggregate for serving on board committees for the year under review were as follows:

Name	Board (R)	Audit committee (R)	Remu-neration committee (R)	HSE* committee (R)	Nominations and governance committee (R)	Social, ethics and trans-formation committee (R)	Risk committee (R)	Total (R)
KDK Mokhele	1 820 000	–	–	–	–	–	–	**1 820 000**
HC Cameron	333 680	276 502	–	–	–	109 110	69 380	**788 672**
MSV Gantsho	333 680	–	242 630	–	109 110	–	–	**685 420**
AA Maule	333 680	157 700	–	–	–	–	242 630	**734 010**
JM McMahon	105 182	105 182	–	76 481	–	–	34 393	**321 238**
AS Macfarlane	194 949	–	–	141 754	–	–	–	**336 703**
TV Mokgatlha	333 680	–	109 110	–	–	109 110	–	**551 900**
B Ngonyama	333 680	157 700	–	–	–	–	–	**491 380**
NDB Orleyn	333 680	–	109 110	–	109 110	242 630	–	**794 530**
OM Pooe	333 680	–	–	109 110	–	–	–	**442 790**

* *Health, safety and environment.*

Remuneration report continued

The following table reflects the status of unexercised options held by executive directors and the gains made by them as a result of past awards during the year ended 30 June 2013:

Name	Balance at 30 June 2012	Allocated during the year	Date of allocation	Forfeited during the year	Exercised during the year	Date exercised	**Balance at 30 June 2013**	Allocation price	First vesting date
Directors									
PA Dunne									
Share appreciation scheme	**155 238**	**–**		**–**	**5 328**	14-Dec-12	**149 910**		
							1 446	167.19	27-Nov-08
							9 316	233.74	24-May-09
							232	242.19	20-Nov-09
							5 353	116.76	18-Nov-10
							12 365	162.88	1-May-11
							20 490	171.39	4-Nov-09
							26 453	209.09	13-May-12
							36 549	193.83	1-Nov-12
							3 914	193.79	12-May-13
							20 839	171.76	10-Nov-13
							12 953	145.48	24-May-14
LTIP SAR	–	33 231	14-Nov-12	–	–		**33 231**	146.89	14-Nov-15
LTIP CSP	–	11 136	14-Nov-12	–	–		**11 136**	–	14-Nov-15
B Berlin									
Share appreciation scheme	**167 985**	**–**		**–**	**–**		**167 985**		
							2 648	56.87	13-May-07
							5 672	149.42	11-May-08
							20 180	167.19	27-Nov-08
							7 277	242.19	20-Nov-09
							3 031	333.90	30-May-10
							18 870	162.88	1-May-11
							15 251	171.39	4-Nov-11
							631	209.09	13-May-12
							11 749	193.83	1-Nov-12
							53 954	193.79	12-May-13
							21 502	171.76	10-Nov-13
							7 220	145.48	24-May-14
LTIP SAR	–	32 250	14-Nov-12	–	–		**32 250**	146.89	14-Nov-15
LTIP CSP	–	10 807	14-Nov-12	–	–		**10 807**	–	14-Nov-15

Name	Balance at 30 June 2012	Allocated during the year	Date of allocation	Forfeited during the year	Exercised during the year	Date exercised	**Balance at 30 June 2013**	Allocation price	First vesting date
Secretary									
A Parboosing									
Share appreciation scheme	**25 248**	**–**		**–**	**–**		**25 248**		
							7 432	242.19	1-Nov-09
							711	333.90	30-May-10
							1 017	116.76	18-Nov-10
							4 537	162.88	1-May-11
							2 623	171.39	4-Nov-11
							2 775	209.09	13-May-12
							4 573	193.83	1-Nov-12
							1 580	193.79	12-May-13
LTIP SAR	–	4 168	14-Nov-12	–	–		**4 168**	146.89	14-Nov-15
LTIP CSP	–	3 492	14-Nov-12	–	–		**3 492**	–	14-Nov-15
Prescribed officers									
PD Finney									
Share appreciation scheme	**114 124**	**–**		**–**	**16 896**		**97 228**		
					11 360	13-Dec-12	**10 000**	56.87	13-May-07
					5 536	28-Dec-12	**1 761**	167.19	27-Nov-08
							7 540	233.74	24-May-09
							2 977	333.90	30-May-10
							2 774	116.76	18-Nov-10
							2 898	162.88	1-May-11
							12 266	171.39	4-Nov-11
							7 696	209.09	13-May-12
							18 528	193.83	1-Nov-12
							5 376	193.79	12-May-13
							12 282	171.76	10-Nov-13
							13 130	145.48	24-May-14
LTIP SAR	–	18 889	14-Nov-12	–	–		**18 889**	146.89	14-Nov-15
LTIP CSP	–	7 912	14-Nov-12	–	–		**7 912**	–	14-Nov-15
A Mhembere									
Share options	**16 620**						**16 620**	53.79	25-Jun-06
LTIP SAR	–	34 633	14-Nov-12	–	–		**34 633**	146.89	14-Nov-15
LTIP CSP	–	14 507	14-Nov-12	–	–		**14 507**	–	14-Nov-15
GS Potgieter									
Share appreciation scheme	**98 878**	**–**		**–**	**–**		**98 878**		
							93 783	186.60	1-Jul-12
							5 095	171.76	10-Nov-13
LTIP SAR	–	26 194	14-Nov-12	–	–		**26 194**	146.89	14-Nov-15
LTIP CSP	–	10 972	14-Nov-12	–	–		**10 972**	–	14-Nov-15

Remuneration report continued

Name	Balance at 30 June 2012	Allocated during the year	Date of allocation	Forfeited during the year	Exercised during the year	Date exercised	**Balance at 30 June 2013**	Allocation price	First vesting date
Total – Senior executives:									
Share options	**30 544**	**–**		**–**	**4 352**	Various	**26 192**		
							1 696	64.48	27-Aug-05
							15 448	68.03	22-Sep-06
							9 048	63.39	22-Apr-06
Share appreciation scheme	**571 082**	**–**		**–**	**–**	Various	**571 082**		
							38 544	56.87	13-May-07
							1 568	103.24	1-Dec-07
							31 544	149.42	11-May-08
							34 078	167.19	27-Nov-08
							17 189	233.74	24-May-09
							13 708	223.22	1-Aug-09
							4 543	242.19	20-Nov-09
							8 118	333.90	30-May-10
							73 239	116.76	18-Nov-10
							52 261	162.88	1-May-11
							44 670	171.39	4-Nov-11
							11 884	209.09	13-May-12
							39 252	195.66	1-Mar-12
							94 174	193.83	1-Nov-12
							19 410	193.79	12-May-13
							60 227	171.76	10-Nov-13
							26 673	145.48	24-May-14
LTIP SAR	–	98 351	14-Nov-12	–	–		**98 351**	146.89	14-Nov-15
LTIP CSP	–	41 196	14-Nov-12	–	–		**41 196**	–	14-Nov-15
	601 626	**139 547**			**4 352**		**736 821**		

Special contractual arrangements

No fixed term employment contracts are in place for executive directors.

The periods of notice applying to senior executives is six months on either side in the case of the CEO and three months on either side in the case of other executive directors.

The senior management members appointed to the executive committee (EXCOM) also have a three-month period of notice of termination, with one month for all other managers.

Outgoing CEO: Mr DH Brown

On 30 June 2012, Mr DH Brown stepped down as CEO of the Group, but remained in service with the Company until 30 September 2012. Mr Brown received a final consideration in accordance with his separation and restraint of trade agreements. The payment included a performance incentive for the 2012/2013 financial years, which was paid in 2013.

Non-executive directors' remuneration

Fee structures for remuneration of board and sub-committee members are recommended to the board by the Remcom and are reviewed annually. The review addresses market comparisons of fees and Company performance.

Non-executive fee structure comprises an annual fee for attending and contributing at board meetings.

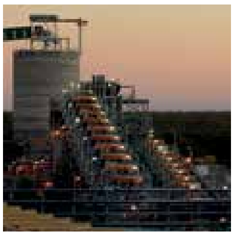
In terms of the MOI of the Company, fees payable to non-executive directors for their services as directors are determined by the shareholders in a general meeting. No annual fee increase is proposed for 2014 and the fee will remain unchanged from the 2013 levels:

With effect from	**1 July 2013 (R)**	1 July 2012 (R)	**Indicative net pay (R)
Board of directors			
Chairperson	**1 820 000**	1 820 000	1 092 000
Member	**333 680**	333 680	200 208
Audit committee			
Chairperson	**333 680**	333 680	200 208
Member	**157 700**	157 700	94 620
Remuneration committee			
Chairperson	**242 630**	242 630	145 578
Member	**109 110**	109 110	65 466
Nominations and governance committee			
Chairperson*	**N/A**	N/A	N/A
Member	**109 110**	109 110	65 466
Health, safety and environmental committee			
Chairperson	**242 630**	242 630	145 578
Member	**109 110**	109 110	65 466
Risk committee			
Chairperson	**242 630**	242 630	145 578
Member	**109 110**	109 110	65 466
Social, ethics and transformation committee			
Chairperson	**242 630**	242 630	145 578
Member	**109 110**	109 110	65 466

** The chairperson of the nominations and governance committee is also the chairperson of the board and does not receive additional fees for this committee.*
***Indicative net pay calculated using a 40% tax rate.*







Summary consolidated annual financial statements

Directors' responsibility statement

The directors of the Company are responsible for the maintenance of adequate accounting records and preparation of the annual financial statements and related information in a manner that fairly presents the state of affairs of the Company. These annual financial statements are prepared in accordance with IFRS and incorporate full and responsible disclosure in line with the accounting policies of the Group which are supported by prudent judgements and estimates.

The annual financial statements have been prepared under the supervision of the chief financial officer, Ms B Berlin, CA(SA).

The directors are also responsible for the maintenance of effective systems of internal control which are based on established organisational structure and procedures. These systems are designed to provide reasonable assurance as to the reliability of the annual financial statements, and to prevent and detect material misstatement and loss.

Based on the results of a formal documented review of the Company's system of internal controls and risk management, covering both the adequacy in design and effectiveness in implementation performed by the internal audit function during the year 2013, the board of directors has considered:

- The information and explanations provided by line management
- Discussions held with the external auditors on the results of the year-end audit
- The assessment by the audit committee and the risk committee.

