



IMPALA PLATINUM HOLDINGS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1957/001979/06)
JSE share code : IMP
ISIN : ZAE000083648
ADR code : IMPUY
("Implats" or the "Company" or the "Group")

PRODUCTION UPDATE AND INITIAL TRADING STATEMENT FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

Implats will release its audited results for the half year ended 31 December 2023 (the "period" or "H1 FY2024") on or about 29 February 2024.

11 SHAFT UPDATE

On Monday, 27 November 2023, 86 employees were involved in an accident associated with the personnel conveyance at Impala Rustenburg's 11 Shaft. Tragically and subsequent to this devastating accident, 13 employees lost their lives. In addition, 73 employees were injured, several of whom are receiving ongoing rehabilitation, care and support from the Company.

The *in loco* inspection was conducted and associated instructions from the Department of Mineral Resources and Energy ("DMRE") were received during December 2023, with the 11 Shaft site returned to Implats to proceed with further investigations, as well as to begin the necessary repairs to the damaged infrastructure at the site — under the direction of the DMRE.

In January 2024, Implats' subsidiary, Impala Platinum Limited, submitted its Investigation Report to the DMRE, in terms of section 11(5)(e) of the Mine Health and Safety Act, which now paves the way for the DMRE to initiate formal proceedings relating to the accident, possibly during the course of the year. The formal proceedings are expected to take several months to complete. In parallel, Implats will conduct its own investigations, which will draw on observations and findings from the regulated investigation, but also explore potential interventions, to further enhance the safe operation of all conveyance systems across the Group. The investigations are regulated by internal, industry and regulatory protocols and procedures. Once concluded, the relevant learnings from these investigations will be shared with the regulator and industry stakeholders.

Permission to use the rock winder at 11 Shaft was granted by the DMRE on Tuesday, 9 January 2024, with personnel access to underground workings authorised through the adjacent 11C Shaft infrastructure. This will allow a ramp-up in mined volumes to circa 60% of production capacity over the coming weeks. Consequently, 11 Shaft mining crews were systematically re-mobilised during January 2024, with surplus labour deployed across the broader Rustenburg asset base.

Infrastructure repairs at 11 Shaft are expected to be completed by the end of February 2024, with a build-up to full production capacity currently targeted for April 2024.

All mining operations at Impala Rustenburg were halted during the week of the accident and again for the evening shift on Tuesday, 5 December 2023, as well as morning shift on Wednesday, 6 December

2023 for purposes of attending the memorial service for our colleagues who have passed away. In the period under review, the production loss associated with the 11 Shaft accident is estimated at 30 000 6E ounces. Current estimates indicate a further 30 000 6E ounce shortfall from the 11 Shaft complex in H2 FY2024.

PRODUCTION UPDATE

Implats delivered strong production volumes and commendable cost control in H1 FY2024, despite navigating several serious challenges as well as an increasingly constrained operating environment caused by the significant retracement in rand PGM pricing. Achieved volumes benefitted from the maiden interim consolidation of Impala Bafokeng in the period. However, notable improvements were achieved on a like-for-like basis (excluding Impala Bafokeng's contribution) at the Group's mining and processing operations. Input inflation continued to ease, but rand depreciation persisted, adversely impacting the translated dollar cost and capital base of our Zimbabwean and Canadian assets.

Gross Group 6E production increased by 18% to 1.90 million 6E ounces from 1.62 million 6E ounces for the half year ended 31 December 2022 (the “**comparative period**”), with like-for-like gains of 2%.

Production from managed operations increased by 28% to 1.51 million 6E ounces, with a like-for-like improvement of 7% from the collective production base at Impala Rustenburg, Marula, Zimplats and Impala Canada:

- Impala Rustenburg increased production by 11% to 675 000 stock-adjusted 6E ounces, demonstrating a step-change in operating momentum
- A maiden interim contribution of 254 000 6E ounces in concentrate from Impala Bafokeng was recorded in the period
- Performance at Marula was negatively impacted by lengthy safety stoppages in the period and 6E concentrate production declined by 12% to 113 000 ounces
- Zimplats benefitted from higher installed milling capacity and delivered a 9% increase in 6E matte production to 328 000 ounces
- Impala Canada delivered a 1% gain in 6E in concentrate production to 144 000 ounces, with high grade feed offsetting lower milled volumes.

Production from joint ventures (“**JVs**”) increased by 2% to 276 000 6E ounces:

- Two Rivers recorded a 3% increase in 6E in concentrate production to 151 000 ounces, with improved grade countering a constrained mining environment
- At Mimosa, 6E in concentrate volumes rose by 2% to 125 000 ounces. Improving processing yields offset the challenges to mined and milled volumes from intermittent regional power disruptions.

Concentrate receipts from third parties declined by 33% to 113 000 6E ounces, due to the termination of two contracts in Q3 FY2023.

