

**BMO NESBITT BURNS**



### **Introducing Implats**

**Implats is in the business of mining,  
refining and marketing the platinum  
group metals and associated  
base metals**





## In the past, Implats was...

- **Constrained to the Impala lease area**
- **A high cost producer**
- **Limited liquidity with Gencor as a significant (46%) shareholder**
- **Largely SA shareholder base**



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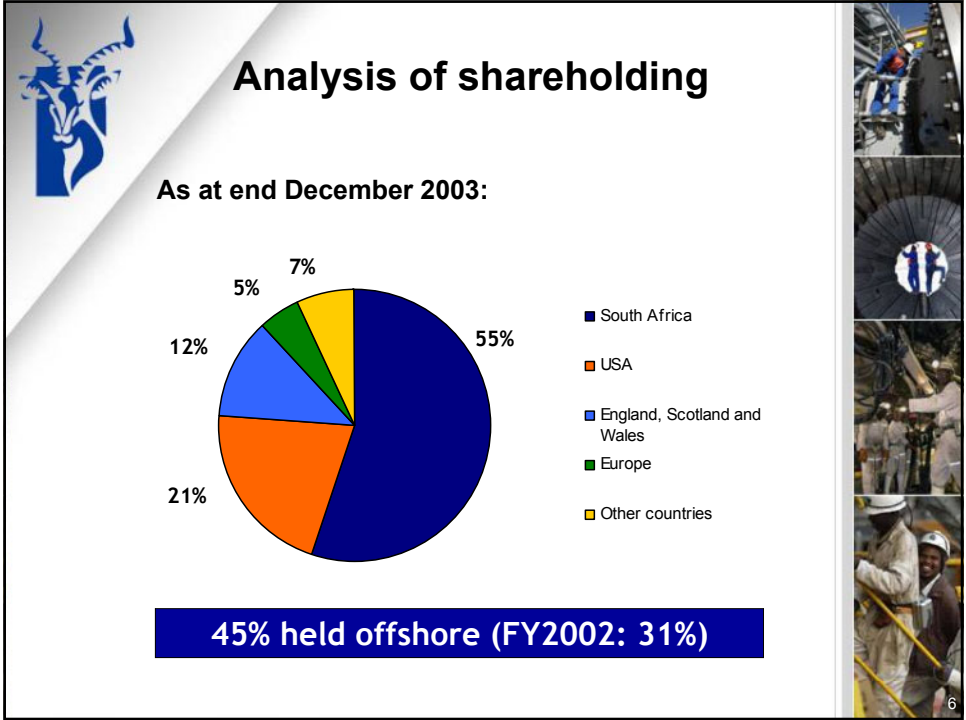
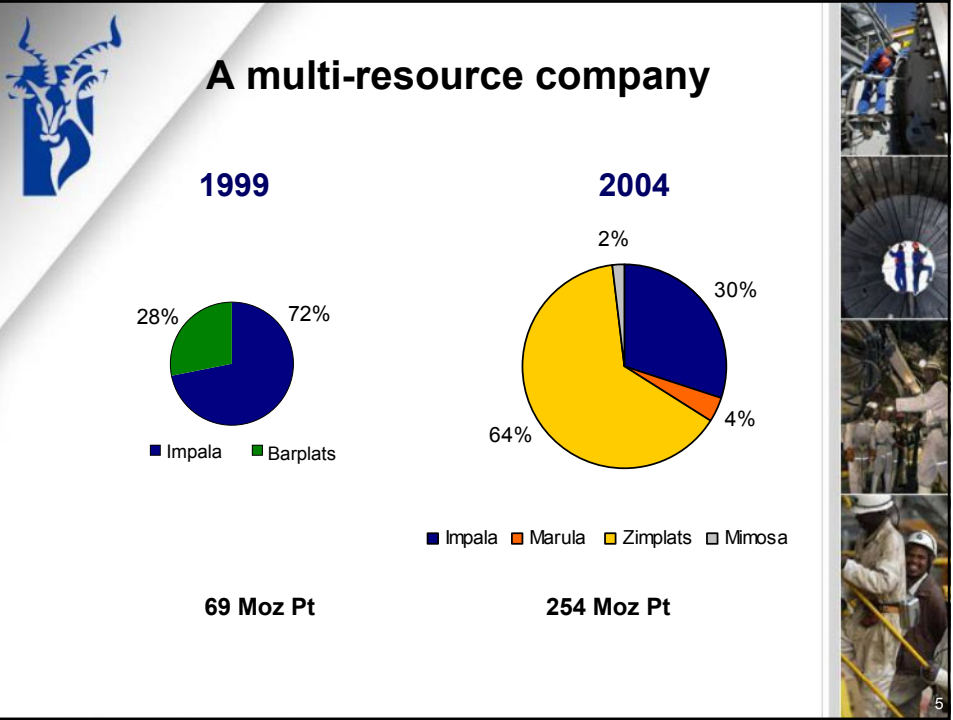


