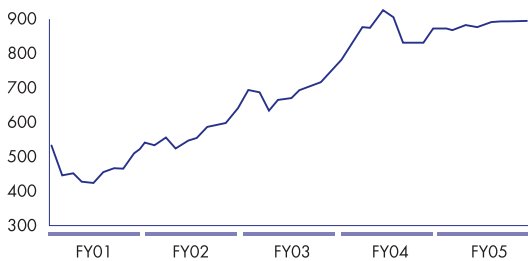


market review

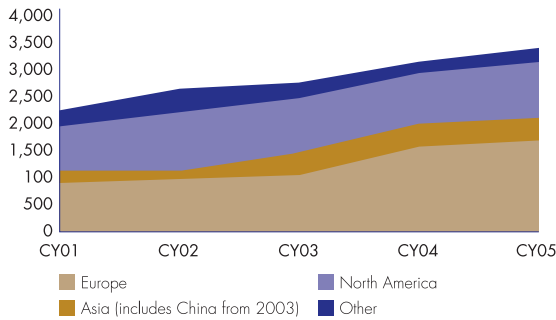
free market platinum price (\$/oz) (monthly average)



The market volatility experienced in recent years, in terms of both commodity prices and exchange rates, continued during calendar year 2004 and into the first half of 2005, making this period especially challenging, particularly for the price-elastic jewellery sector. Despite ongoing substitution of platinum by palladium in gasoline catalysts, platinum demand continued to benefit from its growing use in light and heavy duty diesel vehicles, which exceeded 3 million ounces in 2004. Notwithstanding that the growth in supply exceeded that of demand, leaving the market balanced, the price for the period under review increased by 8% to \$855 per ounce. This price rise reflects the strong fundamentals for platinum. It was further supported by forward buying by industrial consumers and a strong South African rand.

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automotive demand platinum (000 oz)



Demand for palladium rose substantially during the year, exceeding 7.5 million ounces, driven primarily by the introduction of this metal into the Chinese jewellery market. However, supply once again outstripped demand resulting in another substantial surplus for the year, with a predictable influence on price, leaving the average for the year at \$201 per ounce.

PLATINUM

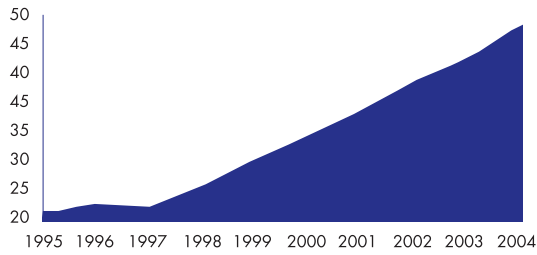
Five consecutive years of deficit in the platinum market ended in 2004, with the market essentially back in balance. This was precipitated by South African supply growth outpacing a more modest increase in demand.

Platinum supply and demand (000 oz)

Calendar years	2005*	2004	2003	2002	2001
Demand					
Automobile	3,380	3,160	2,995	2,615	2,205
Jewellery	2,210	2,210	2,505	2,840	2,590
Industrial (including investment)	1,665	1,610	1,465	1,625	1,650
Total	7,255	6,980	6,965	7,080	6,445
Supply					
South Africa	5,155	4,910	4,655	4,450	4,105
Russia	800	800	1,000	950	1,100
Other	615	620	510	635	495
Recycling	770	705	665	630	600
Total	7,340	7,035	6,830	6,665	6,300
Surplus/(deficit)	85	55	(135)	(415)	(145)

* Estimate

diesel market share (%)



Automotive

Once again growth in the popularity of diesel vehicles in Europe, which exceeded 48% of sales, coupled with the voluntary fitment of particulate filters in several European countries, provided the main impetus for platinum demand. Assisting this growth has been the ongoing expansion and enforcement of tighter emission standards around the world and an increasing desire for cars in markets like China and India.

Behind these global figures, there were significant developments in emission control technology which supported the strong demand for platinum in the face of rising prices. Improved combustion technologies developed to meet tighter standards resulted in lower operating temperatures, which in turn required higher platinum loadings.

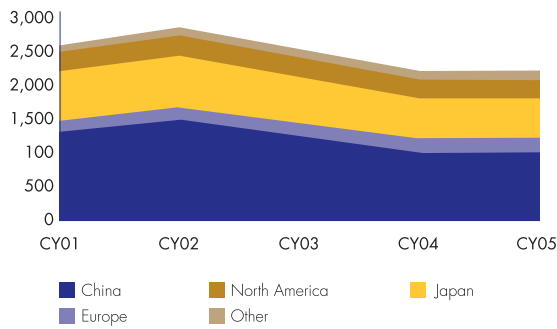
Jewellery

As previously reported, the continued high and volatile price of platinum further eroded jewellery demand with offtake down some 12% to 2.2 million ounces. The main casualty in the market was China (down 20% to 1.0 million troy ounces), where high prices and low fabricator margins encouraged the adoption of alternative metals. Beneficiaries of this scenario were white gold and the introduction of palladium as a new segment.

Japanese demand continued its southerly spiral to a level last seen some 20 years ago, at around 600,000 ounces. As was the case in China, high prices and growth in white gold at the lower end of the market contributed to this decline. A positive feature of the market is increasing growth in white metal jewellery.