Nothing has come to the attention of the board that caused it to believe that the Company's system of internal controls and risk management are not effective and that the internal financial controls do not form a sound basis for the preparation of reliable financial statements. The board's opinion is underpinned by the audit committee's statement.

The summary consolidated financial statements have therefore been prepared on a going-concern basis and the directors believe that the Company and the Group will continue to be in operation in the foreseeable future.

The summary consolidated financial statements as set out on pages 132 to 142, have been approved by the board of directors and are signed on its behalf by:

KDK Mokhele
Chairman

TP Goodlace
Chief executive officer

29 August 2013

Certificate by Company secretary

In terms of section 88(2)(e) of the Act, I certify that the Company has lodged with the Commissioner all such returns and notices as required by the Act and that all such returns and notices are true, correct and up to date.

A Parboosing
Company secretary

29 August 2013

Independent auditors' report

To the shareholders of Impala Platinum Holdings Limited
The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at 30 June 2013, and the summary consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and related notes, as set out on pages 132 to 142, are derived from the audited consolidated financial statements of Impala Platinum Holdings Limited for the year ended 30 June 2013. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated 29 August 2013. Our auditors' report on the audited consolidated financial statements contained an Other Matter paragraph (refer below).

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summary consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of Impala Platinum Holdings Limited.

Directors' responsibility for the summary consolidated financial statements
The Company's directors are responsible for the preparation of a summary version of the audited consolidated financial statements in accordance with the JSE Limited's requirements for summary financial statements, set out in the notes to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Auditors' responsibility
Our responsibility is to express an opinion on the summary consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, "Engagements to Report on Summary Financial Statements".

Opinion
In our opinion, the summary consolidated financial statements derived from the audited consolidated financial statements of Impala Platinum Holdings Limited for the year ended 30 June 2013 are consistent, in all material respects, with those consolidated financial statements, in accordance with the requirements of the JSE Limited for summary financial statements, set out in the notes to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

The Other Matter paragraph in our audit report dated 29 August 2013 states that as part of our audit of the consolidated financial statements for the year ended 30 June 2013, we have read the directors' report, the audit committee's report and the company secretary's certificate for the purpose of identifying whether there are material inconsistencies between these reports and the audited consolidated financial statements. These reports are the responsibility of the respective preparers. The Other Matter paragraph states that, based on reading these reports, we have not identified material inconsistencies between these reports and the audited consolidated financial statements. The paragraph furthermore states that we have not audited these reports and accordingly do not express an opinion on these reports. The Other Matter paragraph does not have an effect on the summary consolidated financial statements or our opinion thereon.

PricewaterhouseCoopers Inc

PricewaterhouseCoopers Inc.
Director: Jean-Pierre van Staden
Registered Auditor

2 Elgin Road, Sunninghill, 2157
Johannesburg

29 August 2013

Directors' report

Profile

Business of the Company

Impala Platinum Holdings Limited (Implats/Company/Group) is principally in the business of producing and supplying platinum group metals (PGMs) to industrial economies. The Company's holdings in various mining, refining and exploration activities as at 30 June 2013 are described below:

Company	Short name	Effective interest %	Activity
Impala Platinum Limited	Impala	100	PGM mining, processing and refining
Impala Refining Services Limited	IRS	100	Purchase and/or toll refining of concentrate and/or smelter matte. Processing of concentrate and matte by the smelting, refining and sale of resultant PGMs and base metals, and toll refining
Afplats Proprietary Limited	Afplats	74	PGM mining (project phase)
Marula Platinum Proprietary Limited	Marula	73	PGM mining
Zimplats Holdings Limited	Zimplats	86.9	Investment holding company
Mimosa Investments Limited	Mimosa	50	Investment holding company
Two Rivers Platinum Proprietary Limited	Two Rivers	45	PGM mining
Makgomo Chrome Proprietary Limited	Makgomo Chrome	50	Purchase of chrome in tailings. Processing and sale of the chrome concentrate
Impala Chrome Proprietary Limited	Impala Chrome	70	Purchase of chrome in tailings. Processing and sale of the chrome concentrate

Capital

Authorised and issued share capital

The authorised share capital of the Company as at 30 June 2013 was R21 100 200, divided into 844 008 000 ordinary shares of 2.5 cents each.

During the year under review, 219 864 (2012: 280 392) shares from the authorised but unissued share capital, were issued to the Share Incentive Trust to enable the Implats Share Incentive Scheme (ISIS) to meet its commitments during the year. The issued share capital of the Company has therefore increased by the same number. As at 30 June 2013, the issued share capital was 632 214 276 ordinary shares of 2.5 cents each (2012: 631 994 412 ordinary shares of 2.5 cents each).

Treasury shares

The Group holds 16 233 994 ordinary shares of 2.5 cents each which were bought in terms of an approved share buy-back scheme in prior years. No additional shares were bought by the Company during the year under review. The shares are held as "treasury shares" by a wholly owned subsidiary of the Company.

Convertible bonds

On 21 February 2013, it was announced that Implats had issued 5.0% rand convertible bonds due February 2018 in a nominal amount of R2 672 million and 1.0% US$ convertible bonds due February 2018 in a nominal amount of US$200 million.

On 7 May 2013, shareholders of Implats granted directors specific authority to allot and issue up to a maximum of 30 000 000 Implats ordinary shares for the purpose of the potential conversion of the convertible bonds.

Share-based compensation

Details of the different share-based compensation schemes and participation therein are set out in note 1, 3 and 39 of the separate annual financial statements.

The Group no longer offers any further options under the Implats Share Incentive Scheme (ISIS) which was managed through the Implats Share Incentive Trust. The trustee of the trust is Ms NDB Orleyn. In addition, no further notional shares have been issued under the Implats Share Appreciation Bonus Plan (ISABP), which replaced the ISIS, as a new Long-term Incentive Plan (LTIP) (note 1, 3 and 39 of the separate annual financial statements) was approved by shareholders and implemented during the first half of the financial year under review.

The Morokotso Trust administers the Employee Share Ownership Programme (ESOP). All South African operations' A, B and C-level employees, who joined the Company before 4 July 2008, are beneficiaries of the ESOP.

Shareholding in the Company

The issued capital of the Company held by public and non-public entities as at 30 June 2013 was as follows:

	Number of shareholders	Number of shares (000)	%
Public	44 345	439 692	69.5
Non-public	7	192 522	30.5
Directors	2	60	–
Trustees of share scheme	2	9 081	1.4
Share Incentive Trust	1	216	–
Morokotso Trust	1	8 865	1.4
Royal Bafokeng Holdings Proprietary Limited*	1	83 115	13.2
Public Investment Corporation Limited	1	84 032	13.3
Treasury shares	1	16 234	2.6
Total	44 352	632 214	100.0

** Has the right to appoint two directors.*

The following shareholders beneficially hold 5% or more of the issued share capital:

Shareholders	Number of shares (000)	%
Royal Bafokeng Holdings Proprietary Limited	83 115	13.2
Public Investment Corporation Limited	84 032	13.3

Black economic empowerment (BEE) ownership

The Group has fully met the equity ownership objectives of the Mineral and Petroleum Resources Development Act as it recognises that the transformation of the equity ownership of the Company is a key strategic goal. Our BEE partners are drawn from a wide range of groups, from the significant stake held by the Royal Bafokeng Nation to smaller BEE companies and community groups. The Morokotso Trust, an employee share ownership plan established in 2006, has delivered value to some 24 000 employees in South Africa with 40% of the shares having vested in July 2011. The remaining 60% will continue to be held by the trust on behalf of our employees until the termination date in 2016.

Investments

Zimplats Holdings Limited (Zimplats)

During the period under review, the Company owned 86.9% (2012: 86.9%) of Zimplats, which in turn holds 100% of Zimbabwe Platinum Mines (Pvt) Limited (Zimplats Pvt) – an operating company in Zimbabwe.

In January 2013, the Company and Zimplats signed a non-binding termsheet with the Government of Zimbabwe in terms of which it was agreed, among other things, that Zimplats would sell 51% of Zimplats Pvt to the Government of Zimbabwe, local communities and employees. The Company has subsequently been informed that the Government of Zimbabwe wishes to review the termsheet and discussions in this regard are ongoing.

Directors' report continued

Mimosa Investments Limited (Mimosa)
The Company holds a 50% (2012: 50%) shareholding in Mimosa with the balance being held by Aquarius Platinum Limited (Aquarius). Mimosa Mining Company (Pvt) Limited (Mimosa Pvt), the operating company, is a wholly owned subsidiary of Mimosa.

In December 2012, the Company, Aquarius and Mimosa signed a non-binding termsheet with the Government of Zimbabwe in terms of which it was agreed, among other things, that Mimosa would sell 51% of Mimosa Pvt to the Government of Zimbabwe, local communities and employees. As with Zimplats, the Company has subsequently been informed that the Government of Zimbabwe wishes to review the termsheet and discussions in this regard are ongoing.

Two Rivers Platinum Proprietary Limited (Two Rivers)
The Company owns a 45% (2012: 45%) interest in Two Rivers with the balance held by African Rainbow Minerals Limited. Upon receipt of all regulatory approvals, Implats will acquire a further 4% interest in Two Rivers in exchange for vending into Two Rivers portions 4, 5 and 6 of the farm Kalkfontein, as well as the area covered by the Tweefontein prospecting rights.

Marula Platinum Proprietary Limited (Marula)
The Company owns a 73% (2012: 73%) interest in Marula.

A 9% equity stake in Marula is held by each of the following BEE entities:
- Tubatse Platinum Proprietary Limited
- Mmakau Mining Proprietary Limited
- Marula Community Trust.

Implats has consolidated the BEE interest as the vendor finance is guaranteed by Implats.

Afplats Proprietary Limited (Afplats)
The Company owns a 74% (2012: 74%) interest in Afplats, which is establishing a platinum mine – the Leeuwkop project. This project has been subdivided into six phases, of which only phase 1 has been approved by the Afplats and Implats boards.

Makgomo Chrome Proprietary Limited (Makgomo Chrome)
The Company owns a 50% (2012: 50%) stake in Makgomo Chrome, a company established pursuant to Implats' Local Economic Development (LED) strategy for the Marula community. The balance of the issued shares is held by the communities in the Marula area of operations. Twenty percent of Implats' shareholding is held through Marula and all dividends received by Marula are used to fund community development projects.

