



AllanHochreiter

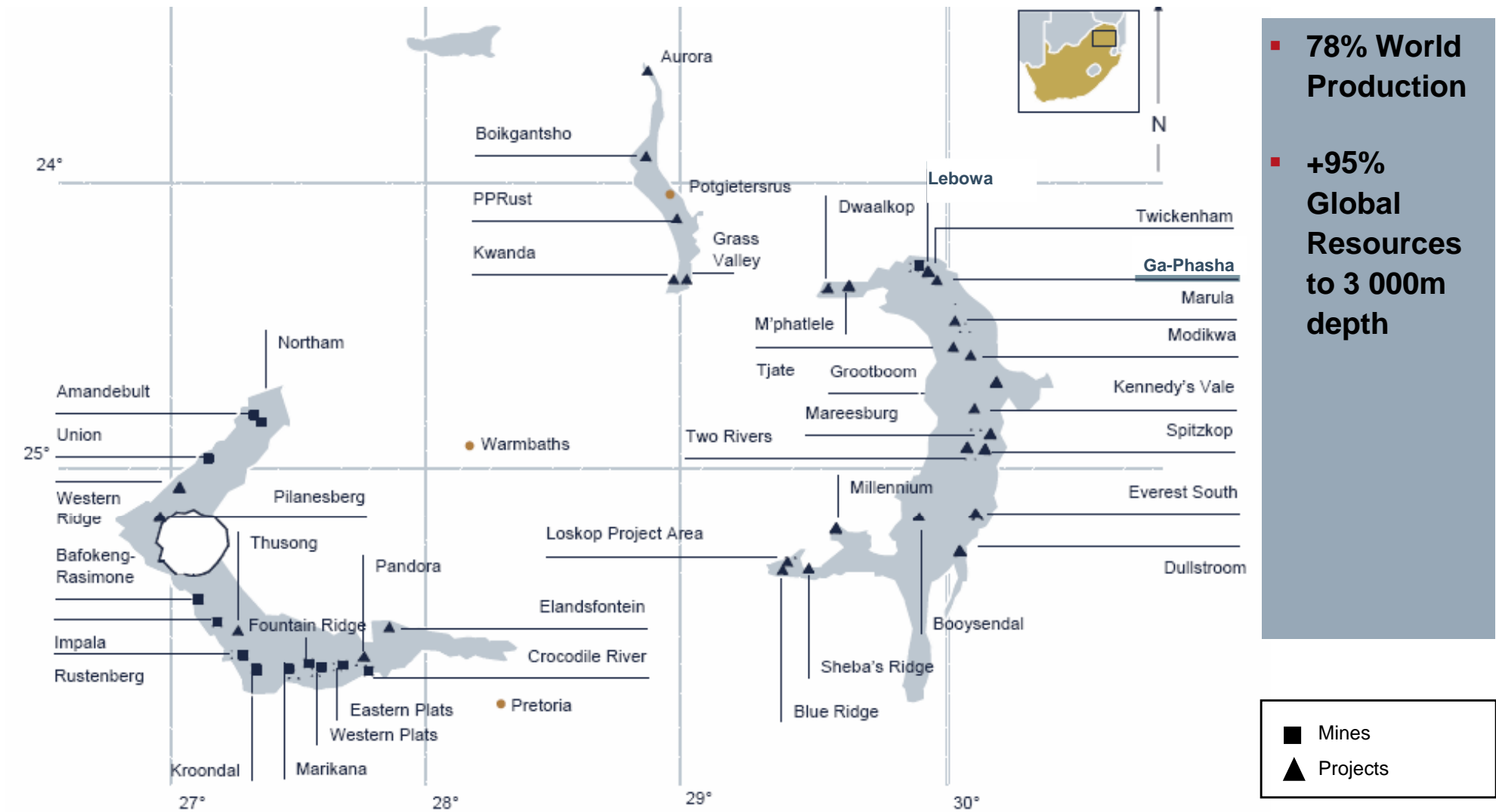


Presentation to BAC Platinum Day

Deficit to stay for the coming decade

René Hochreiter March 2008

Platinum Mines and Projects of South Africa



Resources Summary - Producers

Producers	Resources Mt	Grade 4 Element g/t	Ounces millions 4E pgm	Market Capitalisation per Ounce - US\$ (ZAR/\$ 7.80)
Anglo Platinum	6,288	4.9	884	43
Implats	1,170	4.8	*263	104
Aquarius	98	4.2	44	88
Northam	98	6.1	129	17
Lonmin	1,457	4.5	204	50
Explorers	1,243	3.5	353	19
TOTAL Bushveld Complex	10,821		1,877	47

