

Merrill Lynch One-on-one meetings

25 May 2004

Overview and strategy

Keith Rumble



Introducing Implats

Implats is in the business of mining, refining and marketing the platinum group metals and associated base metals

Implats has extensive operations on the two most significant PGM deposits in the world:

- the Bushveld Complex in South Africa and
 - the Great Dyke in Zimbabwe



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Share price performance

Share price performance relative to Morgan Stanley Emerging Market EMEA Index

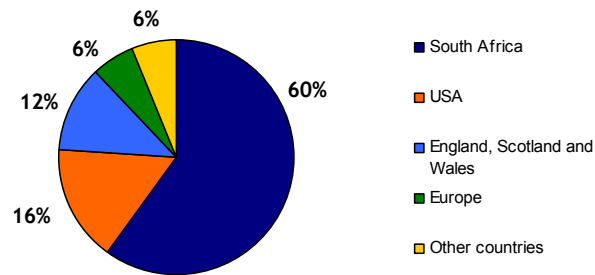


Source: UBS, Reuters, Datastream

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Analysis of shareholding

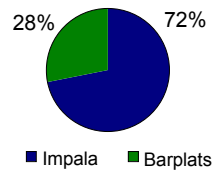
As at end March 2004:



40% held offshore (FY2002: 31%)

A multi-operation company

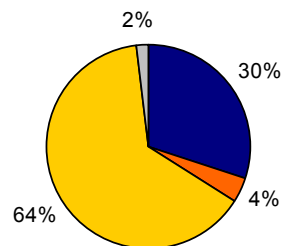
1999



■ Impala ■ Barplats

69 Moz Pt

2004

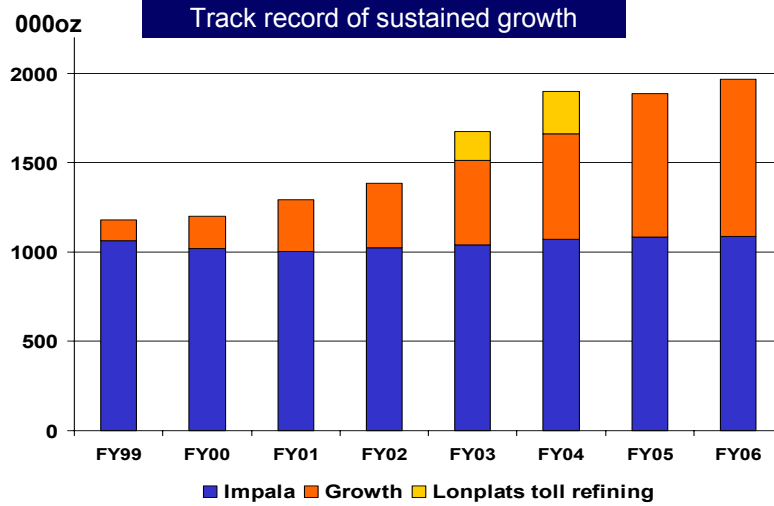


■ Impala ■ Marula ■ Zimplats ■ Mimosa

254 Moz Pt



Sustained production outlook



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Three-pronged strategy

▪ Mine-to-market



Impala



Marula



Mimosa



Zimplats

▪ Impala Refining Services



▪ Strategic alliances and investments

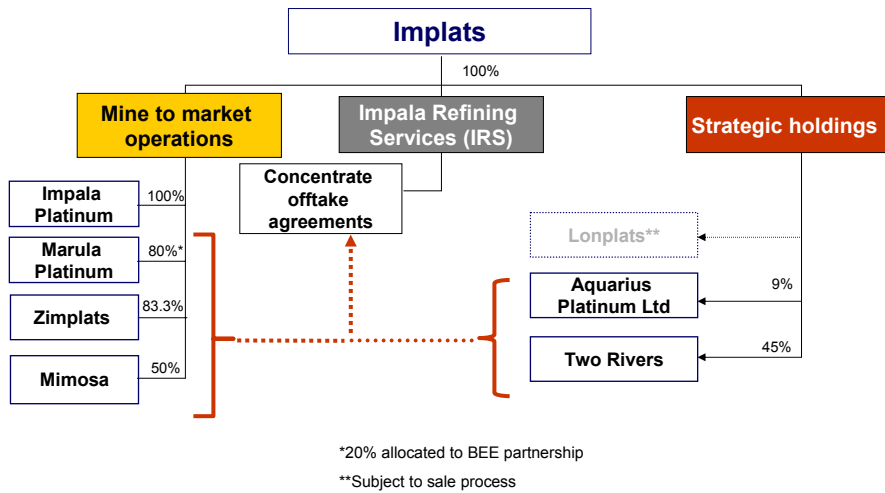


Aquarius



Two Rivers

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000oz	FY2004 First half	FY2003
Headline production	869	1 514
<i>Mine-to-market</i>	613	1 150
<i>Metal purchased</i>	145	192
<i>Metal returned</i>	111	172
Lonplats	206	159
Total	1 075	1 673



Metals produced

000oz	FY2004 First half	FY2003
Total PGMs	2 006	3 162
Platinum	*1 075	**1 673
Palladium	551	893
Rhodium	132	215
Nickel (tonnes)	8 055	14 700

* Includes 206 000 z of Western Platinum material – toll refined

** Includes 159 000oz of Western Platinum material – toll refined

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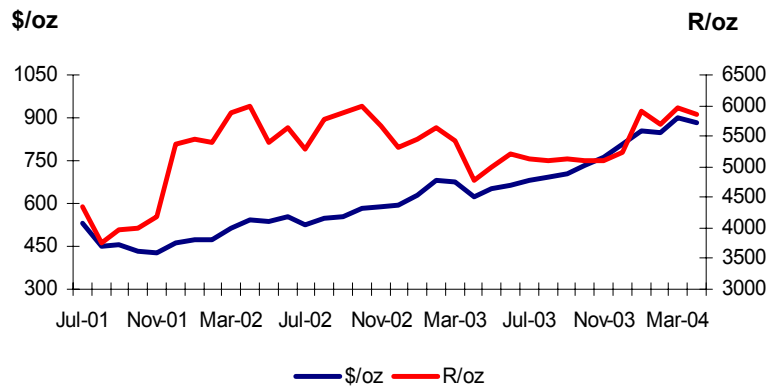
The market

Derek Engelbrecht and Bob Gilmour

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Platinum price



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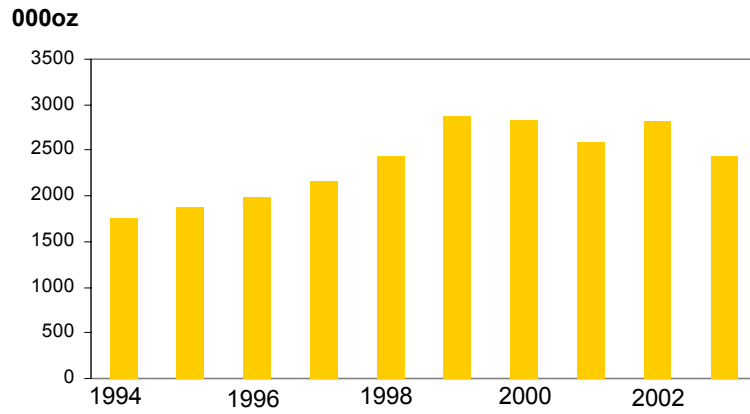
Platinum supply and demand

