

## NEWS RELEASE

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### **Barplats interim results FY2003**

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#### **Disappointing performance for Barplats**

Barplats Investment Holdings Limited (Barplats) which is 83% held by Impala Platinum Holdings Limited (Implats) turned in a disappointing performance for the six months ended 31 December 2002. Mining development at the group's only operation, the Crocodile River Mine, was severely hampered by geological and other problems during the period, resulting in an attributable loss of R17 million.

Barplats Chairman Keith Rumble noted that Barplats was always going to be a challenge. Initially, the mine start-up proceeded well, with a healthy build up in production from the opencast operations. However, development from the underground operations was much slower than expected and had a major impact on available face length and consequently tonnes mined. The poor operational performance was exacerbated by lower by-product prices and the impact of the strengthening rand.

Key features of these results compared to the six months to 31 December 2001 include:

- Continued good safety performance continued, with just one single lost time accident in the six months.
- Pressure placed on costs by difficult hanging wall conditions necessitating a reduction in bord widths. This had a dramatic impact on operating efficiencies and resulted in a 24% increase in cash costs.
- Satisfactory metallurgical performance.

As part of an ongoing process to bring this project back on track, a new mine plan is being developed. The move to a hybrid mining method, which comprises mechanized development and conventional stoping combined with mechanized cleaning operations, should result in increased development rates. This should improve efficiencies, lower mining costs and ensure a build-up to plant capacity by December 2003.

#### **Kennedy's Vale**

Drilling continued at Barplats' second property, the Kennedy's Vale project on the Eastern Limb of the Bushveld Complex, with 12 holes completed during the period. A review of the additional properties surrounding Kennedy's Vale has begun with the aim of optimizing the mine plan.

#### **Prospects**

It is expected that tonnage throughput will reduce during the second half of the year due to the difficult underground conditions and the depletion of opencast reserves. In addition, rand strength will impact on the revenue basket received and it is therefore forecast that this will result in the loss increasing significantly for the balance of the financial year.