



## NEWS RELEASE

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### **Implats acquires strategic stake in Zimplats and Zimplats Ngezi Project**

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Impala Platinum Holdings Limited (Implats) announced today (26 March 2001) the acquisition of a 30 per cent stake in Zimbabwe Platinum Mines Limited's (Zimplats) Ngezi opencast mine and the Hartley Platinum Joint Venture Companies for a consideration of R240 million (US\$30 million), subject to the approval of Zimplats' shareholders in general meeting. Zimplats has also entered into an agreement with Impala Refining Services Limited (IRS), an Implats subsidiary that refines and markets platinum group metals (pgms) and base metals. The deals follow the satisfactory review of a bankable, technical feasibility study prepared by independent consultants, SRK, on the Ngezi Project.

Additionally, Implats and (subject to certain regulatory requirements) ABSA Bank Limited, a leading South African financial institution, have purchased a 30 per cent equity stake in Australian Stock Exchange-listed Zimplats from Delta Gold Limited for R131 million (US\$16.3 or A\$33.1 million). Delta Gold retains a 21 per cent stake in the company. The balance of Zimplats' shares are held by minorities. Implats has no intention of increasing its stake in Zimplats, which is in line with Implats' strategy of partnerships with junior mining companies.

The acquisitions are effective immediately, with the Ngezi Project acquisition subject to certain regulatory and other conditions. The South African Reserve Bank has given its approval for the transactions.

In addition to the Ngezi opencast mine and the Hartley Platinum Joint Venture Companies, Zimplats also holds extensive exploration prospects over a substantial area of the Great Dyke.

Says John Smithies, CEO of Implats, "The Great Dyke is a highly prospective structural anomaly stretching some 500 kilometres north to south in the centre of Zimbabwe and represents the single largest undeveloped platinum group metals resource in the world, second only in significance to South Africa's Bushveld Complex. This stake in Zimplats and in the Ngezi Project provides Implats with a strategic foothold in this highly prospective region.

"We have received an overwhelmingly positive response from the Government of Zimbabwe, which has undertaken to provide a suitable legal framework to facilitate this investment and are confident that our experience, our approach and our existing interaction with successful platinum miners in Zimbabwe will stand us in good stead in this investment. This framework includes undertakings in terms of security of tenure and a favourable fiscal regime.

"Says Stuart Murray, Implats New Business Consulting Engineer, "The Ngezi Project is located on the Great Dyke, some 75 kilometres from the Hartley Platinum Mine and Selous Metallurgical Complex. The bankable, technical feasibility study has indicated a 100 000 ounces per annum platinum mine over a 20-year life. The orebody lies between 20 and 50 metres underground, to be exploited by opencast mining methods. The ore will be transported by road to and processed at the Selous Metallurgical Complex at the Hartley Platinum Mine, after which the smelter matte will be transported to IRS in South Africa for refining and marketing.

"The anticipated peak funding required to bring the project into production is estimated at R400 million (US\$50 million), which will be funded by Implats' contribution to the project and by debt funding to be provided by ABSA. The project - which has a low capital cost linked with competitive cash costs - could be brought into production as early as 2002."

"Despite discussions with several suitors, Implats was selected as the preferred partner by Delta Gold because of its willingness to work with Zimplats – as an independent company – in developing the mineral wealth of Zimbabwe. This arrangement is in line with Implats' long-term strategy of growing its output of Impala-branded products through partnerships and utilising its core competencies in mining, marketing and refining - such as its surface assets - to maximum benefit."