NEWS RELEASE

IMPLATS DELIVERS STRONG PRODUCTION AND SALES PERFORMANCE

Johannesburg, 29 February 2024 – Impala Platinum Holdings Limited (Implats) produced a strong production, sales and cost performance for the six months ended 31 December 2023, in an operating period dominated by the 11 Shaft tragedy in November 2023 at Impala Rustenburg. The significant decline in platinum group metals (PGMs) prices during 2023, however, resulted in notably lower Group profitability, despite disciplined cost control across several operations.

The Group generated EBITDA of R8.4 billion, headline earnings of R3.3 billion or 365 cents per share, and recorded a free cash outflow of R4.8 billion, after funding capital expenditure of R6.8 billion. The acquisition of Royal Bafokeng Platinum Limited (RBPlat) was concluded and Implats closed the period with net cash of R5.2 billion. No interim dividend was declared.

Implats CEO, Nico Muller, said: *"Implats delivered a strong operational performance despite several challenges during the period under review. This production performance is testament to prior investment in enhanced operational flexibility, and the resilience and disciplined execution demonstrated by our people. The 11 Shaft tragedy at Impala Rustenburg was a devastating and significant event for our Group and we continue to progress investigations into the accident while providing ongoing support to our many colleagues who have been impacted as a result.*

"Notable gains in production and sales volumes and commendable cost control across several of our operations were offset by the material decline in platinum group metals (PGMs) prices over the course of 2023, resulting in a step-change in interim reported profitability at the Group.

"While fundamental demand for our primary products remains robust, the persistence of lower PGM prices requires a robust strategic response to ensure the long-term sustainability of the Group.

"PGM pricing has been negatively impacted by a confluence of factors that look set to persist in the medium term. We expect 2024 to be a difficult year characterised by anaemic precious metal consumer and investor sentiment as economic and geopolitical uncertainty linger. The Group has benefitted from some retracement in input pricing escalation, however, inflationary pressures on operating and capital costs have persisted.

"Implats has interrogated its planned capital profile, with several projects earmarked for deferral. Impala Canada initiated a restructuring and repositioned the operation during the period and significant effort is being placed on the strategic options available to protect value at Impala Bafokeng. While many Group operations remain sustainable and profitable at current depressed prices, several further actions may be necessary to ensure business sustainability in the medium term.

“Individual operational responses continue to evolve, and a comprehensive review of medium-term capital expenditure and planned production profiles has been initiated, with steps taken to preserve cash balances and secure positive free cash flow.

“Implats is pleased to reiterate previously provided production and cost guidance for FY2024, while trimming the outlook for capital expenditure despite a weaker assumed rand exchange rate. Group production has been supported by strong delivery at Impala Rustenburg and Zimplats, which has countered the impact of headwinds faced at Marula, Impala Bafokeng and Two Rivers in H1 FY2024 and the changed operating parameters at Impala Canada.”

KEY FEATURES FOR THE SIX MONTHS

Safety and sustainability

- Safety performance dominated by the 11 Shaft tragedy, which resulted in 13 fatalities
- Three further fatalities at managed operations
- LTIFR* deteriorated to 4.65 from 4.05 in H1 FY2023
- No major, significant or limited environmental incidents
- Third consecutive inclusion in the S&P Global Sustainability Yearbook (2024)
- Maintained CDP ratings for environment and water management

Operational

- Maiden interim inclusion of Impala Bafokeng increases production volumes
- 28% increase in managed 6E production to 1.51Moz
- 2% higher JV 6E production of 276koz
- 33% decrease in third-party 6E receipts to 113koz
- Refined and saleable 6E production increased 19% to 1.75Moz
- 6E sales volumes rose 12% to 1.70Moz
- Group 6E unit costs increased 5% to R20 334/oz (stock-adjusted)
- Consolidated Group capital expenditure of R6.8bn
- FY2024 production and cost guidance maintained

Financial

- Gross profit of R3.4bn at a gross profit margin of 8%
- EBITDA of R8.4bn and EBITDA margin of 19%
- Headline earnings of R3.3bn or 365cps
- Free cash outflow of R4.8bn
- R5.2bn in net cash (excl. leases)
- No interim dividend declared

