IMPALA PLATINUM HOLDINGS LIMITED
IMPALA RUSTENBURG STRATEGIC REVIEW
2 August 2018
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MARKETS AND INDUSTRY PERFORMANCE

Nico Muller, CEO
PGM sector remains under sustained pressure.

Platinum market oversupplied

Palladium market in deficit

Rhodium market balanced

Mine revenue basket lower than costs

Source: Implats, SFA (Oxford). Note: Industrial balances, costs and prices are calendar year and in nominal terms.
South African PGM sector is now ex-growth and in decline

Profitability of the four largest SA PGM producers (total NPAT)

Total capital invested by SA PGM producers (ZARm real: 2018)

Platinum industry mine closures that have impacted 2018 output

- Majority of SA platinum producers unprofitable in prevailing low price environment
- Capital expenditure has fallen significantly (from 30% of opex in 2008/09 to 10% since 2015)
- Resulted in mine closures (over 800koz platinum in 2018)

Source: Implats, Deloitte Technical Mining Advisory ongoing analysis – from public sources

<table>
<thead>
<tr>
<th>Western Limb</th>
<th>Eastern Limb</th>
<th>Northern Limb</th>
<th>Great Dyke</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pt koz estimate</td>
<td>Pt koz estimate</td>
<td>Pt koz estimate</td>
</tr>
<tr>
<td>2009 Rustenburg (Anglo)</td>
<td>140</td>
<td>2009 Lonmin Limpopo</td>
<td>60</td>
</tr>
<tr>
<td>2012 Marikana</td>
<td>90</td>
<td>2011 Blue Ridge</td>
<td>35</td>
</tr>
<tr>
<td>2013 Crocodile River</td>
<td>65</td>
<td>2012 Everest</td>
<td>35</td>
</tr>
<tr>
<td>2013 Union declines</td>
<td>60</td>
<td>2013 Smokey Hills</td>
<td>15</td>
</tr>
<tr>
<td>2015 Impala – 8#, 12#(mech.)</td>
<td>40</td>
<td>2016 Bokoni – Klipfontein O/C</td>
<td>5</td>
</tr>
<tr>
<td>2017 Lonmin – 1B, O/C, Newman</td>
<td>50</td>
<td>2017 Bokoni – all remaining shafts</td>
<td>145</td>
</tr>
<tr>
<td>2017 BRPM – South Shaft UG2</td>
<td>20</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017 Maseve (ramp-up)</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017 Lonmin – E2</td>
<td>15</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL CLOSED</strong></td>
<td><strong>520</strong></td>
<td><strong>TOTAL CLOSED</strong></td>
<td><strong>330</strong></td>
</tr>
</tbody>
</table>

Source: Implats and company reports

ZAR bn

Source: Implats, (NPAT: Net profit after tax)

ZAR m
Western Limb predominantly loss-making

- Relative contribution to revenue from non-platinum metals is lower than the other Limbs, while costs are significantly higher on the Western Limb.
- Western Limb costs have risen as a result of conventional mining at greater depths, leading to increased safety measures, reduced extraction rates and lower labour efficiency.

**Metal revenue and operating cost**

Source: Implats and company reports
IMPLATS GROUP

Nico Muller, CEO
Implats Group is well positioned and profitable, with the exception of Impala

**Implats Group**
- Production: 649k Pt oz sold
- Cash flow\(^1\): R35m

**Group Final Refined Production**
- 727k Pt oz

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**Impala Refinery**
- **Impala**: 272k Pt oz refined
- **IRS**: 455k Pt oz refined

**Mine-to-Market Production**
- **Impala**: 348k Pt oz in conc
  - Cash flow\(^1\): (R1 625m)

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**Zimplats**
- Production: 140k Pt oz in conc
  - Cash flow\(^1\): US$58m

**Mimosa**
- Production: 63k Pt oz in conc
  - Cash flow\(^1\): US$25m

**Two Rivers**
- Production: 83k Pt oz in conc
  - Cash flow\(^1\): R272m

**Marula**
- Production: 43k Pt oz in conc
  - Cash flow\(^1\): R36m

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**Toll material returned**: 104k Pt oz
**3rd party purchased**: 86k Pt oz

