

NEWS RELEASE

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IMPLATS TABLES SETTLEMENT OFFER TO AMCU

Offer will ensure that an underground employee's cash remuneration increases to R12,500 per month by July 2017

EMBARGO: For immediate release

<p>Ticker symbols: JSE: Imp ADRs: Impuy</p> <p>www.implats.co.za</p> <p>Queries:</p> <p>Johan Theron +27 11 731 9013/43 +27 82 809 0166</p> <p>Alice Lourens +27 11 731 9033/43 +27 82 498 3608</p>	<p>Impala Platinum Holdings Limited (Implats) has tabled a strike settlement offer in respect of wages and benefits to employees who are members of the Association of Mineworkers and Construction Union (AMCU). This follows recent engagements with the President of AMCU, Mr Joseph Mathunjwa, and AMCU's national leadership.</p> <p>The proposed increases will ensure that the minimum <u>cash remuneration</u> (comprising basic wages and holiday, living out and other allowances) for entry level underground employees will rise to R12,500 per month (R150,000 per annum) by July 2017. To achieve this, the cash remuneration for these employees would rise between 7.5% and 10% across the various bands of employees, with relevant allowances rising in line with inflation.</p> <p>It is important to note that by implementing these increases, the <u>cost to company</u> for the lowest paid underground employee would be in excess of R17,500 per month (R210,000 per annum) by July 2017. The <u>cost to company</u> includes cash remuneration, medical, retirement, overtime and bonus provisions. Longer term issues such as labour migrancy and living conditions will be handled through a joint task team within the company.</p> <p>Implats can ill afford the revised settlement offer, which represents an increase from the previous 7.5% to 9% CCMA offer, and the 7.5% to 8,5% offer made prior to the commencement of the strike. These concessions have been made in good faith through various attempts over the last two months to end this industrial action. Labour costs account for approximately 55% to 60% of annual production costs and unsustainable increases in these costs will be catastrophic to the future viability of the company.</p>
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This settlement offer has been made in the interests of bringing an end to the debilitating 12-week strike that has crippled the platinum sector and has brought untold hardship to employees, their families, communities and the platinum companies.

The offer currently includes the payment of back-pay related to the annual increase. This takes effect from 1 July 2013 and the principle of *'no work, no pay'* will apply for the duration of the strike.

To date, Implats has lost approximately 180,000 ounces of platinum in the 12-week strike, equivalent to revenue of around R4.0 billion, while employees have forfeited wages of some R1.4 billion.

Implats urges AMCU and its members to seriously consider this offer. Talks between the platinum producers and AMCU are scheduled to continue next week Tuesday.

Ends