Group operational performance		H1 FY2024	H1 FY2023	Var, %
Safety				
LTIFR	pmmhw	4.65	4.05	-14.9
TIFR	pmmhw	9.05	9.16	1.2
Fatalities	Count	16	2	>100
6E Group production				
	000oz	1 902	1 618	17.5
Managed operations	000oz	1 513	1 179	28.4
JV operations	000oz	276	271	2.0
Third-party	000oz	113	169	-33.4
Gross 6E refined and saleable				
	000oz	1 751	1 476	18.6
Impala 6E refined	000oz	630	605	4.2
IRS 6E refined	000oz	773	746	3.7
Impala Bafokeng 6E saleable ¹	000oz	215	-	n/a
Impala Canada 6E saleable ¹	000oz	133	125	6.2
Gross platinum refined and saleable	000oz	832	685	21.5
Gross palladium refined and saleable	000oz	593	520	14.2
Gross rhodium refined and saleable	000oz	96	86	12.1
Gross nickel refined and saleable	t	8 309	7 944	4.6
6E sales volumes				
	000oz	1 697	1 515	12.0
Managed operations production:				
Tonnes milled	000t	14 313	11 815	21.1
6E grade	g/t	3.77	3.56	5.8
Impala Rustenburg				
Tonnes milled	000t	5 392	5 168	4.3
6E grade	g/t	4.00	3.82	4.6
6E stock adjusted ²	000oz	675	608	11.0
Impala Bafokeng				
Tonnes milled	000t	2 252	-	n/a
6E grade	g/t	4.33	-	n/a
6E in concentrate ⁴	000oz	254	-	n/a
Marula				
Tonnes milled	000t	945	1 007	-6.2
6E grade	g/t	4.30	4.40	-2.3
6E in concentrate ⁴	000oz	113	128	-11.9
Zimplats				
Tonnes milled	000t	3 911	3 680	6.3
6E grade	g/t	3.34	3.38	-1.3
6E in matte (incl. concentrate sold to IRS) ³	000oz	328	301	9.0
Impala Canada				
Tonnes milled	000t	1 813	1 960	-7.5
6E grade	g/t	3.00	2.79	7.5
6E in concentrate ⁴	000oz	144	142	1.3
JV operations production:				
Two Rivers				
Tonnes milled	000t	1 821	1 813	0.5
6E grade	g/t	3.10	3.02	2.6
6E in concentrate ⁴	000oz	151	147	2.5
Mimosa				
Tonnes milled	000t	1 423	1 375	3.5
6E grade	g/t	3.63	3.78	-4.2
6E in concentrate ⁴	000oz	125	123	1.5
Impala Refining Services production:				
Gross 6E receipts	000oz	828	853	-3.0
Managed operations	000oz	437	420	4.0
JV operations	000oz	279	264	5.5
Third-party	000oz	113	169	-33.4

1. PGM production adjusted for off-take terms from third parties.

2. PGM production post the precious metals refinery, adjusted for any increase (added), or decrease (deducted) in smelting and refining lock up.

3. PGM production post the smelter ahead of the base metal refinery, unadjusted for further processing recoveries.

4. PGM production post the concentrator ahead of the smelter, unadjusted for further processing recoveries.

Refined 6E production, which includes saleable ounces from Impala Bafokeng and Impala Canada, increased by 19% to 1.75 million 6E ounces (4% on a like-for-like basis). The period was characterised by a noticeable reduction in the frequency and intensity of load curtailment, with minimal attributable production foregone and deferred across southern African managed and JV operations during the period. The scheduled rebuild of Number 5 furnace at Impala Rustenburg was initiated in mid-December 2023, with the planned recommissioning set for April 2024. Implats ended H1 FY2024 with excess inventory of approximately 330 000 6E ounces.

Sales volumes of 1.70 million 6E ounces, including saleable production from Impala Canada and Impala Bafokeng, increased by 12% (2% lower on a like-for-like basis). The notable decline in US dollar basket pricing was only partially offset by depreciation in the rand exchange rate and Group sales revenue decreased to circa R25 795 per 6E ounce sold.

Group capital expenditure is expected to have increased to circa R6.8 billion from R4.95 billion in the comparative period due to the consolidation of capital expenditure from Impala Bafokeng and higher levels of growth and replacement capital. Implats incurred growth capital of circa R2.2 billion in H1 FY2024.

Group unit costs per 6E ounce are expected to increase by 5% to circa R20 350 on a stock-adjusted basis. The benefit of volume gains, discretionary bonuses paid in H1 FY2023 and cost containment initiatives were offset by the inflationary pressures of rand depreciation on the translated dollar cost base of Zimplats and Impala Canada, and the inclusion of Impala Bafokeng unit costs in the period.

ACQUISITION OF RBPLAT SHARES

During the period, Implats incurred a cash outflow of circa R11.4 billion and issued circa 37.97 million shares to increase its aggregate holding in Royal Bafokeng Platinum Limited (“**RBPlat**”) from 56.41% to 100%, with RBPlat delisted from the JSE Limited (“**JSE**”) on 18 September 2023 and renamed Impala Bafokeng. Implats ended the period with a closing cash balance of R8.7 billion and net cash of R5.2 billion due to the consolidation of Impala Bafokeng’s housing loans and gold streaming facility. Cash was negatively impacted by the contractual receipt of R1.0 billion by Impala Bafokeng post period end.

INITIAL TRADING STATEMENT FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

In terms of the JSE Listings Requirements, issuers must publish a trading statement on SENS as soon as they become reasonably certain that the financial results for the period to be reported on will differ by at least 20% from those of the previous comparative period.

Due primarily to the impact of weaker dollar PGM pricing, Implats is expecting headline earnings and headline earnings per share (“**HEPS**”) for the period to be at least 20% lower than those reported in the comparative period. Headline earnings and HEPS for the comparative period were R14.0 billion and 1 654 cents, respectively.

Basic earnings and basic earnings per share (“**EPS**”) are also expected to be at least 20% lower than the comparative period. Basic earnings and EPS in the comparative period were R14.0 billion and 1 648 cents, respectively.

Implats will publish a further trading statement once it has a reasonable degree of certainty on the expected EPS and HEPS ranges for the period.

The production and financial information for the six months ended 31 December 2023, on which this production update and trading statement is based, has not been reviewed and reported on by the external auditors of Implats.

Ends

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Johannesburg

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