Market

- Dollar revenue per 6E ounce sold down 37% to US$1 376/oz
- Rand revenue per 6E ounce sold declined 32% to R25 795/oz
- Precious metal pricing heavily influenced by industrial destocking and weak investor sentiment
- Platinum, palladium and rhodium in markets in deficit in 2024

**per million man-hours worked*

SAFETY

Implats' safety performance for the period under review was dominated by the tragic event at 11 Shaft on Monday, 27 November 2023, when an accident involving a personnel conveyance occurred. 13 employees tragically lost their lives and an additional 73 employees were injured, several of whom are receiving ongoing rehabilitation, care and support from the Company. Our hearts remain heavy for the lives lost and the individuals affected by this devasting accident. With deep regret, we report that an additional three employees lost their lives in unrelated winch, fall-of-ground and scraper incidents at managed operations, bringing the Group's reported fatalities to 16 in the period.

The board of directors and the management team have extended their heartfelt condolences to the families of our late colleagues and the Group offers ongoing support to their families through the comprehensive Implats We Care programme.

Prior to the 11 Shaft tragedy, the Group began implementing a targeted approach to effect sustainable risk reduction and deliver a step change in its safety performance to achieve the industry target of zero harm, to which it is pledged and fully committed. While the Group employs leading practices related to falls-of-ground, has embedded critical controls and has intensified employee engagement on safety, a Group-wide safety summit in the period identified areas for improvement. An accelerated focus will be placed on risk identification, critical control verification, agile technology adoption, improved risk-based on-the-job training and frontline coaching, and an unswerving approach to visible felt leadership to address mindsets and behaviours and drive a culture of accountability and safety adherence.

The 11 Shaft accident marked a material retracement in the steadily improving safety record all Group operations worked so hard to achieve. The mechanisms used to operate personnel conveyance systems, and the safety protocols involved in arresting falls in such systems, are known to be safe and are used in mining operations globally, highlighting the uncommon and tragic nature of this accident.

Due to magnitude of the 11 Shaft tragedy, most Group reported safety metrics deteriorated significantly during the period. The Group's fatal-injury frequency rate worsened to 0.209 per million man-hours worked (H1 FY2023: 0.032). The lost-time injury frequency rate (LTIFR) retraced 15% to 4.65 per million man-hours worked (H1 FY2023: 4.05). The Group recorded a 1% improvement in the total injury frequency rate to 9.05 (H1 FY2023: 9.16).

Safety remains our foremost priority. We aspire to eliminate harm to the health and safety of our employees and contractors, and we are devastated by the events in the period.

11 SHAFT UPDATE

During December 2023, the 11 Shaft in loco inspection was conducted and Implats received the associated instructions from the Department of Mineral Resources and Energy (DMRE). The 11 Shaft site was returned to Implats to proceed with further investigations, and to begin the necessary repairs to the damaged infrastructure — under the direction of the DMRE.

In January 2024, Implats' subsidiary, Impala Platinum Limited, submitted its Investigation Report to the DMRE, in terms of section 11(5)(e) of the Mine Health and Safety Act, which paves the way for the DMRE to initiate formal proceedings relating to the accident, possibly during 2024. The formal proceedings are expected to take several months to complete. In parallel, Implats is conducting its own investigations, which will draw on observations and findings from the regulated investigation, but also explore potential interventions to further enhance the safe operation of all conveyance systems across the Group. The investigations are regulated by internal, industry and regulatory protocols and procedures. Once concluded, the relevant learnings from these investigations will be shared with the regulator and industry stakeholders.

Permission to use the rock winder at 11 Shaft was granted by the DMRE on 9 January 2024, with personnel access to underground workings authorised through the adjacent 11C Shaft infrastructure. Consequently, 11 Shaft mining crews were systematically re-mobilised during January 2024, with surplus labour deployed across the broader Rustenburg asset base. Mining volumes were ramped-up to circa 60% of production capacity by the end of January.