000 oz	2004*	2003	2002
Demand			
Automobile	2 615	2 730	2 615
Jewellery	2 120	2 525	2 845
Industrial/investment	1 680	1 610	1 670
Total demand	6 415	6 865	7 130
Total supply	6 775	6 560	6 615
Net deficit	360	(305)	(515)

* Forecast

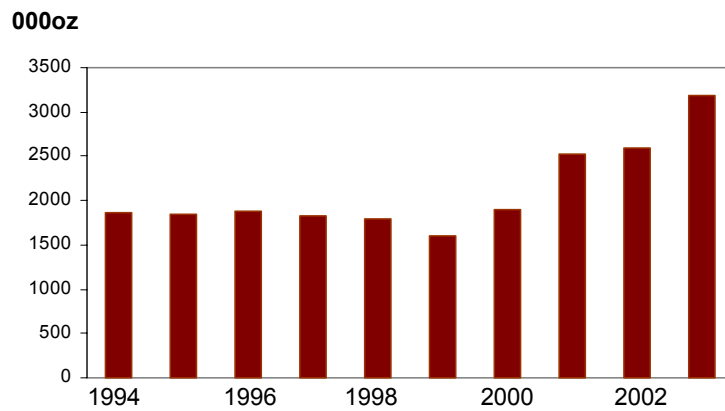
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Platinum jewellery demand



Source: Johnson Matthey, 2004

Platinum autocatalyst demand



Source: Johnson Matthey, 2004



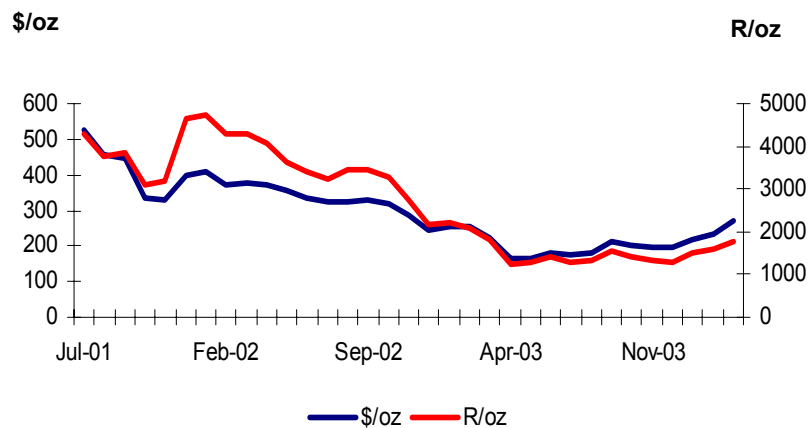
Overview – platinum market

- Price at a 24-year high in US dollars in early 2004
- High and volatile prices impact on jewellery market
- Tighter emission legislation and further growth in diesel vehicle sales have supported demand
- Growth in RoW vehicle sales becoming a factor
- Heightened profile for fuel cell activity

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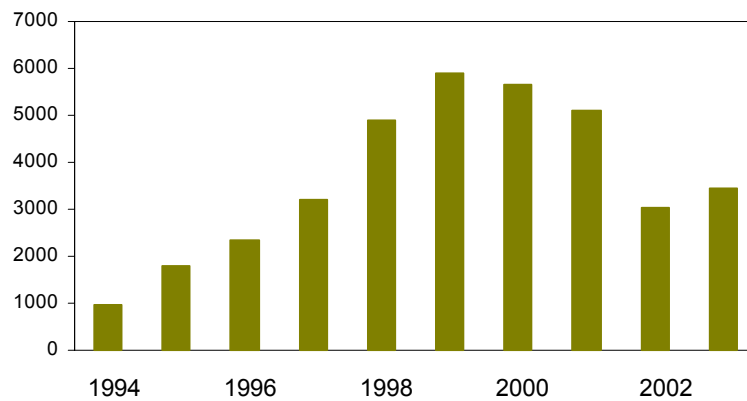


Palladium price



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Autocatalyst demand for palladium



Source: Johnson Matthey, 2004

Palladium supply and demand

000 oz	2004*	2003	2002
Demand			
Automobile	4 610	4 360	4 530
Electronics	755	800	980
Other	1 475	1 410	1 385
Total demand	6 840	6 570	6 895
Total supply	6 970	7 160	7 145
<i>Net deficit</i>	<i>135</i>	<i>590</i>	<i>250</i>

* Forecast

- Fundamentals not supportive of current price levels
 - High inventory levels
 - Anaemic demand
- Speculative activity behind recent price rally

Rhodium

- Drop in rhodium price reflects a market that is adequately supplied

Nickel

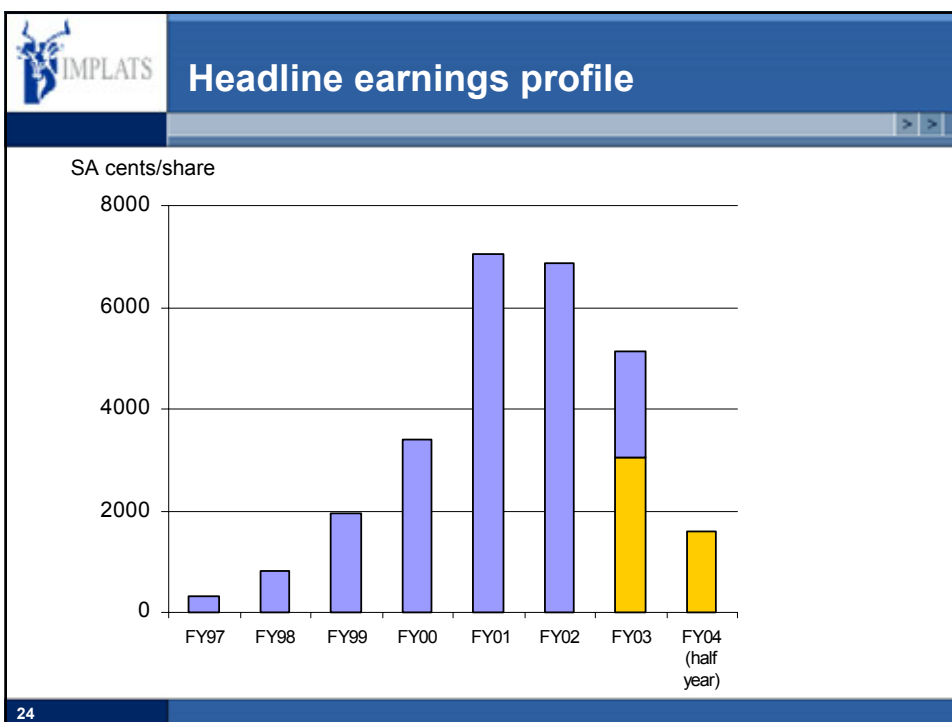
- Rapid growth in stainless steel production drives demand
- Lack of new capacity in tight market will keep pressure on prices in short to medium term

