



NEWS RELEASE

Zimplats independent directors recommend shareholders accept Implats offer

Independent directors of mining company Zimbabwe Platinum Mines Limited (Zimplats) are recommending that shareholders accept a A\$4.08 per share cash offer by South African-based Impala Platinum Holdings Limited (Implats).

Shareholders have until 29 August to accept the offer, being posted to them today (30 July 2003) together with a response from Zimplats. The Implats offer is unconditional, and shareholders will receive payment within five business days of acceptance. They will not incur brokerage or stamp duty fees.

Zimplats Chief Executive Roy Pitchford says the company's board had concluded that Implats' offer was fair and reasonable and, in the absence of a higher bid, shareholders should accept. A higher bid is extremely unlikely given that Implats already controls Zimplats and a 30% stake in Zimplats' subsidiary Makwiro Platinum Mines (Private) Limited.

Independent expert Venmyn Rand's valuation, included in the Zimplats' response document, places an estimated medium to long-term value of between A\$3.28 and A\$4.76 per share on Zimplats, with a mid-point of A\$4.02.

Implats' offer price of \$4.08 is 45% higher than the volume weighted average share price over the 30 trading days before Zimplats announced that Implats was in discussions with Absa, relating to the acquisition of its stake in Zimplats.

In November 2002, Implats concluded an agreement with Zimplats which regulated the circumstances in which Implats would make an offer to the other shareholders in Zimplats. Absa's indirect stake, acquired last month at A\$2.20 per share, lifts Implats ownership to 50.53% of Zimplats.

"It is also 175% more than the volume weighted average share price of \$1.48 over the 30 days prior to the announcement of the above-mentioned agreement between Implats and Zimplats in November 2002."

Mr Pitchford says that in order for Zimplats to continue its expansion plans, it requires significant and sustained capital injections over the next decade, particularly if the underground expansion of unexploited contiguous ore reserves of the Ngezi opencast mine is to continue. However, given the political situation in Zimbabwe, it may be difficult to raise the necessary funding. Furthermore, the benefits of such expenditure will only begin to be realised in the long-medium term rather than the short-medium term.

"There is also the risk that if a significant number of shareholders accept the offer, as is expected, the reduced number of shareholders is likely to affect the volume of Zimplats shares traded and hence their liquidity."

On the release of his company's Offer Document, Implats' CEO Keith Rumble said, "We believe we have made a fair and reasonable offer to Zimplats minorities. We have plans for the Zimplats operation and, given our experience and expertise in the industry, believe we can make a go of it and overcome the risks involved. Implats and Zimplats management will be in Australia next week to meet with shareholders and we will willingly addressing any issues they might have."

While Zimplats is listed on the Australian Stock Exchange, it is based in Guernsey so is not subject to Australian takeover rules. However, Implats entered into an agreement with Zimplats last November which included that it would make an offer to Zimplats' minority shareholders in certain circumstances.