

two rivers

key features for the year

- Project given the go-ahead
- Planned capital expenditure of R1.2 billion
- Planned steady state production of 120,000 ounces of platinum a year
- Full production scheduled for FY2008

Joint venture partners in the Two Rivers Platinum project, Implats (45%) and African Rainbow Minerals Limited (ARM) (55%), have given the go-ahead to this project on the eastern limb of the Bushveld Complex in the province of Mpumalanga, South Africa. In terms of the joint venture agreement, ARM will manage the project and Implats will undertake the processing and refining of the material mined through IRS. The decision to proceed follows the success of trial mining in testing critical project assumptions. The mining and stockpiling of nearly 266,000 tonnes of UG2 ore, together with extensive access development, substantively validated geological and mining feasibility parameters. The concentrator will be a standard MF2 plant.

While both the Merensky and UG2 reefs occur on the property, mining will focus initially on the UG2 reef.

The UG2 mineral reserve totals 40 million tonnes at a grade of 4.18g/t (5PGE+Au mill grade). An added advantage is the platinum to palladium

ratio of 5:3. The underground mine will be accessed via a decline shaft system comprising a footwall conveyor decline and two on-reef declines: one for vehicle access and the other a chairlift installation for the transportation of employees. Underground mining operations will be fully mechanised.

Capital expenditure to take this project to commissioning stage is estimated to be approximately R1.2 billion. Half of this amount has been secured through Absa and Nedbank, with the partners contributing the balance in proportion to their respective holdings. Thus, Implats will contribute R270 million and ARM, R330 million.

All the required environmental and mining authorisations for project release have been approved by the Department of Minerals and Energy. The mine will employ around 1,000 people, including contractors.

OUTLOOK

Currently, planned production is 2.2 million tonnes annually over a life-of-mine of 20 years. This will be supplemented by up to 400,000 tonnes per annum from the development ore stockpile and opencast material in the first few years and 300,000 tonnes of adit material thereafter.

Two Rivers is expected to yield 120,000 ounces of platinum, 68,000 ounces of palladium and about 20,000 ounces of rhodium at steady-state production. Full production is scheduled for FY2008.



Go-ahead given to R1.2 billion Two Rivers
Platinum project