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1: Cash flow before financing and working capital as per Implats H1 FY2018
The Implats Group well placed with a repositioned Impala business unit

- The Group Mineral Resource portfolio is dominated by low-cost, shallow, mechanised ore bodies - Zimpats, Mimosa, Two Rivers and Waterberg Project
- Marula has effected a healthy operational and financial turnaround
- Repositioning Impala Rustenburg will enable the Group to sustainably deliver value over the long-term

### Industry cost position, schematic Mineral Resource size and depth

<table>
<thead>
<tr>
<th>Quartile</th>
<th>Mineral Resource</th>
<th>Depth Below Surface (meter)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st</td>
<td>Zimplats, Waterberg, Two Rivers</td>
<td>0 - 500</td>
</tr>
<tr>
<td>2nd</td>
<td>Mimosa, Marula</td>
<td>-500 - 1000</td>
</tr>
<tr>
<td>3rd</td>
<td>Impala Rustenburg</td>
<td>-1000 - 1500</td>
</tr>
<tr>
<td>4th</td>
<td>Afplats</td>
<td>-1500 - 2000</td>
</tr>
</tbody>
</table>

**Bubble size = Mineral Resource size (Moz 4E)**

**MINING METHOD**
- M: mechanised
- H: hybrid
- C: conventional

17 Shaft and Afplats placed on care-and-maintenance in 2017 and 2015 respectively

Mineral Resources all shown on a 100% basis
Marula:
- Effected operational and financial turnaround

Impala Rustenburg:
- Suspended operations at 4#
- Initiated harvesting at 1#, 9# and 12#
- Completed Rustenburg strategic review

Improving political environment
- Export levy deferred and reduced (15% to 5%, from January 2019)
- Converted SML into 2x ML (normalised tax regime)

Addressing pipe-line stocks and cash lock-up:
- Rescheduled furnace maintenance in FY2019/20
- Initiated further forward sales to free-up cash

Implemented targeted cost and capital savings at Impala:
- Reduced own employees (2,700 in FY2018)
- Identified further cost and capital savings in the strategic review

Will not support loss making production

Enhance shareholder returns from Zimbabwe

Prudent capital allocation and cash management

Improve organisational effectiveness

Significant progress made in advancing a value over volume strategy

Strategic Focus Areas

Be a responsible corporate citizen
- Much improved safety performance (2H2018)
- Stakeholder engagement in RSA:
  - Rustenburg restructuring
  - Revised Mining Charter
- Stakeholder engagement in Zimbabwe:
  - Indigenisation, investment and growth

Improve competitive position of portfolio
- Acquired interest in Waterberg:
  - Shallow
  - Low-cost
  - Mechanised
  - Palladium-rich

Enhance shareholder returns from Zimbabwe

Prudent capital allocation and cash management

Improve organisational effectiveness
- Strengthened leadership capacity
- Inculcating strong performance orientation
IMPALA RUSTENBURG STRATEGIC REVIEW
Mark Munroe, CE Rustenburg operations
Strategic review objectives

CREATE SUSTAINABLE INVESTMENT CASE
- Secure long term profitability in prevailing market conditions
- Optimise operations and execute structural change where required

ENSURE FINANCIAL EXECUTION CAPABILITY
- Utilise realistic price and exchange rate forecasts
- Ensure the Implats Group has sufficient liquidity and headroom to fully fund implementation of the strategic review

ENSURE TECHNICAL EXECUTION CAPABILITY
- Utilise realistic production parameters
- Consider downstream processing constraints and requirements
- Retain strategic optionality

BE SOCIALLY RESPONSIBLE
- Provide long-term, secure employment
- Mitigate job losses as far as possible
- Mitigate impact on host communities
- Ensure effective stakeholder engagement
Significant restructuring is required to safeguard Impala Rustenburg’s future

Four strategic options considered

**Cessation**
Total cessation of mining operations at Impala Rustenburg
- Significant social impact locally and provincially
- Medium-term detrimental impact on group processing capability
- ~40 000 job losses

