IMPLATS
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IMPALA PLATINUM HOLDINGS LIMITED
IMPALA RUSTENBURG STRATEGIC REVIEW

2 August 2018

Impala Rustenburg 16 Shaft

Forward looking statement

Certain statements contained in this presentation other than the statements of historical fact contain forward-looking statements regarding Implats' operations, economic performance or financial condition, including, without limitation, those concerning the economic outlook for the platinum industry, expectations regarding metal prices, production, cash costs and other operating results, growth prospects and the outlook of Implats' operations, including the completion and commencement of commercial operations of certain of Implats' exploration and production projects, its liquidity and capital resources and expenditure and the outcome and consequences of any pending litigation, regulatory approvals and/or legislative frameworks currently in the process of amendment, or any enforcement proceedings. Although Implats believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be correct. Accordingly, results may differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in metal prices and exchange rates and business and operational risk management. For a discussion on such factors, refer to the risk management section of the company's Annual Report. Implats is not obliged to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the dates of the Annual Report or to reflect the occurrence of unanticipated events. All subsequent written or oral forward-looking statements attributable to Implats or any person acting on its behalf are qualified by the cautionary statements herein.

Agenda

INDUSTRY CONTEXT — *Nico Muller*

IMPLATS GROUP — *Nico Muller*

RUSTENBURG REVIEW — *Mark Munroe*

GROUP IMPACT — *Ben Jager*

CONCLUSION — *Nico Muller*

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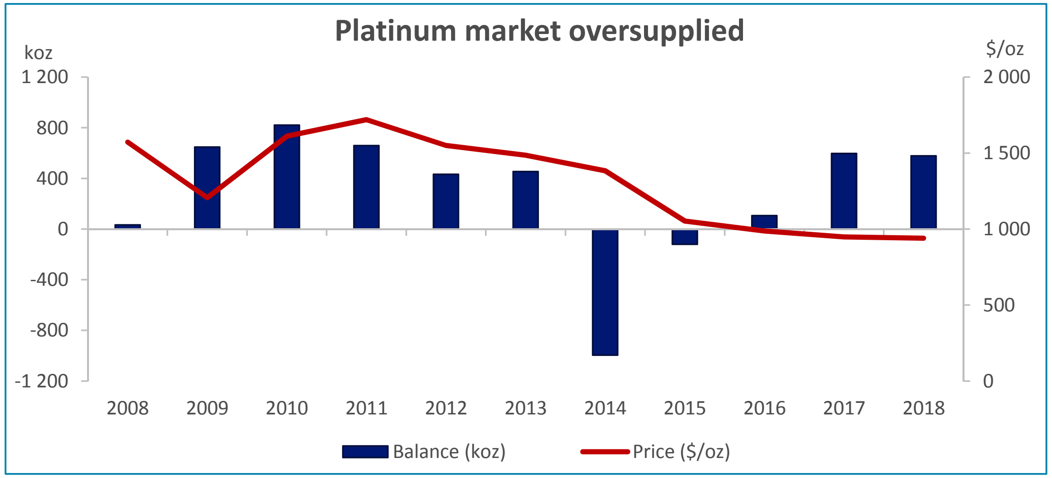
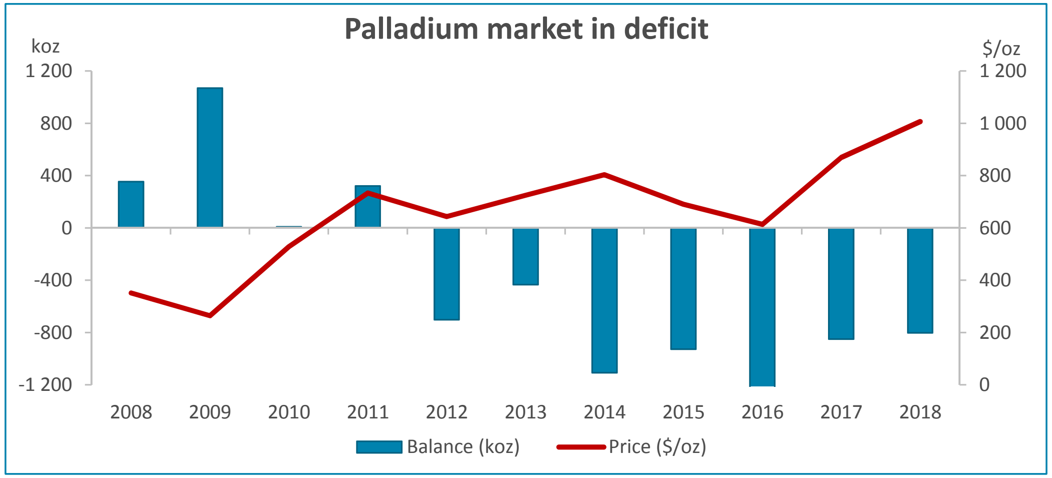
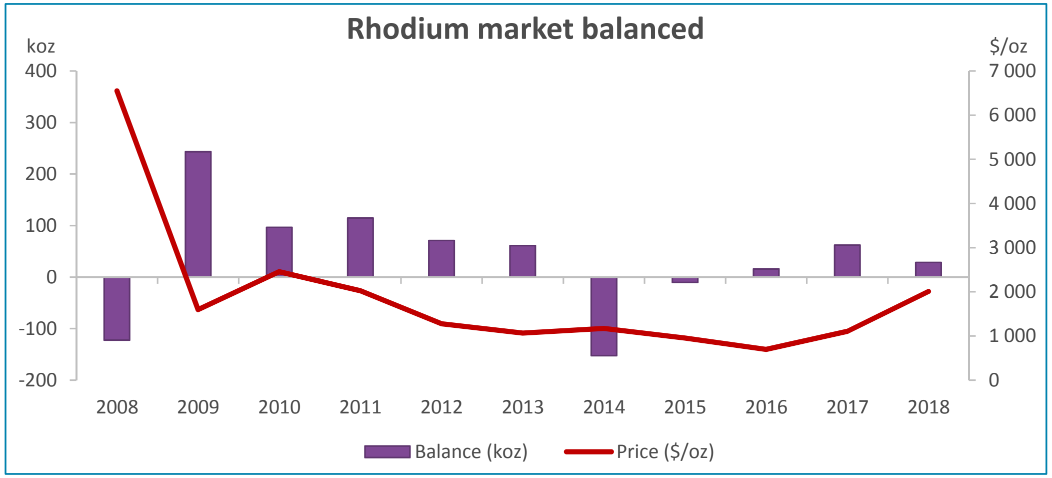
MARKETS AND INDUSTRY PERFORMANCE

