IMPLATS
ANNUAL REPORT 2002

MISSION

Business

Implats is in the business of mining, beneficiating and marketing platinum group metals (PGMs) and associated base metals, and in secondary sourcing where our core competencies bring us a competitive advantage.

Objectives

Our primary objective is to increase the wealth of our shareholders, measured by a combination of share price and dividends.

In support of this primary objective, we will

- Drive towards becoming the lowest unit cost PGM producer by seeking continuous improvement in operational efficiencies
- Pursue competitive advantage through beneficiation technology
- Deliver products of a quality appropriate to internal processing and the market
- Have a reward structure that directly recognises contribution to our primary objective

VALUES STATEMENT

This set of values was developed by employee representatives from all levels within the organisation.

Implats will strive to

- Act with integrity and display it in all our transactions
- Work and consult with all recognised unions in all relevant issues and processes
- Acknowledge group and individual leadership competencies at all levels
- Highlight success above failure to create a culture of success within the company and give credit when due
- Create a climate conducive to participation where everybody feels free to discuss problems, fears, aspirations and new ideas
- Support and encourage each other to realise our potential through development, education and training
- Remove and avoid discrimination
- Be sensitive to the environment and play an active role in its conservation and the safety and health of all

HIGHLIGHTS OF FINANCIAL YEAR 2002

Key features

- *Platinum production up 7% to 1.39Moz – a new high for Implats*
- *Dollar basket price per platinum ounce down 29% from last year's record highs*
- *32% depreciation of rand limits decrease in rand basket price per platinum ounce to 6%*
- *Attributable income at R4.58 billion (US$462 million) – second highest ever*
- *Dividends for the year of R37 per share*
- *Growth projects on track to deliver 2Moz by FY2006*
- *Share re-rating begins as growth projects develop*

Year at a glance

		2002	2001	% change
Financial				
Revenue	(Rm)	**11 902**	11 969	(1)
Operating income		**6 137**	6 849	(10)
Income before taxation		**6 733**	7 468	(10)
Attributable income		**4 582**	4 647	(1)
Headline earnings per share	(cps)	**6 863**	7 024	(2)
Dividends per share (proposed basis)		**3 700**	6 800*	(46)
Cash net of short term debt	(Rm)	**3 124**	3 013	4
Achieved basket price	($/oz)	**890**	1 254	(29)
Average rate achieved	(R/US$)	**10.16**	7.68	32
Production				
Total				
Refined platinum production	('000 oz)	**1 387**	1 291	7
PGM production refined		**2 639**	2 464	7
Impala				
Refined platinum production		**1 025**	1 002	2
PGM production refined		**1 895**	1 877	1

** includes special dividend of 3 000 cps*

Six potential Merensky open pits have been identified on the Impala Lease Area. Mining of the first two pits commenced in March 2001

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IMPALA PLATINUM HOLDINGS LIMITED AND ITS SUBSIDIARIES (IMPLATS)

Reg no 1957/001979/06

ISIN code : ZAE 000003554

SCORE CARD FOR FY2002

Grow production on average by 10% per annum so as to achieve 2Moz of platinum by 2006

- ☆ Gross platinum production increased by 7.4%
- ☆ On track to meet target of more than 2Moz by 2006

Introduce new safety initiatives to achieve a step-change reduction in the number of accidents

- ☆ Two external peer reviews on safety and health; introduction of Du Pont's SMAT system; development and implementation of the "Platinum Rules"
- ☆ Fatality rate of 0.15 and lost time injury rate of 8.6 unacceptable, although 27% reduction in all injury rate

Deliver real decreases in cost of metals produced

- ☆ Costs increased by 9.6% at Impala's operations – fractionally lower than the inflation rate of 9.8% and well below producer price index of 14.4%

Revitalise Fixco

- ☆ Management/employee initiative revitalised, with more focus on deliverables and deadlines

Proactively manage HIV/AIDS challenge

- ☆ Prevalence levels appear to have stabilised at 17%
- ☆ Actuarial study indicates costs of between US$5 and US$9 per platinum ounce at peak of epidemic in 2011

Achieve re-rating in market relative to industry peers

- ☆ Share price appreciated by 42% to close the year at R571.80 but full re-rating relative to peers not yet achieved
- ☆ Mechanisms to unlock value – such as share buy-back – put in place

Achieve earnings lower than FY2001, but higher than FY2000

- ☆ Basic earnings per share down 2% on FY2001, but 102% up on FY2000

Deliver superior returns to shareholders

- ☆ Total return to shareholders, expressed as a combination of share price growth and dividend yield of 50%

OBJECTIVES FOR FY2003

Achieve improved safety

- safety standards and systems to change the safety culture and to create a pathway towards the elimination of all accidents

Ensure that the business has sufficient immediate and long term growth opportunities

- progress the Marula Platinum project according to schedule
- evaluate the Two Rivers Platinum project

Improve market rating compared to Implats' main competitors

- upgrade ADR programme in the USA

Demonstrate the ability to produce efficiently and remain in the lowest cost quartile in the industry

- focus on cost effective mine mechanisation and new mining technology
- improved metallurgical recoveries

Minimise business risks, with particular focus on

- ensuring that the company's corporate governance is brought into line with the requirements of the King II report
- developing a black empowerment policy for the group in the light of the requirements of the new minerals legislation
- pursuing the possibility of converting the royalty currently payable to the Royal Bafokeng Nation into an equity stake in the company
- ensuring that the group is able to retain and attract appropriate personnel
- manage and minimise the effects of HIV/AIDS

An underground locomotive at an ore loading bin at Impala's 14 shaft in Rustenburg

CHAIRMAN'S LETTER TO SHAREHOLDERS

"Efforts to break free of perceptions of being growth and resource constrained are beginning to bear fruit"

PETER JOUBERT

Dear shareholder

It is a pleasure to present this report on another remarkable year for Implats based on a robust operational, financial and growth performance. This occurred in markets that came off the dizzy heights of the previous year, but were, in aggregate, sufficient to produce returns to shareholders only slightly less than the records of last year, and still double the previous year's record of the time.

Consumer confidence has held up better than anticipated, particularly in the US, and is driving the recovery in the absence of any resumption of investment. Investor confidence is fragile and causing volatility in the markets. Currencies are also finding new levels of relative value. These factors all hold great significance for our company's future performance.

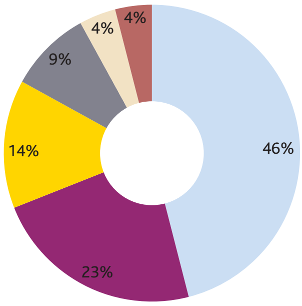
Inevitably the palladium panic of last year was followed by a shift by the automobile companies back towards platinum in their catalyst coatings. While there has been a corresponding retreat from the stratospheric prices in the palladium market, this move will certainly benefit the platinum-dominant South African producers and reverses a 10-year process which cost us dearly in the 1990s. The abilities of the automobile companies to mix and match their catalyst coatings according to metal price trends, while not simple and certainly not instantaneous, should result in less volatility in the prices of all three of the main platinum group metals (PGMs), and a continuing degree of robustness in the platinum price in particular.

The pullback from the extraordinarily high dollar metal prices of last year, by an average of 29%, was not unexpected and was the basis for the conservative forecast in last year's report. What was unexpected was the collapse of the rand at the end of the 2001 calendar year. While it has now recovered to more rational levels, the decline considerably cushioned the impact of weakening dollar metal prices, with the rand income per platinum ounce only 6% lower than last year.

A good production and cost control performance from Impala-owned and managed operations, coupled with further dramatic growth by Impala Refining Services (IRS), flowed through to deliver income before taxation of R6.73 billion (US$674 million), 10% lower than last year, and a marginal decline in attributable income to R4.58 billion (US$462 million).

A number of new safety initiatives, including a peer review by a Health and Safety audit group from Rio Tinto and participation in Du Pont's interactive auditing programme, has seen an encouraging reduction in the key performance indicator of the Lost Time Injury Frequency Rate (LTIFR) during the past six months to below the Ontario industry benchmark of 7. Against this trend the regrettable fact is that we have made little improvement in the number of fatal accidents on our mines. It is my sad duty to report the deaths of 12 of our number, one fewer than last year, and to express my condolences to their families and friends. The resultant fatality frequency rate of 0.15 per million man hours is a long way off the lows of 1998 and 1999.

The Health and Safety Audit Committee of the Board has reviewed these conflicting trends and resolved to take heart from the positive results thus far from the new initiatives. The potential of these projects to improve practice, behaviour and performance across the board, and to reduce the number of unsafe acts and the resultant number and severity of injuries, is keenly recognised and will be pursued vigorously.



Share ownership

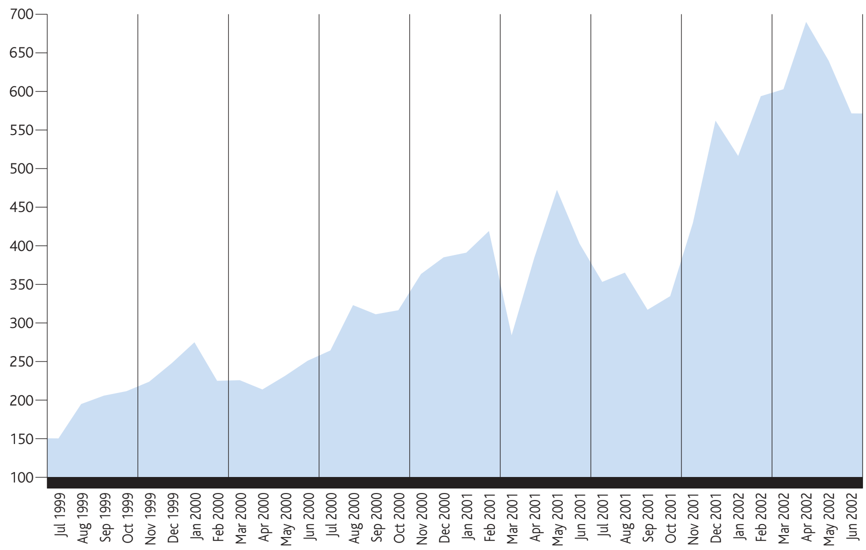
Gencor
South Africa
USA
England and Wales
Other countries
Not classified/below threshold

Company initiatives among our workforce and in surrounding communities have considerably ameliorated the incidence of HIV and AIDS among employees relative to nationwide figures. Prevalence seems to have stabilised at about 17% of our workforce, which is still a significant figure. The taxing questions are: what more can be done to reduce new infection levels, and to improve the social care and medical treatment of those affected, and to reduce the impact on the company. The first two subjects are in the hands of as skilled and dedicated a group of professionals as we could wish to have. The most obvious impacts on the company are those of safety, efficiency and training, all unfortunate but all manageable.

Efforts by the company to break free from past perceptions of being growth and resource constrained are bearing fruit. There has been a substantial re-rating of the share price over the year as the three-pronged strategy of developing new resources of our own, developing relationships with and interests in other producers, and sourcing in concentrate from third parties, is seen to be succeeding and adding real value and real future potential. Significant contributions to revenue via IRS were made through our investments in Barplats, Zimplats, ZCE Platinum (Mimosa) and Aquarius. The major new mines in the eastern Bushveld, Marula and Two Rivers, are also scheduled to commence production within the next two years.

For some years we have classified our relationship with Lonmin plc and its Western Platinum and Eastern Platinum subsidiaries (in which we hold a 27% interest) as unfinished business. While we believe there is considerable unrealised potential in this association, we are not critical of the current arrangement as it is hard to imagine a better return on investment. Further development of the relationship is probably hampered most by our own shareholding structure.

One aspect of that shareholding structure currently in focus relates to recent statements by Gencor confirming market perceptions that it intends to distribute its 46% holding in Implats to its shareholders. The extent to which this distribution represents an overhang in the market or, alternatively, whether almost all of Gencor's current shareholders are willing recipients of Implats' stock, is about to be tested. The creation of a broad shareholder base, the absence of any dominant shareholder and the removal of any overhang uncertainty are all to be welcomed, even should it result in some short-term churning. With this in mind, we have put into place the necessary systems, approvals and funds to enable the company to buy back up to 10% of its own shares to take advantage of any temporary weakness in the stock price. This is an expression of faith by the company in itself, its future and its valuation, and I thank shareholders for the overwhelming support given to this plan at the General Meeting held for this purpose on 15 July 2002.



Implats share price
Monthly close – July 1999 – June 2002
(R/share)

"It would be reasonable to expect another good year for the company"

PETER JOUBERT

The Minerals & Petroleum Resources Development Bill was passed by Parliament in June of this year and awaits signature by the President of South Africa. Implats made considered input at several stages of its development, and may well have contributed to the final version being less threatening to current mining companies than earlier drafts. While other companies are considerably more at risk than we are, the details of how the industry is to be regulated through the Bill's regulations and industry charter is very unclear and will only be seen over time. Hopefully, government will be sensitive, not only to the emotions driving those changes, but also to the fragility of investor confidence. Implats has for some time been anticipating the new legislation and is well advanced to meet its reasonable empowerment provisions and social requirements.

Board membership did not change during the year. Following the announcement of his retirement as Executive Chairman of Gencor at the end of May, Michael McMahon stood down as Chairman of the company at the Board meeting of 5 June 2002. He has agreed, at the request of the Board, to continue as a director in his personal capacity.

Michael was brought into the company in May 1990 as Managing Director, with a brief to modernise the company and restore its competitive position. Where we stand today speaks volumes for his success. He was Chairman and Chief Executive from 1993 until 1998, handing over the CEO function to Steve Kearney then and becoming non-executive Chairman.

As a long-standing fellow director of Implats, I am delighted to succeed Michael as Chairman and, on behalf of the Board, I thank him for his 12-year contribution. Michael stood down in the very month that the Financial Mail's Special Survey of Top Companies declared our company to be the top performing company of the last five years, describing it as "a company that has walked a careful path of reinvention to unlock the huge potential in the business".

The foundation of the company is its robust production base and its exciting growth prospects. These are in safe hands. The variables are metal prices and exchange rates. Everything points to good, but not dramatic metal prices and a resilient rand. In this scenario it would be reasonable to expect another good year for the company, with somewhat lower returns than we have just posted.

On the basis of the results achieved, and bearing in mind future expectations, your Board has elected to continue the practice of recent years and declare a final dividend towards the more generous end of our policy. Accordingly a total dividend for the year of 3 700 cents per share (2001: 3 800 cents excluding special dividend) was declared with the final dividend of 2 600 cents per share payable on 7 October 2002.

Peter Joubert
Chairman

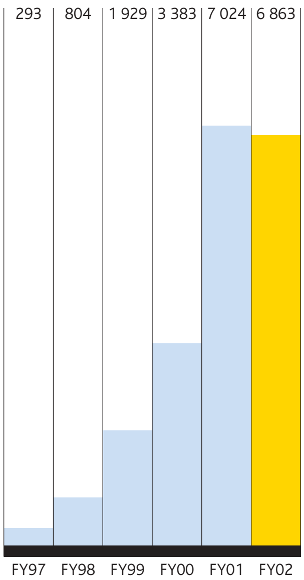
Safety signage at Impala's No 10 shaft. A major new safety initiative was undertaken during the year

CHIEF EXECUTIVE OFFICER'S REVIEW

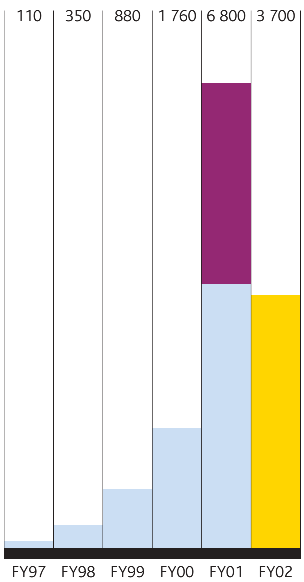
A more than satisfactory year for Implats

"Implats' performance was recognised in a number of ways"

KEITH RUMBLE



Headline earnings per share
SA cents



Dividends per share
SA cents

Special dividend (3 000 cps)

This report marks the close of a more than satisfactory year for Implats and one in which we continued to deliver value to our shareholders. The year was characterised by solid operational performance and growth, which, along with the weaker South African currency, nearly offset a 29% drop in metal prices achieved.

In our outlook at the end of last year we anticipated earnings for FY2002 being lower than FY2001, but higher than the then record levels of FY2000. By any measure we have exceeded this promise.

- Gross platinum production increased by 7.4%, in line with our growth strategy
- Revenue decreased by only 0.6%, despite a 29% reduction in the dollar basket metal price achieved
- Margins have been maintained at a healthy 52%, reduced by only 5% compared to the previous year
- A total dividend of 3 700 cents per share has been declared for the year
- The total return to shareholders, expressed as a combination of share price growth and dividend yield, is in the region of 50%.

Implats' performance was recognised in a number of ways. During the year Implats received several accolades in recognition of its sustained high degree of performance over the past five years. The most notable were:

- winning the Financial Mail Top 100 award
- achieving second place in the Brait/Gemini growth awards
- reaching third place in the Sunday Times top 100 company awards.

The company also enjoyed a degree of re-rating relative to industry players. The share price ended the financial year at R571.80 – an appreciation of 42% for the year. This was after having touched an all time high of R720 a share in April. Also, Implats has during the year been able to attract additional international shareholders and our international shareholder base continues to grow, with some 50% of the free float currently held outside of South Africa.

From an operational perspective, the year proceeded according to plan with the solid performance from our owned and managed operations, augmented by excellent growth through IRS which processes the growing output from our associated partners. The key failing for the year was in our safety performance.

Tragically, 12 employees died as a result of occupational accidents during the year. I personally extend my condolences to the families, friends and communities of those who died. The fact that some areas of our operations are excelling in terms of health and safety – the refineries achieved three million fatality free shifts during the year – does not compensate for the death of a single employee.

The board and management view this as our single biggest challenge for the year ahead and we are determined to make our operations safer. Safety and health are integral to the way in which we conduct our business and we can and will manage safety as a key performance area.

Over and above complying with the relevant legislation prescribed by the South African Mine Health and Safety Act, Implats aspires to international best practice and accreditation, and benchmarks itself against global standards. Two external peer reviews by health and safety groups from Rio Tinto and Du Pont conducted on Implats' managed operations during the year provided valuable recommendations to improve our programmes. Consequently, Implats has also contracted international safety experts Du Pont to develop and implement its world-renowned Safety Management and Training (SMAT) system across the operations. This process was initiated in FY2002 and will be extended further to all levels of employees and contractors during the year ahead.

The number of fatalities as well as lost time accidents experienced by Impala during the year remained at similar levels to the prior financial year. It is noteworthy that the fatality rate of 0.15 and the LTIFR of 8.6 per million man hours are in the lowest quartile for the platinum and underground mining industries in South Africa. Management is also encouraged by a 30% reduction in the all injury rate (which includes lost time and first aid cases), which is often used as a leading indicator, that the safety programmes are having an impact.

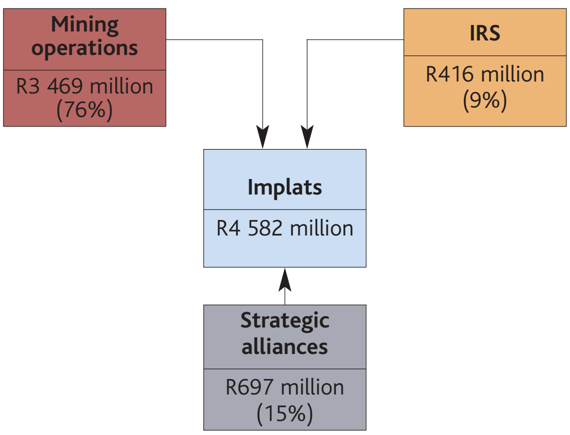
Another important area has been the development and implementation of the "Platinum Rules" at the various operations, in line with the primary hazards identified. This process was conducted in consultation with employee representatives and, in a landmark process, has been made a condition of employment. We hope that this will go a long way towards instilling a safety culture amongst employees and management alike.

Financial performance – margins and exchange rate boost earnings

The combined sales of platinum, palladium and rhodium ounces grew by 11% year-on-year. The higher volumes and weaker rand cushioned the impact of the lower dollar metal prices as reflected in the dollar metal price index achieved, which was 29% below that of the previous year. Consequently, revenue decreased by 0.6%. Satisfactory cost control coupled with a reduction in the tax charge, resulted in attributable income for the year declining by 1% to R4.58 billion (US$462 million) or basic earnings of 6 902 cents per share. On the basis of these results a total dividend for the year of 3 700 cents per share has been declared.

The most outstanding feature of this year's results is undoubtedly the performance of IRS, with a contribution to attributable income of 9% for the year, vindicating Implats' innovative growth strategy which turns to account excess capacity in its smelting and refining operations.

Contribution to attributable income



"Outlook for the platinum market remains sound"

KEITH RUMBLE

Market – platinum fundamentals sound

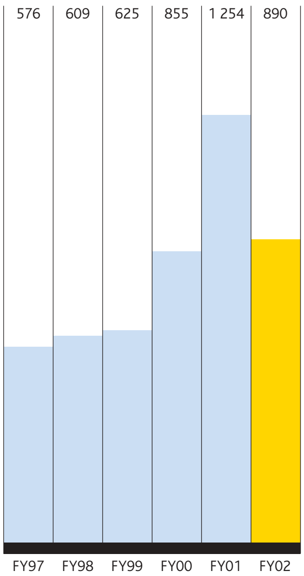
The strong pricing rallies in recent years had an inevitable impact on demand for the basket of metals. Platinum jewellery demand growth declined at prices above US$600/oz, while automotive companies hastened their switch from palladium-rich catalytic converters to platinum technology. At the same time the massive downturn in the electronics industry led to inventory destocking of palladium. Russian activity fuelled volatility and the tragic events of September 11 curtailed the longest post-war boom.

With or without an economic recovery in the US, the fundamental outlook for the platinum market remains sound. Global automotive sales are expected to recover in 2003 following two years of decline, while Chinese jewellery demand in particular is expected to be supported by ongoing GDP growth in the run-up to the Beijing Olympics. Despite the forecast increase in South African platinum output, growth in demand should ensure tight supply for several years.

Platinum use in the automotive industry, in particular, is forecast to grow strongly as a result of the ongoing substitution of palladium and the growth of diesel vehicle sales in Europe. Although palladium growth is threatened by substitution, a partial return at lower price levels is possible.

Review of operations

The 2002 financial year saw Implats grow platinum production by 7.4% to 1.39Moz, while PGM ounces rose by 7.1% to 2.64Moz. Unit costs per platinum ounce increased by 9.6% at Implats' owned and managed operations. This was fractionally lower than the inflation rate (CPIX) of 9.8% for the period and well below the producer price index increase of 14.4%.



Average basket price achieved
(US$/oz Pt)

Mining operations

- Impala Platinum produced a solid set of results, raising production to 1.025Moz of platinum (1.895Moz PGMs). Despite a decrease in actual tonnes mined, which was exacerbated by a one-week closure at 11 shaft following a spate of falls of ground accidents, the UG2 stockpile that had been built up was successfully processed.
- Crocodile River Mine was fully operational for the whole year, achieving production of some 39 100 platinum ounces in concentrate (75 900 PGM ounces). Importantly, growth opportunities have been identified which will be explored further in the coming year.
- Good progress was made at Marula Platinum (formerly Winnaarshoek) where infrastructural development is on budget and on schedule. The first statutory approvals for mining are on track with Marula's Environmental Management Programme Report (EMPR) having been approved by the Department of Minerals and Energy and its temporary Mining Authorisation having been received. Production is scheduled to commence in FY2004, reaching full capacity of 103 000 platinum ounces (272 000 PGM ounces) per annum for this phase of the project in FY2005.

"The performance of IRS is undoubtedly the most outstanding feature of this year's results"

KEITH RUMBLE

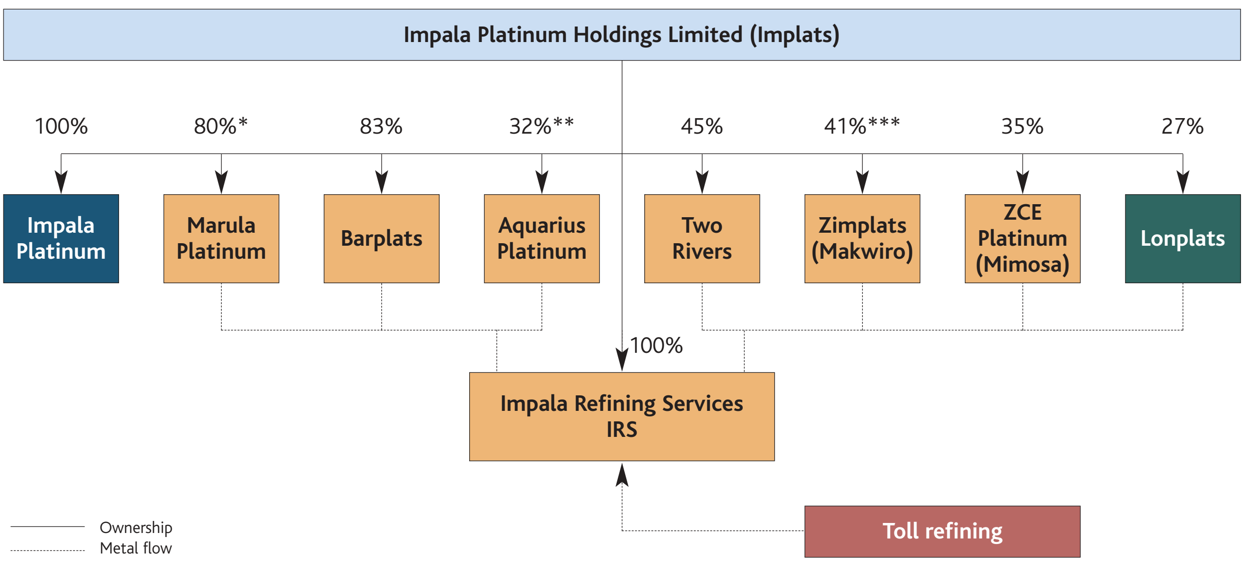
Processing operations

- Impala Refining Services (IRS), which houses the group's tolling and metal concentrate purchase contracts with alliance partners and others, had another year of spectacular growth. IRS delivered 362 000 platinum ounces (744 000 PGM ounces), reflecting a rise in throughput of some 25%. Importantly, IRS utilises surplus smelting and refining capacity so that the incremental ounces are produced at vastly reduced capital costs and lower operating risk. At the same time economies of scale resulted in reduced unit costs for Implats' owned and managed production.

Strategic alliances and holdings

- Implats' after tax contribution from its 27% stake in Lonplats rose by 11% to R717 million. Attributable production increased by 14% to 203 000 platinum ounces and 388 000 PGM ounces, reflecting the start of the Lonplats expansion programme. In line with that company's growth ambitions, Implats' attributable production will rise to 270 000 platinum ounces (490 000 PGM ounces) by 2008.
- Following financial restructuring within the Aquarius group during the year, Implats has successfully raised its effective stake in the underlying South African operations to 32%. Implats now holds 9% in Aquarius Platinum Limited and 25% in Aquarius Platinum (South Africa) (Pty) Limited. Aquarius Platinum Limited also purchased a 50% stake in Mimosa Mining Company (Pvt) Limited.

Organisational structure as at 30 June 2002



*Note: *20% of Marula Platinum has been allocated to an empowerment consortium*
***Effective interest in Aquarius Platinum (SA) (Pty) Limited*
****Effective interest in Makwiro Platinum Mines (Pvt) Limited.*

Platinum concentrate froth at the flotation plant at Mineral Processes

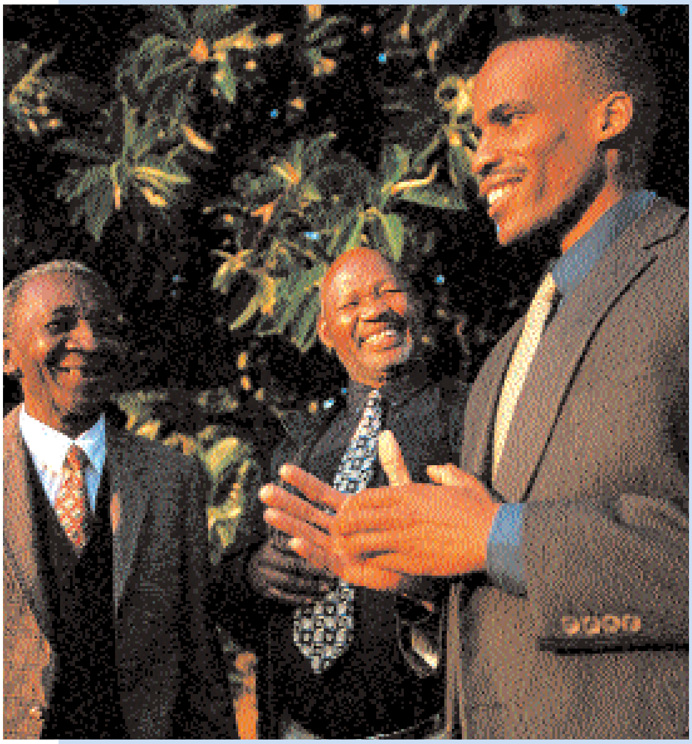
IMPLATS AND ITS CONTRIBUTION TO BLACK ECONOMIC EMPOWERMENT

Black economic empowerment (BEE) is a fundamental principle underpinning Implats operations with the company's involvement ranging from some of the largest ventures in the country to opportunities created via the company's affirmative procurement policy or social investment projects.

Empowerment is being promoted within the company as well. The employment equity policy and practices, and education and training programmes, all aim to create both opportunities and proficiency, specifically within those groups from previously disadvantaged sectors of the South African economy.

Through the Impala Community Development Trust (ICDT), Implats is also involved in the advancement of black economic empowerment in the communities within which it operates.

Relationship with the Royal Bafokeng Nation> Implats' relationship with mineral rights owners over Impala Platinum's lease area in North West Province, primarily the Royal Bafokeng Nation (RBN), is a prime example of a long-term and sustainable commercially driven relationship. In terms of a landmark agreement signed in February 1999, the RBN receives royalties on the metals mined in the Impala Lease Area and is a significant shareholder in the company – it has a holding of 1.5%. The RBN is also represented on the Implats board by their leader, Kgosi Leruo Molotlegi. To date, the RBN has received significant royalties.



Co-operation with the RBN is not just at board level. There is broad co-operation on a range of community development projects, including health, as well as education and training initiatives, and there is ongoing consultation on a variety of issues. The model of co-operation adopted by Implats with the RBN is considered by many as an example of global best practice in the management of relations with indigenous landowners. Similar co-operation and royalty agreements also exist between Impala and smaller mineral rights leaseholders in the area.

Agreement at Marula> Implats' empowerment initiative is also evidenced by its arrangement with Mmakau Mining, a black-owned and managed mining company, and a community-based empowerment consortium to each take a 10% equity stake in the Marula Platinum Mine, which is currently under development in Limpopo Province. The aim is to ensure not only a real return for community participants but also a transfer of skills and knowledge. Marula Platinum, which will produce close on 103 000 platinum ounces annually, is scheduled to begin production by FY2004, with a potential phase 2 to increase production being investigated.

Affirmative procurement> The company's affirmative procurement policy includes support for small business development on and around Implats' operations, particularly from small businesses owned and managed by those from previously disadvantaged communities. An important part of this has been the establishment of a database of BEE suppliers. This information is shared among producers in a specific area, such as on the eastern Bushveld. These suppliers are then accredited and provided with training and mentoring. A tender advice centre has also been set up.

Impala Community Development Trust> The Impala Community Development Trust (ICDT) aims, through the projects it oversees, to ensure that activities undertaken and supported by the ICDT are sustainable in the medium to longer term. An example of this is Implats' involvement in new projects related to the downstream beneficiation of platinum, in both catalysts and jewellery. Although at an early stage, both projects will facilitate the entrance of black entrepreneurs into this industry.

Kgosi Leruo Molotlegi, the head of the RBN, in discussion with colleagues. In addition to the royalties received from mining operations on the Impala Lease Area, the RBN is a significant shareholder of Implats. Kgosi Molotlegi is also the RBN's representative on the Implats board

"The requirements of the Minerals and Petroleum Resources Development Bill will not be as onerous to Implats as to other producers who hold large tracts of unutilised mineral rights"

KEITH RUMBLE

Aquarius' strong performance in both operational expansion and financial performance continued. Expansion at the Kroondal operation to 122 000 platinum ounces was achieved, with all of this concentrate being processed through IRS; construction at Marikana is continuing apace, while exploration at Everest South is yielding promising results. In total, the Aquarius operations should contribute some 257 000 platinum ounces (500 000 PGM ounces) to Implats' production by FY2006.

- Post year-end Implats concluded an agreement to increase its stake in ZCE Platinum (Mimosa) to 50% at a cost of some R130 million (US$12.3 million). Mimosa performed in line with expectations during the year, delivering about 15 000 platinum ounces (30 000 PGM ounces) in concentrate to IRS. Mimosa's expansion to 65 000 platinum ounces (127 000 PGM ounces) is on track.
- Post year-end Implats concluded an agreement to increase our direct interest in Zimplats by 21% to 36% which equates to an effective stake of 55% in Zimplats' Makwiro project (formerly known as the Ngezi project) at a cost of some R200 million. Although this project is about three months behind schedule, it is anticipated to be at full production by the second half of FY2003. Makwiro is expected to produce about 80 000 platinum ounces (165 000 PGM ounces) during FY2003 and this will be processed by IRS.
- Implats holds a 45% stake in the Two Rivers project with joint venture partner Avmin Limited. Good progress has been made with the project and the feasibility study is almost complete. The mine should produce about 113 000 platinum ounces (227 000 PGM ounces) by FY2006.

Exploration

Implats' exploration strategy remained unchanged, with the company pursuing low-cost exploration in collaboration with both junior and major players in the industry. Exploration targets are balanced between South African and non-South African exploration prospects. A feature of the year has been the excellent working relationship developed with Falconbridge which has already seen a number of new projects reviewed by the alliance. Implats is now co-operating with Falconbridge on a second of these projects – at Narndee in Western Australia.

Minerals and Petroleum Resources Development Bill

Implats made a submission and met with members of the Portfolio Committee on Minerals and Energy and the Select Committee on Economic Affairs in respect of the new Minerals and Petroleum Resources Development Bill, prior to its approval by Parliament in June 2002. Implats' view was that the Bill could be improved, specifically in addressing security of tenure and in providing more clarity on a number of issues. Our main concerns were the uncertainty and scepticism that the Bill had raised amongst the international investing community.

On a practical level, the requirements of the Bill will not be as onerous to Implats as to other producers who hold large tracts of unutilised mineral rights. The industry has been expecting the Bill for some time and has prepared itself to meet the new requirements. Our dealings with the Department of Minerals and Energy and with the Minister have been constructive and positive and, based on our discussions with them, we are confident that we are on the right track – from our existing operations with the Royal Bafokeng Nation, who

Rural women are trained in bee-farming in an Impala-sponsored initiative in Phokeng. The honey is harvested, processed and sold to local markets, while the wax is used in candle-making. Propolis (used to boost the immune system) is also harvested

have a material stake in Impala Platinum, to our new operations and through our joint venture with Mmakau Mining and the local communities in Limpopo Province at Marula Platinum. The contributions made by the Impala Community Development Trust (ICDT) and our various other initiatives – like adult basic education and training, our HIV/AIDS programmes, employment equity, affirmative procurement, our efforts towards sustainable development – are all in line with the objectives of the Bill.

Focus on operational improvement and capital efficiency

Impala Platinum, the company's primary operating unit, is renowned for its efficiency and low-cost expansion programmes. To maintain this leadership position, aggressive cost reduction strategies have been put in place aimed both at people development (through the management-employee initiative called Fixco) and by developing and implementing better and breakthrough technology.

At the same time significant effort has been expended in upgrading Implats' project management capacity, with capital expenditure being rigorously evaluated, rationed and managed.

Sustainable development

The release of this report coincides with the World Summit on Sustainable Development in Johannesburg. The build up to the Summit has been a reminder of the diverse views on sustainable development and has, in many ways, been cause for reflection within South African companies, which will be much closer to the Summit than companies elsewhere in the world.

Implats recognises the obligations of governance, stewardship and ethical practice that stem from its operations and endeavours to balance the company's impact on the social, economic and environmental spheres in which it operates in such a way as to ensure that the impact of the company today will contribute towards society in the future.

In the mining industry it is very difficult to prove sustainability in terms of the traditional Eurocentric definition of the concept. This is especially so regarding the after-life of a mining operation as mining by its very nature revolves around a non-renewable resource. Nonetheless, Implats believes that the operations of the company and the use of its products can contribute towards long-term sustainability. Sustainability in this sense needs to take into account all the many stakeholders involved with and affected by Implats' operations, from mining to refining to end-uses (and re-use) and to take cognisance of the role of other parties (national, provincial, local government, non-governmental and community-based organisations and employees) at national, regional and local levels. Overall the aim is for the company's strategy and business plan to reflect a balance between the social, economic and environmental aspects of its business and environment, as well as to impart skills and opportunities within the communities that surround our operations, which will endure after mine closure.

FIVE REASONS TO INVEST IN IMPLATS

We have met and interacted with many of our shareholders during this past year. We have a good understanding of what they are looking for in an investment and, in response, we have clarified our thinking on what Implats offers as an investment. These can be summed up in five reasons to invest in our company.

1. A substantial and robust company

Implats is a globally competitive company by any standard. Platinum reserves of 23.8 million ounces and resources of 75.4 million ounces, with a minimum of 30 years' life-of-mine, make it one of the world's leading precious metals producers. Substantial margins combined with a proven and sound operational track record in respect of performance, cost control, people management and technology development will enable us to continue to generate strong cash flows in the foreseeable future.

2. Sound fundamentals in the PGMs market

Fundamental demand for our primary metals, platinum and palladium, remain good. This is based on current markets and uses. Should the new markets that are being pursued (in, for example, the Far East) and new uses being developed prove cost-effective (such as fuel cell technology), this optimism extends into the longer term.

3. Growth strategy bears fruit

Implats' three-pronged growth strategy remains clear:

- Mining projects and exploration projects owned and managed by the company, such as on the Impala Lease Area, and at Crocodile River Mine and Marula Platinum;
- Increased production through IRS, which has witnessed phenomenal growth, and which will further boost Implats' capacity for production;
- Strategic investments and alliances, through which the company acquires attributable ounces and at the same time receives attributable income and is frequently paid dividends. Most of these investment opportunities bring with them an added bonus in terms of production processed and sold through IRS.

In all, Implats' growth prospects will see the company reach production of 2Moz of platinum (3.9Moz PGMs) by FY2006. And its aspirations will not end there. Further opportunities – on its own and in conjunction with current and new strategic alliance partners – will be evaluated as these arise and in the context of expected market conditions. Growth in volume will not be pursued simply for the sake of it, and certainly not without the promise of significant returns; sustained growth in profitability is what we are after.

4. Opportunities to unlock value

In line with Implats' long-term objective to be a global platinum-based resource company providing superior returns to shareholders, the board has paved the way to take advantage of a number of opportunities to unlock value.

Gencor unbundling> The large (46%) stake in Implats held by Gencor is seen by many as a value-trap. Gencor has declared its intention to seek shareholder approval to unbundle its stake in Implats. We fully expect that there should be some progress in this regard during FY2003.

Share buy-back> In June 2002, Implats announced that it would seek approval from shareholders for a share buy-back, which was subsequently approved in July. The underlying rationale was that while the company has significant growth opportunities, its tremendous capacity to generate cash will sometimes more than meet the company's needs and that the deployment of this cash is a unique opportunity to enhance shareholder value. The large stake held by Gencor has previously been an impediment to the company conducting such a buy-back for fear of reducing liquidity still further. However, in the event of Gencor unbundling its shares in Implats, the liquidity of Implats' shares is expected to increase significantly, making a share buy-back without reducing liquidity possible. More particularly it will underpin the share should additional liquidity come onto the market as a result of Gencor's corporate activity.

Improving liquidity> Over and above the Gencor issue, the lack of accessible shares in the United States, for example, has frequently been cited as yet another hindrance to achieving full value. To remedy this, Implats is considering instituting a sponsored ADR programme in the US and details of this will be announced in due course. Another remedy under discussion is the possibility of a share split, possibly in conjunction with the ADR programme.

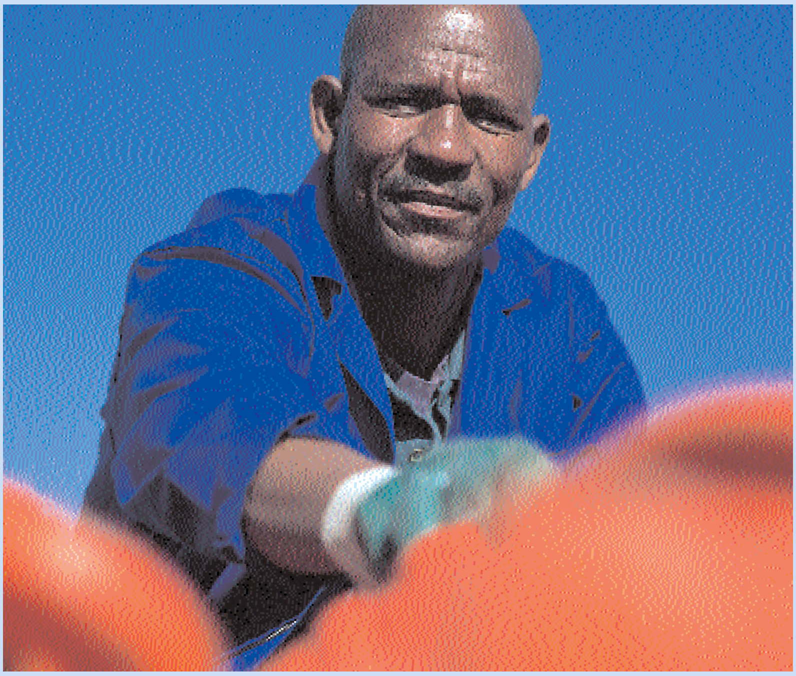
Resolving the Lonplats issue> Finally, there is broad recognition that the value of Implats' 27% holding in Lonplats is not fully reflected in the Implats share price, nor is the value of the pre-emptives attached to this stake. The possibility of a merger between the two companies could still be feasible. The Lonplats stake, nevertheless, remains an excellent investment, the estimated valuation of which is calculated to be in excess of R8.5 billion.

5. Underrated relative to international peers

Relative to its major rivals, both locally and internationally, Implats still appears to be underrated in terms of its forward price : earnings ratio, historical relative performance and dividend and other yields. The board is cognisant of the opportunities presented above and is determined to break from this cycle of under-valuation by resolving these issues.

Below: Israel Tshitlo, a materials handler at Impala central stores in Rustenburg

Right: Elisna Coetzee, Laboratory Manager, preparing a sample at Rustenburg and Gys Fourie, Impala Central Stores



Process supervisor, Christine Makhatha, is responsible for the conditioning and ion exchange process in which gold is extracted from the PGM concentrate

"Solid operational performance and growth, underpinned by fundamental platinum demand, bode well for the performance of the company"

KEITH RUMBLE

HIV/AIDS

Along with other producers, Implats is faced with the challenge of managing the impact of HIV/AIDS on its workforce and the company in a realistic, cost-effective and humane manner. Implats' extensive reduction and prevention programme, which has been in place for more than a decade, has begun to yield promising results with the company's prevalence level appearing to have levelled off at a rate of about 17%. This is below the levels experienced generally across the industry and in the geographical region that houses Implats' operations. In addition to ensuring that these gains are maintained, the company's efforts are focused on education and prevention efforts aimed at new employees as the company's expansion takes shape.

The year ahead

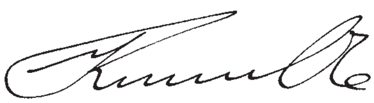
A prolonged global economic slowdown, further intrusion of white gold in the lower price brackets in jewellery markets in the Far East, and ongoing efforts to thrift PGMs by the automotive manufacturers are the main threats to anticipated performance of the PGMs market. Despite this, the deficits in platinum supply are forecast to continue for the foreseeable future, although palladium, rhodium and other PGMs, such as ruthenium and iridium run the risk of being in over-supply.

It may be anticipated that the sluggish world economy and the thrifting/substitution initiatives by consumers will continue to gradually suppress PGM prices other than platinum. Implats is therefore anticipating earnings lower than the year under review but higher than were achieved in FY2000. Despite this tendency, prospects for Implats remain good both in the short and medium term, based on solid operational performance and delivery on growth plans, underpinned by sound fundamental demand for platinum.

A word of thanks

In conclusion I want to extend my thanks to former Chairman of Implats, Michael McMahon, for the role he has played over many years. We look forward to his ongoing contribution as a member of the board. We also look forward to working with newly appointed non-executive Chairman and long-standing board member, Peter Joubert. Not only does Peter have extensive background knowledge of our company, he brings with him best practice in terms of corporate governance from both a local and international perspective. Peter served as a member of the first King Commission on Corporate Governance and has remained a strong force in this field.

I also wish to thank my colleagues at both management and operational levels. Without the input and performance of each and every employee, we would not have been able to achieve these results.



