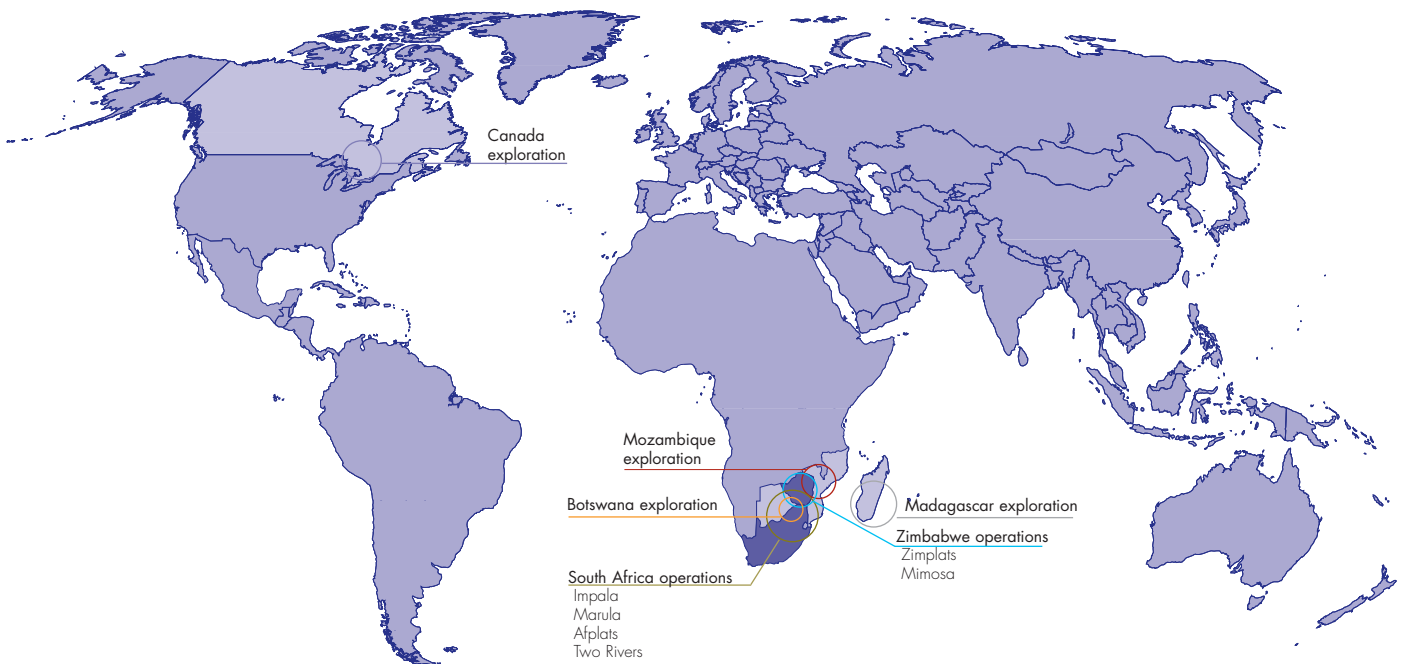


## Exploration review

Implats' exploration strategy remains two-pronged: the primary focus being the brownfields exploration and evaluation at current operations and assets, and the second being greenfields exploration in a continued attempt to locate new orebodies. Implats recognises that there is a cost benefit in participating in projects at an early stage as the more advanced junior projects that are available for acquisition attract significant premiums. Implats has therefore continued its offshore greenfields exploration in conjunction with other parties

While the group's exploration focus has continued to be on primary platinum group mineral targets, attention is also being given to potential nickel targets in southern Africa, given the company's competitive position in the area of nickel refining.



### Southern Africa

#### Bushveld Complex in South Africa

Exploration around current mining operations at Impala on the western limb and Marula on the eastern limb continued in support of life-of-mine operations. At Marula, the proposed Merensky Reef feasibility study area was the primary target; while at Impala the main focus was on the proposed 17 shaft block. The approval of the prospecting areas involving the joint venture with Royal Bafokeng Resources was received during the year and exploration activities have begun. A large 3-D seismic survey of the deeper portion of the mining right and prospecting rights areas is planned to start in FY2008.