Impala Chrome Proprietary Limited (Impala Chrome)
The Company holds 70% of the shares in issue and Chrome Traders Processing Proprietary Limited (Chrome Traders) holds the remaining 30%. The Implats board has approved that 30% of the Company's shareholding in Impala Chrome be earmarked for sale to local BEE entities or communities.

Financial affairs

Results for the year
The results for the year are fully dealt with in the separate annual financial statements. Refer to pages 22 to 102 of that report.

Dividends
An interim dividend (No 90) of 35 cents per share was declared on 14 February 2013, and a final dividend (No 91) of 60 cents per share was declared on 29 August 2013, payable on 23 September 2013, giving a total of 95 cents per share (2012: 195 cents per share). These dividends amounted to R578 million for the year (2012: R1.2 billion).

Capital expenditure
Capital expenditure for the year amounted to R6.4 billion (2012: R8.1 billion).

Capital expenditure of approximately R5.5 billion is planned for the 2014 financial year, of which R2 billion relates to 20, 16 and 17 Shafts at Impala (the triple build-up). Proceeds from the convertible bond will be utilised to fund the triple build-up spend.

Post-balance sheet events
No material events have occurred since the date of these consolidated financial statements and the date of approval thereof, knowledge of which would affect the ability of the users of these statements to make proper evaluations and decisions.

Going concern
The consolidated financial statements have been prepared using the appropriate accounting policies, supported by reasonable and prudent judgements and estimates. The directors have a reasonable expectation that the Group has adequate resources to continue as a going concern in the foreseeable future.

Associated and subsidiary companies
Information regarding the Company's associated and subsidiary companies is given in note 15 of the separate annual financial statements of the Company.

Property
Details of the freehold and leasehold land and buildings of the various companies are contained in registers, which are available for inspection at the registered offices of those companies.

Directorate
On 18 January 2012 Mr DH Brown resigned as chief executive officer (CEO) and executive director with effect from 30 June 2012. Mr TP Goodlace was appointed as CEO and executive director with effect from 1 July 2012.

After 22 years of serving the Company in different capacities, Mr JM McMahon announced that he would not offer himself for re-election after he retired by rotation at the annual general meeting (AGM) held on 24 October 2012. The board of directors, following a recommendation from the nominations and governance committee, approved and appointed Mr AS Macfarlane as an independent non-executive director of the Company with effect from 1 December 2012.

In line with the strategy of the board of maintaining a balance of skills and knowledge on the board, Mr PW Davey was appointed to the board on 1 July 2013. The board also approved the appointment of Ms A Kekana as an alternate director to Mr OM Pooe with effect from 7 June 2013, and a SENS announcement was released in this regard on 6 June 2013.

Subsequent to this SENS announcement, the Company received communication from Royal Bafokeng Holdings (RBH) that their nominated representatives will be:
Ms A Kekana – to be appointed as full director
Mr OM Pooe – to resign as a full director and be reappointed as alternate to Ms Kekana
Mr BT Nagle – to be appointed as full director
Mr TV Mokgatlha – to resign as RBH nominee from the board.

The nominations and governance committee accepted the resignations and appointments, as detailed above. The board approved the appointments.

Finally, Mr TV Mokgatlha was asked to remain on the board of the Company as an independent non-executive director, following his resignation as a shareholder nominee.

The effective date of all appointments was 8 August 2013.

Directors' report continued

In accordance with the memorandum of incorporation (MOI) of the Company and Schedule 10 of the JSE Listings Requirements, at least one-third of non-executive directors must retire by rotation and, if recommended by the nominations and governance committee, must stand for re-election by shareholders. The MOI and the Act also state that all directors who were appointed by the board to fill vacancies on the board must stand for re-election by shareholders. Accordingly, the following directors will retire at the AGM and, upon the recommendation of the nominations and governance committee, have offered themselves for re-election:

- Mr AS Macfarlane
- Mr PW Davey
- Mr OM Pooe
- Mr HC Cameron
- Dr MSV Gantsho
- Ms A Kekana
- Mr BT Nagle
- Mr TV Mokgatlha

Interests of directors

The interests of directors in the shares of the Company during the year were as follows and did not individually exceed 1% of the issued share capital or voting control of the Company:

	Direct		Indirect	
	2013	2012	**2013**	2012
Beneficial				
Directors	**60 300**	91 196	**780**	780
DH Brown (resigned 30 June 2012)*	**60 000**	90 896	**–**	–
JM McMahon (retired 24 October 2012)	**300**	300	**780**	780
Senior management	**246 559**	240 590	**–**	–

** DH Brown sold 30 896 shares after he resigned.*

There has been a reduction in the shares held by Mr DH Brown. The movement in this shareholding happened after Mr Brown had resigned from the board and as an employee of the Company.

Directors' remuneration

Details of the remuneration of executive directors, non-executive directors and senior management are set out in the remuneration report on pages 112 to 121 of this report.

Directors' interests

The directors of the Company are required to manage their own financial interests and to ensure that there is no conflict between their interests and the interests of the Company. During the financial year under review and up to the date of this report, the Company did not enter into contracts in which any director had a material interest.

Special resolutions passed

During the year the following special resolutions were passed by the shareholders:

Acquisition of the Company's shares by the Company or subsidiaries

A renewal of the general authority to acquire up to 5% of the Company's shares subject to the provisions of the JSE Listings Requirements and the Act, provided that the authority does not extend beyond 15 months from the date of the granting of that authority.

Increase in directors' remuneration

Authority was granted to pay directors' fees as proposed.

Approval of the memorandum of incorporation (MOI)

At the AGM of the Company held in October 2012, shareholders approved the new MOI (formerly the memorandum and articles of association) which is harmonised with the Act and the JSE Listings Requirements.

Specific authority to issue shares

At a meeting held on 7 May 2013, shareholders passed a special resolution authorising the Implats directors to allot and issue up to a maximum of 30 000 000 ordinary shares for the purpose of the potential conversion of the convertible bond.

Financial, administrative and technical advisers

In terms of a service agreement, Impala acted as financial, administrative and technical advisers to Implats during the year on a fee basis. Mr PA Dunne and Ms B Berlin had an interest in this contract to the extent that they were directors of Impala and of the Company but they do not beneficially own any shares in Impala. During the year under review, Ms Berlin resigned as a director of Impala.

Company secretary

Ms A Parboosing acted as secretary to Implats and Impala. Impala acted as secretaries to other subsidiaries in the Group. The business and postal addresses of the Company secretary are set out on page 164.

United Kingdom secretaries

The business and postal addresses of the United Kingdom secretaries are set out on page 164.

Public officer

Mr SF Naudé acted as public officer to companies in the Group for the year under review.

Consolidated statement of financial position

as at 30 June 2013

	Notes	2013 Rm	2012 Rm
Assets			
Non-current assets			
Property, plant and equipment	3	**45 969**	40 169
Exploration and evaluation assets		**4 294**	4 294
Intangible assets		**–**	1 018
Investment in associates		**1 136**	1 021
Deferred tax		**118**	–
Available-for-sale financial assets		**49**	32
Held-to-maturity financial assets		**32**	49
Loans	4	**287**	1 227
Prepayments		**10 855**	11 129
		62 740	58 939
Current assets			
Inventories		**8 684**	7 081
Trade and other receivables		**3 459**	4 305
Loans	4	**21**	538
Prepayments		**507**	571
Cash and cash equivalents		**5 308**	1 193
		17 979	13 688
Total assets		**80 719**	72 627
Equity and liabilities			
Equity attributable to owners of the Company			
Share capital		**15 493**	15 187
Retained earnings		**35 387**	34 949
Other components of equity		**1 157**	32
		52 037	50 168
Non-controlling interest		**2 579**	2 307
Total equity		**54 616**	52 475
Liabilities			
Non-current liabilities			
Deferred tax		**10 917**	9 625
Borrowings	5	**7 259**	2 882
Liabilities		**689**	812
Provisions		**791**	757
		19 656	14 076
Current liabilities			
Trade and other payables		**4 544**	4 858
Current tax payable		**508**	176
Borrowings	5	**252**	121
Liabilities		**332**	315
Bank overdraft		**811**	606
		6 447	6 076
Total liabilities		**26 103**	20 152
Total equity and liabilities		**80 719**	72 627

The notes on pages 138 to 142 are an integral part of these summarised financial statements.

Consolidated statement of comprehensive income

for the year ended 30 June 2013

	Notes	2013 Rm	2012 Rm
Revenue		**30 032**	27 593
Cost of sales	6	**(24 980)**	(21 337)
Gross profit		**5 052**	6 256
Other operating (expenses)/income	7	**(1 912)**	111
Royalty expense		**(764)**	(664)
Profit from operations		**2 376**	5 703
Finance income		**223**	314
Finance cost		**(453)**	(305)
Net foreign exchange transaction gains		**207**	520
Other income/(expense)	8	**35**	(99)
Share of profit of associates		**163**	117
Profit before tax		**2 551**	6 250
Income tax expense		**(1 476)**	(1 951)
Profit for the year		**1 075**	4 299
Other comprehensive income, comprising items subsequently reclassified to profit or loss:			
Available-for-sale financial assets		**12**	(3)
Deferred tax thereon		**–**	–
Exchange differences on translating foreign operations		**1 818**	1 356
Deferred tax thereon		**(509)**	(379)
Other comprehensive income, comprising items not subsequently reclassified to profit or loss:			
Actuarial loss on post-employment medical benefit		**(6)**	(4)
Deferred tax thereon		**2**	1
Total comprehensive income		**2 392**	5 270
Profit attributable to:			
Owners of the Company		**1 022**	4 180
Non-controlling interest		**53**	119
		1 075	4 299
Total comprehensive income attributable to:			
Owners of the Company		**2 143**	5 010
Non-controlling interest		**249**	260
		2 392	5 270
Earnings per share (cents per share)			
Basic		**168**	690
Diluted		**168**	689

For headline earnings per share and dividend per share refer notes 9 and 10.

The notes on pages 138 to 142 are an integral part of these summarised financial statements.

