



Annual Report 2006



Notice to shareholders

The fiftieth annual general meeting of members will be held in the boardroom, 3rd Floor, Old Trafford 4, Isle of Houghton, Boundary Road, Houghton, Johannesburg on Thursday, 12 October 2006 at 11:00 for the following purposes:

Annual Financial Statements

1. To receive and consider the financial statements for the year ended 30 June 2006.

Directorate

2. To elect directors in place of those retiring in terms of the articles of association. The following directors are eligible for re-election:

Messrs S Bessit, K Mokhele, KC Rumble, LC van Vught and
Ms NDB Orleyn.

Curriculum vitae of the retiring directors are set out on page 95.

3. To determine the remuneration of the directors (refer to page 118 of the Directors' report)

Control of unissued capital

4. To consider, and if deemed fit, to pass with or without modification the undermentioned resolution as an ordinary resolution:

"That the authorised but unissued shares in the capital of the company be placed at the disposal and under the control of the directors of the company and the directors are hereby authorised and empowered to allot, issue and otherwise dispose thereof to such person or persons and on such terms and conditions at their discretion subject to a maximum of 10% of the issued share capital subject to Section 221(2) of the Companies Act No.61 of 1973, as amended (the Companies Act) and the listing requirements of the JSE Limited (JSE).

Special business

5. To pass with or without modification the following resolutions as special resolutions:

Share buy-back

Special Resolution No. 1

Resolved that in terms of the company's articles of association, the company's directors be hereby authorised, by way of a general authority to repurchase issued shares in the company or to permit a subsidiary of the company to purchase shares in the company, as and when deemed appropriate, subject to the following initiatives:

- (a) that this authority shall be valid until the company's next annual general meeting provided that it shall not extend beyond fifteen (15) months from the date of this annual general meeting;
- (b) that any such repurchase be effected through the order book operated by the JSE trading system and done without any priority understanding or agreement between the company and the counterparty;
- (c) that a paid press release giving such details as may be required in terms of JSE Listings Requirements be published when the company or its subsidiaries have repurchased in aggregate 3% of the initial number of shares in issue, as at the time that the general authority was granted, and for each 3% in aggregate of the initial number of shares which are acquired thereafter;
- (d) that a general repurchase may not in the aggregate in any one financial year exceed 10% of the number of shares in the company issued share capital at the time this authority is given, provided that a subsidiary of the company may not hold at any one time more than 10% of the number of issued shares of the company;
- (e) that no repurchase will be effected during a prohibited period (as defined by the JSE Listings Requirements);
- (f) that at any one point in time, the company may only appoint one agent to effect repurchases on the company's behalf;
- (g) that the company may only undertake a repurchase of securities if, after such repurchase, the spread requirements of the company comply with JSE Listings Requirements;
- (h) that, in determining the price at which shares may be repurchased in terms of this authority, the maximum premium permitted is 10% above the weighted average traded price of the shares as determined over the five (5) days prior to the date of repurchase; and
- (i) that such repurchase shall be subject to the Companies Act and the applicable provisions of the JSE Listings Requirements.

The board of directors as at the date of this notice, has stated its intention to examine methods of returning capital to shareholders in terms of the general authority granted at the last annual general meeting. The board believes it to be in the best interest of Implats that shareholders pass a special resolution granting the company and/or its subsidiaries a further general authority to acquire Implats shares. Such general authority will provide Implats and its subsidiaries with the flexibility, subject to the requirements of the Companies Act and the JSE, to purchase shares should it be in the interest of Implats and/or its subsidiaries at any time while the general authority subsists.

Special business (continued)

The directors undertake that they will not implement any repurchase during the period of this general authority unless:

- ▶ the company and the group will be able, in the ordinary course of business to pay their debts for a period of 12 months after the date of the annual general meeting;
- ▶ the assets of the company and the group will be in excess of the combined liabilities of the company and the group for a period of 12 months after the date of the notice of the annual general meeting. The assets and liabilities have been recognised and measured for this purpose in accordance with the accounting policies used in the latest audited annual group financial statements;
- ▶ the company's and the group's ordinary share capital and reserves will, after such payment, be sufficient to meet their needs for a period of 12 months following the date of the annual general meeting;
- ▶ the company and the group will, after such payment, have sufficient working capital to meet their needs for a period of 12 months following the date of the annual general meeting, and
- ▶ the sponsor of the company provides a letter to the JSE on the adequacy of the working capital in terms of section 2.12 of the JSE Listings Requirements.