# 2007

## ANNUAL REPORT

At Afplats, immediate exploration activities will focus on surface drilling on the Imbasa-Inkosi and Wolwekraal-Kareepoort extensions of the Leeuwkop project. A 3-D seismic survey may be undertaken in future.

Exploration drilling resumed in early FY2007 at the Tamboti project which comprises portions of the farms Tweefontein, Kalkfontein and Buffelshoek, adjacent to the Two Rivers mine.

Exploration drilling began towards year-end at the Paradys project as the new order prospecting rights had been granted. The project is located on the eastern limb of the Bushveld Complex. This grassroots project, a joint venture with Endulwini Resources, targets a diapiric antiform structure with a potential attenuated Critical Zone succession.

Exploration activities will continue at an increased pace on the Bushveld Complex given the need for 3-D seismic surveys and exploration drilling on the western limb at both Impala and Afplats and to advance other projects.

### Great Dyke in Zimbabwe

At Zimplats, evaluation drilling focused on the proposed portals 3 and 6. Work also began on drilling three lines of widely spaced holes across the deeper area of the resource north of the proposed portal 10 position. Detailed drilling around the portal 6 access decline will be conducted in FY2008, along with increased drill coverage of portal 7 to medium resolution and upgrading of the eastern parts of portals 8 to 10 from inferred to indicated resources.

Evaluation work at Mimosa focused on the phase 5 expansion studies. The drilling programme at North Hill will resume in FY2008 and a high-resolution aeromagnetic survey of the Mimosa lease area is also planned for FY2008.

### Other southern African exploration

#### *Segwagwa project, Botswana*

Implats continues to fulfil the terms of the 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.





## Exploration review



An airborne geophysical survey was conducted over the intrusions during December 2006 and January 2007 and several anomalies were identified. There is little or no outcrop over these anomalies and favourable anomalies are to be drill tested.

### *Tete project, Mozambique*

Exploration being conducted in conjunction with Falconbridge was terminated at the Tete project; however, a different area of the Tete Complex was vended into Implats as a result of the Afplats transaction. Further mapping, geochemical sampling and ground geophysics will be undertaken over satellite intrusions to the Tete Complex in FY2008.

### **Offshore projects**

Reconnaissance sampling in the Panxi Rift in south-western China and mapping over the several target areas generated failed to delineate any significant mineralisation and this programme was terminated.

### *Highbank Lake project, Canada*

Implats has an agreement with Canadian junior, Northern Shield Resources Inc., in terms of 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. Fourteen holes were drilled on the property to test previously identified geochemical and geophysical anomalies, mostly in the north-westerly portions of the intrusion. While no significant PGE mineralisation was intersected through drilling, whole rock geochemical studies – supported by a re-interpretation of the structure – have provided new information on the layout of the intrusion and delineated areas with the potential for PGE mineralisation which have not yet been drill tested. Further drilling will be undertaken in FY2008.

### *Ambodilafa project, Madagascar*

Implats has an agreement with AIM-listed Jubilee Platinum plc, in terms of which Implats has the option of earning a 51% interest in the Ambodilafa property in south-eastern Madagascar by incurring US\$5 million in exploration expenditure within four years.

Three shallow holes were drilled this year in the southerly portion of the intrusion; two of these tested the large geophysical anomaly. Both failed to intersect significant base metal sulphide or PGE mineralisation, but drilling depth was limited by the equipment available. A third hole, drilled on a geochemical anomaly on the fringes of the geophysical anomaly, intersected massive, semi-massive, net textured and disseminated nickel-copper sulphide mineralisation at a depth of 24m, which mineralisation generally persisted, although not continuously, to a depth of some 220m. Higher grade intersections include 2.2m at 1.29%Ni, 0.31%Cu, and 0.31g/t (2PGE+Au) and 6.5m at 0.61%Ni, 0.30%Cu and 0.12g/t (2PGE+Au).

Geological mapping, re-interpretation of the geophysical data, and geochemical sampling have provided new information on the layout of the intrusion and delineated areas with the potential for nickel-copper as well as PGE mineralisation, which have yet to be drill tested. Further drilling will be undertaken in FY2008.