

FACT SHEET

IMPALA REFINING SERVICES





Impala Refining Services (IRS) was created in July 1998 as a dedicated vehicle to house the toll refining and metal concentrate purchases built up by Implats. IRS, situated in Springs some 35 kilometres east of Johannesburg in South Africa, also provides smelting and refining services through offtake agreements with Implats Group companies (except Impala) and third parties. During FY2016, IRS reported attributable refined platinum production of 182 900 ounces (1.7 million ounces of PGMs).



THE IRS MODEL

The IRS model uses Impala's excess smelting and refining capacity.

Typical IRS products include:

- flotation concentrates from Marula, Mimosa, Two Rivers and other small mining contracts;
- furnace matte from Zimplats; and
- selected base metal residues and other secondary materials.

IRS enters into either metal purchase agreements or toll refining agreements, or a combination of the two.

In metal purchase agreements a percentage of the contained value (allowing for Impala's cost and a profit margin) is paid after an agreed processing period. In toll refining agreements, IRS charges the client a smelting, refining and handling fee and returns the metal to the client after an agreed processing period. Impala, in turn, charges IRS a market-related fee for its expertise and the use of its processing facilities.

With the exception of mine-to-market operations, IRS has little or no control over volumes received from either third party or toll treatment contracts.

METAL SOURCES



Marula



Concentrator



Mimosa



Concentrator



Two Rivers



Concentrator



Other contracts



Concentrator



Zimplats



Concentrator



Other

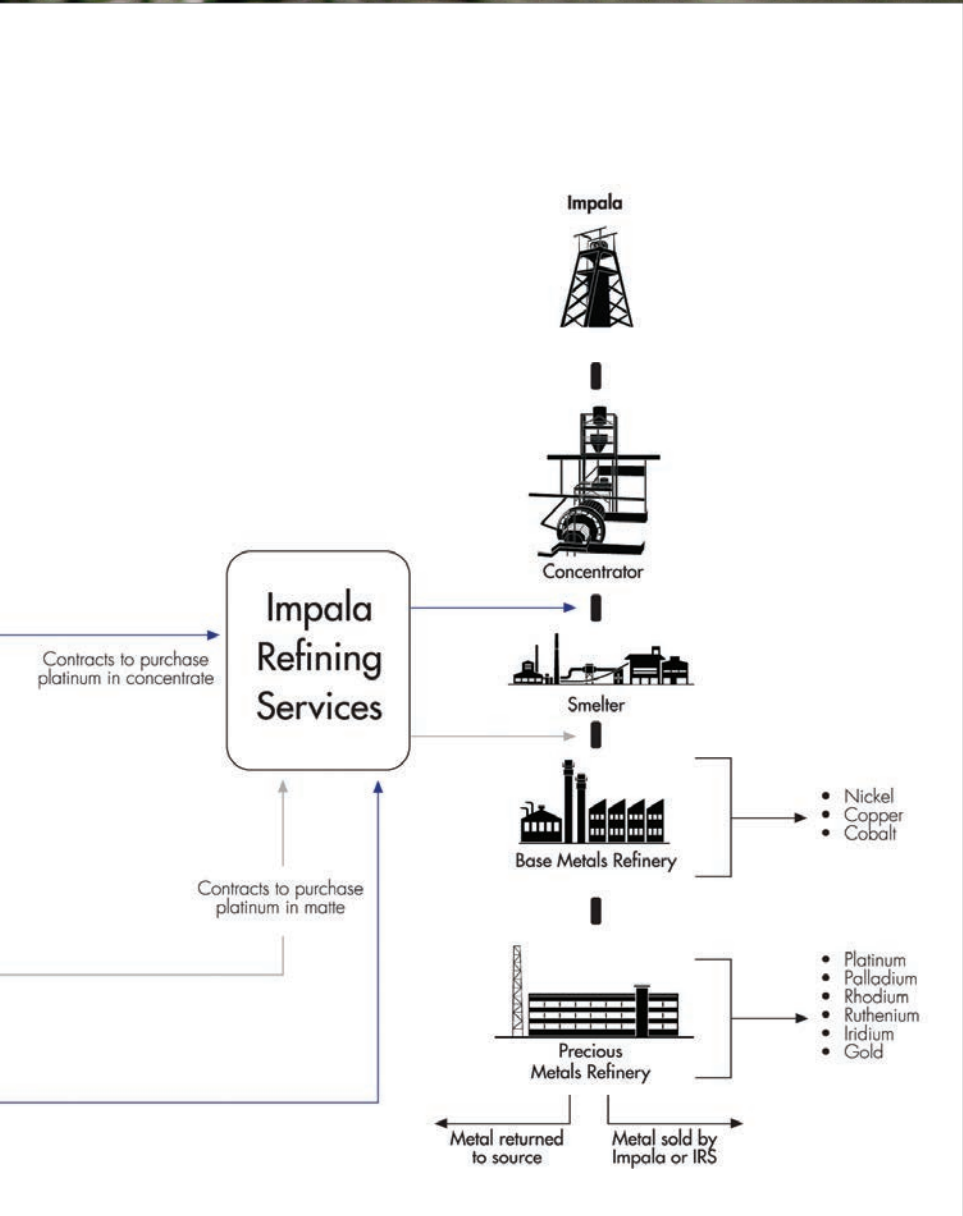


Concentrator



Smelter

Contracts to toll refine

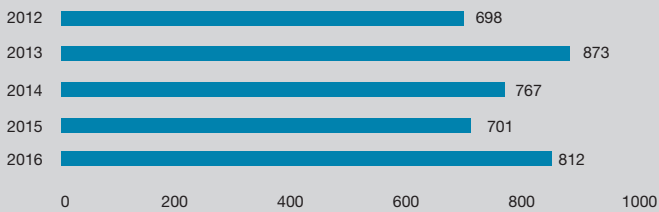


OUTLOOK

Access to spare smelting and refining capacity from Impala positions IRS well to process additional material from new customers. Opportunities in this regard are continuously evaluated and pursued if value-accretive for Implats.