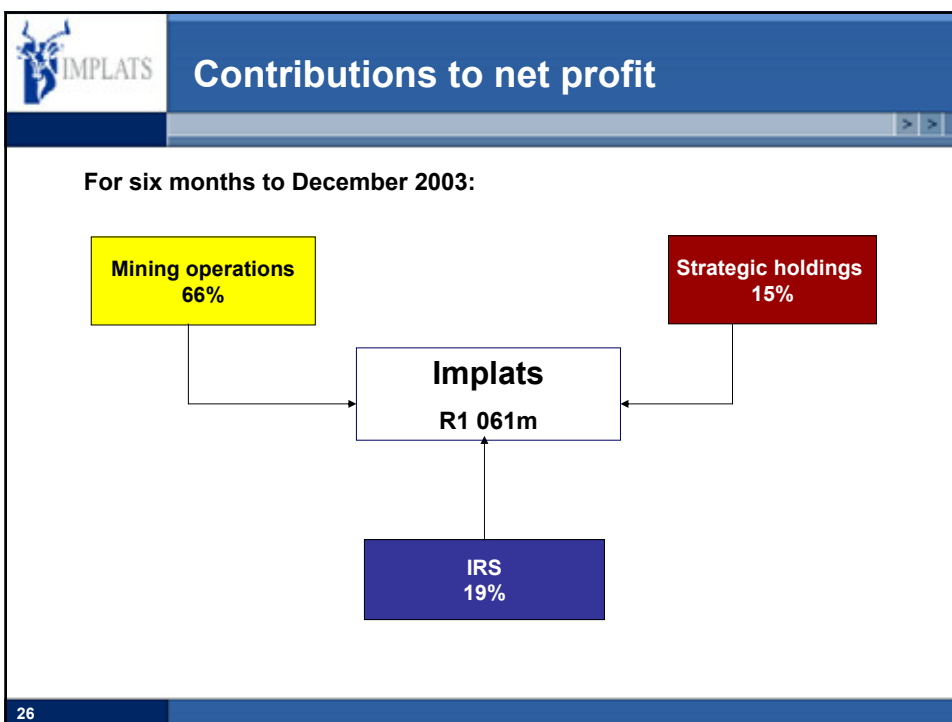
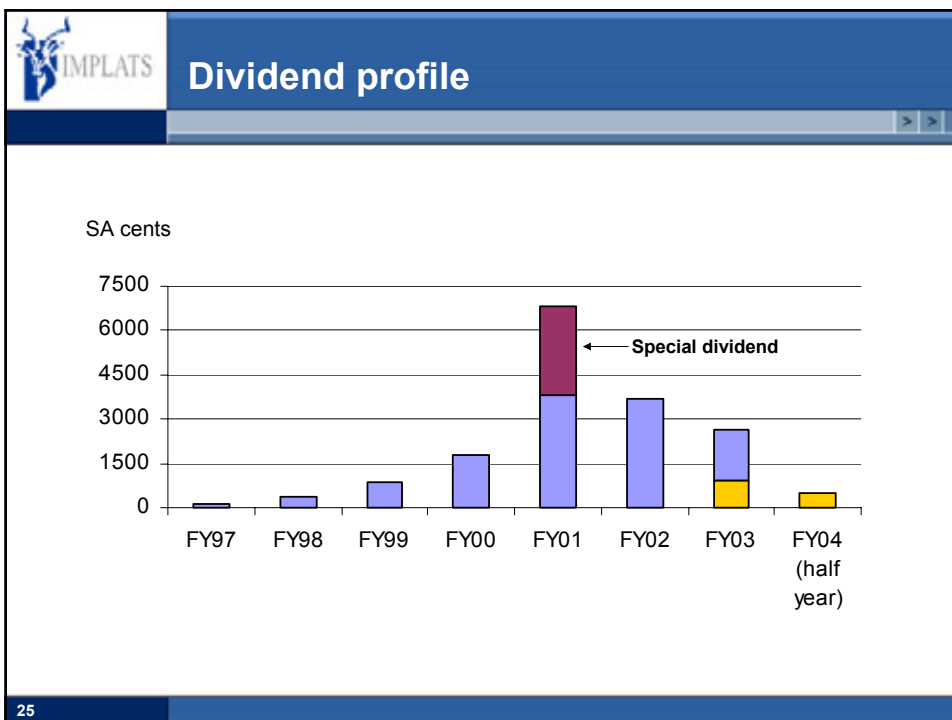
IMPLATS


Financial issues

David Brown


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 Key ratios and margins		
	FY2004 (Interim)	FY2003
Ratios		
Return on equity	22	37
Return on assets	17	30
Margins		
Gross	31	43
Impala lease area	35	50
IRS	22	17

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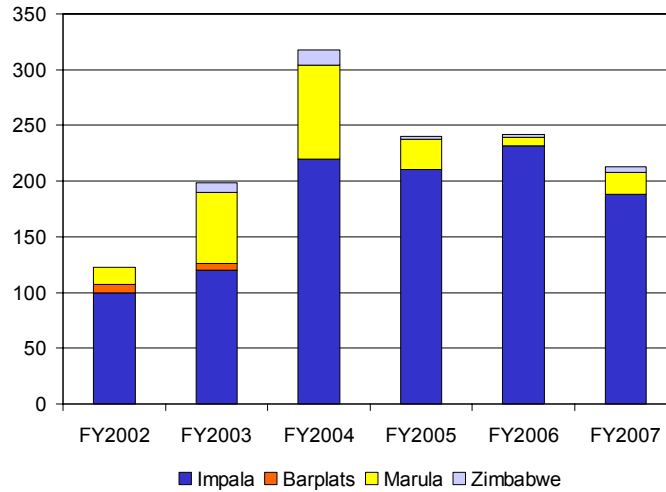
 Contribution to net profit				
R million	FY2004 (Interim)	%	FY2003	%
Impala Platinum	643	61	2 563	75
IRS	200	19	151	4
Barplats	(9)	(1)	(35)	(1)
Lonplats	150	14	646	19
Mimosa	75	7	11	-
Zimplats	(12)*	(1)	46	1
Aquarius	14	1	33	1
Implats	1 061	100	3 415	100