## Today...

- **Implats has extensive operations on the two most significant PGM deposits in the world:**
  - **The Bushveld Complex in South Africa and**
  - **The Great Dyke in Zimbabwe,**
- **as well as**
  - **Several strategic alliances**
- **Low cost producer**
- **100% free float**
- **45% offshore shareholding**



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## Location



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## Metals produced

000oz	FY2004 First half	FY2003
<b>Total PGMs</b>	<b>2 006</b>	<b>3 200</b>
<b>Platinum</b>	<b>1 075*</b>	<b>1 673</b>
<b>Palladium</b>	<b>551</b>	<b>893</b>
<b>Rhodium</b>	<b>132</b>	<b>215</b>
<b>Nickel (tonnes)</b>	<b>8 055</b>	<b>14 700</b>

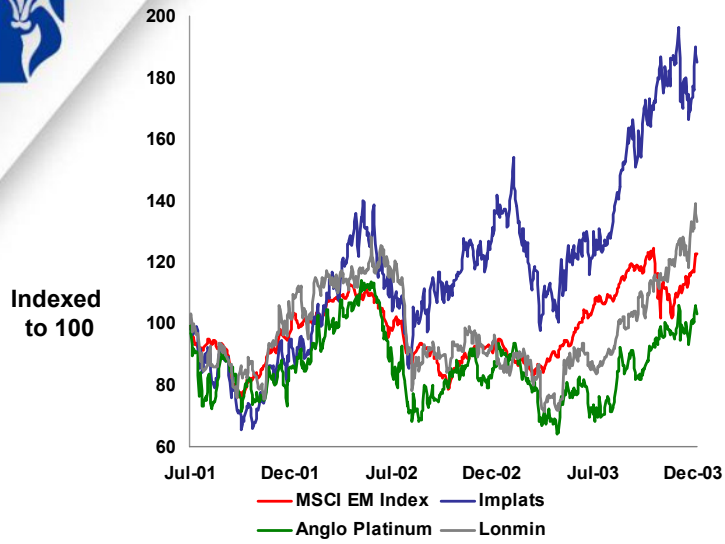
\* Includes 206 000oz of Western Platinum material – toll refined



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## Share price performance



Source: UBS, Reuters



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## CORPORATE STRUCTURE



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## Financial highlights

	FY2004 First half	FY2003	FY2000	FY1995
Sales revenue (\$m)	791	1 303	1 108	679
Net profit (\$m)	149	373	357	72
EPS (US cps)	223	560	542	116
Gross margin (%)	31	43	44	17



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## Three-pronged strategy

- **Mine-to-market**



Impala



Marula



Mimosa



Zimplats

- **Impala Refining Services**



- **Strategic alliances and investments**



Lonplats



Aquarius



Two Rivers



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## Impala Platinum

Comprises mining operations on the Impala lease area,  
Mineral Processes and Refineries  
Includes 13 shaft systems and five declines  
30-year plan to produce 1 to 1.1Moz pa  
Significant royalty agreement in place with RBN