IRS Platinum Production 000 oz	FY2016	FY2015	FY2014	FY2013	FY2012
Zimplats	251	216	226	180	185
Marula	77	71	77	71	63
Mimosa	117	113	103	97	100
Two Rivers	183	168	168	157	145
Mine-to-market operations	629	568	575	505	493
Third-party purchases, recycling and toll	183	133	192	368	205
Total	812	701	767	873	698

IRS production (000 oz)



IMPALA REFINING SERVICES – KEY STATISTICS

IMPALA REFINING SERVICES – KEY STATISTICS		FY2016	FY2015	FY2014	FY2013	FY2012
Refined production						
Platinum	(000 oz)	811.5	700.7	767.0	872.3	697.5
Palladium	(000 oz)	585.8	511.3	513.0	669.8	541.1
Rhodium	(000 oz)	104.0	94.7	107.3	118.4	111.1
Nickel	(t)	13 670	12 320	11 939	11 983	10 582
PGM refined production	(000 oz)	1 687.9	1 480.8	1 604.5	1 854.9	1 527.9
Metal returned						
Platinum	('000oz)	0.1	-	94.5	188.6	120.7
Palladium	('000oz)	1.5	0.5	28.2	190.0	147.5
Rhodium	('000oz)	-	-	9.0	35.5	24.8
Nickel	('000t)	3 509	3 344	3 186	3 193	3 093
Cost						
Cost of sales	(Rm)	(19 053)	(17 303)	(16 794)	(13 287)	(12 730)
Metals purchased	(Rm)	(18 989)	(15 840)	(16 665)	(12 926)	(12 147)
Smelting	(Rm)	(419)	(327)	(308)	(297)	(225)
Refining and marketing	(Rm)	(723)	(471)	(450)	(399)	(378)
Corporate cost	(Rm)	(74)	(34)	(31)	(37)	(37)
Increase/(decrease) in metal inventories	(Rm)	1 152	(631)	660	372	57
Financial ratios						
Gross margin	(%)	7.2	8.1	9.2	9.6	9.5
Total sales volumes						
Platinum	('000oz)	817.2	696.4	707.1	629.8	638.2
Palladium	('000oz)	575.3	493.9	527.1	460.5	468.3
Rhodium	('000oz)	104.7	90.6	94.4	82.5	94.1
Nickel	(t)	10 377	8 756	9 195	8 095	8 209
Prices achieved						
Platinum	(US\$/oz)	960	1 278	1 427	1 532	1 634
Palladium	(US\$/oz)	591	807	742	659	689
Rhodium	(US\$/oz)	708	1 145	982	1 099	1 549
Nickel	(US\$/t)	9 561	15 884	14 702	16 314	19 723
Exchange rate achieved	(R/US\$)	14.23	11.26	10.30	8.79	7.65



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