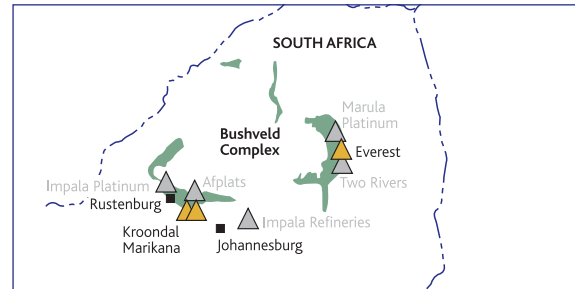


Aquarius Platinum



Highlights

- Record production of 267,000oz of platinum in concentrate
- R282 million contribution to Implats
- Remains a strategic holding

Introduction

Implats' investment in Aquarius is held at two levels:

- an 8.6% stake in Aquarius, now the world's fourth largest PGM producer with output of some 450,000oz annually. At 30 June 2007, Implats' share of the market capitalisation was R1.5 billion.
- a stake of 20% in AQPSA, which owns and manages Aquarius' assets on the Bushveld Complex, namely Kroondal, Marikana and Everest. Kroondal and Marikana are subject to pool and share agreements (P&SA) with Anglo Platinum. IRS has offtake agreements with Everest, Kroondal (expires during FY2008) and Marikana.

Operating and financial review

AQPSA continues to make healthy contributions to Implats' earnings. Net profits from AQPSA amounted to R282 million in the reporting year, compared with R114 million in FY2006. The sustained strength in metal prices contributed to further increases in the gross margin, to 61%, compared with 44% the previous year.

Overall production at AQPSA rose to 267,000oz of platinum-in-concentrate (450,000oz of 3PGM+Au) in FY2007, reflecting the improved operational performance at Marikana and the continued ramping up of production levels at Everest.

Kroondal (50%)

Production at the expanded Kroondal operation reached a steady-state level of 132,000oz of platinum in concentrate in FY2007 (220,000oz of 3PGM+Au), with the new K5 shaft ramping up to replace opencast production. The focus at Kroondal remains



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to improve development to ensure adequate mining face availability to compensate for areas affected by geological disturbances.

Marikana (50%)

Operational difficulties at Marikana have largely been overcome, and Marikana produced 40,000 platinum ounces in concentrate (66,000oz 3PGM+Au), an increase of 53% on the previous year. No 4 shaft, which forms part of the second pool and share agreement, is currently in ramp-up phase. At the opencast operation, replanning and rescheduling at the beginning of the second half of the financial year contributed to increased production. The dense media separation plant was successfully commissioned in November 2006 thus enabling the increased underground volumes mined to be processed.

Everest (100%)

The newest operation in the AQPSA stable, Everest, produced creditable results. The ramp-up is continuing and the operation will reach full production during FY2008. 94,000oz of platinum in concentrate (164,000oz of 3PGM+Au in concentrate) were produced in the year (FY2006: 56,000oz) reflecting the higher tonnage milled (2.4Mt), some 75% of which was from increased underground production. At the metallurgical operation, work to improve recoveries continues and a flotation process control system has been commissioned.

Outlook

AQPSA will continue its build-up in production to 530,000oz of PGMs in concentrate in FY2008, thus maintaining a positive contribution to Implats' earnings.