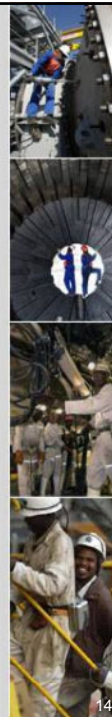


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## Impala Platinum

- **Mining capacity of 1Moz of platinum annually**
  - **Good progress with mechanized mining and opencast operations**
  - **New shafts under design to maintain output at 1Moz of platinum**
- **Concentrator capacity of 1.1Moz of platinum**
- **Smelter capacity of 2Moz of platinum**
- **Refinery capacity currently at 1.65Moz of platinum**
  - **Expansion to 2Moz of platinum underway**



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## Marula Platinum

Greenfields project on Eastern Limb  
Property purchased in December 2000  
Capital cost of \$200 million  
Target of 100 000oz Pt pa  
20% BEE stake



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## Marula Platinum

- Commissioning of surface infrastructure going well
- On-reef decline development behind schedule
- Expect to produce 16 000oz Pt in concentrate in FY2004



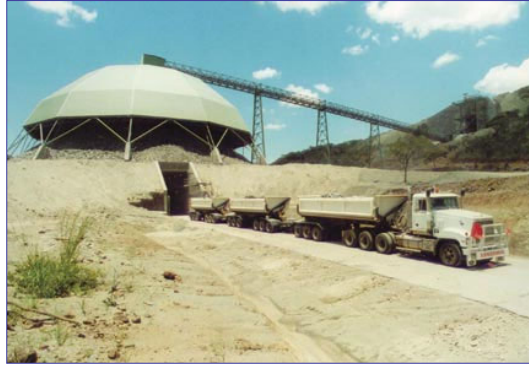
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## Zimplats

82% stake  
Current production of 85 000oz Pt pa  
Total Implats investment of around \$170 million  
Significant expansion opportunities



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## Zimplats

- **Zimplats comprises:**
  - the Ngezi opencast operation
  - Hartley Platinum Mine (formerly owned by BHP)
  - Selous Metallurgical Complex
  - Resources equivalent to 161 million Pt ounces
- **Underground trial mining with expansion potential**

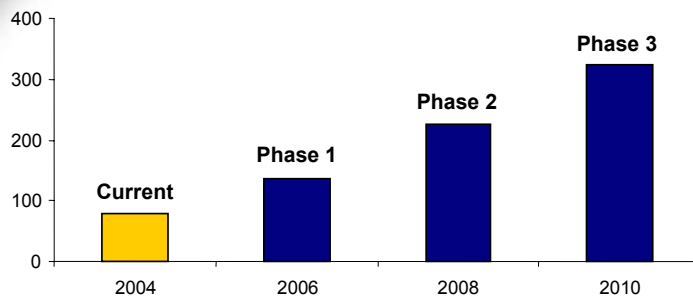


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# Zimplats

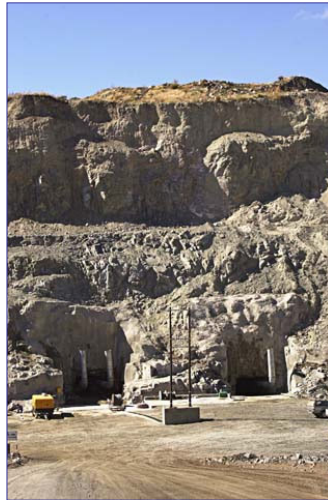
Potential Pt production (000oz)



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# Zimplats



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## Mimosa Platinum

50% stake  
Current production of 65 000oz Pt pa  
Implats investment of around \$40 million  
One of the lowest cost producers in the world



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## Mimosa Platinum

- Phase 2 expansion being evaluated  
– potential doubling of output by 2007



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## Working in Zimbabwe

- Working relationship with Government
- Approval for foreign currency accounts
- Able to import fuel and capital goods directly
- Power - paid for in dollars
- Exchange rate issues



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## Lonplats

- Transaction still under cautionary
- Progressing sale of 27.1% holding - \$800 million
- Two pre-conditions
  - Reasonable assurance on BEE credits
  - Suitable financing arrangements



