



## **Impala Platinum Holdings Limited**

(Incorporated in the Republic of South Africa)

Registration number 1957/001979/06

ISIN: ZAE000083648 JSE share code: IMP

ADR code: IMPUY

("Implats" or "the Company")

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# **CIRCULAR TO IMPLATS SHAREHOLDERS**

regarding:

- **the granting and approval of a specific authority for Implats directors to allot and issue up to a maximum of 30 000 000 Ordinary Shares for the purpose of the conversion of the Convertible Bonds;**

and incorporating:

- **a notice convening a meeting of Implats Shareholders; and**
- **a form of proxy (*blue*) (for use by Certificated Shareholders and Own Name Dematerialised Shareholders only).**

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**JSE sponsor**

**Deutsche Bank**  
Deutsche Securities (SA) (Proprietary) Limited  
(A non-bank member of the Deutsche Bank Group)



**Legal adviser**

**WEBBER WENTZEL**

in alliance with > Linklaters

**Independent reporting accountants**



**Independent professional expert**



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Date of issue: 8 April 2013

*The definitions and interpretations commencing on page 4 of this Circular apply mutatis mutandis to this cover page.*

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## CORPORATE INFORMATION AND ADVISERS

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### **Company secretary and registered office**

Ms Avanthi Parboosing  
2 Fricker Road  
Illovo  
2196  
South Africa  
(Private Bag X18, Northlands, 2116)

### **JSE sponsor**

Deutsche Securities (SA) Proprietary Limited  
(Registration number 1995/011798/07)  
3 Exchange Square  
87 Maude Street  
Sandton, 2196  
South Africa  
(Private Bag X9933, Sandton, 2146)

### **Legal adviser**

Webber Wentzel  
10 Fricker Road  
Illovo Boulevard  
Sandton, 2196  
South Africa  
(PO Box 61771, Marshalltown, Johannesburg, 2107)

### **Independent reporting accountants**

PricewaterhouseCoopers Inc  
(Registration number 1998/012055/21)  
2 Eglin Road  
Sunninghill, 2157  
South Africa  
(Private Bag X36, Sunninghill, 2457)

**Date of incorporation:** 02/07/1957

**Place of incorporation:** Pretoria

### **South African transfer secretaries**

Computershare Investor Services  
Proprietary Limited  
(Registration number 2004/003647/07)  
Ground Floor, 70 Marshall Street  
Johannesburg, 2001  
South Africa  
(PO Box 61051, Marshalltown, 2107)

### **United Kingdom transfer secretaries**

Computershare Investor Services PLC  
(Registration number 3498808)  
The Pavillions  
Bridgwater Road  
Bristol  
BS99 6ZZ  
United Kingdom

### **Independent professional expert**

PricewaterhouseCoopers Corporate Finance  
Proprietary Limited  
(Registration number 1970/003711/07)  
2 Eglin Road  
Sunninghill, 2157  
South Africa  
(Private Bag X36, Sunninghill, 2457)

This Circular is only available in English.

Copies of this Circular may be obtained during normal business hours from the registered offices of Implats, Deutsche Securities and the transfer secretaries at their respective addresses set out above from the date of issue hereof until the date of the Shareholders Meeting.

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## ACTION REQUIRED BY IMPLATS SHAREHOLDERS

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### **This Circular is important and requires your immediate attention**

The definitions and interpretations commencing on page 4 of this Circular apply *mutatis mutandis* to this section.

Please take careful note of the following provisions regarding the action required by Implats Shareholders:

If you are in any doubt as to what action to take, consult your CSDP, broker or other professional adviser immediately. If you have disposed of all of your Implats Shares, this Circular should be handed to the purchaser of such Implats Shares or the CSDP, broker or other agent who disposed of your Implats Shares on your behalf.

### **Shareholders Meeting**

Implats Shareholders registered as such as at the Shareholders Meeting record date of 28 March 2013 are invited to attend the Shareholders Meeting regarding the specific authority to issue up to a maximum of 30 000 000 Ordinary Shares.

The Shareholders Meeting, convened in terms of the Notice of Shareholders Meeting, will be held at the Company's registered office, 2 Fricker Road, Illovo, 2196 on Tuesday, 7 May 2013 at 11:00 (South African time).

You should carefully read through this Circular and decide how you wish to vote on the resolution to be proposed at the Shareholders Meeting.

### **Own Name Dematerialised Shareholders and Certificated Shareholders**

You are entitled to attend, or be represented by proxy at, the Shareholders Meeting.

If you are unable to attend the Shareholders Meeting, but wish to be represented thereat, you must complete and return the attached form of proxy (*blue*), in accordance with the instructions contained therein, to be received by Computershare at 70 Marshall Street, Johannesburg, 2001, South Africa or PO Box 61051, Marshalltown, 2107 or Computershare UK, at The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, by no later than 24 hours before the commencement of the Shareholders Meeting (or any adjournment of the Shareholders Meeting).

### **Dematerialised Shareholders**

You must **not** complete the attached form of proxy (*blue*). If your CSDP or broker does not contact you, you are advised to contact your CSDP or broker and provide them with your voting instructions. If your CSDP or broker does not obtain instructions from you, they will then be obliged to act in terms of your mandate furnished. You must advise your CSDP or broker timeously if you wish to attend, or be represented at, the Shareholders Meeting. Your CSDP or broker will then be required to issue the necessary letter of representation to you to enable you to attend or to be represented at the Shareholders Meeting.

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## SALIENT DATES AND TIMES

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The definitions and interpretations commencing on page 4 of this Circular apply *mutatis mutandis* to this section.

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**2013**

Last day to trade Implats Shares in order to be recorded in the Register to vote at the Shareholders Meeting	Friday, 19 April
Shareholders Meeting record date	Friday, 26 April
Form of proxy for the Shareholders Meeting to be received by 11:00 on	Monday, 6 May
Shareholders Meeting to be held at 11:00 on	Tuesday, 7 May
Results of Shareholders Meeting released on SENS on	Tuesday, 7 May

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**Notes:**

1. These dates and times are subject to amendment. Any amendment will be released on SENS and published in the South African press.
2. All times given in this Circular are South African local times.

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## DEFINITIONS AND INTERPRETATIONS

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In this Circular, unless otherwise stated or the context indicates otherwise, the words in the first column shall have the meanings assigned to them in the second column. Words in the singular include the plural and *vice versa*, words and expressions which denote one gender include the other gender, and a reference to a natural person includes a juristic person and an association and *vice versa*:

"Board"	board of directors of the Company from time to time;
"Bondholders"	registered holders of the Convertible Bonds, from time to time;
"Business Day"	any day other than a Saturday, Sunday or gazetted national public holiday in South Africa;
"Certificated Shareholders"	Implats Shareholders who hold Certificated Shares;
"Certificated Shares"	Implats Shares that have not been Dematerialised, the title to which is represented by a physical document of title;
"Circular"	this bound document dated 8 April 2013, including the annexures thereto, the Notice of Shareholders Meeting and the form of proxy ( <i>blue</i> );
"Companies Act"	the Companies Act, No 71 of 2008, as amended;
"Convertible Bonds"	the 5.0% ZAR denominated and 1.0% US\$ denominated convertible bonds issued by Implats on 21 February 2013;
"CSDP"	central securities depository participant, accepted as such participant in terms of the Securities Services Act;
"Dematerialised" or "Dematerialisation"	the process by which securities held in certificated form are converted to or held in electronic form as uncertificated securities and recorded in a sub-register of securities holders by a CSDP;
"Dematerialised Shareholders"	Implats Shareholders who hold Dematerialised Shares, excluding Own Name Dematerialised Shareholders;
"Dematerialised Shares"	Implats Shares that have been Dematerialised;
"Directors"	directors of the Company from time to time;
"IAS"	International Accounting Standards;
"IFRS"	International Financial Reporting Standards;
"Implats" or "the Company"	Impala Platinum Holdings Limited (Registration number 1957/001979/06), a public company incorporated in South Africa and listed on the JSE;
"Implats Group" or "the Group"	Impala Platinum Holdings Limited and all of its subsidiaries, whether direct or indirect;
"Implats Shareholders"	registered holders of Implats Shares, inclusive of Certificated Shareholders, Dematerialised Shareholders and Own Name Dematerialised Shareholders, from time to time;
"Implats Shares"	Ordinary Share(s);
"Joint Bookrunners"	UBS AG and The Standard Bank of South Africa Limited;
"JSE"	JSE Limited (Registration number 2005/022939/06), a public company incorporated in South Africa and licensed under the Securities Services Act to operate an exchange;

"JSE Listings Requirements"	Listings Requirements of the JSE, as amended;
"King III"	the South African King Code on Corporate Governance, 2009;
"Last Practicable Date"	Thursday, 28 March 2013, being the last practicable date prior to finalisation of this Circular;
"MOI"	the Memorandum of Incorporation of Implats, as the context may require, as that term is defined in the Companies Act;
"Notice of Shareholders Meeting"	the notice convening the Shareholders Meeting of Implats Shareholders, which forms part of this Circular;
"Ordinary Shares"	ordinary shares with a par value of 2.5 cents each in the share capital of Implats;
"Own Name Dematerialised Shareholders"	Implats Shareholders who hold Dematerialised Shares with own name registration;
"PIC"	Public Investment Corporation (SOC) Limited (Registration number 2005/009094/06) and its associates as defined in the JSE Listings Requirements;
"Rand" or "R" or "ZAR"	South African Rand, the lawful currency of South Africa;
"Register"	the register of Implats Shareholders maintained by the transfer secretaries and including the sub-register of Implats Shareholders maintained by CSDPs;
"Related Party"	<i>inter alia</i> , any person who is, or within the 12 months preceding the date of the transaction was, entitled to exercise or control the exercise of 10% or more of the votes able to be cast on all or substantially all matters at general/annual general meetings of the listed company, or any other company that is its subsidiary or holding company or is a fellow subsidiary of its holding company;
"Securities Services Act"	Securities Services Act, No. 36 of 2004, as amended;
"SENS"	the Stock Exchange News Service of the JSE;
"Shareholders Meeting"	the meeting of Implats Shareholders to be held at 11:00 on Tuesday, 7 May 2013 at the Company's registered office, to consider and, if deemed appropriate, pass (with or without modification) the Special Resolution set out in the Notice of Shareholders Meeting, and including any adjournment of such meeting;
"South Africa"	Republic of South Africa;
"Special Resolution"	a special resolution as defined in the Companies Act;
"Terms and Conditions"	the terms and conditions on which the Convertible Bonds were issued;
"Transfer Secretaries" or "Computershare"	Computershare Investor Services Proprietary Limited (Registration number 2004/003647/06), a private company incorporated in South Africa;
"Transfer Secretaries UK" or "Computershare UK"	Computershare Investor Services PLC (Registration number 3498808) in the United Kingdom;
"Trust Deed"	the Implats Convertible Bond Trust Deed;
"US\$"	United States Dollar, the lawful currency of the United States of America;
"US\$ Convertible Bonds"	US\$200 million five-year convertible bonds issued by Implats due 21 February 2018;
"VWAP"	volume-weighted average price; and
"ZAR Convertible Bonds"	ZAR2 672 million five-year convertible bonds issued by Implats due 21 February 2018.