To combat the decline of fashion jewellery demand in China, the Platinum Guild International has launched a bridal campaign to capture a hitherto untapped market. The more recent de-linking of the Chinese currency to the US dollar will result in a revaluation of the Chinese yuan, which should in turn lower the local price of platinum and encourage its further growth.

jewellery demand platinum (000 oz)



P52



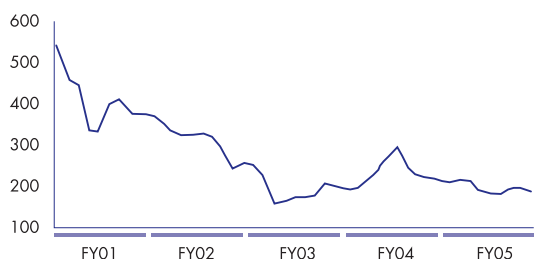
Palladium supply and demand (000 oz)

Calendar year	2005*	2004	2003	2002	2001
Demand					
Automotive	4,725	4,535	4,465	4,530	5,435
Dental	875	850	825	785	725
Electronics	880	865	850	980	1,275
Other	1,095	1,405	650	605	545
Total	7,575	7,655	6,790	6,900	7,980
Supply					
South Africa	2,585	2,430	2,255	2,170	1,985
Russia†	3,440	3,875	3,400	1,900	4,500
Other	1,500	1,850	1,285	2,680	2,140
Recycling	655	555	475	410	355
Total	8,180	8,710	7,415	7,160	8,980
Surplus	605	1,055	625	260	1,000

* Estimate

† Includes sales of Stillwater stock acquired from Norilsk.

free market palladium price (\$/oz) (monthly average)

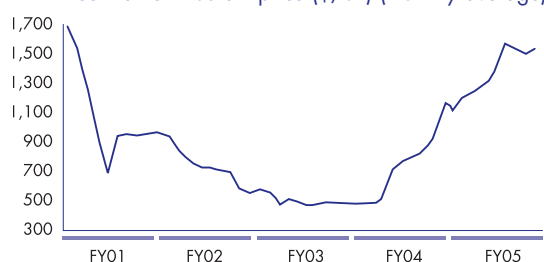


PALLADIUM

Palladium demand has shown encouraging signs of recovery, fuelled by the continued substitution of platinum in gasoline engines and, as mentioned above, its introduction in jewellery in China. While in the region of 700,000 ounces of metal was used in the fabrication of jewellery, aimed primarily at more rural cities, it is to be noted that the bulk of this metal was utilised to build inventory pipelines and was not reflected in sales at the consumer level. It is too early to determine whether this is a new trend for the industry. Despite this improved scenario, the inexplicable further destocking of Russian metal added to the already extensive above-ground stockpile, leaving prices under pressure through the period.

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free market rhodium price (\$/oz) (monthly average)



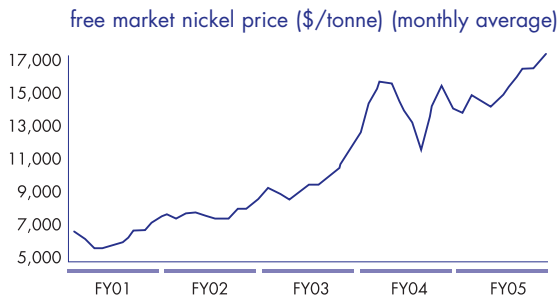
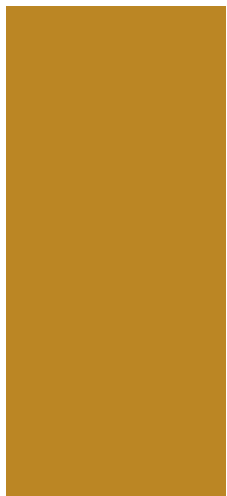
RHODIUM

Robust demand from the automotive industry, primarily aimed at tighter NOx standards in gasoline engines, coupled with another year of growth in the glass industry, was in sharp contrast to a significant drop in Russian supplies, which resulted in the market moving significantly closer to balance. This resulted in a 130% increase in average prices to \$1,345 for the year.

Rhodium supply and demand (000 oz)

Calendar year	2005*	2004	2003	2002	2001
Demand					
Automotive	738	677	620	632	614
Industrial	133	120	106	92	101
Total	871	797	726	724	715
Supply					
South Africa	599	554	537	501	456
Russia	80	80	130	90	125
Other	36	33	39	31	25
Recycling	161	142	127	114	106
Total	876	809	833	736	712
Surplus/(deficit)	5	12	107	12	(3)

* Estimate



NICKEL

Nickel prices remained firm throughout the period, averaging around \$15,000 per tonne due to a combination of strong demand, primarily from the stainless steel industry, lower than anticipated supply growth, and stocks held by the London Metals Exchange stocks reaching historically low levels.

MARKET PROSPECTS

Prospects for PGMs essentially remain unchanged from that of recent years. The automotive industry is expected to continue to be the major driving force of demand for platinum in the medium term with both light-duty and heavy-duty emission control technologies being platinum-based. Demand will be supported by the jewellery sector and the platinum market is likely to remain in balance for the next few years which would indicate a continued firm price environment for the metal. The introduction of 585 platinum (58.5%), which may cannibalise the high purity segment, could make platinum more affordable to a much broader spectrum of the population.

Improving fundamentals for palladium, while good news for the metal may be insufficient in the short term to re-invigorate prices as above-ground inventories are plentiful. New applications currently being developed could significantly alter this position in the longer term.

The outlook for rhodium demand is positive but any increase in demand should be satisfied by growth in output from South Africa. The recent rally in the rhodium price to levels in excess of \$2,000 an ounce, is not seen as being sustainable.

While the long-term outlook for nickel demand remains positive, new greenfields developments are expected to temper price behaviour over time.