

NEWS RELEASE

Another excellent half year for Implats

Highlights:

- Attributable income up 2.4%
- Sales volumes rise by 13%
- Total platinum production up 3.2%
- Solid operational performance
- Growth projects remain on track

Impala Platinum Holdings Limited (Implats) reported another excellent half-year performance today (6 February 2002), with attributable income up 2.4% to a record R2 191.8 million (\$248 million) for the six months ended December 2001. Headline earnings per share rose by 2% to 3 303 cents per share from 3 238 cents per share the previous six month period.

The Board has declared an interim dividend of 1 100 cents per share, reflecting a dividend yield of some 7%. This is in light of current market circumstances and in line with the company's dividend policy of declaring around one-third of the anticipated full-year dividend at half-year, and providing for dividend cover of 1.9.

Turnover for the period decreased by only 1.5% to R5.3 billion (\$585 million), despite a 35% decrease in free market pgm prices for the period.

Increases in cash costs at Impala Platinum, the primary operating unit, were held to a respectable 8.8% and cash operating costs per ounce of platinum ex-mine rose by 10.8%. This was despite an average wage increase of 9% which came into effect during the six months and exceptional increases in insurance costs and dollar expenses related to marketing expenditure. Particularly commendable was the performance of the Refineries which saw a 3% real reduction in unit costs, along with the highest first pass yields on all metals in the industry.

Says Keith Rumble, CEO of Implats, "The six-month period has been characterized by better than expected market conditions. The impact of the global economic slowdown has been counteracted by resilience in the Chinese jewellery and US and European car markets.

"From an operational perspective, Implats has performed well, with total platinum production up 3.2% to 680 000 for the six months. The performance by Impala Refining Services (IRS) with a 21% increase in platinum production and a contribution to operating income of R220 million (\$24 million) up 41% reinforces Implats' strategy of utilising IRS as a core competitive advantage."

Implats' 27% interest in Lonplats contributed R606 million (\$65.6 million) equity accounted pre-tax earnings, reflecting that company's results for the six months to end September 2001.

Implats' growth projects remain on track. The Crocodile River mine came on stream according to target. Good progress has been made with Marula Platinum (formerly Winnaarshoek see separate press release), with the operating partnership between Mmakau Mining and Implats in place and working well. Marula is expected to commence stoping operations in 2003, with the concentrator in operation by 2004.

Similarly, relationships with strategic alliance and joint venture partners remain strong and productive. The life-of-mine concentrate contracts for the additional production from Kroondal and from Marikana are being finalised, along with the restructuring and refinancing of Aquarius SA, which will see Implats convert a portion of the debt into additional equity (subject to regulatory approval). A feasibility study is expected to commence at Two Rivers in the second half of the year, following evaluation drilling and the extraction of a bulk sample in January. The Zimbabwean projects Ngezi and Mimosa are proceeding apace. Zimplats delivered its first concentrate to IRS in December 2001.

On the exploration front, Implats has signed an earn-in and JV agreement with Franconia Minerals Corporation in the USA looking at Cu-Ni-PGE deposits in the Duluth Complex. Exploration continues at the Kennedy's Vale (South Africa), Birch Lake (USA), River Valley (Canada) and Cana Brava (Brazil) projects.

"Given the general malaise in the world economy, the pgm market has remained satisfactory, with the outlook for platinum in particular looking fundamentally sound.

"The growth projects which will see Implats having an economic interest in 2 million ounces of platinum by 2006 is on track. Implats is uniquely positioned in terms of these growth opportunities, its cost structure and the flexibility of operations to deliver in response to market demands.

"Although the devaluation of the rand against the dollar will have a positive impact on earnings, this will not fully compensate for lower prices of pgm metals. As a result, earnings for 2002 are expected to be marginally lower than the record earnings levels of 2001."