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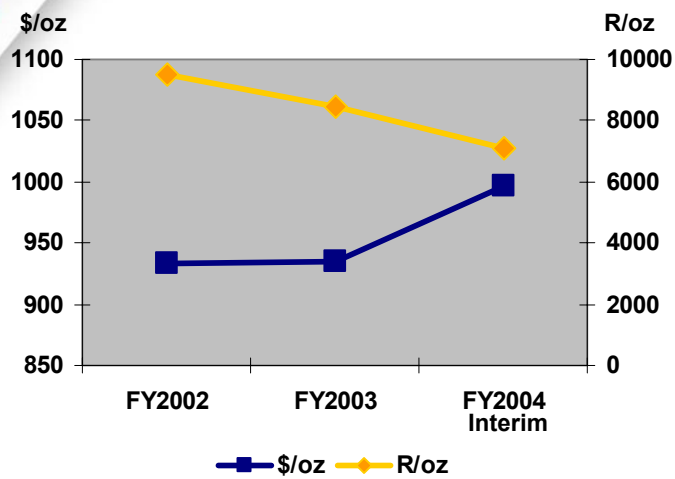
## THE MARKET



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## Revenue received per platinum ounce

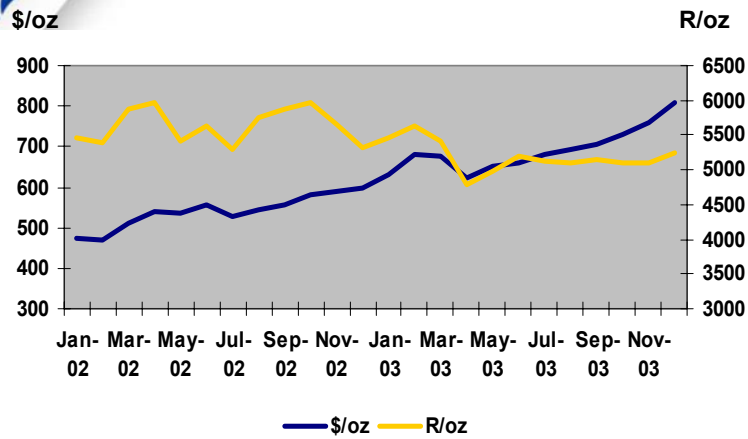


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## Platinum price



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## Platinum supply and demand

000oz	2003	2002
<b>Demand</b>		
Automobile	2 660	2 615
Jewellery	2 625	2 845
Industrial/investment	1 610	1 670
<b>Total demand</b>	<b>6 895</b>	<b>7 130</b>
<b>Total supply</b>	<b>6 550</b>	<b>6 620</b>
<b>Net deficit</b>	<b>(345)</b>	<b>(510)</b>



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## Platinum market

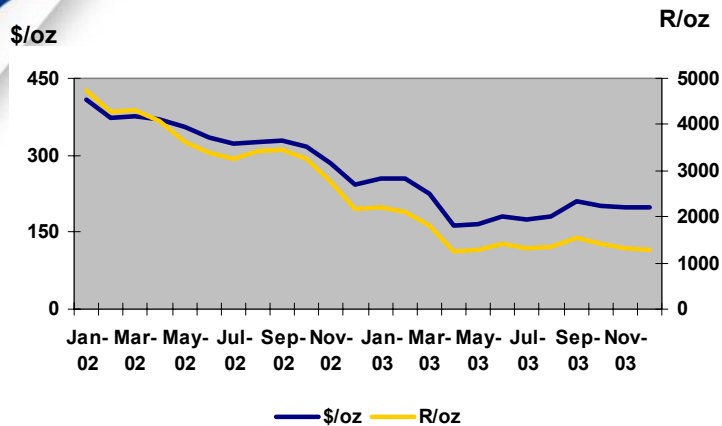
- Price at a 24-year high in US dollars
- High and volatile prices impact on jewellery market
- Tighter emission legislation and further growth in diesel vehicle sales have supported demand
- Growth in RoW vehicle sales becoming a factor
- Heightened profile for fuel cell activity



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## Palladium price



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## Palladium supply and demand

000oz	2003	2002
<b>Demand</b>		
Automobile	4 240	4 530
Electronics	965	980
Dental	815	770
Other	605	615
<b>Total demand</b>	<b>6 625</b>	<b>6 895</b>
<b>Total supply</b>	<b>7 150</b>	<b>7 140</b>
<b>Net surplus</b>	<b>525</b>	<b>245</b>