## Impala Platinum Holdings Limited

(Incorporated in the Republic of South Africa)

Registration number 1957/001979/06

ISIN: ZAE000083648 JSE share code: IMP

ADR code: IMPUY

("Implats" or "the Company")

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### Directors of Implats

#### Executive directors

Mr TP Goodlace (*Chief Executive Officer*)

Ms B Berlin (*Chief Financial Officer*)

Mr PA Dunne (*Executive Director: Operations*)

#### Non-executive directors

Dr KDK Mokhele<sup>†</sup> (*Chairman*)

Mr HC Cameron<sup>†</sup>

Dr MSV Gantsho<sup>†</sup>

Mr AS Macfarlane<sup>†</sup>

Ms AA Maule<sup>†</sup>

Mr TV Mokgatlha

Ms B Ngonyama<sup>†</sup>

Ms NDB Orleyn<sup>†</sup>

Mr OM Poee

*† Independent*

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## CIRCULAR TO IMPLATS SHAREHOLDERS

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### 1. INTRODUCTION AND PURPOSE OF THIS CIRCULAR

On 15 February 2013 Implats announced the successful placement of Convertible Bonds for total gross proceeds of approximately US\$500 million, by way of concurrent accelerated bookbuild offerings to qualifying investors, on 21 February 2013:

- Implats issued 5.0% ZAR Convertible Bonds due February 2018 in a nominal amount of R2 672 million. Part of the ZAR Convertible Bonds issue was to a Related Party;
- Implats issued 1.0% US\$ Convertible Bonds due February 2018 in a nominal amount of US\$200 million.

Salient details of the Convertible Bonds are provided in paragraph 4 below.

The purpose of this Circular is to furnish information to Implats Shareholders to enable them to make an informed decision as to whether or not they should vote in favour of the resolution to be proposed at the Shareholders Meeting, arising from the issues of Convertible Bonds. The resolution is set out in the Notice of Shareholders Meeting and the rationale is explained in paragraph 3 below.

### 2. USE OF PROCEEDS AND RATIONALE FOR THE ISSUE OF CONVERTIBLE BONDS

Implats intends to use the net proceeds from the issue of the Convertible Bonds for general corporate purposes with a primary focus on funding strategic projects in the Rustenburg Lease Area. The issue of the Convertible Bonds forms part of Implats' strategy to maintain a strong financial position and secure funding given the current global economic environment and the operating environment in the South African mining sector.

### 3. RATIONALE FOR THE PROPOSED RESOLUTION

The Convertible Bonds are currently cash-settled instruments. If Implats Shareholders do not approve the issuance of the Ordinary Shares upon conversion of the Convertible Bonds, then the Convertible Bonds will remain subject to cash settlement.

Cash settlement of the Convertible Bonds will require significant cash reserves, which could constrain Implats' ability to pursue new business opportunities, invest in existing and new projects, fund ongoing business activities, retire or service outstanding debt and pay dividends, all of which could adversely affect its results of operations and financial condition.

Subject to the approval of the specific authority, the Convertible Bonds will be convertible into Ordinary Shares at an initial conversion price of US\$24.13 and R214.90 for the US\$- and ZAR-denominated Convertible Bonds respectively, representing a 35% premium to the reference share price of US\$17.8684 and R159.1792, respectively. At the initial conversion price, the number of Ordinary Shares to be issued upon the conversion of the US\$ Convertible Bonds and the ZAR Convertible Bonds will be 20 724 429 Ordinary Shares, representing 3.28% of the number of existing Ordinary Shares.

The Terms and Conditions provide that the initial conversion price (as set out in paragraph 4) could be adjusted on the realisation of certain events. If such an adjustment results in the reduction of the initial conversion price (as set out in paragraph 4), the number of Ordinary Shares to be issued will be increased.

Implats Shareholders are accordingly requested to approve the specific authority for Implats directors to allot and issue a maximum of 30 000 000 Ordinary Shares, issuable upon conversion of the Convertible Bonds.

Subject to the approval of the Special Resolution, the Convertible Bonds will be convertible into Ordinary Shares.

#### 4. SALIENT FEATURES OF THE CONVERTIBLE BONDS

4.1 The salient features of the US\$ Convertible Bonds are as follows:

<b>Issuer:</b>	Implats
<b>Listing:</b>	Frankfurt Stock Exchange
<b>Total issue size:</b>	US\$200 million
<b>Underlying shares:</b>	8 290 739 Ordinary Shares
<b>Principal amount:</b>	US\$200 thousand per US\$ Convertible Bond
<b>Coupon:</b>	1.0% per annum, payable semi-annually in arrears on 21 February and 21 August of each year, with the first coupon payment to be made on 21 August 2013
<b>Conversion premium:</b>	35% over the reference share price
<b>Reference share price:</b>	US\$17.8684 (being the VWAP between the launch and pricing of the Convertible Bonds on 14 February 2013, converted at the prevailing exchange rate at time of pricing)
<b>Initial conversion price:</b>	US\$24.13
<b>Conversion period:</b>	Any time from the earlier of (i) approval at a general meeting of the Shareholders of Implats as is required to enable the issuance of such number of Ordinary Shares as may be required to be issued from time to time to satisfy the exercise of the Convertible Bonds, or (ii) 21 August 2013 provided that such conversion period shall not commence prior to 3 April 2013, and until the earlier of: (i) 11 February 2018; or (ii) if the Bonds have been called for redemption prior to 21 February 2018, the 10th day preceding the relevant redemption date

<b>Settlement upon conversion:</b>	Subject to the approval of the Special Resolution, the Convertible Bonds will be settled in Ordinary Shares. If the Special Resolution hereunder is not approved then the Convertible Bonds will be settled in cash
<b>Early redemption:</b> (at the option of the Issuer)	The Issuer may redeem the Convertible Bonds in whole but not in part at their principal amount together with accrued interest: <ul style="list-style-type: none"> <li>(i) on or at any time after 14 March 2016, subject to the VWAP of Ordinary Shares exceeding 130% of the conversion price on no less than 20 out of the 30 consecutive dealing days prior to redemption; or</li> <li>(ii) at any time if less than 15% of the Convertible Bonds originally issued remain outstanding</li> </ul>
<b>Maturity date:</b>	21 February 2018
<b>Redemption price at maturity:</b>	100% of the principal amount to be settled in cash
<b>Dividend protection:</b>	The initial conversion price will be adjusted for any cash dividends paid or made in respect of a financial year of Implats (the "Relevant Financial Year") if the relevant cash dividend or the sum of the relevant cash dividend and the aggregate of any other cash dividends paid or made in respect of the Relevant Financial Year, exceeds 1.5 per cent of the average of the VWAP of an Ordinary Share on each dealing day in the period of 90 dealing days ending on the dealing day immediately preceding the date on which the Ordinary Shares are trading <i>ex-the</i> latest cash dividend paid or made

4.2 The salient features of the ZAR Convertible Bonds are as follows:

<b>Issuer:</b>	Implats
<b>Listing:</b>	JSE
<b>Total issue size:</b>	R2 672 million
<b>Underlying shares:</b>	12 433 690 Ordinary Shares
<b>Principal amount:</b>	R1.0 million per Convertible Bond
<b>Coupon:</b>	5.0% per annum, payable semi-annually in arrears on 21 February and 21 August of each year, with the first coupon payment to be made on 21 August 2013
<b>Conversion premium:</b>	35% over the reference share price
<b>Reference share price:</b>	R159.1792 (being the VWAP between the launch and pricing of the Convertible Bonds on 14 February 2013)
<b>Initial conversion price:</b>	R214.90

<b>Conversion period:</b>	Any time from the earlier of <ul style="list-style-type: none"> <li>(i) the approval at a general meeting of the Shareholders of Implats required to enable the issuance of such number of Ordinary Shares as may be required to be issued from time to time to satisfy the exercise of the Convertible Bonds, or</li> <li>(ii) 21 August 2013</li> </ul> provided that such conversion period shall not commence prior to 3 April, and until the earlier of: <ul style="list-style-type: none"> <li>(i) 11 February 2018; or</li> <li>(ii) if the Bonds have been called for redemption prior to 21 February 2018, the 10th day preceding the relevant redemption date</li> </ul>
<b>Settlement upon conversion:</b>	Subject to the approval of the Special Resolution hereunder, the Convertible Bonds will be settled in Ordinary Shares. If the Special Resolution hereunder is not approved then the Convertible Bonds will be settled in cash
<b>Early redemption:</b> (at the option of the Issuer)	The Issuer may redeem the Convertible Bonds in whole but not in part at their principal amount together with accrued interest: <ul style="list-style-type: none"> <li>(i) on or at any time after 14 March 2016, subject to the VWAP of Ordinary Shares exceeding 130% of the conversion price on no less than 20 out of the 30 consecutive dealing days prior to redemption; or</li> <li>(ii) at any time if less than 15% of the Convertible Bonds originally issued remain outstanding</li> </ul>
<b>Maturity date:</b>	21 February 2018
<b>Redemption price at maturity:</b>	100% of the principal amount to be settled in cash
<b>Dividend Protection:</b>	The initial conversion price will be adjusted for any cash dividends paid or made in respect of a financial year of Implats (the "Relevant Financial Year") if the relevant cash dividend or the sum of the relevant cash dividend and the aggregate of any other cash dividends paid or made in respect of the Relevant Financial Year, exceeds 1.5 per cent of the average of the VWAP of an Ordinary Share on each dealing day in the period of 90 dealing days ending on the dealing day immediately preceding the date on which the Ordinary Shares are trading <i>ex-the latest cash dividend paid or made</i>

## 5. RELATED-PARTY TRANSACTION

The PIC is regarded as a Related Party as it held, directly or indirectly, more than a 10% beneficial interest in the Ordinary Shares on the date of the bookbuild process being 14 February 2013.

The PIC participated in the ZAR Convertible Bond offering, on the same terms as all other participants, and were allocated ZAR Convertible Bonds with a nominal amount of R260 million through a bookbuilding process by the Joint Bookrunners.

In terms of the Listings Requirements of the JSE, an independent fairness opinion is required given the potential issue of Ordinary Shares to a Related Party as a result of the conversion of the ZAR Convertible Bond. Furthermore, the PIC is excluded from voting on the Special Resolution to be proposed at the Shareholders Meeting.

## 6. FAIRNESS OPINION AND RECOMMENDATION

An independent professional expert was appointed by the Board to determine whether the terms and conditions of the issue of the Convertible Bonds are fair to Implats Shareholders. The independent professional expert appointed by the Board, has considered the Terms and Conditions, including the allocation of ZAR Convertible Bonds to PIC, and is of the opinion that such terms and conditions are fair to Implats Shareholders on the basis set out in the fairness opinion included in Annexure 1.

The Board has considered the Terms and Conditions including the participation of PIC, together with the opinion of the independent professional expert and is of the opinion that the issue of Implats Shares is fair insofar as Implats Shareholders are concerned.

The Board therefore recommends that Implats Shareholders (excluding the PIC) vote in favour of the specific authority to issue Ordinary Shares upon conversion of the Convertible Bonds.