Consolidated statement of changes in equity

for the year ended 30 June 2013

	Number of shares issued (million)*	Ordinary shares Rm	Share premium Rm	Share-based payment reserve Rm
Balance at 30 June 2012	**606.57**	**16**	**13 099**	**2 072**
Shares issued				
Implats Share Incentive Scheme	**0.18**	**–**	**12**	**–**
Employee Share Ownership Programme	**0.16**	**–**	**24**	**–**
Convertible bonds	**–**	**–**	**228**	**–**
Share-based compensation	**–**	**–**	**–**	**–**
Long-term Incentive Plan	**–**	**–**	**–**	**42**
Profit for the year	**–**	**–**	**–**	**–**
Other comprehensive income	**–**	**–**	**–**	**–**
Transaction with non-controlling shareholders	**–**	**–**	**–**	**–**
Dividends (note 10)	**–**	**–**	**–**	**–**
Balance at 30 June 2013	**606.91**	**16**	**13 363**	**2 114**
Balance at 30 June 2011	600.99	15	12 223	1 990
Shares issued				
Implats Share Incentive Scheme	0.13	–	8	–
Employee Share Ownership Programme	5.45	1	868	82
Profit for the year	–	–	–	–
Other comprehensive income	–	–	–	–
Dividends (note 10)	–	–	–	–
Balance at 30 June 2012	606.57	16	13 099	2 072

* *The table above excludes the treasury shares, Morokotso Trust (ESOP) and the Implats share incentive scheme as these special purpose entities are consolidated.*

The notes on pages 138 to 142 are an integral part of these summarised financial statements.

Total share capital Rm	Retained earnings Rm	Fair value reserve Rm	Foreign currency translation reserve Rm	Total other components of equity Rm	Attributable to: Owners of the Company Rm	Attributable to: Non-controlling interest Rm	Total equity Rm
15 187	**34 949**	**(12)**	**44**	**32**	**50 168**	**2 307**	**52 475**
12	**–**	**–**	**–**	**–**	**12**	**–**	**12**
24	**–**	**–**	**–**	**–**	**24**	**–**	**24**
228	**–**	**–**	**–**	**–**	**228**	**–**	**228**
–	**–**	**–**	**–**	**–**	**–**	**–**	**–**
42	**–**	**–**	**–**	**–**	**42**	**–**	**42**
–	**1 022**	**–**	**–**	**–**	**1 022**	**53**	**1 075**
–	**(4)**	**12**	**1 113**	**1 125**	**1 121**	**196**	**1 317**
–	**–**	**–**	**–**	**–**	**–**	**23**	**23**
–	**(580)**	**–**	**–**	**–**	**(580)**	**–**	**(580)**
15 493	**35 387**	**–**	**1 157**	**1 157**	**52 037**	**2 579**	**54 616**
14 228	34 136	(9)	(792)	(801)	47 563	2 047	**49 610**
8	–	–	–	–	8	–	**8**
951	–	–	–	–	951	–	**951**
–	4 180	–	–	–	4 180	119	**4 299**
–	(3)	(3)	836	833	830	141	**971**
–	(3 364)	–	–	–	(3 364)	–	**(3 364)**
15 187	34 949	(12)	44	32	50 168	2 307	**52 475**

Consolidated statement of cash flows

for the year ended 30 June 2013

	2013 Rm	2012 Rm
Cash flows from operating activities		
Profit before tax	**2 551**	6 250
Adjustments to profit before tax	**5 164**	1 499
Cash from changes in working capital	**(487)**	(1 133)
Exploration costs	**(47)**	(63)
Finance cost	**(150)**	(150)
Income tax paid	**(1 093)**	(1 425)
Net cash from operating activities	**5 938**	4 978
Cash flows from investing activities		
Purchase of property, plant and equipment	**(6 360)**	(7 284)
Proceeds from sale of property, plant and equipment	**102**	52
Purchase of investment in subsidiary	**(57)**	–
Purchase of investment in associate	**–**	(5)
Payment received from associate on shareholders' loan	**49**	22
Proceeds from sale of held-to-maturity investment	**21**	–
Loans granted	**(7)**	(120)
Loan repayments received	**30**	509
Prepayment made	**–**	(233)
Prepayments refunded	**–**	11
Finance income	**218**	281
Dividends received	**6**	9
Net cash used in investing activities	**(5 998)**	(6 758)
Cash flows from financing activities		
Issue of ordinary shares	**36**	877
Repayments of borrowings	**(172)**	(241)
Proceeds from borrowings	**4 638**	464
Dividends paid to Company's shareholders	**(580)**	(3 364)
Net cash used in financing activities	**3 922**	(2 264)
Net increase/(decrease) in cash and cash equivalents	**3 862**	(4 044)
Cash and cash equivalents at beginning of year	**587**	4 542
Effect of exchange rate changes on cash and cash equivalents held in foreign currencies	**48**	89
Cash and cash equivalents at end of year*	**4 497**	587

* *Net of bank overdraft.*

The notes on pages 138 to 142 are an integral part of these summarised financial statements.

Segment information

The Group distinguishes its segments between mining operations, refining services (which include metals purchased and toll refined) chrome processing and other.

Management has determined the operating segments based on the business activities and management structure within the Group. Operating segments have consistently adopted the consolidated basis of accounting and there are no differences in measurement applied.

Capital expenditure comprises additions to property, plant and equipment (note 3), including additions resulting from acquisitions through business combinations.

Sales to the two largest customers in the Impala mining segment comprised 13% each (2012: 10% and 12%) of total sales. The statement of comprehensive income shows the movement from gross profit to total profit before income tax.

Summary of business segments

	2013 Revenue Rm	**2013** Gross profit Rm	2012 Revenue Rm	2012 Gross profit Rm
Mining				
Impala	**29 110**	**2 315**	27 029	2 894
Mining	**14 588**	**2 097**	13 009	2 889
Metals purchased	**14 522**	**218**	14 020	5
Zimplats	**4 159**	**1 451**	3 665	1 589
Marula	**1 404**	**(216)**	1 197	(80)
Mimosa	**1 290**	**314**	1 201	449
Afplats	**–**	**(2)**	–	(1)
Inter-segment adjustment	**(6 581)**	**(157)**	(5 796)	140
External parties	**29 382**	**3 705**	27 296	4 991
Refining services	**14 696**	**1 397**	14 069	1 335
Inter-segment adjustment	**(14 227)**	**(88)**	(13 772)	(70)
External parties	**469**	**1 309**	297	1 265
Chrome processing	**181**	**38**		
Total external parties	**30 032**	**5 052**	27 593	6 256

	2013 Capital expenditure Rm	**2013** Total assets Rm	2012 Capital expenditure Rm	2012 Total assets Rm
Mining				
Impala	**4 390**	**52 231**	5 269	45 149
Zimplats	**1 449**	**10 971**	2 137	8 394
Marula	**125**	**3 115**	223	3 268
Mimosa	**133**	**2 345**	248	1 979
Afplats	**215**	**6 677**	265	7 514
Total mining	**6 312**	**75 339**	8 142	66 304
Refining services	**–**	**3 759**	–	4 972
Chrome processing	**79**	**159**	–	–
Other	**–**	**1 462**	–	1 351
Total	**6 391**	**80 719**	8 142	72 627

Notes to the financial information

for the year ended 30 June 2013

1. Basis of preparation

The summarised consolidated financial statements for the year ended 30 June 2013 have been prepared in accordance with the JSE Limited's requirements for summarised financial statements, and the requirements of the Companies Act applicable to summarised financial statements. The JSE Limited requires summarised financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council, and to also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting.

The summarised consolidated financial information should be read in conjunction with the consolidated financial statements for the year ended 30 June 2013, which have been prepared in accordance with IFRS. The summarised consolidated financial information has been prepared under the historical cost convention except for certain financial assets, financial liabilities and derivative financial instruments which are measured at fair value and liabilities for cash-settled share-based payment arrangements which are measured with a binomial option model.

The summarised consolidated financial information is presented in South African rand, which is the Company's functional currency.

2. Accounting policies

The principal accounting policies applied in the preparation of the consolidated financial statements, from which the summarised consolidated financial statements were derived, are in terms of IFRS and are consistent with the accounting policies applied in the preparation of the consolidated financial statements for the year ended 30 June 2012. No revised and new standards were adopted during the year.

3. Property, plant and equipment

	2013 Rm	2012 Rm
Opening net book amount	**40 169**	33 137
Additions	**6 248**	8 104
Additions through business combination	**79**	–
Interest capitalised	**64**	38
Disposals	**(48)**	(579)
Depreciation (note 6)	**(2 424)**	(1 708)
Exchange adjustment on translation	**1 881**	1 177
Closing net book amount	**45 969**	40 169

Capital commitment

Capital expenditure approved at 30 June 2013 amounted to R20.1 billion (2012: R23.3 billion), of which R2.8 billion (2012: R4.3 billion) is already committed. This expenditure will be funded internally and, if necessary, from borrowings.

		2013 Rm	2012 Rm
4.	**Loans**		
	Summary – Balances		
	Employee housing	**44**	39
	Advances	**–**	1 402
	Reserve Bank of Zimbabwe	**248**	308
	Contractors	**16**	16
		308	1 765
	Short-term portion	**(21)**	(538)
	Long-term portion	**287**	1 227
	Summary – Movement		
	Beginning of the year	**1 765**	2 469
	Loans granted during the year	**7**	123
	Interest accrued	**37**	76
	Impairment	**(1 149)**	(378)
	Repayment received	**(364)**	(963)
	Exchange adjustment	**12**	438
	End of the year	**308**	1 765
5.	**Borrowings**		
	Summary – Balances		
	Standard Bank Limited – BEE partners Marula	**876**	882
	Standard Bank Limited – Zimplats Loan 2	**1 037**	637
	Stanbic	**33**	63
	Convertible bonds – ZAR	**2 365**	–
	Convertible bonds – US$	**1 803**	–
	Finance leases	**1 397**	1 421
		7 511	3 003
	Short-term portion	**(252)**	(121)
	Long-term portion	**7 259**	2 882
	Summary – Movement		
	Beginning of the year	**3 003**	1 842
	Proceeds	**4 146**	464
	Leases capitalised	**(20)**	769
	Interest accrued	**344**	210
	Repayments	**(314)**	(372)
	Exchange adjustment	**352**	90
	End of the year	**7 511**	3 003

During the financial year, ZAR and US$ denominated bonds were issued.