Keith Rumble
Chief Executive Officer
22 August 2002

STATISTICS

Income statement

FOR THE YEAR ENDED 30 JUNE

R million

	2002	2001	2000	1999	1998	1997
Revenue	**11 901.5**	11 969.1	7 003.6	4 602.0	3 380.6	2 658.2
Platinum	**6 137.4**	5 253.2	3 017.2	2 251.6	2 091.6	1 742.1
Palladium	**2 580.9**	3 129.0	1 689.2	1 031.1	621.3	268.9
Rhodium	**1 788.3**	2 199.1	1 218.0	582.2	238.7	156.1
Nickel	**681.6**	700.2	600.4	363.5	216.7	285.7
Other	**713.3**	687.6	478.8	373.6	212.3	205.4
Cost of sales	**5 764.9**	5 120.3	3 900.8	2 986.8	2 567.7	2 393.7
On-mine operations	**2 567.5**	2 330.1	1 997.6	1 880.4	1 772.7	1 571.8
Concentrating and smelting operations	**642.6**	492.5	440.7	415.3	384.7	351.5
Refining operations	**354.7**	333.3	307.9	295.6	262.3	266.4
Amortisation of mining assets	**248.8**	212.2	139.9	148.7	135.5	113.1
Metals purchased	**1 883.4**	1 968.8	698.8	287.6	–	–
Other costs	**203.9**	117.1	96.6	83.2	78.7	104.0
(Increase)/decrease in inventory	**(136.0)**	(333.7)	219.3	(124.0)	(66.2)	(13.1)
Operating income	**6 136.6**	6 848.8	3 102.8	1 615.2	812.9	264.5
Other income	**32.8**	94.5	62.0	14.2	5.9	4.2
Net financial income	**265.5**	383.3	228.2	185.9	44.2	1.8
Share of pre-taxation income from associates	**1 102.9**	1 031.4	332.8	204.3	54.4	21.6
Royalty expense	**(804.4)**	(890.3)	(406.4)	(237.4)	(93.1)	(5.9)
Income before taxation	**6 733.4**	7 467.7	3 319.4	1 782.2	824.3	286.2
Taxation	**2 142.0**	2 815.2	1 061.9	525.2	325.9	105.6
Consolidated income after taxation	**4 591.4**	4 652.5	2 257.5	1 257.0	498.4	180.6
Outside shareholders' interest	**9.9**	5.4	2.5	5.0	(2.9)	(1.6)
Attributable income	**4 581.5**	4 647.1	2 255.0	1 252.0	501.3	182.2
Earnings per share (cents)						
– Basic	**6 902**	7 024	3 422	1 929	794	293
– Diluted	**6 839**	6 970	3 388	1 902	784	
– Headline (basic)	**6 863**	7 024	3 383	1 929	804	293
Dividends per share (cents)						
– interim + proposed	**3 700**	3 800	1 760	880	350	110
– special		3 000				

STATISTICS

Balance sheet

AS AT 30 JUNE

R million

	2002	2001	2000	1999	1998	1997
ASSETS						
Non-current assets	**9 324.1**	6 833.4	4 321.1	3 496.7	3 037.9	2 980.3
Fixed assets	**6 218.4**	5 230.6	3 357.3	2 822.2	2 431.2	2 353.7
Investments and other	**3 105.7**	1 602.8	963.8	674.5	606.7	626.6
Current assets	**5 448.3**	5 162.3	4 504.3	3 168.3	2 143.6	1 239.4
Total assets	**14 772.4**	11 995.7	8 825.4	6 665.0	5 181.5	4 219.7
EQUITY AND LIABILITIES						
Capital and reserves	**9 284.0**	6 715.6	5 716.4	4 067.5	2 943.4	2 452.2
Outside shareholders' interest	**61.6**	19.2	13.8	46.9	68.7	71.6
Non-current liabilities	**1 683.4**	1 465.2	1 195.1	1 068.4	1 052.4	1 016.2
Borrowings	**86.3**	113.1	137.6	162.3	179.3	194.6
Deferred taxation	**1 389.6**	1 156.1	889.7	745.0	746.9	707.5
Provision for long-term responsibilities	**207.5**	196.0	167.8	161.1	126.2	114.1
Current liabilities	**3 743.4**	3 795.7	1 900.1	1 497.6	1 117.0	679.7
Total equity and liabilities	**14 772.4**	11 995.7	8 825.4	6 680.4	5 181.5	4 219.7
Cash, net of short-term borrowings	**3 123.5**	3 013.1	3 081.4	1 864.9	801.8	219.2
Cash, net of all borrowings	**3 037.2**	2 900.0	2 943.8	1 702.6	622.5	24.6
Current liquidity (net current assets excluding inventories)	**784.8**	587.3	2 164.6	1 014.5	264.8	(16.0)
IMPLATS SHARE STATISTICS						
No. of shares in issue at year end (m)	**66.6**	66.3	66.1	65.7	64.0	62.3
Average number of issued shares	**66.4**	66.2	65.9	64.9	63.1	62.2
Number of shares traded	**50.0**	36.4	31.7	30.1	14.7	11.7
Highest price traded (cps)	**72 000**	47 300	29 600	17 200	6 800	6 900
Lowest price traded	**28 700**	23 980	15 400	5 100	3 450	4 050
Year end closing price	**57 180**	40 360	25 220	15 180	5 050	5 075

* *Comparative figures restated to reflect the adoption of International Accounting Standard 39 (Financial instruments: Recognition and Measurement)*

US$ information (Unaudited)

FOR THE YEAR ENDED 30 JUNE

US$ million

	2002	2001	2000	1999	1998	1997
Revenue	**1 184.2**	1 572.8	1 108.2	757.2	682.5	618.1
Cost of sales	**568.9**	672.8	616.8	491.4	528.4	528.1
On-mine operations	**253.3**	306.2	315.9	309.4	364.7	346.8
Concentrating and smelting operations	**63.4**	64.7	69.7	68.3	79.2	77.6
Refining operations	**35.0**	43.8	48.7	48.6	54.0	58.8
Amortisation	**24.6**	27.9	22.1	24.5	27.9	24.9
Metals purchased	**185.9**	258.7	110.5	47.3	–	–
Other costs	**20.1**	15.4	15.3	13.7	16.2	22.9
(Increase)/decrease in metal inventory	**(13.4)**	(43.8)	34.7	(20.4)	(13.6)	(2.9)
Operating income	**615.3**	900.0	491.3	265.9	154.1	90.0
Other income	**3.3**	12.4	9.8	2.2	1.2	0.9
Net financial income	**26.2**	50.4	36.1	30.6	9.1	0.4
Share of pre-taxation income from associates	**108.8**	135.5	52.6	33.6	11.2	4.8
Royalty expense	**(79.4)**	(117.0)	(64.3)	(39.0)	(19.1)	(1.3)
Income before taxation	**674.2**	981.3	525.6	293.3	156.5	94.8
Taxation	**211.4**	369.9	167.9	86.4	67.1	23.3
Outside shareholders' interest	**1.0**	0.7	0.4	0.8	(0.6)	(0.4)
Attributable income	**461.8**	610.7	357.3	206.1	90.1	71.8
Earnings per share (cents)	**696**	923	542	318	143	115

* *Note: Income and expenditure have been converted at the average exchange rate for the year. Revenue reflects actual dollar receipts.*

STATISTICS

Operating statistics

FOR THE YEAR ENDED 30 JUNE

		2002	2001	2000	1999	1998	1997
Gross refined production							
Platinum	('000 oz)	**1 387**	1 291	1 199	1 181	1 052	1 002
Palladium	('000 oz)	**732**	681	636	651	557	497
Rhodium	('000 oz)	**177**	164	155	159	131	141
Nickel	('000 t)	**13.0**	14.0	13.8	14.9	7.7	7.7
Impala refined production							
Platinum	('000 oz)	**1 025**	1 002	1 020	1 065	1,052	1 002
Palladium	('000 oz)	**489**	481	493	516	557	497
Rhodium	('000 oz)	**123**	128	131	143	131	141
Nickel	('000 t)	**7.7**	7.0	7.2	7.7	7.7	7.7
IRS refined production							
Platinum	('000 oz)	**362**	289	179	116	–	–
Palladium	('000 oz)	**243**	200	143	135	–	–
Rhodium	('000 oz)	**54**	36	24	16	–	–
Nickel	('000 t)	**5.3**	7.0	6.6	7.2	–	–
IRS metal returned to customers							
Platinum	('000 oz)	**152**	164	102	84	–	–
Palladium	('000 oz)	**102**	116	93	104	–	–
Rhodium	('000 oz)	**16**	21	17	8	–	–
Consolidated statistics							
Exchange rate:	(R/US$)						
Closing rate on 30 June		**10.32**	8.06	6.92	6.00	5.48	4.51
Average rate achieved		**10.16**	7.68	6.40	6.08	4.95	4.29
Free market price index	($/oz)	**891**	1 266	914	631	611	532
Achieved price index	($/oz)	**890**	1 254	855	625	609	576
Prices achieved							
Platinum	($/oz)	**485**	586	428	358	409	418
Palladium	($/oz)	**389**	773	465	311	223	130
Rhodium	($/oz)	**1 098**	2 001	1 223	719	358	271
Nickel	($/t)	**5 594**	6 951	7 500	4 466	6 062	7 179
Sales volumes							
Platinum	('000 oz)	**1 251**	1 177	1 209	1 076	1 030	992
Palladium	('000 oz)	**663**	543	656	585	551	491
Rhodium	('000 oz)	**165**	145	171	140	129	137
Nickel	('000 t)	**12.0**	14.1	14.0	14.9	7.5	7.8

STATISTICS

Operating statistics *(continued)*

FOR THE YEAR ENDED 30 JUNE

		2002	2001	2000	1999	1998	1997
Gross margin achieved	(%)	**51.6**	57.2	44.3	35.1	24.0	10.0
Return on equity	(%)	**68.2**	81.3	55.4	42.5	20.9	7.8
Return on assets	(%)	**49.1**	68.0	52.2	35.8	16.5	5.9
Debt to equity	(%)	**1.2**	2.0	2.8	5.2	7.3	10.2
Current ratio		**1.5:1**	1.4:1	2.4:1	2.1:1	1.9:1	1.8:1
Tonnes milled ex mine	('000 t)	**15 607**	15 184	14 662	14 638	14 509	13 775
PGM refined production	('000 oz)	**2 639**	2 464	2 308	2 299	1 960	1 888
Capital expenditure	(Rm)	**1 250**	2 090	783	431	248	266
	(US$m)	**123**	275	124	71	51	61
Impala business segment							
Tonnes milled ex mine	('000 t)	**14 850**	14 840	14 662	14 638	14 509	13 775
Total cost per tonne milled	(R/t)	**239**	213	189	180	172	167
	($/t)	**24**	28	30	30	35	37
PGM refined production	('000 oz)	**1 895**	1 877	1 913	1 978	1 960	1 888
Cost per PGM ounce refined	(R/oz)	**1 872**	1 685	1 445	1 329	1 275	1 215
	($/oz)	**185**	221	229	219	262	268
Cost per platinum ounce refined							
Total cost of operations	(R/oz)	**3 459**	3 156	2 711	2 471	2 369	2 281
	($/oz)	**341**	415	429	407	487	503
Net of revenue received for other metals	(R/oz)	**(708)**	(1 879)	(510)	617	1 144	1 366
	($/oz)	**(70)**	(247)	(81)	102	235	301
Capital expenditure	(Rm)	**1 009**	978	732	425	248	266
	(US$m)	**100**	129	116	70	51	61
Total Impala labour complement	('000)	**27.9**	28.0	28.3	28.7	29.5	31.0

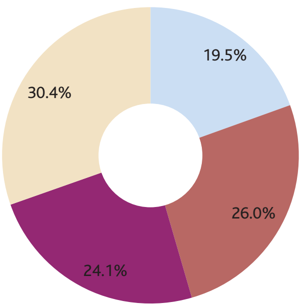
1. The cost of mining, concentrating, smelting, refining, marketing, head office and insurance claim is expressed per unit

VALUE ADDED STATEMENT

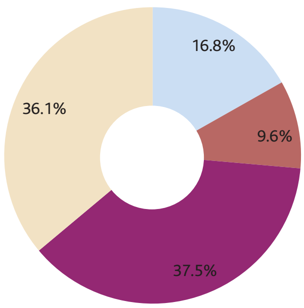
FOR THE YEAR ENDED 30 JUNE 2002

Figures in R million

	2002	Percentage change	2001
Revenue	**11 901.5**	(0.6)	11 969.1
Net cost of products and services	**3 636.7**	(15.9)	3 138.5
Value added by operations	**8 264.8**	(6.4)	8 830.6
Income from investments and interest	**1 413.0**	(7.1)	1 521.1
TOTAL VALUE ADDED	**9 677.8**	(6.5)	10 351.7
Applied as follows to:			
Employees as salaries, wages and fringe benefits	**1 882.4**	(8.5)	1 734.7
The state as direct taxes	**2 142.0**	23.9	2 815.2
Royalty recipients	**804.5**	13.0	925.2
Providers of capital	**2 327.9**	40.1	3 885.0
Financing costs	**18.6**	(7.5)	17.3
Dividends	**2 309.3**	40.3	3 867.7
TOTAL VALUE DISTRIBUTED	**7 156.8**	23.5	9 360.1
Re-invested in the group	**2 521.0**	154.2	991.6
Amortisation and depreciation	**248.8**	(17.2)	212.2
Reserves retained	**2 272.2**	191.5	779.4
	9 677.8	(6.5)	10 351.7



2002



2001

Employer costs | Retained for future growth | Capital providers | Taxation and royalties

FINANCIAL REVIEW

A great performance for the year

In review, FY2002 was a solid year for Implats. Operating margins for the group remained robust at 52% despite the decline in PGM prices from the previous year's record levels. Group attributable income of R4.58 billion was marginally lower than the record earnings of the previous financial year.

Results for the year

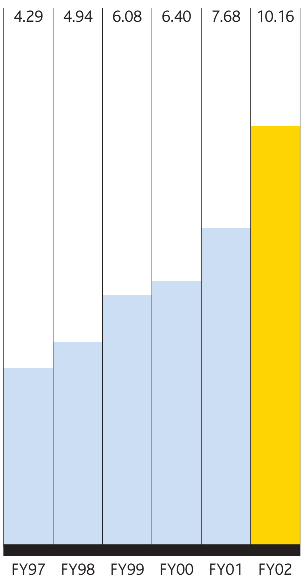
Revenue remained steady at R11.90 billion ($1.18 billion) when compared to R11.97 billion the previous financial year.

The slight decline in attributable income was as a result of the fall in the dollar price of PGMs. The average basket price achieved for PGMs was $890 per platinum ounce, compared to $1 254 per platinum ounce in FY2001, a decline of 29%. In particular, the dollar prices of palladium and rhodium were sharply lower. The fall in the dollar price of PGMs was offset to a great extent as the rand weakened against the US dollar for the period under review and the average rand prices achieved were 6% lower. In addition, the higher sales volumes for platinum, palladium and rhodium helped to combat the lower prices. Implats continued to benefit from dollar-denominated revenues and mainly rand-denominated costs.

Following last year's more than doubling in group attributable income, this declined by 1.4% to R4.58 billion in FY2002.

Impala Platinum's mining operations are still the dominant contributor to earnings, but the group's reliance on its contribution is reducing as those of IRS and Lonplats increase. Impala contributed 74% of group attributable income in FY2002 compared to 80% the previous year. This contribution to the group will continue to reduce over time as new projects begin to feed into the bottom line.

The importance of IRS to the group's growth strategy was highlighted by its 39% increase in attributable income. This represented 9% of group income. Crocodile River (Barplats), whose contribution was negative in FY2001, as a result of unearned profits on group stocks, recorded a sharp increase in the period under review with attributable income increasing to R87 million.



Rand/dollar exchange rate achieved

Key features

- *Earnings marginally lower than previous year's record of R4.6 billion*
- *Gross margins remain above 50%*
- *Unit cost increases maintained below inflation*

Contribution to attributable income

(R million)	2002	%	2001	%
Impala	**3 382**	**73.8**	3,724	80.1
IRS	**416**	**9.0**	300	6.5
Barplats	**87**	**1.9**	(24)	(0.5)
Lonplats	**717**	**15.7**	647	13.9
Mimosa	**22**	**0.5**	–	–
Zimplats/Makwiro	**(13)**	**(0.3)**	–	–
Aquarius	**(29)**	**(0.6)**	–	–
	4 582	**100.0**	4 647	100.0

Contribution to attributable production

	2002		2001	
(000 oz)	Platinum	PGM oz	Platinum	PGM oz
Impala	**1 025**	**1 895**	1 002	1 877
IRS	**326**	**678**	281	572
Barplats	**36**	**66**	8	15
Lonplats (27%)	**203**	**388**	178	336
Total ounces in which Implats group has an economic interest	**1 590**	**3 027**	1 469	2 800
Less: Lonplats	**(203)**	**(388)**	(178)	(336)
Gross Implats production	**1 387**	**2 639**	1 291	2 464
Less: IRS metal returned to toll customers	**(152)**	**(282)**	(164)	(312)
Retained for sale by Implats group	**1 235**	**2 357**	1 127	2 152

Impala Lease Area – Cash operating cost

		2002	2001	% change
per tonne milled	(R)	**239**	213	(12.2)
	($)	**24**	28	14.3
per PGM ounce	(R)	**1 872**	1 685	(11.1)
	($)	**185**	221	16.3
per platinum ounce	(R)	**3 459**	3 156	(9.6)
	($)	**341**	415	17.8

Implats' investment in the Lonplats group continues to make an ever-increasing contribution with attributable income rising by 11% to R717 million and the contribution to the group increasing to 16%. Dividends received for the period under review were R515 million (R542 million in FY2001). Lonplats is in the process of expanding its capacity and the slightly lower dividend paid reflects this strategy. The cash received has been used to help implement Implats' growth strategy.

Investments in Zimplats (Makwiro) and Aquarius had a negative impact on earnings owing to the adjustment to eliminate unrealised profit included in group inventory as reflected in the group accounting policy. These companies should record positive earnings in the next financial year.

In line with the attributable earnings stream, it should be noted that for FY2002, Implats had a total economic interest in about 1.6Moz of platinum and 3Moz of PGMs.

Earnings per share

Headline earnings per share for the year declined by 2.3% to 6 863 cents. This compares with 7 024 cents a share for the previous financial year. The number of weighted shares in issue increased slightly to approximately 66.4 million.

The cash operating cost per ounce of refined platinum rose to R3 459, an increase of 9.6%, in line with the group's overall strategy to limit cost increases to below inflation. This compares with an inflation rate of 9.8% as measured by CPIX for the period July 2001 to June 2002. In terms of US dollars however, production costs declined sharply with costs per ounce of refined platinum at $341, 18% down on the previous financial year. This decline was largely due to the strength of the US dollar versus the rand during the period.

The table entitled Impala Lease Area (see page 31) presents the comparative cost performances for the Impala Lease Area. These costs are calculated as the cost of mining, concentrating, smelting, refining, marketing and head office costs divided by the relevant platinum production units.

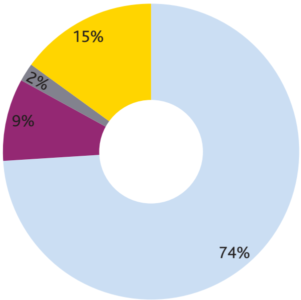
Implats derives its income from three distinct sources of revenue, each of which has a differing effect on margins, risk profile and capital investments. These three revenue sources are:

- Mine-to-market – revenue is generated by operations owned and managed by Implats such as Impala Platinum, Crocodile River and the Marula Platinum project (the latter has not yet come into production). Margins for the period under review are in the region of 59% for the Impala Lease Area, down from 65% last year but up from the 48% of the 2000 financial year. Crocodile River Mine (CRM) only reflects mine-to-concentrate margin.
- Associated companies – income is generated by companies with which Implats is associated, namely Lonplats, Zimplats, Mimosa, Two Rivers and the Aquarius group, which are equity accounted.
- IRS – income is generated by the processing of third party material. Margins here are substantially lower than in the mine-to-market model, owing to the reduced risks involved and lower capital intensity. Margins recorded during the 2002 financial year were similar to the previous year.

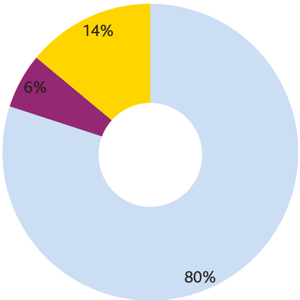
Operating margins

(%)

	2002	2001
Impala (ex-mine)	58.5	65.2
IRS	19.5	19.4
Barplats (CRM)	27.3	50.5
Implats	51.6	57.2



2002



2001

Contribution to headline earnings per share

- Impala
- IRS
- Barplats
- Strategic holdings

Dividends

The total dividend proposed for the year is 3 700 cents per share, comprising an interim divided per share of 1 100 cents which was paid in April 2002, and a final dividend per share of 2 600 cents. This is 3% lower than the total dividend declared and proposed in the last financial year of 3 800 cents a share (this calculation excludes the special dividend of 3 000 cents per share).

Dividend cover on a proposed basis remains at 1.9 times earnings. This is in line with the board's stated dividend policy.

Exchange rate

The average rand/dollar exchange rate for the 12 months to June 2002 was R10.16/$, 32% lower than the average rate for the preceding 12 months. This was to Implats' advantage given that most of the group's earnings are generated in US dollars. In particular, a recovery in the platinum price towards the end of the financial year, together with the weak rand, resulted in the rand price of platinum hitting an all time high - the record monthly average price was R5 978/oz, recorded in April 2002. Implats continues to be unhedged regarding fluctuations in the exchange rate.

Shareholder value

The best measurement of shareholder value is calculated using the total return to shareholders (TSR), a combination of the appreciation in the share price and dividends paid. Implats' TSR from FY98 to FY02 has seen the group deliver a compounded growth of 70% per annum. This exceptional return was helped by the share price, which touched a record high of R720 in April 2002.

Balance sheet and structure and cash flow

Implats continues to maintain a low gearing ratio and has substantial debt capacity. Consequently, the group's weighted average cost of capital (WACC) is not optimal. Consideration is being given to utilising part of the capacity for future projects in an appropriate manner, but taking into account the exposure to US dollar commodity prices and the rand/dollar exchange rate.

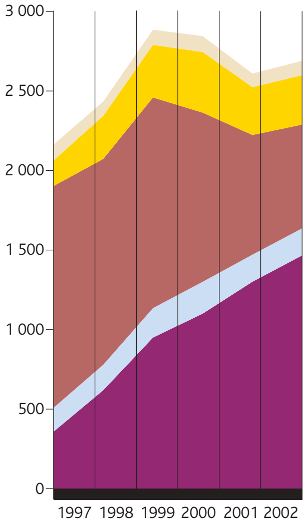
Implats continues to maintain a strong balance sheet so as to meet working capital requirements and to provide internal funding for most of its future capital projects. The group generated cash of R4.1 billion during the period under review. This was sufficient to fund capital expenditure programmes, dividends and investments, and left a closing cash position of R3.2 billion.

Capital expenditure

Group capital expenditure of R1 250 million (US$123 million) was recorded in FY2002. Capital expenditure at Impala was R1 009 million (US$100 million) compared to R978 million (US$129 million) the previous year. This was largely accounted for by expenditure on the decline projects. An amount of R173 million was spent on Marula Platinum and R69 million on Crocodile River.

MARKET REVIEW

A year of immense contrast



Jewellery demand
(000 oz)

China Europe Japan
North America Other

The year under review was characterised by immense contrast, both in the behaviour of the two major metals – platinum and palladium – and in the performance of vehicle sales in relation to the general world economy. The 3% growth in platinum demand for the calendar year 2001 was fuelled by a robust automotive market, which predictably shifted partially from palladium to platinum-rich systems, and by further growth in European diesel vehicles. Supporting this strength in the auto sector was the imposition of Euro Stage III regulations from January 2001, which tightened diesel emissions considerably.

China's consolidation as the world's leading platinum jewellery consumer (after a rise of nearly 20% in 2001), was insufficient to overcome declines in both Japan and the USA. This resulted in a second year of decline in overall jewellery demand.

Although the 7% growth in supply to 6.3Moz outstripped the 3% growth in demand to a record 6.4Moz, the market remained in deficit for the third successive year, albeit at its lowest level, and this was reflected in the average price which declined by US$100 per ounce.

Conditions for palladium demand continued to deteriorate as the full impact of substitution in the auto and electronic sectors was felt. Despite reduced and erratic deliveries from Russia, the price achieved fell by nearly 50% to just under $400 per ounce.

Platinum

Jewellery demand

Jewellery continued to be the largest consumer of platinum despite an 8% decline in demand to 2.61Moz. Demand for platinum jewellery in China, which was first kindled in the mid-1990s and remains unabated, reached a new high of 1.3Moz in 2001. Indeed, demand would have been higher had it not been for the high price experienced during the first half of the year.

Price had little impact at the consumer level; rather it was felt at the manufacturing level. Fabricators cut back production in preference to cheaper white gold items as their profit margins were eroded. The dearth of product was further exacerbated by tax investigations by the Chinese authorities, which caused periodic interruptions in production. The sharp decline in the price from mid-year restored margins and, with retailers once again adequately stocked, consumers were able to continue their buying. Should Chinese sales be maintained at the levels recorded during the first half of 2002, another record year can be anticipated.

In contrast, Japanese retail sales continued to decline. Deteriorating economic conditions combined with the high price resulted in demand falling by 30% to 750 000 ounces. This is half the level of the peak achieved in the mid-1990s and the lowest level since 1986. As was the case last year, sales in the lower price brackets were worst affected as manufacturers and retailers increased their white gold product range to satisfy buyers' desires for more affordable fashion items. The situation was aggravated by a combination of stock reductions and increased recycling of both old and sold-back items. Trading in the early months of the year indicates that sales will do well to maintain last year's level.

In the US, a decade of growth came to an abrupt end as a slowing economy exacted its toll on jewellery demand. Excess inventories at the beginning of the year, and the high price coupled with waning consumer confidence, resulted in sales declining by 20% to 300 000 ounces. As in Japan, both wholesalers and retailers increased their sales of white gold items in an effort to counter the negative environment, which was further aggravated by the horrific

Maggie Cheung, a leading Hong Kong actress, has become the face that is synonymous with platinum in China. This photograph forms part of the "In the mood for platinum" collection launched in April 2001 and which has met with great success. Maggie Cheung is ideally positioned to be the PGI's "image spokesperson" as she appeals to a wide range of Chinese consumers, young and old, male and female

(Photograph courtesy of PGI)

A PERFECT MARKET FOR THE MOST PRECIOUS OF METALS

Platinum jewellery consumption in China continues to exceed the industry's expectations, and the country is now firmly entrenched as the leading platinum jewellery consumer in the world. Consumer desire for platinum jewellery was first kindled in the mid-1990s – as the Chinese economy starting burgeoning – and has remained strong ever since. Demand reached a new high of 1.3Moz in 2001. This reflects a 20% increase on the previous year. Demand in the first six months of 2002 was well ahead of the corresponding period a year ago.

The timing of the launch of the Platinum Guild International's (PGI)* promotion campaign in China was ideal, facilitated by historical, cultural and economic factors. Historically, a precedent existed for the manufacture of platinum jewellery stretching back to the 1920s when platinum jewellery was popular amongst the wealthy and elite Europeans and Americans based in Shanghai. These fabricating skills were not lost and a natural cultural affinity with the metal was fostered. By the mid-1990s, economic growth, spurred by the opening up of the Chinese economy, was the genesis of a blossoming fashion industry accompanied by greater disposable income amongst consumers. Fewer regulatory restrictions enticed fabricators to use platinum rather than gold.

Platinum jewellery is now widely sold in department stores, primarily to 25 to 35 year olds with higher levels of disposal income, who covet it for its inspirational status, intrinsic value and rarity. The PGI's campaign, comprising print advertising and store level and fabricator training, is currently running only in six major cities. With some 16 Chinese cities host to populations in excess of 10 million people, the demand boundaries have not nearly been reached.

In contrast, the desire for platinum jewellery in Japan has continued, particularly amongst the older, wealthier and more traditional generation. Growth in demand has been hampered by the stalled economy and the desire of the younger generation for lifestyle items such as cellphones. Nonetheless, it remains an important target market and it is hoped that demand in this country will return to the levels of the 1990s.

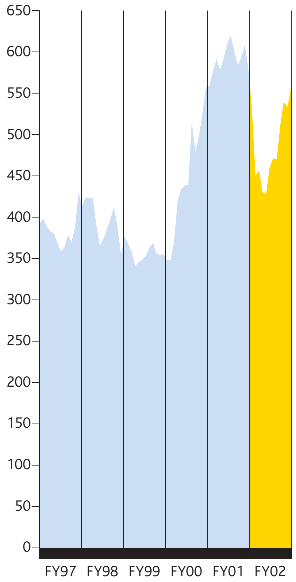
The PGI has also recently entered the market in India, the largest gold market in the world. Although gold is firmly entrenched amongst the older generation, particularly as it is used in ceremonial rituals, the focus for platinum is on the younger, better educated generation and on post-wedding purchases. Implats is directly involved in facilitating the development of a chain-making business in India by supplying a leading industrial manufacturer with platinum.

The PGI is now looking at launching similar missionary campaigns in Taiwan and Korea.

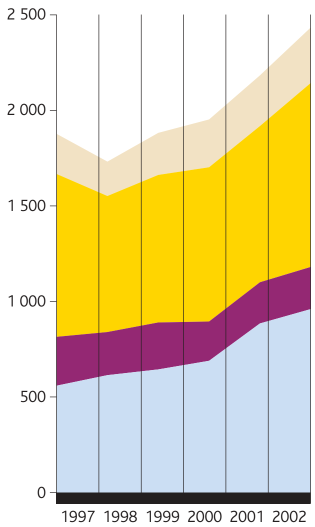
** The Platinum Guild International (PGI) is a producer-sponsored organisation dedicated to promoting the manufacturing and purchase of platinum jewellery around the world.*

Ayako Kawahara, a former international model and now one of the most popular Japanese actresses, is the PGI's public face in Japan. These photographs form part of the 2002 advertising campaign, the slogan for which translates as "Shining me, sparkling platinum". It is aimed at promoting self-purchase of platinum jewellery amongst Japanese women

(Photograph courtesy of PGI)



Free market platinum price
(US$/oz)



Automotive demand – platinum
(000 oz)

Europe
North America
Japan
Other

events of 11 September. In Europe, demand declined by 15% as falls in the major German and Italian markets outweighed improved consumption in Switzerland and the UK.

Platinum Guild International (PGI) campaign> The launch by the PGI to promote platinum jewellery in India last year has met with considerable consumer enthusiasm. The campaign included 16 cities involving 60 retailers and five manufacturers. During the course of the year the PGI was also instrumental in ensuring that the duty on platinum was reduced from 20% to 6%, thus bringing it in line with gold. As the next step in the global expansion campaign, the PGI will review the Asian market, particularly Korea and Taiwan.

Platinum supply and demand

Calendar years ('000 oz)	2002*	2001	2000	1999	1998	1997
Demand						
Automobile	**2 430**	2 180	1 950	1 880	1 730	1 875
Jewellery	**2 700**	2 610	2 830	2 880	2430	2 160
Industrial	**1 530**	1 520	1 475	1 340	1 230	1 270
Investment	**85**	80	(60)	180	315	240
Net demand	**6 745**	6 390	6 195	6 280	5 705	5 545
Supply						
South Africa	**4 410**	4 125	3 780	3 905	3 725	3 720
Russia	**900**	1 100	1 150	450	1 200	850
Other	**655**	495	400	695	425	360
Recycling	**555**	535	520	500	520	480
Net supply	**6 520**	6 255	5 850	5 550	5 870	5 410
(Deficit)/Surplus	**(225)**	(135)	(345)	(730)	165	(135)

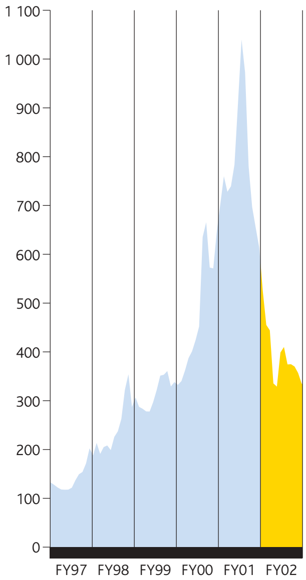
** Estimate*

Automotive industry

The automotive industry was the main driver of growth, owing to a combination of stricter emission standards, substitution of palladium and continued growth in demand for diesel vehicles in Europe. Underpinned by strong vehicle sales, platinum demand increased by 12% to 2.18Moz.

In Europe, demand rose by almost 30% to 885 000 ounces as a result of the introduction of Euro Stage III emission standards for European diesel vehicles, coupled with a surge in diesel car sales. Euro Stage III (introduced at the start of 2000 for new models and extended to encompass all new vehicles from January 2001) requires the use of platinum-rich after-treatment technologies. Platinum-based particulate traps, though not required until the middle of the decade, have already been adopted by some manufacturers, further boosting demand in this sector.

The North American market is being driven by a combination of new emission legislation, the growing popularity of large passenger vehicles and auto manufacturers' quest to reduce costs. In 2001, these factors resulted in demand of 815 000 ounces with an increasing number of vehicles meeting the LEV and ULEV (ultra-low emission vehicle) standards. In addition, some manufacturers have fitted autocatalyst systems that meet the more stringent



Free market palladium price
(US$/oz)

Federal Tier 2 standards that take effect in 2004. In response to the high palladium prices of 2000 and 2001, many manufacturers put in place programmes to replace a portion of their highly loaded palladium-based autocatalyst systems with platinum-based systems.

In Japan, demand rose by 5% to 215 000 ounces as manufacturers increased loadings to meet the stricter emission standards introduced in late 2000. Smaller vehicle sizes coupled with relatively less stringent emission regulations in Japan allow manufacturers to use considerably lower volumes of precious metals compared to their European and North American counterparts.

The rest of the world, primarily Asia and South America, is becoming an increasingly important source for autocatalyst demand. Last year demand increased by 6% to 265 000 ounces as first-time or more stringent emission legislation was adopted.

Palladium

A decade of strong growth for palladium ended in 2001 with demand falling by 13% to 7.65Moz. The main reasons behind the decline were the collapse of the electronics industry and the plateauing of autocatalyst requirements.

Palladium supply and demand

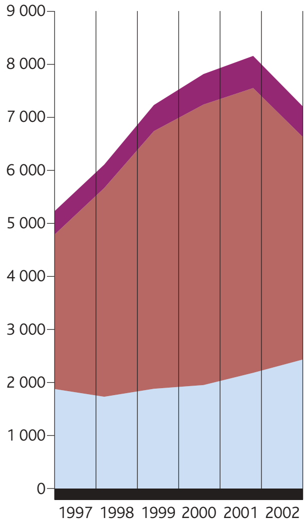
Calendar years ('000 oz)	2002*	2001	2000	1999	1998	1997
Demand						
Automobile	**4 185**	5 355	5 275	4 845	3 925	2 905
Dental	**790**	690	820	1 110	1 230	1 350
Electronics	**1 305**	1 050	2 160	1 990	2 075	2 550
Other	**590**	550	570	585	580	640
Net Demand	**6 870**	7 645	8 825	8 530	7 810	7 445
Supply						
South Africa	**2 175**	2 035	1 835	1 910	1 835	1 775
Russia	**2 900**†	4 500	5 200	5 500	5 400	5 000
Other	**1 455**	1 135	945	1 130	795	645
Recycling	**350**	300	255	210	205	170
Net supply	**6 880**	7 970	8 235	8 750	8 235	7 590
Surplus/(Deficit)	**10**	325	(590)	220	425	145

**Estimate* *†Sales required to balance the market in 2002*

Automotive demand

Consumption of palladium by the automotive industry was virtually unchanged last year at 5.36Moz, bringing to an end a decade of accelerated growth. This was due to a combination of substitution by platinum and thrifting. The move to platinum was a direct response to the runaway palladium price of recent years and uncertainty regarding the security of Russian supplies, and was mainly at the expense of the palladium-only or palladium/rhodium systems. The thrifting programmes have been directed primarily at the highly loaded close-coupled (manifold) and underfloor catalyst. This has been achieved in all areas of emission control technology through the use of high cell density substrates, improved washcoats and better engine control and management systems. Although thrifting is set to continue, palladium will remain the metal of choice in the close-coupled catalyst owing to its better thermal stability and superior hydrocarbon control.

The combination of high prices and a slowing global economy had its greatest impact on the electronics industry with demand down 50% to 1.05Moz, a level not seen since the early 1980s. The production of multi-layer ceramic capacitors (MLCCs) declined by around 30% in 2001 to 410 billion units as manufacturers eliminated both their product and component inventories, which were built up the previous year, and their raw material stocks. The move from palladium to nickel-based capacitors slowed last year because of companies' reluctance for new investment in a recessionary environment. A lower palladium price environment may alleviate the pressure for further substitution.



Demand by metal – autocatalysts
(000 oz)
Platinum Palladium Rhodium

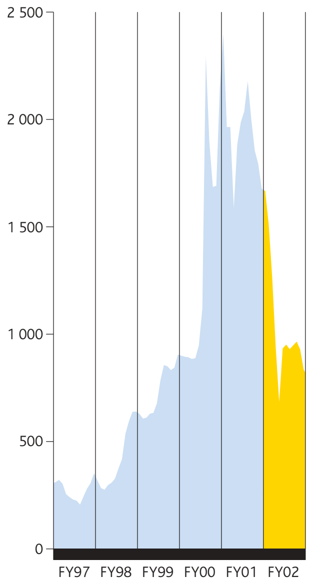
Rhodium

Demand for rhodium by the automotive industry increased by 5% in 2001 to 605 000 ounces as increased usage in the US outweighed a modest decline in Europe. This increase was due to the combination of higher loadings and the thrifting of palladium. The decline in Europe was entirely a result of the increasing market share of diesel vehicles which use a platinum-only catalyst. Demand elsewhere in the world was essentially unchanged. Rhodium's unique catalytic properties, particularly in the area of control, will underpin future demand.

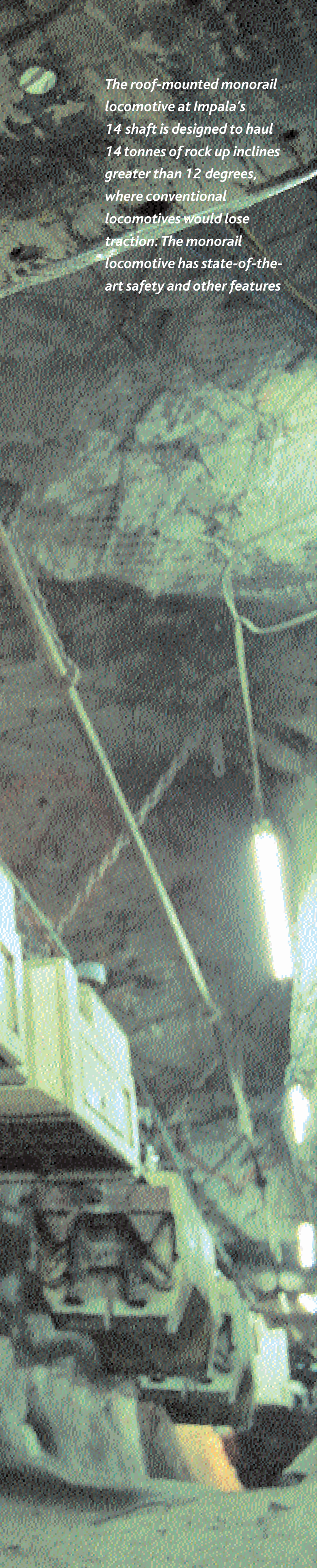
Rhodium supply and demand

Calendar years ('000 oz)	2002*	2001	2000	1999	1998	1997
Demand						
Automobile	**575**	605	574	491	441	441
Other	**98**	100	98	84	81	98
Net demand	**673**	705	672	575	522	539
Supply						
South Africa	**480**	450	418	417	396	384
Russia	**80**	120	290	70	110	240
Other	**34**	26	20	26	30	51
Recycling	**100**	93	85	78	78	68
Net supply	**694**	689	813	591	614	743
Surplus/(Deficit)	**21**	(16)	141	16	92	204

**Estimate*



Free market rhodium price
(US$/oz)



The roof-mounted monorail locomotive at Impala's 14 shaft is designed to haul 14 tonnes of rock up inclines greater than 12 degrees, where conventional locomotives would lose traction. The monorail locomotive has state-of-the-art safety and other features

REVIEW OF OPERATIONS – IMPALA PLATINUM

Another solid year for Impala

Implats' primary operating unit, Impala Platinum Limited, comprises mining and processing operations on the Impala Lease Area located on the western limb of the Bushveld Complex, near the town of Rustenburg in South Africa's North West Province. Impala also houses the group's precious metals and base metals refineries, near Springs in Gauteng.

During FY2002 Impala employed an average of 27 932 people; 25 678 in mining operations, 1 306 at Mineral Processes, 911 at the refineries and 37 at head office.

Safety and occupational health

Safety

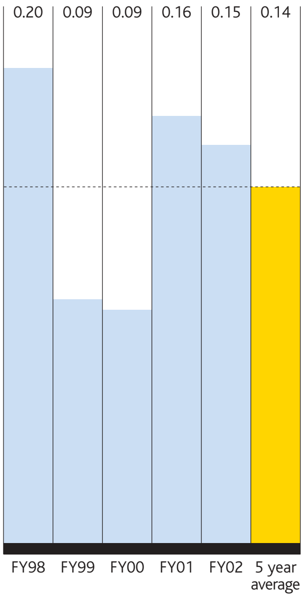
Mining operations> Despite intensive efforts and a number of notable achievements, regrettably 12 employees died as a result of work-related accidents at Impala's mining operations during the financial year. This represents a fatal injury frequency rate (FIFR) of 0.15 per million man hours, compared to 0.16 the previous year.

Of serious concern is that 75% of the fatal injuries resulted from fall of ground accidents. Renewed attention has been focused on this area, with a fall of ground prevention campaign launched during May. Following investigations by the geology, rock engineering and mining departments, underground mining conditions have now been segregated into different ground control districts and appropriate support systems have been developed for these. The company is confident that this will reduce the incidence of falls of ground in the future.

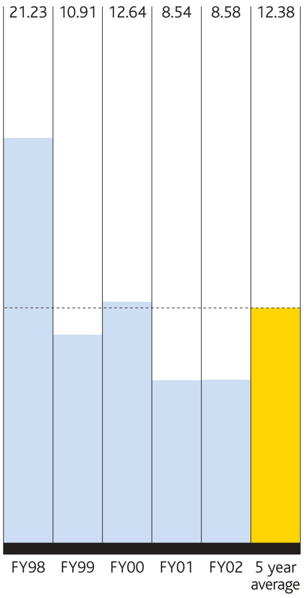
The lost time injury trend at the mining operations was also disappointing, showing a slight deterioration in the LTIFR from 8.54 per million man hours last year to 8.58 this year. What is encouraging, however, is that during the second half of the year the LTIFR declined to 6.47, the best rate ever experienced at Impala.

Key highlights

- *Company-wide safety audit leads to "Platinum Rules"*
- *Open cast mining takes off*
- *Decline projects on time and within budget; two new shafts planned*
- *Tonnes milled maintained at 14.9 million tonnes*
- *Mining headgrade improves*
- *UG2 plant delivers improvements*
- *Excellent performance at smelter and refineries as IRS throughput increases*
- *Overall costs well-contained – lower than inflation*



Fatal injury frequency rate
per million man hours



Lost time injury frequency rate
per million man hours

Mineral Processes> Safety performance at Mineral Processes improved as the number of injuries halved during the year resulting in a LTIFR of 3.30.

Refineries> The refineries achieved another excellent performance, with a best-ever LTIFR of 0.58.

Safety highlights> There were a number of safety highlights during the year:

- External audits by both Rio Tinto and Du Pont indicated that generally the components for an effective and successful safety system were in place, and highlighted aspects in need of improvement.
- The Rustenburg operations achieved one million fatality-free shifts on five occasions, with the third and fifth occasions on 29 December 2001 and 26 March 2002 marking two million fatality-free shifts.
- No 4 and No 8 shafts both achieved two million fatality free shifts over a period of 39 and 46 months respectively.
- Shafts No 1, 11 and 12 each achieved one million fatality free shifts.
- Mineral Processes achieved another million fatality free shifts and has maintained its NOSA 5-star rating. It has been fatality-free for two years.
- The Refineries achieved three million fatality free shifts on 5 February 2002.
- Refineries has maintained its NOSCAR status, ISO 9001 and ISO14 001 rating,

Safety recommendations> In line with Implats' objectives of eliminating accidents and achieving world-class safety and health performance, Impala implemented the key recommendations resulting from the third party safety audits.

- The introduction of an interactive behavioural safety auditing programme;

- Visible management involvement in the audits and interaction with employees;
- Establishing the "Platinum Rules" as conditions of employment; and
- Setting stretched safety targets.

Impala's aim is to achieve a 50% reduction in injuries year-on-year for the next three years. To achieve this, international safety expert Du Pont was appointed to implement its world-renowned SMAT system. All managers, engineers, heads of departments and mine overseers (150 people) were trained by Du Pont to conduct SMAT audits and a minimum of one audit per week is expected from each trained person. Further SMAT training will be rolled down to the next level of supervision (270 people) over the next 18 months.

The "Platinum Rules" were launched during the year at each of the three primary operating units with the aim of targeting the root cause of fatal injuries. The rules were developed in conjunction with employee representative bodies and, in a landmark process, agreement was reached that these rules would become conditions of employment. Compliance is audited on a 45-day cycle by Safety Officers.

Implats' objective is to eliminate accidents and to achieve world-class safety and health performance.

Far left: Strict hygiene measures have been implemented to prevent exposure to platinum salts.