## 7. ESTIMATED EXPENSES

The total preliminary expenses relating to this Circular and the issue of Ordinary Shares arising from the conversion of the Convertible Bonds are estimated at R1.43 million (VAT exclusive), as detailed below:

<b>Expense</b>	<b>Paid/Payable to</b>	<b>R'000</b>
Printing, postage and related costs	Ince (Pty) Limited	555
Independent professional expert fees	PricewaterhouseCoopers Corporate Finance (Pty) Limited	300
Sponsor	Deutsche Securities (SA) Proprietary Limited	250
Independent reporting accountants' fees	PricewaterhouseCoopers Inc	300
Document inspection fees	JSE	15
Transfer secretaries costs	Computershare	10
<b>Total</b>		<b>1 430</b>

The above preliminary expenses have been estimated and are therefore subject to modification once final terms have been agreed with the respective service providers.

## 8. UNAUDITED *PRO FORMA* FINANCIAL INFORMATION

The unaudited *pro forma* financial information of Implats is the responsibility of the Directors and has been prepared to illustrate the effects of the issue of the Convertible Bonds and the subsequent approval for the issue of Ordinary Shares upon conversion of the Convertible Bonds, assuming that the issue and subsequent approval for the issue of Ordinary Shares upon conversion of the Convertible Bonds took place on 1 July 2012 for purposes of the statement of comprehensive income and on 31 December 2012 for purposes of the statement of financial position.

The unaudited *pro forma* financial information has been prepared for illustrative purposes only and may not give a fair reflection of the financial position, changes in equity, results of operations or cash flows of Implats following the issue and subsequent approval for the issue of Ordinary Shares upon conversion of the Convertible Bonds.

It should be noted that the *pro forma* financial effects do not include the earnings effects of the application of the proceeds from the issue of the Convertible Bonds, resulting in the apparent dilution in earnings. The *pro forma* effects of the approval for the issue of Ordinary Shares upon conversion of the bonds illustrates the effects of the charges to income relating to the accounting for both the US\$ and the ZAR Convertible Bonds as cash-settled instruments versus accounting for the ZAR Convertible Bonds as a compound instrument (Refer note 4 below).

	<b>Before (Note 1)</b>	<b>Pro forma unaudited after issue of Convertible Bonds (Note 2)</b>	<b>Pro forma unaudited after approval for issue of Ordinary Shares upon conversion (Note 3)</b>	<b>Change (%) (Note 5)</b>
<b>Earnings per share</b>				
Basic (cents)	134	117	118	1
Diluted (cents)	134	116	118	1
<b>Headline earnings per share</b>				
Basic (cents)	128	110	112	1
Diluted (cents)	128	110	112	1
<b>Net asset value per share (cents)</b>	8 374	8 374	8 426	1
<b>Tangible net asset value per share (cents)</b>	8 207	8 207	8 258	1

**Notes and assumptions:**

1. Extracted from the reviewed consolidated interim financial information of Implats for the six months ended 31 December 2012.
2. Adjusted for the issue of the Convertible Bonds as follows:
  - 2.1 Earnings and headline earnings:
    - Assumes that the Convertible Bonds were issued on 1 July 2012.
    - Effective interest expense on financial liability of R147 million (before tax at 28%).
    - Transaction costs (including the costs of the issue and listings of the Convertible Bonds) amounting to R93 million are capitalised and effectively expensed as part of the effective interest (noted above) over the term of the Convertible Bonds.
    - It should be noted that for the purposes of these *pro forma* financial effects, it has been assumed that there are no movements in foreign exchange rates or in the fair value of the embedded derivative.
    - Refer to note 4 below for additional information relating to the accounting for the issue of the Convertible Bonds.
  - 2.2 Net assets and tangible net assets:
    - Assumes that the Convertible Bonds were issued on 31 December 2012.
    - Increase in financial liabilities of R4.4 billion (being cash received from issue of Convertible Bonds net of transaction costs of R93 million) and assuming an exchange rate of US\$1 = ZAR8.91.
    - Increase in cash balances of R4.4 billion (being cash received from bond issue net of transaction costs of R93 million)
    - Refer to note 4 below for additional information relating to the accounting for the Convertible Bonds.
3. Adjusted for approval for the issue of Ordinary Shares as follows:
  - 3.1 Earnings and headline earnings:
    - Assumes that the approval for issue of Ordinary Shares was effective on 1 July 2012.
    - A reduction of R11 million (before tax at 28%) in the effective interest expense on the ZAR Convertible Bonds as a portion of this instrument is reclassified to equity.
    - For the purpose of calculating diluted earnings and headline earnings per share, the weighted average number of shares in issue was increased by 20.7 million shares and the earnings for the period was adjusted to reverse the effective interest on the Convertible Bonds.
    - It should be noted that for the purposes of these *pro forma* financial effects, it has been assumed that there are no movements in foreign exchange rates or in the fair value of the embedded derivative.
    - Refer to note 4 below for additional information relating to the accounting for the Convertible Bonds.
    - It should be noted that no dilution has been shown in the diluted earnings per share and diluted headline earnings per share as the impact of the conversion into Ordinary Shares is anti-dilutive (refer to the detailed calculations below the *pro forma* unaudited consolidated statement of comprehensive income for more information).
  - 3.2 Net assets and tangible net assets:
    - Assumes that the approval for issue of Ordinary Shares was effective on 31 December 2012.
    - A decrease in financial liabilities and a corresponding increase in equity of R313 million, being the reclassification of a portion of the ZAR Convertible Bonds between debt and equity (net of transaction costs), based on a fair value calculation of the loan.
    - Refer to note 4 below for additional information relating to the accounting for the Convertible Bonds.

4. Accounting policy for the Convertible Bonds:

4.1 Convertible Bonds (prior to approval for the issue of Ordinary Shares)

Prior to approval for the issue of Ordinary Shares, the Convertible Bonds are cash-settled instruments. These instruments are accounted for as two separate instruments as follows:

- a financial liability at amortised cost; and
- an embedded derivative at fair value through profit and loss.

At initial recognition, the embedded derivative is valued using option pricing methodologies. The balance of the cash received is classified as a financial liability at amortised cost.

The embedded derivative is revalued at every reporting period, with gains or losses being accounted for as part of other income/expenses in the statement of comprehensive income.

The financial liability increases at every reporting period by an effective interest charge that is accounted for as part of finance costs in the statement of comprehensive income.

The US\$ Convertible Bonds are also subject to the impact of foreign exchange movements between the ZAR and the US\$. Foreign exchange gains or losses will be accounted for as part of finance costs in the statement of comprehensive income.

4.2 Convertible Bonds (after approval for the issue of Ordinary Shares)

The accounting treatment of the US\$ Convertible Bonds will not change after approval for the issue of Ordinary Shares.

The accounting treatment of the ZAR Convertible Bonds will change in that it will be treated as a compound financial instrument with two separate instruments as follows:

- a financial liability at amortised cost; and
- an equity portion.

At initial recognition, the financial liability linked to the ZAR Convertible Bonds is valued by calculating the present value of future cash flows at an effective interest rate for a similar bond without a conversion option. The balance of the cash received is classified as equity.

The financial liability linked to the ZAR Convertible Bonds increases at every reporting period by an effective interest charge that is accounted for as part of finance costs in the statement of comprehensive income.

The equity portion linked to the ZAR Convertible Bonds is not revalued or restated after initial recognition.

5. Represents the percentage change between the revised before position, reflecting the *pro forma* after the issue of the Convertible Bonds, and the *pro forma* after the approval for the issue of Ordinary Shares on conversion of the Convertible Bonds.

**Pro forma unaudited consolidated statement of financial position**

R millions	Before as at 31 December 2012	Issue of Convertible Bonds	After issue of Convertible Bonds as at 31 December 2012	Approval for issue of Ordinary Shares	After approval for issue of Ordinary Shares as at 31 December 2012
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	42 660		42 660		42 660
Exploration and evaluation assets	4 294		4 294		4 294
Intangible assets	1 018		1 018		1 018
Investments in associates	1 100		1 100		1 100
Available-for-sale financial assets	36		36		36
Held-to-maturity financial assets	51		51		51
Loans	850		850		850
Prepayments	10 967		10 967		10 967
Deferred tax asset	129		129		129
	<b>61 105</b>	–	<b>61 105</b>	–	<b>61 105</b>
<b>Current assets</b>					
Inventories	7 675		7 675		7 675
Trade and other receivables	3 733		3 733		3 733
Loans	192		192		192
Prepayments	415		415		415
Cash and cash equivalents	1 568	4 361	5 929		5 929
	<b>13 583</b>	<b>4 361</b>	<b>17 944</b>	–	<b>17 944</b>
<b>Total assets</b>	<b>74 688</b>	<b>4 361</b>	<b>79 049</b>	–	<b>79 049</b>
<b>Equity and liabilities</b>					
<b>Equity attributable to owners of the Company</b>					
Share capital	15 202		15 202	313	15 515
Retained earnings	35 396		35 396		35 396
Other components of equity	212		212		212
	50 810	–	50 810	313	51 123
Non-controlling interest	2 356		2 356		2 356
<b>Total equity</b>	<b>53 166</b>	–	<b>53 166</b>	<b>313</b>	<b>53 479</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Deferred tax liability	10 120		10 120		10 120
Borrowings	2 883	3 617	6 500	143	6 643
Liabilities	1 100	744	1 844	(456)	1 388
Provisions	893		893		893
	<b>14 996</b>	<b>4 361</b>	<b>19 357</b>	<b>(313)</b>	<b>19 044</b>
<b>Current liabilities</b>					
Trade and other payables	4 380		4 380		4 380
Current tax payable	375		375		375
Borrowings	87		87		87
Bank overdraft	1 160		1 160		1 160
Liabilities	524		524		524
	<b>6 526</b>	–	<b>6 526</b>	–	<b>6 526</b>
<b>Total liabilities</b>	<b>21 522</b>	<b>4 361</b>	<b>25 883</b>	<b>(313)</b>	<b>25 570</b>
<b>Total equity and liabilities</b>	<b>74 688</b>	<b>4 361</b>	<b>79 049</b>	–	<b>79 049</b>
Number of shares in issue (millions)	606.73		606.73		606.73
Net asset value per share (cents)	8 374		8 374		8 426
Net tangible asset value per share (cents)	8 207		8 207		8 258

Notes to and assumptions underlying the *pro forma* unaudited consolidated statement of financial position are presented below the table of *pro forma* financial effects.