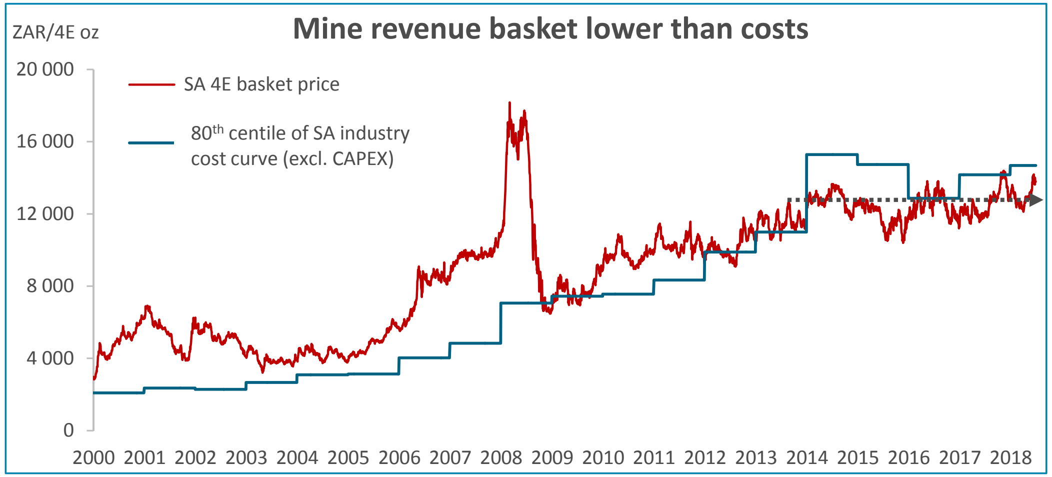
Nico Muller, CEO

PGM sector remains under sustained pressure



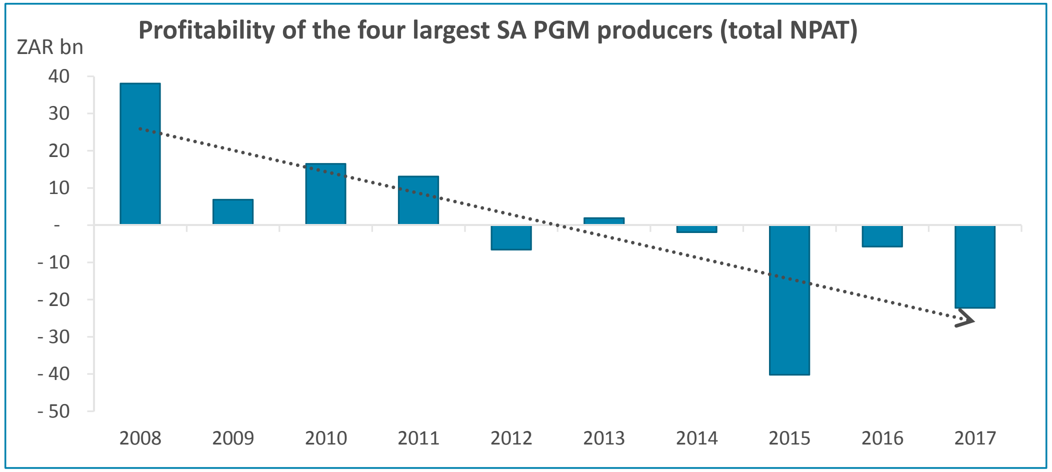




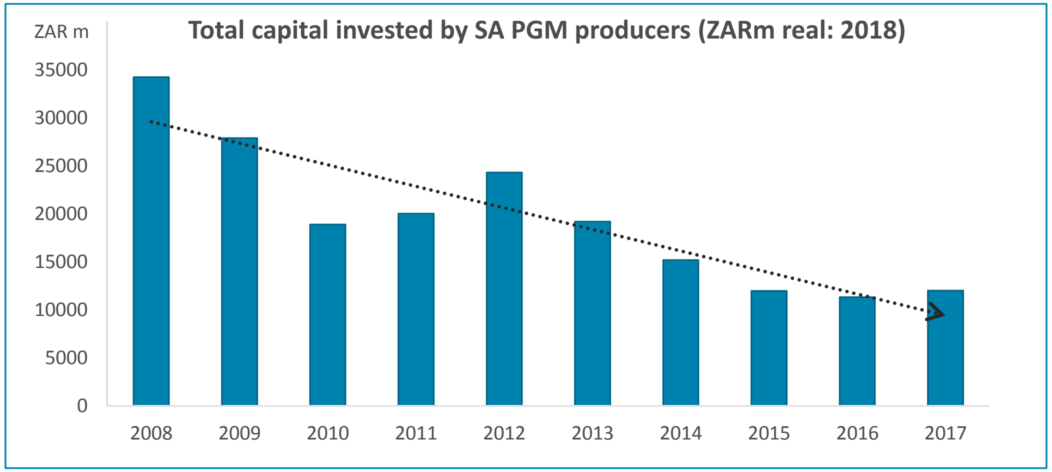


Source: Implats, SFA (Oxford). Note: Industrial balances, costs and prices are calendar year and in nominal terms.

South African PGM sector is now ex-growth and in decline



Source: Implats, (NPAT: Net profit after tax)



Source: Deloitte Technical Mining Advisory ongoing analysis – from public sources

Platinum industry mine closures that have impacted 2018 output

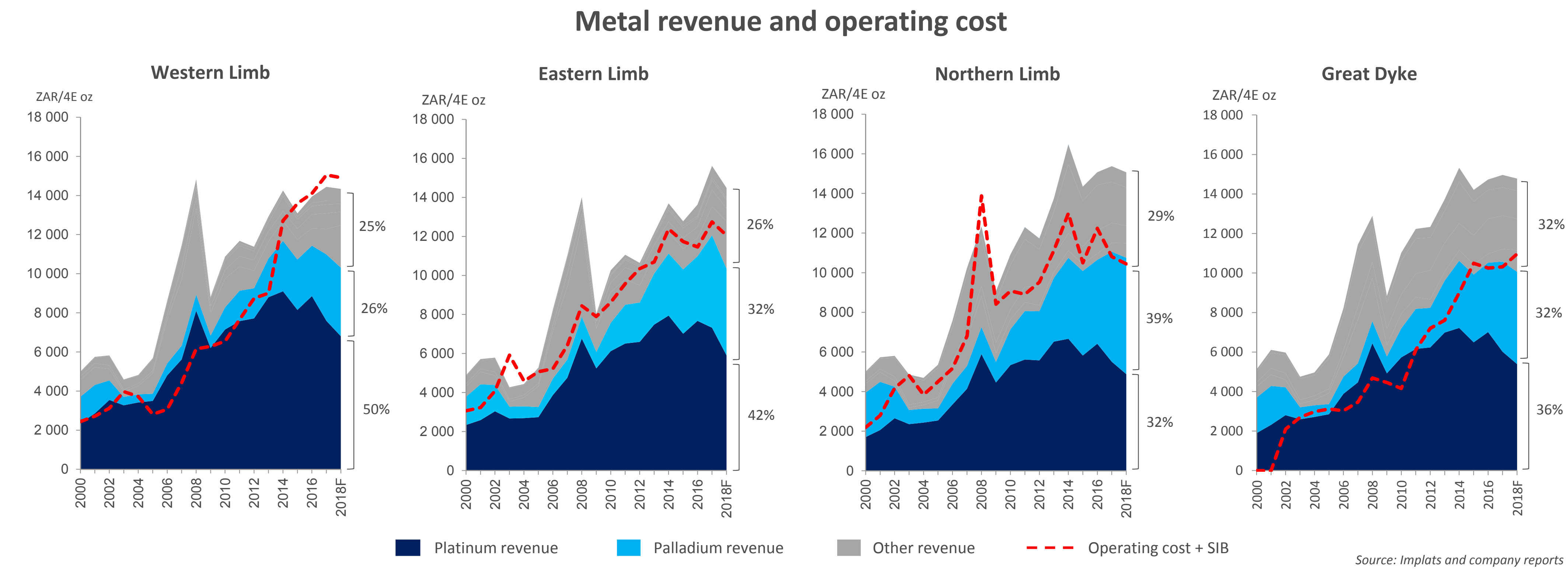
Western Limb			Eastern Limb			Northern Limb		Great Dyke	
		Pt koz estimate			*Pt koz estimate*		*Pt koz estimate*		*Pt koz estimate*
2009	Rustenburg (Anglo)	140	2009	Lonmin Limpopo	60				
2012	Marikana	90	2011	Blue Ridge	35				
2013	Crocodile River	65	2012	Everest	35				
2013	Union declines	60	2013	Smokey Hills	15				
2015	Eland – Kukama (ramp-up)	30	2015	Bokoni – UM2 & Vertical	35				
2015	Impala – 8#, 12#(mech.)	40	2016	Bokoni – Klipfontein O/C	5				
2017	Lonmin – 1B, O/C, Newman	50	2017	Bokoni – all remaining shafts	145				
2017	BRPM – South Shaft UG2	20							
2017	Maseve (ramp-up)	10							
2017	Lonmin – E2	15							
TOTAL CLOSED		**520**	**TOTAL CLOSED**		**330**	**TOTAL CLOSED**	**0**	**TOTAL CLOSED**	**0**

Source: Implats and company reports

- Majority of SA platinum producers unprofitable in prevailing low price environment
- Capital expenditure has fallen significantly (from 30% of opex in 2008/09 to 10% since 2015)
- Resulted in mine closures (over 800koz platinum in 2018)

Western Limb predominantly loss-making

- Relative contribution to revenue from non-platinum metals is lower than the other Limbs, while costs are significantly higher on the Western Limb
- Western Limb costs have risen as a result of conventional mining at greater depths, leading to increased safety measures, reduced extraction rates and lower labour efficiency



Source: Implats and company reports

IMPLATS GROUP

Nico Muller, CEO

Implats Group is well positioned and profitable, with the exception of Impala

IMPLATS GROUP

Production : 649k Pt oz sold
Cash flow[1] : R35m

727k Pt oz

Group Final Refined Production

IMPALA REFINERY

IMPALA : 272k Pt oz refined
IRS : 455k Pt oz refined

IRS

Receipts : 403k Pt oz
Cash flow[1] : R819m

Toll material returned : 104k Pt oz

3rd party purchased : 86k Pt oz

348k Pt oz

317k Pt oz

Mine-to-Market Production

IMPALA

Production : 348k Pt oz in conc
Cash flow[1] : (R1 625m)

