Makwiro Platinum Mines
Implats Analyst Visit
10th and 11th October 2002

Welcome and Introduction

Les Paton - Implats
BACKGROUND

- Acquired effective 41% stake in 2001
- Increased stake to 55% in August 2002
- Offtake agreement with Impala Refining Services

**Implats Group Structure**

- Implats
  - Mining operations
  - Impala Refining Services (IRS)
  - Concentrate offtake agreements
- Barplats
  - 83%
- Marula Platinum
  - 80%
- Implats Platinum
  - 100%

Strategic holdings & alliances:

- Lonplats: 27%
- Aquarius Platinum: 32%
- Two Rivers: 45%
- Zimplats (Makwiro): 50%
- ZCE Platinum (Mimosa): 56%
Makwiro Platinum Mine

Ngezi Mine
(Ngezi – Zimbabwe)

Selous
Metallurgical Complex
(Selous – Zimbabwe)

Mineral Processes
(Rustenburg – South Africa)

Refractories
(Springs – South Africa)

ore transported 77 kms by road trains

‘green’ matte transported by trucks

matte transported by trucks

PROJECT OVERVIEW

Makwiro Project
Mike Houston
THE PROJECT

Objectives
- Exploit shallow ore at Ngezi
- Process at Selous Metallurgical Complex (SMC) ex BHP facility

Resource
- 40Mt at a recoverable grade of 3.36gt 4E
- Shallow dipping ore body (4°)
- Mining depth - 20 to 50m
- 13:1 strip ratio

THE PROJECT

Mining operations
- Open cast mining
- 26Mtpa bulk waste
- 2.2Mtpa ore
- Crushed to <300mm
- Hauled to SMC
THE PROJECT

Metallurgical operations

- 93 000 tonnes concentrate at 84% recovery
- 3 200 tonnes matte at 99.4% recovery
- 202 000 ounces 4E
- Metal splits

<table>
<thead>
<tr>
<th>Metal</th>
<th>Quantity</th>
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<tbody>
<tr>
<td>Platinum</td>
<td>98 658 oz</td>
</tr>
<tr>
<td>Palladium</td>
<td>83 632 oz</td>
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<tr>
<td>Rhodium</td>
<td>7 992 oz</td>
</tr>
<tr>
<td>Gold</td>
<td>12 407 oz</td>
</tr>
<tr>
<td>Nickel</td>
<td>1 302 t</td>
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</tbody>
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THE PROJECT

Time frame

- Project duration 7 months
- Year 1 91% capacity
- Year 2 Full capacity
- Start date May 2001
THE PROJECT

- **Capital Expenditure**
  - Ngezi Mine: US$10m
  - Road: US$19m
  - SMC: US$5m
  - Total: US$34m

- **Funding**
  - Impala equity: US$30m
  - Absa loan: US$30m
  - Peak funding: US$54m

- **Shareholding**
  - Impala: 30%
  - Zimplats: 70%

THE OUTCOMES

- Commenced as per schedule
- 11 months to full commissioning
- Capital expenditure US$32m
- 77km road construction on time and budget
- First quarter sales 38 143oz 4E
- 75% of full capacity
THE OUTCOMES

Forecast for first full year to June 2003 versus first year feasibility and actual to September 2002

<table>
<thead>
<tr>
<th></th>
<th>Feasibility</th>
<th>Forecast</th>
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<tr>
<td>Ore milled t</td>
<td>2 002 000</td>
<td>2 086 000</td>
</tr>
<tr>
<td>Grade g/t</td>
<td>3.36</td>
<td>3.1</td>
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<tr>
<td>Concentrate t</td>
<td>85 000</td>
<td>87 631</td>
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<tr>
<td>Concentrator recoveries %</td>
<td>85</td>
<td>84</td>
</tr>
<tr>
<td>Matte t</td>
<td>2 790</td>
<td>3 109</td>
</tr>
<tr>
<td>Matte recoveries %</td>
<td>99.4</td>
<td>99.4</td>
</tr>
<tr>
<td>Metal 4E oz</td>
<td>184 447</td>
<td>173 750</td>
</tr>
<tr>
<td>Nickel t</td>
<td>1 185</td>
<td>1 453</td>
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</table>

THE OUTCOMES

- Sales are forecast to be $24m - 25% down on feasibility
  - Volume 5%
  - Prices 20%
- Operating costs ($ per tonne milled)

<table>
<thead>
<tr>
<th></th>
<th>Forecast 02/03</th>
<th>Actual to Sept</th>
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<tbody>
<tr>
<td>Mining</td>
<td>13</td>
<td>10.88</td>
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<tr>
<td>Haulage</td>
<td>2.18</td>
<td>2.23</td>
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<tr>
<td>Concentrator</td>
<td>5.79</td>
<td>3.52</td>
</tr>
<tr>
<td>Smelting</td>
<td>2.95</td>
<td>1.59</td>
</tr>
<tr>
<td>Total</td>
<td>23.92</td>
<td>18.22</td>
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</table>
CHALLENGES

- Equipment availability at the mine
- Grade control
- Commissioning SMC
- Retention / development of people
- AIDS
- Infrastructure / service sector support

OPPORTUNITIES

- SMC smelting capacity
- Underground mining at Ngezi
- Zimplats reserves
- Local manufacture of steel balls
## SAFETY, HEALTH AND ENVIRONMENT

- Risk analyses completed on all operations
- All employees inducted in SHE
- Internal and external audits
- Compliance with all local environmental legal requirements and those associated with an Australian-listed company
- Safety statistics
  - 7 lost time accidents to date
  - SMC - no lost time since November 2001
  - Ngezi - no lost time since May 2002

## SOCIO-POLITICAL SITUATION

- Chairman’s Committee allocates resources to local communities
  - Health
  - Education
  - Sport
- Self-help projects
- Some non-core activities outsourced to local businessmen
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