

Precious metals, exploration and mining

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DAVOS 2009, Mr Bongani Mbindwane

Mr Bongani Mbindwane, CEO



Davos 2009, A case for South Africa and Commodities



South Africa's financial system is sound



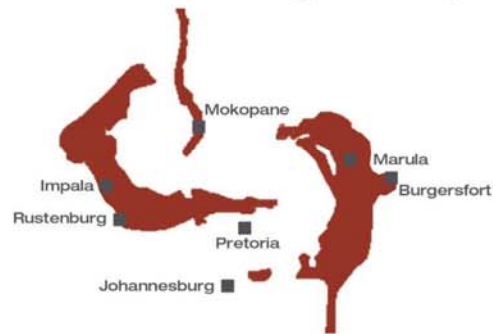
- Lower systemic risks than in other countries, forex controls largely prevented country's banks and insurers from buying toxic US debt
- Banking system remains liquid with normal inter-bank lending rates, inflation getting under control
- No panic reductions of accommodation rates by the Reserve Bank which remains committed to interest rates that curb inflation
- No need for Reserve Bank to prop up banking system

- Smooth transition to new Presidency of Kgalema Motlante from that of the success of President Thabo Mbeki
- Well for smooth transition following 2009 general election
- Motlante enjoys broad support from business and the world
- Stable financial policies firmly in place
- Ruling Party assures investors that economic and financial policies will not change

Economy

- Rand's fall against other currencies has been smooth and will help balance trade and current accounts
- Households are not over-extended and household debt as a proportion of income is declining
- Property price increases have slowed, but there was no bubble burst
- Skills remain scarce in engineering & sciences disciplines, but stable
- Industrial output growth slowed to an annual rate of 0.4% in August
 - subsidized auto-industry production
 - infrastructure spending should ensure overall GDP growth in region of 3 - 5% over next two years (2010 Fifa World Cup & Infrastructure Spend on Public Works)

Middle East Oil - PGM Reserves in R.S.A



Bushveld Complex

- Size: 50,000 km²
- PGMs estimated resources:
 - ▶ USD 30 trn – 2006



United Arab Emirate (UAE)

- Size: 83,600 km²
- Proven Oil Reserves: USD 8 trn

Saudi Arabia

- Size: 1,960,582 km²
- Proven Oil Reserves: USD 20 trn

Platfields opportunity



Berg PGM Project:

Eastern Limb, Bushveld Complex; near-surface; covers approximately 6 000 hectares; UG2 and Merensky Reefs; along strike from Anglo Platinum's Der Brochen Project, Northam's Booyendal Project and Aquarius Platinum South Africa's Everest South mining operation; mean exploration target of 10.65Moz of 4E PGE.

Leeuwkop PGM Project:

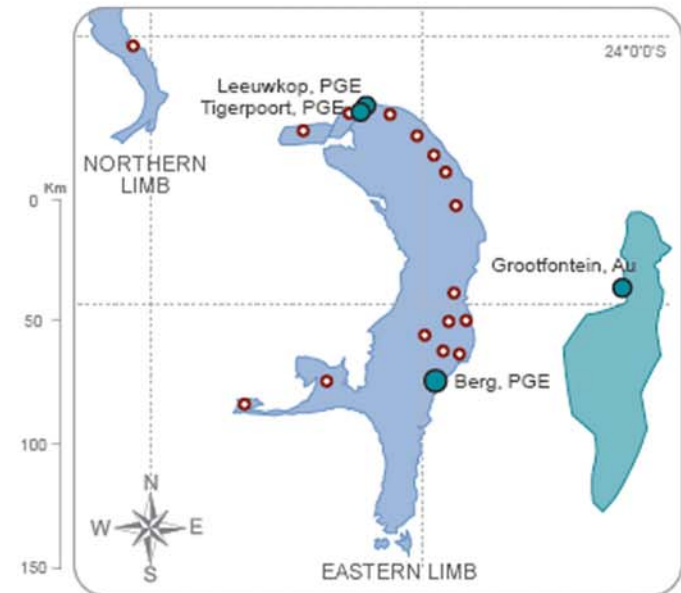
Eastern Limb, Bushveld Complex; near-surface; covers approximately 600 hectares; UG2 and Merensky Reefs; west of the Anglo Platinum/Anooraq Lebowa Platinum Mine, close to Lonmin's Limpopo Platinum Mine and Aquarius Platinum South Africa's Bakgaga Project; mean exploration target of up to 6Moz of 4E PGE, attributable to Platfields.

Tigerpoort PGM Project:

Eastern Limb, Bushveld Complex; covers approximately 500 hectares; UG2 and Merensky Reefs; west and downdip of the Leeuwkop Project, close to Lonmin's Limpopo Platinum Mine and Aquarius Platinum South Africa's Bakgaga Project; early stage exploration project.

Grootfonteinberg Gold Project:

Near-surface; covers approximately 300 hectares; adjacent to Simmer & Jack's Beta Gold Mine; mean exploration target of up to 3.43Moz of gold.



- Rustenberg Layered Suite
- Transvaal Drakensberg Goldfields
- Platfields operations
- Other mining operations

Conclusion

- President Obama`s tougher emission laws bode well for commodities
- PGM a finite commodity
- Developing World`s metal requirements yet to begin
- The Industrial Sector`s boom post Capital Markets Depression to place deficit on above ground Commodities thus price hikes
- The most opportune time for cheaper investment entry this moment