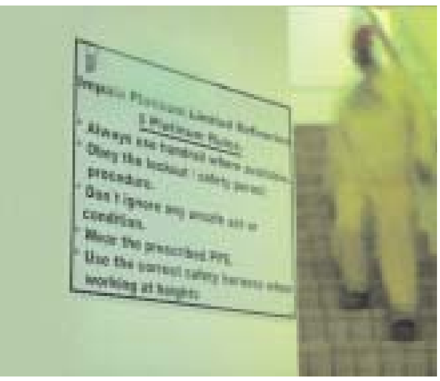
Left and right: A crucial part of safety management is the training and buy-in of employees to achieve a safety culture.

Below: The Platinum Rules developed at each operation have become conditions of employment

Occupational health

Mining operations> Noise-induced hearing loss remains the primary occupational health challenge for underground employees. Custom-made hearing protection devices were provided to 4 700 high-risk underground employees, mostly rock-drill operators. Tests are being conducted on silenced rockdrills and their application in underground mining. A Diagnostic Audiometric Centre has been opened at the company's Occupational Health Centre and all employees undergo annual audiometric screening examinations.

The incidence of pulmonary tuberculosis (TB), which is classified as an occupational disease in the South African mining industry, levelled off during the year at 885 per



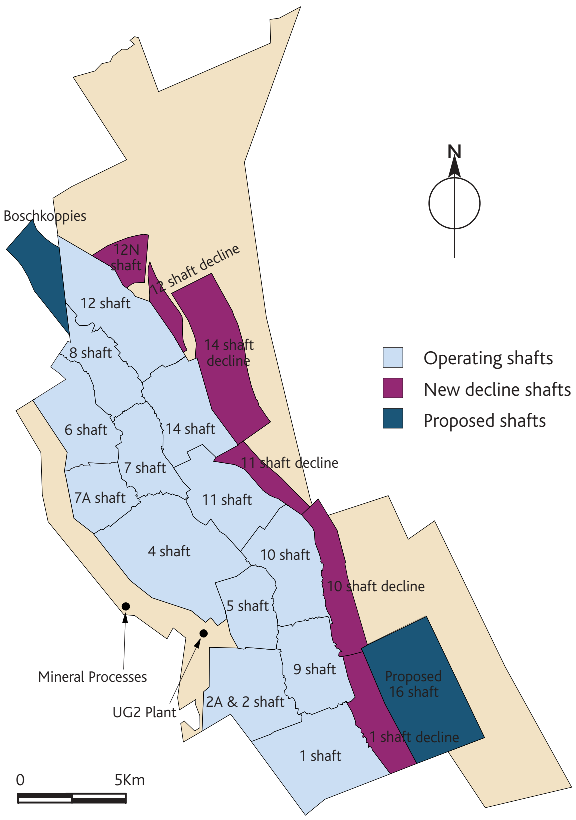
100 000 employees compared with 888 per 100 000 employees the previous year. This is particularly encouraging as TB is closely associated with the incidence of HIV/AIDS; about 44% of all TB patients diagnosed during the year were HIV positive. The stabilisation of new TB infections can be attributed to the success achieved through Impala's HIV/AIDS and TB intervention programmes. All employees and contractor employees undergo an annual medical examination, including TB screening.

High-risk occupations were identified through an extensive measurement exercise and the provision of custom-made hearing protection has become an integral part of the hearing conservation programme.

The primary occupational health risk at Mineral Processes is potential exposure to sulphur dioxide (SO_2), an upper respiratory tract irritant, and a significant reduction in SO_2 gas emissions has been achieved in recent years. The construction of a new furnace off-gas plant to capture fugitive gas emission in the smelter and the replacement of the drying tower in the sulphuric acid plant will further reduce the potential exposure.

Refineries> At the refineries, the major occupational health risk lies in potential exposure to platinum salts. Impala has successfully managed this by implementing strict hygiene measures and "hands-off" systems for employees exposed to this hazard. No incident of an allergy to the complex salts of platinum (ACSOP) has been reported since 1998. During the year, the refineries notched up another remarkable achievement, with no incidence of occupational diseases or noise-induced hearing loss. The refineries formally adopted the American Conference of Governmental Industrial Hygienists' exposure standards for the use of chemicals at the refineries. These standards are a common worldwide benchmark and are some of the most stringent in the world.

Mining plan of existing shafts, declines and proposed shaft blocks on the Impala Lease Area



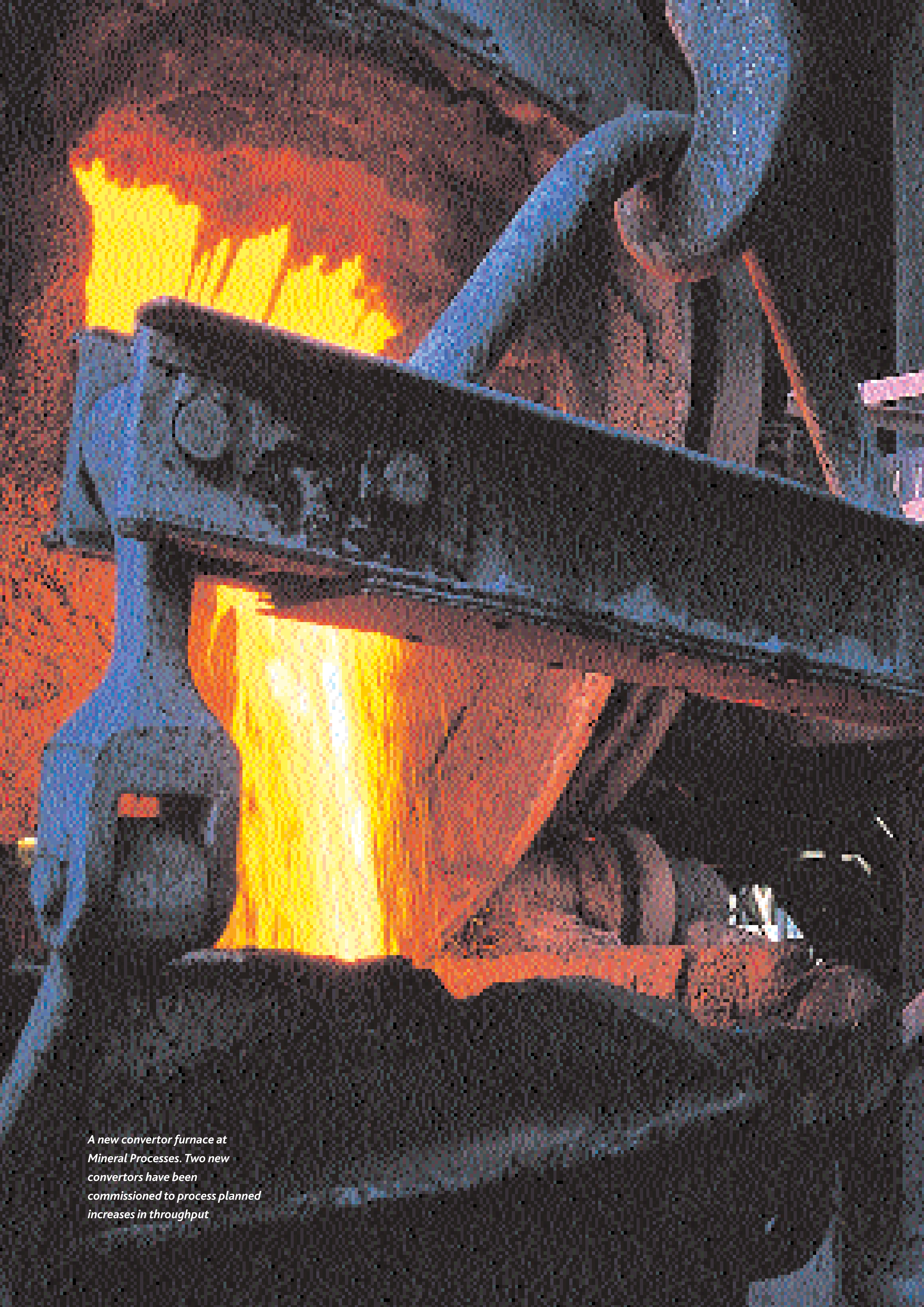
Operating results

Mining

Mining operations at Impala consist of 13 operational shaft systems covering an area of some 250km^2 and six decline projects, five of which are still under construction. Another two shafts, Boschkoppies and 16 shaft, are currently being planned and are likely to come into production in 2008 and 2009 respectively.

During FY2002, tonnes mined by Impala decreased by 5% to 14.2 million tonnes as mining was reduced and the UG2 stockpile was depleted. The percentage of Merensky Reef mined increased from 49% to 53% and this, combined with a decline in pre- and re-development, resulted in the headgrade rising by 3%.

An area of development for Impala during the year has been the progression to open cast mining. Six potential Merensky Reef open cast pits were identified in the northern part of the lease area and detailed geological evaluation drilling outlined a Mineral Reserve



A new convertor furnace at Mineral Processes. Two new convertors have been commissioned to process planned increases in throughput of 1.9 million tonnes. Mining commenced in March 2001, with 135 000 tonnes of ore having been extracted during the current financial year. An additional 3.5 million tonnes of open cast Merensky Reef Indicated Resource occurs on the Lease Area and further drilling is planned for FY2003 to evaluate these.

On-mine costs per tonne increased from R155 to R174 (12.3%) mainly as a result of a decrease in tonnes mined. During the year ahead, tonnages from both underground and open cast areas are expected to increase.

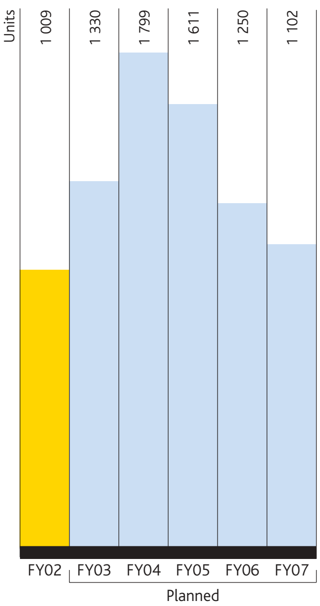
Key statistics

		2002	2001	2000	1999	1998
Tonnes milled	('000)	**14 850**	14 840	14 662	14 638	14 509
% UG2 milled	(%)	**53.6**	49.6	50.6	48.1	45.9
Headgrade (g/t 5 PGM + Au)	(g/t)	**5.05**	4.90	4.97	5.31	5.17
m^2 per stoping employee	(m^2/empl)	**40.2**	40.7	39.6	40.5	39.6
Tonnes milled per employee		**53**	53	51	51	48
Number of employees	('000)	**27.9**	28.0	28.3	28.7	29.5

Update on decline projects

Shaft no:	Reefs mined	Maximum production (m^2/month)	Total Project Capex (Rm)	Life-of-shaft (years)	Comments
10	Merensky and UG2	28 000	171	29	Full production has been achieved.
1	Merensky and UG2	50 000	726	16	Production has begun on two of the four levels. Full production will be achieved in 2004.
11	Merensky and UG2	45 000	738	16	Production began on the first level in June 2002. Full production will be achieved by 2007.
12 South	Merensky	18 000	256	8	The main sinking contract is in progress and the first production will begin in February 2003. Full production will be achieved in 2004.
12 North	Merensky	15 000	471	10	Shaft sinking is on schedule. Production will begin in 2004. Full production will be achieved in 2006.
14	Merensky and UG2	45 000	1 656	25	First phase of the project is complete as is the sinking of the ventilation shaft. Final sinking phase in progress. First production expected by 2004, with full production expected by 2012.

"Capital expenditure on major projects amounts to R5.2 billion"



Capital expenditure
Rand million

Mining projects

A number of major projects are currently under way at a capital cost of some R5.2 billion, R4 billion of which is for the decline projects and the proposed 16 Shaft project over the next five years.

Declines> The decline programme is aimed at maintaining production from the Impala Lease Area at 1Moz per annum by extending the lives of existing shaft systems. This programme includes the development of a series of five decline shafts systems below the current third generation vertical shafts and a vertical shaft link with No 12 shaft.

New shafts> A project similar to the 12 North project is planned for the Boschkoppies block and will entail the sinking of two shafts, an upcast and a downcast hoisting shaft. Production from this project should commence in FY2008.

Planning for 16 Shaft, a vertical shaft complex, down-dip of the No 1 shaft has begun and should come into production in FY2009.

Mineral Processes

Mineral Processes comprises the group's concentrating and smelting operations. In addition to servicing Impala's mining operations it also services IRS. It was a challenging year for this operation, which had a stockpile of 650 000 tonnes of ore at the beginning of the year. However, through concerted effort, this stockpile has been processed.

Concentrator> Underground tonnes milled for the year decreased to 14.06 million tonnes, with some 0.14 million tonnes from open cast mining. Together with the reclamation of the stockpile, tonnes milled for the year amounted to 14.85 million tonnes, which is similar to last year.

As previously reported, the start-up of the modified UG2 plant circuit in April 2001 proved to be disappointing as a number of design errors resulted in low plant availability with PGM recoveries at the same level as pre-modification. A programme to address these issues was initiated and improvements are now being delivered. Compared to pre-project levels, tonnage capacity has increased by 25% and a real cost reduction of 3% per tonne has been achieved, mainly as a result of reduced grinding media and power requirements. Process optimisation is continuing and improvements in recovery are anticipated. As a result of an increase in headgrade, overall PGM yield rose by 5% over last year.

A new concentrator circuit at Mineral Processes is being investigated which will improve recovery rates for Merensky ore and increase capacity for UG2 ore. This will enable the Impala Lease Area to raise output above 1.1Moz platinum.

A trial installation of a high-energy flotation plant at the Impala Tailings Dam to treat UG2 plant tailings, has yielded smeltable concentrates. This plant has the potential to improve overall PGM recoveries. Work is continuing to quantify the benefits from the treatment of both UG2 and central plant tailings. If the initial results are confirmed, a full scale plant is likely.

Operating statistics

		2002	2001	Var %
Mining sales revenue	(Rm)	**9 340.1**	9 578.1	(2.5)
Platinum		**5 067.8**	4 531.1	11.8
Palladium		**2 079.7**	2 525.9	(17.7)
Rhodium		**1 374.5**	1 762.0	(22.0)
Nickel		**433.2**	363.2	19.3
Other		**384.9**	395.9	(2.8)
Mining cost of sales		**3 875.9**	3 333.2	(16.3)
On-mine operations		**2 474.7**	2 310.5	(7.1)
Concentrating and smelting operations		**577.6**	468.3	(23.3)
Refining operations		**305.5**	289.8	(5.4)
Other costs		**188.5**	110.5	(70.6)
Amortisation		**207.0**	192.0	(7.8)
(Increase)/decrease in inventory		**122.6**	(37.9)	(423.5)
Mining income		**5 464.2**	6 244.9	(12.5)
Gross margin %	(%)	**58.5**	65.2	
Income from metal purchased transactions	(Rm)	**119.3**	233.7	(49.0)
Sales of metals purchased		**2 143.1**	1 954.7	9.6
– IRS		**1 885.9**	1 454.4	29.7
– Other		**257.2**	500.3	(48.6)
Cost of metals purchased		**2 023.8**	1 721.0	(17.6)
– IRS		**1 878.5**	1 435.3	(30.9)
– Other		**145.3**	285.7	49.1
Operating income		**5 583.5**	6 478.6	(13.8)
Sales volumes ex mine				
Platinum	('000 oz)	**1 033.3**	1 015.4	1.8
Palladium	('000 oz)	**516.8**	430.9	19.9
Rhodium	('000 oz)	**127.8**	116.6	9.6
Nickel	('000 t)	**7.6**	6.8	11.8
Sales volumes metals purchased – IRS				
Platinum	('000 oz)	**185.6**	114.1	62.7
Palladium	('000 oz)	**107.3**	79.4	35.1
Rhodium	('000 oz)	**27.2**	16.1	68.9
Nickel	('000 t)	**1.4**	2.1	(33.3)
Sales volumes metals purchased – Other				
Platinum	('000 oz)	**19.4**	37.7	(48.5)
Palladium	('000 oz)	**9.0**	18.8	(52.1)
Rhodium	('000 oz)	**8.7**	11.6	(25.0)
Prices achieved				
Platinum	($/oz)	**484**	584	(17.1)
Palladium	($/oz)	**401**	768	(47.7)
Rhodium	($/oz)	**1 094**	1 987	(44.9)
Nickel	($/t)	**5 679**	6 914	(17.9)
Exchange rate achieved	(R/US$)	**10.06**	7.60	32.4
Refined production				
Platinum	('000 oz)	**1 025.3**	1 002.4	2.3
Palladium	('000 oz)	**489.0**	481.0	1.7
Rhodium	('000 oz)	**122.7**	127.9	(4.1)
Nickel	('000 t)	**7.7**	7.0	10.0
PGM production	('000 oz)	**1 894.5**	1 877.4	0.9
Total cost				
per tonne milled[1]	(R/t)	**239**	213	(12.2)
	($/t)	**24**	28	14.3
per PGM ounce refined[2]	(R/oz)	**1 872**	1 685	(11.1)
	($/oz)	**185**	221	16.3
per platinum ounce refined[3]	(R/oz)	**3 459**	3 156	(9.6)
	($/oz)	**341**	415	17.8
net of revenue received for other metals	(R/oz)	**(708)**	(1 879)	(62.3)
	($/oz)	**(70)**	(247)	(71.7)
Capital expenditure	(Rm)	**1 009**	978	(3.2)
	(US$m)	**100**	129	22.5

1. *The cost of mining, concentrating, smelting, refining, marketing and head office is expressed per tonne milled.*
2. *The cost of mining, concentrating, smelting, refining,marketing and head office is expressed per ounce of PGM refined.*
3. *The cost of mining, concentrating, smelting, refining,marketing and head office is expressed per ounce of platinum refined.*

DELIVERY THROUGH PEOPLE INITIATIVES

Impala Platinum's unique Fixco process has delivered significant benefits to the company over the past five years. Impala remains the leader in production-efficiencies among the South African hard rock miners and is amongst the lowest cost primary producers. Fixco is a management-employee initiative aimed at delivering over a million ounces of platinum per annum from the Impala Lease Area over the life-of-mine, with unit costs in line with or better than inflation and an affordable capital funding programme. A combined management employee committee drives the initiative, which was re-energised during 2001.

Delivery during the year

During the year, headgrade improved by 3%, attributable primarily to the mining of a higher percentage of Merensky Reef. Re- and pre-development has also been reduced. Costs have been contained to the level of inflation and the cost-effective capital expenditure programme is continuing on time and within budget.

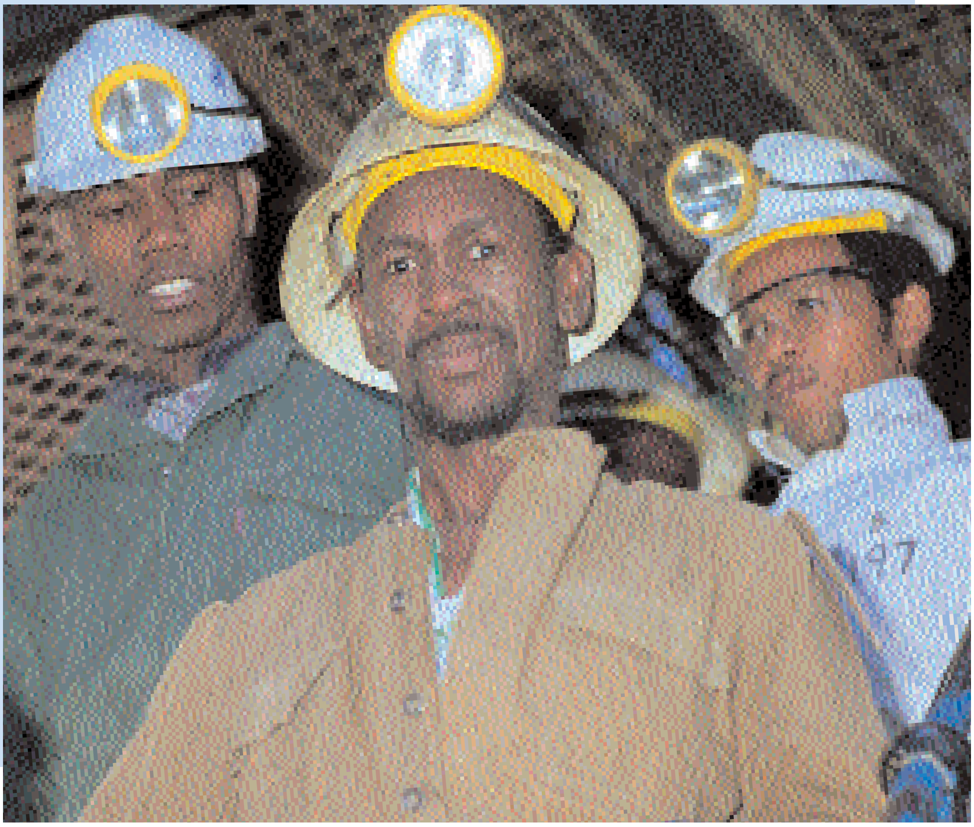
Where to now

Targets derived from the various Fixco initiatives have been fully integrated into the FY2003 business plan, with total buy-in from all mine managers. In a further move to re-energise Fixco, a new structure has been established to align the Fixco initiatives more closely to the operations with more emphasis on deliverables and deadlines. A full-time Fixco manager has been appointed, supported by a team with relevant expertise to assist in the facilitation and measurement of a solution-driven process, while three implementation champions have been appointed (Mining, Milling and Smelting, and Refining).

Further improvements to come

- Better face advance will be achieved in the next year by increasing the number of employees per team. This should contribute to improved volumes, thereby ensuring production targets are reached. A yearly improvement of 2% is planned, taking the metres advanced from an average of 16.1 in FY2002 to 17.9 by FY2007.
- A programme to increase face length per team has been introduced. A 2% improvement in the average panel length from 24.8 metres to 26.6 metres over a five-year period is being targeted.
- Headgrade dilution will be closely watched by the Fixco headgrade team. Error overbreaks and underbreaks, percentage off-reef and external width are targeted for corrective measures.

The year ahead will see an increased focus on implementation to deliver further improvements.



Right: Impala's Fixco process is driven by an employee-management committee and aims to increase production as cost efficiently as possible

NEW TECHNOLOGY INITIATIVES AT IMPALA

Impala's new technology programme is aimed at developing and introducing new technologies to improve safety, health and productivity and to provide the company with a sustainable competitive advantage based on continuous improvement in specific areas of focus. An essential element of Impala's development and implementation of new technology is a sound change management process, which encourages the use of new technology and equips users with the requisite skills.

The strategy has two thrusts

- In the short term, the strategy is to improve drilling using either pneumatic or hydro-powered hand-held machines or drill rigs and, where geology allows, using trackless equipment. Blasting will be by means of explosives with conventional initiation systems.
- In the long term, the strategy includes continuous mining by means of mechanised cutting, in conjunction with non-explosive rock-breaking techniques.

Anticipated benefits from this approach include

- Removing people from high-risk areas
- Developing the work environment in line with global trends from the current arduous, labour-intensive work to a more skilled work profile
- Improving productivity
- Reducing unit costs
- Ensuring that the company is prepared for the possible loss of skilled labour as a result of HIV/AIDS.

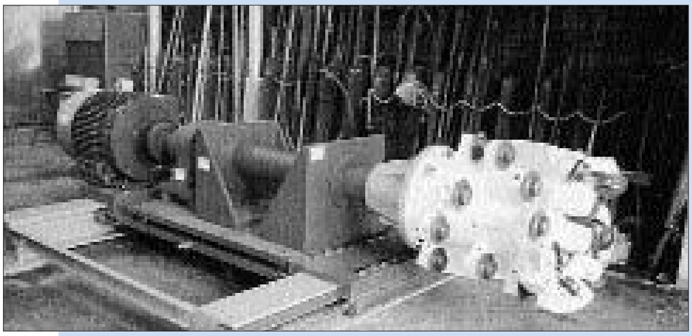
Current projects include the development of various rock-cutting technologies, stoping and development drill rigs, low-profile trackless equipment, non-explosive rock-breaking, as well as in-stope bolting equipment. The projects include new, emerging and more advanced technologies.

- Good progress is expected with the development of in-stope bolting, drill rigs and low-profile trackless equipment within the next financial year
- Stoping drill rigs and non-explosive rock-breaking should take about two to three years for effective development to take place
- Rock cutting is expected to take about four to five years to reach an acceptable level of advancement.

To pursue a range of initiatives cost-effectively, Impala has entered into a Joint Venture Collaboration Agreement with three other South African platinum producers to investigate and introduce new technology in current and future mining operations. A programme manager was appointed at the beginning of FY2003 to research a range of projects including alternatives to vertical hoisting, stope drill rigs and cleaning systems, mechanised development, communication and automation, transport logistics and rock-cutting and splitting. In another joint venture agreement, Implats and three other platinum producers have entered into a 50:50 partnership with the South African research organisation, CSIR Miningtek, to undertake research in the areas of rockmass behaviour, stope support, borehole radar and ground penetrating radar, among others.

Impala is also continuing a number of initiatives in-house and with several other companies and organisations including penetrating cone fracturing (Brandrill), mini disc cutter (CSIR in South Africa), oscillating disc cutter (AMIRA in Australia), narrow reef miners (Voest Alpine BT), stope drill rigs (Novatek Drills), mineral resource management (GMSI), hydro-power development drill rigs (Steinmuller Mining) and low-profile trackless mining (Brandrill Torrex).

The cost of research and development into new technology at Impala is expected to be in the region of R25 million per annum for the next five years.



Top left: Mini disc cutter, a continuous rockcutting machine developed in conjunction with CSIR Miningtek

Left: Low profile trackless equipment used at Impala's No 12 shaft, in a section adjacent to the 12 South project

"Unlocking the potential of its people remains a key strategic driver for Implats"

Smelter> Performance for the year was above expectations, as the increased flexibility and contingency provided by the smelter upgrade last year was better utilised. The No 5 furnace was rebuilt at a cost of R19 million, with the hearth, side and end walls replaced after more than 10 years of operation. Despite this construction, the smelter complex processed 22 215 tonnes of matte, up 6.5% on last year, and delivered a record throughput of 1.39Moz of platinum. This reflects the additional smelting undertaken on behalf of IRS.

A number of new projects are under way. A new concentrate dryer to increase capacity will be commissioned during the second quarter of FY2003. Once this is in place, the smelter will have the capacity to deliver 2Moz of platinum per year. The sulphuric acid plant, which will reduce SO_2 emissions from Mineral Processes by 40%, will be commissioned during the first quarter of FY2003.

In total, capital expenditure amounted to some R114 million during FY2002, primarily on the construction of the new sulphuric acid plant, the new dryer and a new convertor matte granulation facility.

The year ahead should see increased throughput as new and expanded IRS contracts deliver additional concentrates. Capital expenditure will decrease to R99 million. Projects include further work on the new drying facility, the converter matte granulation facility, as well as increased security and off-loading and sampling facilities for toll materials. Of this amount, R4 million has been allocated to research and development and R14 million to environmental projects aimed at reducing smelter SO_2 emissions.

Refineries

Impala's Base Metals Refinery (BMR) and Precious Metals Refinery (PMR) both performed exceptionally well during the year and stepped up to the increased production on behalf of IRS. Good cost control resulted in the cost per platinum ounce increasing by only 4% despite a significant devaluation of the rand and its subsequent impact on price rises in chemicals and supplies.

The first phase of a de-bottlenecking exercise at the PMR to increase plant capacity to 1.7Moz of platinum (3.3Moz of PGMs) is on schedule for completion during the second quarter of FY2003 at a cost of some R19 million. The second phase of this project to increase capacity to 2.1Moz platinum per annum will entail upgrades to the effluent treatment and utilities systems. Phase 2 is currently the subject of an Environmental Impact Assessment.

Total capital expenditure at the refineries amounted to some R29 million during the year. During FY2003, capital expenditure will grow to R99 million as the focus turns to de-bottlenecking the BMR.

Progress through people and technology

People

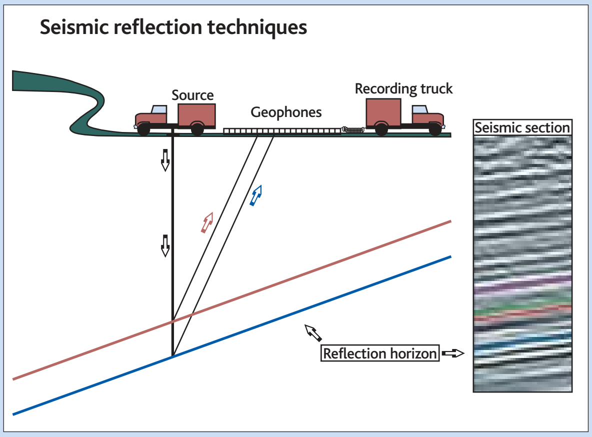
The process of unlocking the potential of its people remains a key strategic driver for Implats. Fixco, a combined management-employee initiative to improve efficiencies and manage costs, has delivered significant improvements during the past six years. (See details on page 49).

EXPLORING THE DEPTHS FROM SURFACE

Seismic surveying of the Impala Lease Area

Traditional exploration methods aimed at delineating an orebody at depth are both costly and time consuming and it is almost impossible to gain a complete understanding of the underlying orebody. Now, thanks to technology employed in the oil industry, geologists can make use of seismic data to understand not only the structure of the orebody, but also the location of more detailed features such as major potholes and faults. This information facilitates improved planning right from the initial phase of a project, particularly regarding the positioning of infrastructure and the generation of more accurate reserve and resource estimates, as well as during the actual mining process. Once the level of detail produced during the seismic data interpretation is applied to mine planning, mining engineers are better able to plan in terms of both safety and efficiency.

During the past seven years, some R78 million has been spent on seismic surveys on the Impala Lease Area. This technology has also been employed recently at Kennedy's Vale.



Above: Shock waves generated at surface are reflected from geological unconformaties at depth, and the signal is then collected via geophones located on surface. The collected data is verified and interpreted using geophysical borehole drilling information. Through complex mathematical modelling, a 3-D image of the orebody is then generated. The section above represents a slice through a three-dimensional volume; the coloured lines indicate the modelled horizons. All four horizons are used to create and interpolate a reliable model of both the Merensky and UG2 reef horizons. In this case, red is the Merensky reef and blue is the UG2 reef.

Left: Data gathered from the seismic survey is interpreted by Nick Strydom (senior geologist). Above: This information is integrated into mine planning by Peter Mellowship (consulting geologist) and Schalk Kock (senior geologist)

"R&D is important to enable Impala to meet its growth aspirations"

New technology

As employees' skills and needs increase and as Impala continues to strive to be the industry leader in terms of safety and efficiency, advances in technology are also being sought. A number of small and large breakthrough technology initiatives are being pursued by Impala, independently and with other companies and organisations. These initiatives include new cutting and blasting techniques, leading to better mine layouts, improved safety and productivity and hence higher efficiencies and lower costs. A major thrust is aimed at mechanisation that can be applied to a relatively narrow, tabular orebody. (See details on page 50).

Metallurgical R&D

Research and development at both Mineral Processes and at the refineries is important to enable Impala to meet the company's growth aspirations, particularly in respect of IRS' growing contribution. Research in conjunction with several industry partners, a South African metallurgical research organisation – Mintek – and the Australian Mineral Industry Research Association (AMIRA), continued to support Impala's competitive advantage in toll treatment and its programme of continuous improvement in metal recoveries.

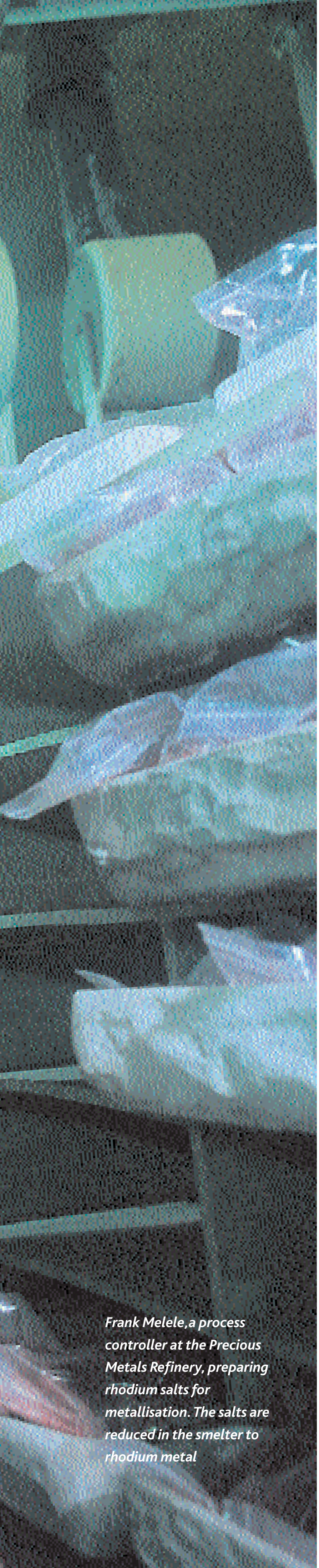
Current projects include smelting of high-chrome concentrates, the application of high-energy flotation technology, flotation tailings re-treatment, cleaner flotation tailings re-treatment, ultra-fine grinding and chromite depression in flotation circuits.

At the refineries, to reduce costs further, R&D has focused on process improvements aligned to the plant de-bottlenecking as well as the internal recycling of secondary materials that would otherwise go to external toll refiners. Research is also being conducted in conjunction with the University of Cape Town to review the nickel reduction process so as to improve the quality and consistency of this operation.

Exploration

Exploration continued during the year with 11 boreholes drilled on the Impala Lease Area. Drilling was aimed at testing anomalies highlighted by 3-D seismic surveys and to confirm structural interpretations, and resulted in considerably increasing the confidence levels in the structural character of the orebody and the Mineral Resource estimates. An additional 84 boreholes were drilled in the Merensky open cast areas.

For FY2003, six boreholes are planned on the Lease Area with the aim of upgrading the geological evaluation of the 16 shaft block (the planned location of 16 shaft) to Measured Resource status. A growth opportunity has also been identified for UG2 open cast operations, with an initial Indicated Resource of 3.90 million tonnes having been determined.



Frank Melele,a process controller at the Precious Metals Refinery, preparing rhodium salts for metallisation. The salts are reduced in the smelter to rhodium metal

REVIEW OF OPERATIONS – IMPALA REFINING SERVICES

From strength to strength

Impala Refining Services (IRS) delivered another year of phenomenal growth and remains an integral part of Implats' growth strategy. Created in 1998 as a dedicated vehicle to house the toll-refining and metal concentrate purchases built up by Implats over the years, IRS sources materials from around the world in a variety of forms for processing and refining.

The competitive advantage provided by IRS is that it enables Implats to leverage its expertise and surface assets by using excess and otherwise idle smelting and refining capacity to generate a substantial additional revenue source and significantly enhance the productivity per employee from Impala's smelter operation through to final metal production. Through economies of scale, it enhances Impala-owned and managed production and enables it to pursue low-cost, low-risk growth through strategic alliances and joint ventures.

Key benefits of IRS production are that the company is less directly exposed to the risk associated with mining projects, lower levels of investment are required and the exploitation and turning to account of smaller deposits is possible.

How it works

IRS enters into either concentrate offtake agreements or toll-refining agreements or even a combination of the two, with various partners and clients. In metal purchase agreements, an agreed percentage of the metal is purchased after a pre-determined processing period, while with toll-refining agreements, IRS charges clients the processing costs and returns an agreed percentage of the precious metal content to the supplier. An arm's length tolling agreement exists between Impala Platinum and IRS, under which Impala guarantees recoveries and the length of the processing pipeline. In return, Impala is paid market-related processing costs.

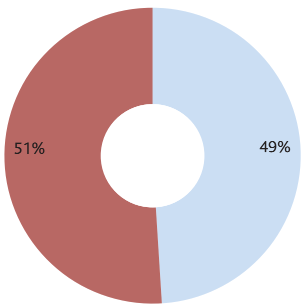
Growth and more growth

During the year IRS refined a wide variety of materials for over 30 customers including flotation concentrate, smelter matte, base and precious metals refineries' residues, sweeps and salts, spent autocatalysts and industrial catalysts.

Key features

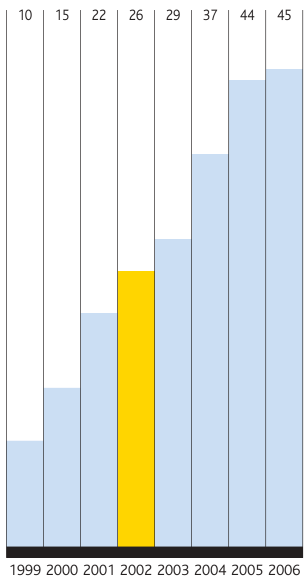
- *Another year of phenomenal growth*
- *Operating profit increases by 24%*
- *PGM production up 27%*
- *Additional 73 000 Pt oz (157 000 PGM ounces) produced by IRS during FY2002*
- *Annual growth of 25% in platinum production to FY2006*

Production of precious metals by IRS during FY2002 grew by 27% from 587 000 ounces to 744 000 ounces. Of this, 462 000 ounces were purchased from and processed on behalf of third parties and 282 000 ounces were spot refined. Platinum throughput specifically grew by over 25% from 289 000 ounces to 362 000 ounces and was a very significant contributor as Implats' annual gross platinum production reached a new record of 1.39Moz.



Impala Refining Services Production by metal – FY2002

Platinum
Other PGMs



IRS contribution to gross platinum production
(%)

Operating statistics

		2002	2001	% Change
Revenue	(Rm)	**2 296.8**	1,871.6	22.7
Platinum		**990.1**	544.7	81.8
Palladium		**467.9**	488.4	(4.2)
Rhodium		**294.5**	252.3	16.7
Nickel		**249.4**	343.3	(27.4)
Other		**294.9**	242.9	21.4
Cost of sales		**1 848.1**	1,509.1	(22.5)
Metals purchased		**2 003.9**	1,800.0	(11.3)
Operating costs		**71.0**	56.2	(26.3)
(Increase)/decrease in inventory		**(226.8)**	(347.1)	(34.7)
Operating income		**448.7**	362.5	23.8
Gross margin	(%)	**19.5**	19.4	
Revenue		**2 296.8**	1,871.6	22.7
Direct sales to customers		**258.2**	301.7	(14.4)
Sales to Impala		**1 878.5**	1,435.3	30.9
Toll income		**160.1**	134.6	19.0
Total sales volumes				
Platinum	('000 oz)	**197.7**	124.0	59.5
Palladium	('000 oz)	**113.5**	93.0	22.1
Rhodium	('000 oz)	**29.0**	17.0	70.3
Nickel	('000 t)	**4.4**	7.3	(40.1)
Prices achieved				
Platinum	($/oz)	**489**	577	(15.3)
Palladium	($/oz)	**409**	690	(40.7)
Rhodium	($/oz)	**1 025**	1 950	(47.4)
Nickel	($/t)	**5 398**	6 180	(12.7)
Exchange rate achieved	(R/US$)	**10.17**	7.61	33.7
Refined production				
Platinum	('000 oz)	**362.0**	289.3	25.2
Palladium	('000 oz)	**242.5**	200.0	21.2
Rhodium	('000 oz)	**54.4**	36.3	49.9
Nickel	('000 t)	**5.3**	7.0	(24.3)
Metal returned				
Platinum	('000 oz)	**151.9**	164.2	(7.5)
Palladium	('000 oz)	**101.5**	115.6	(12.2)
Rhodium	('000 oz)	**16.1**	21.1	(24.3)
Nickel	('000 t)	**0.7**	0.5	40.0

As a result, operating profit from IRS rose from R363 million to R449 million, an increase of 24%, and IRS' contribution to Implats' attributable income rose from 6% in 2001 to 9% in 2002.

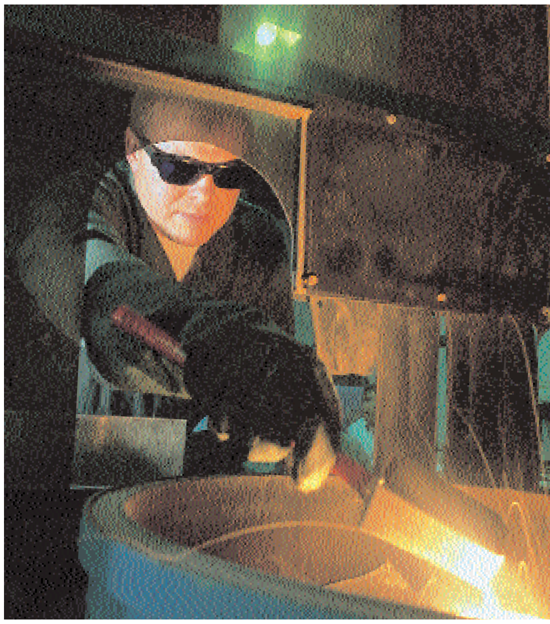
Expanding business

Throughput from existing clients continued during the year, while many of these contracts also delivered increased offtake. The recycling arrangement between IRS and A1 Specialised Services and Supplies Inc expanded, confirming IRS' position as one of the largest recyclers of spent autocatalysts in the world.

Concentrate from the open cast section of the Crocodile River mine was supplemented by the establishment of underground mining. At the same time, the initial matte resulting

Right: Platinum sponge being added to a furnace. Here, it is reduced to pure metallic platinum

Below: Tapping smelter matte at Mineral Processes in Rustenburg

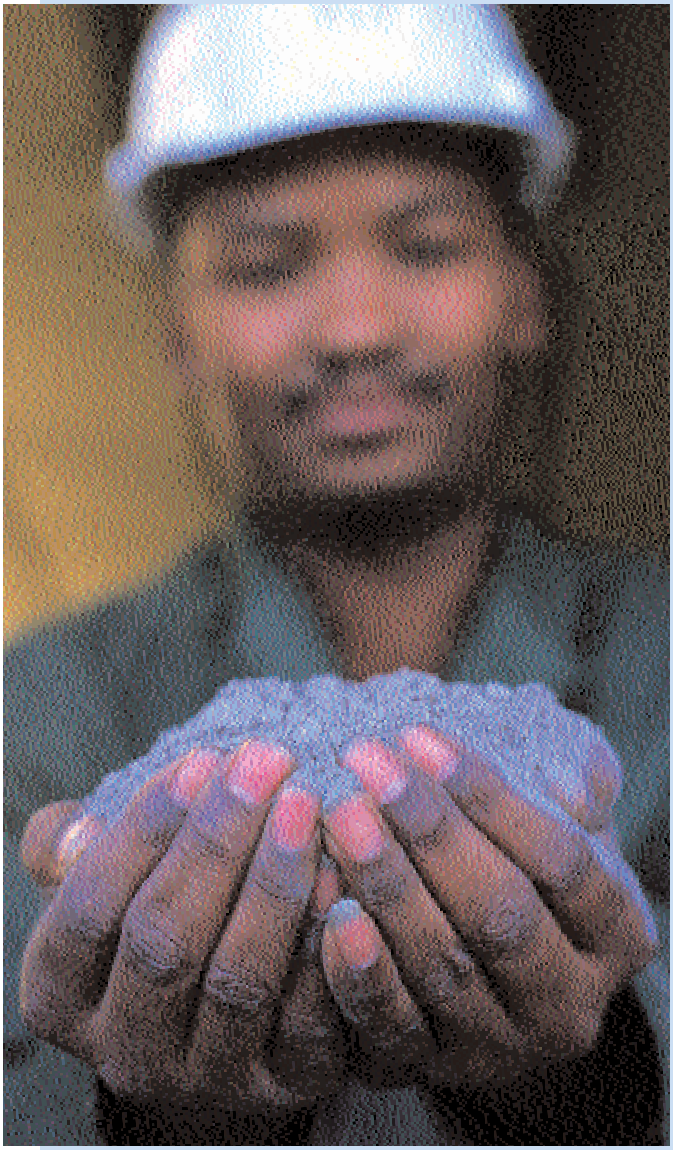


A "MINE ON WHEELS"

Last year the recovery of PGMs from scrapped autocatalysts was estimated to be 935 000 ounces. Implats, through its association with A1 Specialised Services and Supplies Inc in the USA, is one of the foremost recyclers in the world. What is not often realised is that the amount of metal recovered by Implats from this source is the equivalent of a medium-sized mine, leading to the reference, a "mine on wheels".

Because PGMs are not consumed in the process of "cleaning" noxious gases (hence the use of the term catalyst), spent autocatalysts may be collected and recovered. This takes place via a range of disparate suppliers and, in line with market demands. Ironically, the system is invigorated by higher scrap metals prices as catalysts are collected by scrap metal dealers, who in turn sell them to collectors. The collectors "de-can" the catalyst by removing the PGM-coated ceramic substrate from its stainless steel container. The honeycomb innards are then crushed into powder. This is shipped to processing facilities like Implats' IRS. Here the material is sampled, assayed and fed into the smelter.

The ratios of PGMs contained in the spent catalysts change over time, mirroring legislation in earlier years. For some time, IRS has been in receipt of predominantly platinum-rich material as legislation in the 1980s favoured platinum-dominant catalysts. This tide is turning as palladium-rich catalysts are now entering into the recycling system as more recent legislation favours hydro-carbon emission control, which is more efficiently achieved by the use of palladium.



Above: Material arriving for processing at the Impala Platinum's smelting operations in Rustenburg

Left: Autocatalyst "powder" which is rich in PGMs

from the commencement of Zimplats' open cast operation at Makwiro Platinum was delivered to IRS.

Concentrate deliveries also began following the commissioning of SouthernEra's Messina Mine, heralding a new entrant to the business and again providing additional metal for Implats.