ZIMPLATS

Production : 140k Pt oz in conc
Cash flow[1] : US$58m

MIMOSA

Production : 63k Pt oz in conc
Cash flow[1] : US$25m

TWO RIVERS

Production : 83k Pt oz in conc
Cash flow[1] : R272m

MARULA

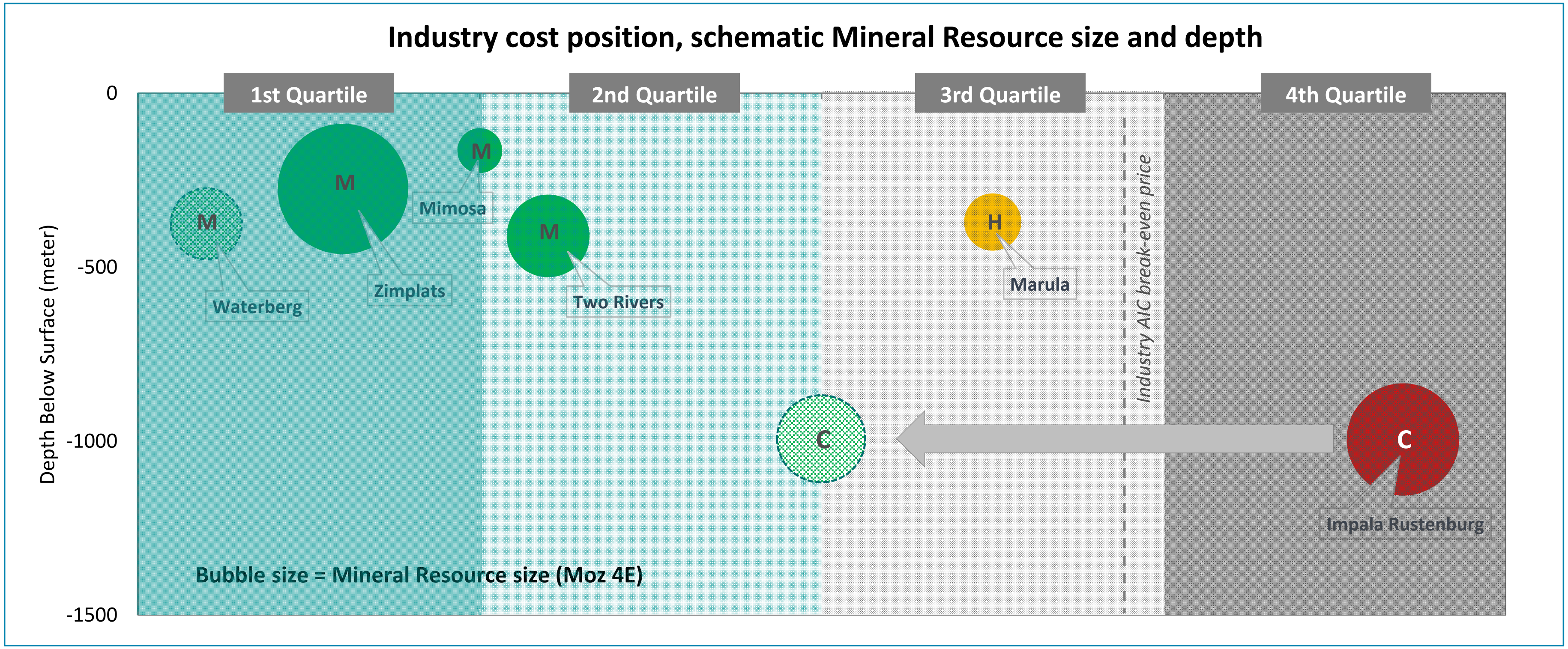
Production: : 43k Pt oz in conc
Cash flow[1] : R36m

Western Limb — Great Dyke — Eastern Limb

1: Cash flow before financing and working capital as per Implats H1 FY2018

The Implats Group well placed with a repositioned Impala business unit

- The Group Mineral Resource portfolio is dominated by **low-cost, shallow, mechanised ore bodies** - Zimpats, Mimosa, Two Rivers and Waterberg Project
- Marula has effected a healthy **operational and financial turnaround**
- **Repositioning Impala Rustenburg** will enable the Group to sustainably deliver value over the long-term



MINING METHOD
M : mechanised
H : hybrid
C : conventional

17 Shaft and Afplats placed on care-and-maintenance in 2017 and 2015 respectively

Mineral Resources all shown on a 100% basis

Significant progress made in advancing a value over volume strategy

Strategic Focus Areas

Will not support loss making production

- Marula:
  - Effected operational and financial turnaround
- Impala Rustenburg:
  - Suspended operations at 4#
  - Initiated harvesting at 1#, 9# and 12#
- Completed Rustenburg strategic review

Be a responsible corporate citizen

- Much improved safety performance (2H2018)
- Stakeholder engagement in RSA:
  - Rustenburg restructuring
  - Revised Mining Charter
- Stakeholder engagement in Zimbabwe:
  - Indigenisation, investment and growth

Enhance shareholder returns from Zimbabwe

- Improving political environment
- Export levy deferred and reduced (15% to 5%, from January 2019)
- Converted SML into 2x ML (normalised tax regime)

Improve competitive position of portfolio

- Acquired interest in Waterberg:
  - Shallow
  - Low-cost
  - Mechanised
  - Palladium-rich

Prudent capital allocation and cash management

- Addressing pipe-line stocks and cash lock-up:
  - Rescheduled furnace maintenance in FY2019/20
  - Initiated further forward sales to free-up cash
- Implemented targeted cost and capital savings at Impala:
  - Reduced own employees (2 700 in FY2018)
  - Identified further cost and capital savings in the strategic review

Improve organisational effectiveness

- Strengthened leadership capacity
- Inculcating strong performance orientation

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IMPALA RUSTENBURG STRATEGIC REVIEW

Mark Munroe, CE Rustenburg operations

Strategic review objectives

CREATE SUSTAINABLE INVESTMENT CASE

- Secure long term profitability in prevailing market conditions
- Optimise operations and execute structural change where required

ENSURE FINANCIAL EXECUTION CAPABILITY

- Utilise realistic price and exchange rate forecasts
- Ensure the Implats Group has sufficient liquidity and headroom to fully fund implementation of the strategic review

ENSURE TECHNICAL EXECUTION CAPABILITY

- Utilise realistic production parameters
- Consider downstream processing constraints and requirements
- Retain strategic optionality

BE SOCIALLY RESPONSIBLE

- Provide long-term, secure employment
- Mitigate job losses as far as possible
- Mitigate impact on host communities
- Ensure effective stakeholder engagement

Significant restructuring is required to safeguard Impala Rustenburg's future

Four strategic options considered

Cessation

Total cessation of mining operations at Impala Rustenburg

- Significant social impact locally and provincially
- Medium-term detrimental impact on group processing capability
- ~40 000 job losses

Optimisation

Business in its current form with continual improvement

- Impact of optimisation insufficient to ensure a sustainable operation
- Unsustainable financial losses will prevail
- Impala Rustenburg at risk, with potential job losses ~40 000

Commercial options

Investigate value accretive commercial transactions, partnerships and synergies

- Opportunities, including outsourcing and sale options, are assessed and evaluated on a continual basis

Restructuring

Undertake a business restructuring process, removing unprofitable ounces

- Focused, agile, and profitable future state, enabling further continuous improvement
- Profitable within current price environment by FY2021
- Responsible implementation
- Safeguard future workforce ~27 000

Optimisation initiatives are insufficient to achieve a sustainable future

Optimisation initiatives

	Completed actions	Outcomes
Operational excellence	Productivity and safety improvement initiatives	5% improvement in tonnes/TEC [1] 1% higher grade 2% more platinum ounces 4% improvement in cost/ounce Improved safety performance in H2 FY2018
Cost Reduction	Opex and Capex reduction initiatives	R330 million achieved in FY2018 R2.8 billion cut from FY2019 and FY2020 plan
Shaft optimisation and LOM extension	6 Shaft: RBPlat agreement	LOM extended by 5-6 years
	Improved shaft economics	14 Shaft UG2 decline stopped

Optimisation efforts alone will not realise profitability and restructuring and removal of unprofitable ounces is essential

[1] FY2018 estimate relative to FY2017

Delivering a profitable future state

	Current State FY2018[1]	Future state FY2021
	Unprofitable operation	**Profitable operation**
Shafts and output/annum	**11** operational shafts ramping up to **750koz Pt**	**6** operational shafts producing **~520koz Pt**
Cost/Pt ounce (FY2018 terms)	All-in cost **R29 016**	All-in cost <**R24 500**
Capital/annum (Real FY2018)	**R2 767m**	**R1 400m**
Employees	**~40 100**	**~27 000**

Current profitable shafts
- 6#, EF#: Sustain profitability

Future profitable shafts
- 10#, 11#: Effect profitability through optimisation
- 16#, 20#: Effect profitability through ramp-up

