

Exploration review

Exploration and evaluation at Implats' current operations remained the focus during FY2006, with much of this work being part of the conversion process of old order mining rights to new order rights. New prospects include Highbank Lake in Canada, Ambodilafa in Madagascar, Panxi Rift in China and Segwagwa in Botswana. While the focus is on primary PGM projects, attention is also given to potential nickel targets in southern Africa.

Southern Africa

Bushveld Complex, South Africa

Exploration at Impala Platinum's operations near Rustenburg concentrated on the detailed study of the proposed 17 shaft block. Work is ongoing in support of the 30-year mine plan, particularly exploratory drilling and enhancement of 3D-seismic surveys. Limited infill drilling was conducted at Marula Platinum on the eastern limb of the Bushveld Complex.

By year end, several new as well as conversion applications for prospecting rights were awaiting approval. During the past year, the new order prospecting rights for the Kalkfontein and Buffelshoek areas were awarded. The Spitzkop mineral rights were sold and the rights transferred to Spitzkop Platinum.

Great Dyke, Zimbabwe

At Zimplats, evaluation drilling focused on Portal 5. The entire portal area was covered with widely spaced boreholes, while a more detailed pattern was drilled in the western section near the proposed decline position. The effect of the large Manzanyma Fault that bisects the area was investigated. Detailed drilling of one of the potential mining blocks at Darwendale was completed. Feasibility studies for Portals 1 and 4 were completed including geotechnical drilling for the detailed design of the boxcuts. In FY2007 the evaluation drilling of the Ngezi portals will continue; drilling of Portal 6 will be a focus area.

At Mimosa, five exploration boreholes were drilled on the northern side of the eastern limb of the South Hill orebody to

upgrade the Indicated Mineral Resource north of the Blore Shaft to a Measured Mineral Resource. All holes intersected normal reef and were drilled through competent ground. At North Hill, a five-hole programme was completed to provide more information on the mineralisation of the orebody. Further work is scheduled to advance this area beyond the inferred mineral resource category.

Segwagwa Project, Botswana

Implats entered into an option agreement with a Botswana-based junior, Health Hive Botswana (Pty) Ltd, in the Segwagwa and Masoke intrusions, located in south-eastern Botswana. In terms of this agreement, Implats has the option of earning a 60% interest in the venture by incurring R4.5 million in exploration expenditure by December 2007. Field relationships, age-dating and petrological studies indicate that these very poorly exposed intrusions could well be satellites of the Bushveld-aged Molopo Farms Complex. In FY2006 modelling of the available aeromagnetic data, supported by the interpretation of gravity data acquired from selected traverses, was undertaken to ascertain the shape and form of the intrusions. Any identified geological and geophysical anomalies are to be drill tested during FY2007.

Tete Project, Mozambique

Follow-up soil sampling was conducted over geochemical anomalies identified during a regional reconnaissance of the Tete Complex in Mozambique. The project is a joint venture with Falconbridge. Encouraging results were obtained and detailed grid mapping, soil sampling and aeromagnetic surveys are planned over a number of smaller grids during FY2007.

Other exploration projects

Catete Project, Brazil

Follow-up work was undertaken in conjunction with Falconbridge on the eastern portions of Onca NW area and at Aqua Fria, which formed part of the Catete exploration project located in the Carajas region of Brazil. Results were disappointing and the project was terminated.

Three Kings Project, Western Australia

Implats fulfilled its commitments to the Three Kings Joint Venture with De Grey Mining by completing limited follow-up drilling at the Abraham and Joshua Prospects. However, the results of preliminary non-JORC compliant resource estimates completed over the Joshua Prospect were insufficiently encouraging to motivate any further work. Implats has therefore, withdrawn from the joint venture and retains no residual equity or any further commitment.

Highbank Lake Project, Canada

Implats entered into an option agreement with Canadian junior, Northern Shield Resources Inc., pursuant to which Implats has the option of earning a 60% interest in the Highbank Lake property in north-western Ontario by incurring C\$5 million in exploration expenditures within five years. The property contains a recently discovered, very poorly outcropping, layered mafic-ultramafic intrusion, covering some 560 square kilometres. Platinum-palladium geochemical anomalies were detected at three different stratigraphic levels in the intrusion and were delineated over a strike extent of some 25 kilometres. An IP-resistivity survey was conducted along three lines, for a total of 20 line kilometres,

embracing the area containing the more consistent geochemical anomalies. Selected coincident geochemical and IP anomalies are to be drill tested during FY2007.

Ambodilafa Project, Madagascar

An option agreement was concluded with a London-based junior, Jubilee Platinum, regarding the Ambodilafa property, located in eastern Madagascar. In terms of the agreement Implats has the option of earning a 51% interest in this project by incurring \$5 million in exploration expenditure over a period of four years. Implats can elect to increase its interest to 65% by financing a feasibility study should Jubilee be unable or elect not to fund its portion. The programme during FY2007 involves selected drilling of geophysical and geochemical anomalies.

Panxi Rift, China

Implats is in the process of undertaking a comprehensive target generation exercise in the Panxi Rift in south-western China. A number of reconnaissance visits have already been undertaken to selected target areas. Priority targets are to be selected for more detailed follow-up work during FY2007.