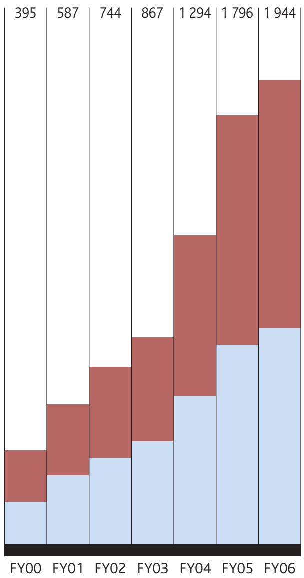
Improving accountability

As the IRS business has grown so has the need to develop and improve the administrative and logistical methods used by the company. An area of focus during the year has been the development of materials sampling expertise and IRS' prototype sampling plants will be established in the forthcoming year. Improved customer interaction and regular procedural audit reviews have highlighted the considerable progress that has been made in administration techniques ensuring that the customers' needs are addressed timeously, enhancing IRS' already proven track record in the secondary refining field.

Of crucial importance though is that the systematic growth of IRS has had no adverse impact on Impala's fundamental ex-mine throughput.

Growing the business

In the year ahead, growth prospects will include increased production from Zimplats' Makwiro Platinum and from Mimosa, and anticipated initial production from Aquarius' Marikana project. In 2003, production through IRS is expected to climb to approximately 430 000 platinum ounces and more than 850 000 PGM ounces. Further out on the horizon, 2004 will see the start of Marula Platinum and Two Rivers throughput will be realised in 2005.



Forecast IRS growth in platinum and other PGMs
(000 oz)

Platinum Other PGMs

Right: Freddie Nelson weighing and packing platinum bars in preparation for shipment


BOMAG

REVIEW OF OPERATIONS – MARULA PLATINUM PROJECT

Full steam ahead

The 6.5km access road to Marula Platinum from the main Burgersfort-Polokwane road has been completed

Good progress was made with the Marula Platinum project during FY2002 following a review, with a number of major milestones having been reached. Known previously as Winnaarshoek, Marula Platinum is located on the eastern limb of the Bushveld Complex in South Africa's Limpopo Province. The core of the project – the Winnaarshoek property – was acquired in December 2000. Simultaneously with this acquisition, Implats entered into a sublease agreement with Anglo Platinum and the Lebowa Minerals Trust on a portion of the contiguous Driekop property. Implats also exchanged its Hendriksplaats property for Anglo Platinum's Clapham property and a portion of the Forest Hill property, which have since been incorporated into the project lease area. The Driekop mineral rights are subject to a 1.5% royalty payable to Anglo Platinum and the state, calculated on the value of the metals contained in the concentrate.

Empowerment initiative

As a result of a black empowerment initiative, the project will be 80% held by Implats and some 10% each by Mmakau Mining Limited, a black-owned and managed company, and a stake held on behalf of the local community. This community stake is likely to reside in a trust administered by the local community, Marula Platinum and local government structures. The partnership agreements are currently being progressed and it is anticipated that these agreements should be finalised by the end of 2002.

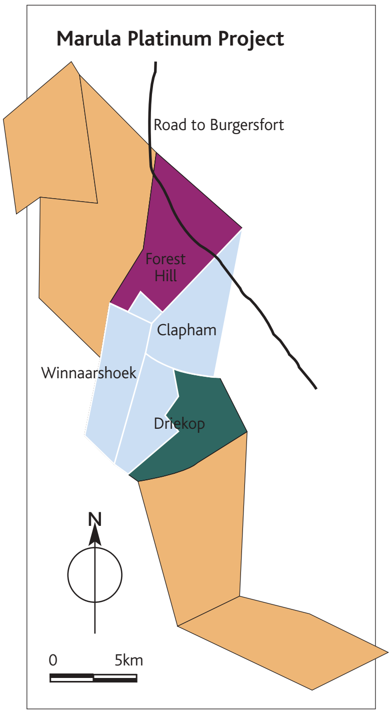
Geology and exploration

Extensive exploration has been conducted on the expanded lease area, targeting shallower areas from outcrop to 600m below surface. Both the Merensky and UG2 reefs outcrop in the project area, 400m apart vertically and dipping to the south-west at an average of 14 degrees.

Further exploration was conducted during FY2002 to facilitate mine planning in respect of underlying geological structures, grade, resource and reserve estimates and the rock engineering requirements for mechanised mining. Among the main findings are that the reefs are disrupted by structural features including potholes, minor faults, a dunite pipe and one prominent dolerite dyke, but that there is no significant faulting. Some 526 holes (345 by the project) have now been drilled across the property, of which 271 provided UG2 geological information to a depth of 600m. This coincides with the first phase of mining. The *in situ* UG2 reserves to a depth of 600m is estimated at 53.8 million tonnes. A full reserve and resource statement is shown on page 89.

Key features:

- *Winnaarshoek project renamed Marula Platinum*
- *Feasibility study complete*
- *Good progress with construction – trial mining and bulk sampling concluded*
- *Implats' model for black economic empowerment and sustainable development.*



Mining

Marula Platinum has the potential to produce 190 000 platinum ounces per annum for 30 years. Following a review, a phased approach in developing the mine has been adopted: Phase 1 will see mining commence on the UG2 Reef, while Phase 2 will include the further exploitation of this reef. Production from stoping activities will begin in the third quarter of 2003, while full production for Phase 1 – at a rate of 142 000 tonnes milled per month or 103 000 platinum ounces per year – is planned for FY2005. Work on Phase 2 is likely to begin thereafter. This contrasts with the original thinking of a single phased 175 000 platinum ounce mine.

A feasibility study covering mine design, operation and output was completed during the year. The current mining plan is based on a trackless semi-mechanised room and pillar mining method, with a mining height of 1.6m. The orebody will be accessed by means of two decline systems – the Clapham and the Driekop systems – situated approximately 1.3km apart and sunk on reef from the outcrop position. Decline development will begin in September 2002 and three portal entries are being developed from each decline system.

Key statistics

Mineral reserves	53.8 million tonnes UG2
Mineral resources	127.1 million tonnes Merensky
	83.7 million tonnes UG2
Life of mine	30 years
Planned production	Phase 1: 103 000 Pt oz pa
	Phase 2: 87 000 Pt oz pa
Total production	190 000 Pt oz pa
Capital expenditure	R1.4 billion – Phase 1
Production start-up	FY2004
Full production (Phase 1):	FY2005
Job creation:	1 200 employees, including contractors
	2 000 during peak construction

Processing

The waste factor at a mining height of 1.6m is significant. To improve the economics of the project, a dense media separation (DMS) plant has been included in the process, resulting in an ultimate mill width of about 1m. DMS will be followed by conventional UG2 two-stage milling and froth flotation.

Marula Platinum has concluded a life-of-mine concentrate purchasing agreement with IRS for the smelting, refining and marketing of its concentrate.

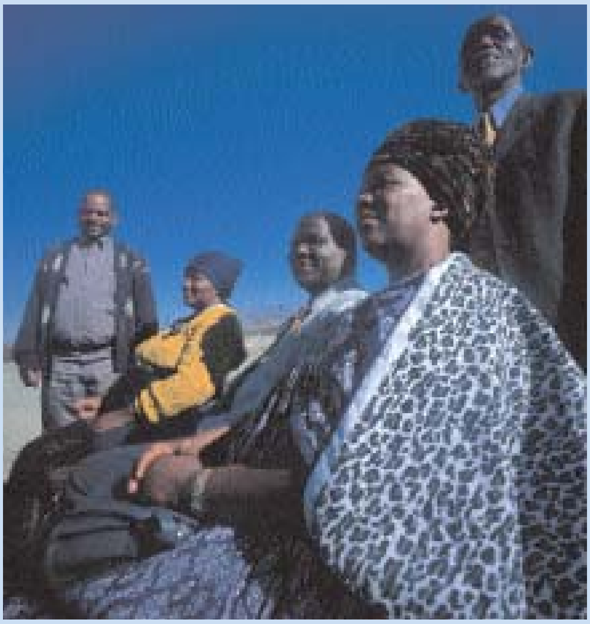
The orebody will be accessed via two decline systems

MARULA – A FITTING ANALOGY

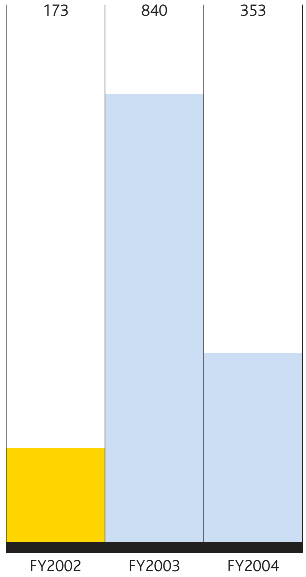
When Implats combined four properties – Winnaarshoek, Clapham and portions of Forest Hill and Driekop – the so-called Winnaarshoek project was born. But, in line with the participative approach adopted by the project it was decided that local community members and Impala employees should also have a say in the naming of the mime.

In Africa, a name has special significance and the name selected for the mine following broad community consultation is one that is both meaningful and representative of the region. Hundreds of votes were cast, with close on 50 names submitted to the project's steering committee for consideration.

Named in this instance after the fruit of the Marula tree, Marula is indigenous to the Limpopo Province, where the project is located. The Marula tree is amongst the most widely-known, revered and useful in Africa and is abundant in the Limpopo Province. From the bark and leaves of the tree, which are believed to have medicinal and other properties, to the Marula fruit, which has a multitude of practical and religious purposes, the Marula is an apt symbol for the new venture. To some the tree is known as the "marriage tree" and is a symbol of fertility – a fitting analogy for a venture that serves the interests of both the company and the community.



Above and left: Extensive consultation with the governing body of the local school resulted in the construction and equipping of a new school



Projected capital cash flow (Phase 1)
Rand million

Infrastructure development

Two boxcuts for the Clapham and Driekop decline systems have been established and trial mining and bulk sampling from Clapham have taken place. Earthwork activities at the concentrator site are complete and construction of the plant is in progress.

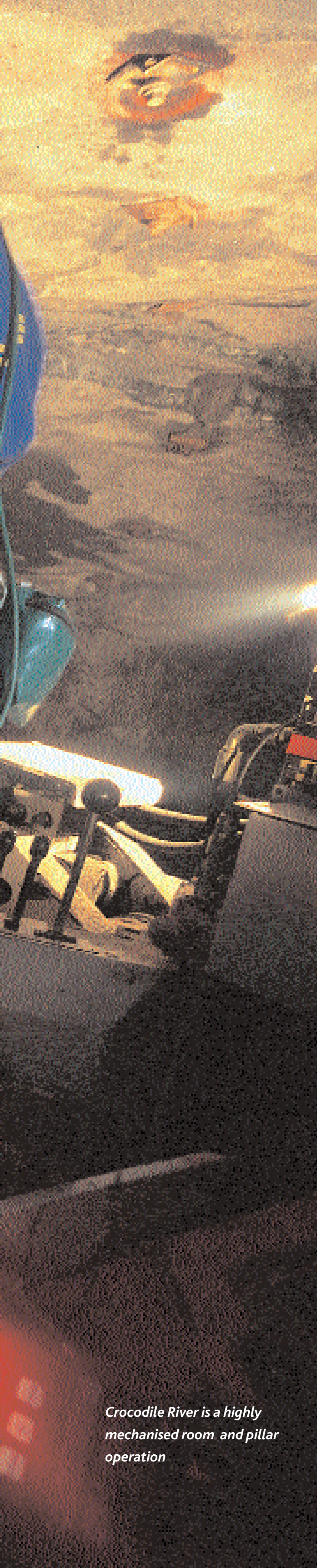
In addition, substantial infrastructure had to be developed for the mine. The 6.5km access road to the site from the main Burgersfort-Polokwane road has been completed. Temporary power has been established and the water reticulation scheme has been completed. Extensive earthworks and terracing have been concluded and civil work has commenced. Mining reserve estimations are being finalised and contractual negotiations with the mining and concentrator contractor are in progress.

The capital cost for Phase 1 is estimated at some R1.4 billion (excluding the purchase price of R978 million), to be funded jointly from Implats' internal resources and by the capital raised by the empowerment partners. Some R173 million had been spent by the end of FY2002, with capital expenditure of about R840 million planned for next year.

A model for sustainable development

The development of a new mine has enabled Implats to develop and implement a model for both black economic empowerment and sustainable development. A Marula Working Committee has been established comprising members of the local community, local government structures and Marula Platinum. The success achieved by this committee has assisted in obtaining tribal resolutions, and facilitating approval by the Department of Minerals and Energy of the mine's EMPR. A temporary mining licence, valid through to mid-2003, has also been issued.

Although the mine itself will only employ some 35 people, the main contracts for mining and plant operation will result in the direct employment of approximately 1 200 people. At peak construction, about 2 000 people will be employed on site. As far as possible, the mine is ensuring that a large proportion of these people will be drawn from the immediate community to provide local employment and the acquisition of skills. To maximise the benefits to local communities preference is being given to local contractors and suppliers of goods and services, with a special emphasis on affirmative procurement.


Crocodile River is a highly mechanised room and pillar operation

REVIEW OF OPERATIONS – CROCODILE RIVER MINE

Steady progress

Crocodile River Mine is located on the eastern portion of the western limb of the Bushveld Complex, near the town of Brits in South Africa's North West Province. The mine is wholly-owned by JSE Securities Exchange-listed Barplats Investments Limited, of which Implats holds 83%. Crocodile River has a life-of-mine concentrate offtake agreement with IRS.

The mine was re-opened at the end of 2000 as part of Implats' overall growth strategy. It had been mothballed in 1991, subsequent to the acquisition of Implats' stake in Barplats.

In FY2003, the mine will produce 42 000 ounces of platinum in concentrate (80 000 ounces of PGMs) per annum. The mine is managed by a small dedicated team, while two main contractor companies undertake the underground and surface mining activities, and a third contractor operates the concentrator. The mine has created some 450 new jobs.

Safety and health

During the year, Crocodile River's safety performance was satisfactory, with only six lost time injuries reported, resulting in a LTIFR of 2.87. As at Impala, Crocodile River developed and implemented its own "Platinum Rules" and engaged safety expert, Du Pont, to implement the SMAT system. Employees of both Crocodile River and the contractor companies have been trained on the SMAT principles and procedures. A key safety objective for the year is to lower the LTIFR to below 2.0 by developing and implementing the SMAT programme even further.

The primary health threat at Crocodile River is that of noise-induced hearing loss. To mitigate this, all employees exposed to excessive noise are being supplied with hearing protection devices. A key element of the hearing conservation programme is supervision and control to ensure that the devices are used to their maximum effectiveness.

Impala's comprehensive and effective HIV/AIDS programme has been introduced at Crocodile River and is supported by Impala Medical Services.

Mining

Crocodile River Mine exploits the UG2 Chromitite Layer, which sub-outcrops on surface and dips at 18 degrees towards the north north-west.

Open cast mining operations commenced on the eastern side of the property at the Maroelabult section in December 2000. This is north-east of the original underground operations

Key features

- *Tonnes mined at 75 000 tonnes per month by the end of FY2002*
- *Platinum production in concentrate at 39 100 ounces for the year (75 900 PGM ounces)*
- *Underground mining operations commenced in third quarter*
- *Concentrator commissioning problems resolved*
- *Potential expansion under investigation*

at Zandfontein. Open cast mining enabled a rapid start up of the mine, prior to the move to underground room and pillar operations this year. Operations will then move to the Zandfontein area and continue at the same rate of production.

Tonnes mined during the year increased to 765 000 tonnes. On-mine costs increased to R92.8 million, in line with higher production, deeper open cast tonnes and initial underground tonnes both at a greater rate per tonne. Underground mining will increase to 75 000 milled tonnes per month by the end of FY2003 to maintain production at current levels.

By year end, good progress had been made with infrastructural development to support underground mining operations, such as the provision of water, electricity, additional loading area and conveyors. Production will be solely from underground sources by the end of FY2003.

Capital expenditure for infrastructural development and mining operations amounted to some R69 million for the year. This is likely to decrease to about R64 million during FY2003.

Processing

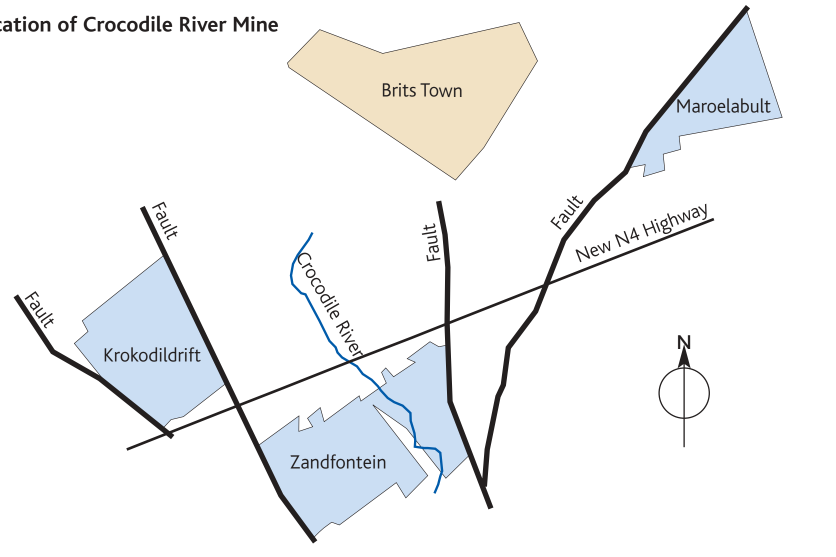
The mine has its own concentrator on site, utilising conventional two-stage milling and froth flotation. The resultant PGM-bearing material is transported by road to Impala Platinum's Mineral Processes for smelting, prior to refining in Springs in terms of the contract with IRS.

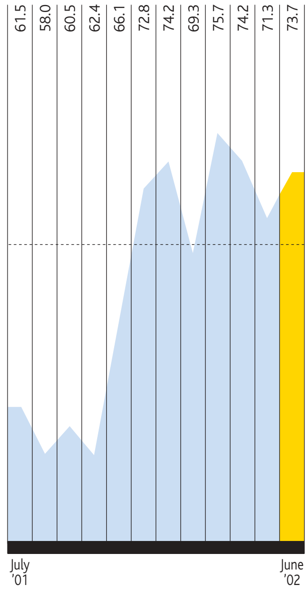
Tonnes milled increased from 344 000 tonnes the previous year to 757 000 tonnes milled for the year. The current open cast mining coupled with a build up from underground, will ensure that the planned mill throughput of 900 000 tonnes will be achieved in FY2003.

Difficulties with the re-commissioning of the concentrator have largely been overcome, with consistent recoveries in excess of 70%. Capital expenditure on the concentrator involved mainly final refurbishment costs carried over from the previous year; no significant capital expenditure is envisaged for FY2003.

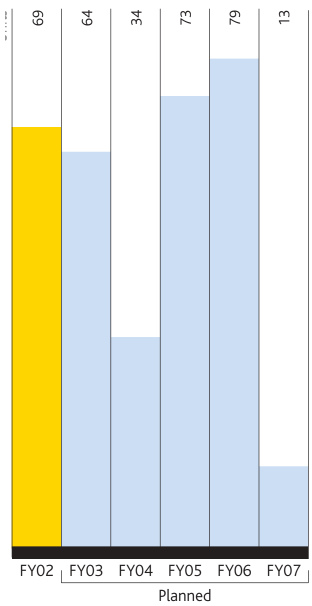
Total cost per PGM ounce in concentrate rose by 52% to R1 994, mainly as a result

Location of Crocodile River Mine





Monthly concentrator recoveries
(%)



Capital expenditure
Rand million

Key statistics

Mineral reserves	9.7 million tonnes UG2
Mineral resources	16.0 million tonnes UG2
Planned production at peak in FY2003	42 000 ounces platinum in concentrate pa 80 000 ounces PGMs in concentrate pa
Job creation	450
Potential life-of-mine	13 years

Operating statistics

		2002	2001	Var %
Sales revenue	(Rm)	**265.8**	116.9	127.4
Platinum		**164.6**	58.4	182.0
Palladium		**52.5**	27.7	89.5
Rhodium		**38.4**	26.4	45.5
Nickel		**2.3**	0.7	228.6
Other		**8.0**	3.7	116.2
Cost of sales		**193.2**	57.9	(233.7)
Mining operations		**92.8**	19.6	(373.5)
Concentrating operations		**50.2**	14.6	(243.8)
Other costs		**8.4**	3.5	(140.0)
Amortisation		**41.8**	20.2	(106.9)
Operating income		**72.6**	59.0	23.1
Gross margin	(%)	**27.3**	50.5	
Inter-company adjustment*		**31.8**	(51.3)	
Operating income attributable to Implats	(Rm)	**104.4**	7.7	

* Adjustment note: This relates to sales from Barplats to the Implats group which at year-end were still in the pipeline.

		2002	2001	Var %
Sales volumes in concentrate				
Platinum	('000 oz)	**39.1**	14.9	162.4
Palladium	('000 oz)	**17.3**	6.6	162.1
Rhodium	('000 oz)	**6.1**	2.3	165.2
Nickel	(t)	**50.1**	18.5	170.8
Prices achieved in concentrate				
Platinum	($/oz)	**410**	497	(17.5)
Palladium	($/oz)	**298**	534	(44.2)
Rhodium[1]	($/oz)	**595**	1 446	(58.9)
Nickel	($/t)	**4 370**	4 664	(6.3)
Exchange rate achieved	(R/US$)	**10.28**	7.92	29.8
Production				
Tonnes milled ex-mine	('000 t)	**757**	344	120.1
Platinum in concentrate	('000 oz)	**39.1**	14.9	162.4
Palladium in concentrate	('000 oz)	**17.3**	6.6	162.1
Rhodium in concentrate	('000 oz)	**6.1**	2.3	165.2
Nickel in concentrate	(t)	**50.1**	18.5	170.8
PGM in concentrate	('000 oz)	**75.9**	28.6	165.4
Total cost				
Per tonne milled[2]	(R/t)	**200**	109	(83.5)
	($/t)	**20**	14	(42.8)
Per PGM ounce in concentrate[3]	(R/oz)	**1 994**	1 315	(51.6)
	($/oz)	**197**	173	(13.9)
Per platinum ounce in concentrate[4]	(R/oz)	**3 871**	2 527	(53.2)
	($/oz)	**382**	332	(15.1)
Capital expenditure	(Rm)	**69**	133	48.3
	(US$m)	**7**	17	58.8

1. *Rhodium prices achieved were lower than market related prices due to the contractual pricing mechanism in a declining market*
2. *The cost of mining and concentrating is expressed per tonne milled.*
3. *The cost of mining and concentrating is expressed per ounce of PGM in concentrate.*
4. *The cost of mining and concentrating is expressed per ounce of platinum in concentrate.*

of the higher stripping ratio on the open cast mining.

Commissioning of the dense media separation plant (DMS) for the treatment of underground ore is planned for the second half of the next financial year. The DMS improves the economic viability of mining by separating a proportion of waste rock dilution from the run-of-mine ore and supplying an improved product to the mill.

Extending mine life

Investigations to extend the life of mine, while simultaneously increasing milled throughput are under way. Additional underground mining areas are currently being evaluated with a view to increasing mining flexibility in the short term. As a result, trial mining will be undertaken at the Zandfontein graben area during the year ahead to provide a bulk sample for metallurgical trials. In addition, a preliminary study on additional reserves for underground mining is being undertaken in the Krokodildrift area.

Further brownfields exploration continued on the lease area. A drilling programme was undertaken to evaluate the reserve area at a depth of more that 250m on the two main conveyor decline systems.

Left: Open cast mining at the Maroelabult section

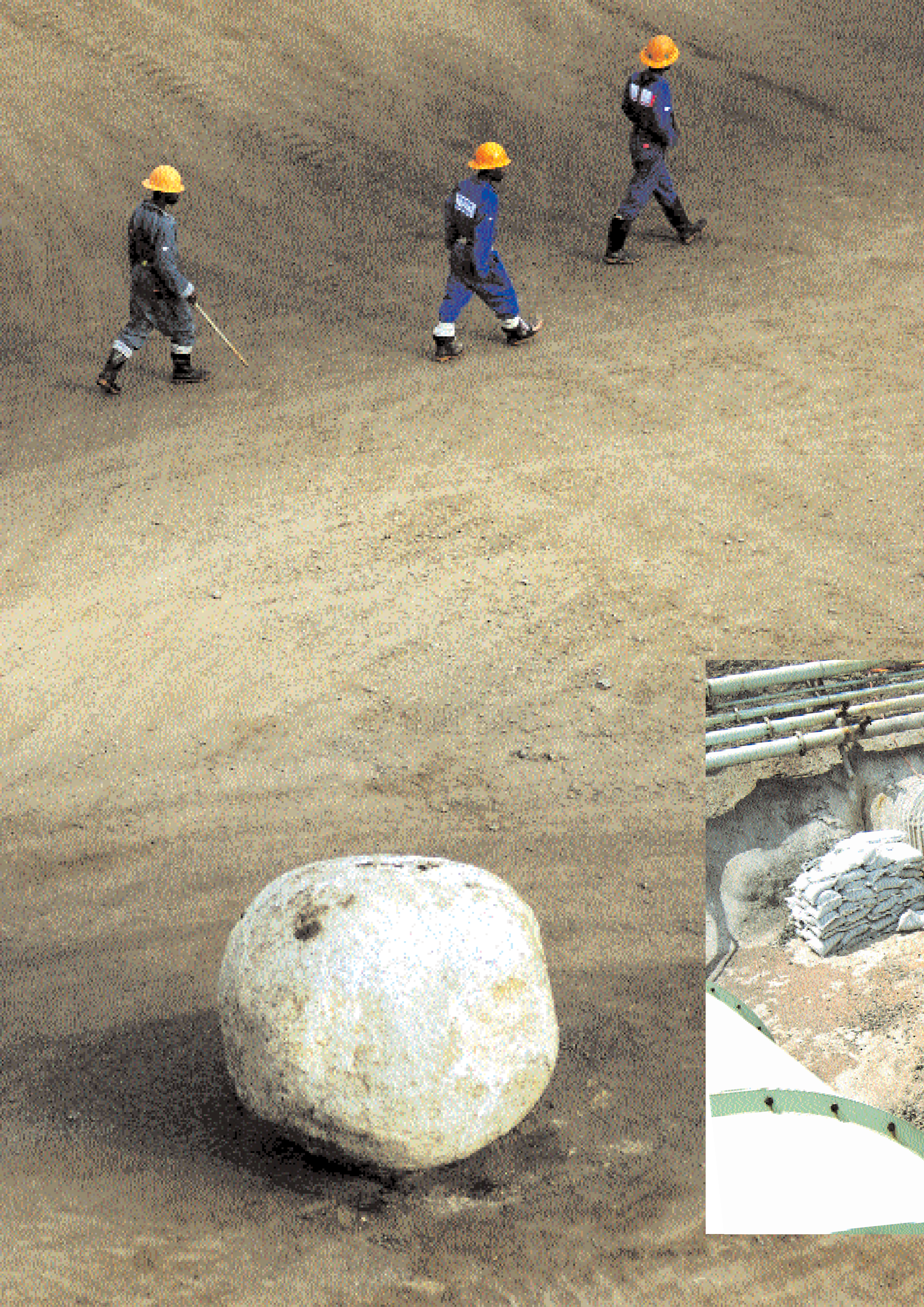
Inset left: View of the mill at the Crocodile River concentrator

Below: One of the newly acquired load haul dumpers exiting a decline

Right: View of conveyor belts at Crocodile River Mine

Outlook

During the year ahead, output should be maintained at a level of about 900 000 tonnes, while overall yield in PGMs will decline slightly to around 2.88g/t. Total capital expenditure for FY2003 should be in the order of R64 million (US$6 million), R36 million for the completion of underground infrastructure at Maroelabult, while R28 million is for exploration and metallurgical testing at Zandfontein and Krokodildrift with a view to increasing the mine's output. Also included is trial mining in the Zandfontein graben area.



STRATEGIC HOLDINGS AND ALLIANCES

Innovative growth strategy pays off

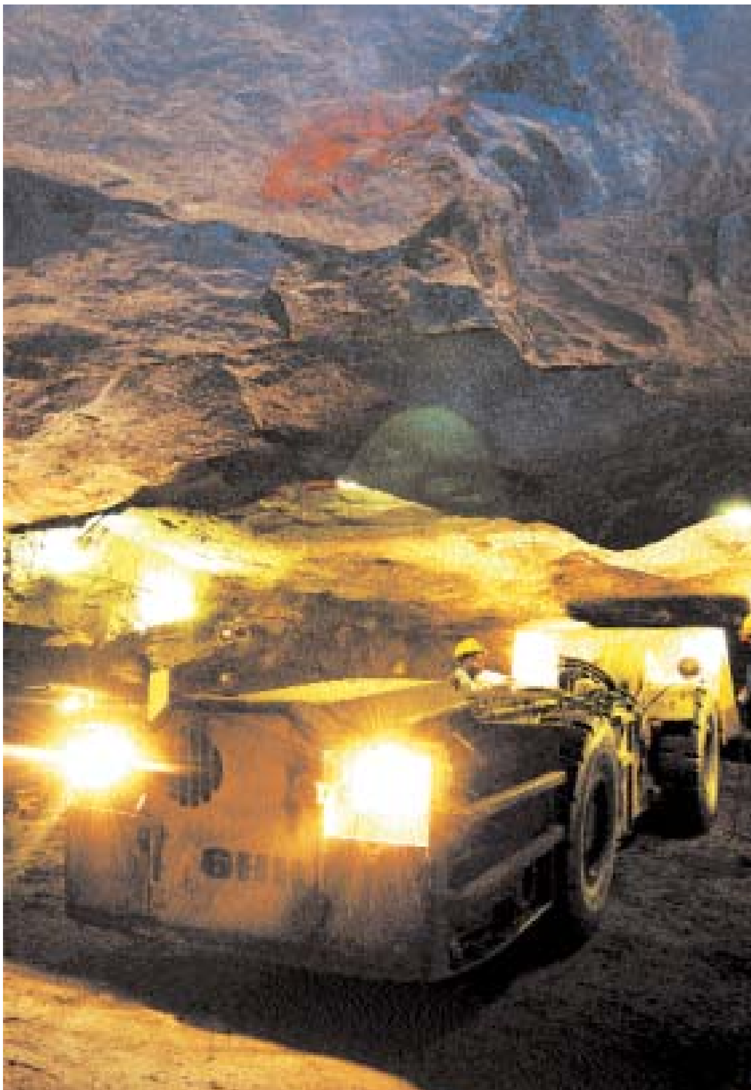
Implats' holdings in and relationships with other industry players remained core to its overall growth and profitability strategy and, during FY2002, continued to pay handsome dividends. Implats' objective is to take a significant stake in its partner companies so that it has a material impact on the strategic operation and direction of the company, on the board and, where appropriate, operating committees. Although Implats is not involved in the day-to-day running of these operations, it provides technological expertise, strategic direction and financial support. Pivotal to the partnerships are frequently long-term concentrate offtake agreements with IRS.

Key strategic holdings or partnerships as at 30 June 2002 include

- 27% stake in Lonplats
- 9% stake in Aquarius Platinum Limited and a 25% stake in the operating subsidiary Aquarius Platinum (South Africa) (Pty) Limited, an effective 32% interest
- 45% stake in the Two Rivers Joint Venture with Avmin Limited
- 35% interest in ZCE Platinum, which controls Mimosa Platinum Limited
- 15% stake in Zimbabwe Platinum Mines Limited (Zimplats), and a 30% stake in its operating subsidiary Makwiro Platinum (Private) Limited, an effective 41% interest

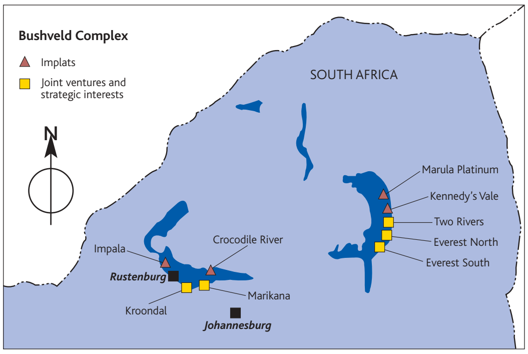
Construction proceeds apace at Aquarius' Marikana project

Below: Aquarius' Kroondal Mine is one of the lowest cost producers in the industry



Lonplats

Implats holds a 27% stake in Lonplats, the platinum investment in London-listed Lonmin plc, which houses both the Western and Eastern Platinum mines, located on the western limb of the Bushveld Complex, and the Western Platinum Refinery. This shareholding brings with it 50% board representation and certain pre-emptive rights. This is the only strategic holding which is not based on a long-term concentrate offtake agreement.



During the year, attributable income from Lonplats grew by 11% to R717 million and dividends of R515 million were declared. At the same time, attributable PGMs amounted to 388 000 ounces.

Lonplats is pursuing aggressive expansion, which should see the company achieve production of 1Moz of platinum (1.8Moz of PGMs) by 2008. Some 270 000 platinum ounces (490 000 PGM ounces) of this would be attributable to Implats.

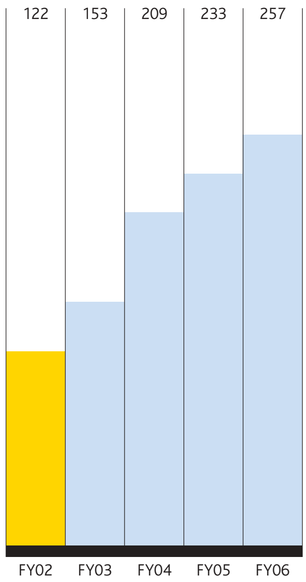
The contribution that Lonplats has made – and continues to make – to Implats remains substantial, reinforcing Implats' rationale for holding this stake. But, despite this significant contribution, Implats recognises that the full value of this investment is not yet reflected in its share price and ways of releasing this value and providing a better return to shareholders are constantly under review.

Effective contribution of Implats' 27.1% stake in Lonplats

Year to March		2002	2001	% Change
Financial	(Rm)			
Sales revenue		**1 779**	1 653	8
Income before taxation		**1 113**	1 031	8
Attributable income		**717**	647	11
Dividends received		**515**	542	(5)
Refined production	(000 oz)			
Platinum		**203**	178	14
Palladium		**92**	80	16
Rhodium		**29**	25	18
PGMs		**388**	336	16

Key features – Lonplats

- *Substantial contribution to Implats – R717 million attributable income and R515 million dividends*
- *203 000 platinum ounces (388 000 PGM ounces) attributable to Implats during FY2002*
- *Growth to 1Moz by 2008 – 270 000 platinum ounces attributable to Implats*
- *Implats still seeking full value for investment*



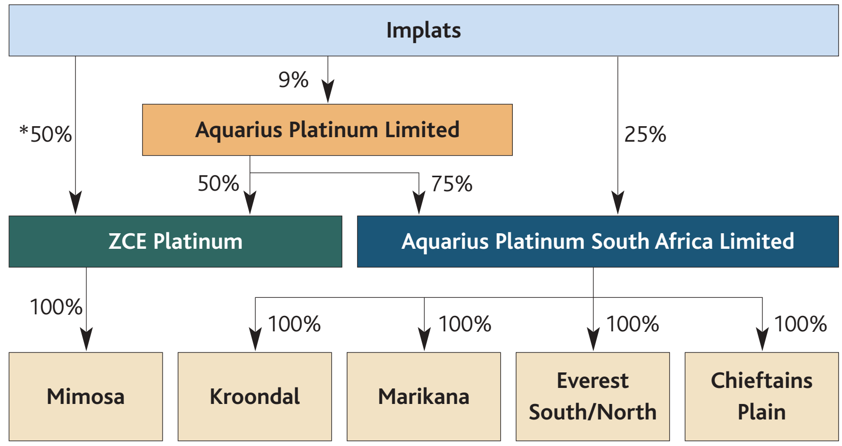
Refined platinum production at Aquarius
('000 ounces)

Aquarius

Following a financial restructuring at corporate level by London and Australian-listed Aquarius Platinum Limited during the year, Implats now holds an effective stake in the operating assets in South Africa of about 32%, comprising a 9% stake in Aquarius Platinum Limited and a 25% interest in its unlisted subsidiary Aquarius Platinum (South Africa) (Pty) Limited. The latter company owns the Kroondal and Marikana operations, as well as the Everest South project.

Aquarius' primary operating entity, Kroondal, a highly profitable operation on the western limb of the Bushveld Complex, had successfully ramped up its production to 122 000 platinum ounces (234 000 PGM ounces) by the end of FY2002. Kroondal delivers this concentrate to IRS in terms of a life-of-mine offtake agreement.

Implats' relationship with Aquarius Platinum Limited



**Agreement reached to increase stake to 50%*

Key features – Aquarius

- *Financial restructuring leaves Implats with effective stake of 32% in Aquarius Platinum's South African assets*
- *Expansion at Kroondal complete*
- *Good progress with construction at Marikana*
- *Feasibility study under way at Everest South*
- *Aquarius acquired 50% stake in ZCE Platinum, becoming Implats' partner in the Mimosa operation*
- *Platinum ounces to rise to 257 000 (500 000 PGM ounces) by FY2006*

The Marikana project, located just 7km from Kroondal, is a 19 million tonne reserve, which has the potential to produce 88 000 platinum ounces (168 000 PGM ounces) per annum. The mining plan for Marikana has been completed while construction, which commenced in November 2001, is on track for production and plant commissioning in late 2002.

Exploration at the Everest South and the Chieftains Plain projects is continuing. At Everest South a drilling programme was completed in 2001 and a bankable feasibility study is under way. Production is expected to begin in FY2005.

In May 2002, Aquarius Platinum Limited also acquired a 50% stake in ZCE Platinum Limited, further strengthening the link between Aquarius and Implats.

Two Rivers

In December 2001, an Anglovaal Mining Limited (Avmin) (55%) and Implats (45%) joint venture acquired the PGM mineral rights to the Dwarsrivier property. The project is located on the eastern limb of the Bushveld Complex, south of the town of Steelpoort in South Africa's Mpumalanga Province.

Production of about 113 000 platinum ounces (227 000 PGM ounces) per annum is expected to start during FY2005, achieving full production rate at the beginning of FY2006.

The orebody comprises both Merensky and UG2 layers, although the initial focus is only the UG2 layer. Currently, the total Inferred Resource amounts to 88 million tonnes at an average 3 PGM and Au grade of 3.7 g/t, but this is being re-evaluated and reclassified in view of the current exploration results.

Key statistics – Two Rivers

Mineral resource (inferred)	88 million tonnes UG2
Planned production	113 000 platinum ounces
	227 000 PGM ounces
Total capital expenditure (estimated)	R1 billion
Job creation	600 to 900
Life-of-mine	15 to 20 years
Production start-up	FY2005
Full production by:	FY2006

Key features – Two Rivers

- *Acquisition of Dwarsrivier property concluded in December 2001*
- *Feasibility expected to be concluded by mid-FY2003, on time and within budget*
- *Current inferred resource of 88 million tonnes*
- *Production of 113 000 platinum ounces (227 000 PGM ounces) expected by FY2006*

Exploration drilling at the Two Rivers Joint Venture

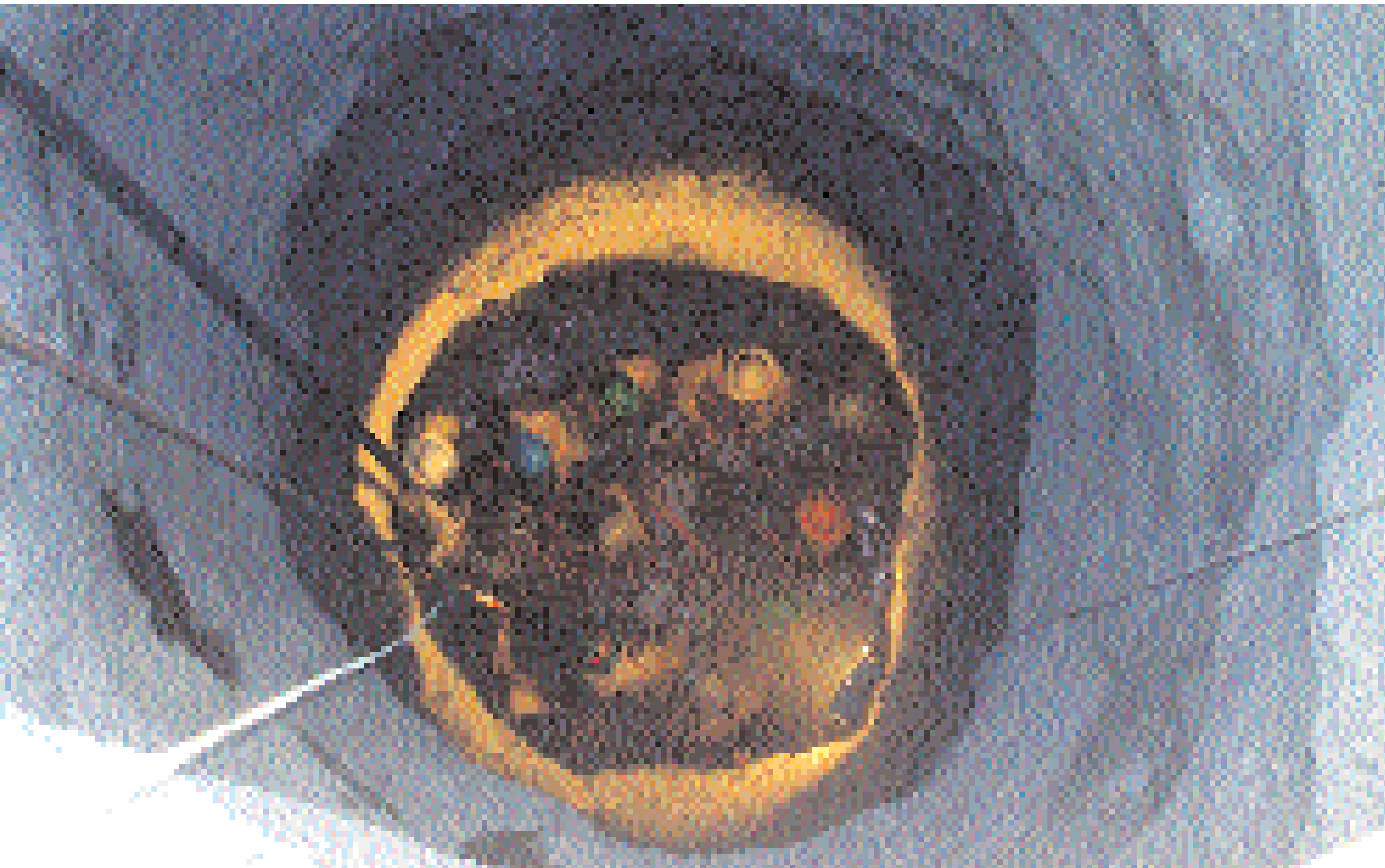
An underground mine will be accessed via a system of surface declines. A room and pillar mining method, largely employing trackless equipment, will produce 175 000 run-of-mine tonnes per month over 15 to 20 years. The UG2 ore will be processed through an on-site concentrator. Impala Refining Services (IRS) will treat all the concentrate and market the PGMs in terms of life-of-mine offtake agreement. Avmin will manage the mine and market the base metals.

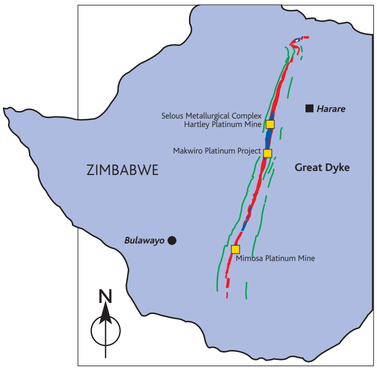
A R60 million feasibility study – to be completed in September 2002 – is currently under way to define the Inferred and Indicated Resource of the UG2 chromitite layer through an extensive drilling campaign. A bulk sample shaft to a depth of 65m was sunk and a 600-tonne UG2 bulk sample was extracted to conduct metallurgical test work. Processing of the bulk sample at Mintek, a South African metallurgical research organisation, confirmed the preliminary concentrator flow sheet.

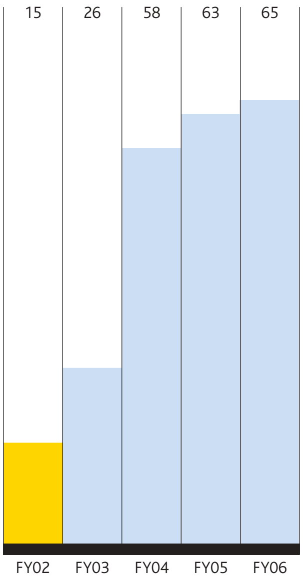
An EMPR, a Water Use Permit and an application for Mining Authorisation were submitted to the Department of Minerals and Energy in April 2002. In anticipation of the requirements of the proposed Minerals and Petroleum Resources Development Bill, Two Rivers has initiated discussions with a potential black economic empowerment partner, and has agreed to set aside a percentage of pretax profits for a social plan. The mine, including the concentrator, will create between 600 and 900 jobs.

The capital expenditure estimate for the mine and concentrator is provisionally expected to be in the region of R1 billion.

Below: Drilling to establish the resource, at the Two Rivers Joint Venture in Mpumalanga Province on the eastern limb of the Bushveld Complex







Refined platinum production at Mimosa
('000 ounces)

Mimosa

In FY2001, Implats acquired a 35% stake in ZCE Platinum Limited (ZCE Platinum), a Mauritius-based company which wholly owns Mimosa Mining Company, for a consideration of US$30 million. Mimosa is located on the Zimbabwean Great Dyke, which is known to be second in geological significance in terms of PGMs to the South African Bushveld Complex. This stake will be raised to 50%, with the acquisition of a further 15% by Implats in August 2002. Aquarius Platinum Limited acquired a 50% stake in ZCE Platinum during the year.