* Total 463moz, of which 200moz located in Zimbabwe

Resources Summary - Explorers

Producers	Grade 4 Element g/t	Ounces millions 4E pgm	Market Capitalisation per Ounce - US\$ (ZAR/\$ 7.00)
Ridge	2.5	48	5
Anooraq	3.8	105	7
AIM Resources	2.0	1	86
Eastern Platinum	4.3	95	39
Jubilee	3.8	23	5
Platmin	4.2	17	46
Platinum Australia	3.6	16	34
Nkwe	3.8	29	5
Wesizwe	5.5	11	61
PTM Platinum Group Metals	5.5	5	42
Caledonia	2.1	0.7	138
Sylvania	0.7	1.8	316
TOTAL Bushveld Complex		353	19

Value of the remaining resources in the Bushveld at recent market metal prices

- Remaining Resources in the Bushveld = 21.4 billion oz 4 PGM

- Total value in today's prices = USD 46 trillion

(Pt \$2150/oz, Pd \$564/oz, Rh \$8980/oz, Au \$872/oz, Ni \$12.5/lb)

Platinum Market

- Supply is the key to the platinum market
 - SA Miners production problems
 - Longer term, new production will likely limit price gains
- Demand extremely firm
 - New announcements (Daihatsu, Mazda) “*nothing new*”
 - Strong economic growth in developing countries
 - Steady diesel vehicle demand – Europe, US increasing
 - Miners shielded from production losses due to prices & currency

SA Producer Problems 2007

Pt (million ounces)	Actual 2007 production	Beginning 2007 Expectation
Anglo Platinum	2.45	2.90
Lonmin	0.82	1.00
Impala	1.15	1.10
Northam	0.18	0.225
Difference Total	0.625m ounces	

- Only Implats had a good year
- A shortage equal to almost 10% of the annual platinum market

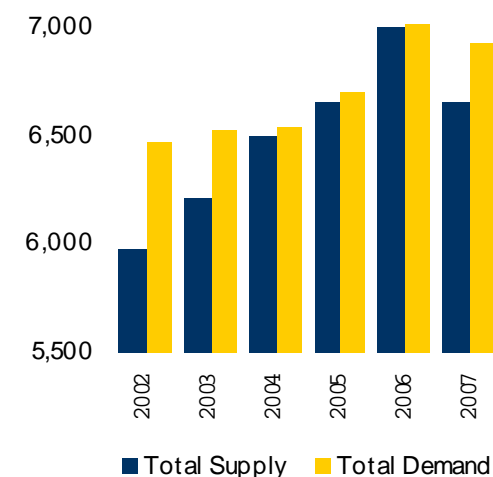
SA Producer Problems 2008

Pt (million ounces)	Likely 2008 production	Beginning 2008 Expectation
Anglo Platinum	2.24	2.30
Lonmin	0.75	0.80
Impala	0.95	1.15
Northam	0.16	0.18
Difference Total	0.330m ounces	

- AngloPlats already announced 0.15m oz on bad 2007 results, we expect even greater disappointment. Implats has issued a warning. Lonmin has face length problems, Northam has geological problems. All have power and skills problems
- 2009 will not be up either, maybe PPRust, Two Rivers and Elands