- The ZAR denominated bonds have a par value of R2 672 million and carry a coupon of 5% (R133.6 million) per annum. The coupon is payable bi-annually for a period of five years ending 21 February 2018. The bond holder has the option to convert the bonds to Implats shares at a price of R214.90. The value of this compound instrument's equity portion relating to conversion is R319 million (before tax). Implats has the option to call the bonds at par plus accrued interest at any time on or after 21 February 2016, if the aggregate value of the underlying shares per bond for a specified period of time is 130% or more of the principal amount of that bond. The effective interest rate of the bond is 8.5% (2012: nil)
- The US$ denominated bonds have a par value of US$200 million and carry a coupon of 1% (US$2 million) per annum. The coupon is payable bi-annually for a period of five years ending 21 February 2018. The bond holder has the option to convert the bonds to Implats shares at a price of $24.13. The value of this conversion option derivative was R106 million at initial recognition. Implats has the option to call the bonds at par plus accrued interest at any time on or after 21 February 2016, if the aggregate value of the underlying shares per bond for a specified period of time is 130% or more of the principal amount of that bond. The effective interest rate is 3.1% (2012: nil).

Notes to the financial information continued

for the year ended 30 June 2013

		2013 Rm	2012 Rm
6.	**Cost of sales**		
	Included in cost of sales		
	On-mine operations	**12 566**	10 213
	Wages and salaries	**7 301**	5 811
	Materials and consumables	**4 453**	3 697
	Utilities	**812**	705
	Concentrating and smelting operations	**3 200**	2 777
	Wages and salaries	**655**	561
	Materials and consumables	**1 614**	1 375
	Utilities	**931**	841
	Refining operations	**941**	883
	Wages and salaries	**413**	390
	Materials and consumables	**414**	392
	Utilities	**114**	101
	Other cost	**732**	734
	Corporate costs	**397**	415
	Selling and promotional expenses	**335**	319
	Share-based compensation	**(98)**	(373)
	Chrome operation	**137**	–
	Depreciation of operating assets (note 3)	**2 424**	1 708
	Metals purchased	**6 571**	6 855
	Change in metal inventories	**(1 493)**	(1 460)
		24 980	21 337
	The following disclosure items are included in cost of sales:		
	Audit remuneration	**17**	14
	Audit services	**6**	2
	Other services	**11**	12
	Repairs and maintenance expenditure on property, plant and equipment	**1 340**	1 119
	Operating lease rentals	**38**	49
7.	**Other operating expenses/(income)**		
	Other operating expenses comprise the following principal categories:		
	Profit on disposal of property, plant and equipment	**(86)**	(40)
	Rehabilitation provision – change in estimate	**(32)**	(1)
	Impairment	**2 330**	378
	Trade payables – commodity price adjustment	**(331)**	(511)
	Community development expense	**38**	63
	Other	**(7)**	–
		1 912	(111)

Impairment mainly consists of goodwill R1 018 million (2012: R nil) and loans and advances to a toll refining customer R1 201 million (2012: R266 million).

During the year, items amounting to R111 million in the previous year, previously classified as other income was reclassified to other operating expenses. Corporate cost and selling and promotional expenses amounting to R377 million and R319 million respectively in the previous year, previously classified as other operating expenses was reclassified to cost of sales. This was done to better reflect the nature of these items.

		2013 Rm	2012 Rm
8.	**Other (income)/expense**		
	Exploration expenditure	**47**	63
	Guarantee fees	**(40)**	(19)
	Tax penalties and interest	**136**	–
	Derivative financial instruments – Fair value movements		
	– Cross currency interest rate swap	**(90)**	–
	– US$ bond conversion option	**(106)**	–
	Other	**18**	55
		(35)	99
9.	**Headline earnings**		
	Headline earnings attributable to equity holders of the Company arises from operations as follows:		
	Profit attributable to owners of the Company	**1 022**	4 180
	Adjustments:		
	Profit on disposal of property, plant and equipment	**(54)**	(40)
	Goodwill impairment	**1 018**	–
	Total tax effects of adjustments	**15**	11
	Headline earnings	**2 001**	4 151
	Weighted average number of ordinary shares in issue for basic earnings per share	**606.76**	606.21
	Weighted average number of ordinary shares for diluted earnings per share	**607.06**	606.34
	Headline earnings per share (cents)		
	Basic	**330**	685
	Diluted	**330**	685
10.	**Dividends**		
	On 29 August 2013, a sub-committee of the board declared a final dividend of 60 cents per share amounting to R364.1 million for distribution in financial year 2014 in respect of financial year 2013. The dividend will be subject to a local dividend tax rate of 15% which will result in a net dividend, to those shareholders who are not exempt from paying dividend tax, of 51 cents per share.		
	Dividends paid		
	Final dividend No 89 for 2012 of 60 (2011: 420) cents per share	**366**	2 546
	Interim dividend No 90 for 2013 of 35 (2012: 135) cents per share	**214**	818
		580	3 364

11. Contingent liabilities and guarantees

As at the end of June 2013 the Group had bank and other guarantees of R1 112 million (2012: R965 million) from which it is anticipated that no material liabilities will arise.

Notes to the financial information continued

for the year ended 30 June 2013

12. Related party transactions

- The Group entered into PGM purchase transactions of R2 990 million (2012: R2 469 million) with Two Rivers Platinum, an associate company, resulting in an amount payable of R759 million (2012: R607 million). It also received refining fees and interest to the value of R20 million (2012: R22 million). The shareholders loan was repaid during the year (2012: R49 million)
- The Group entered into sale and leaseback transactions with Friedshelf, an associate company. At the end of the period an amount of R1 224 million (2012: R1 202 million) was outstanding in terms of the lease liability. During the year interest of R123 million (2012: R80 million) was charged and a R100 million (2012: R20 million) repayment was made. The lease has an effective interest rate of 10.1% and 10.8%
- The Group entered into PGM purchase transactions of R2 034 million (2012: R1 866 million) with Mimosa Investments, a joint venture, resulting in an amount payable of R572 million (2012: R503 million). It also received refining fees and interest to the value of R167 million (2012: R134 million).

These transactions are entered into on an arm's length basis at prevailing market rates.

Key management compensation (fixed and variable)

	2013 R'000	2012 R'000
Non-executive directors remuneration	**6 969**	7 435
Executive directors remuneration	**35 916**[1]	25 532
Prescribed officers	**20 528**	13 947
Senior executives and company secretary	**22 303**	24 325
Total	**85 716**	71 239

[1] *Includes R16 802k paid to DH Brown*

13. Financial instruments

	2013 R'000	2012 R'000
Financial assets – carrying amount		
Loans and receivables	**7 785**	6 218
Financial instruments at fair value through profit and loss	**90**[2]	24[1]
Held-to-maturity financial assets	**32**	49
Available-for-sale financial assets	**49**[1]	32[1]
	7 956	6 323
Financial liabilities – carrying amount		
Financial liabilities at amortised cost	**11 922**	7 777
Financial instruments at fair value through profit and loss	**30**[2]	24[1]
	11 952	7 801

The carrying amount of financial assets and liabilities approximate their fair values.

[1] *Level 1 of the fair value hierarchy – Quoted prices in active markets for the same instrument.*

[2] *Level 2 of the fair value hierarchy – Significant inputs are based on observable market data.*

14. Zimbabwe indigenisation

On 14 December 2012 Implats announced that its 50% held joint venture Mimosa had concluded a non-binding termsheet in respect of a proposed indigenisation implementation plan (IIP) with the Government of Zimbabwe (as represented by the Minister of Youth Development, Indigenisation and Empowerment). On 11 January 2013 Implats further announced that its 87% held subsidiary, Zimplats, had similarly concluded a non-binding termsheet in respect of a proposed IIP. The respective termsheets referred to above stipulate the key terms, subject to certain conditions precedent, for the sale by Mimosa and Zimplats of an aggregate 51% equity ownership of Mimosa Pvt and Zimbabwe Pvt respectively to select indigenous entities. At the date of this report the definitive transaction agreements have not yet been negotiated and concluded, but could critically affect the accounting treatment of these investments in future. The effective date of these transactions will be the date on which the conditions precedent are fulfilled. The Company has subsequently been informed that the Government of Zimbabwe wishes to review the termsheet and discussions in this regard are ongoing.

Principal subsidiaries and joint ventures

(All amounts in rand millions unless otherwise stated)	Issued share capital	% interest 2013	% interest 2012	Book value in holding company – Shares 2013	Shares 2012	Loans 2013	Loans 2012
Company and description							
Impala Holdings Limited Investment holding company	*	**100**	100	**–**	–	**11 310**	11 407
Impala Platinum Limited Mines, refines and markets PGMs	*	**100**	100	**–**	–	**–**	–
Impala Platinum Investments (Pty) Limited	*	**100**	100	**–**	–	**–**	–
Impala Platinum Properties (Rustenburg) (Pty) Limited	*	**100**	100	**–**	–	**–**	–
Impala Platinum Properties (Johannesburg) (Pty) Limited Own properties	*	**100**	100	**–**	–	**–**	–
Biz Afrika 1866 (Pty) Limited	*	**–**	–	**–**	–	**–**	–
Inline Trading 83 (Pty) Limited Exploration	*	**100**	100	**–**	–	**–**	–
Afplats (Pty) Limited Owns mineral rights		**74**	74	**4 805**	4 805	**–**	–
Imbasa Platinum (Pty) Limited Owns mineral rights	*	**60**	60	**–**	–	**45**	40
Inkosi Platinum (Pty) Limited Owns mineral rights	*	**49**	49	**–**	–	**78**	64
Barplats Holdings (Pty) Limited Investment holding company	*	**100**	100	**–**	–	**–**	–
Gazelle Platinum Limited Investment holding company	*	**100**	100	**–**	–	**177**	185
Impala Refining Services Limited Provides toll refining services	*	**100**	100	**–**	–	**–**	–
Impala Platinum Japan Limited[1] Marketing representative	¥ 10m	**100**	100	**2**	2	**–**	–
Impala Platinum Zimbabwe (Pty) Limited Investment holding company	*	**100**	100	**73**	73	**352**	352
Impala Platinum BV[2] Investment holding company	€ 0.02	**100**	100	**900**	900	**–**	–
Zimplats Holdings Limited**[3] Investment holding company	US$10.8m	**87**	87	**–**	–	**–**	–
Zimbabwe Platinum Mines (Pvt) Limited[4] Owns mineral rights and mines PGMs	US$30.1m	**87**	87	**–**	–	**–**	–
Mimosa Investments Limited**[5] Investment holding company	US$48.0m	**50**	50	**376**	376	**–**	–
Mimosa Holdings (Pvt) Limited[4] Investment holding company	US$28.8m	**50**	50	**–**	–	**–**	–
Mimosa Platinum (Pvt) Limited[4] Owns mineral rights and mines PGMs	US$28.8m	**50**	50	**–**	–	**–**	–
Marula Platinum (Pty) Limited Owns mineral rights and mines PGMs	*	**73**	73	**607**	607	**–**	–
Impala Chrome (Pty) Limited	*	**70**	–	**56**	–	**–**	–
Sundry and dormant companies	*	**100**	100	**4**	4	**–**	–
Total				**6 823**	6 767	**11 962**	12 048
Total investment at cost						**18 785**	18 815

** Share capital less than R50 000.*
*** Listed on the Australian Stock Exchange.*
[1] Incorporated in Japan.
[2] Incorporated in Netherlands.
[3] Incorporated in Guernsey.
[4] Incorporated in Zimbabwe.
[5] Incorporated in Mauritius and is a joint venture.