In late February, the Group completed infrastructure repairs, and the DMRE lifted the Section 54 notice at 11 Shaft and issued the man winder licence. A build up to full production capacity is currently targeted for April 2024.

All mining operations at Impala Rustenburg were halted during the week of the accident and again for the evening shift on 5 December 2023, as well as morning shift on 6 December 2023, to facilitate attendance at the memorial service for our colleagues who passed away.

DELIVERING TO STRATEGY AMID CONSTRAINED METAL PRICES

The Group is executing a range of responses to the prevailing operating environment, including capital prioritisation, operational efficiency improvements, and both operating and labour cost rationalisation and optimisation to ensure all operations contribute sustainably and profitably through PGM cycles.

Individual operational responses continue to evolve, and a comprehensive review of medium-term capital expenditure has been implemented, with initial steps taken to preserve cash balances and secure positive free cash flow.

Impala Canada restructured operations, reducing labour, lowering capital and shortening the expected life-of-mine at Lac des Iles. Significant effort is being placed on the strategic options available to Impala Bafokeng. The Group continues to work closely with its joint venture (JV) partner, African Rainbow Minerals, at Two Rivers to ensure delivery of the required step-change in mining performance at UG2 operations and to review and optimise value from the Merensky growth project. Medium-term production and capital investment plans at Impala Rustenburg are being carefully considered. Post the new smelter commissioning at Zimplats, plans to slow future growth capital will see the asset revert to free cash flow generation.

A full review of capital expenditure was undertaken, with several projects earmarked for deferral as a result of the Group’s targeted capital and cost interventions. Key actions taken to reduce project capital across the Group include:

- At Zimplats, the implementation of the SO_2 abatement and smelter expansion project was rationalised to manage cash constraints. The execution of the Selous Base Metal Refinery (BMR) refurbishment was deferred. Further phases of the 185MW solar project have also been postponed
- Marula slowed down the Phase II life-of-mine extension project
- The North and South decline waste development at Impala Bafokeng’s Styldrift Mine was deferred to FY2025
- The North Hill life-of-mine extension at the Mimosa JV was not approved by its respective shareholders
- Impala Refineries, which conducted conceptual studies for a combined heat and power project to eliminate coal usage, has deferred the project and delayed implementing Phase 4 of its precious metals refinery refurbishment by 24 months, from April 2026 to April 2028

- In terms of the Group's other proposed renewable energy projects, Marula completed the Bankable Feasibility Study (BFS), currently being reviewed, for a 30MW solar power project, but will defer project execution. Impala Rustenburg will postpone its proposed 140MW solar project, for which feasibility studies are in progress, with the project forecast to be completed in Q2 FY2025
- Impala Canada lowered capital expenditure in line with its shortened life-of-mine.

Labour is a significant cost that requires critical and sensitive consideration. The Group implemented several labour optimisation interventions including deferring annual management salary increases, recruitment freezes for non-essential positions, and the offer of a voluntary Mutual Separation Package (MSP) for non-bargaining unit employees.

Should pricing not recover in the short to medium term, several further actions may be necessary to ensure business sustainability and Group operations are interrogating their capital and labour budgets.

The Group is focussed on ensuring residual capital is spent on addressing safety and regulatory requirements, ensuring asset integrity and advancing our strategic objectives.

Read more about our ongoing growth, mine replacement, beneficiation and decarbonisation projects in our H1 FY2024 reporting suite at www.implats.co.za.

SUSTAINABILITY

Sustainable development is at the heart of the Group's strategy and Implats is resolute in progressively enhancing its environmental practices while contributing to socioeconomic benefits for all stakeholders.

During the period, Implats received its annual S&P Dow Jones Sustainability Index (DJSI) assessment results. The Group achieved a score of 61 out of 100 (FY2023: 66 out of 100), ranking the Group in the 93rd percentile (FY2023: 89th percentile) of the mining and metals industry. The score earned Implats its third consecutive inclusion in S&P's Sustainability Yearbook (2024), a distinction reserved for top-performing companies. Implats is one of only three JSE-listed companies in the metals and mining category to be included in S&P's Sustainability Yearbook (2024).