Unprofitable shafts
- 1#, 12#, 14#: Optimise/harvest/exit

Depleted shafts
- 4#, 9#: Harvest/mine out/cease

[1] Estimate

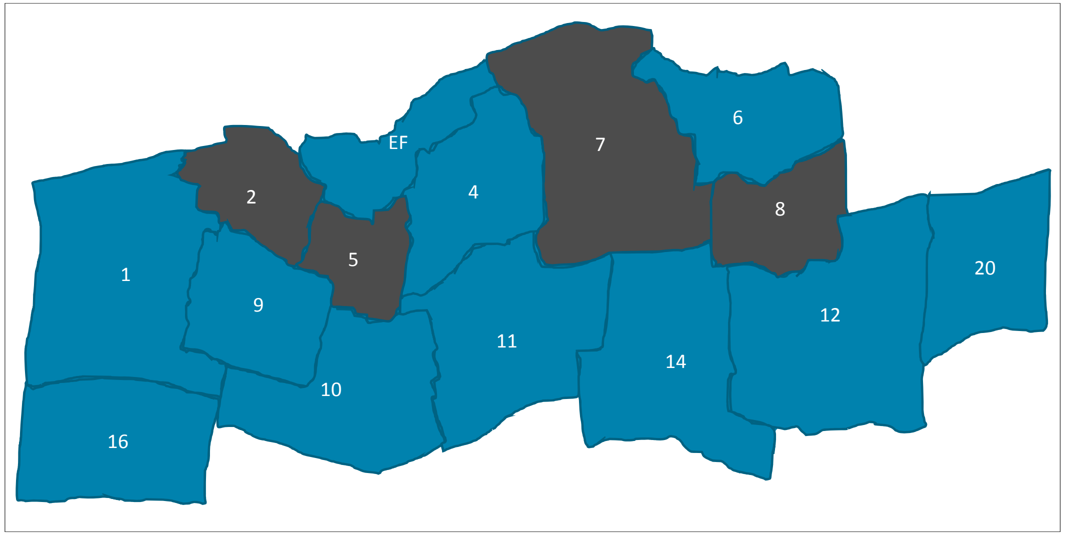
The review process considered shaft economics, processing constraints, implementation and socio-economic considerations

Strategy Rationale

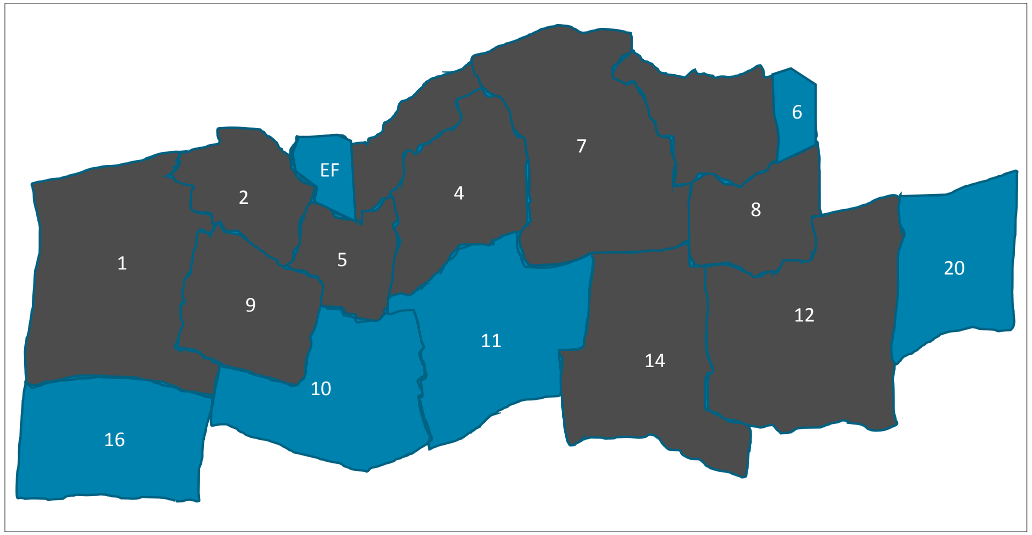
- **Remove unprofitable ounces**: Reduced ounce profile to deliver sustainable operation
- **Shaft economics**: Considered profitability and Mineral Resource/Reserve size and quality
- **Processing efficiency**: Optimise processing requirements
- **Implementation**: Staged implementation seeks to mitigate socio-economic impacts and allows time for growth shaft ramp-up