Reasons for and effect of Special Resolution No.1

The reason for and the effect of the special resolution is to grant the company's directors a general authority, up to and including the date of the following annual general meeting of the company, to approve the company's purchase of shares in itself, or to permit a subsidiary of the company to purchase shares in the company.

For purposes of considering the special resolution and in compliance with rule 11.26 of the JSE Listings Requirements, the information listed below has been included in this annual report:

- ▶ Directors and management – refer pages 86 and 88 of this report.
- ▶ Major shareholders – refer page 110 of this report.
- ▶ Directors' interest in securities – refer page 112 of this report.
- ▶ Share capital of the company – refer page 108 of this report.
- ▶ The directors, whose names are set out on pages 86 and 87 of this report, collectively and individually accept full responsibility for the accuracy of the information contained in the annual report and certify that to the best of the knowledge and belief there are no other facts, the omission of which would make any statement false or misleading, and that they have made all reasonable queries in this regard and that the special resolution contains all information required by law and the JSE Listings Requirements; and
- ▶ Litigation – there are no legal or arbitration proceedings (including any such proceedings that are pending or threatened of which the company is aware) which may have or have had a material effect on the group's financial position in the previous 12 months.

6. Share split

Special resolution No.2

"Resolved as a special resolution that each ordinary share in the authorised and issued ordinary share capital of the company with a par value of 20 cents be and is hereby subdivided into eight ordinary shares with a par value of 2.5 cents resulting in:

- the authorised share capital of the company comprising R21,100,200 divided into 100,000,000 ordinary shares of 20 cents each and 5,501,000 "A" ordinary shares of 20 cents each being altered so as to comprise R21,100,200 divided into 800,000,000 ordinary shares of 2.5 cents each and 44,008,000 "A" ordinary shares of 2.5 cents each; and
- the issued ordinary share capital of the company, comprising R13,846,923.00 divided into 69,234,615 ordinary shares with a par value of 20 cents each being altered to R13,846,923.00 divided into 553,876,920 ordinary shares with a par value of 2.5 cents each;

and that the memorandum of association be amended accordingly."

The reason for Special Resolution No.2 is to subdivide all of the ordinary shares in the company's capital with a par value of 20 cents each into ordinary shares with a par value of 2.5 cents each. The effect of special resolution No.2 is that:

- (a) the authorised share capital of the company comprising R21,100,200 divided into 100,000,000 ordinary shares of 20 cents each and 5,501,000 "A" ordinary shares with a par value of 20 cents each, will be altered so as to comprise R21,100,200 divided into 800,000,000 ordinary shares with a par value of 2.5 cents each and 44,088,000 "A" ordinary shares with a par value of 2.5 cents each.
- (b) the issued share capital of the company comprising R13,846,923,00 divided into 69,234,615 ordinary shares with a par value of 20 cents each will be altered to comprise R13,846,923,00 divided into 553,876,920 ordinary shares with a par value of 2.5 cents each.

Voting and Proxies

A shareholder entitled to attend and vote at the annual general meeting is entitled to appoint a proxy or proxies to attend, speak and vote in his/her stead. A proxy need not be a shareholder of the company. For the convenience of registered shareholders of the company, a form of proxy is enclosed herewith.

The attached form of proxy is only to be completed by those shareholders who are:

- Certificated registered members
- Dematerialised "own name" registered holders
- CREST registered holders

Shareholders who have dematerialised their shares through a Central Securities Depository Participant (CSDP) or broker and wish to attend the annual general meeting, must instruct their CSDP or broker to provide them with the necessary authority in terms of the custody agreement entered into between them and their CSDP or broker. Dematerialised shareholders' voting will be in accordance with their account with their CSDP.

Forms of proxy must be lodged with the transfer secretaries of the company at the address given below, by no later than 11:00 on Wednesday, 11 October 2006. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend and vote in person at the annual general meeting.

By order of the board



R Mahadevey

Group Secretary
25 August 2006

Registered Office

3rd Floor Old Trafford 4
Isle of Houghton
Boundary Road
Houghton, Johannesburg 2198

Note:

A member entitled to attend and vote is entitled to appoint one or more proxies to attend and speak and vote in his stead. A proxy need not be a member.