In the period under review, Implats received an 'A-' rating for water security risk management and a 'B' rating for climate change action and disclosure, both from the Carbon Disclosure Project (CDP).

The Group again delivered an excellent environmental performance during the first half. There were no major (level 5) or significant (level 4) environmental incidents, and zero limited-impact (level 3) incidents (H1 FY2023: four). The Group achieved 54% water recycled and re-used against an annual target of 54% (H1 FY2023: 50%), largely due to the maiden inclusion of Impala Bafokeng with its relatively high (H1 FY2024: 60%) water recycling and re-use rates. The Group is advancing several initiatives to improve water recycling/re-use, boost water-use efficiency and reduce freshwater withdrawal.

The Group's carbon emissions increased by 10% year-on-year following the incorporation of Impala Bafokeng operations. Carbon emission and energy use intensities improved to 0.15 t CO2/tonne milled (H1 FY2023: 0.17) and 0.76 GJ per tonne milled (H1 FY2023: 0.83), respectively, due to a 21% increase in milled tonnage. The Group avoided 170 000 tonnes CO2 emissions through the increased use of renewable energy, specifically at Zimplats, which increased renewable consumption to 67% from 50% after concluding a 50MW hydro-power offtake agreement with the Zambia Electricity Supply Corporation in Q4 FY2023. This was increased to 70MW with effect from 1 January 2024. At the end of H1 FY2024, the Group's renewable electricity consumption was estimated at 40% (H1 FY2023: 27%).

Delivery against social and labour plans (SLPs) commitments is being prioritised across Group operations during the prevailing period of constrained profitability, which has impacted beyond compliance social spend. Marula's SLP 4 was approved by the DMRE in December 2023, while Impala Rustenburg's SLP 4 was submitted to the authorities in October 2023. All targets set in terms of operational SLPs are actively driven and closely monitored.

Implats' social performance framework is directed at four key focus areas — community well-being; education and skills development; enterprise and supplier development (ESD) and inclusive procurement; and infrastructure development. Taken together, the Group's social performance initiatives benefited more than 74 000 people and supported more than 4 000 employment opportunities during the period.

For the detailed breakdown on our social, environmental and health and wellbeing performances, visit www.implats.co.za

GROUP OPERATIONAL REVIEW

Implats delivered strong production and commendable cost control, despite navigating several serious operational challenges and a low PGM price environment. Achieved volumes benefitted from the maiden interim consolidation of Impala Bafokeng. However, notable improvements were achieved on a like-for-like basis (excluding Impala Bafokeng's contribution) at the Groups' mining and processing operations. Input inflation eased, but rand depreciation persisted, which impacted the translated dollar cost and capital base of our Zimbabwean and Canadian assets.

Tonnes milled from the Group's managed operations increased by 21% to 14.31 million tonnes (H1 FY2023: 11.82 million), augmented by the inclusion of Impala Bafokeng, with 2% gains on a like-for-like basis — higher volumes at Impala Rustenburg and Zimplats offset lower throughput at Marula and Impala Canada. Grade improved by 6% to 3.77g/t (H1 FY2023: 3.56g/t), due to the improved ore mix at Impala Rustenburg, the prioritisation of higher-grade ore blocks at Impala Canada, and the inclusion of Impala Bafokeng volumes.

6E production at managed operations increased by 28% to 1.51 million ounces (H1 FY2023: 1.18 million) with a like-for-like improvement of 7% from the collective production base at Impala Rustenburg, Marula, Zimplats and Impala Canada. 6E production from joint ventures (JVs) increased by 2% to 276 000 ounces (H1 FY2023: 270 500 ounces) — improved grade at Two Rivers countered a constrained mining environment, while increased processing yields at Mimosa offset the deterioration in head grade due to bad ground conditions. Concentrate receipts from third parties declined by 33% to 112 600 ounces (H1 FY2023: 169 100 ounces) as two contracts concluded in Q3 FY2023. In total, Group production increased by 18% to 1.90 million 6E ounces (H1 FY2023: 1.62 million), with like-for-like gains of 2%.