Mimosa is located on the Wedza Geological Complex on the southern portion of the Great Dyke, some 125km east of Bulawayo. Mimosa is a shallow underground mine, extending to a depth of about 300m. The mine, which started production six years ago, is currently increasing its production from 15 000 platinum ounces (30 000 PGM ounces) to 65 000 platinum ounces (127 000 PGM ounces).

Good progress has been made with the expansion to date, although the development of underground infrastructure is slightly behind schedule. The situation has been addressed and will not have an impact on the build-up to full, expanded production scheduled for April 2003. Current production has been minimally affected by the construction programme, and the build-up of the surface stockpile is proceeding according to plan.

Key statistics – Mimosa

Mineral resource	67 million tonnes
Current production	15 000 platinum oz
	30 000 PGM oz
Planned production	65 000 platinum oz
	127 000 PGM oz
Total capital expenditure	R360 million over one year
Job creation	500
Life-of-mine	19 years
Full production by:	FY2004

Key features – Mimosa

- *Implats lifts stake in ZCE Platinum to 50%*
- *Expansion to 65 000 platinum ounces (127 000 PGM ounces) on track*
- *Further expansion possible*
- *Remains one of the lowest cost PGM producers in the world*
- *Life-of-mine offtake agreement with IRS*

Initial processing is conducted on mine, with concentrate shipped via road to IRS in South Africa. Although plant construction is also marginally behind schedule, hot commissioning will take place during the second quarter of the financial year.

Total capital expenditure for the expansion is expected to be in the region of US$37 million. An additional US$35 million will be spent during FY2003.

The prospects for Mimosa remain good. The operation is believed to be amongst the lowest cost producers in the world. Further expansion is possible, up to 135 000 platinum ounces (250 000 PGM ounces).

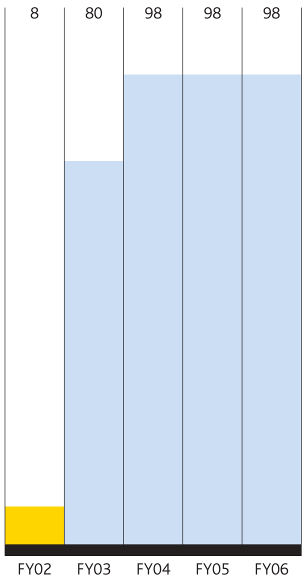
During the year, attributable income from Mimosa was R22 million. Earnings in the next financial year will benefit significantly from the projected increase in production.

Zimplats

Implats holds, indirectly and directly, an effective 41% stake in the Makwiro Platinum Project (formerly the Ngezi project) through Zimbabwe Platinum Mines Limited (Zimplats). The transaction undertaken in 2001 was structured in two tiers: first, Implats acquired from Delta Gold Limited a 30% stake in Australian-listed Zimplats in a joint venture with South African financial institution ABSA Bank Limited; Implats holds pre-emptive rights over ABSA's 15% stake and ABSA has indicated its intention of retaining its holding for the short term only. At the second tier, Implats holds a 30% direct stake in Makwiro Platinum (Pvt) Limited (Makwiro), which comprises the Hartley Platinum Mine, the Ngezi project and the Selous Metallurgical Complex (SMC). Post year-end the company concluded an agreement to acquire a further 21% stake in Zimplats.

The mine is located some 77km from the SMC and will produce 98 000 platinum ounces per year from FY2004 onwards (200 000 PGM ounces), over an anticipated 20-year life-of-mine.

The orebody, which is about 20 to 50m below surface, and is accessed via open cast methods. Ore is transported to the SMC for smelting via Australian-style road trains, and the smelter matte transported to South Africa for processing by IRS.



Refined platinum production at Zimplats
('000 ounces)

Key features – Zimplats

- *Infrastructural development on target*
- *Problems experienced with mining and smelter, delaying start-up*
- *Production of 80 000 platinum ounces (165 000 PGM ounces) expected for FY2003*

Key statistics – Makwiro

Mineral reserve	41 million tonnes
Mineral resources	203 million tonnes
Current refined production	8 000 platinum ounces
Planned production	98 000 platinum ounces
Total capital expenditure	US$31 million
Job creation	750
Life-of-mine	20 years
Full production by:	January 2003

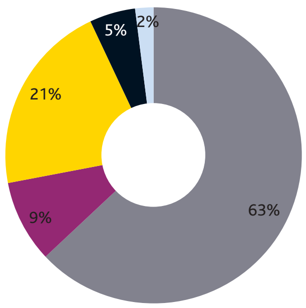
Construction of the road to transport material to the concentrator was completed on time and within budget, despite unseasonable, late rains. However, final production was delayed by a number of commissioning problems which affected mining rates, mill throughput, smelting capacity and ultimately the refined production of metals. Production for FY2002 was 8 000 platinum ounces (17 000 PGM ounces). The first smelter matte was delivered to IRS ahead of schedule in December 2001.

By year-end, most of the problems had been overcome but the headgrade remains a concern and requires constant monitoring. Full production is anticipated by the second half of FY2003.

Australian-style road trains transport ore from Makwiro Platinum to the Selous Metallurgical Complex for smelting

REVIEW OF EXPLORATION

Balanced exploration strategy for future growth



Exploration expenditure by country

Facing page: Exploration core samples stacked at Kennedy's Vale following logging

Inset left: Implats' exploration team involved in target generation in Alaska, North America

Below: Soil sampling at Cana Brava in Brazil

Implats' low-cost, yet far-reaching exploration strategy remained unchanged during 2002. The company continued to pursue projects and joint ventures that have the ability to generate quality deposits, with a balance between South African (Bushveld Complex) and non-South African opportunities. Exploration activities during the past year comprised the full spectrum, from target generation, greenfields exploration and resource evaluation to brownfields exploration.

Implats' partnership with international mining group Falconbridge is integral to this overall approach, as is its support of junior exploration companies. Implats provides its partners with funding, expertise and access to smelting and refining infrastructure in exchange for access to exploration projects across the world. Given the lack of advanced quality projects, as global consolidation has intensified, Implats has increasingly pursued early-stage exploration. Through both independent endeavours and in association with its partners, the company participated in the evaluation of more than 25 PGM prospects, in 11 countries. The majority of the international projects are palladium-dominant.

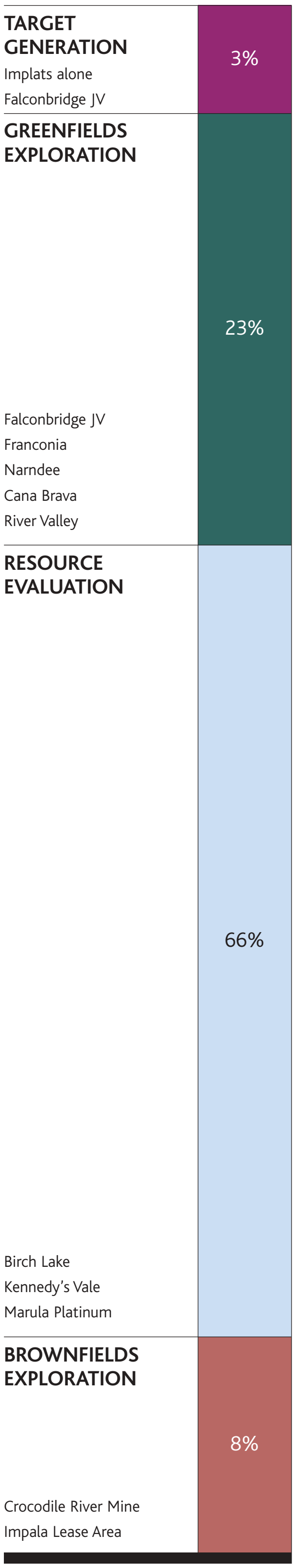
Implats incurred some R84 million in exploration expenditure during the past year. The larger proportion of this commitment was allocated to advancing South African projects, while international commitments were still largely focused on North America. Greenfields exploration costs were mostly incurred in the international projects. Resource evaluation efforts made up the largest cost and included work at Marula, Kennedy's Vale and the Birch Lake projects. Following high levels of brownfields activity in the preceding four years, the proportional expenditure was reduced in the past year to some R8 million. Costs during the year ahead are expected to be in the same region as this year but will be influenced by several key project decisions.

South African Bushveld Complex exploration

The Bushveld Complex remains the world's premier PGM deposit. Implats' exploration on this orebody continued on the Impala Lease Area, at Crocodile River Mine and the Marula Platinum

Key features

- *Exploration strategy remains unchanged*
- *Balance between SA and non-SA exploration*
- *Good progress at Kennedy's Vale*
- *Falconbridge alliance bearing fruit; – new project, Narndee, in Australia*
- *New JVs with Franconia and Pan Palladium*



Implats' exploration pipeline expenditure by category – 2002

project. Details of this exploration can be found in the sections dealing with these operations and projects. In addition, Implats is pursuing exploration at the Kennedy's Vale project on behalf of Barplats.

Kennedy's Vale> The Kennedy's Vale project, located on the eastern limb of the Bushveld Complex, is wholly-owned by JSE-listed Barplats Investments Limited, which in turn is 83% held by Implats. This previously mothballed operation is located on a 27.6 million platinum ounce resource comprising both Merensky and UG2. The current resource evaluation programme is focused on the UG2 Chromitite Layer.

The operation has an existing vertical, but unequipped shaft system to a depth of some 900 metres which intersects the UG2 layer. The original plan allows for a decline system to access deeper resources, while trackless mechanised mining methods are now envisaged.

A 3-D seismic survey of the area has been completed at a cost of some R26 million as well as infill drilling to confirm the geological structures identified by the seismic survey. Full interpretation of this data should be finalised by the first quarter FY2003, and a bulk sample will then be collected. Exploration on a neighbouring property has also been completed and negotiations with the owner regarding possible access to this property are being concluded.

A feasibility study that will include additional infill drilling is being conducted and will be completed during the 2003 financial year.

Pan Palladium> In October 2001, Implats entered into a joint venture with Pan Palladium Limited, an Australian junior mining company. In terms of the joint venture agreement, Pan Palladium may earn a 75% interest by completing further exploration and bankable feasibility studies on two projects owned by Impala, namely the Volspruit (Grasvalley) and Nonnen (Nonnenwerth) projects on the northern limb of the Bushveld Complex in South Africa's Limpopo Province. Should mining proceed, Impala will retain a 25% interest in these and adjoining properties owned by Pan Palladium. In addition, Pan Palladium has entered into an offtake agreement with IRS.

International (non-South African) exploration

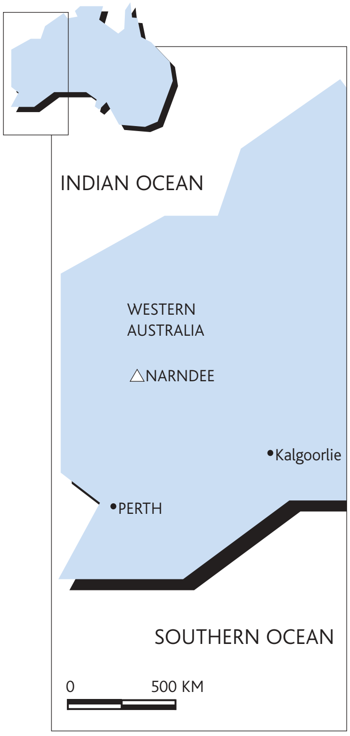
Exploration continued on a range of projects during the year, while a new joint venture was entered into and a new project was initiated. At the same time, Implats has decided not to participate further in the Rutledge Lake project.

Alliance with Falconbridge> Implats' alliance with Falconbridge is progressing well and has generated a number of projects for review within a relatively short period of time. Foremost amongst these are the Cana Brava project in Brazil and a new project, Narndee, in Australia.

Cana Brava> The Cana Brava project, located in the Goias state in Brazil, is focused on the Cana Brava layered complex some 300 km north of the Brazilian capital, Brasilia. Widely spaced geophysical and geochemical exploration conducted in Phase 1 identified anomalous PGM and base metal values that were sufficiently encouraging to warrant further work. An aeromagnetic survey has been conducted and, as part of the next orientation phase, infill sampling and drilling will be undertaken. This should be concluded by the end of 2002. The proportional commitment by Implats to completion of the current stage of the project amounts to C$770 000.

Narndee project> The Narndee project, located about 550km north-east of Perth in Western Australia, is the second project entered into as part of the Falconbridge alliance. This PGM and nickel prospect, which is located in a large, layered intrusion, is owned by Apex Minerals NL, an Australian-listed junior miner. Falconbridge has committed, on behalf of the joint venture, to explore the Narndee intrusion, earning up to 64% interest in the project, by spending A$4 million over a period of five years and by financing at least one bankable feasibility study.

The first phase of the project is expected to be completed by the end of 2002. This will entail the development of an integrated 3-D model of the Narndee intrusion utilising a detailed airborne magnetic and radiometric surveys, followed by field validation through mapping, sampling and stratigraphic drilling. Implats will contribute some C$325 000 towards this first phase.

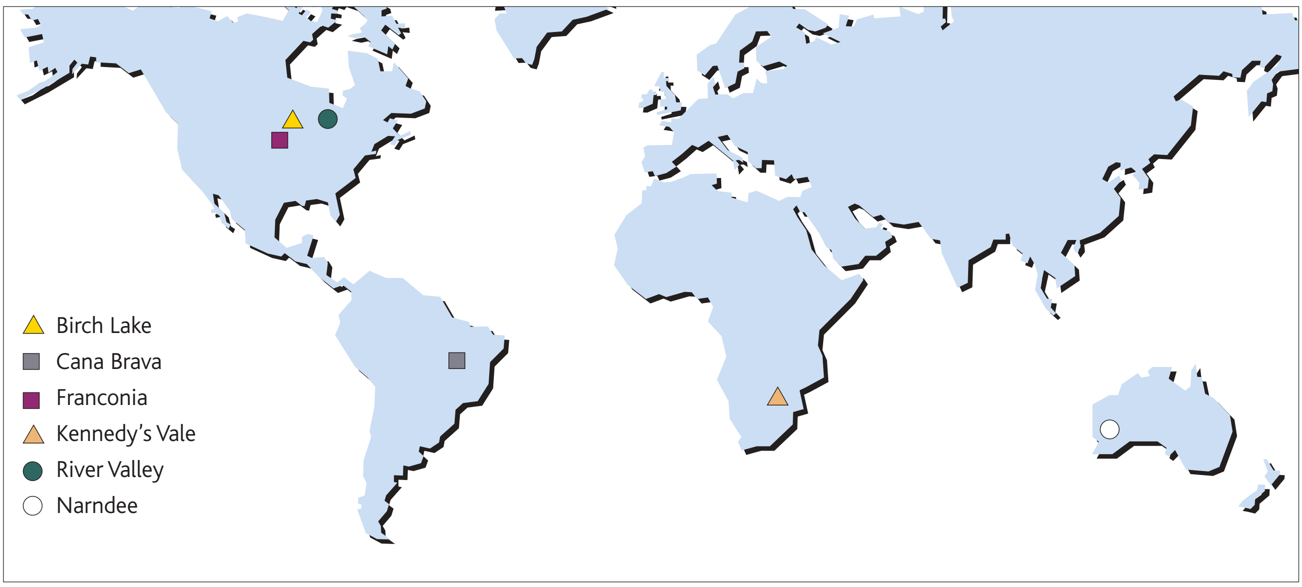


Location of the Narndee Project in Western Australia

Birch Lake> Exploration continued during the past year at the Birch Lake project, located on the Duluth complex in Minnesota, USA. Implats has the right to earn a 60% interest in this project for a maximum expenditure of US$5 million over a period of five years; the company has contributed some US$3.1 million to date. The joint venture partner is Beaver Bay JV.

Of the seven boreholes drilled during the financial year, all but one intersected mineralisation, confirming both the overall continuity of the orebody and indicating its vertical and lateral variability. The resource estimate is currently being audited by Implats and an external party, prior to a preliminary study on the viability of the orebody, which should be concluded by the first quarter FY2003. A decision on whether or not to proceed with the project is expected by the end of 2002.

Implats' exploration projects around the world



River Valley> The River Valley project is a joint venture with Mustang Minerals Corp, on the River Valley Complex, some 50km from Sudbury in Canada's Ontario Province.

For a maximum expenditure of C$6 million over five years, Implats is entitled to a 60% interest in the project; the company has contributed C$3.8 million to date. The exploration target is primary PGM mineralisation, with associated base metals. The exploration property covers more than 600 mining claim units and 28km of prospective stratigraphy along the north and south margins of the Complex.

During the past year work focused on the northern margin where trenching and follow-up drilling were conducted in selected areas. Some 4 000 metres comprising 19 boreholes were drilled, targeting two specific areas. The results of this drilling are currently being processed. Implats is evaluating its continued participation in light of market conditions and based on the results obtained thus far. A decision in this regard is likely to be made by mid-FY2003.

JV with Franconia> In October 2001, Implats and Franconia Minerals Corporation entered into an earn-in and joint venture agreement to explore for PGM, copper and nickel deposits in the interior of the Duluth Complex. A total of 18 target areas are being assessed by geophysics, geochemistry and drilling. Implats' current expenditure of US$600 000 will earn it the right to select properties in the initial phase of exploration.

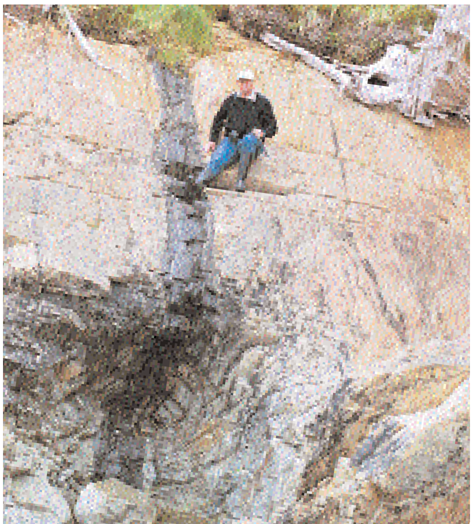
Top left: Drill site at the Birch Lake project, Minnesota, USA

Bottom left: Vibrator trucks used in seismic surveys at Kennedy's Vale, South Africa

Top centre: Snow truck at the River Valley project, Sudbury, Canada

Bottom centre: Rock samples collected for assaying as part of the target generation phase in Claim Point, Alaska

Right: Line cutting to facilitate sampling and geophysical surveys at Cana Brava in Brazil



MINERAL RESERVES AND RESOURCES

Geological and mining background

The world-renowned Bushveld Complex is a 2 060 million year old igneous intrusion with an aerial extent of approximately 66 000km^2. The outcrop extremities are approximately 450km east-west and 300km north-south, with a thickness of some 7 to 9km. The complex comprises an array of diverse igneous rocks from plutonic to volcanic, with a range in composition from mafic to felsic, with lateral persistence and the regularity of its layers being an overwhelming characteristic.

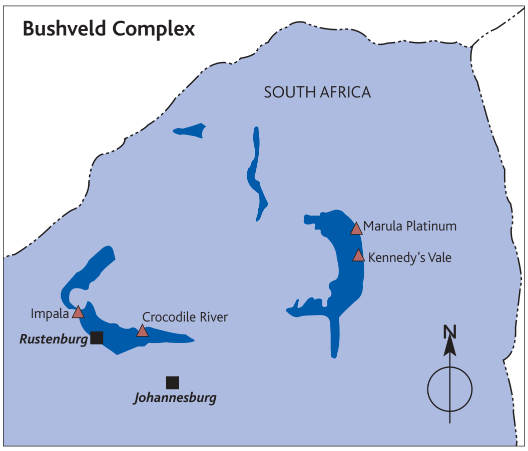
The Rustenburg Layered Suite, in which both the Merensky Reef and the UG2 Chromitite Layer are found, comprises a well layered ultramafic to mafic succession. These two horizons are exploited for their platinum group metals (PGMs) and base metals. The PGMs – platinum, palladium, rhodium, ruthenium, iridium and osmium – are recovered along with small amounts of gold, and quantities of associated copper, nickel and cobalt. Implats is committed to the mining and beneficiation of the nine metal suite that is currently produced, with the focus on PGMs, primarily platinum and palladium. The ratio of platinum: palladium within the orebodies varies from approximately 2:1 in the western Bushveld to 1:1 in the eastern Bushveld.

Implats' mining operations comprise Impala Platinum, located near the towns of Phokeng and Rustenburg, and Crocodile River Mine, situated near the town of Brits, in the western Bushveld, and Marula Platinum, situated in the eastern Bushveld close to Steelpoort. (See map below).

SAMREC compliance

The reporting of Mineral Resources and Mineral Reserves is done in accordance with the principles and guidelines of the South African Code for Reporting of Mineral Resources and Mineral Reserves (SAMREC Code). To this extent the definitions for the Mineral Resource and sub-categories for Indicated and Measured Mineral Resources and the definitions for Mineral Reserve and sub-categories for Probable and Proved Mineral Reserves are the same as those found in the SAMREC Code (see Glossary of Terms, page 106).

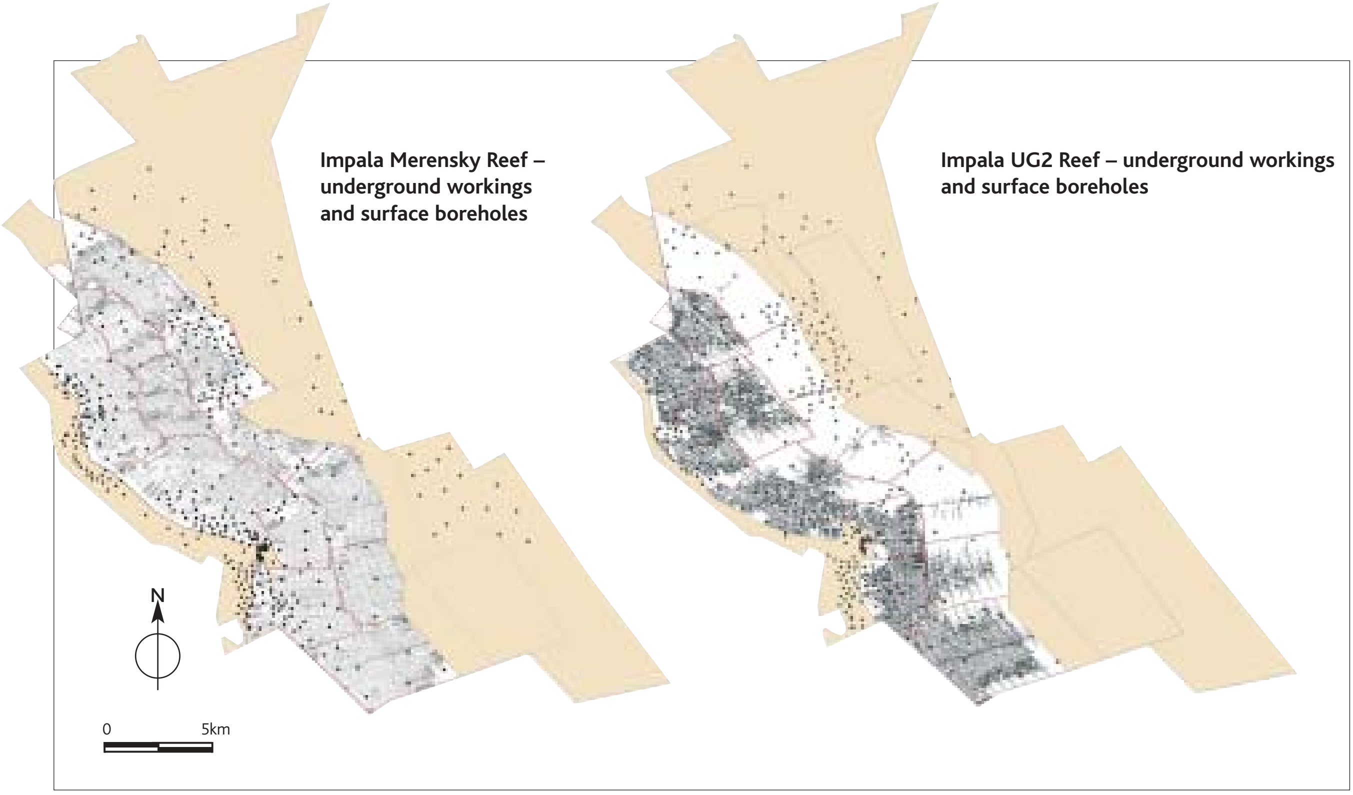
The basis for the resource and reserve classification is determined using the following criteria:



Indicated Mineral Resources> Material where the continuity of mineralisation can be assumed but where additional geological evaluation is required.

Measured Mineral Resources> Material where the geological evaluation has been completed and appropriate feasibility studies are in progress.

Probable Mineral Reserves> Material beyond existing development that has been evaluated by drilling and seismic surveys and for which appropriate feasibility studies have been completed which confirm economic extraction.



Proved Mineral Reserves> Material available for mining without further development.

The modifying factors used to convert the Mineral Resource to a Mineral Reserve are derived from an in-house Ore Inventory System. The system is able to provide all the diluting factors that are applied to the *in situ* estimates to yield the final product delivered to the mill. These factors are based on both historical data and planned improvements.

Where Mineral Resources and Mineral Reserves are quoted for the same property, Mineral Resources are additional to Mineral Reserves. The Mineral Reserves quoted reflect the grade delivered to the mill rather than an *in situ* grade quoted in respect of Mineral Resources.

Impala Platinum

Grade estimates for the Impala Platinum operations are obtained by means of ordinary kriging using an extensive database of underground samples (31 000 Merensky sections and 25 000 UG2 sections) and information derived from 756 surface borehole reef intersections. Raise/winze connections are sampled at 20-metre intervals along dip and complimented by a regular grid of 40m by 40m stope division samples. The sampling allows for a vertical definition of the grade distribution throughout the reef and the surrounding host units. The Merensky in situ channel estimates for the conventional mining scenario are based on a marginal grade cut-off of 1.5g/t, or an optimisation of the metal content over the targeted mining width for the mechanised mining channel. The UG2 channel is defined by and constrained to the Main Chrome unit except where the leader units are to be incorporated in the channel due to geological restrictions.

Mineral Resources and Mineral Reserves (Rustenburg Operations)> Mining Lease area 25 256 ha (including a portion of the farm Boschkoppie 104 JQ)

Mineral Reserves as at 30 June 2002 (limited to 1 700m below surface)

Orebody	Category	Tonnage (millions)	Grade 5 PGE & Au (g/t)	Pt oz (millions)
Merensky	Proved	17.9	5.07	1.6
	Probable	90.8	4.92	8.0
UG2	Proved	22.8	5.16	1.8
	Probable	115.5	5.21	9.4
Total		247.0	5.09	20.8

Mineral Resources as at 30 June 2002 (limited to 1 700m below surface)

Orebody	Category	Tonnage (millions)	Grade 5 PGE & Au (g/t)	Pt oz (millions)
Merensky	Measured	24.2	6.64	2.9
	Indicated	110.7	8.29	16.3
UG2	Measured	47.7	6.87	5.1
	Indicated	75.0	8.96	10.5
Total		257.6	8.07	34.8

Measured resource estimates include project areas based on mechanised mining scenarios at varying mining widths.

Mineral Resources as at 30 June 2002 – No 1 & 2 Tailings Complex

Source	Category	Tonnage (millions)	Grade 3PGE & Au (g/t)	Pt oz (millions)
Tailings Dam	Indicated	48.1	0.69	0.6

Marula Platinum

Marula Platinum comprises the farm Winnaarshoek 250 KT as well as the mineral rights associated with the adjacent farm Clapham 118 KT, and portions of Driekop 253 KT and Forest Hill 117 KT. (See map on page 62).

Extensive exploration drilling has been conducted targeting specifically the UG2 Chromitite Layer from the outcrop to 600m below surface. The exploration results have facilitated mine planning in respect of the underlying geological structure, grade, resources and reserves estimates and the rock engineering requirements for mechanised mining. The mine will utilise a mechanised pillar and stall mining method with dense media separation to remove waste.

Grade estimates at Marula Platinum were obtained by means of ordinary kriging of reef intersections derived from 526 surface boreholes.

Mineral Resources and Mineral Reserves> Mineral rights and mineral leases on the farms Winnaarshoek 250 KT, Driekop 253 KT and portions of the farms Clapham 118 KT and Forest Hill 117 KT, comprising 5 496ha

Mineral Reserves as at 30 June 2002 (limited to 600m below surface)

Orebody UG2	Category	Tonnage (millions)	Grade 5 PGE & Au (g/t)	Pt oz (millions)
Total	Probable	53.8	3.68	2.3

Mineral Resources as at 30 June 2002 (limited to 1 000m and 1 300m below surface for Merensky and UG2 respectively)

Orebody	Category	Tonnage (millions)	Grade 5 PGE & Au (g/t)	Pt oz (millions)
Merensky	Indicated	127.1	3.33	7.3
UG2	Indicated	83.7	3.30	3.7
Total		210.8	3.32	11.0

The resource estimates are based on mechanised mining scenarios over a 170cm mining cut.

Crocodile River Mine

Grade estimates at Crocodile River Mine were obtained by inverse distance weighting techniques derived from 139 surface boreholes.

Mineral Resources and Mineral Reserves> Mining licenses and mineral rights covering 9 735 ha.

Mineral Reserves as at 30 June 2002 (limited to 1 000m below surface)

Orebody	Category	Tonnenage (millions)	Grade 5 PGE & Au (g/t)	Pt oz (millions)
UG2	Proved	0.5	3.39	0.03
	Probable	8.3	4.53	0.59
Tailings Dam	Proved	0.9	1.95	0.03
Total		9.7	4.23	0.65

Mineral Resources as at 30 June 2002 (limited to 1 000m below surface)

Orebody UG2	Category	Tonnenage (millions)	Grade 5 PGE & Au (g/t)	Pt oz (millions)
Total	Indicated	16.0	5.53	1.4

Kennedy's Vale

Grade estimates at Kennedy's Vale were obtained by means of ordinary kriging of reef intersections derived from 170 surface boreholes.

Mineral Resources and Mineral Reserves> Mineral rights on the farms Kennedy's Vale 361 KT, De Goedeverwachting 332 KT , Belvedere 362 KT and a portion of Boschkloof 331 KT, all comprising 6 734 ha.

Mineral Resources as at 30 June 2002 (limited to 1 450 m below surface)

Orebody	Category	Tonnenage (millions)	Grade 5 PGE & Au (g/t)	Pt oz (millions)
Merensky	Indicated	274.1	2.60	12.3
UG2	Indicated	287.0	3.62	15.3
Total		561.1	3.12	27.6

The resource estimates are based on mechanised mining scenarios over a 170cm mining cut.

Data has been compiled by a team of professionals, with the appropriate experience in the evaluation, estimation, exploitation and reporting of mineral resources and mineral reserves relevant to the style of mineralisation and type of deposits under consideration.

Competent Person:

P. Mellowship

Pr.Sci.Nat. B.Sc. (Hon), M.Sc.

Consulting Geologist (Operations): Impala Platinum Limited.

The competent person has 28 years experience in a wide range of mineral and mining projects, of which 16 years have been in the evaluation and exploitation of Bushveld PGM deposits.

For the Glossary of Terms (Reserve and Resource Definitions), see pages 106 to 108.

Attributable ounces

In addition to its own Mineral Reserves and Mineral Resources of 23.8 and 75.4 million platinum ounces respectively, Implats has access to 50.4 million attributable platinum ounces through its equity participation in Two Rivers, Zimplats, Mimosa, Aquarius and Lonplats. These reserves and resources have not necessarily been defined in terms of the SAMREC code and have not been verified by the competent person. The extent of this interest is set out below.

Implats' indicative platinum ounces (millions)

Implats	Mineral Reserves	23.8
Implats	Mineral Resources	75.4
Attributable ounces		
Two Rivers, Zimplats, Mimosa, Aquarius		39.0
Lonplats*		11.4
Total		149.6

** Based on latest available public information*

Traditional healers play a vital role in educating communities surrounding Implats operations about HIV/AIDS

SUSTAINABLE DEVELOPMENT

Long-term commitment

Mining and refining of platinum group metals (PGMs) on the scale undertaken by Implats brings with it obligations of governance, stewardship and ethical practice. Implats recognises this and endeavours in all its operations – from exploration to mining, refining, marketing, and in the consumption of natural resources, the employment of thousands of people at its operations and in its interaction with the communities surrounding its operations and in broader civil society – to balance the company's impact on the social, economic and environmental spheres in which it operates. It does this in such a way as to ensure that the impact of the company today will contribute towards society in the future.

Although the concept of sustainable development is integral to the operation of the company and its issues and consequences are discussed throughout the document, three areas in particular are reported on separately, namely, HIV/AIDS, the environment and social investment.

HIV/AIDS

The management of HIV/AIDS remains a vital challenge for Implats, along with the rest of the South African mining industry.

HIV/AIDS committee> Implats' programmes are directed by a collaborative union/management HIV/AIDS committee. The committee, comprising three management, two medical and 12 union representatives, meets on a monthly basis and is guided by an agreed HIV/AIDS policy, based on the principles laid down by the World Health Organisation and the International Labour Organisation.

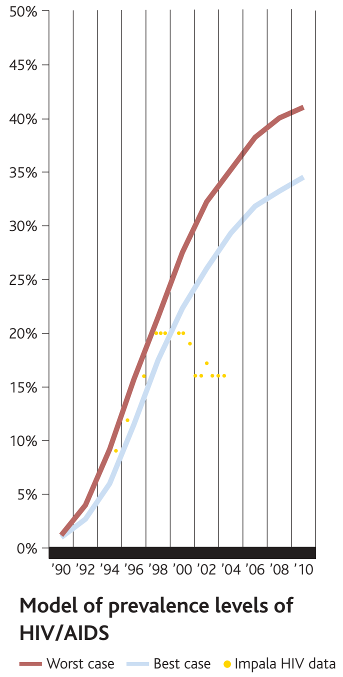
Primary aims of Implats' HIV/AIDS policy> The primary aims of Implats' HIV/AIDS policy are to:

- Limit the number of new infections among employees and their families
- Ensure the rights of employees who are HIV positive are protected and respected
- Provide counselling and support services to employees living with HIV and AIDS
- Minimise the spread of the disease and its impact, both within the company and local communities
- Provide guidelines on managing the disease in the workplace

Establishing the extent of the problem> A primary task of the committee has been to establish and understand the nature and magnitude of the problem that is being faced. Key amongst these were: establishing prevalence levels; establishing levels of awareness; understanding risk behaviour; and establishing the progression of the disease.

Key features – HIV/AIDS

- *Remains a vital strategic and operational challenge*
- *Union/management task team to implement best practice*
- *Infection levels appear to have levelled at 17%*
- *Actuarial studies indicate costs to company are manageable*



Model of prevalence levels of HIV/AIDS

The actuarial model commissioned by Implats in respect of HIV/AIDS resulted in a best and worst case scenario. Plotted against this is the most recent prevalence level data at Impala Platinum which shows a levelling off of infection levels at 17%, well below expectations

With full union co-operation and support, the committee has conducted a number of random anonymous surveys and used de-linked pre-operative data gathered by Impala Medical Services to establish actual prevalence rates. The data indicates a levelling off in infection rates at around 17%, well below original projections and is an indication of the effectiveness of the interventions.

A number of indicators were studied to assess the levels of risk behaviour amongst employees, including condom distribution and consumption, the incidence of sexually transmitted infections (STIs) and the results of independent surveys. There has been some measure of success in all three. Implats distributes over 50 000 condoms per month; STIs are closely monitored and aggressively treated and STI rates have shown significant year-on-year reductions. The most recent Markinor survey found that 70% of employees had changed their sexual behaviour as a result of awareness and education programmes.

Implats' efforts are directed in two areas, namely, preventing the transmission of HIV among new and existing employees; and managing the impact of HIV/AIDS on infected employees and on the company.

The education of new employees is receiving particular attention given the growth at Implats – and hence recruitment for the first time in many years – and the fact that the level of awareness in new recruits is likely to be lower than that of Implats' own employees. Also, many employees are drawn from communities where the rate of HIV infection is higher than the levels amongst Implats' employees.

A particularly successful intervention has been the use of HIV positive peer educators who share their life experiences to help destigmatise the disease and educate fellow employees regarding the realities of HIV. Efforts have been extended into neighbouring communities, where work is conducted in partnership with various authorities, youth and community groups and faith-based organisations. As well as offering treatment for STIs, home-based care programmes have been extended to local communities for employees and non-employees alike. Another intervention has been to use traditional healers practising in the surrounding communities.

As far as the HIV-infected employee is concerned, Implats tries to meet his or her needs as far as possible while at the same time balancing this with the needs and capacity of the company. The company provides confidential counselling and testing, as well as care for infected employees through the wellness programme and medical support for the treatment of opportunistic infections or when the employee becomes ill. Employees are encouraged to participate in the voluntary counselling and testing programme and wellness clinics if they prove to be HIV positive. About half of the projected HIV positive employees at Impala have already been diagnosed, which is a considerable achievement given the extent of denial and stigma attached to the disease in southern Africa.

Alternative employment opportunities are provided to ill employees where this is possible. If not possible, medical disability benefits may be granted to employees who are no longer able to work. Home-based care initiatives are also supported in the communities around the operations and from where employees are drawn. Three major initiatives that Impala is involved in are the day care and home care Tapologo project in Rustenburg, the rural areas support programme Hlupelile project in the Eastern Cape and Lesotho, and the Gamo project in Ganyesa in the North West Province.

Financial model (1) – Assuming no further improvement

R million

	Medical cost	Absenteeism cost	Maintain productivity	Training costs	Funeral costs	Total cost
FY02	2.99	3.51	2.57	7.96	1.79	18.82
FY05	8.95	9.24	7.59	9.78	4.21	39.77
FY11	17.24	17.30	22.93	22.04	6.47	85.98

Financial model (2) – Reduce new infections by 50%

R million

	Medical cost	Absenteeism cost	Maintain productivity	Training costs	Funeral costs	Total cost
FY02	2.97	3.42	2.41	7.13	1.73	17.66
FY05	8.68	8.07	7.23	8.53	3.74	36.25
FY11	8.98	8.76	11.62	12.95	3.48	45.79

Based on: Current prevalence levels. Rate of new infections half of rest of SA

Above: Two scenarios were developed for Implats' actuarial model. In the first (with no further improvement), the cost to the company is likely to be in the region of US$9/oz. In the second (Reduce new infections by 50%) the cost will be US$5/oz. The latter is regarded as the most likely scenario

Impact on employees> Despite all these efforts, AIDS has had an impact on Implats' employees. During FY2002, 98 employees died as a result of AIDS, and 404 employees became ill and elected to receive medical incapacitation benefits through the Impala Workers Provident Fund.

Impact on the company> To ensure that the company is effectively managing the financial impact, Implats commissioned the development of an actuarial model in 2001. The model provides cost projections based on a wide range of scenarios. Based on current numbers, and assuming that no further improvement in managing the impact of the epidemic, the cost at the peak of the epidemic in 2011 will be in the region of US$9/oz. In a second scenario, assuming that Implats manages to reduce its infection rates by 50%, costs would decrease to about US$5/oz. Given current infections levels and the apparent success of Implats' programmes, this scenario is achievable and is regarded as the most likely scenario for Implats.

Above: Educating new employees is an important element of Impala's HIV prevention programme.
Right: Traditional healers are also integral to Impala's education programme. A group of healers display their HIV/AIDS training certificates

Environment

Implats' environmental strategy is underpinned by international environmental standards embodied in ISO 14 001. In terms of this, the company aims to optimise resource usage, decrease wastage at source, design all new processes to minimise their environmental impact and reformulate existing processes wherever practicable to reduce their environmental input.

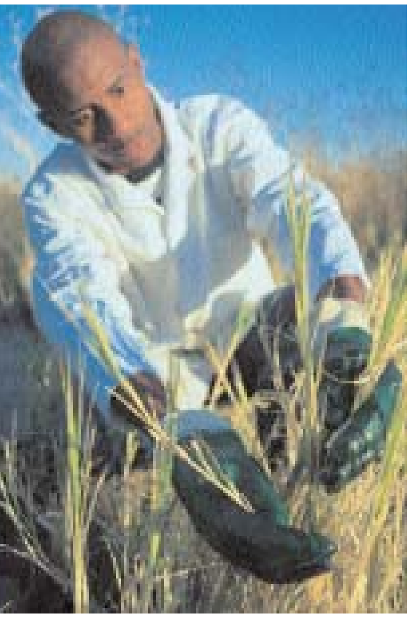
An integrated environmental, health, safety and quality policy was developed during the year through consultation between management and employee representatives.

Systems and programmes> Impala Refineries maintained its ISO 14 001 accreditation during the year as well as its NOSCAR status (which includes environmental performance). To expedite the ISO 14 001 accreditation process at Impala's mining operations, a full-time ISO 14 001 co-ordinator has been appointed. A number of internal environmental audits were undertaken during the year while the ISO 14 001 certification audit is scheduled for third quarter of FY2003. ISO 14 001-based Environmental Management Systems are also being implemented at Crocodile River and Marula Platinum.

An EMPR was submitted to and approved by the Department of Minerals and Energy for the Marula Project in January 2002. Applications for water permits for this project have been submitted to the Department of Water Affairs.

Air quality> A successful feature of the year was the development of an air quality management programme at Impala's Mineral Processes to reduce SO_2 and dust levels, thereby minimising exposure levels in the workplace and ambient environment. The acid plant availability improved significantly to above 90% in FY2002 as part of this initiative resulting in a significant increase in SO_2 capture efficiency at the smelter operations.

During the year national SO_2 regulatory limits were reduced in line with World Health Organisation standards. In anticipation of this, continuous particulate monitors (measuring inhalable particulate matter of less than 10 microns) were installed in the SO_2 ambient stations during the last quarter of FY2002 at a cost of some R750 000. Dust measurement devices have now also been added specifically to monitor dust levels from tailings dams.



Eugene Ngwenya, inspecting the results of the "wood chips" project to rehabilitate tailings dams at Impala Platinum

Key features – Environmental

- *ISO 14 001 accreditation at refineries*
- *ISO standards implemented at Impala, Crocodile River and Marula Platinum*
- *EMPR approved for Marula Platinum*

IMPLATS

IMPALA PLATINUM HOLDINGS LIMITED

ENVIRONMENTAL, HEALTH, SAFETY & QUALITY
POLICY STATEMENT

Impala Platinum Holdings Limited (Implats), is a producer of platinum group metals for world markets. We are committed to operate our mining and associated operations in a responsible manner to minimise impacts on the environment and to ensure the well being of the community and our employees.

To achieve world class environmental, health, safety and quality standards we are committed to:

- Integrate environmental, health, safety and quality management into all aspects of our business.
- Comply with relevant environmental, health and safety legislation.
- Prevent harm to the environment, the community and our employees by focussing on pollution and accident prevention.
- Promote environmental, health, safety and quality awareness amongst our employees and the community.
- Minimise emissions, effluent, resource consumption, waste generation and health stressors.
- Reduce HIV/AIDS and other contagious diseases amongst our employees and the local community by promoting awareness.
- Maintain open relations with all stakeholders.

This policy will be regularly reviewed to ensure that it adequately reflects our commitment to continually improve our environmental, health, safety and quality management systems and performance.

Chief Executive Officer

National Union of Mine Workers

Mine Workers Union

United Association of South Africa

An integrated environmental health, safety and quality policy was developed during the year through consultation between management and employee representatives. This was launched at the operations on 21 August 2002

Implats will reduce SO_2 emissions to atmosphere by 50%, with the installation of new technology to clean the electric smelter exhaust gas. The process was selected after research into sulphur removal processes around the world. The R65 million (US$6.5 million) project is due for commissioning in August 2002. The new plant will incorporate a wet gas scrubbing system to eliminate dust emissions from furnace gas.

Impala continues to play a pivotal role in the Rustenburg Air Quality Forum, which comprises other producers, government departments, local municipalities and non-governmental organisations (NGOs). The aim of the forum is to monitor and report air quality in the Rustenburg area. A key objective for the year ahead is to establish a similar forum in Springs, so that each participating industry may characterise its emissions and determine and minimise its areas of

Implats has played a leading role in planning for the impact and contribution that mining will make to the eastern Bushveld area

PLANNING FOR IMPACT

As mining companies are increasingly moving into the eastern limb of the Bushveld Complex in South Africa's Mpumalanga and Limpopo provinces, Implats has played a leading role in planning for the impact and contribution that mining will make to this region. The region is currently rural in nature with limited capacity at municipal level to plan, implement and operate the supporting infrastructure required for such an extensive development and its impact. Sectional plans are required, incorporating aspects such as proper resource planning, management planning, services and implementation planning for water, transport and electricity. For example, the longer term water requirements of all envisaged water users (the mining industry, secondary industry, agricultural users, domestic use, etc) in the area exceeds by far the water available in the catchment area.

Owing to the nature of the developments envisaged, planning has to be integrated, taking cognisance of the human resources and bulk infrastructure requirements of the mining industry as well as the supporting municipal infrastructure and institutional capacity (social infrastructure, urban development, informal settlements, municipal systems, etc).