**Pro forma unaudited consolidated statement of comprehensive income**

R millions	Before		After issue of		After approval
	Six months ended 31 December 2012	Issue of Convertible Bonds	Six months ended 31 December 2012	Approval for issue of Ordinary Shares	Six months ended 31 December 2012
<b>Revenue</b>	<b>15 161</b>		<b>15 161</b>		<b>15 161</b>
Cost of sales	(12 560)		(12 560)		(12 560)
<b>Gross profit</b>	<b>2 601</b>		<b>2 601</b>		<b>2 601</b>
Other operating (expenses)/income	(655)		(655)		(655)
Royalty expense	(344)		(344)		(344)
<b>Profit from operations</b>	<b>1 602</b>		<b>1 602</b>		<b>1 602</b>
Finance income	111		111		111
Finance costs	(293)	(147)	(440)	11	(429)
Net foreign exchange transaction gains/(losses)	290		290		290
Other expenses	(90)		(90)		(90)
Share of profit of associates	73		73		73
<b>Profit before tax</b>	<b>1 693</b>	<b>(147)</b>	<b>1 546</b>	<b>11</b>	<b>1 557</b>
Income tax expense	(885)	41	(844)	(3)	(847)
<b>Profit for the period</b>	<b>808</b>	<b>(106)</b>	<b>702</b>	<b>8</b>	<b>710</b>
<b>Other comprehensive income, comprising items subsequently reclassified to profit or loss:</b>					
Available-for-sale financial assets	4		4		4
• Deferred tax thereon	–		–		–
Exchange differences on translating foreign operations	288		288		288
• Deferred tax thereon	(81)		(81)		(81)
<b>Other comprehensive income, comprising items not subsequently reclassified to profit or loss:</b>					
Actuarial loss on post-employment medical benefit	–		–		–
• Deferred tax thereon	–		–		–
<b>Total comprehensive income</b>	<b>1 019</b>	<b>(106)</b>	<b>913</b>	<b>8</b>	<b>921</b>
<b>Profit attributable to:</b>					
Owners of the Company	813	(106)	707	8	715
Non-controlling interest	(5)	–	(5)	–	(5)
	<b>808</b>	<b>(106)</b>	<b>702</b>	<b>8</b>	<b>710</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company	993	(106)	887	8	895
Non-controlling interest	26	–	26	–	26
	<b>1 019</b>	<b>(106)</b>	<b>913</b>	<b>8</b>	<b>921</b>
Basic earnings	813	(106)	707	8	715
Diluted earnings	813	(106)	707	106	813
Basic headline earnings	776	(106)	670	8	678
Diluted headline earnings	776	(106)	670	106	776
<b>Earnings per share (cents per share)</b>					
Basic	134		117		118
Diluted	134		116		118
<b>Headline earnings per share (cents per share)</b>					
Basic	128		110		112
Diluted	128		110		112
Weighted average number of shares (millions) (Basic)	606.64		606.64		606.64
Weighted average number of shares (millions) (Diluted)	607.05		607.05	20.72	627.77

Notes to and assumptions underlying the *pro forma* unaudited consolidated statement of comprehensive income are presented below the table of *pro forma* financial effects.

## 9. SALIENT INFORMATION ON IMPLATS

### 9.1 Description of the business

Implats is one of the world's foremost producers of platinum and associated platinum group metals.

### 9.2 Prospects

The fundamentals for platinum group metals remain robust as a result of tight South African supply and ongoing firm demand by the automotive industry. This should have a positive impact on platinum group metals prices. The operating environment in South Africa continues to be challenging as a result of the changing labour dynamics and increased stakeholder expectations. Cost pressures will remain high as a result of proposed power increases and potential wage demands, which could be mitigated to some extent by a recovery at Impala Rustenburg. Implats takes a long-term view on the business and will continue to invest in replacement shafts in South Africa and the growth project in Zimbabwe.

### 9.3 Share capital

The authorised and issued share capital of Implats on the Last Practicable Date are set out below:

	Nominal value per share	Number of shares	Amount (R'000)
<b>Authorised share capital</b>			
Ordinary Shares	2.5 cents	844 008 000	21 100
<b>Issued share capital</b>			
Ordinary Shares	2.5 cents	632 214 276	15 805
<b>Share premium</b>			13 099 000

As at the Last Practicable Date, 16 233 994 Ordinary Shares were held as treasury shares.

### 9.4 Directors

#### 9.4.1 Information on Directors

Information on the Directors of Implats is provided in Annexure 5.

#### 9.4.2 Directors' remuneration

The following tables reflect the remuneration of Directors for the financial year ended June 2012:

Executive	Remun- eration	Performance bonus	Share appreciation rights exercised	Other benefits	Total
R'000					
DH Brown	6 313	4 060	–	2 765	13 138
PA Dunne	3 665	1 595	871	928	7 059
B Berlin	3 554	1 076	–	648	5 278
<b>Total</b>	<b>13 532</b>	<b>6 731</b>	<b>871</b>	<b>4 341</b>	<b>25 475</b>

\* The appointment of Mr TP Goodlace was subsequent to the 2012 year-end, he acted as non-executive director pre-2012 year-end.

Non-executive Rand	Nominations and Ethics and Transformation									
	Board	Audit Committee	Remuneration Committee	HSE Committee	Governance Committee	Social, Ethics and Transformation Committee	Risk Committee	Total (2012)		
KDK Mokhele	1 820 000	-	-	-	-	-	-	1 820 000		
HC Cameron	334 000	158 000	-	-	-	109 000	-	601 000		
MSV Gantsho	334 000	-	212 000	-	55 000	-	-	601 000		
TP Goodlace	306 000	-	-	223 000	-	-	46 000	575 000		
AA Maule	222 000	105 000	-	-	-	-	121 000	448 000		
JM McMahon	334 000	334 000	55 000	109 000	-	-	55 000	887 000		
MV Mennell	107 000	50 000	-	-	35 000	-	-	192 000		
TV Mokgathi	334 000	-	109 000	-	-	109 000	-	552 000		
B Nkonyama	334 000	158 000	-	-	-	-	-	492 000		
NDB Orleyn	334 000	-	140 000	-	109 000	243 000	-	826 000		
OM Poole	334 000	-	53 000	55 000	-	-	-	442 000		

There will be no variation to the remuneration receivable by any of the Directors as a consequence of the issue of the Convertible Bonds.

#### 9.4.3 **Directors' interests in securities**

The following Directors, including Directors who have resigned in the 18 months preceding the Last Practicable Date, have or have had a direct or indirect beneficial interest in Ordinary Shares: Mr DH Brown – 90 896 (direct); Mr JM McMahon – 300 (direct) and 780 (indirect).

#### 9.4.4 **Directors' interests in transactions**

The Directors, including any Directors who have resigned in the preceding 18 months, had no material beneficial interests, directly or indirectly, in transactions effected by Implats during the current or immediately preceding financial year or any transaction during any financial year which remains in any respect, outstanding or unperformed.

#### 9.4.5 **Directors' responsibility**

The Directors, whose names appear on page 6 of this Circular, collectively and individually, accept full responsibility for the accuracy of the information given in this Circular and certify that, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Circular false or misleading, and all reasonable enquiries to ascertain such facts have been made and that this Circular contains all information required by the JSE Listings Requirements.

## 9.5 Litigation statement

There are no legal or arbitration proceedings in which any member of the Implats Group is or has been engaged, including any such proceedings which are pending or threatened of which Implats is aware, which may have, or have had, during the 12 months preceding the Last Practicable Date, a material effect on the financial position of the Implats Group.

## 10. CONSENTS

The sponsor, the transfer secretaries and the legal adviser to Implats have all provided their written consent to their names being published in this Circular and have not withdrawn their consent prior to the publication of this Circular.

The independent reporting accountants and the independent professional expert have provided their written consent to their names and reports being included in this Circular in the form and context in which they appear and have not withdrawn their consent prior to the publication of this Circular.

## 11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours (Saturdays, Sundays and public holidays excluded) at the registered office of Implats from Monday, 8 April 2013 until Tuesday, 7 May 2013:

- the MOI of Implats and its subsidiaries;
- Trust Deed;
- the audited annual financial statements of Implats for each of the three financial years ended on 30 June 2012, 30 June 2011 and 30 June 2010;
- the reviewed financial statements for the six months ended 31 December 2012;
- copies of service agreements or summaries of any service agreements entered into with the Directors;
- a copy of the Termsheet and the Terms and Conditions of the Convertible Bonds;
- a signed copy of this Circular;
- the independent reporting accountants' report;
- the independent professional expert's report;
- all material contracts;
- latest competent persons report, being the Company's Mineral Resources and Reserve Statement, dated 30 June 2012; and
- the consent letters from the sponsor, the transfer secretaries, the legal adviser, the independent reporting accountants and the independent professional expert.

Signed by B Berlin in terms of a resolution signed by all the Directors of Implats

**B Berlin**

8 April 2013

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**INDEPENDENT PROFESSIONAL EXPERT'S REPORT**

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"The Directors  
Impala Platinum Holdings Limited  
2 Fricker Road  
Illovo  
Sandton  
2196

28 March 2013

Dear Directors

**FAIRNESS OPINION IN RESPECT OF THE 5.0% ZAR DENOMINATED AND 1.0% US\$ DENOMINATED CONVERTIBLE BONDS ISSUED BY IMPALA PLATINUM HOLDINGS LIMITED ("IMPLATS") ON 21 FEBRUARY 2013**

### 1. INTRODUCTION

In accordance with our letter of engagement dated 22 February 2013, we present our opinion in terms of section 5.53 of the JSE Listings Requirements to the Board of Directors of Implats ("the Board") regarding the issue of Convertible Bonds.

Implats issued R2 672 million in ZAR denominated senior unsecured Convertible Bonds and US\$200 million US\$ denominated senior unsecured Convertible Bonds due 2018 on 21 February 2013 ("the Convertible Bonds"). Full details of the Convertible Bonds are contained in the circular to Implats Shareholders to be dated on or about 8 April 2013. In terms of section 5.53, the Board is required to obtain a fairness opinion from an independent professional expert acceptable to the JSE.

The Board have therefore requested PricewaterhouseCoopers Corporate Finance Proprietary Limited ("PwC Corporate Finance") to act as independent professional expert in terms of the JSE Listings Requirements and to provide an opinion as to whether the issue of the Convertible Bonds is fair as far as Implats shareholders are concerned.

### 2. DEFINITION OF FAIR

The JSE Limited requires an opinion on fairness which, in the case of the Convertible Bonds, would be considered fair if the consideration received by the company is equal to, or greater than the underlying value of the Convertible Bonds being issued.

This fairness opinion does not purport to cater for individual shareholders' positions but rather the general body of shareholders. A shareholder's decision regarding fairness of the terms of a transaction may be influenced by his or her particular circumstances (for example taxation and the price paid for the shares). Should a shareholder be in doubt, he or she should consult an independent adviser as to the merits of the Convertible Bonds, considering his/her personal circumstances.

### 3. VALUATION

As part of our procedures we performed a detailed valuation of the Convertible Bonds using standard valuation techniques. The Convertible Bonds offer the holders the option to convert the debt instrument to Implats ordinary equity resulting in an embedded option forming part of instrument. In order to calculate the fair value of the Convertible Bonds we used a binomial lattice tree model that considers both the debt component and embedded option inherent in the Convertible Bonds. The model uses observed market data as its primary inputs. The key assumptions used in our valuation are outlined in the Assumptions section below.

#### **4. SOURCES OF INFORMATION**

In the course of our analysis, we relied upon financial and other information obtained from the management of Implats ("Implats Management"), together with industry related and other information in the public domain. Our conclusion is dependent on such information, which is listed below, being accurate in all material aspects.