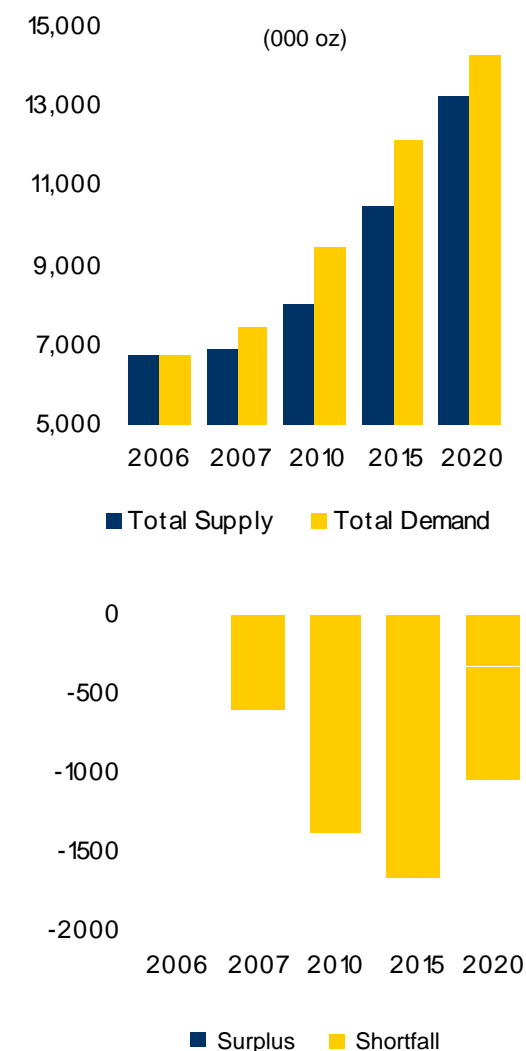
Platinum Supply and Demand (JM 2007 Report)

'000 oz	2002	2003	2004	2005	2006	2007
Total Supply	5,970	6,200	6,490	6,650	6,785	6,660
<i>of which:</i> South Africa	4,450	4,630	5,010	5,115	5,290	5,220
Russia	980	1,050	845	890	880	820
North America	390	295	385	365	345	340
Others	150	225	250	280	270	280
Total Demand	6,470	6,530	6,540	6,690	6,775	6,925
<i>of which:</i> Autocatalyst:						
gross	2,590	3,270	3,490	3,820	4,195	4,235
recovery	(565)	(645)	(690)	(770)	(855)	(885)
Jewellery	2,820	2,510	2,160	1,965	1,605	1,595
Movement in Stocks	(500)	(330)	(50)	(40)	10	(265)