* Elimination of unearned profit

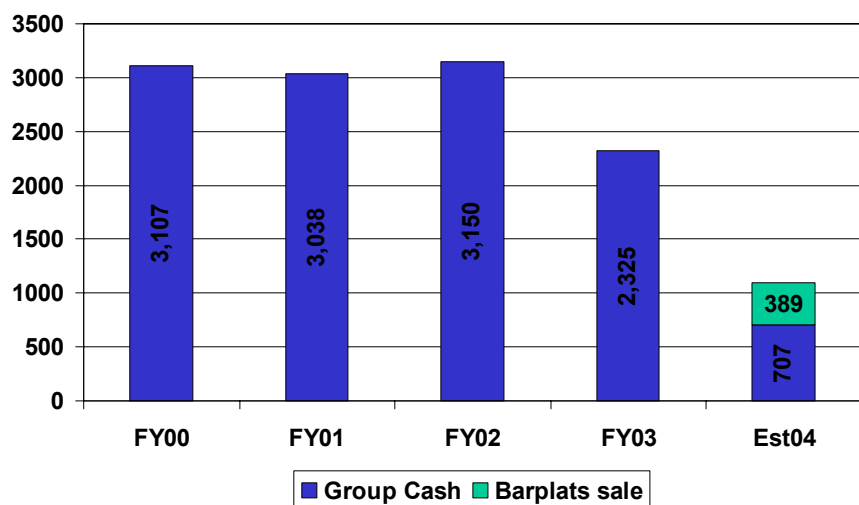
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Group capex*

\$m * This excludes any future expansions in Zimbabwe




Gross cash position





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Mining operations

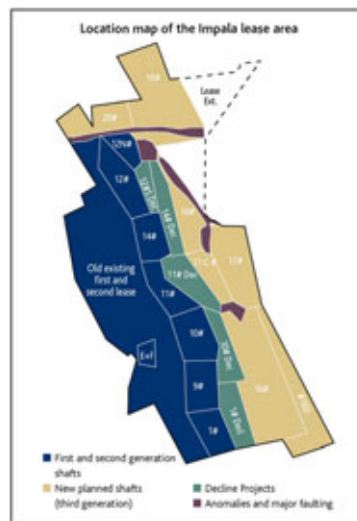
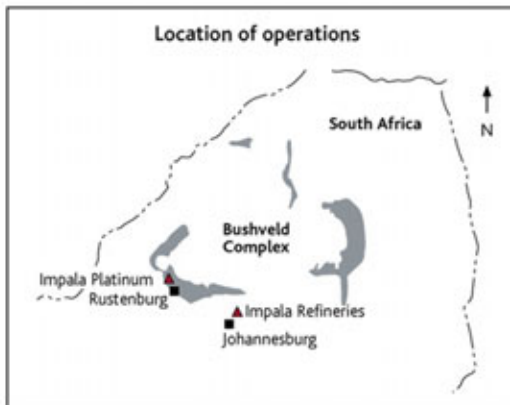


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Impala Platinum

Keith Rumble and Paul Visser

- Comprises mining operations on the Impala lease area, Mineral Processes and Refineries
- Includes 13 shaft systems and five declines
- 30-year plan to produce 1M to 1.1Moz of platinum annually
- Significant royalty agreement with RBN

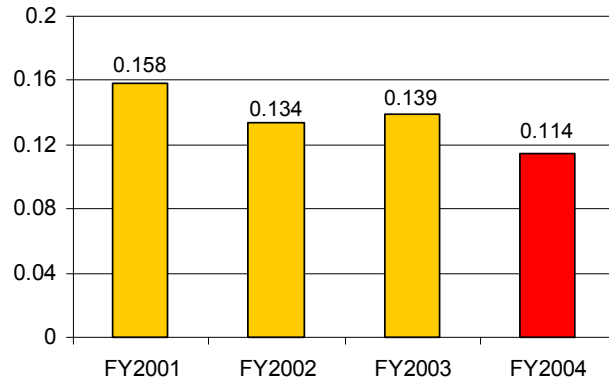




Implats – safety performance

Per million man hours

Implats - Fatal injury frequency rate*



* Re-stated to include Zimbabwe operations

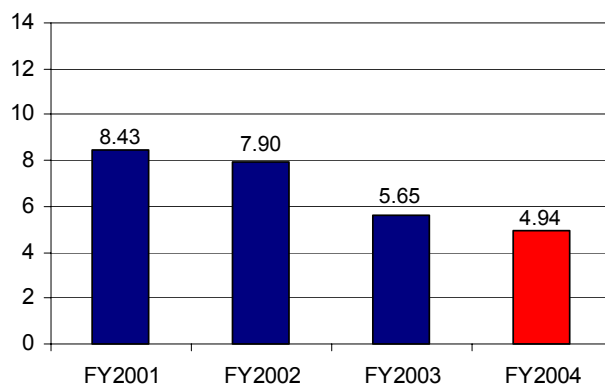
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Implats – safety performance

Per million man hours

Implats - Lost time injury frequency rate*

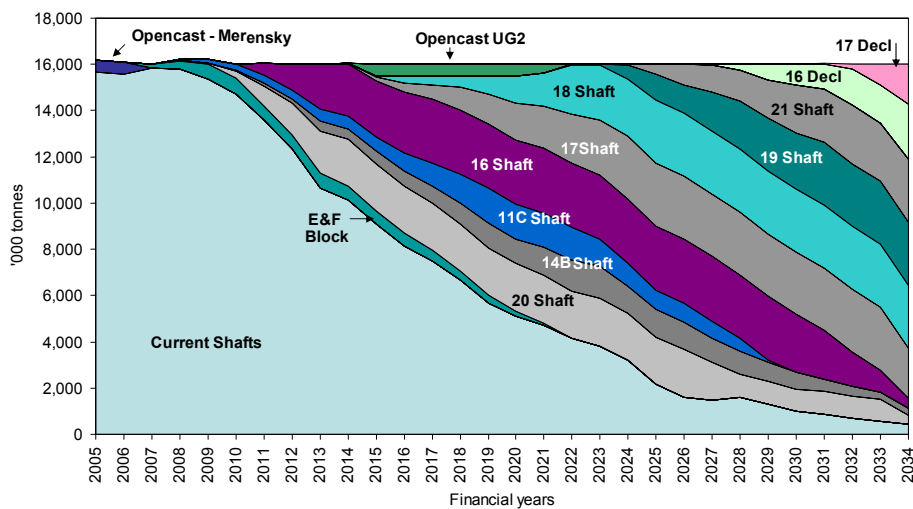


* Re-stated to include Zimbabwe operations

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Mining

- Plan in place to produce 1M – 1.1M oz of platinum annually for 30 years
 - Design and planning of new shafts to maintain output well underway
- Good progress with mechanised mining and opencast operations





Efficiencies

	FY2004 (Interim)	FY2003	FY2002
Impala employees	27 600	28 400	27 900
Impala panel efficiencies ca/man	41	41	40
Group tonnes per employee	51	46	47
Group Pt ounce/employee	4.7	4.4	4.1