**Optimisation**
Business in its current form with continual improvement
- Impact of optimisation insufficient to ensure a sustainable operation
- Unsustainable financial losses will prevail
- Impala Rustenburg at risk, with potential job losses ~40 000

**Commercial options**
Investigate value accretive commercial transactions, partnerships and synergies
- Opportunities, including outsourcing and sale options, are assessed and evaluated on a continual basis

**Restructuring**
Undertake a business restructuring process, removing unprofitable ounces
- Focused, agile, and profitable future state, enabling further continuous improvement
- Profitable within current price environment by FY2021
- Responsible implementation
- Safeguard future workforce ~27 000
**Optimisation initiatives are insufficient to achieve a sustainable future**

### Optimisation initiatives

<table>
<thead>
<tr>
<th>Completed actions</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operational excellence</strong></td>
<td><strong>Cost Reduction</strong></td>
</tr>
<tr>
<td>Productivity and safety improvement initiatives</td>
<td>R330 million achieved in FY2018</td>
</tr>
<tr>
<td><strong>Cost Reduction</strong></td>
<td><strong>Shaft optimisation and LOM extension</strong></td>
</tr>
<tr>
<td>Opex and Capex reduction initiatives</td>
<td>LOM extended by 5-6 years</td>
</tr>
<tr>
<td>6 Shaft: RBPlat agreement</td>
<td>14 Shaft UG2 decline stopped</td>
</tr>
<tr>
<td>Improved shaft economics</td>
<td>5% improvement in tonnes/TEC (^1)</td>
</tr>
<tr>
<td></td>
<td>1% higher grade</td>
</tr>
<tr>
<td></td>
<td>2% more platinum ounces</td>
</tr>
<tr>
<td></td>
<td>4% improvement in cost/ounce</td>
</tr>
<tr>
<td></td>
<td>Improved safety performance in H2 FY2018</td>
</tr>
</tbody>
</table>

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\(^1\) FY2018 estimate relative to FY2017

*Optimisation efforts alone will not realise profitability and restructuring and removal of unprofitable ounces is essential*
Delivering a profitable future state

**Current State FY2018¹**

- **Unprofitable operation**
  - 11 operational shafts ramping up to 750koz Pt
  - All-in cost: R29 016
  - Cost/Pt ounce (FY2018 terms): R2 767m
  - Employees: ~40 100

**Future State FY2021**

- **Profitable operation**
  - 6 operational shafts producing ~520koz Pt
  - All-in cost: <R24 500
  - Capital/annum (Real FY2018): R1 400m
  - Employees: ~27 000

**Current profitable shafts**

- 6#, EF#: Sustain profitability

**Future profitable shafts**

- 10#, 11#: Effect profitability through optimisation
- 16#, 20#: Effect profitability through ramp-up

**Unprofitable shafts**

- 1#, 12#, 14#: Optimise/harvest/exit

**Depleted shafts**

- 4#, 9#: Harvest/mine out/cease

¹ Estimate
The review process considered shaft economics, processing constraints, implementation and socio-economic considerations.

**Strategy Rationale**

- **Remove unprofitable ounces**
  - Reduced ounce profile to deliver sustainable operation

- **Shaft economics**
  - Considered profitability and Mineral Resource/Reserve size and quality

- **Processing efficiency**
  - Optimise processing requirements

- **Implementation**
  - Staged implementation seeks to mitigate socio-economic impacts and allows time for growth shaft ramp-up
Lower volume, more focused profitable future operation

Current State

Future State

Impala operations

Exit/ceased operations

17 Shaft on care-and-maintenance
Platinum profile reduced by 230koz

230koz reduction in long-term ounce profile

1 Shaft depleted (Q4 FY2019)
9 Shaft depleted (Q3 FY2020)
12 & 14 Shaft cease/exit (Q4 FY2020)

Unprofitable
Depleted
Profitable shafts
Ramp-up shaft

FY2019 FY2020 FY2021 FY2022 FY2023

Pt. oz (000)
Future state labour profile

Labour complement

<table>
<thead>
<tr>
<th>Year</th>
<th>Labour Complement</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2017</td>
<td>42,300</td>
</tr>
<tr>
<td>FY2018</td>
<td>40,100</td>
</tr>
<tr>
<td>FY2019</td>
<td>36,400</td>
</tr>
<tr>
<td>FY2020</td>
<td>27,000</td>
</tr>
<tr>
<td>FY2021</td>
<td>27,000</td>
</tr>
</tbody>
</table>

