



NEWS RELEASE

Implats makes an offer to Zimplats minority shareholders

Zimplats Board recommends the offer

Impala Platinum Holdings Limited (Implats) announced today (30 June 2003) that the company will make an offer to Zimplats' minority shareholders to acquire all of their Zimplats shares for a cash consideration of A\$4.08 (R20.40*) per share. This represents a premium of 69% to the volume weighted average price of A\$2.41 per share over the 30 trading days ended and including 7 May 2003, the last trading day prior to the cautionary announcement published by Zimplats on 8 May 2003.

Implats also announced today that it intended to acquire ABSA Bank's 14.82% indirect interest in the issued shares of Zimplats Platinum Mines Limited (Zimplats), for a consideration not exceeding the offer per share made to the Zimplats shareholders.

Zimplats, which is listed on the Australian Stock Exchange, holds 70% of the Ngezi open cast mine and the Selous Metallurgical Complex (SMC), which comprises Makwiro Platinum Mines (Pvt) Ltd, on the Great Dyke in Zimbabwe. Implats currently owns 30% of Makwiro. Through an agreement with Implats' subsidiary, Impala Refining Services, Implats refines and markets the PGM matte that is produced by Zimplats.

The success of its initial operations has enabled Zimplats to advance plans to exploit its wholly-owned ore reserves north of Ngezi open cast mine in a series of phased expansions (utilising underground methods similar to those successfully used at the Mimosa mine in Zimbabwe).

Feasibility studies currently in progress incorporate promising results from the 200,000t underground trial mining project, suggesting that these phased expansions are robust and both technically and economically viable. Implats believes that its strategic association with Zimplats is a key factor in the current and future success of Zimplats and that Implats has both the technical and financial resources to assist Zimplats in fulfilling its potential.

During the past two years, considerable capital has been expended (approximately US\$60 million) to commission a road to access unexploited mineral resources in the north chamber of the Great Dyke and to open the Ngezi mine and partially re-commission the SMC. The mine has achieved grade control targets enabling it to undertake pilot mining operations, and has also successfully operated in hyper-inflationary economic conditions and an uncertain political environment in Zimbabwe.

Implats' offer is made in line with an agreement between it and Zimplats in November 2002, providing the mechanism in terms of which an offer would be made to the minorities. In anticipation of a possible offer from Implats, the Zimplats Board commissioned an independent techno-economic valuation and expert report of Zimplats. This independent valuation, undertaken by Venmyn Rand, takes into account the future growth potential of Zimplats and estimates a value of between A\$3.28 and A\$4.78 per share, with a mid-price of A\$4.03 per share.

The Zimplats Board, represented by the independent board members, is of the opinion that the terms and conditions of the Implats offer are fair and reasonable to Zimplats minorities and has recommended that the minority shareholders accept the offer. The independent board members have indicated their intention to accept the offer in respect of all of their own direct and indirect beneficial and non-beneficial holdings of Zimplats shares.

The maximum potential purchase consideration payable by Implats to Zimplats minority shareholders in accordance with this offer agreement is R972 million (A\$194.4million), based on the assumption that all minority shareholders accept the offer. Implats will fund the purchase consideration using existing cash resources.

Says Keith Rumble, Implats CEO, "Our increased stake in Zimplats and the offer to minorities is a natural part of our growth and strategic alliance strategy. Although the acquisition will have little effect on Implats' earnings and net asset value in the short term, the addition of this valuable resource will have a more meaningful positive impact in the medium to longer term. "

"Strategically, though, it is a significant move for the company as it provides access to rights over 165 million ounces of platinum resources on the Great Dyke, which is the largest known near-surface undeveloped PGM resource in the world. Implats has both the technical and financial resources and the proven track record to effectively exploit this opportunity."

"And, although our offer to minorities is a good one – at a premium to the recent trading range for the share and in line with the valuation by Venmyn Rand, it represents extremely good value for Implats – at a cost of just R10 or US\$1.35 per platinum ounce of resource."

Says Rob Still, Chairman of Zimplats, "Zimplats shareholders can be satisfied with the significant progress made by this company in developing a grass roots project such as Makwiro into a viable operation and the success of the Zimplats team has delivered considerable shareholder value. The strategic alliance between Implats and Zimplats has played a major role in this.

"Going forward Zimplats will continue to require funding and technical expertise to further capitalize on its extensive resource base. Given the current uncertain socio-economic and political circumstances in Zimbabwe, it is clearly in our interest to align the company with a major global player. We have signaled this intent to shareholders for some time – most recently at our AGM in November – and the Board has acted in the best interests of shareholders in seeking to extract value for their investment.

"It is now my duty to report to shareholders that we believe that the offer from Implats represents good and fair value. It is now up to individual shareholders to decide and I am confident that most of them will come to the same conclusion."

Implats fully intends to honour the commitment made previously by Zimplats to issue shares equivalent to 15% of its existing share capital to indigenous shareholders in Zimbabwe and has had discussions on the proposed transaction with the Government of Zimbabwe. Further announcements will be made on this in due course.

A circular, containing full details of the Implats offer, will be posted to Zimplats shareholders within 30 days.

The offer is unconditional, as required by the November 2002 agreement between Implats and Zimplats. Approval for the transaction has already been given by the South African Reserve Bank.

* Currency translation calculated at a rate of R5.00/A\$.