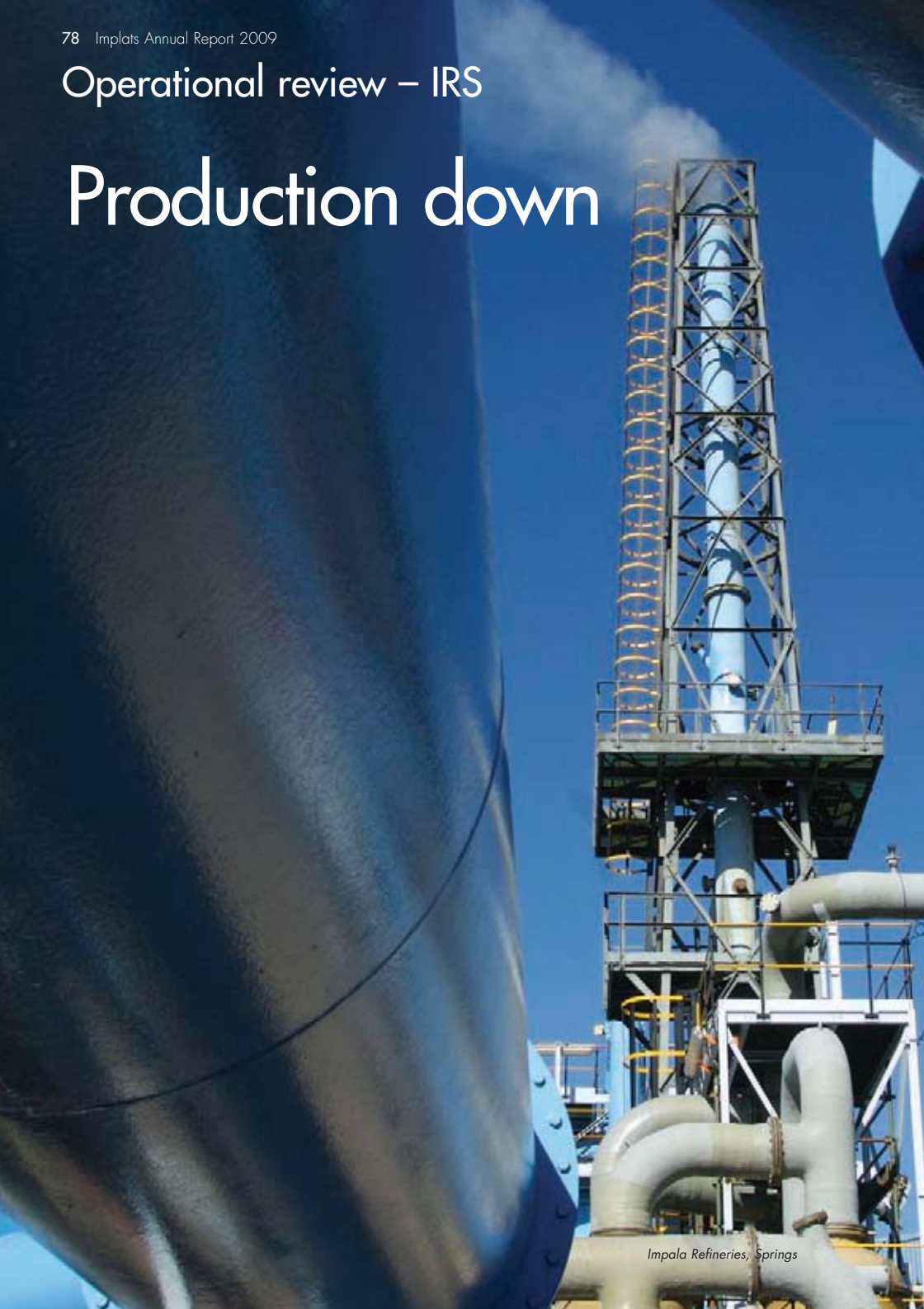


Operational review – IRS

Production down



Operational review – IRS (continued)

Impala Refining Services (IRS), which leverages Impala's smelting and refining assets to process concentrate and matte for group operations as well as third parties, saw a 13% decline in refined platinum production during the year.

As expected the Kroondal contract ended in March 2008, resulting in a drop of 130 000 platinum ounces through IRS. Further ounces were lost following the collapse of the decline at Everest, which caused the suspension of operations at that mine in December 2008.

A strategically important aspect of Implats' business

Through IRS's toll refining service Implats is able to leverage both its processing and refining assets as well as its expertise in this area, while reducing unit costs through economies of scale. The business unit tempers to some extent the group's exposure to mining risk whilst at the same time enabling junior mining companies and other third parties to exploit smaller deposits that would otherwise not be viable.

Excluding the Kroondal ounces, overall production decreased by only 1%, thanks to increased year-on-year deliveries from other suppliers, particularly Two Rivers, Implats' mine-to-market projects, Aquarius' Marikana and Eastplats' Crocodile River Mine.

Outlook

Future growth in platinum output at IRS in the short term will emanate from continued ramp-up in production at Zimplats and Marula, as well as two new projects, Smokey Hills and Blue Ridge. Everest is expected to resume production in the medium term and increased deliveries of autocatalysts are expected in line with the gradual improvement of the global economic environment.

We anticipate growth in our production profile through IRS as various projects continue to ramp-up

IRS platinum production (000)

	FY2009	FY2008
Managed operations	249	230
Zimplats	97	91
Marula	73	66
Mimosa(100%)	79	73
Non-managed operations	116	91
Two Rivers Platinum (100%)	116	91
Third-party processing	389	542
Aquarius SA	118	249
Eastplats	61	53
Other	210	240
Total	754	863

IRS – key statistics

		FY2009	FY2008
Sales	(Rm)	10 507	15 704
Platinum		5 954	7 522
Palladium		834	1 194
Rhodium		2 142	4 862
Nickel		755	1 160
Other		822	966
Cost of sales		(9 242)	(13 821)
Metals purchased		(5 822)	(14 911)
Smelting		(150)	(116)
Refining		(229)	(194)
Decrease/(increase) in inventory		(3 041)	1 400
Gross profit		1 265	1 883
Other operating expenses		(30)	(26)
Profit from operations		1 235	1 857
Gross margin	(%)	12.0	12.0
Sales	(Rm)	10 507	15 704
Direct sales to customers		424	631
Sales to Impala		9 778	14 846
Toll income		305	227
Total sales volumes			
Platinum	(000 oz)	556.7	648.3
Palladium		371.8	419.2
Rhodium		79.5	95.1
Nickel	(t)	6 253	5 081
Prices achieved			
Platinum	(\$/oz)	1 215	1 577
Palladium		255	389
Rhodium		3 210	6 986
Nickel	(\$/t)	13 695	31 489
Exchange rate achieved	(R/\$)	8.72	7.33
Refined production			
Platinum	(000 oz)	753.8	862.7
Palladium		581.7	607.4
Rhodium		124.4	135.7
Nickel	(t)	8 339	7 903
PGM refined production	(000 oz)	1 638.1	1 802.9
Metal returned			
Platinum	(000 oz)	194.1	207.9
Palladium		180.9	199.3
Rhodium		37.5	42.3
Nickel	(t)	2 480	2 131