Building capacity in respect of government and community structures, with a view to addressing local community development needs therefore became an area of increasing focus for Implats' environmental efforts at Marula during FY2002. During the year

- Implats initiated a process to establish a joint mining industry effort to address development in an integrated way. This Steelpoort Valley Producers Forum (consisting of all the mining companies in the area) will address the need for capacity building in respect of government and community structures.
- A joint development forum represented by members of the Producers Forum and Sekhukhune District Council has been formed, common needs agreed upon and strategies to address these needs were jointly approved.
- Four joint technical task teams were formed to produce work plans on these needs. Implats is co-funding a range of initiatives, such as the special development plan for the Sekhukune mining corridor and for the central Tubatse area, node plans, water plans, and research programmes on education and small business enterprise development requirements.

During FY2003, work will focus on developing business plans for the provision of water, housing and services as well as on facilitating HIV/AIDS programmes.

influence. At the refineries, on-line gas analysis of stack emissions is conducted and, although emissions meet legal requirements, further improvements are being sought.

Water> During the year, the company implemented a long-term water management plan as part of a strategy to reduce water consumption, improve water quality and achieve zero-effluent discharge. Water monitoring is done continually to ensure that no pollution of the surrounding ground-water system or surface water takes place. The latter is particularly important at Crocodile River Mine as it is located alongside a major water source. More than R20 million has been allocated to water management projects over the next two years.

An objective for the year ahead is to reduce fresh water consumption by 10% across Implats. During 2002, refineries in fact reduced its water intake despite an increase in overall PGM production.

Reotsepile Tlhapane, an environmental officer at Impala Platinum, taking a water sample as part of the company's water quality monitoring programme

Rehabilitation> During FY2002, rehabilitation of open cast mining areas on all operations continued. Backfilling of open cast sections at Crocodile River takes place concurrently with mining as far as this is possible.

A field test for the woodchip/vegetation project on Impala's tailings dam complexes will commence at four test areas during FY2003. This follows laboratory test work undertaken by Impala over the past three years in conjunction with Potchefstroom University's Environmental Management Unit to investigate methods to improve sustainable vegetation on its tailings dams to ensure complete rehabilitation at the end of mine life.Community-based organisations will run this project as part of a social development programme. If successful, the technology will be employed as the standard method of rehabilitation of the tailings dam complexes and will provide an opportunity for the involvement of small and medium enterprises in local communities.

Waste management> Following extensive stakeholder engagement, an Environmental Impact Assessment (EIA) has commenced for a new waste landfill site adjacent to the Impala Lease Area for use by both Impala and local communities. The required reports, which form part of the EIA process, were submitted to the relevant authorities for approval during the year and, once the landfill permit has been obtained, construction of the landfill will commence. The project is being undertaken in collaboration with the Royal Bafokeng Administration. Local community members will be trained in landfill management and the operation of the site will be outsourced to local community-based organisations.

An important area of focus for Implats is the reduction of waste at source, including recycling, re-use by suppliers and the reduction of material coming into stores. Alliances with other industries for the recycling of waste is being investigated. A procurement task team has been set up to address this.

Stakeholder engagement> Implats is committed to engaging with stakeholders in respect of current and potential impacts that its operations may have on the communities surrounding its prospective, new and existing operations.

At Crocodile River Mine a forum, comprising the mine, the local community, regulatory authorities and the government departments, meets on a quarterly basis to discuss the impact of the mine on interested as well as affected parties and other issues.

Implats has played a leading role in investigating and identifying key stakeholder issues and in the development of the appropriate structures to discuss, coordinate and manage the impact on communities and the region as a whole as a result of new mining operations on the eastern limb of the Bushveld Complex in the Limpopo and Mpumalanga provinces. Implats' flagship operation in this area is Marula Platinum, although exploration is also undertaken at Kennedy's Vale.

“Implats’ corporate social investment philosophy and function is broadly underpinned by the concept of sustainable development”

Reporting and accountability> In March 2002, Impala published an initial Environment, Health, Safety and Community Review. Implats as a whole will produce a detailed annual report in the future to be published every calendar year.

Implats has adopted the ISO 14 000 incident reporting system. All but one of the incidents reported during the year were minor. The one major incident – relating to SO_2 emission during the start-up of the sulphuric acid plant was immediately rectified and did not have any residual impact.

Environmental management forms an integral part of Implats’ overall management systems. Line management is supported by a small group of environmental professionals who guide and advise as required. Overall, environmental issues are dealt with by an executive Health, Safety and Environmental (HSE) committee, which in turn reports to a board level HSE standing committee. Environmental projects and rehabilitation are funded by the operations as part of running costs, while all operations are sufficiently funded for closure.

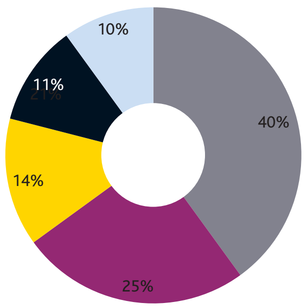
Corporate social investment

Implats’ corporate social investment philosophy and function has, over the years, been broadly underpinned by the concept of sustainable development. The policy of the Impala Community Development Trust (ICDT) is to act as facilitator rather than as sole sponsor of social investment projects. In this way the long-term sustainability of projects is encouraged, additional donors are attracted and former disadvantaged communities are empowered. By pooling its resources with that of other donors, non-governmental organisations (NGOs), community-based organisations (CBOs) and other mining companies, the impact of the ICDT’s effort is more significant than would otherwise be the case.

The ICDT contributes to interventions on five levels

- At an international level, by assisting in attracting foreign-donor support for local projects;
- At a national level, by addressing a range of national needs and issues. It supports the National Business Initiative (NBI), which is a collective effort by government and corporate business to address issues on a macro level.
- At provincial level, by working closely with government departments in North West Province, Limpopo Province, Mpumalanga and Gauteng, particularly as new mining projects get under way. The ICDT also works closely with various government departments, including Education and Health.
- At local government level, by participating in forums comprising the mining industry and local community structures to develop access to resources available on a national level and to ensure its plans are integrated within a national and regional framework;
- At a local community level, by addressing a host of economic, environmental, health and social issues in the communities in which Impala operates, and from the rural areas from which the company draws its employees.

During FY2002, the ICDT continued to provide financial support of about R10 million as well as other support, such as technical support and expertise, to address education and training, health care, small business development and environmental needs in the areas in which



Social investment expenditure

- Education
- Health care
- Small business development
- Environmental
- Other

it operates. This funding was directed at a range of institutions and projects in the establishment and development of which Implats has played a role so that they can make a meaningful and significant contribution to their communities.

Education and training

Implats has made a substantial contribution towards education and training, particularly in the North West Province, where Impala's mining operations have traditionally been concentrated.

Since its establishment in 1998, the North West Education Trust has, successfully attracted R66 million from local and international donors based on seed funding provided by the ICDT. The Trust has overseen, amongst others, the provision of some 222 classrooms, the construction of nine administration blocks, the renovation of 13 schools, the fencing of 19 schools and the provision of water to a further 71 schools. An ICDT board member still serves on this Trust and, during FY2002, funding and land was made available to build a school in Sunrise Park, Rustenburg.

The development of human resources within schools, with a specific focus on maths, science and English teaching, and school governance as well as the supply of materials such as books and furniture, received as much attention as the physical upgrading of schools. Supported by other co-sponsors, the human resource development programme was expanded through the following initiatives:

Edumap> This cost-effective and successful programme is aimed at closing the gap between secondary and tertiary education by providing a foundation year programme for engineering students. Eleven students selected from the North West and Limpopo Provinces were sponsored to attend this programme during FY2002.

"Implats has made a substantial contribution towards education and training"

Kgatolopele Initiative> This programme, which started in 1992 with six schools, has been extended to 150 primary schools clustered under the auspices of the Centre for Education Support and Development in the North West Province. The initiative is aimed at improving the standard of mathematics, science and literacy teaching as well as school management. A substantial improvement has been recorded in the results of pupils participating in the programme. A systematic intervention to ensure the sustainability of this project was initiated in 2000. This has been successful to the point where the project no longer relies on donor funding. Implats has contributed some R4.4 million to this initiative.

Community Centres> The ICDT continued its support for the Adult Basic Education Centre in Springs, the Tsolofelo Community College in Boitekong and the Rustenburg CDC in Tlhabane. Cumulatively, these projects have produced 120 pupils passing all their subjects in engineering, 113 in commerce, 250 in different levels of ABET, 155 skills graduates, 104 entrepreneurial and 80 IT programme certificates. The ICDT subsidises these facilities at a decreasing rate to avoid dependency and to ensure longer-term sustainability.

School Assistance Programme> R3.2 million was allocated during FY2002 to address specific requirements ranging from renovations to providing school desks.

“A key area for the ICDT in the health care sphere is support for programmes focusing on the HIV/AIDS epidemic”

Health Care

A key area for the ICDT in the health care sphere is support for programmes focusing on the HIV/AIDS epidemic, especially for the people living in the informal settlements and villages near Implats’ operations. This includes:

Tapologo Home-Care Project> The Tapologo Home-Care project received R350 000 to increase the number of home-care nurses from 60 to 100. These home-based care nurses provide over 1 000 counselling and support services per month to those who are ill and their families.

AIDS Clinic/Day-Care Centre> Some R860 000 has been provided towards a day-care centre to provide education programmes and to co-ordinate outreach programmes (drug abuse, welfare, orphanages, etc). Construction of this centre is in progress.

The Hlalaphilile Home-Care Programme> Some R250 000 was provided towards a home-based care programme run by TEBA in rural areas. This has become important as ex-employees from the industry (including Impala) return home once they have been diagnosed with HIV/AIDS or have become ill as a result of the disease.

Small and Medium Business Development (SME)

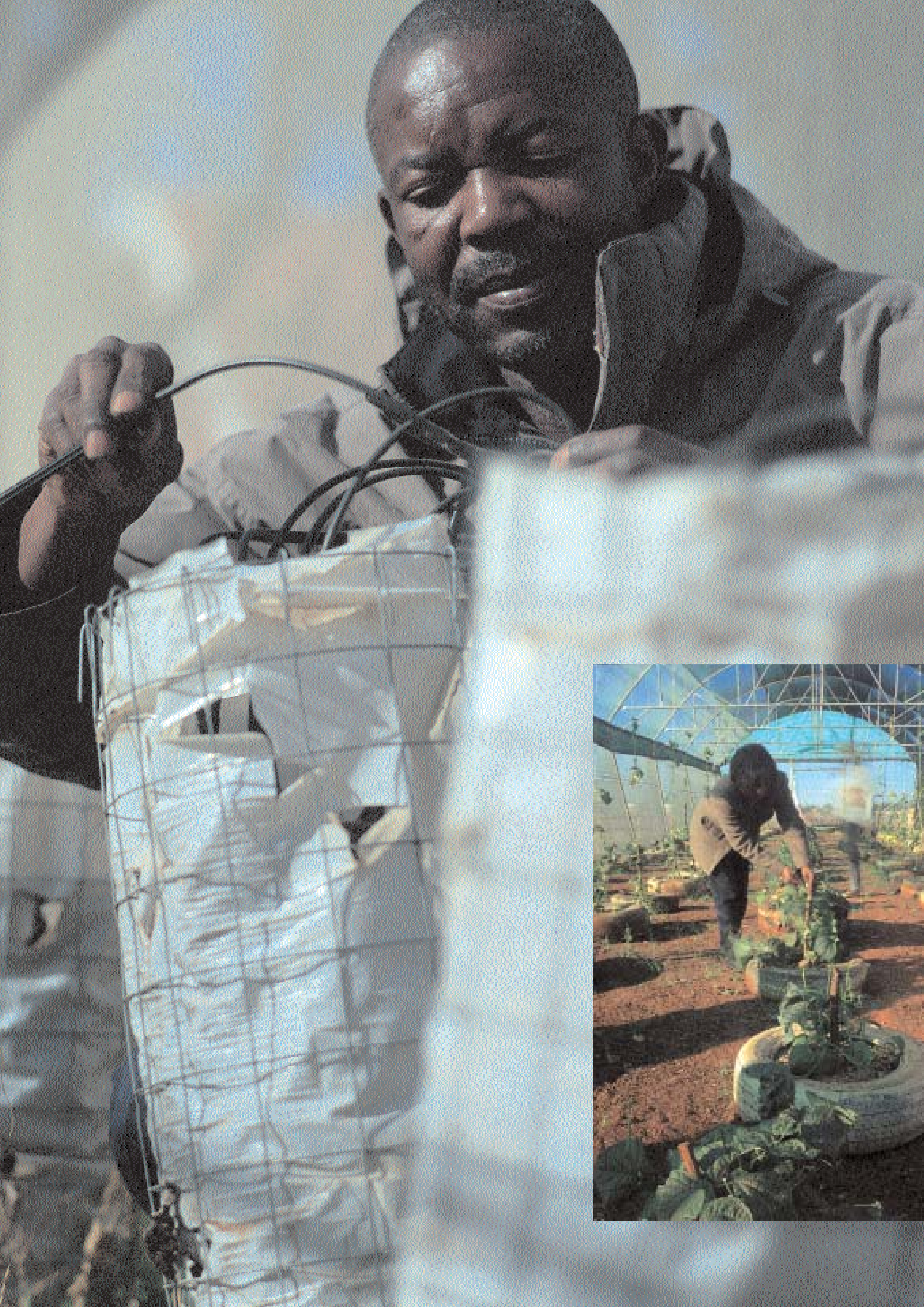
During FY2002, Implats continued its support of the development of business plans for and the implementation of a number of projects in the small and medium enterprises sector at a cost of about R1 million. The development of this sector is a crucial element in job creation and economic upliftment particularly within previously disadvantaged communities. Support was provided to the following projects during FY2002:

Wood chips project> The ICDT contributed towards the development of the business plan for the operation by a local CBO of the wood chip project. This project comes out of Impala-led research into the rehabilitation of tailings dams.

Hawkers project> The ICDT assisted with the compilation of a business plan for the hawkers project. In a pilot study adjacent to Impala’s 6 shaft, a more formal, structured system is being put in place to enable local hawkers to sell their produce to employees.

Pretoria Technikon jewellery training project> Together with other producers, Impala has funded the creation of the Hans Merensky Platinum Jewellery Studio at Pretoria Technikon. The studio will train platinum jewellery designers and manufacturers and is the first of its kind in South Africa.

Marang Women project> This project, located in the Phokeng district near Impala Platinum aims to train rural women in agricultural skills, specifically bee-farming. Implats has provided financial assistance to the project for the technical training of 20 women.



Environmental

During FY2002, Implats contributed R1 million towards a number of pilot studies to test the sustainability of environmental projects. These projects included:

Left: As part of its corporate social investment, Implats grants assistance to various small businesses, including Obed Mtshegang, who cultivates vegetables such as spinach, in sawdust, and irrigated by means of hydroponics

Below: The Marang Women in Agriculture group seen here harvesting French beans

Raumane Sepeng Permaculture project> Raumane Sepeng is a primary school situated in Thlabane Township near Rustenburg in Nort West Province which owes its funding to its efforts and success in greening their environmental waste management activities. The Permaculture project supported by Implats comprises: A tree and seedling nursery which produces trees, plants, flowers and herbs for own use and sale to surrounding communities; a community project for food cultivation and the creation of self-employment opportunities; an outdoor classroom for surrounding schools to learn permaculture skills and to serve as a valuable tool in Outcomes Based Education.

Hydroponics> In a joint venture with the Development Bank of South Africa , the ICDT sponsored an investigation into the viability of expanding the pilot 90m^2 hydroponic study serving a community market to serve a commercial market within an 80km^2 radius of Rustenburg. The study identified the financial and institutional requirements of other agricultural activities (intensive fish farming, dairy, poultry, baby vegetables and organic farming) as well. A number of lessons have been learnt and problems have been identified which will assist Implats in objectively evaluating applications and identifying viable proposals in this sector.

Informal housing strategy> A comprehensive study has been compiled for the Greater Rustenburg area on the so-called "Platinum Corridor" in North West Province by the Housing Strategy Forum, which comprises the major mining companies, local government authorities and the Royal Bafokeng Administration. The report identified five unique functional areas or geographic zones. Implats' activities are mostly confined to the informal settlements of Kone/Shashalaze, Meriteng and Wildebees/Freedom Park. This area includes more than 5 000 informal dwellings. Based on the information gathered in this report, Implats is now focusing on the development of an emergency management strategy in the affected areas to identify short-term actions that can be implemented. They are aimed at the provision of the most basic needs to these communities, in line with the medium to longer terms strategy for the area.

GLOSSARY OF TERMS

Basket price> Price index of the basket of metals comprising platinum, palladium, rhodium and nickel, expressed per ounce of platinum, multiplied by the individual metal prices, in the production ratio.

Concentrating> A process of splitting the ground ore in two fractions, one containing the valuable minerals, the other waste.

Cost per tonne/refined platinum ounce/refined PGM ounce> The cost of mining, concentrating, smelting, refining, marketing, corporate office and prior year insurance refund expressed per unit of measure.

Decline> A shallow dipping mining excavation used to access the orebody.

Dense media separation> A means of separating reef from waste exploiting differences in density.

Development> Underground excavation for the purpose of accessing ore reserves.

DIFR> Number of disabling accidents expressed as a rate per million man hours worked.

g/t> grammes per tonne. The unit of measurement of grade, equivalent to parts per million.

Headgrade> The value, usually expressed in parts per million or grammes per tonne, of the contained mineralisation of economic interest in material delivered to the mill.

In situ> In its natural position or place.

IRS> Impala Refining Services Limited

Kriging> A geostatistical estimation method that gives the best-unbiased linear estimates of point values or of block averages.

Laterite> Residual soil, or surface product, developed in situ from the atmospheric weathering of rocks. Especially characteristic of humid tropical and subtropical regions.

LTIFR> Number of lost time injuries expressed as a rate per million man hours worked.

Merensky Reef> A horizon in the Critical Zone of the Bushveld Igneous Complex often containing economic grades of PGM. The term "Merensky Reef" as it is generally used refers to that part of the Merensky unit that is economically exploitable, regardless of the rock type.

Milling> Grinding of ore into fine particles to expose the valuable minerals.

NOx> Nitrous oxides contained in exhaust emissions.

PGE> Platinum group elements comprising six elemental metals of the platinum group. The metals are platinum, palladium, rhodium, ruthenium, iridium and osmium.

PGMs> Platinum group metals being the metals derived from PGEs.

Return on assets (ROA)> ROA is calculated using current year attributable income expressed as a percentage of fixed assets and investments as at the balance sheet date.

Return on equity (ROE)> ROE is calculated using current year attributable income expressed as a percentage of the opening balance of shareholders' equity.

Room and pillar> Underground mining method where ore is extracted from rectangular shaped rooms, leaving parts of the ore as pillars to support the roof. Pillars are usually rectangular and arranged in a regular pattern.

Seismic surveys> A geophysical exploration method whereby rock layers can be mapped based on the time taken for energy reflected from these layers to return to surface.

SMAT> Safety management and training system.

Smelting> A smelting process to upgrade further the fraction containing the valuable minerals.

Stoping> Underground excavations to effect the removal of ore.

UG2> A distinct chromitite horizon in the Critical Zone of the Bushveld Igneous Complex often containing economic grades of PGM.

Resource and reserve definitions

SAMREC Code – The South African Code for Reporting of Mineral Resources and Mineral Reserves sets out minimum standards, recommendations and guidelines for Public Reporting of Exploration Results, Mineral Resources and Mineral Reserves in South Africa. SAMREC was established in 1998 and modelled its Code on the Australasian Code for Reporting of Mineral Resources and Ore Reserves ('JORC Code').

A ***'Competent Person'*** is a person who is a member of the South African Council for Natural Scientific Professions (SACNASP), or the Engineering Council of South Africa (ECSA), or the South African Council for Professional Land Surveyors and Technical Surveyors (PLATO) or any other statutory South African or international body that is recognised by SAMREC. A Competent Person should have a minimum of five years experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which that person is undertaking. If the Competent Person is estimating, or supervising the estimation of Mineral Resources, the relevant experience must be in the estimation, assessment and evaluation of Mineral Resources. If the Competent Person is estimating, or supervising the estimation of Mineral Reserves, the relevant experience must be in the estimation, assessment, evaluation and economic extraction of Mineral Reserves.

A ***'Mineral Resource'*** is a concentration [or occurrence] of material of economic interest in or on the Earth's crust in such form, quality and quantity that there are reasonable and realistic prospects for eventual economic extraction. The location, quantity, grade, continuity and other geological characteristics of a Mineral Resource are known, estimated from specific geological evidence and knowledge, or interpreted from a well constrained and portrayed geological model. Mineral Resources are subdivided, in order of increasing confidence in respect of geoscientific evidence, into Inferred, Indicated and Measured categories.

An ***'Inferred Mineral Resource'*** is that part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that may be limited or of uncertain quality and reliability.

An ***'Indicated Mineral Resource'*** is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed.

A ***'Measured Mineral Resource'*** is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a high level of confidence. It is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are spaced closely enough to confirm geological and grade continuity.

A ***'Mineral Reserve'*** is the economically mineable material derived from a Measured and/or Indicated Mineral Resource. It is inclusive of diluting materials and allows for losses that may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, including consideration of, and modification by, realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction is reasonably justified. Mineral Reserves are sub-divided in order of increasing confidence into Probable Mineral Reserves and Proved Mineral Reserves.

A ***'Probable Mineral Reserve'*** is the economically mineable material derived from a Measured and/or Indicated Mineral Resource. It is estimated with a lower level of confidence than a Proved Mineral Reserve. It is inclusive of diluting materials and allows for losses that may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, including consideration of, and modification by, realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction is reasonably justified.

A ***'Proved Mineral Reserve'*** is the economically mineable material derived from a Measured Mineral Resource. It is estimated with a high level of confidence. It is inclusive of diluting materials and allows for losses that may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, including consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction is reasonably justified.

CORPORATE GOVERNANCE

Implats supports and has applied the Code of Corporate Practices and Conduct as advocated in the King Report on corporate governance. Following the release of the King II report in March 2002, a full review by PricewaterhouseCoopers Inc of corporate governance procedures was initiated at the company's request to identify areas of weakness or potential non-compliance with the requirements of King II.

Preliminary indications from this review are that, whilst there is in general substantial compliance by Implats with the requirements of King II, there are a number of areas where governance needs to be strengthened. Steps will be taken in the financial year to rectify potential problem areas. A summary of current compliance with the King I report is as follows:

Board of Directors

The board follows the unitary structure and retains full and effective control over the group. It meets on a quarterly basis to review the operational performance of the group, strategic issues, the business plan, acquisitions, disposals and other major contracts and commitments, group policies and stakeholders' reporting. There are seven non-executive members. There are three executive directors.

The positions of Chairman and Chief Executive Officer are separate. The Chairman of the board is an independent non-executive director. In addition, the independent directors are of such calibre and number that they carry significant weight in the board's deliberations and resolutions.

A number of standing committees of the Board has been established. These committees operate with written terms of reference and comprise, in the main, non-executive directors. The chairman of each committee is a non-executive director.

Remuneration Committee

The Remuneration Committee comprises three independent non-executive directors and is responsible for determining the group policies and structure with regard to executive remuneration, remuneration packages for executive directors and senior executives and the policy and strategy of employment.

Audit Committee

The Audit Committee, which meets on a quarterly basis, comprises solely independent non-executive directors. The role of the Audit Committee is to assist the board by performing an objective and independent review of the functioning of the organisation's finance and accounting control mechanisms. It exercises its functions through close liaison and communication with corporate management and the internal and external auditors.

Health, Safety and Environment Audit Committee

A Health, Safety and Environmental Audit Committee (HSE Audit Committee) is in place to monitor and review health, safety and environmental performance and standards. The primary role of the HSE Audit Committee is to supplement and support, and give advice and guidance on the effectiveness or otherwise of management's effort in the HSE arena. The committee consists of not less than four members. Employee representatives are invited to the committee meetings on a regular basis. The Chairman is an independent non-executive director.

Internal Control Systems

The group maintains accounting and administrative control systems designed to provide reasonable assurance that the accounting records accurately reflect that transactions are executed and recorded in accordance with sound business practices, that the assets are safeguarded and that protection is provided against serious risk of error or loss in a cost-effective manner.

An internal audit department, which holds regular meetings with management and the audit committee and has direct access to the Chairman of the board, independently monitors these controls.

Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls has occurred during the year under review.

Insurable Risks

With the hardening in insurance markets worldwide, particularly in the wake of the tragic events of 11 September 2001, the company has not been able to secure insurance coverage for all potential losses. The company has taken steps to ameliorate potential losses through a variety of methods including the use of cell captives, balance sheet provisioning and robust pure risk management programmes.

Despite the company's best endeavours, certain sub-limits within insurance policies have not allowed the company to gain full insurance cover. The specific risk item relates to the company's tailing dam which could, upon failure, result in an uninsured loss. To mitigate this uninsured loss, the company has stepped up monitoring procedures relating to the tailings dam.

Employee Participation

Employees throughout the organisation are actively involved on all Fixco committees. A quarterly Leadership Summit facilitates communication between management and employee representatives across the organisation. In addition, representatives of all unions serve on key committees such as the Impala HIV/AIDS committee.

Employment Equity Plan

The business plan of the organisation includes interventions to support the transformation process, to develop and empower our workforce and to accommodate both anticipated and recently promulgated legislation.

Our commitment to the process of "unlocking the potential" of our employees applies in particular to those who fall within the category of designated groups. All our developmental programmes, succession planning, career path programmes and bursary projects take cognisance of this commitment.

Numerous steering committees have been established and specific numerical targets to be achieved have been set over a five-year period to attain a discrimination free workplace. The planned target levels and the levels of achievement are set out in the table below.

Progress against targets has been pleasing, particularly at supervisory and management levels. What has been disappointing though has been the lack of progress at managerial level, although significant efforts have been focussed on this.

Employment equity targets

	CURRENT			FY2006**		
	Total employees	Total designated*	% designated*	Total employees	Designated* Goal	% Designated*
Senior management	78	5	6.4	51	12	23.5
Middle management	418	100	23.9	368	111	30.2
Skilled	1 774	652	36.7	1 818	808	44.4
Total	2 270	757	33.3	2 237	931	41.6

** The term "designated employee" refers to those employees designated in terms of the Employment Equity Act as having been historically disadvantaged.*

*** Negotiated targets as required in terms of the Employment Equity Act.*

Code of Values

The group has adopted a code of values governing the manner in which it is committed to do business with its stakeholders and, in particular, covering business integrity and development and safety of employees. The process whereby employees committed themselves to these values has resulted in the development of the principles of that code into a "Value Statement" which interprets those values in a practical and easily understandable form. All employees and directors are required to adhere to the ethical standards contained in this code.

The group observes a closed period of one month prior to the announcement of interim and year-end results, during which neither directors nor employees can deal, either directly or indirectly, in the shares of Implats or its listed subsidiaries.

BOARD OF DIRECTORS

From left, front: Keith Rumble, Michael McMahon, Cathie Markus, Mike Pleming, Vivienne Mennell

From left, back: Kgosi Leruo Molotlegi, Peter Joubert, David Brown, John Roberts, Daryl O'Connor

Non Executive Directors

Peter Joubert (69) *(Chairman)*
BA DPWM. Chairman, Delta Electrical Industries, Munich Reinsurance Company of Africa, Delta Motor Corporation, Director, Malbak, Murray & Roberts Holdings, Nedcor, Old Mutual plc. Joined the board in 1995.

Michael McMahon* (55)
Pr.Eng. BSc Mech. Eng. Director of Gold Fields Limited. Joined the group in 1990 as Managing Director, appointed Chairman in 1993 and a non-executive director in 2002.

Vivienne Mennell (59)
BA MBA FCMA THD. Joined the board in 1990 as financial director. Re-joined the board in 1998 as a non-executive director.

Leruo Molotlegi (34)
B.Arc Joined the board in 2000 as representative of the Royal Bafokeng Nation.

Daryl O'Connor (64)
CA (SA). Joined the board in 1995.

Mike Pleming (66)
Pr. Eng. FIMM. Director, Harmony Gold Mining Company. Joined the board in 1998.

John Roberts (60)
FCIS ACMA. Director, Barplats Investments Limited, Senwes Limited. Joined the board in 1998.

Executive Directors

Keith Rumble *(Chief Executive Officer)* **(48)**
BSc (Hons) MSc (Geo) Joined the group in 2001 in that capacity.

David Brown *(Financial Director)* **(40)**
CA (SA). Joined the group as Financial Director and appointed to the board in 1999.

Cathie Markus *(Director: Corporate Affairs)* **(45)**
BA LLB. Joined the group as legal adviser in 1991 and appointed to the board in 1998.

* British

Board Committees

Remuneration Committee
Michael McMahon *(Chairman)*
Peter Joubert
John Roberts

Audit Committee
Daryl O'Connor *(Chairman)*
Vivienne Mennell
John Roberts

Health, Safety and Environmental Audit Committee
Mike Pleming *(Chairman)*
Michael McMahon
Tony Scurr
Dirk Theuninck

MANAGEMENT

Senior Management

Keith Rumble
Chief Executive Officer

Gert Ackerman
Operations Executive – Mines

David Brown
Finance Director

Rob Dey
Group Engineering Manager

Paul Dunne
General Manager – Mineral Processes

Derek Engelbrecht
Marketing Executive

John Karlson
Executive – New Business

Cathie Markus
Director Corporate Affairs

Chris McDowell
Senior Manager – IRS

Humphrey Oliphant
Human Resources Executive

Les Paton
Senior Consulting Geologist

Dirk Theuninck
Operations Executive – Refineries

Paul Visser
Senior General Manager – Rustenburg

Management Committees

Executive Committee

Area of responsibility: Review of operations and the implementation of policies and strategies

Keith Rumble *(Chairman)*
Gert Ackerman
David Brown
Derek Engelbrecht
Rob Dey
John Karlson
Cathie Markus
Humphrey Oliphant
Les Paton
Dirk Theuninck

Risk Management Committee

Area of responsibility: Minimising risk to assets and income earning capacity

Keith Rumble *(Chairman)*
Gert Ackerman
David Brown
Chris McDowell
Francois Naudé
Johan van Deventer

Hedging Committee

Area of responsibility: Hedging metal sales and conversion of foreign exchange proceeds to rands

Keith Rumble *(Chairman)*
David Brown
Derek Engelbrecht
Johan van Deventer

Implats Environmental Management Committee

Area of responsibility: Managing and rectifying the impact which mining and processing have on the environment

Gert Ackerman *(Chairman)*
Paul Dunne
Pierre Lourens
Cathie Markus
Johan van Deventer
George Watson

New Business Committee

Area of responsibility – Identifying new business opportunities

Bob Gilmour *(Chairman)*
Paul Dunne
Les Jagger
John Karlson
Chris McDowell
Les Paton
Vinay Somera
Johan Theron
Dirk Theuninck

CONTENTS TO ANNUAL FINANCIAL STATEMENTS

APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

The annual financial statements for the year ended 30 June 2002, which appear on pages 117 to 165 have been approved by the Board of Directors on 22 August 2002.

The directors are responsible for the fair presentation to shareholders of the affairs of the company and of the group as at the end of the financial year, and of the results for the period, as set out in the annual financial statements. The directors are responsible for the overall co-ordination of the preparation and presentation and for the approval of the financial statements. Responsibility for the initial preparation of these statements has been delegated to the officers of the company and the group.

The auditors are responsible for auditing and reporting on the financial statements in the course of executing their statutory duties. The financial statements have been prepared on a going concern basis, conform with applicable accounting standards and are presented applying consistent accounting policies supported by reasonable and prudent judgements and estimates. To discharge this responsibility, the group maintains accounting and administrative control systems designed to provide reasonable assurance that assets are safeguarded and that transactions are executed and recorded in accordance with generally accepted business practices and procedures. The accounting policies of the group are set out on pages 129 to 132 of this report.

P G Joubert
Chairman

K C Rumble
Chief Executive Officer

CERTIFICATE BY THE COMPANY SECRETARY

I, the undersigned, in my capacity as Group Secretary, do hereby confirm that for the financial year ended 30 June 2002, Implats has lodged with the Registrar of Companies all such returns as are required of a public company in terms of the Company Act 61 of 1973, as amended, and that all such returns are true, correct and up to date.

A M Snashall
Group Secretary

REPORT OF THE INDEPENDENT AUDITORS

To the members of Impala Platinum Holdings Limited

We have audited the annual financial statements and group annual financial statements of Impala Platinum Holdings Limited set out on pages 117 to 165 for the year ended 30 June 2002. These financial statements are the responsibility of the directors of the company. Our responsibility is to express an opinion on these financial statements based on our audit.

Scope

We conducted our audit in accordance with generally accepted auditing standards in South Africa and in accordance with international auditing standards issued by the International Federation of Accountants. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatements. An audit includes:

- Examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements;
- Assessing the accounting principles used and significant estimates made by management; and
- Evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

Audit opinion

In our opinion, the financial statements fairly present, in all material respects, the financial position of the group and of the company at 30 June 2002 and the results of their operations and cash flows for the year then ended in accordance with South African Generally Accepted Accounting Practices, International Accounting Standards and in the manner required by the South African Companies Act.

PricewaterhouseCoopers Inc

PricewaterhouseCoopers Inc.
Registered Accountants and Auditors
Chartered Accountants (SA)

Johannesburg
22 August 2002

Profile

Business of the company

Impala Platinum Holdings Limited (Implats/the company/group) is principally in the business of producing and supplying platinum group metals (PGMs) to industrial economies. The company's holdings in various mining and exploration activities as at 30 June 2002 are described below:

Company	Short name	Interest %	Activity
Impala Platinum Limited	Impala	100	Platinum mining
Impala Refining Services Limited	IRS	100	Purchase of concentrate, smelting, refining and sale of resultant PGMs and base metals, and toll refining precious metal
Marula Platinum Limited	Marula Platinum	100*	Establishment of platinum mine
Barplats Investments Limited	Barplats	83	Re-opening of Crocodile River mine, exploration at Kennedy's Vale mine
Two Rivers Platinum (Pty) Limited	Two Rivers	45	PGM mine development
Zimbabwe Platinum Mines Limited	Zimplats	15**	PGM mine development
Makwiro Platinum Mines (Pvt) Limited	Makwiro	30	PGM mine development
ZCE Platinum Limited	ZCE	35***	PGM mining
Eastern Platinum Limited	EPL	27	PGM mining, processing, refining and marketing
Western Platinum Limited	WPL	27	PGM mining, refining and marketing
Aquarius Platinum (SA) (Pty) Limited	Aquarius (SA)	25	Operation of Kroondal Platinum Limited, development of Marikana and Everest South Projects
Aquarius Platinum Limited	Aquarius Platinum	9	PGM mining
Brandrill Limited	Brandrill	6	Mining technology

**% subject to 20% participation by empowerment partners*

*** Post balance sheet contract concluded to increase stake to 36%*

**** Post balance sheet contract concluded to increase stake to 50%*

Capital

Authorised capital

The company's authorised share capital of 100 000 000 ordinary shares of 20 cents each remained unchanged during the year.

Issued capital

During the year 206 627 new ordinary shares were issued in terms of the Implats share incentive scheme. Following allotments the issued capital of the company was 66 554 252 ordinary shares of 20 cents each (2001: 66 347 625).

In terms of a resolution passed at the last annual general meeting, the unissued share capital is under the control of the directors until the forthcoming annual general meeting. On 15 July 2002, shareholders granted a general authority for the company or any of its subsidiaries to acquire up to 10% of the shares issued by the company in terms of the Companies Act and the Listing Requirements of the JSE Securities Exchange South Africa.

On 15 July 2002, shareholders authorised the directors to issue for cash up to 15% of the company's issued share capital in any one year.

These general authorities expire at the forthcoming annual general meeting. Shareholders will be asked to consider resolutions renewing the general authority. The proposed resolutions are set out in the notice convening the annual general meeting.

Share incentive scheme

At 30 June 2002 the Implats Share Purchase Trust held 38 700 unallocated shares. No shares were allocated or released during the year.

Share option scheme

The directors are authorised to issue, allot or grant options to acquire up to a maximum of 2 177 000 ordinary shares in the unissued share capital of the company in terms of employee share options schemes.

Details of participation in the share option scheme are set out in Note 27 of the financial statements.

Shareholding in the company

The issued capital of the company is held by public and non-public entities as follows:

Gencor Limited holds 30.6 million shares in the company (46.0%). No other shareholder beneficially holds more than five per cent of the issued share capital.

Shareholder type	No. of shares ('000s)	%
Public	34 813	52.3
Non-public	31 741	47.7
Directors	31	0.1
Trustees of share scheme	104	0.1
Right to appoint a director	1 000	1.5
Holding over 10%	30 606	46.0
Total	66 554	100.0

Investments

Marula Platinum

The Marula Platinum project is developing the Winnaarshoek mineral rights as well as the adjacent properties of Clapham and portions of Driekop and Forrest Hill.

A feasibility study was completed during the year which envisaged the establishment of a platinum mine in two phases. Phase 1 envisages exploitation of the UG2 reef at a mining rate of 142 000 tonnes per month (103 000 oz of platinum per annum) with mining operations commencing in the third quarter of 2003. Phase 2 will expand exploitation of this reef.

The project will be held 80% by Implats and the 20% balance will be held by a black economic empowerment initiative comprising 10% each by Mmakau Mining (Pty) Limited and a trust administrated by the local community, the company and local government structures.

Aquarius Platinum

Aquarius Platinum Limited

The company holds a 9.0% interest in Aquarius Platinum Limited (Aquarius) an Australian and London Stock Exchange listed company. This holding was diluted from last year's holding of 10.1% by the issue of additional equity by Aquarius. Aquarius owns 75% of Aquarius Platinum (SA) (Pty) Limited (Aquarius SA) with the 25% balance of the shareholding held by Implats.

Aquarius Platinum (SA) (Pty) Limited

During the year the assets and liabilities of Kroondal Platinum Mines Limited were sold to Aquarius SA in terms of an Aquarius restructuring exercise to move all Aquarius operations into one entity. As part of the re-structuring, Implats sold its 4.7% stake in Kroondal to Aquarius SA and converted R360 million in loan finance to equity in Aquarius SA.

As a result of the aforementioned transaction, Implats' holding in Aquarius SA decreased to 25% (2001: 25.5%) of the enlarged asset base. Aquarius SA operations now comprise Kroondal Platinum, the Marikana project, Everest South and North projects and the Chieftains Plain project.

Zimplats

The company holds a 30% direct interest in Makwiro Platinum Mines (formerly Hartley Management Company (Pvt) Limited) which comprises the Ngezi open cast mine and the Selous Metallurgical Complex for a consideration of US$30 million (R247 million).

In addition, the company together with ABSA also acquired a 30% equity interest in Australian-listed Zimplats for US$16.3 million (R132 million). The equity stake is held by Impala Platinum (Zimbabwe) (Pty) Limited in which ABSA holds a 49.9% interest and the company holds 50.1%.

The direct and indirect interest in Makwiro is 40.5%. The Ngezi project is situated 77km from the Selous Metallurgical complex and a feasibility study has indicated a 98 000 platinum ounce per annum project over a 19-year life. Post year-end the company concluded an agreement to acquire, via Impala Platinum (Zimbabwe) (Pty) Limited, an additional 21% stake in Zimplats for AUS$35.4 million (R200 million).

Mimosa

The company acquired a 35% interest in ZCE Platinum Limited which wholly owns Mimosa for a consideration of US$30 million (R246 million) and subsequent to the year-end concluded a contract to acquire an additional 15% for US$12.3 million (R130 million). The mine is in the process of expanding output from 15 000 to approximately 65 000 ounces of platinum per annum.

Two Rivers Platinum

The company has entered into an agreement with Anglovaal Mining Limited (Avmin) to develop a 113 000 ounce platinum mine on the farm Dwars Rivier in Mpumalanga Province. The Dwars Rivier mineral rights on both the UG2 and Merensky reefs were acquired from Associated Manganese Mines of South Africa Limited for a consideration of R551 million. The joint venture, Two Rivers, to develop, manage and operate the new mine, is held 55% by Avmin and 45% by Implats.

Brandrill

Implats holds a 6.4% interest in Brandrill Limited. Brandrill is developing penetrating cone fracture (PCF) technology which is an effective means of rockbreaking and is suited to continuous mining due to the minimal toxic fumes produced by this process. Impala has entered into a co-operation agreement with Brandrill governing the use of PCF technology.

The investment in Brandrill has been written off following suspension of its shares on the Australian Stock Exchange.

Philnico

A feasibility study on the Philnico project was completed but as no lead partner has been forthcoming from the sponsor, the company has withdrawn from participation in the project.

Financial affairs

Results for the year

The results for the year are fully dealt with in the financial statements forming part of the annual report. Refer to pages 124 to 165.

Accounting policies

During the year certain changes were made to the group's accounting policies, to comply with new International Accounting Standards (IAS). Details of the new accounting policy and the effect of the change is set out on pages 129 and 132.

Dividends

An interim dividend (No 68) of 1 100 cents per share was declared on 6 February 2002, and a final dividend (No 69) of 2 600 cents per share was declared on 22 August 2002, payable on 7 October 2002, a total of 3 700 cents per share (2001: 6800 cents per share). These dividends amounted to R2 461 million of the year (2001: R4 509 million).

Capital expenditure

Capital expenditure for the year amounted to R1 250 million (2001: R2 090 million).

The estimated R2 234 million capital expenditure by Implats envisaged for the 2003 financial year will be funded from internal resources and, if appropriate, borrowings.

Post balance sheet events

The group concluded agreements to increase its stakes in the following companies:
– ZCE Platinum from 35% to 50% at a cost of US$12.3 million (R130 million).
– Zimplats from 15% to 36% at a cost of AUS$35.4 million (R200 million).

No other material events have occurred since the date of these financial statements and the date of approval thereof, the knowledge of which would affect the ability of the users of these statements to make proper evaluations and decisions.

Going concern

The financial statements have been prepared using the appropriate accounting policies, supported by reasonable and prudent judgements and estimates. The directors have a reasonable expectation that the group has adequate resources to continue as a going concern in the foreseeable future.

Associated and subsidiary companies

Information regarding the company's associated companies and subsidiaries are given in note 14 and Annexure A respectively to the financial statements.

Property

Details of the freehold and leasehold land and buildings of the various companies are contained in registers, which are available for inspection at the registered offices of those companies.

Directorate

Composition of the Board

Mr JG Smithies retired as Chief Executive Officer and Mr KC Rumble was appointed in his stead. The appointment of Mr KC Rumble as a director of the company was confirmed at the last annual general meeting.

During the year, Mr JM McMahon resigned as a director and Chairman of Gencor Limited. As Mr McMahon's appointment to the board was in the capacity of a representative of the major shareholder, Mr McMahon tendered his resignation as a director and Chairman of the company. Mr McMahon was appointed as a non-executive director in his personal capacity and Mr Joubert was appointed as Chairman.

The directors who retire at the next general meeting are Ms CE Markus, Messrs JM McMahon, L Molotlegi and JV Roberts; being eligible they offer themselves for re-election.

Interest of directors

The interests of directors in the shares of the company were as follows and did not individually exceed 1 per cent of the issued share capital or voting control of the company.

The board comprises seven non-executive directors and three executive directors.

There were no contracts of significance during or at the end of the financial year in which the directors of the company were materially interested.

No material change in the aforegoing interests has taken place between 30 June 2002 and the date of this report.

	Direct		Indirect	
30 June	**2002**	**2001**	**2002**	**2001**
Beneficial	16 420	15 845	14 600	14 600
Non-beneficial	–	–	–	–

Directors' fees

In terms of the Articles of Association the fees for services as directors are determined by the company in general meeting. Directors' fees for services as a director are currently R90 000 per annum per director with an additional amount of R45 000 for the Chairman. Directors serving on board committees are paid R22 500 per annum as member of the committee and the Chairman of the committee R33 750 per annum.

At the forthcoming annual general meeting it will be proposed to amend directors' fees to R90 000 per annum per director with an additional amount of R90 000 for the Chairman. Similarly, the amount paid to directors serving on board committees will be increased to R25 000 per annum per member and R50 000 per annum for the Chairman of these committees.

These fees have been waived by the executive directors.

Directors' remuneration

The directors' remuneration for the year under review was in aggregate as follows:

30 June 2002 (R '000s)	Fees	Package	Retirement funds	Other Benefits	Bonus	Gain on share options exercised	Total
Executive							
KC Rumble	–	2 449	253	952*	–	–	3 654
DH Brown	–	1 236	129	199	274	1 843	3 681
CE Markus	–	1 257	130	174	297	728	2 586
Non-executive							
PG Joubert	116						116
JM McMahon	188						188
MV Mennell	112						112
L Molotlegi	90						90
DM O'Connor	124						124
MF Pleming	124						124
JV Roberts	135						135
	889	4 942	512	1 325	571	2 571	10 810

Note: Other benefits include medical aid contributions and provision for annual leave entitlements
** includes R600 000 relocation allowance*

Details of share options granted and exercised by executive directors are given below. No share options were granted to non-executive directors.