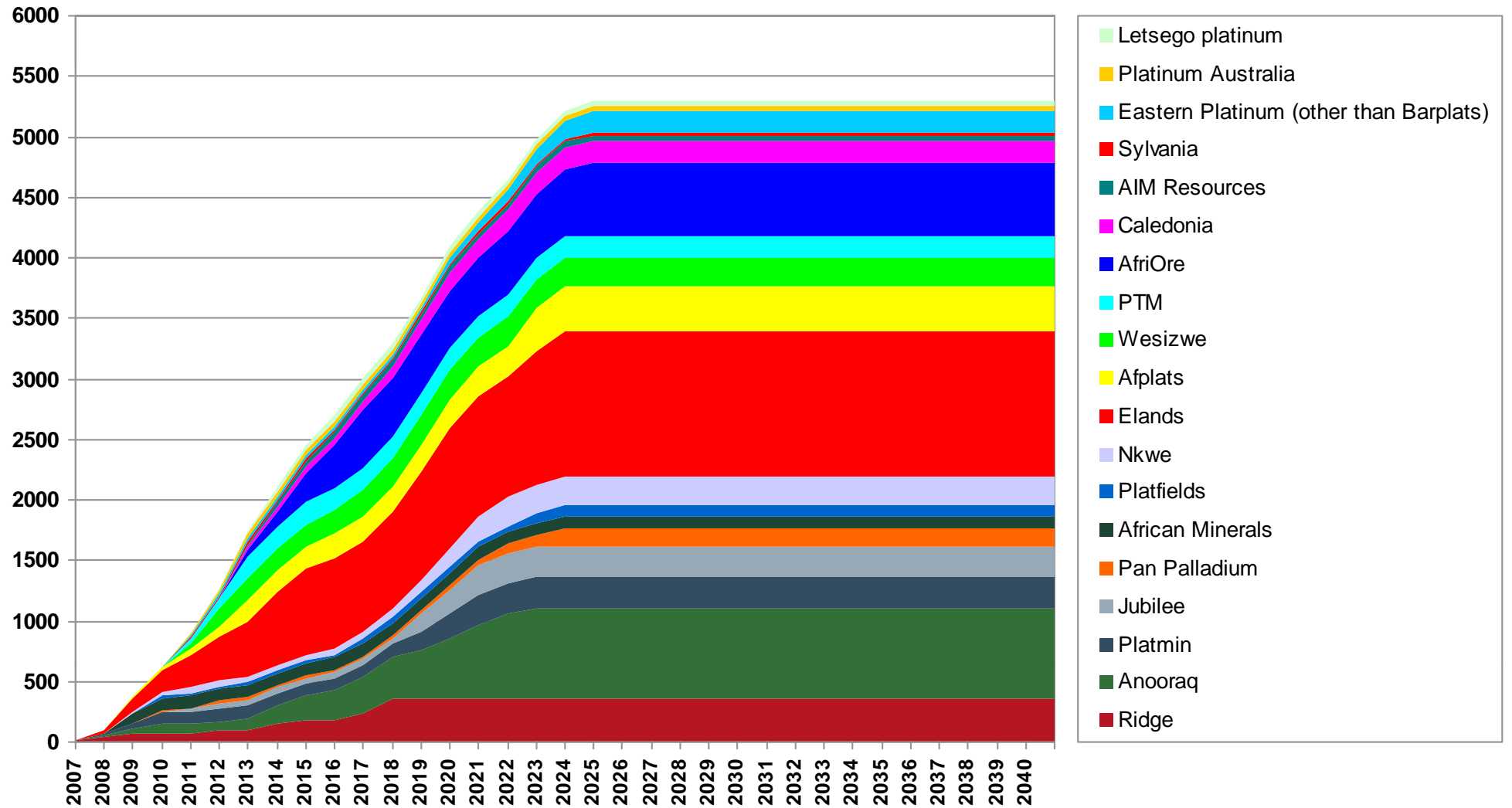


Platinum Demand/Supply Outlook (Allan Hochreiter)

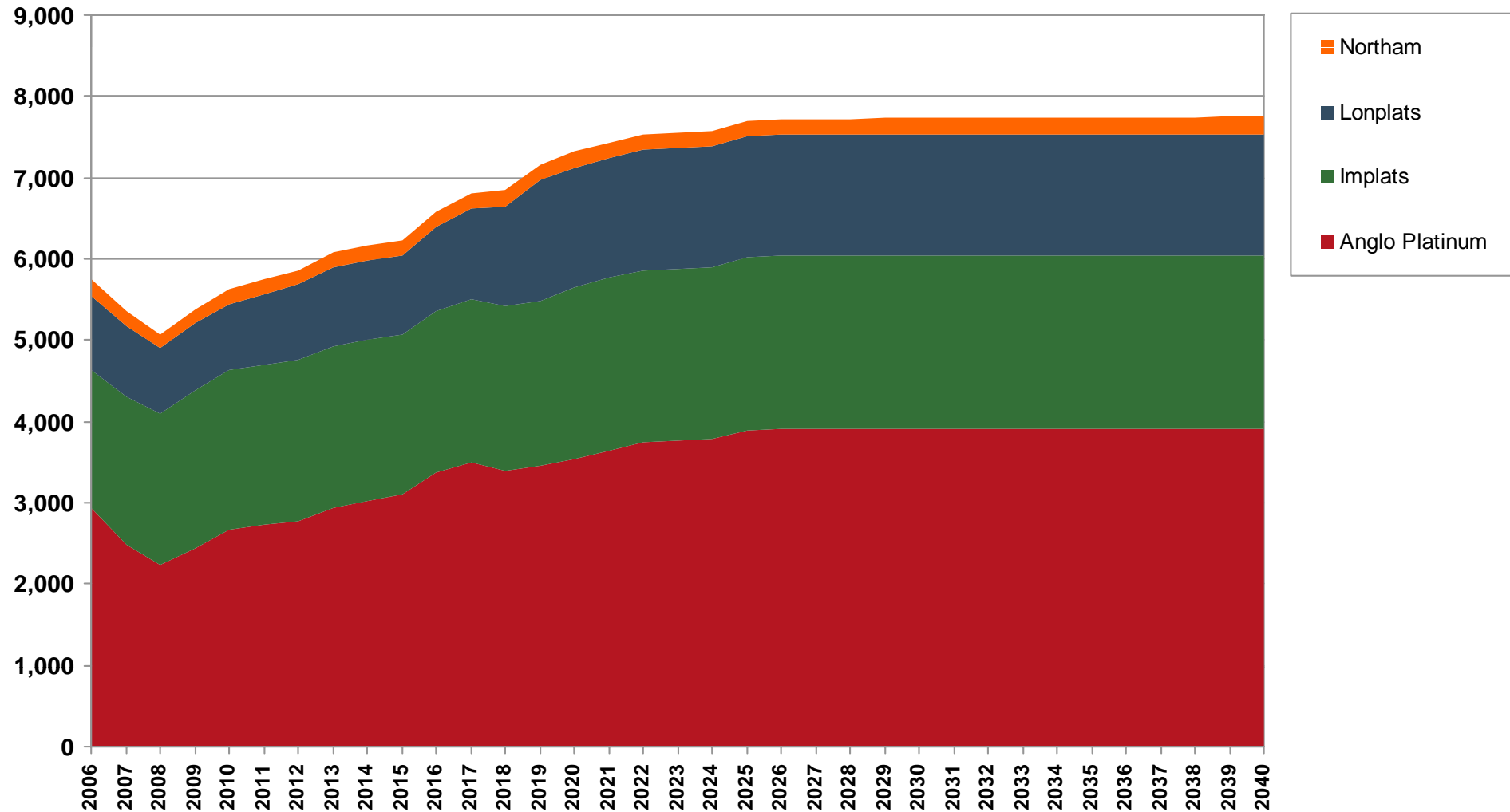
(000 oz)		2006	2007	2010	2015	2020
Demand Total		6,775	7,468	9,388	11,518	13,564
<i>of which:</i>	Autocats	4,195	4,684	5,757	7,114	8,349
	Jewellery	1,605	1,650	2,000	2,476	2,871
Supply Total		6,785	6,893	8,035	10,516	13,249
<i>of which:</i>	AngloPlat	2,931	2,474	2,663	3,100	3,532
	Implats	1,702	1,821	1,965	1,974	2,120
Supply shortfall/surplus		10	-645	-1,354	-1,002	-315