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## Palladium market

- **Fundamentals not supportive of current price levels**
  - High inventory levels
  - Anaemic demand
- **Speculative activity behind recent price rally**



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## Other markets

### Rhodium

- Drop in rhodium price reflects a market that is adequately supplied

### Nickel

- Rapid growth in stainless steel production drives demand
- Lack of new capacity in tight market will keep pressure on prices in short to medium term



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## GOING FORWARD

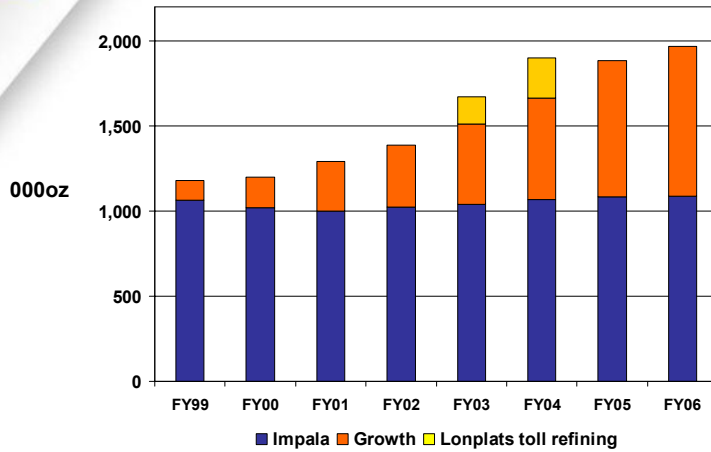


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## Production outlook

On target for 1.9 million ounces in FY2004



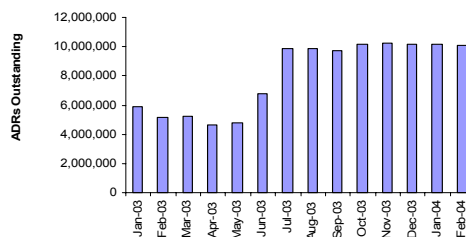
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## ADR Programme

- Level 1 sponsored ADR initiated in Jan 2003
- ADR split in Feb 2004 – now 4 ADRs: 1 ordinary
- Increased interest from US market, both retail and institutional
- Cost-benefit analysis of upgrading listing
- Dividend reinvestment plan under consideration

*Depository Receipt Activity Report*



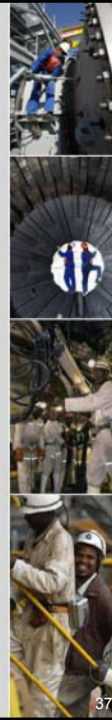
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## Prospects

- **Exchange rate movements have dramatically increased US dollar costs**
- **Similar profitability expected in second half of year, dependent on rand basket prices**
- **Well-positioned for expansion**



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## Disclaimer

This presentation may contain certain forward-looking statements concerning Implats' operations, economic performance and financial condition, and plans and expectations. These statements, including without limitation, those concerning the economic outlook for the platinum group metals (PGM) industry and market, expectations of PGM prices, production, the commencement and completion of certain exploration and production projects, may contain forward-looking views. Such views involve both known and unknown risks, assumptions, uncertainties and other important factors that could materially influence the actual performance of the company. No assurance can be given that these will prove to be correct and no representation or warranty express or implied is given as to the accuracy or completeness of such views or as to any of the other information on this website. Implats' future results may differ materially from past or current results, and actual results may differ materially from those projected in the forward-looking statements.

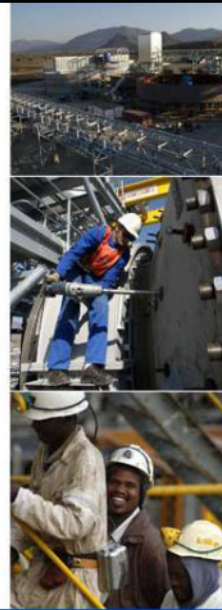


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# IMPLATS

THE PREMIER PLATINUM INVESTMENT



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