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New technology

- Ultra-low profile machinery
- Narrow reef continuous mining machine



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- Nylon rock straps – trial at Shafts 10 and 4

Mineral Processes

- Concentrator capacity of 1.1M oz of platinum
- Smelter capacity of 2M oz

Refineries

- Current capacity of 1.65M oz – expansion to 2M oz of platinum underway



Impala Platinum

Planned capex (Rm)

	FY2003	FY2004	FY2005	FY2006
Rustenburg#	1 000	1 300	1 013	1 251
Refineries	79	252	458	378
Total	1 079	1 552	1 471	1 629

this includes mining operations and Mineral Processes (smelting and concentrating)

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Marula Platinum

Les Paton

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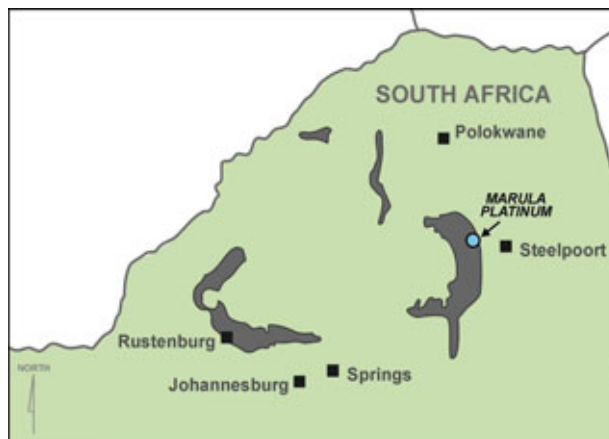
Marula Platinum

- Greenfields project on eastern limb of Bushveld Complex
- Property purchased in December 2000



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Location



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Marula Platinum

- Resources
 - UG2 48.6 million tonnes
 - Merensky 45.4 million tonnes
- BEE participation – 20%

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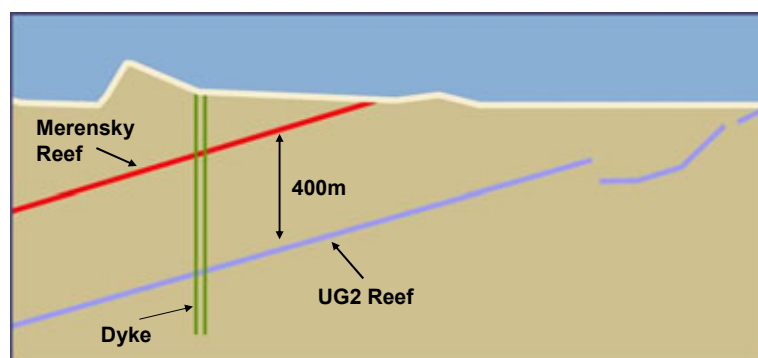
Original plan

- Phased approach
- Mine UG2 to depth of 600m
- Mechanised mining
- Two decline accesses
 - Clapham
 - Driekop
- Planned full production of 233 000 ROM tonnes per month (100 000 oz Pt per annum at steady state)
- Life-of-mine – 22 years (Phase 1)
- Designed on a modular basis to facilitate future expansion
- Capital cost of R1 360m

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- On-reef decline development behind schedule
- Commissioning of surface infrastructure complete
- 2004 – 10 000 Pt oz in concentrate
- Revised mining plan established
 - Entire UG2 orebody being considered
 - Production – 211 000 ROM tonnes per month 140 000 Pt oz
 - Life-of-mine – 25 years
- Evaluation of Merensky in progress

Generalised section of geology at Marula Platinum





Mineral processing

- Plant commissioned on time and within budget
- Overall metallurgical recovery set at 82% of ROM grades
- DMS plant being bypassed at present
- Final concentrate transported to Mineral Processes

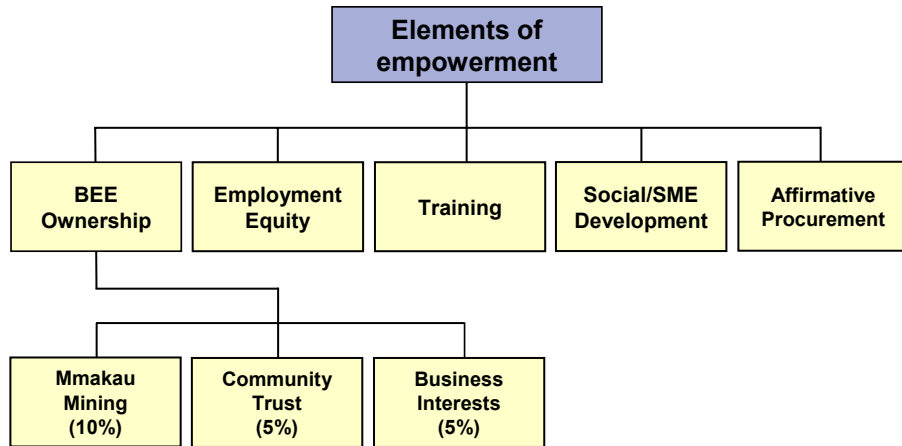
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Progress on site



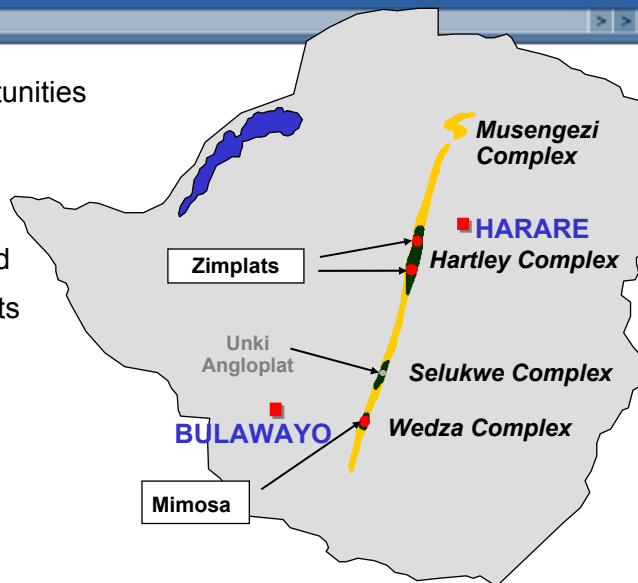
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Zimbabwe

- Working relationship with Government
- Able to import fuel and capital goods
- Exchange rate issues
- Minerals legislation
- Indigenization programme:
 - Zimplats
 - Mimoso

- Expansion opportunities in Zimbabwe
- Great Dyke one of last unexploited platinum prospects