Explorers ('000 oz Pt) - planned but will it happen?

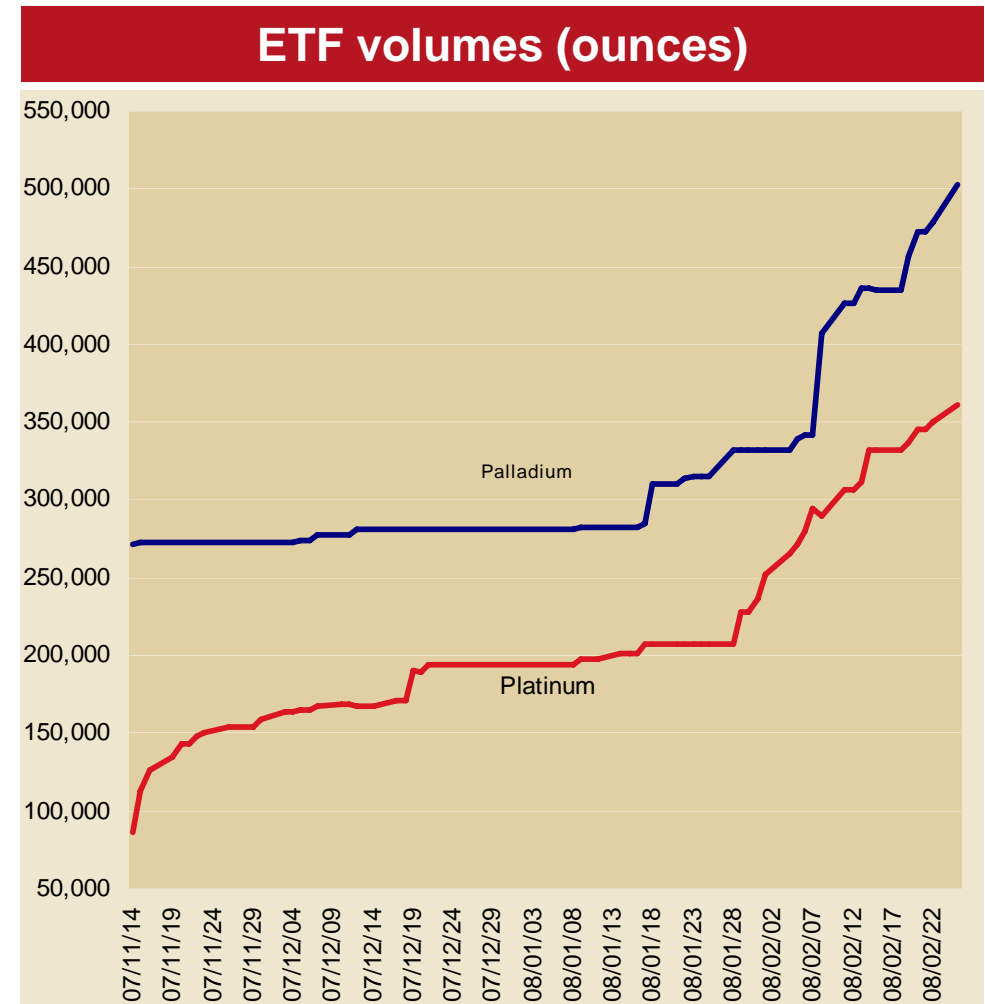


Producers ('000 oz Pt) – planned but will it happen?