Non-GAAP disclosure

The Group utilises certain non-GAAP performance measures and ratios in managing the business and may provide users of this financial information with additional meaningful comparisons between current results and results in prior operating periods. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the reported operating results or cash flow from operations or any other measure of performance prepared in accordance with IFRS. In addition, the presentation of these measures may not be comparable to similarly titled measures other companies use.

		Unaudited	
	(US$m)	**2013**	2012
1.	**Revenue per platinum ounce sold**		
	US$ sales	**3 413**	3 581
	US$ toll refining income	**(41)**	(24)
		3 372	3 557
	Sales volumes platinum (refer to operational statistics)	**1 333**	1 368
	Dollar sales revenue per platinum ounce sold	**2 528**	2 601
	Average rand exchange rate achieved	**8.80**	7.71
	Rand sales revenue per platinum ounce sold	**22 246**	20 054
2.	**Revenue per PGM ounce sold**		
	US$ sales	**3 413**	3 581
	US$ toll refining income	**(41)**	(24)
		3 372	3 557
	Sales volumes PGM	**2 709**	2 678
	Dollar sales revenue per PGM ounce sold	**1 245**	1 328
	Average rand exchange rate achieved	**8.80**	7.71
	Rand sales revenue per platinum ounce sold	**10 956**	10 239

(Rm)	Unaudited 2013	2012
3. Cost per platinum ounce refined		
On-mine operations	**12 566**	10 213
Concentrating and smelting operations	**3 200**	2 777
Concentrating operations	**2 134**	1 822
Smelting operations	**1 066**	955
Refining operations	**941**	883
Other operating expenses	**732**	734
	17 439	14 607
Mine-to-market platinum ounces (000oz)	**1 009**	1 048
Gross platinum ounces (000oz)	**1 582**	1 448
Cost per platinum ounce excluding share-based compensation		
On-mine operations	**12 459**	9 743
Concentrating operations	**2 116**	1 737
Smelting operations	**674**	660
Refining operations	**595**	610
Other operating expenses	**726**	700
	16 570	13 450

Non-GAAP disclosure continued

	(Rm)		Unaudited 2013	2012
4.	**Gross profit margin**			
	Gross profit		**5 052**	6 256
	Gross revenue		**30 032**	27 593
	Gross margin profit (%)		**16.8**	22.7
5.	**Headline earnings margin**			
	Headline earnings		**2 001**	4 151
	Gross revenue		**30 032**	27 593
	Headline earnings margin (%)		**6.7**	15.0
6.	**EBITDA**			
	Profit before taxation		**2 551**	6 250
	Finance income		**(223)**	(314)
	Finance cost		**453**	305
	Depreciation and amortisation		**2 424**	1 708
	EBITDA (earnings before interest, tax and depreciation)		**5 205**	7 949
	Depreciation and amortisation		**(2 424)**	(1 708)
	EBIT (earnings before interest and tax)		**2 781**	6 241
	Non-recurring/unusual transactions			
	Adjustment to headline earnings		**979**	(29)
			3 760	6 212
7.	**Interest cover**			
	EBIT	Non-GAAP note 6	**3 760**	6 212
	Bank borrowings		**344**	210
	Interest capitalised		**(64)**	(38)
	Interest paid on finance leases		**167**	149
			447	321
	Interest cover – times		**8**	19
8.	**Dividend cover**			
	Headline earnings – cents per share		**330**	685
	Dividends – cents per share (interim and proposed)		**95**	195
	Dividend cover – times		**3.5**	3.5

The dividend was not in line with the stated dividend policy but was based on a cash quantum basis in view of the prevailing uncertain economic circumstances.

	(Rm)		Unaudited 2013	2012
9.	**Return on equity**			
	Headline earnings		**2 001**	4 151
	Shareholders' equity per statement of financial position – at the beginning of the year		**50 168**	47 563
	Return on equity (%)		**3.9**	8.7
10.	**Return on capital employed (normalised)**			
	Headline earnings		**2 001**	4 151
	Finance cost		**453**	305
			2 454	4 456
	Capital employed	Non-GAAP note 12	**74 272**	66 551
	Return on net capital (%)		**3**	7
11.	**Return on assets**			
	Headline earnings		**2 001**	4 151
	Total assets		**80 719**	72 627
	Return on assets (%)		**2.5**	5.7
12.	**Capital employed**			
	Total assets per statement of financial position		**80 719**	72 627
	Current liabilities per statement of financial position		**(6 447)**	(6 076)
			74 272	66 551
13.	**Total capital**			
	Total equity		**54 616**	52 475
	Total borrowings		**7 511**	3 003
			62 127	55 478
14.	**Cash net of debt**			
	Long-term borrowings		**(7 259)**	(2 882)
	Short-term borrowings		**(252)**	(121)
	Total borrowings		**(7 511)**	(3 003)
	Cash and cash equivalents		**4 497**	587
	(Debt net of cash)/cash net of debt		**(3 014)**	(2 416)
15.	**Gearing ratio**			
	Total borrowings		**7 511**	3 003
	Total capital	Non-GAAP note 13	**62 127**	55 478
	Total gearing (%)		**12.1**	5.4

Non-GAAP disclosure continued

(Rm)		Unaudited 2013	2012
16. Debt to equity			
Total borrowings		**7 511**	3 003
Shareholders' equity per statement of financial position at the end of the year		**54 616**	52 475
Total debt to ordinary shareholders' equity (%)		**13.8**	5.7
17. Debt to EBITDA			
Total borrowings		**7 511**	3 003
EBITDA	Non-GAAP note 6	**5 205**	7 949
Total debt to earnings before interest and tax cover		**14 months**	4 months
18. Current ratio			
Current assets		**17 979**	13 688
Current liabilities		**6 447**	6 076
Current assets to current liabilities		**2.8:1**	2.3:1
19. Acid ratio			
Current assets		**17 979**	13 688
Inventories		**(8 684)**	(7 081)
		9 295	6 607
Current liabilities		**6 447**	6 076
Current assets excluding inventories to current liabilities		**1.4:1**	1.1:1
20. Current liquidity			
Current assets		**17 979**	13 688
Current liabilities		**(6 447)**	(6 076)
Net current assets		**11 532**	7 612
Inventory		**(8 684)**	(7 081)
		2 848	531
21. Free cash flow			
Net cash inflow from operating activities per cash flow		**5 938**	4 978
Total capital expenditure		**(6 360)**	(7 284)
		(422)	(2 306)
22. Net asset value – cents per share			
Net asset value per statement of financial position		**52 037**	50 168
Number of shares (million) issued outside the Group		**606.9**	606.6
Net asset value – cents per share		**8 574**	8 270

(Rm)			Unaudited 2013	2012
23.	**Net tangible asset value – cents per share**			
	Net asset value per statement of financial position		**52 037**	50 168
	Intangible assets		**–**	(1 018)
			52 037	49 150
	Number of shares (millions) issued outside the Group		**606.9**	606.6
	Net tangible asset value – cents per share		**8 574**	8 103
24.	**Market capitalisation**			
	Number of ordinary shares in issue at year-end (millions)		**632.2**	632
	Closing share price as quoted on the JSE (rand)		**93.00**	135.25
	Market capitalisation		**58 795**	85 478
25.	**Enterprise value**			
	Market capitalisation	Non-GAAP note 24	**58 795**	85 478
	Debt net of cash/(cash net of debt)	Non-GAAP note 14	**3 014**	2 416
			61 809	87 894
26.	**Return on enterprise value**			
	Enterprise value	Non-GAAP note 25	**61 809**	87 894
	EBIT	Non-GAAP note 6	**3 760**	6 212
	Total return on enterprise value (%)		**6.1**	7.1

Shareholder information and administration

Shareholder information

Shareholders' diary

Annual general meeting	Wednesday, 23 October 2013
Final dividend declared August 2013	23 September 2013 (Paid)
Interim report release	February 2014
Interim dividend if declared February 2013	March 2014
Financial year-end	30 June 2014
Financial results release	28 AugustAugust 2014
Integrated report release	September 2014

Dividend payments 2013

The following dates are applicable to dividend payments for the 2013 financial year:

	Interim dividend	Final dividend
Declared	Thursday, 14 February 2013	Thursday, 29 August 2013
Last date to trade	Friday, 1 March 2013	Friday, 13 September 2013
Trade ex-dividend	Monday, 4 March 2013	Monday, 16 September 2013
Record date	Friday, 8 March 2013	Friday, 20 September 2013
Paid	Monday, 11 March 2013	Monday, 23 September 2013
Amount	35 cents per share	60 cents per share

Analysis of shareholdings

	Number of shareholders	%	Number of shares (000s)	%
1 – 1 000	37 807	85.2	7 036 420	1.1
1 001 – 10 000	5 092	11.5	14 201 362	2.2
10 001 – 100 000	1 046	2.4	35 802 335	5.7
100 001 – 1 000 000	326	0.7	93 733 071	14.8
Over 1 000 000	81	0.2	481 441 088	76.2
	44 352	100.0	632 214 276	100.0

Analysis of shareholdings

	Number of shareholders	%	Number of shares (000s)	%
Other companies	1 420	3.2	112 016 942	17.7
Trust funds and investment companies	8 268	18.6	123 827 323	19.6
Insurance companies	133	0.3	28 879 584	4.6
Pension funds	537	1.2	136 265 507	21.5
Individuals	33 743	76.1	14 631 756	2.3
Banks	251	0.6	216 593 164	34.3
	44 352	100.0	632 214 276	100.0

The names of shareholders who beneficially hold 5% or more of the Company are set out on page 127 of the directors' report

Notice to shareholders

Notice is hereby given as at the record date of 20 September 2013 that the fifty-seventh annual general meeting of shareholders of the Company will be held at the Company's head office in the boardroom, 2nd Floor, 2 Fricker Road, Illovo, Johannesburg on 23 October 2013 at 11:00 for the following purposes:

Ordinary business of annual general meeting

The purpose of the annual general meeting is for the following business to be transacted and to consider, and, if deemed fit, pass, the following ordinary resolutions with or without modification (in order to be adopted these resolutions require the support of a majority of votes cast by shareholders present or represented by proxy at the annual general meeting):

1. Presentation of annual financial statements

To present the annual financial statements of the Company and the Group for the year ended 30 June 2013 including the reports of the directors, the audit committee and the external auditors.