Zimplats

Mike Houston and Rob Dey

Overview

- 83.3% stake
- Current production of 85 000oz Pt pa





Investment history

Makwiro	30%	R247 million	2001
Zimplats	15%	R66 million (Delta)	2001
	21%	R205 million (Delta)	August 2002
	15%	R142 million (Absa)	July 2003
	31%	R647 million (minorities)	Sept 2003
Total	83.3%	R1 060 million	
Grand total*		R1 307 million	

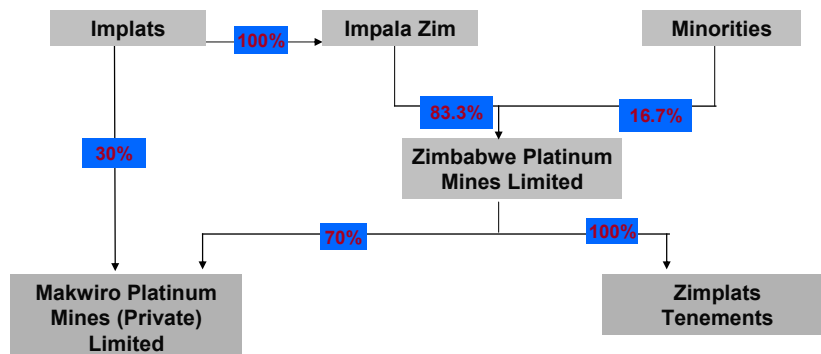
* Makwiro and Zimplats

Total resources: 161 million oz of platinum = R8/oz

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Structure



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Zimplats

- Zimplats comprises:
 - the Ngezi opencast operation
 - Selous Metallurgical Complex
 - Hartley Platinum Mine (formerly owned by BHP)
- Current production of 83 000oz Pt pa
- Underground trial mining taking place
- Significant expansion opportunities

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Expansion Phase 1

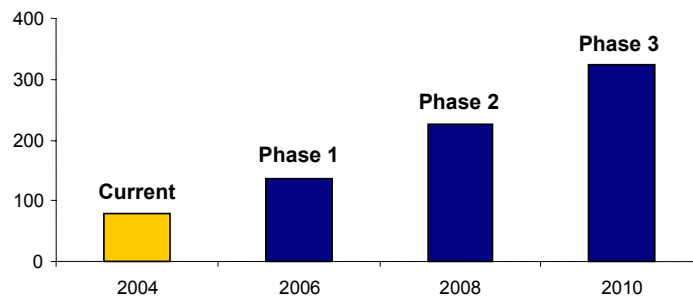
- Bankable feasibility study complete
- Aimed at exploiting Ngezi Ore Reserves by underground mining methods
- Alternative and optimal financing structures under review
- Interim funding for infrastructure approved
- Clarification on draft minerals bill required

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Zimplats

Potential Pt production (000oz)



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Photo gallery



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Mimosa Platinum

Les Paton and Peter Breese



Investment history (continued)

Mimosa	35%	R246 million (Zimasco)	August 2001
	15%	R130 million (Zimasco)	July 2002
Total	50%	R376 million	

Total resources: 11.8 million oz of platinum = R32/oz

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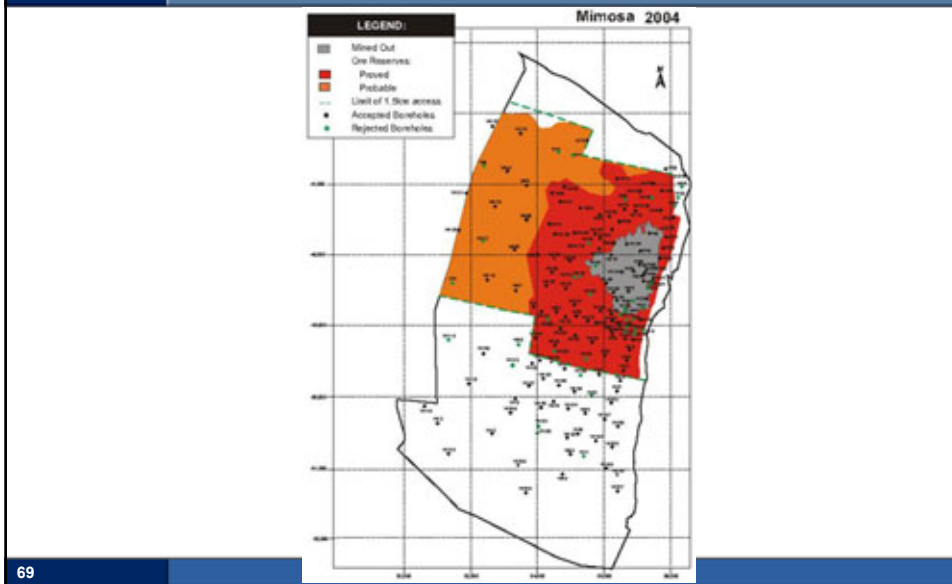


Mimosa Platinum

- Implats has a stake of 50%
- Current production of 65 000oz of Pt
- One of most efficient, lowest cost producers in the world



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Orebody	Category	Tonnes (M)	Grade (g/t)	PGM element	Ounces (M)
South Hill	Measured	32.41	4.07	4E	4.24
	Indicated	31.65	3.81	4E	3.87
	Inferred	18.17	3.95	4E	2.31
	Inferred (oxides)	7.19	3.81	4E	0.88
Total		89.42	3.93	4E	11.30
North Hill	Inferred	40.00	2.96	2E	3.81
Total		40.00	2.96	2E	3.81



Mimosa Platinum



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Expansion opportunities

- Modifications to current concentrator to increase throughput by up to 15 000 Pt oz (FY2006)
- Evaluation drilling underway south of current workings
- Feasibility study to potentially double production will begin post-drilling

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Impala Refining Services

David Brown and Chris McDowell

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IRS created in July 1998

- Key strategic thrust to:
 - Leverage surface assets and expertise
 - Reduce fixed unit costs (through economies of scale)
 - Seek growth through strategic alliances and joint ventures
- Dedicated vehicle to house toll-refining and metal concentrate purchases

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Key benefits

- Reduced exposure to mining risk
- Lower investment
- Exploitation of smaller deposits:
 - Economy of scale benefits
 - World class smelting operation
 - State-of-the-art Precious Metals Refinery

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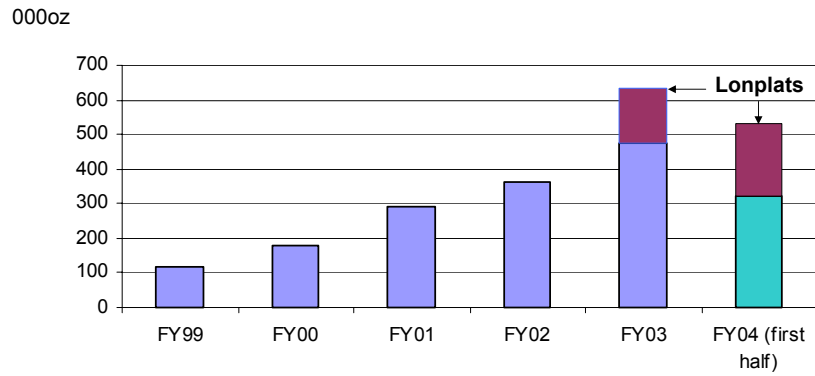
Typical products processed via IRS