Key events

- **FY2018**: Labour optimisation - 2,200 employees exited
- **Q2 FY2019**: Labour optimisation - 1,500 employees exited
- **Q4 FY2019**: 1 Shaft ceases operation – 3,000 employees exited
- **Q3 FY2020**: 9 Shaft ceases operation – 1,800 employees exited
- **Q4 FY2020**: 12 and 14 Shafts cease/exit – 6,800 employees exited

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1 Labour complement as at 30 June
Lower unit costs improves competitive position

**Real unit cost per platinum ounce**

- Operating cost
- Restructuring cost

**Total cash cost plus SIB (net of by-product revenue) per platinum ounce, FY2018 (ZAR/oz) - including Cr revenue and IRS profits**


SFA (Oxford), Implats. FY2018 (ZAR/oz): Cash cost – 24 100, SIB – 3 200, By-product revenue (incl. IRS) – (13 500)

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1 Unit cost excludes capital
Real unit cost reduction achieved through a more efficient/focused portfolio

### Achieving unit cost reductions

<table>
<thead>
<tr>
<th>Action</th>
<th>Impact (R/Pt oz)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mining efficiencies</strong></td>
<td></td>
</tr>
<tr>
<td>Improved efficiencies through ceasing high cost, loss-making production</td>
<td></td>
</tr>
<tr>
<td>• Ramp-up of 16 and 20 Shafts</td>
<td>1 900</td>
</tr>
<tr>
<td>• 5% higher PGE mill grade</td>
<td></td>
</tr>
<tr>
<td>• 25% increase in Merensky ore split</td>
<td></td>
</tr>
<tr>
<td><strong>16 and 20 Shafts ramp-up</strong></td>
<td></td>
</tr>
<tr>
<td>Ramp up of new, more efficient, low-cost shafts, which will account</td>
<td></td>
</tr>
<tr>
<td>for ~60% of future production</td>
<td></td>
</tr>
<tr>
<td>• 16# and 20# production to increase by ~190% and ~85%</td>
<td>790</td>
</tr>
<tr>
<td>• 40% unit cost reduction</td>
<td></td>
</tr>
<tr>
<td><strong>Cost savings</strong></td>
<td></td>
</tr>
<tr>
<td>Further cost optimisation</td>
<td></td>
</tr>
<tr>
<td>• Terminating under-utilised infrastructure (fridge plants,</td>
<td>260</td>
</tr>
<tr>
<td>ventilation fans, etc.)</td>
<td></td>
</tr>
<tr>
<td>• Standardising and re-tendering a range of services and material</td>
<td></td>
</tr>
<tr>
<td><strong>Overheads</strong></td>
<td></td>
</tr>
<tr>
<td>Aligning overheads to smaller operational footprint</td>
<td></td>
</tr>
<tr>
<td>• Fit for purpose operating model</td>
<td>100</td>
</tr>
<tr>
<td>• Concentrating and outsourcing non-core service functions</td>
<td></td>
</tr>
<tr>
<td>• Rationalising and standardising training and technical services</td>
<td></td>
</tr>
<tr>
<td><strong>Processing</strong></td>
<td></td>
</tr>
<tr>
<td>Processing units stopped to align with reduced shaft output</td>
<td></td>
</tr>
<tr>
<td>• Stopping less efficient MF2 plant (3 milling circuits)</td>
<td>50</td>
</tr>
<tr>
<td>• Implementing 2 furnace operation from FY2021</td>
<td></td>
</tr>
</tbody>
</table>

### Real unit cost per platinum ounce

<table>
<thead>
<tr>
<th>Year</th>
<th>Mining efficiencies</th>
<th>16 &amp; 20 ramp-up</th>
<th>Cost-saving</th>
<th>Processing</th>
<th>FY2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2017</td>
<td>25 100</td>
<td>1 900</td>
<td>790</td>
<td>260</td>
<td>100</td>
</tr>
<tr>
<td>FY2021</td>
<td>22 000</td>
<td>1 900</td>
<td>790</td>
<td>260</td>
<td>100</td>
</tr>
</tbody>
</table>