Share options

Details of share options outstanding and exercised by executive directors are as follows:

Directors name	Balance at 1 July 2001	Allocated during the year	Date of allocation	No. of shares exercised	Date exercised	Balance at 30 June 2002	Exercisable no of shares	Allocation price	First exercisable date
KC Rumble		44 000	17 July 2001				44 000	281.00	17 July 2003
		11 801	18 Feb 2002			55 801	11 801	507.00	18 Feb 2004
DH Brown	22 925	9 454	18 Feb 2002	1 550	6 Sep 2001		4 650	146.00	30 Jun 2001
		1 982	18 Feb 2002	1 175	19 Mar 2002		3 525	200.00	14 Mar 2002
				7 500	13 May 2002		4 525	344.00	11 Jan 2003
							9 454	507.00	18 Feb 2004
						24 136	1 982	507.00	18 Feb 2002
CE Markus	25 700	8 227	18 Feb 2002	1 825	21 Nov 2001		450	52.50	28 Jul 1999
		2 222	18 Feb 2002	2 114	14 Mar 2002		8 025	57.50	12 May 1999
							4 125	146.00	30 Jun 2001
							5 400	200.00	14 Mar 2002
							4 075	344.00	11 Jan 2003
							8 227	507.00	18 Feb 2004
						32 210	1 908	507.00	18 Feb 2002

The gains on share options exercised are as follows:

Directors name	No. of shares exercised			Allocation price	Market price at time exercised	Gain on share option (R'000)
	Purchased	Sold	Total			
DH Brown		1 550	1 550	146.00	370.00	345
		1 175	1 175	200.00	660.00	538
	6 000	1 500	7 500	57.50	697.67	960*
CE Markus		450	450	52.50	356.00	136
		1 375	1 375	146.00	357.00	288
	50	264	314	507.00	674.00	44*
	1 250	550	1 800	200.00	674.00	260*

** excludes any potential gains on shares purchased as these have not yet been realised*

Administration

Special resolution

During the year no special resolutions were passed by the company. On 15 July 2002 a special resolution was passed allowing the company and its subsidiaries to acquire shares in the company subject to the Companies Act 1973 and the Listing Requirements of the JSE Securities Exchange South Africa.

Financial, administrative and technical advisers

In terms of a service agreement, Impala Platinum Limited acts as financial, administrative and technical advisors to the Implats group during the year on a fee basis. Messrs D H Brown, P G Joubert, J M McMahon, K C Rumble, and Ms C E Markus had an interest in this contract to the extent that they are directors of Impala and of the company, but they do not beneficially own any shares in Impala.

Secretaries

Mr. A M Snashall acted as Secretary to Implats and Impala, and Impala acted as Secretaries to other subsidiaries in the Implats group. The business and postal addresses of the Secretaries are set out on page 170.

London Secretaries

The business and postal addresses of the London Secretaries are set out on page 170.

Public Officer

Mr J van Deventer acted as public officer for the group for the year under review.

INCOME STATEMENTS

FOR THE YEAR ENDED 30 JUNE

R million

Company 2001	Company 2002		Notes	Group 2002	Group 2001
		Revenue	1	**11 901.5**	11 969.1
		Cost of sales		**5 764.9**	5 120.3
		On-mine operations	2	**2 567.5**	2 330.1
		Concentrating and smelting operations	3	**642.6**	492.5
		Refining operations	4	**354.7**	333.3
		Amortisation of mining assets		**248.8**	212.2
		Metals purchased		**1 883.4**	1 968.8
		Other costs	5	**203.9**	117.1
		Increase in metal inventories		**(136.0)**	(333.7)
		Operating income		**6 136.6**	6 848.8
(62.9)	**(37.0)**	Other income/(expense)	6	**32.8**	94.5
4 111.1	**2 211.1**	Net financial income	7	**265.5**	383.3
–	**44.8**	Share of pre-taxation income from associates	8	**1 102.9**	1 031.4
		Royalty expense		**(804.4)**	(890.3)
4 048.2	**2 218.9**	**Income before taxation**	9	**6 733.4**	7 467.7
7.6	**0.9**	Taxation	10	**2 142.0**	2 815.2
4 040.6	**2 218.0**	Income after taxation		**4 591.4**	4 652.5
		Outside shareholders' interest		**9.9**	5.4
4 040.6	**2 218.0**	**Attributable income**		**4 581.5**	4 647.1
		Earnings per share (cents)	11		
		– basic		**6 902**	7 024
		– diluted		**6 839**	6 970
		Headline earnings per share (cents)	11		
		– basic		**6 863**	7 024
		– diluted		**6 800**	6 970
		Cash earnings per share (cents)	11		
		– basic		**8 462**	10 030
		– diluted		**8 385**	9 953
		Dividends proposed and declared	12		
		Dividends proposed basis			
		– interim dividend 2002 per share (cents)		**1 100**	1 420
		– final dividend 2002 per share (cents)		**2 600**	2 380
		– special dividend per share (cents)		**–**	3 000
				3 700	6 800
		Dividends declared basis			
		– final dividend 2001 per share (cents)		**2 380**	1 420
		– interim dividend 2002 per share (cents)		**1 100**	1 420
		– special dividend per share (cents)		**–**	3 000
				3 480	5 840

The accounting policies on pages 129 to 132 and the notes on pages 133 to 165 form an integral part of these financial statements.

BALANCE SHEETS

AS AT 30 JUNE

R million

Company 2001	Company 2002		Notes	Group 2002	Group 2001
		ASSETS			
1 110.1	**1 255.7**	**Non-current assets**		**9 324.1**	6 833.4
5.6	**0.2**	Property, plant and equipment	13	**6 218.4**	5 230.6
423.5	**791.0**	Investments in associates and subsidiaries	14	**2 502.8**	791.6
447.8	**422.5**	Other investments	15	**487.2**	499.4
233.2	**42.0**	Receivables	16	**42.0**	233.2
		Prepayments	17	**73.7**	78.6
9.4	**16.5**	**Current assets**		**5 448.3**	5 162.3
		Inventories	18	**920.1**	779.3
9.4	**16.5**	Receivables	19	**1 377.9**	1 345.4
–	**–**	Cash and cash equivalents	20	**3 150.3**	3 037.6
1 119.5	**1 272.2**	**Total assets**		**14 772.4**	11 995.7
		EQUITY AND LIABILITIES			
1 096.1	**1 263.5**	**Capital and reserves**		**9 284.0**	6 715.6
13.3	**13.3**	Ordinary shares	21	**13.3**	13.3
562.8	**589.6**	Share premium	21	**589.6**	562.8
285.6	**517.5**	Other reserves	22	**545.7**	285.1
234.4	**143.1**	Retained earnings before proposed final dividend		**8 135.4**	5 854.4
234.4	**143.1**	Retained earnings after proposed final dividend and STC		**6 212.4**	4 147.8
1 579.1	**1 730.4**	Proposed final dividend	12	**1 730.4**	1 579.1
		Secondary taxation on companies (STC)	12	**192.6**	127.5
(1 579.1)	**(1 730.4)**	Proposed final dividend payable by subsidiaries			
		Outside shareholders' interest	23	**61.6**	19.2
		Non-current liabilities		**1 683.4**	1 465.2
		Borrowings	24	**86.3**	113.1
		Deferred taxation	25	**1 389.6**	1 156.1
		Pension and other post-retirement obligations	26	**66.9**	66.0
		Provision for environmental obligations	28	**140.6**	130.0
23.4	**8.7**	**Current liabilities**		**3 743.4**	3 795.7
15.3	**2.2**	Trade and other payables	29	**2 458.1**	2 282.3
8.1	**6.5**	Current taxation liabilities		**1 258.5**	1 488.9
		Borrowings	24	**26.8**	24.5
1 119.5	**1 272.2**	**Total equity and liabilities**		**14 772.4**	11 995.7

The accounting policies on pages 129 to 132 and the notes on pages 133 to 165 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE

R million

	Notes	Share capital	Share premium	Other reserves	Retained earnings	Total
Balance at 30 June 2000		13.2	537.8	(0.4)	5 075.0	5 625.6
Change in accounting policy in respect of adopting IAS 39:						
Market value adjustment of listed investments				90.8		90.8
Restated balance at 30 June 2000		13.2	537.8	90.4	5 075.0	5 716.4
Dividends paid	12				(3 867.7)	(3 867.7)
Net profit attributable to ordinary shareholders					4 647.1	4 647.1
Issue of share capital	21	0.1	25.0			25.1
Change in accounting policy in respect of adopting IAS 39:						
Fair value adjustment on financial instruments					8.8	8.8
Market value adjustment of listed investments	22			194.8		194.8
Currency and translation adjustment on foreign investments	22			(0.1)		(0.1)
Restated balance at 30 June 2001		13.3	562.8	285.1	5 863.2	6 724.4
Dividends paid	12				(2 309.3)	(2 309.3)
Net profit attributable to ordinary shareholders					4 581.5	4 581.5
Issue of share capital	21	–	26.8			26.8
Market value adjustment of listed investments	22			107.8		107.8
Currency and translation adjustment on foreign investments	22			152.8		152.8
Balance at 30 June 2002		**13.3**	**589.6**	**545.7**	**8 135.4**	**9 284.0**

The accounting policies on pages 129 to 132 and the notes on pages 133 to 165 form an integral part of these financial statements.

COMPANY STATEMENT OF CHANGES OF EQUITY

FOR THE YEAR ENDED 30 JUNE

R million

	Notes	Share capital	Share premium	Other reserves	Retained earnings	Total
Balance at 30 June 2000		13.2	537.8	–	61.5	612.5
Change in accounting policy in respect of adopting IAS 39:						
Market value adjustment of listed investments				90.8		90.8
Restated balance at 30 June 2000		13.2	537.8	90.8	61.5	703.3
Dividends paid	12				(3 867.7)	(3 867.7)
Net profit attributable to ordinary shareholders					4 040.6	4 040.6
Issue of share capital	21	0.1	25.0			25.1
Change in accounting policy in respect of adopting IAS 39:						
Market value adjustment of listed investments	22			194.8		194.8
Restated balance at 30 June 2001		13.3	562.8	285.6	234.4	1 096.1
Dividends paid	12				(2 309.3)	(2 309.3)
Net profit attributable to ordinary shareholders					2 218.0	2 218.0
Issue of share capital	21	–	26.8			26.8
Market value adjustment of listed investments	22			107.8		107.8
Currency and translation adjustment on foreign investments	22			124.1		124.1
Balance at 30 June 2002		**13.3**	**589.6**	**517.5**	**143.1**	**1 263.5**

The accounting policies on pages 129 to 132 and the notes on pages 133 to 165 form an integral part of these financial statements.

CASH FLOW STATEMENTS

FOR THE YEAR ENDED 30 JUNE

R million

Company 2001	Company 2002		Notes	Group 2002	Group 2001
		Operating activities			
(34.9)	**(77.2)**	Cash generated from/(used in) operations	33	**5 617.0**	6 635.7
4 111.1	**2 215.8**	Financial income	7	**287.2**	400.6
–	**(4.7)**	Interest paid	7	**(15.7)**	(14.4)
(0.5)	**6.3**	Taxation (paid)/refunded	34	**(1 733.3)**	(1 339.3)
4 075.7	**2 140.2**	Net cash from operating activities		**4 155.2**	5 682.6
		Investing activities			
(0.1)	**–**	Purchase of property, plant and equipment	13	**(1 256.0)**	(2 075.5)
		Proceeds from fixed assets disposed	13	**10.0**	4.6
109.9	**1 069.8**	Repayment of non-current investments	14	**515.1**	542.3
–	**(1 048.1)**	Purchase of investments in associates	14	**(1 114.0)**	–
(94.1)	**–**	Purchase of listed investments	15	**–**	(94.1)
(10.1)	**–**	Purchase of unlisted investments	15	**–**	(10.1)
(233.2)	**120.6**	Loans repaid by/(made to) related and other undertakings	16	**120.6**	(233.2)
		Payments made for post-retirement benefits	26	**(2.2)**	(2.9)
		Payments made to environmental trust	28	**(9.0)**	(9.4)
(227.6)	**142.3**	Net cash (used in)/generated from investing activities		**(1 735.5)**	(1 878.3)
		Financing activities			
19.6	**26.8**	Issue of ordinary shares	21	**26.8**	19.6
		Proceeds from/(repayments of) short-term borrowings	24	**2.3**	(0.8)
		Repayments of long-term borrowings	24	**(26.8)**	(24.5)
(3 867.7)	**(2 309.3)**	Dividends paid to group shareholders		**(2 309.3)**	(3 867.7)
(3 848.1)	**(2 282.5)**	Net cash used in financing activities		**(2 307.0)**	(3 873.4)
–	**–**	**INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS**		**112.7**	(69.1)
		Movement in cash and cash equivalents			
		At start of year		**3 037.6**	3 106.7
		Increase/(decrease)		**112.7**	(69.1)
–	**–**	At end of year	20	**3 150.3**	3 037.6

The accounting policies on pages 129 to 132 and the notes on pages 133 to 165 form an integral part of these financial statements.

ACCOUNTING POLICIES

1 Basis of preparation

The financial statements are prepared on the historical cost basis, except for financial instruments which are accounted for at fair value. The principal accounting policies used by the group, which are in accordance with International Accounting Standards, South African Generally Accepted Accounting Practice, the South African Companies Act, are consistent with those of the previous year, except as detailed in paragraph 20, and are set out below.

2 Consolidation

The consolidated financial statements include those of the holding company and its subsidiaries. Subsidiary undertakings, are those companies in which the group, directly or indirectly has an interest of more than one half of the voting rights or otherwise has power to exercise control over the operations. Subsidiaries are consolidated from the date on which effective control is transferred to the group and are no longer consolidated from date of disposal. Internal profits and sales are eliminated on consolidation and all sales revenue and profit figures relate to external transactions only.

Any excess or shortfall of the purchase price over the fair value of the attributable net assets of subsidiaries at the date of acquisition is capitalised and amortised over the useful lives of the applicable underlying assets. (Refer paragraph 6)

3 Investments in associates

Investments in associated undertakings are accounted for by the equity method of accounting. These are undertakings in which the group has a long term interest and over which it exercises significant influence but not control. Provisions are recorded for impairment in value.

Equity accounting involves recognising in the income statement the group's share of the associates' post acquisition profit or loss for the year.

The group's interest in the associate is carried in the balance sheet at an amount that reflects its share of the net assets of the associate and includes the unamortised portion of the excess of the purchase price over the fair value of attributable assets of the associate at date of acquisition. Where the fair value of the assets of an associate exceeds the purchase price, the investment is carried on the balance sheet at cost, plus the amortised portion of the excess. In addition, the carrying value of the investment in foreign associates includes any exchange differences arising on translation.

Any excess or deficit of the purchase price over the attributable net assets of the associate is amortised over the useful lives of underlying assets. (Refer paragraph 6.)

4 Foreign currencies

Income statements of foreign entities and associated undertakings are translated to rand at average exchange rates for the year and the balance sheets are translated at rates ruling at the balance sheet date. The exchange difference arising on translation of assets and liabilities of foreign subsidiaries and associates are transferred directly to other reserves. On disposal of the foreign entity such translation differences are recognised in the income statement as part of the gain or loss on sale.

Foreign currency transactions are accounted for at the rates of exchange ruling at the date of the transaction. Monetary assets and liabilities are translated at year end exchange rates. Gains and losses arising on settlement of such transactions and from the translation of foreign currency monetary assets and liabilities arising from such transactions are recognised in the income statement.

5 Investments

Listed investments

Listed investments, other than subsidiary or associated undertakings, are stated at market value. Differences in the carrying values, arising from changes in market values, are transferred to other reserves. Where the market value drops below the original costs of the investment, the difference is recognised as an expense in the period in which the diminution occurs.

Unlisted investments

Unlisted investments, other than subsidiary or associated undertakings, are initially stated at cost. After initial recognition these investments are measured at fair value, unless it cannot be reasonably estimated, and are only written down where the directors are of the opinion that there has been a permanent diminution in value. Where there has been a permanent diminution in value of an investment, it is recognised as an expense in the period in which the diminution is recognised.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the income statement.

6 Property, plant and equipment

Mining assets

Mining assets are recorded at cost. Expenditure, including evaluation costs, incurred to establish or expand productive capacity, to support and maintain that productive capacity and net working costs incurred on mines prior to the commencement of commercial levels of production, are capitalised to mining assets. Interest on borrowings, specifically to finance establishment of mining assets, is capitalised until commercial levels of production are achieved.

Mothballed mining operations

The net assets of mothballed operations are written down to net realisable value. Expenditure on the care and maintenance of these operations is charged against income, as incurred.

Amortisation> Mining assets are amortised using the units-of-production method based on estimated economically recoverable proved and probable ore reserves, limited to a maximum period of 25 years.

Impairment> The recoverability of the long-term assets is reviewed by management on a continuous basis, based on estimates of future net cash flows. These estimates are subject to risks and uncertainties including future metal prices and exchange rates. It is therefore reasonably possible that changes could occur which may affect the recoverability of the mining assets. Where the value in use is less than the estimated net book value, the impairment is charged against income to reduce the carrying value to the recoverable amount of the asset.

Mining exploration> Expenditure on mining exploration in new areas of interest is charged against income as incurred. Costs related to property acquisitions, surface and mineral rights are capitalised. Where the directors consider that there is little likelihood of the properties or rights being exploited, or the value of the exploration rights has diminished below cost, a write down is effected.

Other fixed assets> Other fixed non-mining assets are recorded at cost. Depreciation is calculated using rates and bases which are designed to write off the assets over their expected useful lives. Freehold properties are not depreciated.

7 Accounting for leases

Leases of property, plant and equipment where the group assumes substantially all of the benefits and risks of ownership are classified as finance leases. Finance leases are capitalised at the estimated present value of the underlying lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element is expensed to the income statement, as a finance charge, over the lease period.

The property, plant and equipment acquired under finance leasing contracts is amortised in terms of the group accounting policy. (Refer to paragraph 6).

Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement in the period in which they occur.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

8 Inventories

Metal inventories

Platinum, palladium and rhodium are treated as main products and other platinum group- and base metals produced as by-products. Metals mined by the company, including in-process metal contained in matte produced by the smelter and precious metal concentrate in the base and precious metal refineries, are valued at the lower of average cost of production and estimated net realisable value. Quantities of in-process metals are based on latest available assays. The average cost of production is taken as total costs incurred on mining and refining, including amortisation, less net revenue from by-products. Costs are allocated to main products on a units produced basis. Refined by-products are valued at their estimated net realisable value. Stocks of platinum group metals purchased or recycled by the group are valued at the lower of cost and estimated net realisable value.

Stores and materials

Stores and materials are valued at the lower of cost and net realisable value, on a first-in-first-out basis. Obsolete, redundant and slow moving stores are identified and written down to economic or realisable values.

9 Financial instruments

Financial instruments carried on the balance sheet include cash and bank balances, money market instruments, investments, receivables, trade creditors, metal leases, borrowings and forward commitments.

The group is also party to financial instruments that reduce risk to foreign currency and future metal price fluctuations. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

10 Derivative instruments

Metal futures, options and lease contracts are entered into to preserve and enhance future revenue streams. These contracts are initially recorded on the balance sheet at cost with any subsequent changes in their fair value recorded as a market-to-market adjustment in the income statement.

Forward exchange contracts are entered into to hedge anticipated future transactions. These instruments are marked-to-market at financial reporting dates and changes in their fair values are included in financial income. Gains or losses on contracts maturing between reporting dates are recognised as financial income at maturity.

11 Trade receivables

Trade receivables are carried at anticipated realisable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year end. Bad debts are written off during the year in which they are identified.

12 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held at call with banks, investments in money market instruments and short term unlisted investments, net of bank overdrafts. On the balance sheet, bank overdrafts are included in borrowings under current liabilities.

13 Provisions

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

14 Segmental reporting

The group is an integrated PGM and associated base metal producer. On a primary basis, the business segments are:

- mine-to-market primary PGM producer, including marketing of metals produced by the group;
- mine-to-concentrate primary PGM producer;
- toll refiner for third party material.

15 Employee post-retirement obligations

Defined benefit and defined contribution retirement plans

The group operates or participates in a number of defined benefit and defined contribution retirement plans for the group's employees. The pension plans are funded by payments from the employees and by the relevant group companies and charged to income as incurred. The assets of the different plans are held by independently managed trust funds. These funds are governed by the Pension Fund Act of 1956. Defined benefit plans, such as the Mine Employees Pension Fund, are subject to actuarial valuation at intervals of no more than three years and are in substance accounted for as defined contribution plans.

Medical liability

The group provides post-retirement healthcare benefits to qualifying employees and retirees. The expected costs of these benefits are accrued over the period of employment. Valuations of these obligations are carried out by independent qualified actuaries at intervals of no more than 3 years. Actuarial gains or losses as a result of these valuations, are recognised in the income statement.

16 Deferred taxation

Deferred taxation is calculated on a comprehensive basis using the balance sheet method. Deferred tax liabilities or assets are recognised by applying current corporate tax rates to the temporary differences existing at each balance sheet date between the tax values of assets and liabilities and their carrying amounts where such temporary differences are expected to result in taxable or deductible amounts in determining taxable profits for future periods when the carrying amount of the assets or liability is recovered or settled.

The principal temporary differences arise from amortisation and depreciation on property, plant and equipment, provisions, post-retirement benefits and tax losses carried forward. Deferred tax assets relating to the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

17 Environmental obligations

Rehabilitation costs

The net present value of future rehabilitation cost estimates are recognised and provided for in full in the financial statements. The estimates are reviewed annually to take into account the effects of inflation and changes in the estimates are discounted using rates that reflect the time value of money.

Annual increases in the provision are charged to income and are split between finance costs relating to the change in the present value of the provision, inflationary increases in the provision and changes in the estimates. The present value of additional environmental disturbances created are capitalised to mining assets along with a corresponding increase in the rehabilitation provision. The rehabilitation asset is amortised in terms of the group's accounting policy (Refer paragraph 6). Rehabilitation projects undertaken, included in the estimates, are charged to the provision as incurred.

Ongoing rehabilitation cost

The cost of the ongoing current programmes to prevent and control pollution is charged against income as incurred.

Impala Pollution, Rehabilitation and Closure Trust Fund

Annual contributions are made to this trust fund, created in accordance with statutory requirements, to provide for the estimated cost of rehabilitation during and at the end of the life of Impala Platinum Limited's mines. Income earned on monies paid to the trust is accounted for as investment income. The funds contributed to the trust are included under investments.

18 Revenue recognition

Revenue

Revenue comprises the rand amount received and receivable from customers in respect of the supply of metals mined, metals purchased and toll income received by the group. Revenue is recognised when the risks and rewards of ownership transfer, net of sales taxes and discounts. Toll refining income is recognised at date of declaration or dispatch of metal from the refinery in accordance with the relevant agreements with customers and after eliminating sales within the group.

Other revenues earned by the group are recognised on the following bases:

Interest income> as it accrues (taking into account the effective yield on the asset) unless collectibility is in doubt.

Dividend income> when the shareholder's right to receive payment is established, recognised at the last date of registration.

19 Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

20 Change in accounting policy

During the financial year, the group adopted the provisions of IAS 39 (Financial Instruments: Recognition and Measurement). As a result, the following changes were implemented:

- listed investments, excluding associates and subsidiaries, were previously carried at cost and are now carried at market value.
- derivatives entered into, to preserve and enhance future revenue streams, were previously not recognised in the financial statements, and are now accounted for on the balance sheet at fair value.
- forward commitments were previously recognised at settlement prices, with potential gains or losses accounted for as the contracts matured, and are now recognised on the balance sheet at fair value.

The effect of adopting the above changes has been disclosed in the consolidated statement of changes in equity.

AS AT 30 JUNE

R million

1 SEGMENTAL REPORTING

Summary of business segments for the year ended **30 June 2002:**

	Impala Platinum	Barplats	Impala Refining Services	Inter segmental adjustment	Total
Revenue from:					
Metals mined	9 340.1				**9 340.1**
Metals purchased	2 143.1		2 136.7	(1 878.5)	**2 401.3**
Toll income			160.1		**160.1**
Intercompany concentrate sales		265.8		(265.8)	**–**
Total revenue	11 483.2	265.8	2 296.8	(2 144.3)	**11 901.5**
Segmental cost of sales for:					
Metals mined	3 753.3	193.2			**3 946.5**
Other cost			71.0		**71.0**
Metals purchased	2 023.8		2 003.9	(2 144.3)	**1 883.4**
Gross cost	5 777.1	193.2	2 074.9	(2 144.3)	**5 900.9**
Adjusted for decrease/(increase) in metal inventories	122.6		(226.8)	(31.8)	**(136.0)**
Total cost of sales	5 899.7	193.2	1 848.1	(2 176.1)	**5 764.9**
Operating income	5 583.5	72.6	448.7	31.8	**6 136.6**

		Impala Platinum	Barplats	Impala Refining Services	Other	Total
Segmental assets		5 679.3	289.2	1 696.0	7 107.9	**14 772.4**
Segmental liabilities		1 915.5	69.6	779.6	2 723.7	**5 488.4**
Other information						
Capital expenditure		1 008.9	68.6		172.7	**1 250.2**
Depreciation		5.5		0.8		**6.3**
Amortisation		207.0	41.8			**248.8**
Statistical information:						
Total metals produced						
Platinum	('000 oz)	1 025		362		**1 387**
Palladium	('000 oz)	489		243		**732**
Rhodium	('000 oz)	123		54		**177**
Nickel	('000 tonnes)	7.7		5.3		**13.0**
PGM in concentrate produced	('000 oz)		75.9			**75.9**
Gross margin analysis						
Metals mined	(%)	58.5				**58.5**
Metals purchased – Impala	(%)	5.6				**5.6**
Metals purchased – Impala Refining Services	(%)			19.5		**19.5**
Intercompany concentrate sales	(%)		27.3			**27.3**

NOTES TO THE FINANCIAL STATEMENTS

AS AT 30 JUNE

R million

1 **SEGMENTAL REPORTING** *(continued)*

Summary of business segments for the year ended **30 June 2001:**

		Impala Platinum	Barplats	Impala Refining Services	Inter segmental adjustment	Total
Revenue from:						
Metals mined		9 578.1				**9 578.1**
Metals purchased		1 954.7		1 737.0	(1 435.3)	**2 256.4**
Toll income				134.6		**134.6**
Intercompany concentrate sales			116.9		(116.9)	**–**
Total revenue		11 532.8	116.9	1 871.6	(1 552.2)	**11 969.1**
Segmental cost of sales for:						
Metals mined		3 371.1	57.9			**3 429.0**
Other cost				56.2		**56.2**
Metals purchased		1 721.0		1 800.0	(1 552.2)	**1 968.8**
Gross cost		5 092.1	57.9	1 856.2	(1 552.2)	**5 454.0**
Adjusted for (increase)/decrease in metal inventories		(37.9)		(347.1)	51.3	**(333.7)**
Total cost of sales		5 054.2	57.9	1 509.1	(1 500.9)	**5 120.3**
Operating income		6 478.6	59.0	362.5	(51.3)	**6 848.8**

		Impala Platinum	Barplats	Impala Refining Services	Other	Total
Segmental assets		5 355.4	302.8	463.3	5 588.6	**11 710.1**
Segmental liabilities		2 041.7	188.6	520.4	2 529.4	**5 280.1**
Other information						
Capital expenditure		978.4	132.7		979.1	**2 090.2**
Depreciation		5.1		0.9		**6.0**
Amortisation		192.0	20.2			**212.2**
Statistical information:						
Total metals produced						
Platinum	('000 oz)	1 002		289		**1 291**
Palladium	('000 oz)	481		200		**681**
Rhodium	('000 oz)	128		36		**164**
Nickel	('000 tonnes)	7.0		7.0		**14.0**
PGM in concentrate produced	('000 oz)		28.6			**28.6**
Gross Margin analysis						
Metals mined	(%)	65.2				**65.2**
Metals purchased – Impala	(%)	12.0				**12.0**
Metals purchased – Impala Refining Services	(%)			19.4		**19.4**
Intercompany concentrate sales	(%)		50.5			**50.5**

1 **SEGMENTAL REPORTING** *(continued)*

Notes to business segment analysis:

Revenue

Metals mined

Reflect the mine-to-market sales from the Impala lease area.

Metals purchased

Revenue from metals purchased is recognised within two separate legal entities:

- for Impala Platinum Limited this incorporates sales of metals purchased principally from Impala Refining Services.
- for Impala Refining Services this includes sales from purchases of metals from third party refining customers. The majority of sales are to Impala Platinum Limited, and a portion directly to the market.

Toll income

Fees earned by Impala Refining Services for treatment of metals from third party refining customers.

Intercompany concentrate sales

Sales of concentrate from Barplats mining activities to Impala Refining Services.

Segmental cost of sales for:

Gross cost

Comprises total costs associated with the mining, refining and purchase of metals.

Inter-segmental adjustments

Elimination of inter-segmental sales, purchases and unrealised profit in the group.

Segmental assets

The operating assets, fixed, current and non-current, employed to generate segmental revenue.

Impala Refining Services uses the Impala Platinum Limited processing assets for which it is charged a market related fee.

Segmental liabilities

The operating liabilities, current and non-current, resulting from segmental operating activities.

Related party transactions

Related party transactions are eliminated as per segmental reporting.

AS AT 30 JUNE

R million

Company 2001	Company 2002			Group 2002	Group 2001
		1	**SEGMENTAL REPORTING** *(continued)*		
			The following is a summary of the geographical segments for the year ended 30 June:		
			Sales		
			Main products	**10 611.6**	10 581.3
			North America	**3 491.2**	3 593.3
			Asia	**3 243.8**	3 270.9
			Europe	**1 537.2**	1 571.2
			South Africa	**2 339.4**	2 145.9
			By-products	**1 129.8**	1 253.3
			North America	**249.3**	208.6
			Asia	**136.7**	219.3
			Europe	**177.9**	206.8
			South Africa	**565.9**	618.6
			Toll income	**160.1**	134.5
			North America	**8.1**	12.9
			Asia	**1.5**	5.0
			Europe	**20.2**	27.8
			Australia	**–**	15.5
			South Africa	**130.3**	73.3
				11 901.5	11 969.1
			The sales revenue and toll income segments are determined by reference to the country in which the customer is located. No geographical allocation of assets and liabilities is made, given the concentration within the Republic of South Africa.		
		2	**ON-MINE OPERATIONS**		
			On-mine costs exclude amortisation and comprise the following principal categories:		
			Labour	**1 615.4**	1 495.0
			Materials and other mining costs	**731.3**	685.4
			Utilities	**128.0**	130.1
			Contract mining	**92.8**	19.6
			Total	**2 567.5**	2 330.1

NOTES TO THE FINANCIAL STATEMENTS

AS AT 30 JUNE

R million

Company 2001	Company 2002			Group 2002	Group 2001
		3	**CONCENTRATING AND SMELTING OPERATIONS**		
			Concentrating and smelting costs exclude amortisation and comprise the following principal categories:		
			Labour	**116.6**	109.0
			Materials and other costs	**320.8**	240.1
			Utilities	**155.0**	128.8
			Contract concentrating	**50.2**	14.6
			Total	**642.6**	492.5
		4	**REFINING OPERATIONS**		
			Refining costs exclude amortisation and comprise the following principal categories:		
			Labour	**150.4**	130.7
			Materials and other costs	**171.7**	173.8
			Utilities	**32.6**	28.8
			Total	**354.7**	333.3
		5	**OTHER COSTS**		
			Other costs comprise the following principal categories:		
			Corporate office	**63.7**	57.8
			Selling and promotional expenses	**87.9**	45.0
			Rehabilitation provision – inflation adjustment (refer note 28)	**5.4**	4.7
			Other costs (mainly insurance)	**46.9**	9.6
				203.9	117.1
		6	**OTHER INCOME/(EXPENSE)**		
			Currency exchange gains	**130.8**	157.7
(27.1)	**(32.3)**		Exploration expenditure	**(51.2)**	(49.0)
–	**(27.7)**		Write down of investment in Brandrill Limited (refer note 15)	**(27.7)**	–
–	**53.5**		Profit on sale of Kroondal shares	**53.5**	–
			Self insurance layer	**(50.0)**	–
–	**(5.9)**		Amortisation of goodwill	**(9.2)**	(7.4)
(35.8)	**(24.6)**		Other	**(13.4)**	(22.1)
			Insurance claim	–	15.3
(62.9)	**(37.0)**			**32.8**	94.5

NOTES TO THE FINANCIAL STATEMENTS

AS AT 30 JUNE

R million

Company 2001	Company 2002			Group 2002	Group 2001
		7	**NET FINANCIAL INCOME**		
			Net financial income consists of the following principal categories:		
7.8	**21.0**		Interest received	**279.2**	387.4
4 103.3	**2 194.8**		Dividends received	**8.0**	13.2
–	**(4.7)**		Interest expense	**(15.7)**	(14.4)
			Rehabilitation provision – present value adjustment (Refer note 28)	**(2.9)**	(2.9)
			Fair value adjustment on financial instruments	**(3.1)**	–
4 111.1	**2 211.1**			**265.5**	383.3
		8	**SHARE OF PRE-TAXATION INCOME/(LOSS) FROM ASSOCIATES**		
			Lonplats (comprising Western Platinum Limited and Eastern Platinum Limited) (Refer note 14 i)	**1 112.5**	1 031.4
–	**7.4**		Makwiro Platinum Mines (Private) Limited (Refer note 14 ii)	**(6.4)**	–
			Zimbabwe Platinum Mines Limited (Refer note 14 iii)	**(2.7)**	–
–	**21.7**		ZCE Platinum Limited (Refer note 14 iv)	**21.7**	–
–	**15.7**		Aquarius Platinum (South Africa) (Proprietary) Limited (Refer note 14 vi)	**(22.2)**	–
–	**44.8**			**1 102.9**	1 031.4
		9	**INCOME BEFORE TAXATION**		
			The following items have been charged in arriving at income before taxation:		
			Auditors' remuneration	**2.0**	1.4
			Fees for audit services	**1.8**	1.4
			Add: underprovision prior year	**0.2**	–
			Provision for post-retirement medical benefits (Refer note 26)	**3.1**	2.9
			Amortisation of mining assets (Refer note 13)	**248.8**	212.2
			Mining assets	**248.8**	209.5
			Leased assets	**–**	2.7
			Depreciation of other assets (Refer note 13)	**6.3**	6.0
13.0	**24.1**		Professional fees	**86.8**	30.1
			Employment costs (Refer notes: 2, 3 and 4)	**1 882.4**	1 734.7
			Wages and salaries	**1 743.4**	1 619.2
			Pension costs – defined contribution plans (Refer note 26)	**128.7**	107.8
			Pension costs – defined benefit plans (Refer note 26)	**10.3**	7.7
			Average weekly number of employees in the group (thousand)	**27.9**	28.0

NOTES TO THE FINANCIAL STATEMENTS

AS AT 30 JUNE

R million

Company 2001	Company 2002		Group 2002	Group 2001
		10 TAXATION		
7.6	**(7.9)**	Current taxation	**1 502.9**	2 164.7
		Deferred taxation – current period (Refer note 25)	**233.5**	266.4
–	**8.8**	Share of taxation of associates	**405.6**	384.1
		Lonplats (Refer note 14 i)	**395.2**	384.1
–	**2.2**	Makwiro Platinum Mines (Refer note 14 ii)	**2.2**	–
		Zimbabwe Platinum Mines (Refer note 14 iii)	**1.6**	–
–	**6.6**	Aquarius Platinum (Refer note 14 vi)	**6.6**	–
7.6	**0.9**	Taxation for the period	**2 142.0**	2 815.2
		Comprising:		
7.6	**(1.3)**	South African normal taxation	**1 930.1**	2 374.9
		Mining	**1 816.2**	2 025.7
7.6	**12.4**	Non-mining	**304.3**	349.2
–	**(13.7)**	Prior year overprovision	**(190.4)**	–
		Secondary taxation on companies	**208.1**	440.3
–	**2.2**	Foreign taxation	**3.8**	–
7.6	**0.9**		**2 142.0**	2 815.2
		The taxation of the group's profit differs as follows from the theoretical charge that would arise using the basic taxation rate:		
%	**%**		**%**	%
30.0	**30.0**	Normal taxation rate for companies	**30.0**	30.0
		Adjusted for:		
0.6	**(0.1)**	Disallowable expenditure	**0.4**	0.9
–	**(0.2)**	Share of taxation of associates	**1.1**	1.0
(30.4)	**(29.7)**	Exempt income	**–**	(0.1)
		Overprovision prior years	**(2.8)**	–
		Secondary taxation on companies	**3.1**	5.9
0.2	**–**	Effective taxation rate	**31.8**	37.7

NOTES TO THE FINANCIAL STATEMENTS

AS AT 30 JUNE

R million

Company			Group	
2001	**2002**		**2002**	2001
		11 EARNINGS PER SHARE		
		Basic earnings per share is calculated by dividing the net income attributable to shareholders by the weighted number of ordinary shares in issue during the year.		
		Net income attributable to shareholders (R million)	**4 581.5**	4 647.1
		Weighted average number of ordinary shares in issue (millions)	**66.377**	66.158
		Basic earnings per share (cents)	**6 902**	7 024
		For the diluted earnings per share the weighted average number of ordinary shares in issue is adjusted to assume conversion of all share options granted to employees.		
		Weighted average number of ordinary shares in issue (millions)	**66.377**	66.158
		Adjustments for share options (millions)	**0.614**	0.515
		Weighted average number of ordinary shares for diluted earnings per share (millions)	**66.991**	66.673
		Diluted earnings per share (cents)	**6 839**	6 970
			R million	R million
		The calculation for headline earnings per share is based on the basic earnings per share calculation adjusted for the following items:		
		Net income attributable to shareholders	**4 581.5**	4 647.1
		Less: profit on sale of Kroondal shares to Aquarius (refer note 15)	**(53.5)**	–
		Add: write down of investment in Brandrill Limited	**27.7**	–
		Headline earnings	**4 555.7**	4 647.1
		Headline earnings per share (cents) – basic	**6 863**	7 024
		– diluted	**6 800**	6 970
		The calculation for cash earnings per share is based on net operating cashflow (Refer note 33)	**5 617.0**	6 635.7
		Cash earnings per share (cents) – basic	**8 462**	10 030
		– diluted	**8 385**	9 953

NOTES TO THE FINANCIAL STATEMENTS

AS AT 30 JUNE

R million

Company 2001	Company 2002		Group 2002	Group 2001
		12 DIVIDENDS DECLARED		
		Dividends relate to those declared in the current financial year. The final dividend proposed for this financial year will only be approved after the balance sheet date.		
		Dividends declared		
938.1	**1 579.1**	Final dividend No. 67 of 2 380 cents per share (2000: 1 420 cents)	**1 579.1**	938.1
941.4	**730.2**	Interim dividend No. 68 of 1 100 cents per share (2001: 1 420 cents)	**730.2**	941.4
1 879.5	**2 309.3**		**2 309.3**	1 879.5
1 988.2	**–**	Special dividend of 3 000 cents per share	**–**	1 988.2
3 867.7	**2 309.3**		**2 309.3**	3 867.7
		Dividend cover (excluding special dividend)		
		Based on attributable income	**2.0**	2.5
		Based on headline earnings (Refer note 11)	**2.0**	2.5
		Dividend cover (including special dividend)		
		Based on attributable income	**2.0**	1.2
		Dividends proposed		
		Under the previous accounting policy, and excluding the special dividend, the dividends proposed would have been as follows:		
941.4	**730.2**	Interim dividend No. 68 of 1 100 cents per share (2001: 1 420 cents)	**730.2**	941.1
1 579.1	**1 730.4**	Final dividend proposed: No. 69 of 2 600 cents per share (2001: 2 380)	**1 730.4**	1 579.1
2 520.5	**2 460.6**		**2 460.6**	2 520.2
		Dividend cover		
		Based on attributable income	**1.9**	1.9
		Based on headline earnings (Refer note 11)	**1.9**	1.9

The final dividend in respect of the 2002 financial year of 2 600 cents per share amounting to a total of R1 730.4 million, was approved on 22 August 2002.

These financial statements do not reflect this dividend payable, which will be accounted for in the year ended 30 June 2003. In addition, the secondary taxation on companies (STC) charge of R192.6 million, will only be recorded in the period in which the dividend is declared.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 30 JUNE

R million

Company 2001	Company 2002		Group 2002	Group 2001
		13 PROPERTY, PLANT AND EQUIPMENT		
		Mining assets		
		These comprise expenditure on shafts, plant and equipment, mining development and general capital expenditure.		
		Cost	**7 996.3**	6 761.1
		Opening balance	**6 761.1**	4 674.1
		Additions (including rehabilitation asset – refer note 28)	**1 250.2**	2 090.2
		Less: disposals	**15.0**	3.2
		Accumulated amortisation	**1 811.5**	1 562.7
		Opening balance	**1 562.7**	1 350.5
		Charge for the year	**248.8**	212.2
		Net book value	**6 184.8**	5 198.4
		Other assets		
		These comprise expenditure on freehold land and buildings, motor vehicles, furniture, plant and equipment, leased equipment.		
5.6	**0.2**	*Cost*	**46.9**	40.0
5.5	**5.6**	Opening balance	**40.0**	39.5
0.1	**–**	Additions	**8.1**	5.9
–	**5.4**	Less: disposals	**1.2**	5.4
		Accumulated depreciation	**13.3**	7.8
		Opening balance	**7.8**	5.8
		Charge for the year	**6.3**	6.0
		Less: disposals	**0.8**	4.0
5.6	**0.2**	**Net book value**	**33.6**	32.2
5.6	**0.2**	**Total net book value of fixed assets**	**6 218.4**	5 230.6

NOTES TO THE FINANCIAL STATEMENTS

AS AT 30 JUNE

R million

Company 2001	Company 2002		Group 2002	Group 2001
		14 INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES		
		Associates		
		(i) Lonplats (comprising Western Platinum Limited and Eastern Platinum Limited)		
		Shares at cost	**430.8**	430.8
		Amortisation of goodwill arising on acquisition	**(95.5)**	(88.1)
		Dividends received	**(1 280.6)**	(765.5)
		Share of post acquisition retained income	**1 931.7**	1 214.4
		Share of results before taxation	**2 984.2**	1 871.7
		Less: share of taxation	**1 052.5**	657.3
		Closing net book amount	**986.4**	791.6

Valued by the directors at book value.

A loan facility of R111.4 million (2001: R174.1 million) has been guaranteed in favour of banking institutions, available for utilisation by the associates, of which nil (2001: nil) has been utilised at year end. The guarantee is set to expire by September 2005.

Goodwill included in carrying value:	**2002**	2001
At cost	**185.0**	185.0
Less: accumulated amortisation	**95.5**	88.1
Closing balance	**89.5**	96.9

Shares beneficially owned in the undermentioned companies involved in the business of mining, refining and marketing of PGMs.

	Number of shares 2002	**Number of shares** 2001
Western Platinum Limited		
Ordinary shares	**6 779 924**	6 779 924
Participating preference shares	**540 000**	540 000
Effective holding: 27.1%		
Eastern Platinum Limited		
Ordinary shares	**134 444**	134 444
Participating preference shares	**14 666**	14 666
Effective holding: 27.1%		

R million

Company 2001	Company 2002		Group 2002	Group 2001
		14 INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES *(continued)*		

Summarised balance sheet (R million)	31 March 2002	31 March 2001
Capital and reserves	**3 316.4**	2 569.4
Non-current liabilities	**1 424.2**	1 172.4
	4 740.6	3 741.8
Fixed assets	**4 712.5**	3 839.9
Non-current assets	**11.8**	6.6
Net current assets/(liabilities)	**16.3**	(104.7)
	4 740.6	3 741.8

The associate companies prepare their financial statements to 30 September to conform to the financial year of their holding company. Only publicly available information for these associate companies has been used for equity accounting purposes. Consequently, results for the twelve months to 31 March have been included in the equity accounted earnings for the period, of which the results for the last six months are unaudited. There were no changes in the percentage ownership interests in the associates during the year ended 30 June 2002.

Company 2001	Company 2002		Group 2002	Group 2001
		(ii) Makwiro Platinum Mines (Private) Limited		
	247.0	Shares at cost	**247.0**	
	(0.9)	Amortisation of goodwill arising on acquisition	**(0.9)**	
	62.2	Foreign exchange adjustment	**62.2**	
	5.2	Share of post acquisition retained income	**(8.6)**	
	7.4	Share of results before taxation	**7.4**	
	–	Less: unearned profit in the group	**13.8**	
	2.2	Less: share of taxation	**2.2**	
	313.5	**Closing net book amount**	**299.7**	

Valued by the directors at book value.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 30 JUNE

R million

Company			Group	
2001	**2002**		**2002**	2001

14 INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES *(continued)*

The company has provided a guarantee up to 30% of a facility, made available by ABSA to Makwiro Platinum Mines (Private) Limited. As at 30 June 2002, the guarantee was R90.1 million (US$ 8.7 million) (2001: nil). The guarantee is set to expire by September 2004.

Goodwill included in carrying value:	**2002**
At cost	**65.5**
Less: accumulated amortisation	**0.9**
Closing balance	**64.6**

This company is involved in the business of mining PGMs.

	Number of shares
	2002
Shareholding:	
Ordinary shares	**28 572**
Preference shares	**857 143**

Summarised balance sheet (US$ million)	**30 June 2002**
Capital and reserves	**77.2**
Non-current liabilities	**57.8**
	135.0
Fixed assets	**113.2**
Net current assets	**21.8**
	135.0

The equity accounted results for the period 1 July 2001 to 30 June 2002, have not been audited and are based on management accounts.

AS AT 30 JUNE

R million

Company 2001	Company 2002		Group 2002	Group 2001
		14 INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES *(continued)*		
		(iii) Zimbabwe Platinum Mines Limited		
		Shares at cost	**131.9**	
		Release of surplus arising on acquisition	**4.1**	
		Foreign exchange adjustment	**65.1**	
		Share of post acquisition retained income	**(4.3)**	
		Share of results before taxation	**2.0**	
		Less: unearned profit in the group	**4.7**	
		Less: share of taxation	**1.6**	
		Closing net book amount	**196.8**	

The market value of these shares as at the close of business on 30 June by reference to stock exchange quoted prices was R248.9 million.

	2002
Surplus of net asset value over cost – not included in carrying value	**102.7**
Amount released	**4.1**
Closing balance	**98.6**

This company is involved in the business of mining PGMs.