The annual financial statements are available on the Company's website, **www.implats.co.za,** or a printed copy can be obtained from the transfer secretaries.

2. Social, ethics and transformation committee report

To present the report of the social, ethics and transformation committee to the shareholders as required by the Companies Act. The report appears on pages 110 and 111 of the integrated annual report.

3. External auditors

Resolved that PricewaterhouseCoopers Inc. be and are hereby reappointed as independent auditor of the Company from the conclusion of this annual general meeting until the conclusion of the next annual general meeting of the Company.

4. Audit committee

Resolved that each of the following independent non-executive directors, who are eligible and offer themselves for re-election, be and are hereby re-elected as members of the Implats audit committee:

4.1 Mr HC Cameron – chairman*
4.2 Ms AA Maule
4.3 Mr TV Mokgatlha**
4.4 Ms B Ngonyama

Brief biographies of these independent directors appear on pages 20 to 22 of the integrated annual report.

Each of the appointments numbered 4.1 to 4.4 constitute separate ordinary resolutions and will be considered by separate votes.

* *Subject to the passing of resolution number 6.1 and 6.7*
** *Subject to the passing of resolution number 6.6*

Notice to shareholders continued

5. Remuneration policy

Resolved that the Company's remuneration policy for the 2013 financial year, appearing on pages 112 to 121 of the integrated annual report, be and is hereby endorsed by a non-binding advisory vote.

In terms of the King Code of Governance for South Africa 2009, an advisory vote should be obtained from shareholders on the Company's remuneration policy. This vote enables shareholders to express their views on the remuneration policies adopted and on their implementation, but will not be binding on the Company.

6. Directorate

Resolved that each of the following persons, who retire from office at this meeting and who offer themselves for re-election, be and are hereby re-elected as a director of the Company:

6.1 Mr HC Cameron
6.2 Mr PW Davey
6.3 Dr MSV Gantsho
6.4 Ms A Kekana
6.5 Mr AS Macfarlane
6.6 Mr TV Mokgatlha
6.7 Mr BT Nagle

Brief biographies of these directors appear on pages 20 to 22 of the integrated annual report.

Each of the appointments numbered 6.1 to 6.8 constitute separate ordinary resolutions and will be considered by separate votes.

The nominations and governance committee, assisted by PricewaterhouseCoopers, as an external service provider, and the company secretary, evaluated the performance of the retiring directors and the board unanimously recommends their re-election.

Special business of the annual general meeting

To consider, and if deemed fit, pass the following special resolutions with or without modification (in order to be adopted these resolutions require the support of a majority of at least 75% of votes cast by shareholders present or represented by proxy at the meeting):

1. Acquisition of Company's shares by Company or subsidiary

Resolved that the Company and/or a subsidiary of the Company be and is hereby authorised to repurchase or purchase, as the case may be, ordinary shares issued by the Company on such terms and conditions and in such amounts as the directors of the Company may decide, but subject always to the provisions of section 48 of the Companies Act, 2008 (the Act), JSE Limited (JSE) Listings Requirements (JSE Listings Requirements) and the following limitations:

- That this authority shall be valid until the Company's next annual general meeting provided that it shall not extend beyond 15 months from the date of this annual general meeting
- That any such repurchase be effected through the order book operated by the JSE trading system and done without any prior understanding or agreement between the Company and the counterparty
- That authorisation thereto is given by the Company's memorandum of incorporation
- That a paid announcement giving such details as may be required in terms of the JSE Listings Requirements be published when the Company or its subsidiaries have repurchased in aggregate three percent (3%) of the initial number of shares in issue, as at the time that the general authority was granted, and for each three percent (3%) in aggregate of the initial number of shares which are acquired thereafter
- That a general repurchase may not in the aggregate in any one financial year exceed five percent (5%) of the number of shares in the Company's issued share capital at the time this authority is given, provided that a subsidiary of the Company may not hold at any one time more than 5% of the number of issued shares of the Company
- That no repurchase will be effected during a prohibited period (as defined by the JSE Listings Requirements) unless a repurchase programme is in place, where dates and quantities of shares to be traded during the prohibited period are fixed and full details of the programme have been disclosed in an announcement over SENS prior to the commencement of the prohibited period
- That at any one point in time, the Company may appoint only one agent to effect repurchases on the Company's behalf
- That, in determining the price at which shares may be repurchased in terms of this authority, the maximum premium permitted is ten percent (10%) above the weighted average traded price of the shares as determined over the five days prior to the date of repurchase ('the maximum price')
- Prior to entering the market to proceed with the repurchase, the board of directors (board), by resolution authorising the repurchase, has applied the solvency and liquidity test as set out in section 4 of the Act and reasonably concluded that the Company will satisfy the solvency and liquidity test immediately after completing the proposed repurchase.

Notice to shareholders continued

The board as at the date of this notice has stated its intention to examine methods of returning capital to shareholders in terms of the general authority granted at the last annual general meeting. The board believes it to be in the best interests of Implats that shareholders pass a special resolution granting the Company and/or its subsidiaries a further general authority to acquire Implats shares. Such general authority will provide Implats and its subsidiaries with the flexibility, subject to the requirements of the Act and the JSE Listings Requirements, to purchase shares should it be in the interest of Implats and/or its subsidiaries at any time while the general authority subsists.

After considering the effect of such maximum repurchase:
- The Company and the Group will be able, in the ordinary course of business, to pay its debts for a period of 12 months after the date of the notice of the annual general meeting
- The assets of the Company and the Group will be in excess of the liabilities of the Company and the Group for a period of 12 months after the date of the notice of the annual general meeting. For this purpose, the assets and liabilities should be recognised and measured in accordance with the accounting policies used in the latest audited Group annual financial statements
- The share capital and reserves of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the notice of the annual general meeting
- The working capital of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the notice of the annual general meeting
- A resolution being passed by the board that it has authorised the repurchase, that the Company and the Group have passed the solvency and liquidity test and that since the test was performed there have been no material changes to the financial position of the Group.

The reason for and the effect of this special resolution number 1 *is to grant the Company's directors a general authority, up to and including the date of the following annual general meeting of the Company, to approve the Company's purchase of shares in itself, or to permit a subsidiary of the Company to purchase shares in the Company.*

For purposes of considering the special resolution and in compliance with paragraph 11.26 of the JSE Listings Requirements, the information listed below has been disclosed in the indicated pages of the accompanying integrated annual report:
- *Directors and management – refer pages 20 to 25*
- *Major shareholders – refer page 127*
- *Directors' interest in securities – refer page 130*
- *Share capital of the Company – refer page 126*
- *The directors, whose names are set out on pages 20 and 23, collectively and individually accept full responsibility for the accuracy of the information contained in this special resolution and certify that to the best of their knowledge and belief there are no other facts, the omission of which would make any statement false or misleading, and that they have made all reasonable enquiries in this regard*
- *Litigation – there are no legal or arbitration proceedings (including any such proceedings that are pending or threatened of which the Company is aware) which may have or have had a material effect on the Group's financial position in the previous 12 months*
- *Material change – at the date of completing this notice, there have been no material changes in the financial or trading position of the Company and its subsidiaries that have occurred since 30 June 2013.*

2. Financial assistance

Resolved that the directors be and are hereby authorised in terms of, and subject to, the provisions of sections 44 and/or 45 of the Act to cause the Company to provide any direct and/or indirect financial assistance for a period of two years commencing on the date of this special resolution to:

- Any of its present or future subsidiaries and/or any other Company or corporation which is or becomes related or inter-related to the Company for any purpose or in connection with any matter, including, but not limited to, the subscription of any option, or any securities issued or to be issued by the Company or a related or inter-related company or for the purchase of any securities of the Company or related or inter-related company
- Any of its present or future directors or prescribed officers (or any person related to any of them or to any company or corporation related or inter-related to any of them), or to any other person who is a participant in any of the Company's or Group's share or other employee incentive schemes, for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the Company or related or inter-related company, or for the purchase of any securities of the Company or a related or inter-related company, where such financial assistance is provided in terms of any such scheme that does not satisfy the requirements of section 97 of the Act
- Provided that the board is satisfied that immediately after providing the financial assistance, the Company will satisfy the solvency and liquidity test, that the terms under which the financial assistance is proposed to be given, are fair and reasonable to the Company and that the conditions or restrictions in respect of the granting of the financial assistance which may be set out in the Company's memorandum of incorporation have been satisfied.

The reason for and effect of this special resolution number 2 is to authorise the board to cause the Company to provide financial assistance to any entity which is related or inter-related to the Company and to its present or future directors or prescribed officers (or any person related to any of them or to any company or corporation related or inter-related to any of them), or to any other person who is a participant in any of the Company's or Group's share or other employee incentive schemes, for the purposes of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the Company or related or inter-related company, or for the purchase of any securities of the Company or related or inter-related company.

Notice to shareholders continued

Salient dates of the annual general meeting

The record date of the annual general meeting for shareholders to participate in and vote at the annual general meeting is Friday, 18 October 2013. Accordingly, the last day to trade in order to participate in, and vote at the annual general meeting is Friday, 11 October 2013.

Persons intending to attend or participate in the annual general meeting will be required to present reasonably satisfactory identification.

By order of the board

Avanthi Parboosing
Company secretary

Registered office
2 Fricker Road
Illovo
Johannesburg
2196

26 September 2013

Note

A shareholder entitled to attend and vote is entitled to appoint one or more proxies to attend and speak and vote in his stead. A proxy need not be a shareholder.

A form of proxy, for use by certificated registered shareholders on the South African and United Kingdom registers and dematerialised 'own name' registered holders, accompanies this document.