The principal sources of information used in formulating our opinion are as follows:

- the term sheet pertaining to the Convertible Bonds and the amendment to the principal amount of the Convertible Bonds;
- current zero-coupon interest rate curves sourced from Standard Bank and the Bond Exchange of South Africa;
- audited financial statements of Implats for the years ended 30 June 2010, 30 June 2011 and 30 June 2012;
- unaudited interim financial results of Implats for the six months ended 31 December 2012;
- historical JSE Limited share trading data for Implats;
- financial data from Reuters, Factiva and McGregor BFA;
- selected stockbroker analyst reports covering Implats; and
- discussions with Implats Management on aspects of the Convertible Bonds issue.

Where practicable, we have corroborated the reasonableness of the information provided to us for the purpose of supporting our opinion, whether in writing or obtained through discussions with Implats Management.

#### **5. PROCEDURES**

The procedures we performed comprised the following:

- we conducted a high level review of Implats' trading history, including reviewing available analysts' reports to gain comfort that the current share price, which was used in calculating the value of the Convertible Bonds, is a reasonable basis for the convertible bond valuations. However, our engagement did not include performing a comprehensive valuation of the Implats ordinary shares;
- we reviewed the final term sheet of the Convertible Bonds issue;
- in conjunction with our in-house option modelling team, we ran certain option models to ascertain the fair value of the Bonds;
- in particular, we utilised a binomial lattice tree model that uses observable market prices as inputs to the model. This approach provides an objective valuation of the Convertible Bonds that is consistent with the way in which market participants price similar assets in the market. This is achieved through using standard techniques and market consistent assumptions; and
- we held discussions with Implats Management and their advisers to clarify and resolve other material issues.

#### **6. ASSUMPTIONS**

Our opinion is based on the following key assumptions:

- current economic, regulatory and market conditions will not change materially;
- the Implats share price as quoted on the JSE Limited Exchange is an accurate reflection of the market value of an ordinary share of Implats;
- input parameters in the binomial lattice tree model for the ZAR convertible bond included among others a reference share price of R159.18, a coupon rate of 5%, a conversion premium of 35%, a volatility range of between 30% and 31.59%, a credit spread range of between 220 and 275 basis points and a dividend yield of 1.5%. These assumptions were implied from observed market data;
- input parameters in the binomial lattice tree model for the USD convertible bond included among others a reference share price of USD17.87, a coupon rate of 1%, a conversion premium of 35%, a volatility range of between 34% and 37.13%, a credit spread range of between 350 and 360 basis points and a dividend yield of 1.5%. These assumptions were implied from observed market data; and
- representations made by Implats Management during the course of forming this opinion.

## **7. OPINION**

Our opinion is based on the current economic, market, regulatory and other conditions and the information made available to us by Implats' Management up to 28 March 2013. Accordingly, subsequent developments may affect this opinion, which we are under no obligation to update, revise or reaffirm.

Based upon our analysis, subject to the foregoing and after taking into account all financial and non-financial considerations, we are of the opinion that the terms and conditions in respect of the Convertible Bond are fair to the ordinary shareholders of Implats.

## **8. INDEPENDENCE**

We confirm that PwC Corporate Finance holds no shares in Implats, directly or indirectly. We have no interest, direct or indirect, beneficial or non-beneficial, in Implats or the outcome of the convertible bond issue.

## **9. LIMITING CONDITIONS**

This letter and opinion has been prepared solely for the Board of Implats in connection with and for the purposes of the Convertible Bonds issue in terms of JSE Listings Requirements. Therefore it shall not be relied upon for any other purpose. We assume no responsibility to anyone if this letter and opinion are used for anything other than their intended purpose.

While our work has involved an analysis of financial information and the preparation of financial models, our engagement does not include an audit in accordance with International Standards on Auditing of Implats' business records and financial data. Accordingly, we cannot express any opinion on the financial data or other information used in arriving at our opinion.

The valuation of companies and businesses, and in particular exercises involving the valuation of instruments with embedded options, is not a precise science, and conclusions arrived at in many cases will necessarily be subjective and dependent on the exercise of individual judgement. Further, whilst we consider our opinion to be defensible based on the information available to us others may have a different view and arrive at a different conclusion.

Yours faithfully

### **Jan Groenewald**

*Director*

jan.groenewald@za.pwc.com

Tel: +27 (11) 797 5380

Fax: +27 (11) 209 5380

PricewaterhouseCoopers Corporate Finance Proprietary Limited

2 Eglin Road

Sunninghill, 2157

South Africa"

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## INDEPENDENT REPORTING ACCOUNTANTS' REPORT

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"The Board of Directors  
Impala Platinum Holdings Limited  
2 Fricker Road  
Illovo  
2196

28 March 2013

### **INDEPENDENT REPORTING ACCOUNTANTS' LIMITED ASSURANCE REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF IMPALA PLATINUM HOLDINGS LIMITED ("IMPLATS" OR "THE COMPANY")**

#### **Introduction**

Implats is issuing a circular to its shareholders to be dated on or about 8 April 2013 ("the Circular") regarding the approval for issue of Ordinary Shares upon conversion of the Convertible Bonds ("the Proposed Transaction").

At your request and for the purposes of the Circular, we present our limited assurance report on the unaudited *pro forma* statement of financial position as at 31 December 2012, the unaudited *pro forma* statement of comprehensive income for the six months ended 31 December 2012 and financial effects ("the Unaudited *Pro Forma* Financial Information") of Implats presented in paragraph 8 of the Circular.

The Unaudited *Pro Forma* Financial Information has been prepared in compliance with the JSE Limited ("JSE") Listings Requirements, for illustrative purposes only, to provide information about how the Proposed Transaction might have affected the reported historical financial information presented, had the Proposed Transaction been undertaken at the commencement of the period or date of the unaudited *pro forma* statement of financial position being reported on.

#### **Directors' responsibility**

The directors of Implats are responsible for the compilation, contents and presentation of the Unaudited *Pro Forma* Financial Information contained in the Circular and for the financial information from which it has been prepared. Their responsibility includes determining that: the Unaudited *Pro Forma* Financial Information contained in the Circular has been properly compiled on the basis stated; the basis is consistent with the accounting policies of Implats; and the *pro forma* adjustments are appropriate for the purposes of the Unaudited *Pro Forma* Financial Information disclosed in terms of the JSE Listings Requirements.

#### **Reporting accountants' responsibility**

Our responsibility is to express our limited assurance conclusion on the Unaudited *Pro Forma* Financial Information included in the Circular. We conducted our limited assurance engagement in accordance with ISAE 3000 (Revised): *International Standard on Assurance Engagements applicable to Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and the Guide on *Pro Forma* Financial Information issued by the South African Institute of Chartered Accountants. This standard requires us to obtain sufficient appropriate evidence on which to base our limited assurance conclusion.

We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited *Pro Forma* Financial Information, beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

#### **Scope of information and work performed**

Our procedures consisted primarily of comparing the unadjusted financial information of Implats with the source documents, considering the *pro forma* adjustments in light of the accounting policies of Implats, considering the evidence supporting the unaudited *pro forma* adjustments and discussing the adjusted Unaudited *Pro Forma* Financial Information with the directors of Implats in respect of the Proposed Transaction that is the subject of the Circular.

In arriving at our limited assurance conclusion, we have relied upon financial information prepared by the directors of Implats and other information from various public, financial and industry sources.

While our work performed involved an analysis of the historical financial information and other information provided to us, our limited assurance engagement does not constitute either an audit or review of any of the underlying financial information conducted in accordance with the International Standards on Auditing or the International Standards on Review Engagements and, accordingly, we do not express an audit or review opinion.

In a limited assurance engagement, the evidence-gathering procedures are more limited than for a reasonable assurance engagement and therefore less assurance is obtained than in a reasonable assurance engagement. We believe our evidence obtained is sufficient and appropriate to provide a basis for our limited assurance.

### **Conclusion**

Based on our examination of the evidence obtained, nothing has come to our attention that causes us to believe that:

- the Unaudited *Pro Forma* Financial Information has not been properly compiled on the basis stated;
- such basis is inconsistent with the accounting policies of Implats, and
- the adjustments are not appropriate for the purposes of the Unaudited *Pro Forma* Financial Information as disclosed pursuant to sections 8.17 and 8.30 of the JSE Listings Requirements.

### **PricewaterhouseCoopers Inc.**

Director: **J-P van Staden**  
Registered Auditor"

## SHARE PRICE HISTORY

The high, low and closing prices of Ordinary Shares on the JSE and the volumes and values traded were as follows:

<b>Date</b>	<b>High (Rand)</b>	<b>Low (Rand)</b>	<b>Closing price (Rand)</b>	<b>Volume (shares)</b>	<b>Value traded (Rand)</b>
<b>Quarterly</b>					
Q4 2010	235.99	178.25	232.96	122 768 601	2 526 780.78
Q1 2011	243.65	184.10	195.74	174 931 157	3 653 400.04
Q2 2011	206.50	174.12	182.19	120 477 259	2 192 337.42
Q3 2011	184.00	152.50	164.25	147 468 858	2 514 714.70
Q4 2011	189.50	157.61	167.35	105 087 871	1 798 665.44
Q1 2012	180.83	150.25	151.10	146 045 404	2 407 440.21
Q2 2012	155.00	128.98	135.25	117 750 550	1 676 603.19
Q3 2012	149.99	123.47	139.00	116 751 019	1 567 598.28
Q4 2012	167.75	134.90	167.70	116 929 172	1 772 160.47
<b>Monthly</b>					
April 2012	155.00	145.33	151.30	33 214 319	496 242.61
May 2012	152.67	132.86	134.00	39 866 907	558 264.53
June 2012	149.60	128.98	135.25	44 669 324	622 096.05
July 2012	134.99	124.02	130.00	33 951 394	438 262.55
August 2012	139.78	126.05	133.00	38 290 972	510 365.50
September 2012	149.99	123.47	139.00	44 508 653	618 970.23
October 2012	158.16	134.90	156.00	33 244 736	487 524.01
November 2012	157.70	138.08	144.65	40 839 344	609 334.64
December 2012	167.75	140.51	167.70	42 845 092	675 301.83
January 2013	176.00	161.01	162.39	66 446 158	1 123 473.28
February 2013	170.97	136.75	139.00	63 578 261	975 752.31
March 2013	141.66	131.66	134.50	41 514 119	564 568.71
<b>Daily</b>					
2/13/2013	167.50	161.24	166.13	2 243 978	37 247.48
2/14/2013	163.72	156.25	161.00	9 024 758	143 715.80
2/15/2013	161.00	150.24	151.00	8 556 417	132 901.50
2/18/2013	152.80	145.62	147.25	3 048 074	45 088.99
2/19/2013	148.50	142.70	145.59	2 681 467	38 820.82
2/20/2013	147.27	142.96	145.48	2 099 592	30 467.43
2/21/2013	143.01	137.00	137.00	3 712 255	51 512.97
2/22/2013	141.98	137.05	139.00	2 713 160	37 799.22
2/25/2013	141.66	139.41	141.00	2 553 986	35 962.36
2/26/2013	143.36	137.28	142.33	2 527 149	35 596.02
2/27/2013	143.80	137.71	140.86	3 023 684	42 203.77
2/28/2013	142.50	136.75	139.00	3 488 540	48 537.57
3/1/2013	139.97	137.57	139.00	1 799 922	25 026.76
3/4/2013	138.99	131.85	132.00	6 298 494	84 124.67
3/5/2013	136.99	131.66	136.99	3 128 069	42 339.11
3/6/2013	138.20	132.57	134.61	2 649 455	35 760.38
3/7/2013	136.00	132.65	133.99	1 535 129	20 513.84
3/8/2013	138.32	133.67	136.00	2 183 763	29 841.86