Lower volume, more focused profitable future operation

Current State



Future State

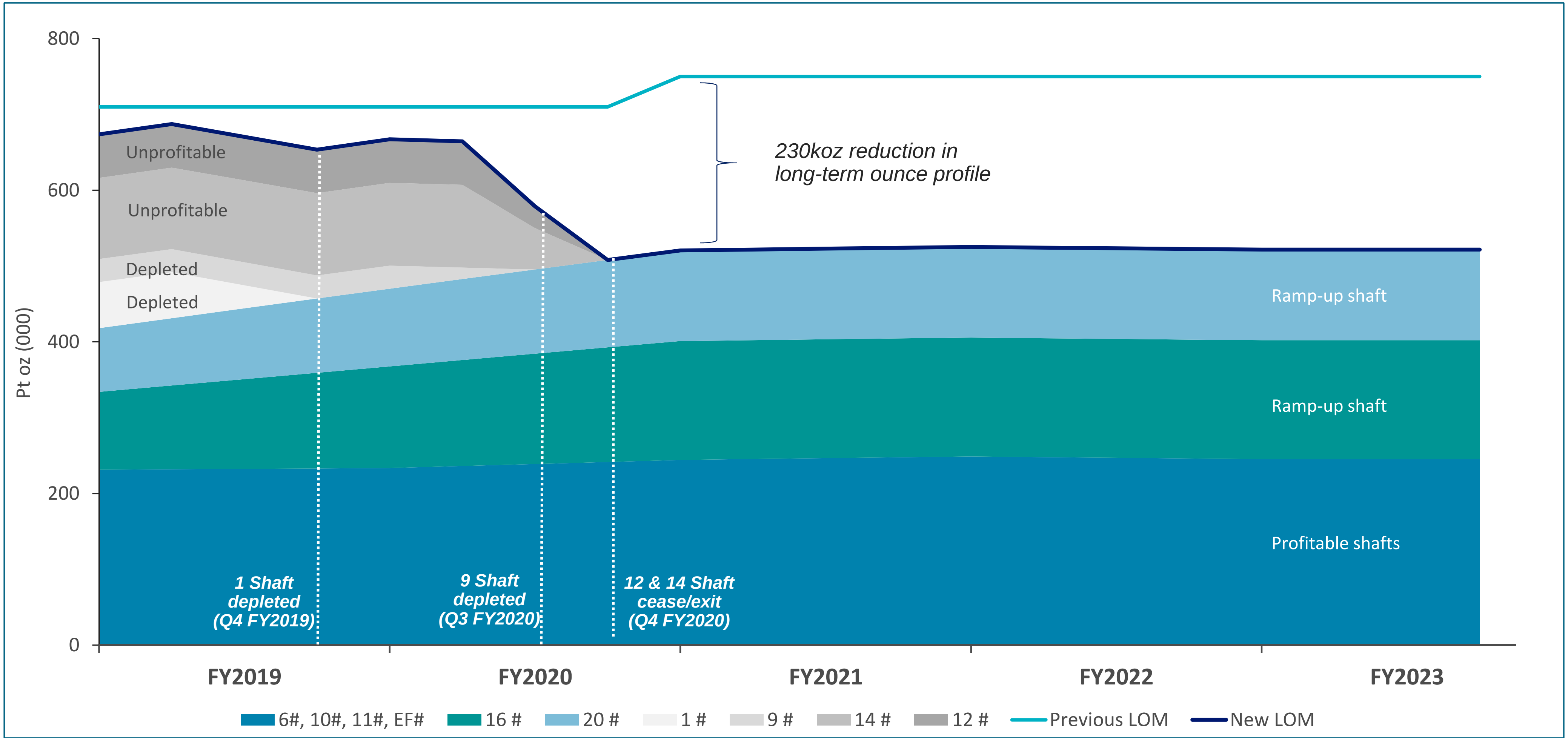


Impala operations

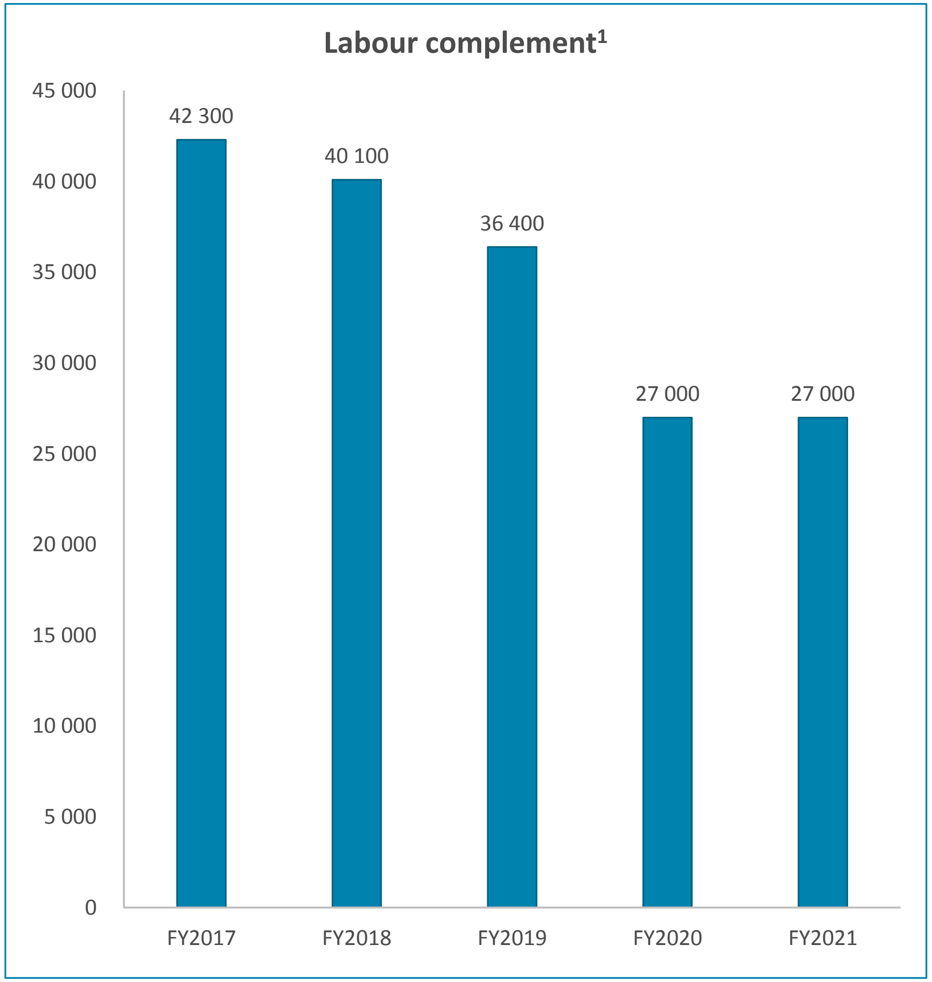
Exit/ceased operations

17 Shaft on care-and-maintenance

Platinum profile reduced by 230koz



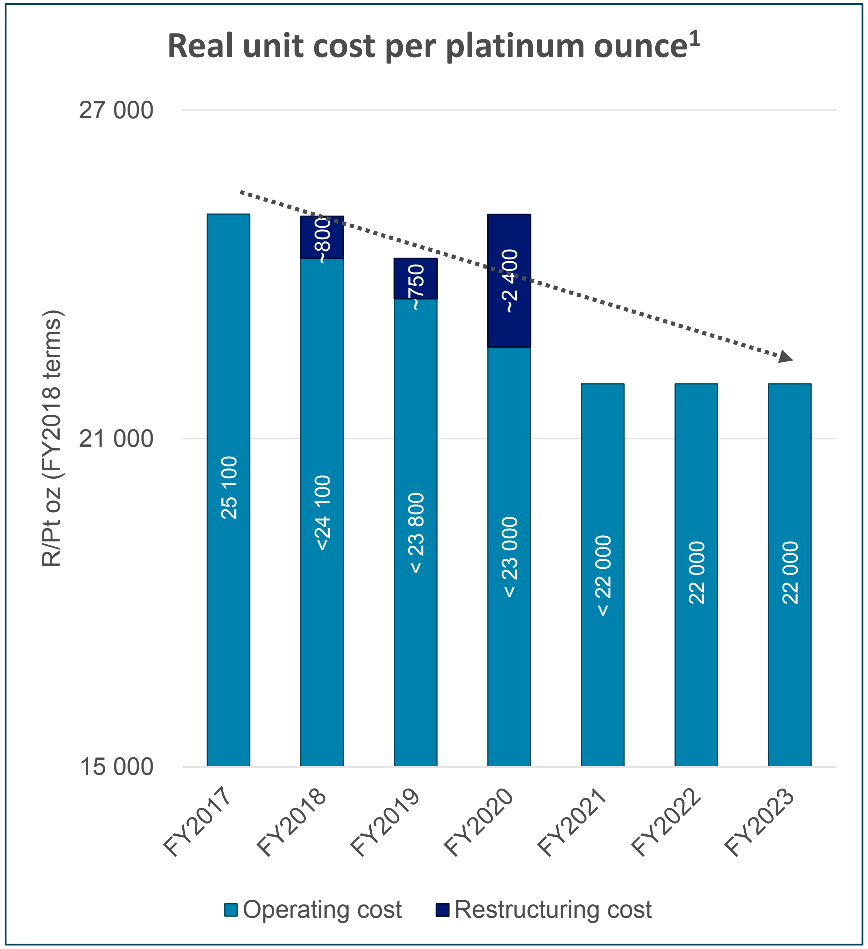
Future state labour profile

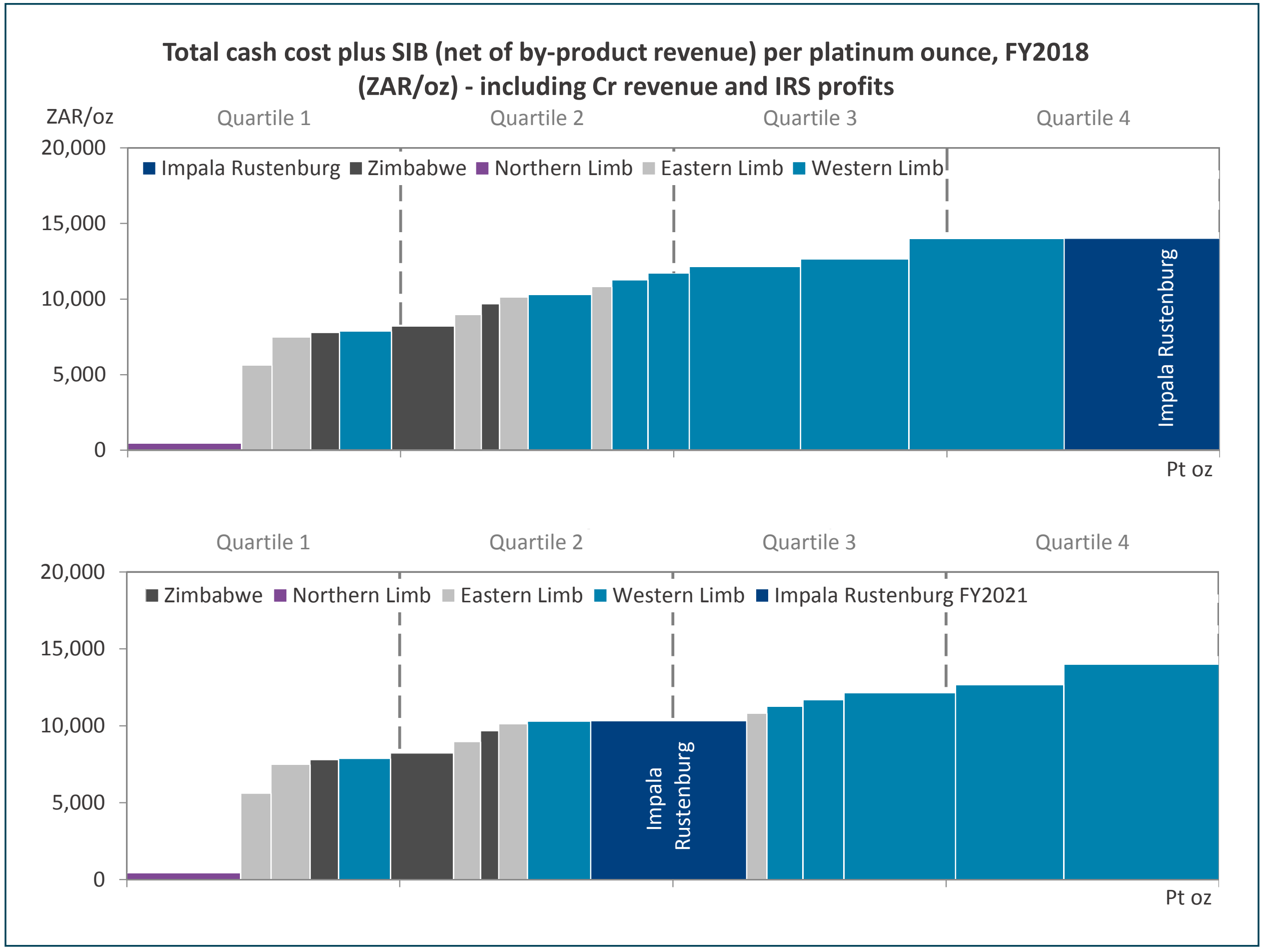


Key events	
FY2018	Labour optimisation - 2 200 employees exited
Q2 FY2019	Labour optimisation - 1 500 employees exited
Q4 FY2019	1 Shaft ceases operation – 3 000 employees exited
Q3 FY2020	9 Shaft ceases operation – 1 800 employees exited
Q4 FY2020	12 and 14 Shafts cease/exit – 6 800 employees exited