1 Unit cost excludes capital and restructuring costs

All measurements over the period FY2017 to FY2021
Significant capital reduction supports profitability improvement

**Stay in Business Capital (real, FY2018 terms)**

- **FY2017**: R2,800/Pt oz
- **FY2018**: R2,000/Pt oz
- **FY2019**: R2,000/Pt oz
- **FY2020**: R2,000/Pt oz
- **FY2021**: R2,000/Pt oz

Reduced infrastructure and development requirement to sustain new production base

**Replacement Capital (real, FY2018 terms)**

- **FY2017**: R1,100/Pt oz
- **FY2018**: R1,500/Pt oz
- **FY2019**: R1,000/Pt oz
- **FY2020**: R500/Pt oz
- **FY2021**: R500/Pt oz

16 & 20 Shaft replacement capital complete in FY2023
<table>
<thead>
<tr>
<th>Key focus areas of implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stakeholder Engagement</td>
</tr>
<tr>
<td>Operational Performance</td>
</tr>
<tr>
<td>Employees</td>
</tr>
<tr>
<td>Communities</td>
</tr>
<tr>
<td>Commercial considerations</td>
</tr>
</tbody>
</table>
GROUP FINANCIAL IMPACT

Ben Jager, Acting CFO
### Implats balance sheet progression

<table>
<thead>
<tr>
<th>Rm</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Other Group assets</td>
<td>69 159</td>
<td>71 062</td>
<td>70 110</td>
<td>74 570</td>
<td>62 210</td>
<td></td>
</tr>
<tr>
<td>2. PPE additions – IMPALA</td>
<td>6 219</td>
<td>4 500</td>
<td>4 508</td>
<td>3 658</td>
<td>3 432</td>
<td>22 317</td>
</tr>
<tr>
<td>3.</td>
<td>75 378</td>
<td>75 562</td>
<td>74 618</td>
<td>78 228</td>
<td>65 642</td>
<td></td>
</tr>
<tr>
<td>4. Group Cash balance</td>
<td>457</td>
<td>4 305</td>
<td>2 597</td>
<td>2 888</td>
<td>6 154</td>
<td></td>
</tr>
<tr>
<td>5. Cash injections (Equity / Bonds)</td>
<td>4 467</td>
<td>0</td>
<td>0</td>
<td>3 900</td>
<td>1 685</td>
<td>10 052</td>
</tr>
<tr>
<td>6. Total cash balance</td>
<td>4 924</td>
<td>4 305</td>
<td>2 597</td>
<td>6 788</td>
<td>7 839</td>
<td></td>
</tr>
<tr>
<td>7. <strong>Total assets</strong></td>
<td>80 302</td>
<td>79 867</td>
<td>77 215</td>
<td>85 016</td>
<td>73 481</td>
<td></td>
</tr>
<tr>
<td><strong>Equity and liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Impala profit/(loss)</td>
<td>1 707</td>
<td>(1 418)</td>
<td>(908)</td>
<td>(1 439)</td>
<td>(2 553)</td>
<td>(4 611)</td>
</tr>
<tr>
<td>9. Impala impairments</td>
<td>0</td>
<td>0</td>
<td>(2 068)</td>
<td>0</td>
<td>(7 307)</td>
<td>(9 375)</td>
</tr>
<tr>
<td>10. Other Group equity</td>
<td>434</td>
<td>1 719</td>
<td>1 110</td>
<td>7 533</td>
<td>636</td>
<td></td>
</tr>
<tr>
<td>11. <strong>Total equity</strong></td>
<td>54 616</td>
<td>54 917</td>
<td>52 362</td>
<td>58 456</td>
<td>49 232</td>
<td></td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. Borrowings</td>
<td>3 311</td>
<td>3 377</td>
<td>3 264</td>
<td>3 856</td>
<td>3 653</td>
<td></td>
</tr>
<tr>
<td>14. Bonds</td>
<td>4 168</td>
<td>4 410</td>
<td>4 812</td>
<td>5 423</td>
<td>6 992</td>
<td></td>
</tr>
<tr>
<td>15. Other</td>
<td>18 207</td>
<td>17 163</td>
<td>16 777</td>
<td>17 281</td>
<td>13 604</td>
<td></td>
</tr>
<tr>
<td>16. <strong>Total liabilities</strong></td>
<td>25 686</td>
<td>24 950</td>
<td>24 853</td>
<td>26 560</td>
<td>24 249</td>
<td></td>
</tr>
<tr>
<td>17. <strong>Total equity and liabilities</strong></td>
<td>80 302</td>
<td>79 867</td>
<td>77 215</td>
<td>85 016</td>
<td>73 481</td>
<td></td>
</tr>
</tbody>
</table>