<b>Date</b>	<b>High (Rand)</b>	<b>Low (Rand)</b>	<b>Closing price (Rand)</b>	<b>Volume (shares)</b>	<b>Value traded (Rand)</b>
3/11/2013	138.25	136.00	137.50	1 183 865	16 277.26
3/12/2013	137.99	135.55	136.90	1 087 179	14 887.10
3/13/2013	137.64	133.53	133.75	1 570 725	21 283.00
3/14/2013	136.00	133.34	134.45	1 936 982	26 078.43
3/15/2013	139.58	134.51	138.75	5 376 997	74 237.15
3/18/2013	137.70	135.27	137.50	2 086 109	28 572.90
3/19/2013	141.66	137.04	137.40	1 646 894	22 781.36
3/20/2013	139.49	135.50	136.45	2 656 640	36 455.95
3/22/2013	138.03	133.82	133.88	2 382 433	32 214.33
3/25/2013	135.60	133.62	134.77	1 016 376	13 708.62
3/26/2013	138.28	134.91	137.08	1 619 132	22 077.71
3/27/2013	139.86	132.55	134.50	1 355 955	18 388.28

Source: I-Net Bridge

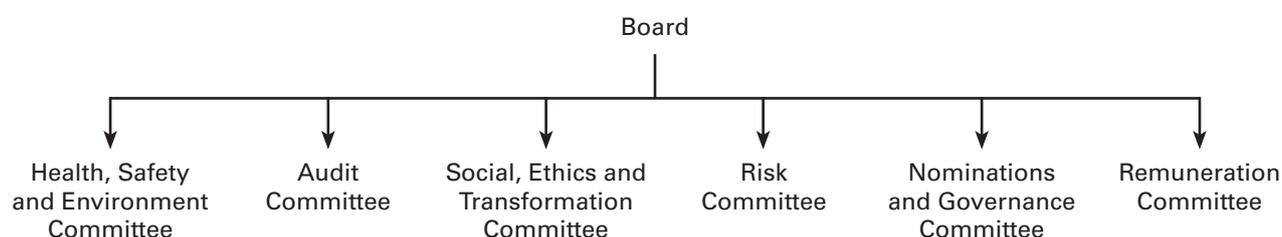
## CORPORATE GOVERNANCE REPORT

### Introduction

The Implats Board of Directors subscribes to and promotes the highest standards of integrity and good corporate governance throughout the organisation. The Board and management recognise that, in order to safeguard the interests of stakeholders, all of their actions must be guided by full accountability and transparency.

The Board acknowledges its responsibility towards all stakeholders to ensure that the Group exercises sound corporate citizenship and creates sustainable value for all parties.

An ethical environment is consistently promoted throughout the Group. All stakeholders are expected to practise accountability, integrity and honest and open communication. These values underpin the corporate governance framework and systems. Shareholders are engaged on matters of importance and provide input to the organisation at the annual general meeting, as well as through the investor relations department.



### Board structure

Implats has a unitary Board of 12 directors, which fulfils oversight and controlling functions. The responsibilities of the Board are set out in the Board charter, evidencing a clear division of responsibilities between management and the Board.

The Board consists of nine non-executive Directors, including the Chairman of the Board, and three executive directors. Seven of the non-executive Directors are independent as defined by King III. Two of the non-executive Directors are not independent, being representatives of a major shareholder.

### Role and function of the Board

The Board fully embraces the principle of ethical leadership in setting and implementing the strategy of the Group and is guided by the principles of the King III Code of Corporate Governance (“King III”), the Companies Act, the JSE Listings Requirements and all other applicable laws, standards and codes. In addition, the Board takes full responsibility for the management, direction and performance of the Group by exercising independent judgement on all issues reserved for its review and approval while taking cognisance of the needs of all stakeholders.

The role and functions of the Board are formally and comprehensively documented in a Board Charter which, *inter alia*, defines the rights, obligations, responsibilities and powers of the Board. The Board functions both as a unit and through its sub-committees and management Executive Committee (EXCO). A formal delegation of authority (Approval Framework) which further defines the powers and authority of the Board and that of its sub-committees and EXCO is in place.

### Board appointments

The appointment of Directors is a matter for the Board as a whole. The Board is assisted by the Nominations and Governance Committee who makes recommendations on the appointment of new executive and non-executive Directors, including making recommendations on the composition of the Board generally and the balance between executive and non-executive Directors.

The appointment of new Directors is subject to the approval by shareholders. Directors do not have a fixed term of appointment. In terms of the Company’s Memorandum of Incorporation, Directors retire by rotation at least once every three years but can make themselves available for re-election by shareholders.

## **Board committees**

The Board is supported by several sub-committees who meet at least four times a year. In discharging its duties, however, the Board remains ultimately responsible for any function it has delegated to a sub-committee. Details of the role and mandate of the various sub-committees are included hereunder:

### ***Audit Committee***

Members of the Audit Committee were appointed by the shareholders at the Annual General Meeting in October 2012. The Board decided to remove the responsibility of risk management from the mandate of the Audit Committee to allow the Committee to better focus on its statutory and other delegated duties.

The Committee has adopted formal written terms of reference approved by the Board of Directors. These terms of reference allow the Committee to investigate any activity of the Company and permits seeking the information or advice from any employee or external consultant. The internal and external auditors have unlimited access to the Chairman of the Committee and they meet twice a year individually, with the Chairman. The Audit Committee has in the past financial year, satisfied its responsibilities in compliance with legislation.

The membership of the Audit Committee is as follows:

HC Cameron (Chairman)

AA Maule

B Ngonyama

### ***Remuneration Committee***

The composition of the Committee is in line with the King III recommendation whereby the majority of the members are independent non-executive directors. The CEO and the Human Resources Executive are invited to attend all meetings except when their own remuneration is under consideration.

The Company's remuneration policy, as determined by the Remuneration Committee, was presented to the shareholders for approval at the last Annual General Meeting. The policy strives for competitive and fair reward, in recognising and rewarding individual and team achievement that contribute to the attraction, retention and motivation of employees, organisational growth and prosperity. The Remuneration Committee has adopted formal written terms of reference which have been approved by the Board.

The membership of the Committee is as follows:

MSV Gantsho (Chairman)

NDB Orleyn

TV Mokgatla

KDK Mokhele

### ***Nominations and Governance Committee***

A key function of the Nominations and Governance Committee is to ensure that the Board and its sub-committees are structured and staffed to enable them to carry out their mandates. The Committee is chaired by the Chairman of the Board and the CEO is a permanent invitee. In December 2011, the Committee was renamed to emphasise its extensive governance responsibilities beyond appointments to the Board and its Committees.

The Committee is responsible for the performance appraisal of the Board, sub-committees and individual directors. During the year under review the Board Chairman, sub-committees, chairpersons of sub-committees and all retiring directors had their performance evaluated. The Committee was assisted by PricewaterhouseCoopers (PwC), as an external service provider, and the Company Secretary. The results of the evaluation were tabled at a Board meeting where all areas of concern were highlighted and corrective measures proposed. The annual evaluation of Dr KDK Mokhele informed his annual appointment as the Chairman of the Board. The Committee is also responsible for proposing the re-election of retiring directors following the achievement of a satisfactory performance review.

The membership of the Committee is as follows:

KDK Mokhele (Chairman)

MSV Gantsho

NDB Orleyn

### ***Risk Committee***

Following a Board decision to remove the risk management responsibilities from the mandate of the Audit Committee, it was decided that the management of risk in the Group warranted a separate committee. The Risk Committee was formed in November 2011 and its formal terms of reference were approved by the Board, giving the Committee a formal mandate. The functions of the Committee include the following:

- overseeing and monitoring the development, implementation and annual review of a policy and plan for risk management to recommend for approval to the Board;
- making recommendations to the Board concerning the levels of tolerance and appetite, and monitoring that risks are managed within the levels of tolerance and appetite as approved by the Board;
- ensuring that frameworks and methodologies are implemented to increase the possibility of anticipating unpredictable risks;
- ensuring that continuous risk monitoring by management takes place and that management considers and implements appropriate risk responses;
- liaising closely with the Audit Committee to exchange information relevant to risk;
- expressing the Committee's formal opinion to the Board on the effectiveness of the system and process of risk management; and
- reviewing reporting concerning risk management to be included in the Integrated Annual Report.

The membership of the Committee is as follows:

AA Maule (Chairman)

HC Cameron

### ***Social, Ethics and Transformation Committee***

In line with section 72(4) and regulation 43(2) of the Companies Act, the Company appointed a Social and Ethics Committee. It was decided that, in addition to its statutory duties, the Committee would discharge the duties of the existing Transformation Committee as delegated by the Board and be known as the Social, Ethics and Transformation Committee. The Committee comprises three independent non-executive Directors, one non-executive Director and one executive Director.

The functions of the Committee include all statutory duties as stipulated in regulation 43(5) of the Companies Act. In addition, the Committee has Board-approved functions.

The membership of the Committee is as follows:

NDB Orleyn (Chairman)

TP Goodlace

KDK Mokhele

TV Mokgatla

HC Cameron

### ***Health, Safety and Environment Committee***

The industry in which we operate makes the management of health, safety and the environment ("HSE") a key strategic objective and as such the Board is supported by the HSE Committee. Through formal terms of reference, the Board has mandated the HSE Committee to monitor and review the Group's health, safety and environmental standards. The responsibilities of the Committee in terms of its terms of reference include:

- reviewing the adequacy and appropriateness of the safety, health, environmental and quality systems, policies, standards, codes of practice and procedures of the Group;
- monitoring HSE performance in accordance with stated goals and objectives, including measurement against South African and international norms and benchmarks;
- monitoring the HSE management function and recommending improvements where considered necessary;
- reviewing the HSE element of the Company's business plan and approving the HSE section of the Integrated Annual Report; and
- having the light to institute investigations into matters where inadequacies have been identified, or as directed by the Board.

The membership of the Committee is as follows:

AS Macfarlane (Chairman)

TP Goodlace

KDK Mokhele

OM Poee

### **Company Secretary**

The role of the Company Secretary is to ensure that the Board remains mindful of its duties and responsibilities and to equip the Board to fully discharge such duties and responsibilities. Her key performance areas include all statutory duties as per section 88 of the Companies Act. In addition to guiding the Board on discharging its responsibilities, the Company Secretary keeps the Board abreast of relevant changes in legislation and governance best practice. The Company Secretary oversees the induction of new Directors, as well as the ongoing education of Directors. The Company Secretary is also secretary to the Board committees. All Directors have access to the services of the Company Secretary.

In keeping with the Listings Requirements of the JSE, the Board of Directors has conducted an annual evaluation of the Company Secretary and is satisfied with the competence, qualifications and experience of the Company Secretary. The Board is also satisfied that the Company Secretary maintains an arm's length relationship with members.