[1] Labour complement as at 30 June

Lower unit costs improves competitive position



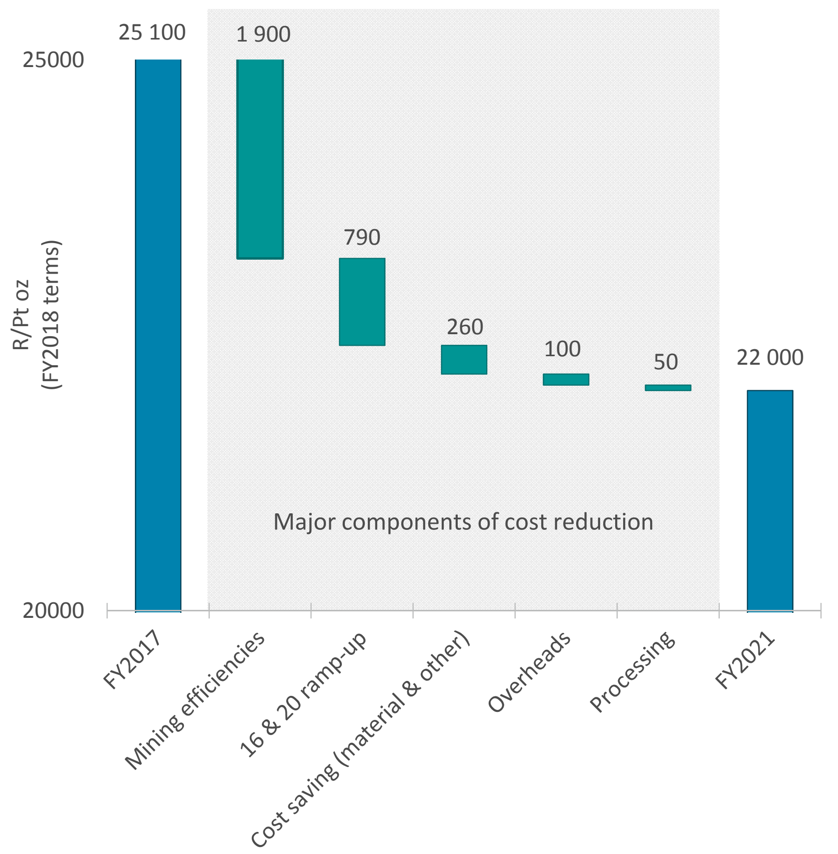


[1] Unit cost excludes capital

Source: Company reports. Real prices and exchange rate: Pt - $937/oz, Pd - $939/oz, Rh – $1,486/oz, Au - $1,285/oz, Ru - $146/oz, Ir - $997/oz, Cu - $6,224/t, Ni - $11,312/t, Cr – $229/t. ZAR:USD – 12.95
SFA (Oxford), Implats. FY2018 (ZAR/oz): Cash cost – 24 100, SIB – 3 200, By-product revenue (incl. IRS) – (13 500)

Real unit cost reduction achieved through a more efficient/focused portfolio

Real unit cost per platinum ounce[1]



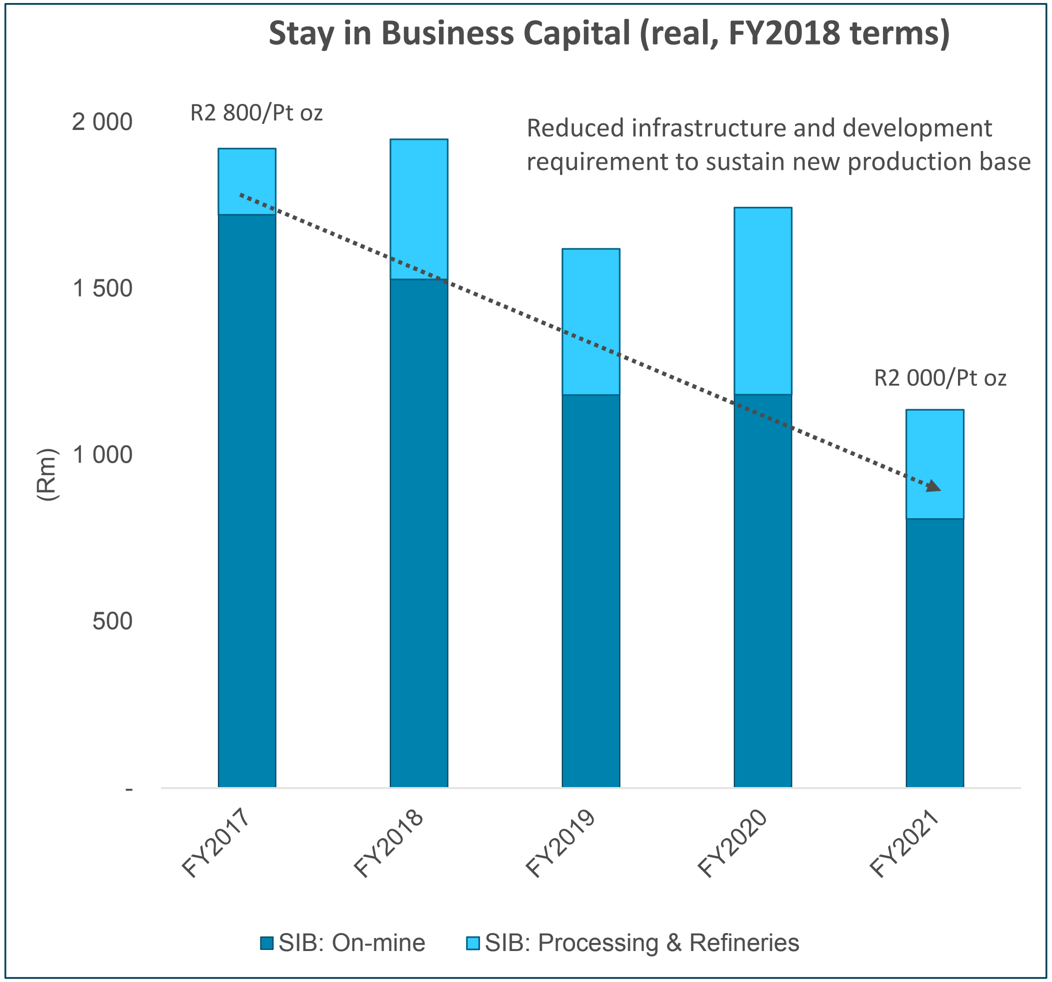
[1] Unit cost excludes capital and restructuring costs

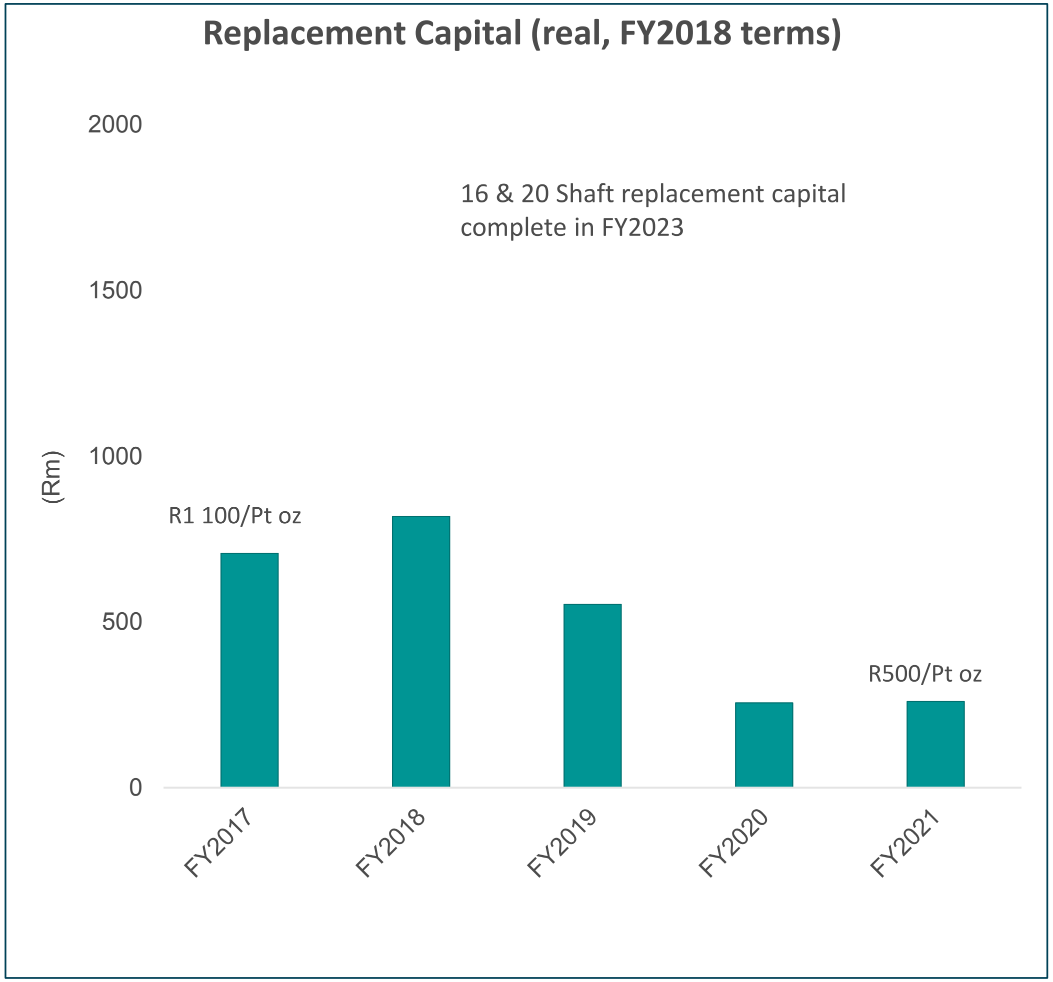
Achieving unit cost reductions

	Actions	Impact (R/Pt oz)
Mining efficiencies	Improved efficiencies through ceasing high cost, loss-making production • Ramp-up of 16 and 20 Shafts • 5% higher PGE mill grade • 25% increase in Merensky ore split	**1 900**
16 and 20 Shafts ramp-up	Ramp up of new, more efficient, low-cost shafts, which will account for ~60% of future production • 16# and 20# production to increase by ~190% and ~ 85% • 40% unit cost reduction	**790**
Cost savings	Further cost optimisation • Terminating under-utilised infrastructure (fridge plants, ventilation fans, etc.) • Standardising and re-tendering a range of services and material	**260**
Overheads	Aligning overheads to smaller operational footprint • Fit for purpose operating model • Concentrating and outsourcing non-core service functions • Rationalising and standardising training and technical services	**100**
Processing	Processing units stopped to align with reduced shaft output • Stopping less efficient MF2 plant (3 milling circuits) • Implementing 2 furnace operation from FY2021	**50**