Impact on platinum market

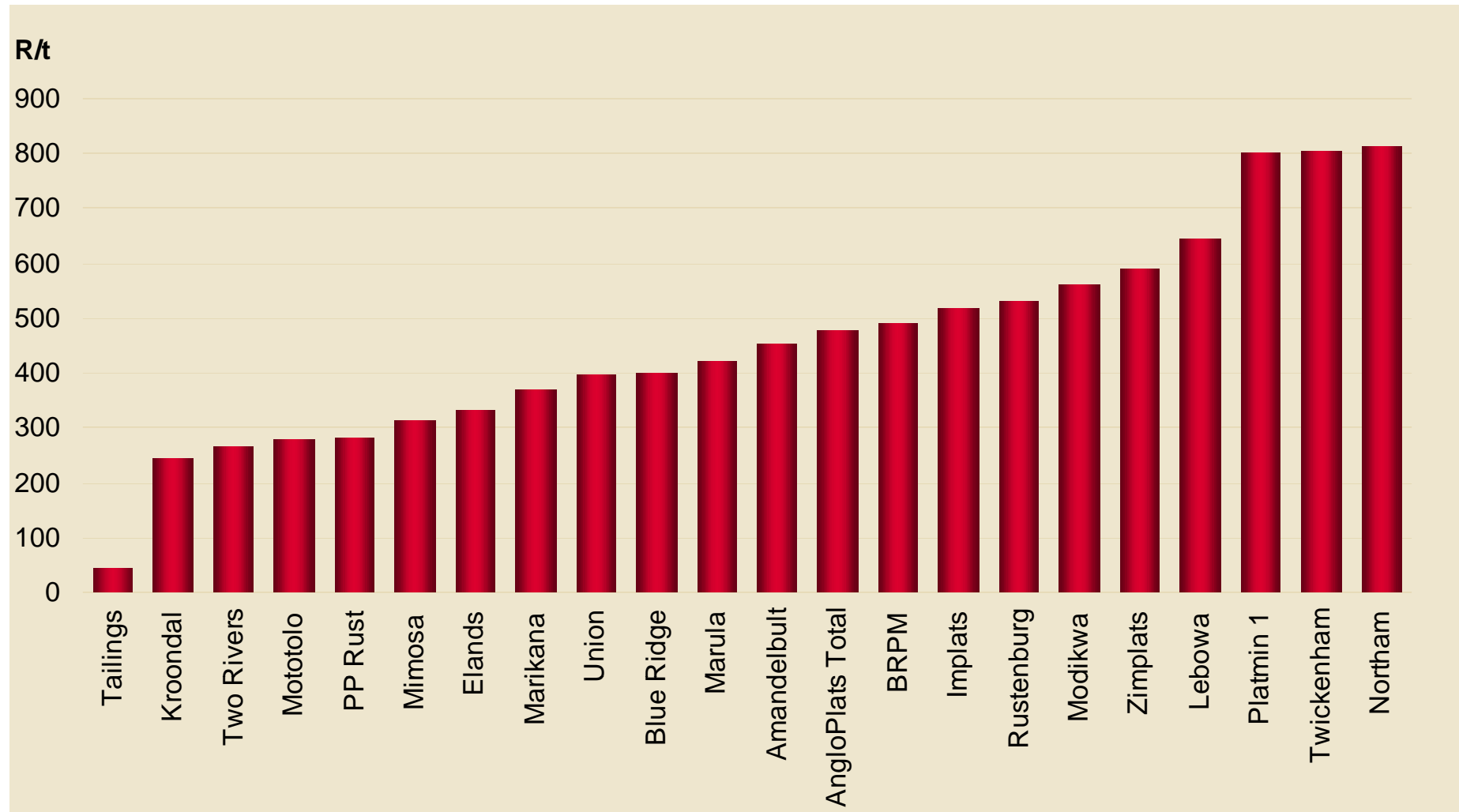
- How deep the jewellery demand can fall? My indications: demand will need to remain below 1.7m oz/yr, and maybe even decline to 1.0m oz /yr to balance supply
- ETF impact?