### **Application of King III**

South Africa's commitment to world-class principles and guidelines on corporate governance was cemented with the introduction of King III on 1 March 2010. King III was formulated to, amongst others, promote the legislative framework set out in the Companies Act and has therefore become the cornerstone of best corporate governance principles. The JSE Listings Requirements requires listed companies to comply with the recommendations of King III.

The Board governs the Company according to the principles of fairness, social responsibility, transparency and accountability to all material stakeholders. These principles are reflected in the Group's business practices, internal controls and policies. The Directors believe that Implats complies with the majority of the significant requirements of King III. In instances where it does not comply, this is stated and explained.

The register which documents the application of the 75 King III principles is available on the Company's website at [www.implats.co.za](http://www.implats.co.za).

### **Explanation of non-compliance with principles of King III**

JSE-listed companies are required to report on and disclose the application of the King III principles. The principles that have not been applied are therefore explained below.

The following King III principles have not been applied fully:

- (a) Annual evaluation of the Board, its committees, the various chairmen and individual directors:
  - All retiring directors are evaluated annually, prior to re-election.
  - The evaluation of the Board and its sub-committee are conducted every two years.
- (b) The Company does not pay a base fee and attendance fee per meeting, as recommended by King III. Instead, the directors are paid a quarterly board fee, irrespective of the number of meetings attended. Attendance at Board meetings is exemplary and the Company does not have a problem of non-attendance.
- (c) The Company does not include details of the results from the evaluations of the Board, its committees, chairmen and retiring directors in the Integrated Report as this information is deemed confidential and sensitive. However, the Nominations and Governance Committee, on behalf of the Board, gives serious consideration to the process of the evaluations, the results thereof, and all action plans identified to ensure improvement.
- (d) The Board has delegated the governance of Information Technology and the oversight of compliance to laws and standards to the Audit Committee. Further, the function of stakeholder engagement has been delegated to the Social, Ethics and Transformation Committee. However, this delegation does not negate the Board's responsibility of having the requisite knowledge of these three areas of governance and oversight. The Board has resolved to take steps to meet its direct oversight obligations during the 2013 financial year.

### **Companies Act 71 of 2008 (Companies Act)**

In the previous financial year, the Board confirmed its commitment to the implementation of and compliance with the Companies Act. Substantial work has been conducted in this regard, the most noteworthy being:

- the review of the Company's Memorandum of Incorporation, was approved by shareholders at the Annual General Meeting in October 2012;
- the revision of the Board Charter and terms of reference of all the Board sub-committees to ensure alignment with the requirements of the Companies Act;
- the establishment of a Social, Ethics and Transformation Committee; and
- the change in the reporting line of the Company Secretary to the Chairman of the Board on all statutory and governance matters and to the Chief Financial Officer on all administrative matters.

### **Listings Requirements**

The Company continues to comply with all the Listings Requirements of the JSE. The Company also continues to maintain a sponsored level 1 American Depositary Receipt Programme through Deutsche Bank, Americas.

## INFORMATION ON DIRECTORS

Name	Age	Position	Qualifications	Experience	Business address
<b>Executive Directors</b>					
TP Goodlace	53	CEO	NHD Metalliferous Mining, BCom, MBA	Former chief executive officer of Metorex Ltd. Joined the Board in August 2010 and was appointed CEO on 1 July 2012	2 Fricker Road Illovo Johannesburg
B Berlin	48	CFO	BCom, BAcc, CA(SA)	Joined the Board in February 2011 as chief financial officer	2 Fricker Road Illovo Johannesburg
PA Dunne	49	Executive director: operations	BSc (Hons), MBA	Joined the Board in February 2010 as executive director: operations	2 Fricker Road Illovo Johannesburg
<b>Independent non-executive Directors</b>					
KDK Mokhele	57		BSc (Agriculture) MSc (Food Science) PhD (Microbiology)	Chairman of Adcock Ingram Holdings Ltd, non-executive director of African Oxygen Ltd and Tiger Brands Ltd. Joined the Board in June 2004	2 Fricker Road Illovo Johannesburg
HC Cameron	61		BCom, BAcc, CA(SA)	Former partner at PricewaterhouseCoopers. Director of First Uranium Corporation. Joined the Board in November 2010	2 Fricker Road Illovo Johannesburg
MSV Gantsho	50		BCom (Hons), CTA, CA(SA), MSc, MPhil, PhD	Non-executive director of Sasol Ltd, director of the South African Reserve Bank, CEO of Africa Rising Capital. Joined the Board in November 2010	85 Protea Road Chislehurst Sandton
AS Macfarlane	62		MSc (Eng), Associateship of the Camborne School of Mines, Mine Managers Certificate	Extensive experience in various Senior Management positions in Mining, and currently a consultant to mining companies. Joined the Board in December 2012	2 Fricker Road Illovo Johannesburg

<b>Name</b>	<b>Age</b>	<b>Position</b>	<b>Qualifications</b>	<b>Experience</b>	<b>Business address</b>
AA Maule	66		MSc (Mathematics and Statistics)	Non-executive director of Old Mutual Life Assurance Company (SA) and Mutual and Federal Insurance Company Ltd. Director of Women in Oil and Energy South Africa NPC. Joined the Board in November 2011	2 Fricker Road Illovo Johannesburg
B Nkonyama	37		BCompt (Hons), CA(SA), MBA	Non-executive director of Barloworld, Evraz Highveld Steel and Vanadium, Hollard Life Insurance Company and The Kelly Group Ltd. Joined the Board in November 2010	2 Fricker Road Illovo Johannesburg
NDB Orleyn	57		BJuris, BProc, LLB	Non-executive director of ArcelorMittal SA Ltd and Reunert Ltd. Joined the Board in April 2004	Block Q2, IQ Business Park No. 3, 3rd Avenue Rivonia Johannesburg
<b>Non-executive Directors</b>					
TV Mokgatlha	37		BCompt (Hons), CA(SA)	Non-executive director of Rand Merchant Insurance Holdings Limited, RMB Holdings. Joined the Board in February 2003	2 Fricker Road Illovo Johannesburg
OM Poole	53		BProc	Non-executive director of Metair Investments Ltd. Joined the Board in August 2010	17 High Street Melrose Arch Johannesburg



## **Impala Platinum Holdings Limited**

(Incorporated in the Republic of South Africa)

Registration number 1957/001979/06

ISIN: ZAE000083648 JSE share code: IMP

ADR code: IMPUY

("Implats" or "the Company")

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## **NOTICE OF GENERAL MEETING OF IMPLATS SHAREHOLDERS**

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The definitions and interpretations commencing on page 4 of the Circular apply *mutatis mutandis* to this notice.

### **1. NOTICE OF GENERAL MEETING**

Notice is hereby given that a Shareholders Meeting of shareholders of the Company will be held at the Company's registered office, 2 Fricker Road, Illovo, Johannesburg on Tuesday, 7 May 2013 at 11:00 (South African time).

### **2. WHO MAY ATTEND AND VOTE?**

If you hold dematerialised shares which are registered in your name or if you are the registered holder of Certificated Shares:

- you may attend, speak and vote at the Shareholders Meeting in person; and
- alternatively, you may appoint a proxy to represent you at the Shareholders Meeting and to attend, participate in, and speak and vote at the Shareholders Meeting in your place by completing the attached form of proxy in accordance with the instructions it contains and returning it to the Company secretary or transfer secretaries at their addresses set out below to be received not later than 11:00 (SA time) on Monday, 6 May 2013. A proxy need not be a shareholder of the Company.

If you hold dematerialised shares which are not registered in your name and:

- wish to attend the Shareholders Meeting, you must obtain the necessary letter of representation from your CSDP or broker; or
- do not wish to attend the Shareholders Meeting, but would like your vote to be recorded at the Shareholders Meeting, you should contact your CSDP or broker and furnish them with your voting instructions. You must not complete the attached form of proxy.

The date on which Implats Shareholders must be recorded as such in the register maintained by the transfer secretaries of the Company for purposes of being entitled to attend and vote at this Shareholders Meeting as determined in terms of section 59(3)(b) of the Companies Act and is Friday, 26 April 2013 ("Voting Record Date").

All meeting participants will be required to provide identification reasonably satisfactory to the chairperson of the meeting. Forms of identification include valid identity documents, drivers licences and passports.

### **Electronic participation**

Shareholders wishing to participate electronically in the Shareholders Meeting are required to deliver written notice to the Company at the addresses given (marked for the attention of the Company Secretary), stating that they wish to participate *via* electronic communication at the Shareholders Meeting (the "electronic notice"). In order for the Transfer Secretaries to arrange for the shareholders (or its representative) to provide reasonably satisfactory identification as set out below and in section 63(1) of the Act and to provide the shareholder (or its representative) with details as to how to access any

electronic participation. The notice must reach the aforementioned by no later than at 10:00 on Tuesday, 30 April 2013. In order for the electronic notice to be valid it must contain:

- (a) if the shareholder is an individual, a certified copy of his/her identity document and/or passport;
- (b) if the shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution – the relevant resolution must set out who from the relevant entity is authorised to represent the relevant entity at the Shareholders Meeting *via* electronic communication; and
- (c) a valid e-mail address and/or facsimile number (the “contact address/number”).

Note that shareholders will merely be able to participate, but not vote, *via* electronic communication.

By no later than 48 hours prior to the time of the Shareholders Meeting, the Company shall use its reasonable endeavours to notify a shareholder at its contact address/number who has delivered a valid electronic notice of the relevant details through which the shareholder can participate *via* electronic communication.

The Company reserves the right not to provide for electronic participation at the Shareholders Meeting in the event that it determines that it is not practical to do so.

The costs of accessing any means of electronic participation provided by the Company will be borne by the shareholder so accessing the electronic participation.

Votes at the Shareholders Meeting will be conducted by way of a poll and not on a show of hands.

If you are in any doubt as to what action you should take arising from the following resolutions, please consult your stockbroker, banker, attorney, accountant or other professional adviser immediately.

### **3. PURPOSE OF THE GENERAL MEETING**

The purpose of this Shareholders Meeting is to consider and, if deemed fit, to pass, with or without modification, the resolution set out below.

#### **SPECIAL RESOLUTION – SPECIFIC AUTHORITY TO ISSUE SHARES**

“It is resolved as a Special Resolution:

- that the Company, in accordance with the terms and conditions (“the Terms and Conditions”) on which Implats issued the Convertible Bonds, issues the Ordinary Shares in the issued share capital of the Company to those holders of Convertible Bonds who have exercised their rights to convert their Convertible Bonds into Ordinary Shares and that the Board be authorised to take all the steps and actions that may be required to issue those Ordinary Shares to those holders in accordance with the Terms and Conditions. The number of Ordinary Shares to be issued to a holder of a Convertible Bond who has exercised his right to convert his/her Convertible Bonds to Ordinary Shares will be determined by the Terms and Conditions;
- in particular that in terms of section 41(1) of the Companies Act the issue to the Public Investment Corporation (SOC) Limited and to every other Related Party of the number of Ordinary Shares that each one of them will become entitled to by virtue of the exercise of their rights to convert the Convertible Bonds held by them or that may be held by them to Ordinary Shares, are approved;
- unless adjusted in terms of the Terms and Conditions, the US\$ Convertible Bonds will be convertible into Ordinary Shares at a conversion price (or subscription price) of US\$24.13 (twenty-four US Dollars and thirteen US cents) per Ordinary Share; and
- unless adjusted in terms of the Terms and Conditions, the ZAR Convertible Bonds will be convertible into Ordinary Shares at a conversion price (or subscription price) of R214.90 (two hundred and fourteen Rand and ninety cents) per Ordinary Share,

provided that the number of Ordinary Shares that may be issued in terms of this Special Resolution is limited to a maximum of 30 000 000 Ordinary Shares.”