- Implats balance sheet liquidity has weakened over time
  - Continued losses at Impala Rustenburg driven by weak PGM prices, increasing operating costs and declining productivity
  - Capital investment programme has continued throughout this time

- Insufficient cash flow generated at Impala Rustenburg to fund ongoing losses
  - Rest of the Group has been subsidizing Impala

- External sources of funding have been required to supplement the cash position
  - Funding raised through a combination of equity (equity issue of R4 billion in September 2015) and convertible bonds (R4.5 billion in 2013 and additional R1.7 billion cash in 2017)
FY2018 Group cash position

- Significant reduction in cash balance from FY2017 to FY2018 as a result of two key issues:
  - Change in stock includes build-up to R3.8 billion excess pipeline stock following furnace stoppages
  - Ongoing operating losses at Rustenburg

- Once-off costs will not impact business going forward
  - 2013 convertible bond repayment and Waterberg acquisition

- Excess pipeline stock of R3.8 billion can be monetised

- Ongoing cash losses at Rustenburg is an embedded issue
  - Current operating model is not sustainable in low price environment

1 Impala includes R525m in exit costs
Funding objectives

- Fully funded Group to support the implementation and execution of the strategic review
  - Covenants remain in place and sufficient headroom to fund the review plan
  - Able to fund restructuring costs and anticipated losses at Impala Rustenburg

- Flexibility to absorb potential macro changes and operational disruptions
Funding plan supports the implementation of the strategic review

1. Forward sale
   - Forward sale of ~R2 billion of excess pipeline from FY2020
     - No impact on contract sales
     - 6 month contract – to be rolled over at Implats request
   - No security required

2. Revolving credit facilities
   - Lender group supportive of strategic review plan
   - Facilities remain in place to FY2021
   - RCF unutilised in FY2019 and ~R3 billion available in FY2020

3. Group cash
   - Positive cash balance in FY2018 and FY2019
   - Operating cash flow from other Group operations
Review plan: Funding and cash flow implications

- Plan is fully funded over the two year implementation period:
  - Proceeds from monetising the build-up of the pipe
  - Existing debt facilities
  - Group cash

- Flexibility and headroom maintained to address macro changes and operational disruptions

<table>
<thead>
<tr>
<th>Rbn</th>
<th>FY2019</th>
<th>FY2020</th>
<th>FY2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Convertible Bond</td>
<td>(5.0)</td>
<td>(5.5)</td>
<td>(5.8)</td>
</tr>
<tr>
<td>Marula BEE loan</td>
<td>(0.9)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Zimplats</td>
<td>(1.2)</td>
<td>(1.1)</td>
<td>-</td>
</tr>
<tr>
<td>Total Group Debt</td>
<td>(7.2)</td>
<td>(6.6)</td>
<td>(5.8)</td>
</tr>
</tbody>
</table>

Covenants: ✓ ✓ ✓
Headroom: ✓ ✓ ✓

Illustrative cash flow profile

Implats is funded over the Review period and moves into a positive cash flow position by 2021

**GROUP SUMMARY**

- Strategic review fully funded by existing facilities, forward sale proceeds and Group cash
- Debt obligations during review implementation fully provided for
- Convertible bonds are long-dated and due post review implementation
- Continuous review to ensure efficient and effective capital structure