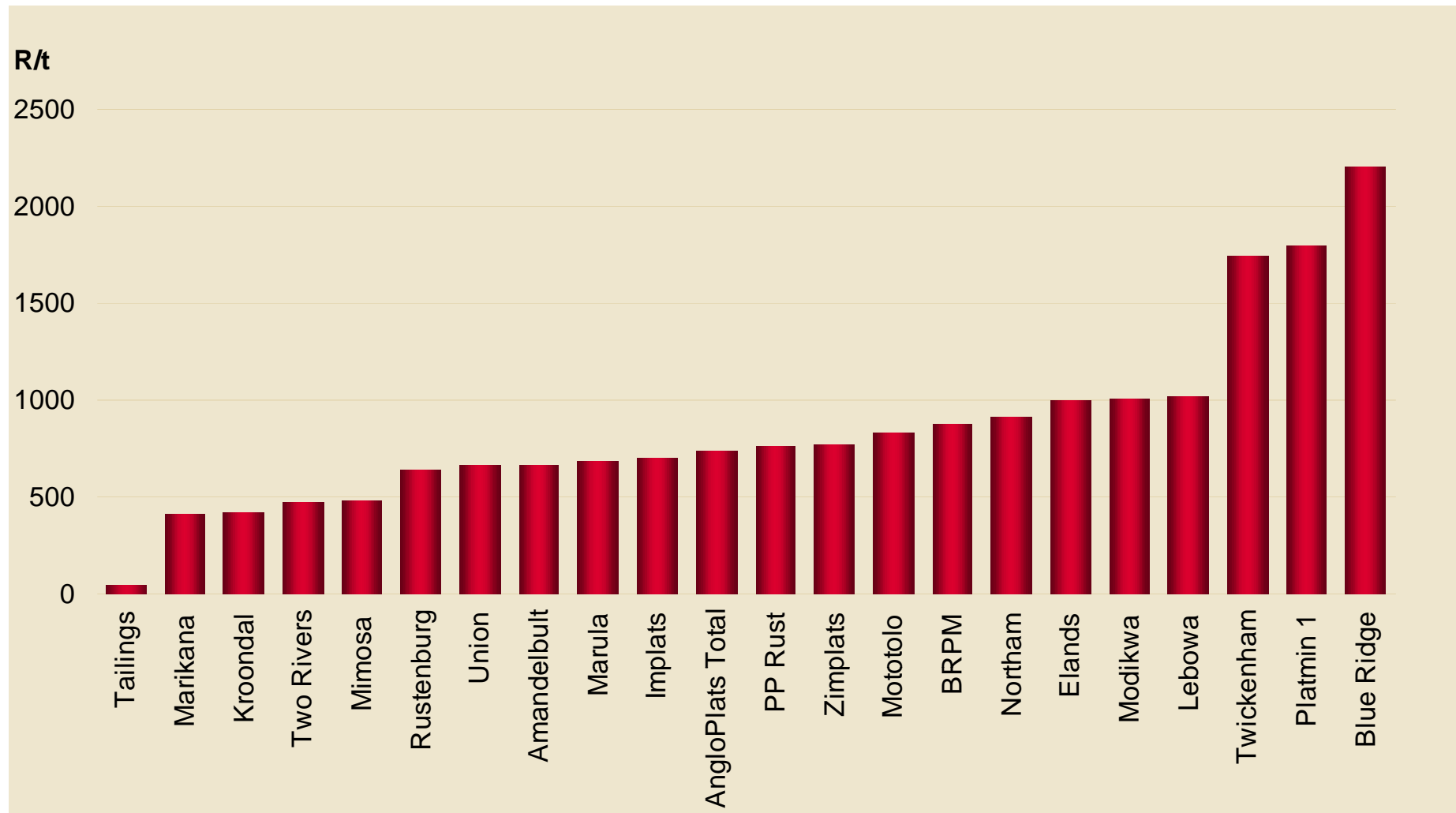
Impact – price projections, revenues and margins

- Price projection end 2008 – on record at USD 1750/oz avg. with USD 1520 and 2200 limits view of price outlook now: averaging USD 2050/oz for remainder of 2008.
- Average price year to date: USD 1800/oz
- Basket price – recently R550 000/kg or USD 2200/oz, cash costs averaging R118 421/kg in latest results, R181 949/kg with capex.
- Spot margins averaging 81% on SA producers latest results for 2007 (inflation costs can reduce this to 78% in 2008). Cash costs are R416/ton, R639/ton with capex in latest results.