- Flotation concentrates
 - Kroondal
 - Marula
 - Messina
 - Mimosa
- Smelter matte
 - Zimplats
- Autocatalyst materials
 - A1
- Base metal residues
 - Nickel intermediates
 - Cobalt intermediates
- Secondary materials

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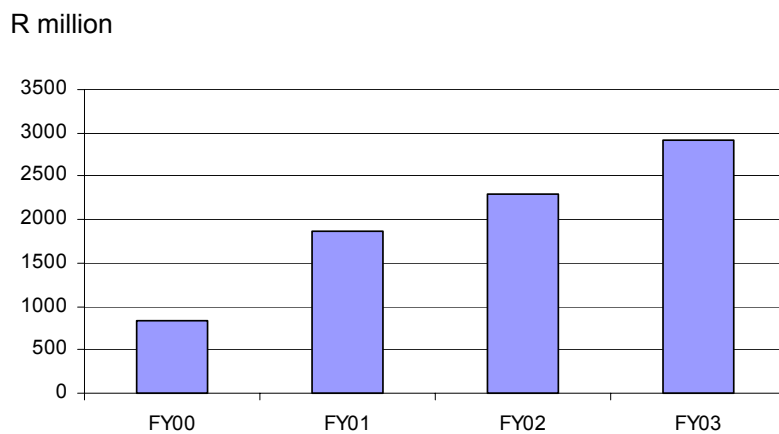
Growth in platinum production from IRS



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IRS revenue



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- Metal purchase agreements
 - Increases market share
 - IRS retains agreed proportion of metal value
 - Metal purchase after an agreed processing period
- Toll refining agreements
 - Refining
 - Smelting
 - Handling charge
 - Agreed percentage of metal returned after an agreed processing period
- Combination of both

- Zimplats
- Mimosa
- Marula Platinum
- Everest South
- Two Rivers




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Exploration

Les Paton

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Exploration

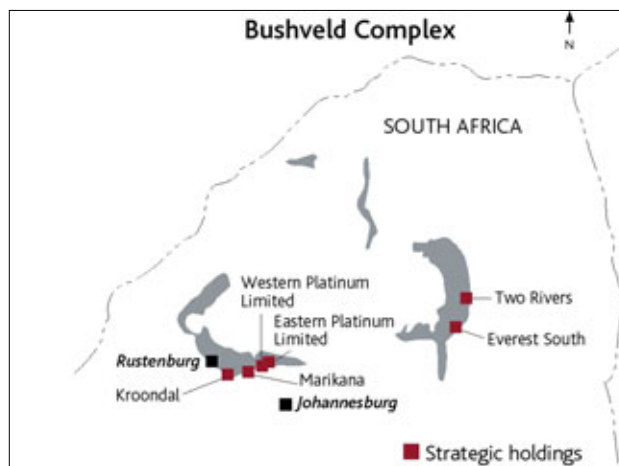
- South African Bushveld Complex
- North and South America, Australia and Brazil
 - Alliance with Falconbridge
 - Niquelandia
 - Catete
 - Franconia JV
- Zimbabwean Great Dyke

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Strategic holdings

David Brown, Les Paton and Cathie Markus

Location



- September 2003 – announced that Implats had entered into negotiations on sale of 27.15 stake in Lonplats
- May 2004 – progress report
 - Two tranches
 - 9% to HDSA investors for US\$240.1 m (R1.68 billion)
 - 18.1% to Lonmin for US\$554.1 m (R3.9 billion)
 - Implats and Lonmin to provide vendor financing package of US\$122 m (R840 m)

- DME support for transaction
 - Minister says transaction in line with requirements of new mining law
 - Compliance will be evaluated when conversion is applied for
 - DME has acknowledged that both parties will be allocated credits proportional to the percentages and ounces that have been sold to BEE parties.
- Effectively credits in Impala's hands of 8 to 9%
- No financial impact in FY04



Benefits for Implats shareholders

- Net purchase price of US\$794m – premium of 8% to market value at the time the announcement was made
- Credits applied to Impala
 - achieved at a discount of 1%
- Cash to flow back to shareholders
- Further simplification of structure

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Aquarius Platinum

- 9% in Aquarius Platinum Ltd and 25% in Aquarius Platinum (South Africa)
- Joint venture partner in Mimosa Platinum in Zimbabwe
- Aquarius operations/projects include:
 - Kroondal
 - Marikana
 - Everest South
- Total platinum production of 134 000 ounces in FY2004
- BEE deal entered into in AQP(SA)

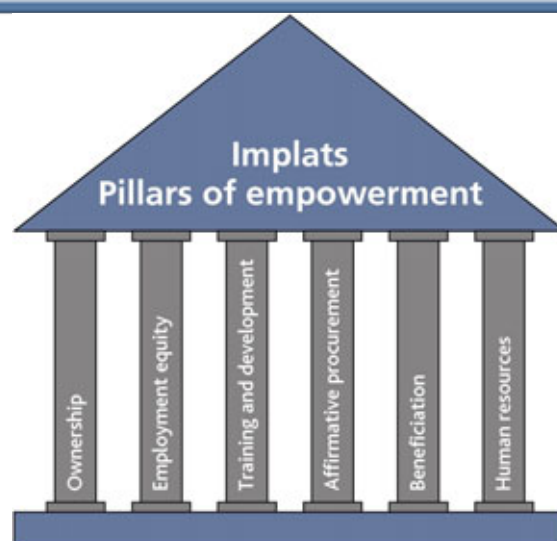
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- 45% stake with ARM (formerly Avmin) holding 55%
- Feasibility study completed
- Trial mining underway

BEE and transformation

Cathie Markus and Humphrey Oliphant

- A reality in doing business in Southern Africa
- Implats aims to:
 - Minimise costs to shareholders
 - Maximise opportunity
- South Africa
 - Minerals Act
 - Mining Charter and Scorecard
 - Royalty Bill
- Zimbabwe
 - Draft legislation





Equity ownership

Definition: 15% HDSA ownership in equity of attributable units of production within five years

- Implats (listed company)
 - RBN 1.5% of equity
- Impala
 - Lonmin deal – 9% of production
- Marula
 - 20% of project
- Two Rivers project
 - 12% of Implats' stake

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Training and development

Definition: Numeracy and literacy opportunities for all employees
Career paths for HDSA employees
Empowerment group mentoring system in place

- Skills development strategy in line with MQA
- ABET offered to all employees
- R126 million spent on skills development in FY03
- Mentorship programme in place

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Affirmative procurement

Definition: Preferred supplier status to HDSAs
Current level of HDSA procurement identified
Commitment to progress over three years