**FUTURE IMPLATS POSITION**

- Review implementation greatly enhances Impala’s future prospects
  - Cash generative from FY2021
  - Improved resilience and ability to withstand low price environment
- Reduced burden on the Group balance sheet going forward
- Group operations remain highly attractive with strong operating and financial upside
CONCLUSION

Nico Muller, CEO
The review repositions Impala Rustenburg to deliver sustainable value and creates a strong long-term investment case

- Non-profitable ounces removed
- Increased operating flexibility and higher efficiencies
- Lower cost, cash generative and profitable
- Sustains jobs of 27,000 employees
- Staged implementation mitigates socio-economic impacts and allows time for growth shaft ramp-up

Impala remains an important asset within the Group and will support the Group strategy as it repositions the portfolio and moves to low-cost, shallow, mechanised ore bodies

- Funding structure provides a strong balance sheet to support future Group expansion opportunities
## Summary of outcomes - Impala

<table>
<thead>
<tr>
<th></th>
<th>FY2017</th>
<th>FY2018 est</th>
<th>FY2019 est</th>
<th>FY2020 est</th>
<th>FY2021 est</th>
<th>Long-term est</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number of shafts</strong></td>
<td>No</td>
<td>12</td>
<td>11</td>
<td>10</td>
<td>8</td>
<td>6</td>
</tr>
<tr>
<td><strong>Tonnes milled</strong></td>
<td>kt</td>
<td>10.1</td>
<td>10.9</td>
<td>11.3</td>
<td>10.7</td>
<td>8.1</td>
</tr>
<tr>
<td><strong>Ore split (Merensky)</strong></td>
<td>%</td>
<td>40</td>
<td>42</td>
<td>43</td>
<td>45</td>
<td>50</td>
</tr>
<tr>
<td><strong>Headgrade 6E</strong></td>
<td>g/t</td>
<td>4.06</td>
<td>4.09</td>
<td>4.10</td>
<td>4.15</td>
<td>4.25</td>
</tr>
<tr>
<td><strong>Stock adjusted Pt refined</strong></td>
<td>000oz</td>
<td>646</td>
<td>658</td>
<td>680</td>
<td>660</td>
<td>520</td>
</tr>
<tr>
<td><strong>Unit cost</strong></td>
<td>R/Pt oz</td>
<td>25 100</td>
<td>24 015</td>
<td>&lt;23 800</td>
<td>&lt;23 000</td>
<td>&lt;22 000</td>
</tr>
<tr>
<td><strong>SIB capital</strong></td>
<td>R/ Pt oz</td>
<td>2 800</td>
<td>2 960</td>
<td>&lt;2 400</td>
<td>&lt;2 400</td>
<td>&lt;2 000</td>
</tr>
<tr>
<td><strong>Replacement Capital</strong></td>
<td>Rm</td>
<td>707</td>
<td>818</td>
<td>550</td>
<td>260</td>
<td>260</td>
</tr>
<tr>
<td><strong>Restructuring cost</strong></td>
<td>Rm</td>
<td>-</td>
<td>525</td>
<td>500</td>
<td>1 600</td>
<td>-</td>
</tr>
<tr>
<td><strong>All-in unit cost</strong></td>
<td>R/Pt oz</td>
<td>29 000</td>
<td>29 017</td>
<td>&lt;28 000</td>
<td>&lt;28 300</td>
<td>&lt;24 500</td>
</tr>
<tr>
<td><strong>Employees</strong></td>
<td>No</td>
<td>32 235</td>
<td>29 529 ^2</td>
<td>≈28 200 ^3</td>
<td>≈27 000 ^4</td>
<td>≈20 500</td>
</tr>
<tr>
<td><strong>Contractors</strong></td>
<td>No</td>
<td>10 018</td>
<td>10 550 ^2</td>
<td>≈11 600 ^3</td>
<td>≈7 700 ^4</td>
<td>≈6 500</td>
</tr>
</tbody>
</table>

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1 Cost in FY2018 real terms excluding restructuring cost  
2 Cost in FY2018 real terms  
3 As at 30 December 2018  
4 As at 30 December 2019