#### **Reason for the Special Resolution**

The reason for proposing the above Special Resolution is to seek a specific authority and approval for the directors of the Company to allot and issue up to a maximum of 30 000 000 ordinary shares of R0.025 each in the authorised but unissued share capital of the Company, to the holders of the ZAR2 672 000 000, 5% and the US\$200 000 000, 1% senior unsecured convertible registered bonds due in 2018, as issued by the Company (the “Convertible Bonds”) that have exercised their rights to convert their Convertible Bonds into Ordinary Shares.

This Special Resolution will grant the Company's directors the authority to issue Ordinary Shares in the issued share capital of the Company to those holders of Convertible Bonds that have exercised their rights to convert their Convertible Bonds into Ordinary Shares. Also see the remainder of the Circular.

#### **Percentage of voting rights required**

In terms of the Companies Act, in order for the Special Resolution to be approved by shareholders, it must be supported by at least 75% (seventy-five percent) of the votes cast by shareholders present or represented by proxy at the Shareholders Meeting. In terms of the Companies Act and/or the JSE Listings Requirements, the votes attaching to the Shares of the PIC and any of its associates, the Company's treasury Shares, and Shares held by the Share Scheme, will not be considered part of the quorum for the Shareholders Meeting nor will their votes be counted for purposes of the Special Resolution.

#### **4. PROXIES**

A shareholder of the Company entitled to attend, speak and vote at the Shareholders Meeting is entitled to appoint a proxy or proxies to attend, speak and vote in his/her stead. The proxy need not be a shareholder of the Company.

A form of proxy, which sets out the relevant instructions for its completion, is attached for use by Certificated Shareholders and Dematerialised Shareholders with "own name" registration who cannot attend the Shareholders Meeting, but who wish to be represented thereat. The instrument appointing a proxy and the authority, if any, under which it is signed must be received by the Company or its South African or United Kingdom transfer secretaries at the addresses given below by no later than 11:00 (South African time) on Monday, 6 May 2013.

Shareholders who have dematerialised their shares through a Central Securities Depository Participant ("CSDP") or broker, other than those shareholders who have dematerialised their shares in "own name" registrations, and all beneficial owners of shares who hold certificated shares through a nominee, must provide their CSDP, broker or nominee with their voting instructions. Voting instructions must reach the CSDP, broker or nominee in sufficient time and in accordance with the custody agreement between the beneficial owner and the CSDP, broker or nominee as the case may be, to allow the CSDP, broker or nominee to carry out the instructions and lodge the required authority by 11:00 (South African time) on Monday, 6 May 2013.

Should beneficial owners wish to attend the Shareholders Meeting in person, they may do so by requesting their CSDP, broker or nominee to issue them with a letter of representation.

Shareholders who hold certificated shares in their own name and shareholders who have dematerialised their shares in "own name" registrations must lodge, fax or email completed proxy forms at the registered office of the Company or with the Company's South African or United Kingdom transfer secretaries at the addresses below, to reach them by no later than 11:00 on Monday, 6 May 2013.

#### **FOR IMPALA PLATINUM HOLDINGS LIMITED**

##### **A Parboosing**

*Group Company Secretary*

8 April 2013

##### **Company secretary**

2 Fricker Road, Illovo  
Johannesburg, 2196, South Africa  
Facsimile: +27 (0) 11 731 9254  
Email: [avanthi.parboosing@implats.co.za](mailto:avanthi.parboosing@implats.co.za)

##### **South African transfer secretaries**

Computershare Investor Services Proprietary Limited  
70 Marshall Street, Johannesburg, 2001  
(PO Box 61051, Marshalltown, 2107)  
Facsimile: +27 (0) 11 688 5248

##### **United Kingdom transfer secretaries**

Computershare Investor Services PLC  
The Pavillions, Bridgwater Road  
Bristol, BS99 6ZY  
Facsimile: +44 (0) 870 703 6322



**Impala Platinum Holdings Limited**

(Incorporated in the Republic of South Africa)  
 Registration number 1957/001979/06  
 ISIN: ZAE000083648 JSE share code: IMP  
 ADR code: IMPUY  
 ("Implats" or "the Company")

**FORM OF PROXY**

**For use only by:**

- Certificated Ordinary Shareholders; and
- Dematerialised Ordinary Shareholders with "own name" registrations.

**At the meeting of shareholders of Implats to be held at 2 Fricker Road, Illovo, Sandton, South Africa at 11:00 on Tuesday, 7 May 2013 and any adjournment thereof ("the Shareholders Meeting").**

Dematerialised shareholders holding shares other than with "own name" registration, must inform their CSDP or broker of their intention to attend the Shareholders Meeting and request their CSDP or broker to issue them with the necessary letter of representation to attend the Shareholders Meeting in person.

If you do not wish to attend the Shareholders Meeting, provide your CSDP or broker with your voting instruction in terms of your custody agreement.

I/We

(Name/s in BLOCK LETTERS)

of

(Address)

being a shareholder/shareholders of Implats and holding  Ordinary Shares in the Company, hereby appoint

1. \_\_\_\_\_ or, failing him/her

2. \_\_\_\_\_ or, failing him/her

3. the Chairman of the Shareholders Meeting;  
 as my proxy to act for me/us at the Shareholders Meeting of the Company to be held at 11:00 on Tuesday, 7 May 2013 at Illovo, and at any adjournment thereof:

	Number of Ordinary Shares		
	In favour of	Against	Abstain
<b>Special Resolution</b> – Specific Authority to Issue Ordinary Shares			

Unless otherwise instructed, my/our proxy may vote as he/she thinks fit.

Signed at \_\_\_\_\_ on \_\_\_\_\_ 2013

Name in BLOCK LETTERS

Shareholders signature

(Initials and surname of joint holders, if any)

**Please read the notes on the reverse hereof.**

#### Notes to form of proxy:

1. This form of proxy must only be used by Certificated Ordinary Shareholders or Dematerialised Ordinary Shareholders who hold dematerialised ordinary shares with "own name" registration.
2. Dematerialised Ordinary Shareholders are reminded that the onus is on them to communicate with their CSDP or broker.
3. Each shareholder is entitled to appoint one or more proxies (who need not be a shareholder(s) of the company) to attend, speak and vote in place of that shareholder at the Shareholders Meeting.
4. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting "the Chairman of the Shareholders Meeting". The person whose name stands first on the form of proxy and who is present at the Shareholders Meeting will be entitled to act as proxy to the exclusion of those whose names follow.
5. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate box(es) provided or to mark the relevant box(es). If a box is marked without inserting a number of votes it is deemed that the proxy may exercise all the votes of the shareholder. Failure to comply with the above will be deemed to authorise the Chairman of the Shareholders Meeting to vote in favour of the Special Resolution at the Shareholders Meeting, or any other proxy to vote or to abstain from voting at the Shareholders Meeting as he/she deems fit, in respect of the shareholder's total holding.
6. Summary of rights established by section 58 of the Companies Act:
  - 6.1 At any time, a shareholder of a company may appoint any individual, including an individual who is not a shareholder of that company, as a proxy to:
    - participate in, and speak and vote at, a shareholders meeting on behalf of the shareholder; or
    - give or withhold written consent on behalf of the shareholder to a decision contemplated in section 60.
  - 6.2 A proxy appointment:
    - must be in writing, dated and signed by the shareholder; and
    - remains valid for:
      - one (1) year after the date on which it was signed; or
      - any longer or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in subsection (4) (c), or expires earlier as contemplated in subsection (8)(d).
  - 6.3 Except to the extent that the Memorandum of Incorporation of a company provides otherwise:
    - a shareholder of that company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder;
    - a proxy may delegate the proxy's authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and
    - a copy of the instrument appointing a proxy must be delivered to the company, or to any other person on behalf of the company, before the proxy exercises any rights of the shareholder at a shareholders meeting.
  - 6.4 Irrespective of the form of instrument used to appoint a proxy:
    - the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder;
    - the appointment is revocable unless the proxy appointment expressly states otherwise; and
    - if the appointment is revocable, a shareholder may revoke the proxy appointment by:
      - cancelling it in writing, or making a later inconsistent appointment of a proxy; and
      - delivering a copy of the revocation instrument to the proxy, and to the company.
  - 6.5 The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of:
    - the date stated in the revocation instrument, if any; or
    - the date on which the revocation instrument was delivered as required in subsection (4)(c)(ii).
  - 6.6 If the instrument appointing a proxy or proxies has been delivered to a company, as long as that appointment remains in effect, any notice that is required by this Act or the company's Memorandum of Incorporation to be delivered by the company to the shareholder must be delivered by the company to:
    - the shareholder; or
    - the proxy or proxies, if the shareholder has:
      - directed the company to do so, in writing; and
      - paid any reasonable fee charged by the company for doing so.
  - 6.7 A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the Memorandum of Incorporation, or the instrument appointing the proxy, provides otherwise.
  - 6.8 If a company issues an invitation to shareholders to appoint one or more persons named by the company as a proxy, or supplies a form of instrument for appointing a proxy:
    - the invitation must be sent to every shareholder who is entitled to notice of the Meeting at which the proxy is intended to be exercised;
    - the invitation, or form of instrument supplied by the company for the purpose of appointing a proxy, must:
      - bear a reasonably prominent summary of the rights established by this section;
      - contain adequate blank space, immediately preceding the name or names of any person or persons named in it, to enable a shareholder to write in the name and, if so desired, an alternative name of a proxy chosen by the shareholder; and
      - provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution or resolutions to be put at the meeting, or is to abstain from voting;
    - the company must not require that the proxy appointment be made irrevocable; and
    - the proxy appointment remains valid only until the end of the Meeting at which it was intended to be used, subject to subsection (5).
7. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy, unless previously recorded by the Company's transfer secretaries or waived by the Chairman of the Shareholders Meeting.
8. The Chairman of the Shareholders Meeting may reject or accept any form of proxy which is completed and/or received other than in accordance with these instructions, provided that he is satisfied as to the manner in which a shareholder wishes to vote.
9. Any alterations or corrections to this form of proxy must be initialled by the signatory(ies).
10. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the Shareholders Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.
11. A minor must be assisted by his/her parent/guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Company.
12. Where there are joint holders of any shares:
  - any one holder may sign this form of proxy;
  - the vote(s) of the senior shareholders (for that purpose seniority will be determined by the order in which the names of shareholders appear in the Company's register of shareholders) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint shareholder(s).
13. The proxy may not delegate any of the rights or powers granted to it.
14. Forms of proxy must be lodged with or posted to the Company's transfer secretaries to be received not later than 24 hours (excluding Saturdays, Sundays and public holidays) before the time of the Shareholders Meeting.