- HDSA preferred supplier status and affirmative procurement principles established in January 2002
- R400 million purchased from HDSA suppliers in FY2003
- Targets have been developed

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Beneficiation

Definition: Identify current level of beneficiation

- Platinum supplied for local autocatalyst manufacture
- Silplat initiative

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**Implats in
R320m joint
jewellery deal**

**R345-m platinum
factory opens**

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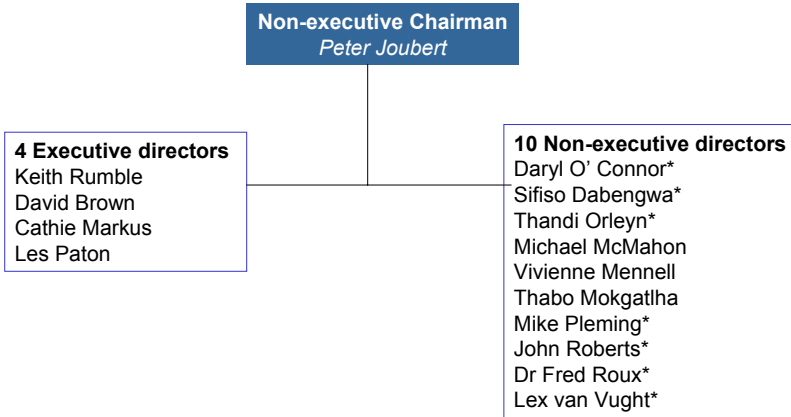
- Venture partners – Silmar of Italy, SA Link, Micofin and BAE-SAAB
- Implats' contribution
 - Direct equity stake of 17.5% for R14m
 - Platinum loan of 1 000kg over five years (equivalent to R17m)
 - Commercial lease rate paid on outstanding portion of loan
- Highly competitive venture aimed at export market
 - To generate about R650m in annual sales

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Definition: Non discrimination against migrant labour
Co-operating in formulating/implementing integrated development plans
Efforts to engage communities
Measures to improving housing conditions and nutrition of employees

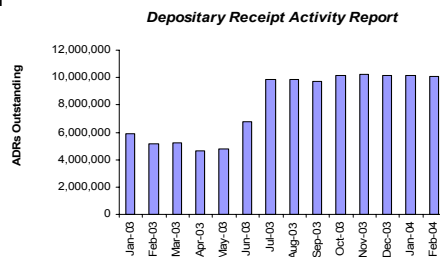
- Among others:
 - Social investment initiatives through the Impala Community Development Trust and other rural development agencies (TEBA)
 - R5m hostel upgrading


- To address transformation in an holistic manner
- Mandate to:
 - Address company's policies and procedures on racial and gender issues
 - Ensure correct balance between transformation and provision of skills
 - Ensuring compliance with legislative requirements and protocols
- Chaired by CEO, with two executive directors and one non-exec joining nine senior managers and a consultant



* Independent

- Level 1 sponsored ADR initiated in Jan 2003
- ADR split in Feb 2004 – now 4 ADRs:1 ordinary
- DRIP programme initiated
- Cost-benefit analysis of upgrading listing






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HIV/AIDS

Dr Jon Andrews

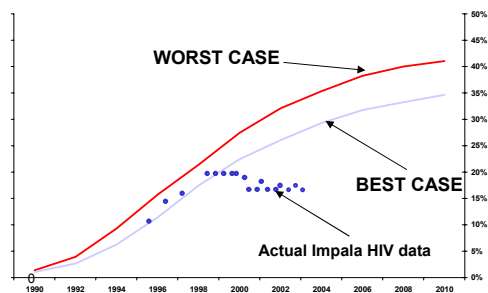


Implats/HIV AIDS policy

- Collaborative management with unions and medical services
- Policy provides for:
 - Joint planning and monitoring
 - HIV/AIDS
 - Anonymous statistical testing
 - Counselling, care and management of HIV/AIDS infected employees
 - Community outreach programmes
 - Private/public partnerships
- Provision of ART and Wellness programmes through Impala Medical Plan

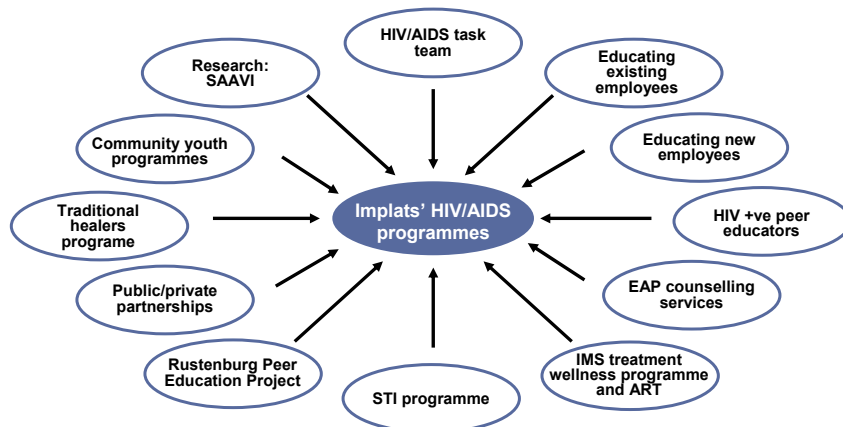
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- Full union co-operation
- De-linked pre-operative data
- Random anonymous surveys
- Indicates a levelling of infection levels below expectations and below reported industry levels

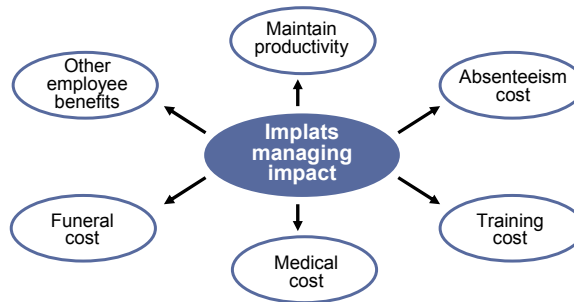


- Current employees at 100% level of awareness
- 70% of employees have changed their sexual behaviour (Markinor)
- **Prevalence levels have stabilised at 16%**

- Efforts are directed in two areas:
 - Preventing transmission among existing and particularly new employees
 - Managing the impact of HIV/AIDS on infected and the company
 - And since January 2003, the delivery of ART through Impala Medical Plan



- Positioned to limit impact of epidemic on operations
- Policies/procedures/benefits structured in line with paradigm of epidemic
- Independent formal review of effects of programmes, HR policies, employee benefits, manpower, training costs and initiatives to maintain productivity



	1999/2000	2000/01	2000/02	2002/03	Year-to-date 10/12
Known AIDS deaths	98	139	98	84	71
AIDS incapacitations	133	124	404	445	398
HIV +ive resignations	384	297	216	198	194

Merrill Lynch One-on-one meetings

25 May 2004