All measurements over the period FY2017 to FY2021

Significant capital reduction supports profitability improvement





Key focus areas of implementation

Stakeholder Engagement	Regular engagement and transparent communication with all stakeholders internal and external; government, unions, employees and communities
Operational Performance	Operational excellence through performance management and tracking against plan
Employees	Counselling, support and re-skilling programmes of affected employees
Communities	Pursue shared value initiatives to boost non-mining components of the local economy
Commercial considerations	Continue to assess and evaluate commercial opportunities

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GROUP FINANCIAL IMPACT

Ben Jager, Acting CFO

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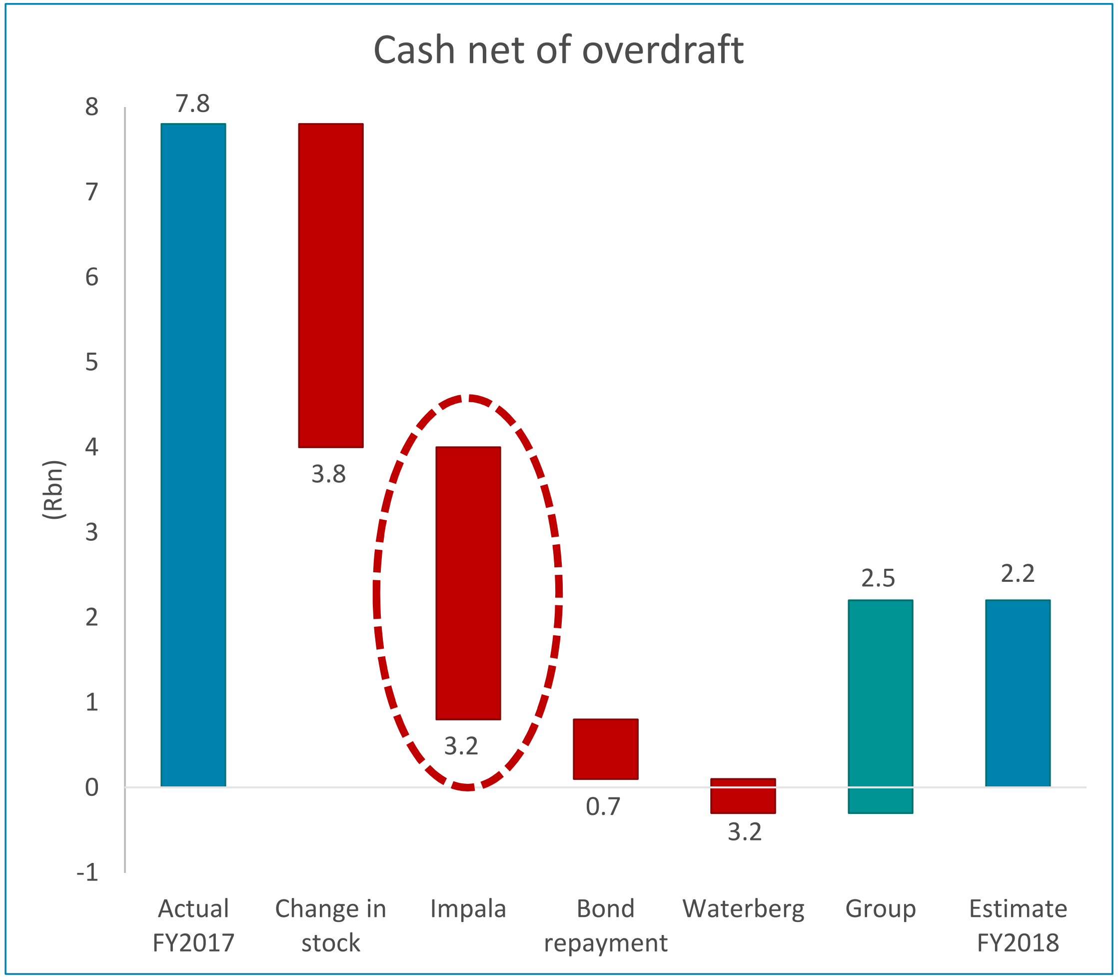
Implats balance sheet progression

	Rm	2013	2014	2015	2016	2017	Total
	Assets						
1.	Other Group assets	69 159	71 062	70 110	74 570	62 210	
2.	PPE additions – IMPALA	6 219	4 500	4 508	3 658	3 432	22 317
3.		75 378	75 562	74 618	78 228	65 642	
4.	Group Cash balance	*457*	*4 305*	*2 597*	*2 888*	*6 154*	
5.	Cash injections (Equity / Bonds)	4 467	0	0	3 900	1 685	10 052
6.	Total cash balance	4 924	4 305	2 597	6 788	**7 839**	
7.	***Total assets***	*80 302*	*79 867*	*77 215*	*85 016*	*73 481*	
	Equity and liabilities						
8.	Impala profit/(loss)	1 707	(1 418)	(908)	(1 439)	(2 553)	(4 611)
9.	Impala impairments	0	0	(2 068)	0	(7 307)	(9 375)
10.	Other Group equity	434	1 719	1 110	7 533	636	
11.	***Total equity***	***54 616***	***54 917***	***52 362***	***58 456***	***49 232***	
12	***Liabilities***						
13.	Borrowings	3 311	3 377	3 264	3 856	3 653	
14.	Bonds	4 168	4 410	4 812	5 423	6 992	
15.	Other	18 207	17 163	16 777	17 281	13 604	
16.	***Total liabilities***	***25 686***	***24 950***	***24 853***	***26 560***	***24 249***	
17.	**Total equity and liabilities**	**80 302**	**79 867**	**77 215**	**85 016**	**73 481**	

- Implats balance sheet liquidity has weakened over time
  - Continued losses at Impala Rustenburg driven by weak PGM prices, increasing operating costs and declining productivity
  - Capital investment programme has continued throughout this time
- Insufficient cash flow generated at Impala Rustenburg to fund ongoing losses
  - Rest of the Group has been subsidizing Impala
- External sources of funding have been required to supplement the cash position
  - Funding raised through a combination of equity (equity issue of R4 billion in September 2015) and convertible bonds (R4.5 billion in 2013 and additional R1.7 billion cash in 2017)

FY2018 Group cash position



- Significant reduction in cash balance from FY2017 to FY2018 as a result of two key issues:
  - Change in stock includes build-up to R3.8 billion excess pipeline stock following furnace stoppages
  - Ongoing operating losses at Rustenburg
- Once-off costs will not impact business going forward
  - 2013 convertible bond repayment and Waterberg acquisition
- Excess pipeline stock of R3.8 billion can be monetised
- Ongoing cash losses at Rustenburg is an embedded issue
  - Current operating model is not sustainable in low price environment

[1] Impala includes R525m in exit costs

Funding objectives

Fully funded Group to support the implementation and execution of the strategic review ✓

