

Operational review – Mimosa



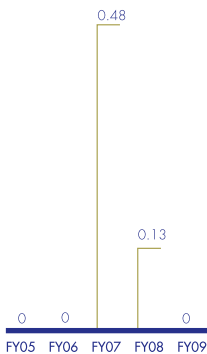
Phase 5
expansion
completed

Mimosa at a glance

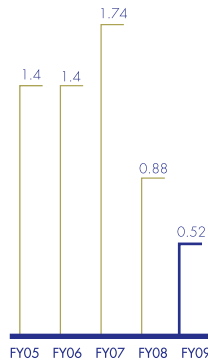


- Joint venture with Aquarius Platinum Limited
- Mechanised shallow underground mine
- Concentrator plant
- Reserves: 0.9 million attributable ounces of platinum
- Resources (including reserves): 4.0 million attributable ounces of platinum
- Production: 91 500 ounces of platinum in concentrate
- Labour complement (including contractors): 1 931

FIFR
(per million man hours worked)



LTIFR
(per million man hours worked)



Operational review – Mimosa (continued)

Costs now priced in hard currency

The Zimbabwean economy has been dollarised over the last year following the collapse of that country's own currency.

Input costs such as salaries and services are now priced in hard currency, which has put increased pressure on operating costs. Price distortions were also experienced during the transition period, and management is working on addressing these anomalies through revised contracts with various private and municipal service providers, as well as stricter management of materials, procurement and inventory.

Mimosa had a solid, trouble-free year during which all key production and expansion parameters were met.

The Wedza Phase 5 expansion project, commissioned last year, was completed. It focused on the extension of milling and tailings handling capacities in order to optimise the extra flotation capacity created in Phase 4. As a result, total tonnes milled increased by 21% to 2.1 million tonnes. Consequently, production of platinum-in-concentrate rose 19% to 91 500 ounces.

Unit costs were 35% higher year-on-year, mainly driven by higher input costs due to the dollarisation of the Zimbabwean economy, inflation and the impact of the rand/dollar exchange rate.

The operation delivered an excellent safety performance, with an improved lost-time injury frequency rate (LTIFR) of 0.52. This was 41% better than in the previous year. Mimosa continues to work towards the group vision of Zero Harm by 2012.

Outlook

Mimosa has now achieved capacity for steady-state production of 100 000 ounces of platinum-in-concentrate a year. No further expansions are envisaged at this stage.

Further growth potential does exist through the exploitation of the North Hill and Mtshingwe Mineral Resources.

Mimosa – key statistics

		FY2009	FY2008
Sales	(Rm)	1 262	1 916
Platinum		708	847
Palladium		102	160
Rhodium		69	279
Nickel		224	468
Other		159	162
Cost of sales		(1 008)	(594)
Mining operations		(582)	(367)
Concentrating operations		(215)	(104)
Treatment charges		(119)	(86)
Amortisation		(80)	(61)
Increase/(decrease) in inventory		(12)	24
Gross profit		254	1 322
Other operating costs		(68)	(67)
Royalty expense		(45)	(46)
Profit from operations		141	1,209
50% of gross profit attributable to Implats		127	661
Intercompany adjustment		187	(119)
Adjusted gross profit		314	542
Other costs including royalties		(56)	(56)
Profit from operations in Implats group		258	486
Gross margin	(%)	20.1	69.0
Adjusted gross margin*		38.4	64.6
Sales volumes in concentrate			
Platinum	(000 oz)	85.6	74.6
Palladium		65.0	57.0
Rhodium		7.0	5.9
Nickel	(t)	2 443	2 128
Prices achieved in concentrate			
Platinum	(\$/oz)	911	1 563
Palladium		173	386
Rhodium		1 087	6 449
Nickel	(\$/t)	10 084	30 256
Exchange rate achieved	(R/\$)	9.08	7.26
Production			
Tonnes milled ex-mine	(000 t)	2 111	1 732
Headgrade (5PGE+Au)	(g/t)	3.87	3.85
Platinum in concentrate	(000 oz)	91.5	76.6
Palladium in concentrate		69.4	58.1
Rhodium in concentrate		7.2	6.0
Nickel in concentrate	(t)	2 539	2 086
PGM in concentrate	(000 oz)	189.3	158.9
Total cost	(Rm)	865	538
	(\$m)	95	74
per tonne milled	(R/t)	412	311
	(\$/t)	45	43
per PGM ounce in concentrate	(R/oz)	4 569	3 386
	(\$/oz)	503	466
per platinum ounce in concentrate	(R/oz)	9 454	7 023
	(\$/oz)	1 041	967
net of revenue received for other metals	(R/oz)	3 399	(6 932)
	(\$/oz)	374	(955)
Capital expenditure	(Rm)	555	289
	(\$m)	61	40
Labour including capital as at 30 June	(no)	1 931	1 796
Own employees		1 623	1 543
Contractors		308	253
Centares per panel man per month	(m ² /man)	52	50

* Adjustment note: The adjustment relates to sales from Mimosa to the Implats group which at yearend were still in the pipeline.