Form of proxy

Impala Platinum Holdings Limited
(Incorporated in the Republic of South Africa)
(Registration number: 1957/001979/06)
(Share code: IMP) (ISIN: ZAE000083648)
("Implats" or "the Company")

FOR USE BY:
– CERTIFICATED REGISTERED SHAREHOLDERS on the South African and United Kingdom register
– DEMATERIALISED "OWN NAME" REGISTERED HOLDERS

This form of proxy is not for use by shareholders who have already dematerialised their Implats shares through a CSDP other than 'own name' dematerialised shareholders.

For use at the annual general meeting of the Company to be held on Wednesday, 23 October 2013 at 11:00 (the annual general meeting)

I/We ____

of ____ appoint (see note 3)

1. ____ or failing him/her

2. ____ or failing him/her

3. the chairman of the annual general meeting

as my/our proxy to act for me/us at the annual general meeting of the Company which will be held in the boardroom, 2nd Floor, 2 Fricker Road, Illovo, Johannesburg, at 11:00 on Wednesday, 23 October 2013, and at each adjournment or postponement thereof, and to vote for and/or against the resolutions and/or abstain from voting in respect of the shares in the issued capital of the Company registered in my/our name/s (see note 4).

	Number of ordinary shares		
Resolutions	For	Against	Abstain
Ordinary resolutions			
Ordinary resolution number 1 – Appointment of external auditors			
Ordinary resolution number 2 – Appointment of members of audit committee			
HC Cameron – Chairman			
AA Maule			
TV Mokgatlha			
B Ngonyama			
Ordinary resolution number 3 – Endorsement of the Company's remuneration policy			
Ordinary resolution number 4 – Re-election of directors			
HC Cameron			
PW Davey			
MSV Gantsho			
A Kekana			
AS Macfarlane			
TV Mokgatlha			
BT Nagle			
Special resolutions			
Special resolution number 1 – Acquisition of Company shares by Company or subsidiary			
Special resolution number 2 – Financial assistance			

Insert in the relevant space above the number of shares held.

Signed at ____________________ on ____________________ 2013

Signature of shareholder(s) ____

Assisted by (where applicable) ____

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

Notes to the form of proxy

1. A shareholder on the Implats share register who has dematerialised his/her/its ordinary shares through Strate, other than that whose shareholding is recorded in his/her/its ‘own name’ in the sub-register maintained by his/her/its CSDP, and who wishes to attend the meeting in person, will need to request his/her/its CSDP or broker to provide him/her/it with the necessary authority to do so in terms of the custody agreement entered into between the dematerialised shareholder and his/her/its CSDP or broker.
2. A shareholder (including certificated shareholders and dematerialised shareholders who hold his/her/its shares with ‘own name’ registration) entitled to attend and vote at the meeting may appoint one or more proxies to attend, participate and vote in his/her/its stead.
3. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder’s choice in the space provided, with or without deleting ‘the chairman of the annual general meeting’. Any such deletion must be initialled by the shareholder. The person present at the meeting whose name appears first on the form of proxy and has not been deleted will be entitled to act as proxy to the exclusion of those whose names follow.
4. A shareholder’s instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate space provided. 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 as he deems fit in respect of the entire shareholder’s votes exercisable thereat. A shareholder or his 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 whereof abstention is recorded may not exceed the total of the votes exercisable by the shareholder or his proxy.
5. Any alteration or correction to this form of proxy must be initialled by the signatory/ies.
6. 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 transfer secretaries of the Company or waived by the chairman of the annual general meeting.
7. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the annual general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.
8. Forms of proxy must be lodged with or posted to the Company’s transfer secretaries to be received not later than 24 hours (excluding Saturdays, Sundays and public holidays) before the time of the meeting.
9. This form of proxy expires after the conclusion of the meeting stated herein except at an adjournment of that meeting or at a poll demanded at such meeting.

Transfer secretaries
Computershare Investor Services Proprietary Limited
70 Marshall Street
Johannesburg
2001

PO Box 62053
Marshalltown
2107

United Kingdom transfer secretaries
Computershare Investor Services plc
The Pavillions
Bridgwater Road
Bristol
BS13 8AE

Glossary of terms and acronyms

A, B, C, D or E levels	Paterson job grading levels
ABET	Adult Basic Education and Training
Aids	Acquired immune deficiency syndrome
AMCU	The Association of Mineworkers and Construction Union
ART	Antiretroviral therapy, provided for the treatment of HIV and Aids (excluding State and private medical aid)
BEE	Black economic empowerment
CO_2	Carbon dioxide
dB	Decibels. Unit of measurement for sound
DMR	Department of Mineral Resources, South Africa
EIA	Environmental Impact Assessment
EMP	Environmental Management Programme
ESOP	Employee Share Ownership Programme
Executive director	Is employed by the Company and is involved in the day-to-day running of the organisation
FIFR	A rate expressed per million man-hours of any Impala employee, contractor or contractor employee or visitor who is involved in an incident whilst performing his duties at work and who sustains terminal injuries shall constitute a fatal accident. Any road-related fatal incident where the Company is in full control of the vehicle, the driver and conditions related to the road injury of an employee shall constitute a fatal incident. A fatal injury may occur when an employee is incapacitated for a period of time prior to expiration, thus requiring a revision of injury status from LTI to a fatality
GJ	Gigajoules. Unit of measure for energy
GRI	Global Reporting Initiative
HDSA	Historically disadvantaged South African
HIV	Human immuno-deficiency virus
HSE	Health, Safety and Environment
IBT	Impala Bafokeng Trust, socio-economic development vehicle jointly funded by Implats and RBH
Impala Platinum	Impala Platinum Limited, comprising the Rustenburg operations and the Refineries in Springs
Implats	Impala Platinum Holdings Limited
Independent directors	Directors who apart from receiving directors' remuneration do not have any other material pecuniary relationship or transactions with the Company, its management or its subsidiaries, which in the judgement of the board may affect their independence
IRS	Impala Refining Services
ISO	International Organisation for Standardisation
LED	Local Economic Development
Local community	Communities that are directly impacted on by our mining operations and are on or near the mine lease area

Glossary of terms and acronyms continued

Lost-time	A work-related injury resulting in the employee being unable to attend work at his/her place of work, performing his/her assigned duties, on the next calendar day (whether a scheduled work day or not) after the day of the injury. If the appointed medical professional advises that the injured person is unable to attend work on the next calendar day after the injury, regardless of the injured person's next roster shift, a lost-time injury is deemed to have occurred
LTIFR	Number of lost-time injuries expressed as a rate per million man-hours worked
Marula	Marula Platinum (Pty) Limited
Materiality and material issues	Issues of materiality are those aspects that may have a significant impact on the organisation's reputation and may carry a financial and/or legal cost. These aspects are identified internally through the risk process and externally through ad hoc or routine engagements with a range of stakeholders
Mimosa	Mimosa Platinum (Private) Limited
Mining Charter	Broad-based Socio-Economic Empowerment Charter for the South African Mining Industry
MPRDA	Mineral and Petroleum Resources Development Act, 28 of 2002, which came into effect in South Africa on 11 May 2004
Medical treatment cases (MTCs)	A Medical Treatment Case is defined as a one-time treatment and subsequent observation of minor injuries by an appointed medical professional. Such minor injuries may include treatment by the application of bandages, antiseptic, ointment, irrigation of the eye to remove non-embedded foreign objects or the removal of foreign objects from the wound. MTCs never involve a loss of one or more calendar days after the injury, regardless of the injured person's next rostered shift or where the injured is unable to perform one or more of their routine functions normally connected with their work due to a restriction applied by an appointed medical professional
MW	Megawatt, a measure of electric power
NIHL	Noise-induced hearing loss
Non-executive director	A director who is not involved in the day-to-day running of the organisation but is a nominee director of a material shareholder
NOx	Oxides of nitrogen
NUM	National Union of Mineworkers, South Africa
PGI	Platinum Guild International
PGE	Platinum group elements
PGMs	Platinum group metals being the metals derived from PGE
Platinum Rules	Set of key safety rules
RBH	Royal Bafokeng Holdings
RBN	Royal Bafokeng Nation

RIFR	Reportable or serious injury frequency rate A reportable injury is an injury which results in: (a) the death of the employee; (b) an injury, to any employee, likely to be fatal; (c) unconsciousness, incapacitation from heatstroke or heat exhaustion, oxygen deficiency, the inhalation of fumes or poisonous gas, or electric short or electric burning accidents of or by any employee and which is not reportable in terms of paragraph (d), or as required by the OHS Act where applicable; (d) an injury which either incapacitates the injured employee from performing that employee's normal occupation for a period totalling 14 days or more, or which causes the injured employee to suffer the loss of a joint, or a part of a joint, or sustain a permanent disability
Restricted Work Injuries (RWI)	A Restricted Work Injury is a work-related injury which results in the employee being able to return to his or her permanently assigned workplace, to perform his or her permanently assigned work on the next calendar day, but where the injured is unable to perform one or more of their routine functions normally connected with their work due to a restriction applied by an appointed medical professional
SIFR	Number of serious injuries expressed as a rate per million man-hours worked
SLP	Social and Labour Plan
SMMEs	Small, medium and micro enterprises
SO_2	Sulphur dioxide
TB	Pulmonary tuberculosis, which in South Africa is considered an occupational illness when it is associated with the presence of dust in the workplace
Traditional council leadership	Elected/appointed members of a community according to customs and practices. The tenure of these leaders differ among communities. The chief King/Kgoshi/Kgosi or inKhosi is the head of the Traditional council leadership and the Chairman of the council
VCT	Voluntary counselling and testing, in respect of HIV and Aids
WIM	Women in Mining, being all females including foreign nationals who are involved in core business activities of mining
4E	Platinum, palladium, rhodium and gold
6E	Platinum, palladium, rhodium, ruthenium, iridium and gold

Contact details and administration

Registered office

2 Fricker Road
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Private Bag X18
Northlands, 2116
Telephone: +27 (11) 731 9000
Telefax: +27 (11) 731 9254
Email: investor@implats.co.za
Registration number: 1957/001979/06
Share codes:
JSE: IMP
ADRs: IMPUY
ISIN: ZAE000083648
Website: http://www.implats.co.za

Impala Platinum Limited and Impala Refining Services

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Impala Platinum Refineries
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Impala Platinum Japan Limited

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Company secretary

Avanthi Parboosing
Email: avanthi.parboosing@implats.co.za

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Public officer

François Naudé
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Transfer secretaries

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Telephone: +27 (11) 370 5000
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Computershare Investor Services plc
The Pavilions
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Auditors

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Sunninghill
Johannesburg
2157

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BASTION GRAPHICS

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