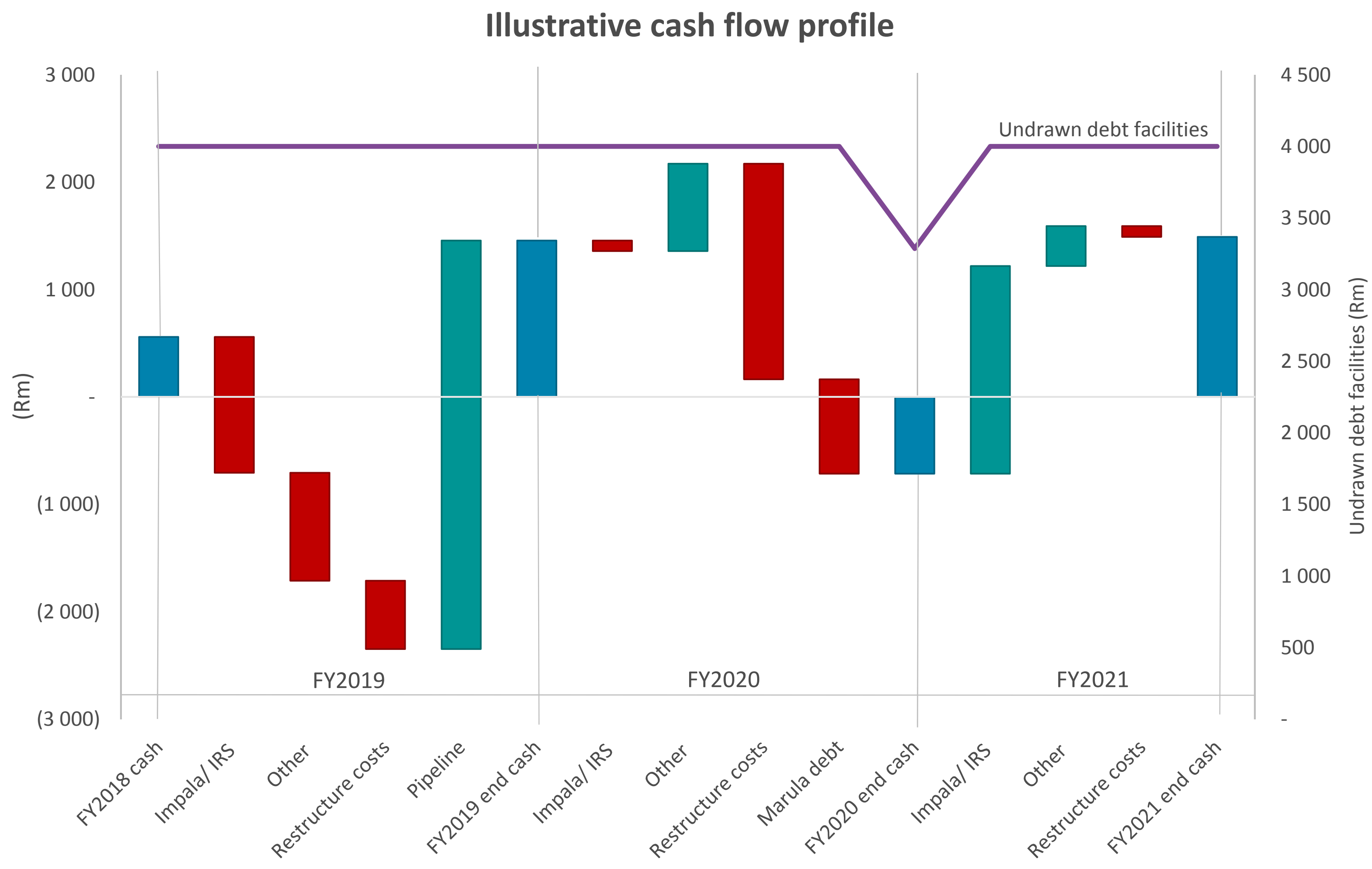
- Covenants remain in place and sufficient headroom to fund the review plan ✓
- Able to fund restructuring costs and anticipated losses at Impala Rustenburg ✓

Flexibility to absorb potential macro changes and operational disruptions ✓

Funding plan supports the implementation of the strategic review

1 Forward sale	▪ Forward sale of ~R2 billion of excess pipeline from FY2020 – No impact on contract sales – 6 month contract – to be rolled over at Implats request ▪ No security required
2 Revolving credit facilities	▪ Lender group supportive of strategic review plan ▪ Facilities remain in place to FY2021 ▪ RCF unutilised in FY2019 and ~R3 billion available in FY2020
3 Group cash	▪ Positive cash balance in FY2018 and FY2019 ▪ Operating cash flow from other Group operations

Review plan: Funding and cash flow implications



Consensus prices used in FY2019 and FY2020. Inflation adjustment to consensus prices in 2021

- Plan is fully funded over the two year implementation period:
  - Proceeds from monetising the build-up of the pipe
  - Existing debt facilities
  - Group cash
- Flexibility and headroom maintained to address macro changes and operational disruptions

Rbn	FY2019	FY2020	FY2021
Convertible Bond	(5.0)	(5.5)	(5.8)
Marula BEE loan	(0.9)	-	-
Zimplats	(1.2)	(1.1)	-
Total Group Debt	**(7.2)**	**(6.6)**	**(5.8)**
Covenants	✓	✓	✓
Headroom	✓	✓	✓

Implats is funded over the Review period and moves into a positive cash flow position by 2021

GROUP SUMMARY

- Strategic review fully funded by existing facilities, forward sale proceeds and Group cash
- Debt obligations during review implementation fully provided for
- Convertible bonds are long-dated and due post review implementation
- Continuous review to ensure efficient and effective capital structure

FUTURE IMPLATS POSITION

- Review implementation greatly enhances Impala's future prospects
  - Cash generative from FY2021
  - Improved resilience and ability to withstand low price environment
- Reduced burden on the Group balance sheet going forward
- Group operations remain highly attractive with strong operating and financial upside

CONCLUSION

Nico Muller, CEO

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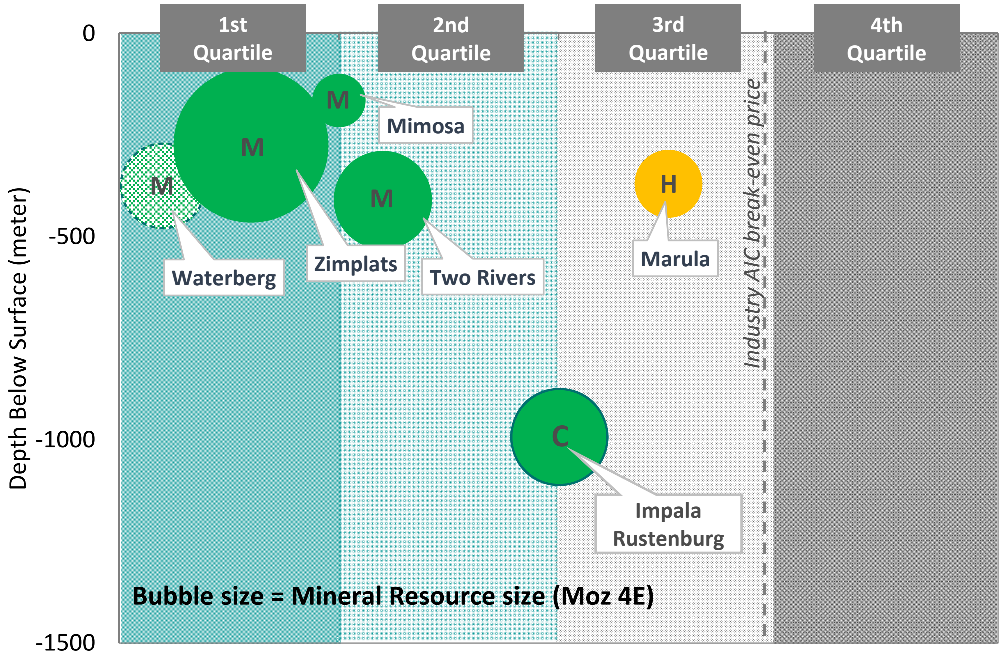
The Implats Group is well placed with a repositioned Impala business unit

- The review **repositions Impala Rustenburg to deliver sustainable value** and creates a strong long-term investment case
  - Non-profitable ounces removed
  - Increased operating flexibility and higher efficiencies
  - Lower cost, cash generative and profitable
  - Sustains jobs of 27 000 employees
  - Staged implementation mitigates socio-economic impacts and allows time for growth shaft ramp-up
- Impala remains an important asset within the Group and will support the Group strategy as it repositions the portfolio and moves to **low-cost, shallow, mechanised ore bodies**
- Funding structure provides a **strong balance sheet** to support future Group expansion opportunities

Industry cost position, schematic Mineral Resource size and depth



MINING METHOD: M: mechanised H: hybrid C: conventional

Mineral Resources all shown on a 100% basis

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2 August 2018

Impala Rustenburg 16 Shaft

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Summary of outcomes - Impala

		FY2017	FY2018 est	FY2019 est	FY2020 est	FY2021 est	Long-term est
Number of shafts	No	12	11	10	8	6	6
Tonnes milled	kt	10.1	10.9	11.3	10.7	8.1	8.0
Ore split (Merensky)	%	40	42	43	45	50	>50
Headgrade 6E	g/t	4.06	4.09	4.10	4.15	4.25	4.30
Stock adjusted Pt refined	000oz	646	658	680	660	520	520
Unit cost [1]	R/Pt oz	25 100	24 015	<23 800	<23 000	<22 000	<22 000
SIB capital [2]	R/ Pt oz	2 800	2 960	<2 400	<2 400	<2 000	<2 000
Replacement Capital [2]	Rm	707	818	550	260	260	120
Restructuring cost [2]	Rm	-	525	500	1 600	-	-
All-in unit cost [2]	R/Pt oz	29 000	29 017	<28 000	<28 300	<24 500	<24 500
Employees	No	32 235	29 529 [2]	≈28 200 [3]	≈27 000 [4]	≈20 500	≈20 500
Contractors	No	10 018	10 550 [2]	≈11 600 [3]	≈7 700 [4]	≈6 500	≈6 500

[1] Cost in FY2018 real terms excluding restructuring cost
[2] Cost in FY2018 real terms
[3] As at 30 December 2018
[4] As at 30 December 2019

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