Refined 6E production, which includes saleable ounces from Impala Bafokeng and Impala Canada, increased by 19% to 1.75 million ounces (H1 FY2023: 1.48 million ounces) and was 4% higher on a like-for-like basis. The frequency and intensity of load curtailment reduced in the period. As a result, Implats estimates production of circa 16 000 6E ounces was foregone across southern African managed and JV operations, and a further 8 000 6E ounces deferred (H1 FY2023: 9 000 ounces foregone, and 38 000 ounces deferred). Implats ended H1 FY2024 with excess inventory of approximately 330 000 6E ounces (H1 FY2023: 140 000 6E ounces).

The benefit of volume gains and cost containment was offset by inflationary pressure related to rand depreciation on the translated dollar cost base of Zimplats and Impala Canada, and the inclusion of the Impala Bafokeng cost base. Group unit costs per 6E ounce increased by 5% to R20 334 on a stock-adjusted basis (H1 FY2023: R19 346 per ounce) and were 3% higher on a like-for-like basis.

Capital expenditure at managed operations rose by 38% to R6.8 billion (H1 FY2023: R4.9 billion) as spend at Impala Bafokeng was consolidated in the period, expenditure on growth projects at Zimplats accelerated and the rand weakened against the dollar. Stay-in-business spend of R3.2 billion, replacement capital of R1.4 billion and expansion capital of R2.2 billion increased by 3%, 29% and 211%, respectively.

Production losses associated with the 11 Shaft accident are estimated at 30 000 6E ounces during the period under review and current estimates indicate a further 30 000 6E ounce shortfall from the 11 Shaft complex in H2 FY2024. Strong operational delivery has resulted in FY2024 production guidance at the operating subsidiary, Impala, being maintained between 1.18 and 1.28 million 6E ounces.

Please visit www.implats.co.za for the detailed breakdown of results per operation.

FINANCIAL REVIEW

The retracement in PGM pricing was the defining feature of the Group's financial performance in the period. The Group benefitted from strong operational delivery across its mining and processing operations and disciplined cost control. This was negated by the significantly weaker prevailing pricing, leading to a marked decline in reported financial metrics.

- **Revenue** of R43.4 billion was 25% lower than the prior comparable period largely due to lower dollar metal prices, offset somewhat by the weaker rand exchange rate, and despite higher sales volumes
- **Cost of sales** declined by 2% to R40.0 billion, primarily due to the lower cost of metals purchased by IRS in the period, offset by the maiden interim consolidation of Impala Bafokeng
- **Stock-adjusted unit cost** increases were limited to 5% per 6E ounce to R20 334 and benefitted from the notable volume gains at Impala Rustenburg and Zimplats, as well as easing Group mining inflation, which countered the translation impact of the weaker rand on the cost base at Zimplats and Impala Canada and the consolidation of Impala Bafokeng in the period.
- The Group generated **gross profit** of R3.4 billion (H1 FY2023: R17.2 billion) at a gross profit margin of 8% (H1 FY2023: 30%).
- Implats recorded **EBITDA** of R8.4 billion (H1 FY2023: R24.5 billion) at an EBITDA margin of 19% (H1 FY2023: 42%)
- Implats accounted for two once-off, non-cash items in H1 FY2024, recording and impairment at each of Impala Canada at the Two Rivers JV, which negatively impacted basic earnings
- The **tax** charge amounted to R175 million, resulting in an effective tax rate of 9%
- **Basic earnings** declined to R1.6 billion or 180 cents per share, from R14.0 billion or 1 648 cents per share
- **Headline earnings** of R3.3 billion or 365 cents per share were 77% and 78% lower, respectively
- Implats closed the period with **net cash** of R5.2 billion (excluding finance leases of R977 million) and **liquidity headroom** of R16.7 billion
- No interim dividend was declared, in line with the Groups' dividend policy, which is premised on returning a minimum of 30% of adjusted free cash flow, pre-growth capital.

