



## NEWS RELEASE

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### **Work stoppage extends to all underground employees at Impala**

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Impala Platinum Holdings Limited (Implats) has confirmed that the unprotected work stoppage at the company's north shafts has continued, and has now been extended to the southern shafts, at the company's operations on the Impala Lease Area in North West Province.

The stoppage now involves most underground employees (about 70% of employees) on the Impala Lease Area. Management continues to meet with the National Union of Mineworkers (NUM) to resolve the matter. The situation is exacerbated by the fact that no demands have been made of management and that the work stoppage appears to be related to disagreements within the union movements.

Production has now been affected with the Mineral Processes operation running at about 20% of capacity as ore is sourced from open cast operations and the surface stockpile.

Implats estimates that the cost of the production loss could amount to 2,700 ounces of platinum or in the region of R24 million per day if the production is not made up.

Note for background:

The work stoppage relates to a disagreement in respect of funeral benefits payable to employees who die as a result of non-work related causes, including AIDS, as well as motor vehicle and other accidents, cancer, diabetes, etc. All employees are covered for funeral benefits amounting to R10,000 payable by the company's Provident Fund in line with an agreement reached with the NUM on this matter in January 2003.

Historically, employees received R5,000 funeral benefits and could also access additional funds from a so-called Welfare Fund, which had been funded by the proceeds from on-mine recreational facilities. The Fund proved to be unsustainable as fewer employees chose to live in on-mine hostels, while demands on the Fund also increased through an increase in HIV/AIDS related deaths. Implats had been in discussions with the NUM on this issue since 1999.