	Number of shares 2002
Shareholding:	
Ordinary shares	**26 508 545**
Effective holding: 30.0%	

Summarised balance sheet (R million)	30 June 2002
Capital and reserves	**105.7**
Outside shareholders' interest	**30.5**
Non-current liabilities	**22.4**
	158.6
Fixed assets	**73.2**
Non-current assets	**72.4**
Net current assets	**13.0**
	158.6

The equity accounted results for the period 1 July 2001 to 30 June 2002, have not been audited and are based on management accounts.

AS AT 30 JUNE

R million

Company 2001	Company 2002		Group 2002	Group 2001
		14 INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES *(continued)*		
		(iv) ZCE Platinum Limited		
	246.3	Shares at cost	**246.3**	
	(5.0)	Amortisation of goodwill arising on acquisition	**(5.0)**	
	61.9	Foreign exchange adjustment	**61.9**	
	21.7	Share of post acquisition retained income (pre- and post taxation)	**21.7**	
	324.9	**Closing net book amount**	**324.9**	

Valued by the directors at book value.

Goodwill included in carrying value:	**2002**
At cost	**100.2**
Less: accumulated amortisation	**5.0**
Closing balance	**95.2**

This company is involved in the business of mining PGMs.

	Number of shares 2002
Shareholding:	
Ordinary shares	**9 692 308**
Effective holding: 35.0%	

Summarised balance sheet (US$ million)	**31 March 2002**
Capital and reserves	**55.5**
	55.5
Fixed assets	**11.4**
Non-current assets	**16.2**
Net current assets	**27.9**
	55.5

The associated company prepares its financial statements as at 30 September. Consequently, results for the nine months to 31 March 2002, which are unaudited, have been included in the equity accounted earnings for the period. The group acquired its percentage ownership interest in the associate, effective 1 July 2001.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 30 JUNE

R million

Company 2001	Company 2002		Group 2002	Group 2001
		14 INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES *(continued)*		
		(v) Two Rivers Platinum (Proprietary) Limited		
	45.0	Shares at cost	**45.0**	
	218.6	Shareholder's loan	**218.6**	
	263.6	**Closing net book amount**	**263.6**	

Valued by the directors at book value.
This company will be involved in the business of mining PGMs, after completion of the current mine development.

	Number of shares 2002
Shareholding:	
Ordinary shares	**270**
Effective holding: 45.0%	

Summarised balance sheet (R million)	30 June 2002
Capital and reserves	**100.5**
Non-current liabilities	**485.7**
	586.2
Fixed assets	**577.8**
Net current assets	**8.4**
	586.2

The results of the associate have not been audited and are based on management information.

Company 2001	Company 2002		Group 2002	Group 2001
		(vi) Aquarius Platinum (South Africa) (Proprietary) Limited		
	16.9	Shares at cost	**16.9**	
	9.1	Share of post acquisition retained income	**(28.8)**	
	15.7	Share of results before taxation	**15.7**	
	–	Less: unearned profit in the group	**37.9**	
	6.6	Less: share of taxation	**6.6**	
	443.3	Shareholder's loan	**443.3**	
	469.3	**Closing net book amount**	**431.4**	

Valued by the directors at book value.
The company has provided a guarantee to Investec Bank Limited on behalf of Aquarius Platinum (South Africa) (Proprietary) Limited for a loan facility granted of R175.0 million, of which R124.8 million has been utilised at year end.

AS AT 30 JUNE

R million

Company 2001	Company 2002		Group 2002	Group 2001
		14 INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES *(continued)*		

This guarantee is set to expire upon completion of certain project completion tests, relating to the Marikana project.

Shares beneficially owned in the undermentioned company involved in the business of mining, refining and marketing of PGMs.

	Number of shares **2002**	Number of shares 2001
Ordinary shares	**250**	255
Effective holding: 25.0%		

Summarised balance sheet (R million)	**30 June 2002**	30 June 2001
Capital and reserves	**53.9**	17.2
Non-current liabilities	**2 029.8**	167.9
	2 083.7	185.1
Fixed assets	**1 825.7**	134.0
Non-current assets	**3.1**	–
Net current assets	**254.9**	51.1
	2 083.7	185.1

The results of the associate are based on unaudited financial statements, and include equity accounted results from 1 April 2002 to 30 June 2002.

Company 2001	Company 2002		Group 2002	Group 2001
–	**1 371.3**	Associates	**2 502.8**	791.6
423.5	**(580.3)**	Investments in subsidiaries (Annexure A)		
423.5	**791.0**	Total investments in associates and subsidiaries	**2 502.8**	791.6

NOTES TO THE FINANCIAL STATEMENTS

AS AT 30 JUNE

R million

Company 2001	Company 2002		Group 2002	Group 2001
		15 OTHER INVESTMENTS		
		Investments in listed shares		
		Comprise shares in the following listed companies:		
253.9	**422.5**	Aquarius Platinum Limited	**422.5**	253.9
73.7	–	Kroondal Platinum Mines Limited (Refer note 6)	–	73.7
66.0	–	Zimbabwe Platinum Mines Limited (Refer note 14)	–	66.0
44.1	–	Brandrill Limited	–	44.1

Aquarius Platinum Limited
During the period under review, the group maintained its strategic shareholding in Aquarius Platinum Limited, holding 7 141 966 shares (2001: 7 141 966) which amounts to approximately 9.0% (2001: 10.1%) of the issued share capital of that company. The shares are currently listed on the Australian Stock Exchange and the London Stock Exchange. The market value of these shares as at the close of business on 30 June by reference to Stock Exchange quoted prices and the closing exchange rates was R422.5 million (2001: R253.9 million).

Kroondal Platinum Mines Limited
During the period under review, Aquarius Platinum Limited completed a restructuring of its business interests in South Africa. This transaction resulted in the business operations of Kroondal Platinum Limited being sold to Aquarius Platinum (South Africa) (Proprietary) Limited. As a result, the group holds a single 25% stake in Aquarius Platinum (South Africa) (Proprietary) Limited.

Zimbabwe Platinum Mines Limited is now accounted for as an associate.

The company's investment in *Brandrill Limited* has been fully provided against, as a result of the suspension of its shares on the Australian Stock Exchange. (Cost of R27.7 million and the balance being adjusted by R16.4 million through other reserves).

		Investment in unlisted shares		
		Shares beneficially owned in the undermentioned concerns:		
		Guardrisk Insurance Company Limited	**3.8**	3.8
10.1	–	Aquarius Platinum (South Africa) (Proprietary) Limited – now accounted for as an associate (Refer note 14)	–	10.1
		Valued by the directors at book value		

In addition the group holds various unlisted industry related investments which have been written down to a nominal value of R1 each.

AS AT 30 JUNE

R million

Company 2001	Company 2002		Group 2002	Group 2001
		15 OTHER INVESTMENTS *(continued)*		
		Non-equity investments		
		Investment in Impala Pollution, Rehabilitation and Closure Trust Fund (Refer note 28). The fund is an irrevocable trust under the group's control. The monies in the fund are invested primarily in interest bearing securities and approximate their fair value.	**60.9**	47.8
447.8	**422.5**		**487.2**	499.4
		16 NON-CURRENT RECEIVABLES		
		Loans		
		Related undertakings		
70.6	–	*Makwiro Platinum Mines (Private) Limited (previously Hartley Management Company (Private) Limited)*	–	70.6
		During the financial year, the loan was converted to share capital in this company.		
		Other		
126.2	–	*Aquarius Platinum (South Africa) (Proprietary) Limited*	–	126.2
		The loan was repaid during the financial year.		
36.4	**42.0**	*Messina Platinum Mines Limited*	**42.0**	36.4
		The loan is repayable on or before 1 July 2003. The loan bears interest at JIBAR plus 6%, payable monthly.		
233.2	**42.0**		**42.0**	233.2
		17 PREPAYMENTS		
		Royalty prepayment	**83.5**	88.4
		Charged to the income statement during the year	**4.9**	4.9
			78.6	83.5
		Less: current portion of prepayment	**4.9**	4.9
			73.7	78.6
		Royalty prepayment represents the payment of royalties previously settled through an issue of shares.		

NOTES TO THE FINANCIAL STATEMENTS

AS AT 30 JUNE

R million

Company 2001	Company 2002		Group 2002	Group 2001
		18 INVENTORIES		
		Refined metal	**370.0**	300.8
		At cost	**316.3**	234.0
		At net realisable value	**53.7**	66.8
		In-process metal	**484.9**	418.1
		Metal inventories	**854.9**	718.9
		Stores and materials inventories	**65.2**	60.4
			920.1	779.3

Company 2001	Company 2002		Group 2002	Group 2001
		19 CURRENT RECEIVABLES		
		Trade and other foreign receivables (Refer note 30)	**1 096.8**	1 041.8
		Interest receivable	**24.5**	17.8
9.3	**16.3**	Implats Share Incentive Trust	**16.3**	9.3
0.1	**0.2**	Other receivables	**235.4**	271.6
		Prepayments (Refer note 17)	**4.9**	4.9
9.4	**16.5**		**1 377.9**	1 345.4

Trade and other foreign receivables include advances of R596.7 million (2001: R263.2 million) to customers which are secured by in-process inventories held as collateral against these advances.

Company 2001	Company 2002		Group 2002	Group 2001
		20 CASH AND CASH EQUIVALENTS		
		Cash at bank	**220.3**	223.7
		Short term bank deposits	**2 930.0**	2 813.9
			3 150.3	3 037.6

The weighted average effective interest rate on short term bank deposits was 9.3% (2001: 10.4%).

NOTES TO THE FINANCIAL STATEMENTS

AS AT 30 JUNE

R million

Company 2001	Company 2002		Group 2002	Group 2001
		21 ORDINARY SHARES AND SHARE PREMIUM		

	Number of shares (millions)	Ordinary shares	Share premium	Total
Balance at 30 June 2000	66.066	13.2	537.8	**551.0**
Issued in terms of the share option scheme	0.265	0.1	19.5	**19.6**
Issued to minority royalty holders	0.017	–	5.5	**5.5**
Balance at 30 June 2001	66.348	13.3	562.8	**576.1**
Issued in terms of the share option scheme	0.206	–	26.8	**26.8**
Balance at 30 June 2002	66.554	13.3	589.6	**602.9**

Company 2001	Company 2002		Group 2002	Group 2001
20.0	**20.0**	The total authorised number of ordinary shares is 100 million shares (2001: 100 million shares) of 20 cents each.	**20.0**	20.0
		The unissued shares may be issued by the directors at their discretion until the next annual general meeting. The directors' report and note 27 set out details in respect of the share option scheme.		
		22 OTHER RESERVES		
285.6	**393.4**	Market value adjustment of listed investments	**393.4**	285.6
–	**124.1**	Currency and translation adjustment on foreign investments	**152.3**	(0.5)
285.6	**517.5**		**545.7**	285.1
		23 OUTSIDE SHAREHOLDERS' INTEREST		
		At the beginning of the year	**19.2**	13.8
		Share of other reserves of subsidiaries	**32.5**	–
		Share of net profit of subsidiaries	**9.9**	5.4
		At the end of the year	**61.6**	19.2

AS AT 30 JUNE

R million

Company 2001	Company 2002		Group 2002	Group 2001
		24 BORROWINGS		
		Current		
		Lease liabilities	–	0.6
		Debentures	**26.8**	23.9
			26.8	24.5
		Non-current		
		Debentures	**85.8**	112.6
		Interest-free loans	**0.5**	0.5
			86.3	113.1
		Total borrowings	**113.1**	137.6

The debentures are secured by a pledge of freehold properties included in mining assets with a book value of R178.0 million (2001: R178.0 million). Half of the debentures bear interest at a fixed rate of 18.90% per annum, with the other half bearing interest at 13.28% (2001: 12.48%) per annum. All are repayable on 30 June 2004.

	Group 2002	Group 2001
Weighted average effective interest rates:		
Debentures	**15.4%**	15.3%
Lease liabilities	**18.0%**	18.0%

Interest-free loans have no fixed terms of repayment.

	Carrying amounts 2002	Carrying amounts 2001	Fair values 2002	Fair values 2001
The carrying amounts and fair values of debentures are as follows:	**112.6**	136.5	**134.2**	158.6

The fair values are based on discounted cash flows using a discount rate based on the borrowing rate that the directors expect would be available to the group at the balance sheet date. The carrying amounts of short-term borrowings approximate their fair value.

AS AT 30 JUNE

R million

Company 2001	Company 2002		Group 2002	Group 2001
		24 BORROWINGS *(continued)*		
		Maturity of non-current borrowings (excluding finance lease liabilities):		
		Between 1 and 2 years	**29.8**	26.8
		Between 2 and 5 years	**56.0**	85.8
			85.8	112.6
		Finance lease liabilities – minimum lease payments:		
		Not later than 1 year	**–**	0.5
			–	0.5
		Future finance charges on finance leases	**–**	0.1
		Present value of finance lease liabilities	**–**	0.6
		Other assets with a book value of nil (2001: R0.5 million) have been encumbered as security for the capitalised lease agreements.		
		Borrowing powers		
		In terms of the articles of association of the companies in the group, the borrowing powers of the group are determined by the directors but are limited to ordinary shareholders' interest	**9 284.0**	6 430.3
		Currently utilised	**113.1**	137.6

R million

Company 2001	Company 2002		Group 2002	Group 2001
		25 DEFERRED TAXATION		
		The movement on the deferred taxation account is as follows:		
		At the beginning of the year	**1 156.1**	889.7
		Income statement charge (Refer note 10)	**233.5**	266.4
		At the end of the year	**1 389.6**	1 156.1

Deferred taxation assets and liabilities are offset when the income taxes relate to the same fiscal authority.

Deferred taxation assets and liabilities and deferred taxation charge/(credit) in the income statement are attributable to the following items:

	2002	Charged/ (Credited)	2001
Deferred taxation liabilities			
Capital expenditure	**1 453.0**	247.3	1 205.7
Prepaid expenses	**–**	(9.2)	9.2
Other	**33.5**	4.4	29.1
	1 486.5	242.5	1 244.0
Deferred taxation assets			
Substantially long term provisions	**(93.8)**	(9.2)	(84.6)
Other	**(3.1)**	0.2	(3.3)
	(96.9)	(9.0)	(87.9)
Net deferred taxation liability	**1 389.6**	233.5	1 156.1

26 PENSION AND OTHER POST-RETIREMENT OBLIGATIONS

Pension and provident plans

Defined contribution plans

Independent funds provide pension and other benefits to all permanent employees and their dependants. At the end of the financial year the following funds were in existence:

– Impala Provident Fund

– Impala Platinum Refineries Provident Fund

– Impala Workers Provident Fund

– Impala Supplementary Pension Fund

– Sentinel Pension Fund (industry fund)

AS AT 30 JUNE

R million

Company 2001	Company 2002		Group 2002	Group 2001
		26 PENSION AND OTHER POST-RETIREMENT OBLIGATIONS *(continued)*		
		Defined benefit plans		
		The Mine Employees Pension Fund is a mining industry defined benefit pension plan. Accordingly, the group is unable to determine the portion of assets and liabilities of the fund which relate to group employees. An interim actuarial valuation at 30 June 2000 reflected that the fund was financially sound.		
		Membership of the pension and provident plans are as follows:		
			%	**%**
		Defined contribution plans	**97.5**	97.4
		Defined benefit plans	**2.5**	2.6
			100.0	100.0
		Post-retirement medical benefits		
		Opening balance	**66.0**	66.0
		Less: utilised during the year	**2.2**	2.9
		Add: provided during the year	**3.1**	2.9
		Closing balance	**66.9**	66.0

The group provides certain post-retirement medical benefits to qualifying employees and pensioners. An estimate of the pre-tax obligation based on the latest calculations of independent actuaries, assuming estimated long-term medical cost increases and appropriate discount rates, indicates that the provision is adequate to cover the group's current obligations.

The principal actuarial assumptions were as follows:

– Medical cost inflation	10.8% pa
– Valuation interest rate	13.0% pa

27 EMPLOYEE BENEFITS

The group's share option plan authorises the granting of options to key employees who are able to purchase shares at a price equal to the middle market price on the trading day preceding the date upon which the remuneration committee approved the granting of the options.

The scheme is administrated through the Impala Share Incentive Trust (Refer note 19). Shares are issued to the trust as required. Employees are entitled to exercise their options at the option price (Refer note 21). The fair value of the shares issued to the Share Incentive Trust amounted to R136.5 million (2001: R112.0 million)

AS AT 30 JUNE

R million

Company 2001	Company 2002		Group 2002	Group 2001
		27 EMPLOYEE BENEFITS *(continued)*		
		Movement in the number of share options outstanding was as follows ('000):		
		At the beginning of the year	**515.0**	761.9
		Granted	**335.3**	62.2
		Less: exercised	**168.8**	290.5
		Less: forfeited	**67.9**	18.6
		At the end of the year	**613.6**	515.0

Refer to the directors report for details on share options held by directors.

The number of shares held by the Trust at year-end amounted to 103 658 (2001: 60 835) with a fair value of R59.3 million (2001: R26.6 million).

Share options outstanding at the end of the year have the following terms:

Exercise date	Option price Rand	2002 ('000)	2001 ('000)
Prior to June 2000	52.50-75.00	**–**	4.4
June 2001	52.50-507.00	**2.9**	39.6
June 2002	52.50-507.00	**92.2**	231.4
June 2003	52.50-507.00	**89.3**	94.3
June 2004	146.00-556.00	**149.6**	81.3
June 2005	200.00-556.00	**118.2**	48.4
June 2006	281.00-556.00	**88.3**	15.6
June 2007	281.00-556.00	**73.1**	–
		613.6	515.0

Vesting of options first occurs two years after the granting of the options, limited to a maximum of 25% of the total options granted. In subsequent years an additional 25% per year vests. All outstanding options expire within 12 years from the date of granting the options.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 30 JUNE

R million

Company 2001	Company 2002		Group 2002	Group 2001
		28 PROVISION FOR ENVIRONMENTAL OBLIGATIONS		
		Provision raised for future rehabilitation		
		Opening balance	**130.0**	101.8
		Present value of additional rehabilitation obligations (Refer note 13)	**2.3**	20.5
		Charge to income statement	**8.3**	7.7
		Closing balance	**140.6**	130.0
		Current rehabilitation obligation estimate	**329.0**	300.4
		The movement of the investment in the Impala Pollution, Rehabilitation and Closure Trust Fund, is as follows:		
		Opening balance	**47.8**	33.7
		Interest accrued	**4.1**	4.7
		Contributions	**9.0**	9.4
		Closing balance	**60.9**	47.8
		Future value of rehabilitation obligation	**1 499.5**	1 320.9
		Future value of rehabilitation trust investment	**826.9**	812.7
		Future net environmental rehabilitation obligation	**672.6**	508.2

The future value of rehabilitation obligation has been calculated by inflating the current rehabilitation cost over 25 years to an estimated future rehabilitation cost.

The future value of the rehabilitation trust investment has been calculated by assuming that the present balance in the rehabilitation trust will be invested at a risk free rate over 25 years, after which the capital and growth will be used to fund the gross rehabilitation obligation.

The shortfall will be funded by ongoing contributions to the trust.

AS AT 30 JUNE

R million

Company 2001	Company 2002		Group 2002	Group 2001
		29 TRADE AND OTHER PAYABLES		
1.6	**2.2**	Trade payables	**1 292.5**	1 065.9
		Leave liability	**138.3**	115.8
		Royalties payable	**804.4**	925.2
		Forward commitments (Refer note 32)	**155.5**	94.7
13.7	**–**	Other payables	**67.4**	80.7
15.3	**2.2**		**2 458.1**	2 282.3

Analysis of significant provisions:

	Royalties payable 2002	Royalties payable 2001	Leave liability 2002	Leave liability 2001
Opening balance	**925.2**	428.2	**115.8**	104.2
Add: current year provision	**804.5**	925.2	**212.7**	169.2
Less: utilised during the year	**925.3**	428.2	**190.2**	157.6
Closing balance	**804.4**	925.2	**138.3**	115.8

Royalties payable

Comprises the provision for royalty payments to the holders of mineral rights. The calculation is based on mining taxable income and is only finalised once that has been assessed by the South African Revenue Services.

Leave liability

Employee entitlements to annual leave are recognised on an ongoing basis. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

AS AT 30 JUNE

R million

Company 2001	Company 2002		Group 2002	Group 2001
		30 FINANCIAL RISK MANAGEMENT		

Fair value of other financial assets and liabilities

At 30 June 2002, the carrying amounts of cash and cash equivalents, receivables, trade and other payables and short-term borrowings, approximated their fair values due to the short term maturities of these assets and liabilities.

Foreign currency risk management

The group from time to time enters into forward exchange and currency option contracts to preserve its revenue streams and to limit its exposure for capital purchases and other expenditure denominated in foreign currencies. Currency hedging is undertaken in terms of policy approved by the board of directors and all hedges are regularly reviewed by the hedging committee.

The uncovered foreign currency denominated balances as at 30 June were as follows:

	Group 2002	Group 2001
Trade and other receivables (US$ million)	**86.7**	110.1
Bank balances (US$ million)	**16.4**	23.8
	103.1	133.9

Forward foreign currency sales

	Foreign currency	Foreign amount	Rand amount	Fair value rand	Settle-ment dates
2002	**nil**				
2001	US$	5.0	40.7	40.6	Within
	US$	5.0	41.3	40.7	3 months

The net unrecognised gains at 30 June on open contracts which hedge anticipated future foreign commodity sales amounted to nil (2001: R0.7 million).

The fair values of forward exchange contracts have been calculated using rates quoted by the group's bankers to take out a similar contract at balance sheet date with the same settlement date as the existing contracts.

Metal price risk management

The group is exposed to fluctuations in metal prices. From time to time, the group enters into metal futures, options or lease contracts to manage the fluctuations in its metal prices thereby preserving and enhancing its revenue streams.

At 30 June 2002, the group had no metal futures, options or lease contracts in place (2001: nil).

AS AT 30 JUNE

R million

Company 2001	Company 2002		Group 2002	Group 2001
		30 FINANCIAL RISK MANAGEMENT *(continued)*		

Credit risk management

The potential concentration of credit risk consists mainly of cash, cash equivalents, trade debtors and other receivables.

The group limits its counter party exposures from its money market investment operations by only dealing with well-established financial institutions of high quality credit standing. The credit exposure to any one counter party is managed by setting exposure limits which are reviewed regularly by the board of directors.

The group is exposed to credit-related losses in the event of non-performance by counter parties to derivatives instruments. The counter parties to these contracts are major financial institutions. The group continually monitors its positions and the credit ratings of its counter parties and limits the amount of contracts it enters into with any one party.

Trade debtors comprise a number of customers, dispersed across different geographical areas. Ongoing credit evaluations are performed on the financial condition of these and other receivables. Trade debtors are presented net of the allowance for doubtful debts.

The credit exposures by country are as follows:

	Group 2002	Group 2001
Receivables:		
North America	**682.8**	670.8
Asia	**133.0**	103.1
Europe	**53.5**	173.1
South Africa and Zimbabwe	**227.5**	94.8
(Refer note 19)	**1 096.8**	1 041.8
Cash and cash equivalents:		
Asia	**1.4**	1.6
South Africa	**3 148.9**	3 036.0
(Refer note 20)	**3 150.3**	3 037.6

Other receivables represent primarily a South African exposure.

Interest rate risk management

The group monitors its exposure to fluctuating interest rates. Cash and cash equivalents are primarily invested with short term maturity dates. The group's primary exposure in respect of long term borrowings is detailed in note 24. At 30 June 2002, the group did not consider there to be any significant concentration of interest rate risk.

AS AT 30 JUNE

R million

Company 2001	Company 2002		Group 2002	Group 2001
		31 CONTINGENCIES		
		Contingent liabilities and guarantees		
		Collateral security for employee housing	**9.4**	10.1
		Due to the uncertainties regarding the timing and amounts, potential outflows cannot be quantified.		
		Guarantee to Investec Bank Limited on behalf of Aquarius Platinum (South Africa) (Proprietary) Limited for a loan facility granted. This guarantee expired on 31 December 2001.	**–**	525.5
		Contingencies relating to associate companies (Refer note 14)		
			9.4	535.6
		32 COMMITMENTS		
		Capital expenditure commitments		
		Capital expenditure contracted for at the balance sheet date but not recognised in the financial statements is as follows:		
		Commitments in respect of amounts contracted for	**711.7**	523.0
		Amounts approved by directors not yet contracted	**2 854.7**	2 859.2
		Approved expenditure outstanding at 30 June	**3 566.4**	3 382.2

This expenditure will be funded internally and if necessary, from borrowings.

Metal purchase commitments

From time to time, in order to finance third party refining, Impala Refining Services sells refined metal, held on behalf of third parties, into the market with a commitment to repurchase at a later date.

The forward commitments were as follows:

	Foreign currency	Foreign amount	Rand amount	Fair value rand	Settle-ment dates
2002	**US$**	**15.2**		**155.5**	Between 1 and 3 months
2001	US$	11.8	94.7	85.9	Between 1 and 3 months

The net unrecognised loss of R8.8 million previously reported, has been adjusted in retained earnings due to the adoption of IAS 39 - refer to the statement of changes in equity.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 30 JUNE

R million

Company 2001	Company 2002		Group 2002	Group 2001
		33 CASH GENERATED FROM OPERATIONS		
		Reconciliation of profit before taxation to cash generated from/(utilised in) operations:		
4 048.2	**2 218.9**	Income before taxation	**6 733.4**	7 467.7
(4 111.1)	**(2 275.9)**	Adjustments for:	**(107.4)**	(81.5)
		Amortisation and depreciation (Refer note 13)	**255.1**	218.2
–	**5.9**	Amortisation of goodwill (Refer note 14)	**9.2**	7.4
		Provision for environmental rehabilitation (Refer note 28)	**8.3**	7.7
(4 111.1)	**(2 215.8)**	Financial income (Refer note 7)	**(287.2)**	(400.6)
–	**4.7**	Interest expense (Refer note 7)	**15.7**	14.4
–	**(44.8)**	Share of pre-taxation income of associates (Refer note 14)	**(1 102.9)**	(1 031.4)
		Provisions (Refer note 26 and note 29)	**1 020.3**	1 097.3
–	**(25.9)**	Other non cash transactions	**(25.9)**	5.5
28.0	**(20.2)**	Changes in working capital (excluding the effects of acquisitions and disposals):	**(1 009.0)**	(750.5)
28.1	**(7.1)**	Trade and other receivables (Refer note 19)	**(32.5)**	(387.4)
		Inventories (Refer note 18)	**(140.8)**	(339.7)
(0.1)	**(13.1)**	Payables (Refer note 29)	**(835.7)**	(23.4)
(34.9)	**(77.2)**	Cash generated from/(used in) operations	**5 617.0**	6 635.7

Other non-cash transactions

The non-cash transactions comprise mainly provisions, amortisation of prepayments, investments written down, profit on sale of shares (2001: as well as share capital not issued for cash to minority royalty holders).

Company 2001	Company 2002		Group 2002	Group 2001
		34 TAXATION PAID/(REFUNDED)		
1.0	**8.1**	Owing at the beginning of the year	**1 488.9**	663.5
7.6	**0.9**	Current charges per income statement	**2 142.0**	2 815.2
–	**(8.8)**	Share of taxation of associates	**(405.6)**	(384.1)
		Net provision for deferred taxation	**(233.5)**	(266.4)
(8.1)	**(6.5)**	Owing at the end of the year	**(1 258.5)**	(1 488.9)
0.5	**(6.3)**		**1 733.3**	1 339.3

35 POST BALANCE SHEET EVENTS

Post balance sheets event have been dealt with in the directors report. (Refer page 120)

NOTES TO THE FINANCIAL STATEMENTS

AS AT 30 JUNE

Annexure A – Investment in subsidiary companies

	Issued share capital	Effective group interest		Book value in holding company			
				Shares		Loans	
		2002	2001	**2002**	2001	**2002**	2001
Company and description	**Rm**	**%**	**%**	**Rm**	**Rm**	**Rm**	**Rm**
Impala Holdings Limited *Investment holding company*	*	**100**	100			**(2 021.2)**	(950.5)
Impala Platinum Limited *Mines, refines and markets PGMs*	*	**100**	100				
Impala Platinum Investments (Pty) Ltd	*	**100**	100				
Impala Platinum Properties (Rustenburg) (Pty) Ltd	*	**100**	100				
Impala Platinum Properties (North West) (Pty) Ltd	*	**100**	100				
Impala Platinum Properties (Springs) (Pty) Ltd *Own properties*	*	**100**	100				
Messina Holdings Limited *Investment holding company*	*	**100**	100				
Barplats Holdings (Pty) Ltd *Investment holding company*	*	**100**	100	**68.0**	68.0	**29.4**	29.4
Barplats Investments Limited # *Investment holding company*	2.2	**83**	83				
Barplats Mines Limited *Owns mineral rights and mines PGMs*	0.9	**83**	83				
Barplats Mines (North West) (Pty) Ltd	*	**83**	83				
Rhodium Reefs Limited *Owns mineral rights*	*	**83**	83				
Gazelle Platinum Limited *Investment holding company*	*	**100**	100			**324.5**	324.5
Impala Refining Services Limited *Provides toll refining services*	*	**100**	100				
Impala Platinum Japan Limited[1] *Marketing representative*	¥10m	**100**	100	**1.5**	1.5	**(0.8)**	(0.8)
Impala Platinum Zimbabwe (Pty) Ltd *Investment holding company*	*	**50**	–			**67.7**	–
Implats Canada Inc.[2] *Investment holding company*	C$1	**100**	100				951.0
Trojan Platinum (Pty) Ltd *Owns mineral rights*	*	**100**	100	**950.2**			
Platexco (South Africa) (Pty) Ltd *Exploration company*	*	**100**	100				
Sundry dormant companies	*	**100**	100	**0.6**	0.6	**(0.2)**	(0.2)
Total				**1 020.3**	70.1	**(1 600.6)**	353.4
Total investment						**(580.3)**	423.5

Valued by the directors at book value

* Share capital less than R50 000.

\# Listed on the JSE Securities Exchange.

1 Incorporated in Japan.

2 Incorporated in Canada.

NOTICE TO SHAREHOLDERS

Implats

The forty-sixth annual general meeting of members will be held in the Boardroom, 3rd Floor, Old Trafford 4, Isle of Houghton, Boundary Road, Houghton on Tuesday, 5 November 2002 at 10:00 for the following purposes:

1. To receive and consider the financial statements for the year ended 30 June 2002.

2. To elect directors in place of those retiring in terms of the articles of association. The following directors are eligible and offer themselves for re-election: Ms CE Markus, Messrs JM McMahon, L Molotlegi and JV Roberts.

3. To determine the remuneration of the directors (refer to director's report on page 122)

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 the provisions of the Companies Act."

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

   "Resolved that, subject to compliance with the Listings Requirements of the JSE Securities Exchange South Africa (JSE) and the approval of a 75% (seventy-five percent) majority of the votes cast by the shareholders of the company present in person or by proxy and entitled to vote at the meeting at which this resolution is proposed, the directors of the company are hereby authorised by way of a general authority to allot and issue the unissued ordinary shares in the capital of the company for cash, without restrictions as to whom the shares will be issued, as and when suitable opportunities arise, subject to the following conditions:

   (a) that this authority shall lapse on the earlier of the date of the next annual general meeting of the company or the date 15 (fifteen) months after the date on which this resolution is passed;
   (b) a paid press announcement giving full details, including the impact on net asset value and earnings per share, will be published at the time of any issue representing, on a cumulative basis within 1 (one) year, 5% (five percent) or more of the number of shares in issue prior to the issue(s);
   (c) that the issues in the aggregate in any 1 (one) year shall not exceed 15% (fifteen percent) of the number of shares of the company's issued ordinary share capital;
   (d) that, in determining the price at which an issue of shares will be made in terms of this authority, the maximum discount permitted shall be 10% (ten percent) of the average closing price on the JSE of the ordinary shares, adjusted for any dividend declared but not yet paid or for any capitalisation award made to shareholders, as determined over the 30 (thirty) business days prior to either the date of the paid press announcement or, where no announcement is required and none has been made, the date of issue of the shares; and
   (e) that any issue in terms of this general authority shall be made only to public shareholders as defined in the aforesaid Listings Requirements."

Special business

6. To pass with or without modification the following resolution as a special resolution:

   Special Resolution No. 1

   "Resolved that the company and /or any of its subsidiaries from time to time are hereby authorised, by way of a general authority, to:

   (a) acquire ordinary shares of 20 (twenty) cents each ("Ordinary Shares") issued by the company in terms of Sections 85 and 89 of the Companies Act, No. 61 of 1973, as amended, and in terms of the Listing Requirements from time to time of the JSE Securities Exchange South Africa ("the Listing Requirements"); and / or
   (b) to conclude derivative transactions which may result in the purchase of ordinary shares in terms of the Listing

Requirements, it being recorded that such Listing Requirements currently require, inter alia, that:

(i) the company may make a general repurchase of securities only if any such repurchase of ordinary share shall be implemented on the Main Board of the JSE Securities Exchange South Africa (JSE) or any other stock exchange on which the shares are listed and on which the company or any of its subsidiaries may wish to implement any purchases of ordinary shares with the approval of the JSE and any other such stock exchange, as necessary;

(ii) this general authority shall only be valid until the company's next annual general meeting, provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this special resolution;

(iii) the purchase of the ordinary shares may not be made at a price greater than 10% (ten percent) above the weighted average of the market value of such ordinary shares for the 5 (five) business days immediately preceding the date of the transaction;

(iv) any derivative transactions which may result in the repurchase of ordinary shares must be priced as follows:

   (1) the strike price of any put option written by the company may not be at a price greater than stipulated in paragraph (iii) above at the time of entering into the derivative agreement;

   (2) the strike price of any call option may be greater than stipulated in paragraph (iii) above at the time of entering into the derivative agreement, but the company may not exercise that call option if it is "out of the money";

   (3) the strike price of any forward agreement may be greater that the price indicated in paragraph (iii) above but limited to the fair value of a forward agreement based on a spot price not greater than stipulated in paragraph (iii) above;

(v) when the company and / or any of its subsidiaries has cumulatively purchased 3% (three percent) of the number of ordinary shares in issue on the date of passing of this special resolution (including the delta equivalent of any such ordinary shares underlying derivative transactions which may result in the repurchase by the company of ordinary shares), and for each 3% (three percent) thereof in aggregate, acquired thereafter, an announcement must be published as soon as possible and not later than 08:30 on the business day following the day on which the relevant threshold is reached or exceeded, and the announcement must comply with the Listing Requirements;

(vi) any general purchase by the company and / or any of its subsidiaries of the company's ordinary shares in issue shall not in aggregate, in any one financial year, exceed 10% (ten percent) of the company's issued ordinary share capital.

The reason for the special resolution is to obtain, and the effect thereof is to grant, the company a general authority in terms of the Companies Act, 1973, as amended, for the acquisition by the company and/or any of its subsidiaries of shares in the capital of the company, which general authority shall be valid until the next annual general meeting of the company, provided that the general authority shall not extend beyond fifteen months from the date at which this special resolution is passed.

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 general meeting held on 15 July 2002. 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.

The directors have considered the impact which a purchase of up to a maximum of 10% of the company's issued ordinary share capital and a general authority would have on the company and /or its subsidiaries (together "the group") and are of the opinion that for a period of twelve months from the date of this notice:

- the company and the group will in the ordinary course of business be able to pay its debts;
- the assets of the company and the group will be in excess of the liabilities of the company and the group calculated in accordance with the accounting policies used in the audited financial statements for the year ended 30 June 2002; and
- the ordinary capital, working capital and reserves of the company and the group will be adequate;

By order of the board

A M SNASHALL
Group Secretary
22 August 2002

Registered Office
3rd Floor Old Trafford 4
Isle of Houghton
Boundary Road
Houghton 2198

Notes

(1) 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.

(2) In accordance with the requirement of the London Stock Exchange, it is stated that no directors' service contracts exist or are proposed between the company or any subsidiary of the company and any director which is not terminable within one year without payment of compensation (other than statutory compensation). The interest of the directors of the company and their families do not, in the aggregate, in respect of either share capital or voting control, exceed 5% of the capital of the company.

SHAREHOLDER INFORMATION

Shareholders' diary

Final dividend declared August 2002. Paid –	7 October 2002
Annual general meeting	Tuesday, 5 November 2002
Interim report release	February 2003
Interim dividend declared February 2003. Paid	April 2003
Financial year end	30 June 2003
Annual report release	August 2003

Analysis of shareholdings

	Number of shareholders	%	Number of shares (000's)	%
1 – 5 000	5 671	92.7	2 418	3.6
5 001 – 10 000	155	2.5	1 109	1.7
10 001 – 100 000	235	3.8	7 225	10.9
100 001 – 1 000 000	52	0.9	14 295	21.5
Over 1 000 000	8	0.1	41 507	62.3
	6 121	100.0	66 554	100.0

Analysis of shareholdings

	Number of shareholders	%	Number of shares (000's)	%
Major shareholder	1	–	30 606	46.0
Computershare Investor Services Limited	1 064	17.4	1 285	1.9
Central Securities depository	5 056	82.6	34 663	52.1
	6 121	100.0	66 554	100.0

Share statistics are on page 25

ADMINISTRATION

Implats subsidiary companies

Registered office and Secretary
3rd Floor, Old Trafford 4
Isle of Houghton, Boundary Road, Houghton 2198
P.O. Box 61386, Marshalltown 2107
Telephone: +27(11) 481 3900
Telefax: +27(11) 484 0254
email: investor@implats.co.za

Secretary
Alan Snashall

London Secretaries
Project Consultants Limited
Walnut House, Walnut Gardens, Claydon, Banbury
Oxon, OX17 1NA
Telephone: +44 (1295) 69 0180
Telefax : +44 (1295) 69 0182
email: ckennedy@projectconsultants.co.uk

Public Officer
Johan van Deventer

Transfer Secretaries
South Africa
Computershare Investor Services Limited
8th Floor, 11 Diagonal Street
P.O Box 1053, Johannesburg 2000
Telephone: +27(11) 370 5000

United Kingdom
Lloyds TSB Registrars
Client Services, The Causeway, Worthing
West Sussex, BN99 6DA

Auditors
PricewaterhouseCoopers Inc
2 Eglin Road, Sunninghill, Johannesburg
2157

Website :
http://www.implats.co.za

Impala, Impala Refining Services and Barplats
HEAD OFFICE
3rd Floor, Old Trafford 4, Isle of Houghton
Boundary Road, Houghton 2198
P.O. Box 61386, Marshalltown 2107
Telephone: +27(11) 481 3900
Telefax: +27(11) 484 0254

IMPALA OPERATIONS
P.O. Box 5683, Rustenburg 0300
Telephone: +27 (14) 569 0000
Telefax: +27 (14) 569 6548

IMPALA REFINERIES
P.O. Box 222, Springs 1560
Telephone: +27 (11) 360 3111
Telefax: +27 (11) 360 3680

CROCODILE RIVER MINE
P.O. Box 513, Brits 0250
Telephone: +27 (12) 381 1800
Telefax: +27 (12) 258 0087

MARULA PLATINUM
3rd Floor, Old Trafford 4, Isle of Houghton
Boundary Road, Houghton 2198
P.O. Box 61386, Marshalltown 2107
Telephone: +27(11) 481 3900
Telefax: +27(11) 484 0254

REPRESENTATIVE IN JAPAN
Impala Platinum Japan Limited
Uchisaiwaicho Daibiru, Room No. 702
303 Uchisaiwaicho, 1-Chome, Chiyoda-ku, Tokyo, Japan
Telephone: +81 (3) 3504 0712
Telefax: +81 (3) 3508 9199

IMPALA PLATINUM HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)
(Registration number: 1957/001979/06)
(Share code:IMP) (ISIN:ZAE000003554)
("Implats" or "the Company")

Form of Proxy – only for use by registered members

This form of proxy is not for use by members who have already dematerialised their Implats shares. such members must use the attached voting instruction form (blue)

For use at the annual general meeting of the company to be held on Tuesday, 5 November 2002 at 10:00 (the annual general meeting)

I/We ______________________________

of ______________________________

appoint (See Note 1):

1. ______________________________ or, failing him,

2. ______________________________ or, failing him,

3. the chairman of the annual general meeting.

As my/our proxy to act for me/us at the annual general meeting of the company which will be held in the Boardroom, 3rd Floor, Old Trafford 4, Isle of Houghton, Boundary Road, Houghton, Johannesburg at 10:00 on Tuesday, 5 November 2002, and at each adjournment or postponement thereof, and to vote for and/or against the resolutions and/or abstain from voting in respect of the shares in the issued capital of the company registered in my/our name/s (see Note 2).

	Number of ordinary shares		
Resolutions	**For**	**Against**	**Abstain**
Re-election of directors			
Directors' remuneration			
Unissued shares – general			
– issue for cash			
Special resolution – share buy-back			

Insert in the relevant space above the number of shares held.

Signed at ______________________________ on ______________________________ 2002

Signature ______________________________

Assisted by (where applicable) ______________________________

Each ordinary shareholder is entitled to appoint one or more proxies (who need not be a shareholder/s of the company) to attend, speak and vote in place of that shareholder at the annual general meeting.

NOTES

1. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the spaces provided, with or without deleting "the chairman of the annual general meeting". Any such deletion must be initialled by the shareholder. The person present at the meeting whose name appears first on the form of proxy and has not been deleted will be entitled to act as proxy to the exclusion of those whose names follow.

2. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate space provided. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the annual general meeting as he deems fit in respect of all the shareholder's votes exercisable thereat. A shareholder or his proxy is not obliged to use all the votes exercisable by the shareholder or by his proxy, but the total of the votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the shareholder or his proxy.

3. Any alteration or correction to this form must be initialled by the signatory/ies.

4. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form unless previously recorded by the transfer secretaries of the company or waived by the chairman of the annual general meeting.

5. The completion and lodging of this form will not preclude the relevant shareholder from attending the annual general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.

6. Forms of proxy must be lodged with or posted to the company's transfer secretaries to be received not later than 24 hours (excluding Saturdays, Sundays and public holidays) before the time of the meeting.

7. This form of proxy expires after the conclusion of the meeting stated herein except at an adjournment of that meeting or at a poll demanded at such meeting.

Transfer Secretaries

Computershare Investor Services Limited
8th Floor, 11 Diagonal Street, Johannesburg 2001
PO Box 1053, Johannesburg 2000

London transfer secretaries

Lloyds TSB Registrars
Client Services, The Causeway, Worthing
West Sussex, BN99 6DA

IMPALA PLATINUM HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1957/001979/06)

(Share code:IMP) (ISIN:ZAE000003554)

("Implats" or "the Company")

Voting instruction form – **only for use by members who have dematerialised their Implats shares through STRATE**

For use in respect of the general meeting of the Company to be held at 10:00 on Tuesday, 5 November 2002 (the "annual general meeting") to advise their CSDP or broker of their voting instructions on the proposed resolutions in the spaces provided below. However, should such members wish to attend the annual general meeting in person, then they will need to request their CSDP or broker to provide them with the necessary authority in terms of the custody agreement entered into between the dematerialised shareholder and the CSDP or broker.

I/We ______________________________

of ______________________________

being a member(s) or beneficial shareholder(s) of the Company who has/have dematerialised my/our shares in Implats do hereby indicate in the spaces below to my/our CSDP/broker my/our voting instruction on the resolutions to be proposed at the annual general meeting of the Company which will be in the Boardroom , 3rd Floor, Old Trafford 4, Isle of Houghton, Boundary Road, Houghton, Johannesburg at 10:00 on Tuesday, 5 November 2002, and each adjournment or postponement thereof.

Voting instruction

	Number of ordinary shares		
Resolutions	**For**	**Against**	**Abstain**
Re-election of directors			
Directors' remuneration			
Unissued shares – general			
– issue for cash			
Special resolution – share buy-back			

Insert in the relevant space above the number of shares held.

Signed at ______________________________ on ______________________________ 2002

Signature ______________________________

Assisted by (where applicable) ______________________________

NOTES

1. Please indicate in the appropriate spaces overleaf the number of votes to be cast. Each share carries the right to one vote.

2. All the votes need not to be exercised neither need all votes be cast in the same way, but the total of the votes cast and in respect of which abstention is directed may not exceed the total of the votes exercisable.

3. Any alteration or correction made to this voting instruction form must be signed in full by the signatory/ies.

4. When there are joint owners of shares, all joint owners must sign this voting instruction form.

5. Completed voting instruction forms should be forwarded to the CDSP or broker through whom the Implats shares have been dematerialised. Members should contact their CDSP or broker with regard to the cut-off time for lodging of voting instruction forms.

6. This voting instruction form is only for use by members with dematerialised shareholdings via STRATE. Registered members and those with shares held in CREST should use the form of proxy (white) attached.

Disclaimer

The content of the Implats annual report is for general information purposes only and is not intended to serve as financial, investment or any other type of advice. In particular, the information contained in the report is not intended to be, and shall not be deemed to be, an invitation or inducement to invest in, or otherwise deal in, any securities of Implats or in any other investment. Any reliance on the information contained in the annual report is at the user's own risk.

Furthermore, this report 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 expressed or implied is given as to the accuracy or completeness of such views or as to any of the other information in this report. 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.

Implats and its subsidiaries will not be responsible for any loss or damage howsoever arising, of any nature, including consequential loss or damage suffered or incurred, directly or indirectly, by any person as a result of the use of, or any reliance on the information contained in this report.

Report produced by: Russell & Associates
Design: Gill Marshall

IMPLATS

Website: www.implats.co.za