PGM MARKET REVIEW (calendar years unless otherwise stated)

Lacklustre primary production and softer-than-expected secondary supplies resulted in tighter-than-expected PGM markets in 2023, despite disappointing pricing over the period. Deficits in the platinum, palladium and rhodium markets are estimated at 741 000, 1.42 million and 96 000 ounces, respectively.

All three major PGM markets are likely to remain in deficit in 2024. Market shortfalls are expected to moderate from those witnessed in 2023 — automotive production growth is expected to slow with easing industrial demand and rising supply on a modest expected recovery in auto catalyst scrap.

Despite the growing industrial demand and improved vehicle sales recorded in 2023, significant pricing dislocations were caused by industrial and automotive end-users destocking portions of their PGM inventory, as well as metal discounting as trade flows shifted from West to East. Negative precious metal investor sentiment and speculative positioning amplified these factors.

The significant retracement in PGM pricing over 2023 has placed considerable pressure on South African and North American producer economics. Capital expenditure, which was set to peak across the industry in 2023 and 2024, has been scaled back as a result, with several mine closures and project deferrals announced. Implats retains its assertion that previously planned capex was primarily aimed at improving asset integrity and environmental performance, and that the limited project profile served as replacement rather than growth off the existing asset base. Current PGM pricing will induce further supply rationalisation, with primary supply now set to decline in the medium term.

PROSPECTS AND OUTLOOK

We expect 2024 to be a difficult year characterised by anaemic precious metal consumer and investor sentiment as economic and geopolitical uncertainty linger. The Group has benefitted from some retracement in input pricing escalation, however, inflationary pressures on operating and capital costs have persisted. Individual operational responses continue to evolve, and a comprehensive review of medium-term capital expenditure and planned production profiles has been initiated and implemented, with steps taken to preserve cash balances and secure positive free cash flow.

Implats is pleased to reiterate previously provided production and cost guidance for FY2024, while trimming the outlook for capital expenditure despite a weaker assumed rand exchange rate.

- Group 6E refined and saleable production is expected to be between 3.30 and 3.45 million ounces
- Group stock-adjusted unit costs are forecast to rise by between 6% and 10% to R21 000 and R22 000 per ounce
- Group capital expenditure has been revised downwards and is forecast to be between R11.0 billion and R12.0 billion, inclusive of growth capital of between R3.0 billion and R3.5 billion.
- This guidance assumes exchange rates of R18.60/US$ and C$1.35/US$, respectively.

Ends

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About Implats

Impala Platinum Holding Limited (Implats) is a leading, fully integrated platinum group metals (PGMs) producer. Implats is structured around seven mining operations and Impala Refining Services, a toll-refining business. The Group's mining operations are located on the Bushveld Complex in South Africa, the Great Dyke in Zimbabwe — the two most significant PGM-bearing ore bodies in the world — and the Canadian Shield. Our mining operations include Impala Rustenburg, Impala Bafokeng, Zimplats, Marula, Impala Canada, Mimosa and Two Rivers.

Implats contributes approximately 20% to annual global primary PGM production and employs close to 70 000 people across its operations. Implats' stated purpose is to create a better future. Our vision is to be the most valued and responsible metals producer, creating a better future for our stakeholders. Implats is committed to a value-focused strategy and places a strong emphasis on developing a portfolio of long-life, low-cost, shallow, mechanised or mechanisable mining assets to sustainably deliver improved returns for all its stakeholders. The Group aspires to deliver value through excellence and execution and through its commitment to responsible stewardship and long-term value creation.

The Group maintains a primary listing on the JSE in South Africa, a secondary listing on South Africa's A2X, and a level one American Depositary Receipt programme in the US.

Implats has total attributable resources of 336.2 million 6E ounces and attributable mineral reserves of 63.4 million 6E ounces – 6E refers to five PGMs (platinum, palladium, rhodium, ruthenium and osmium), as well as the associated gold found in PGM-bearing ore. The metals produced by Implats are key to making many essential industrial, medical and electronic items — and they contribute to a cleaner, greener world. Implats actively develops markets for its PGM products, which are sold in South Africa, Japan, China, the US and Europe.