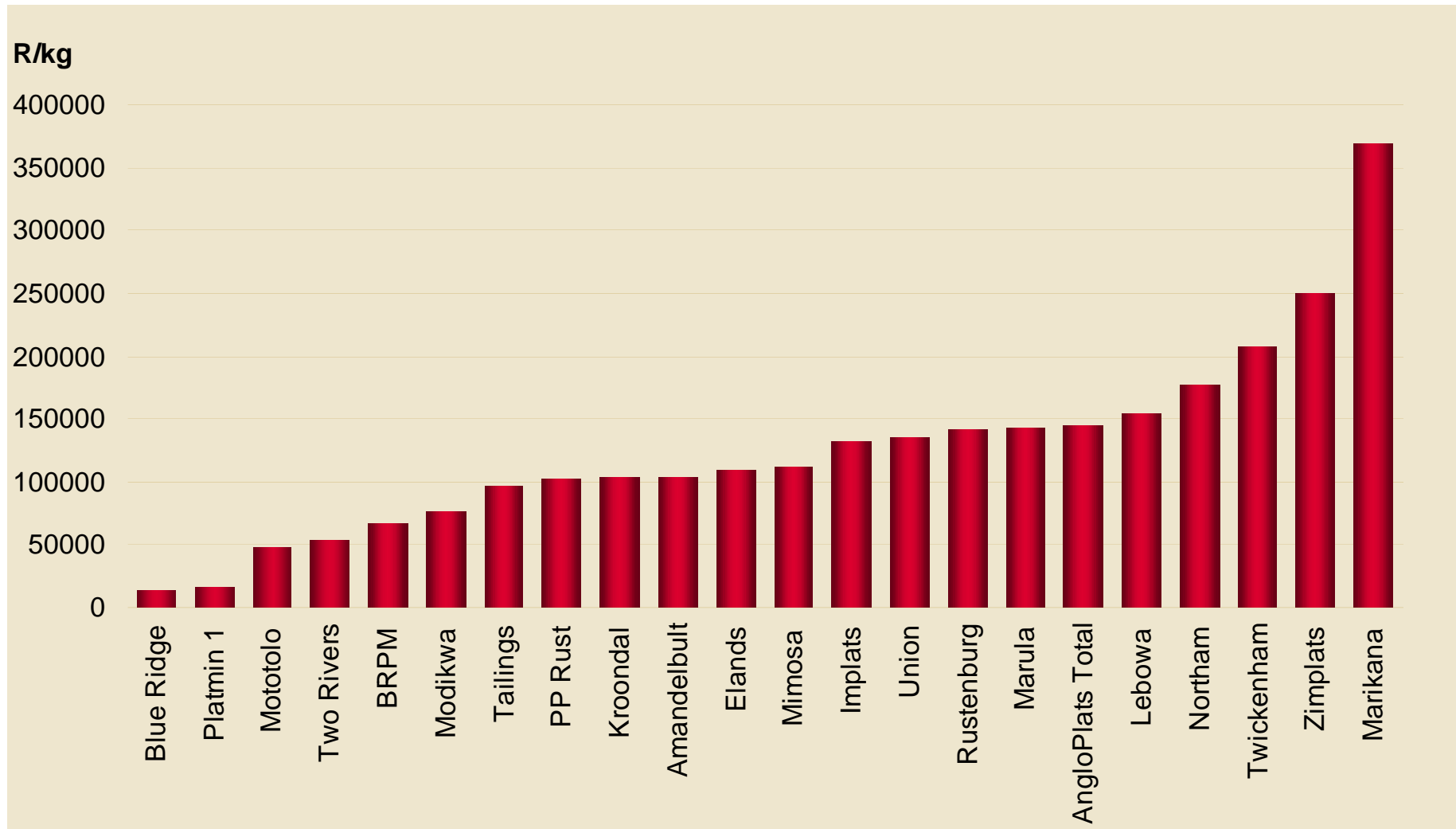
R/t Cash Cost – Recent price R2200/t



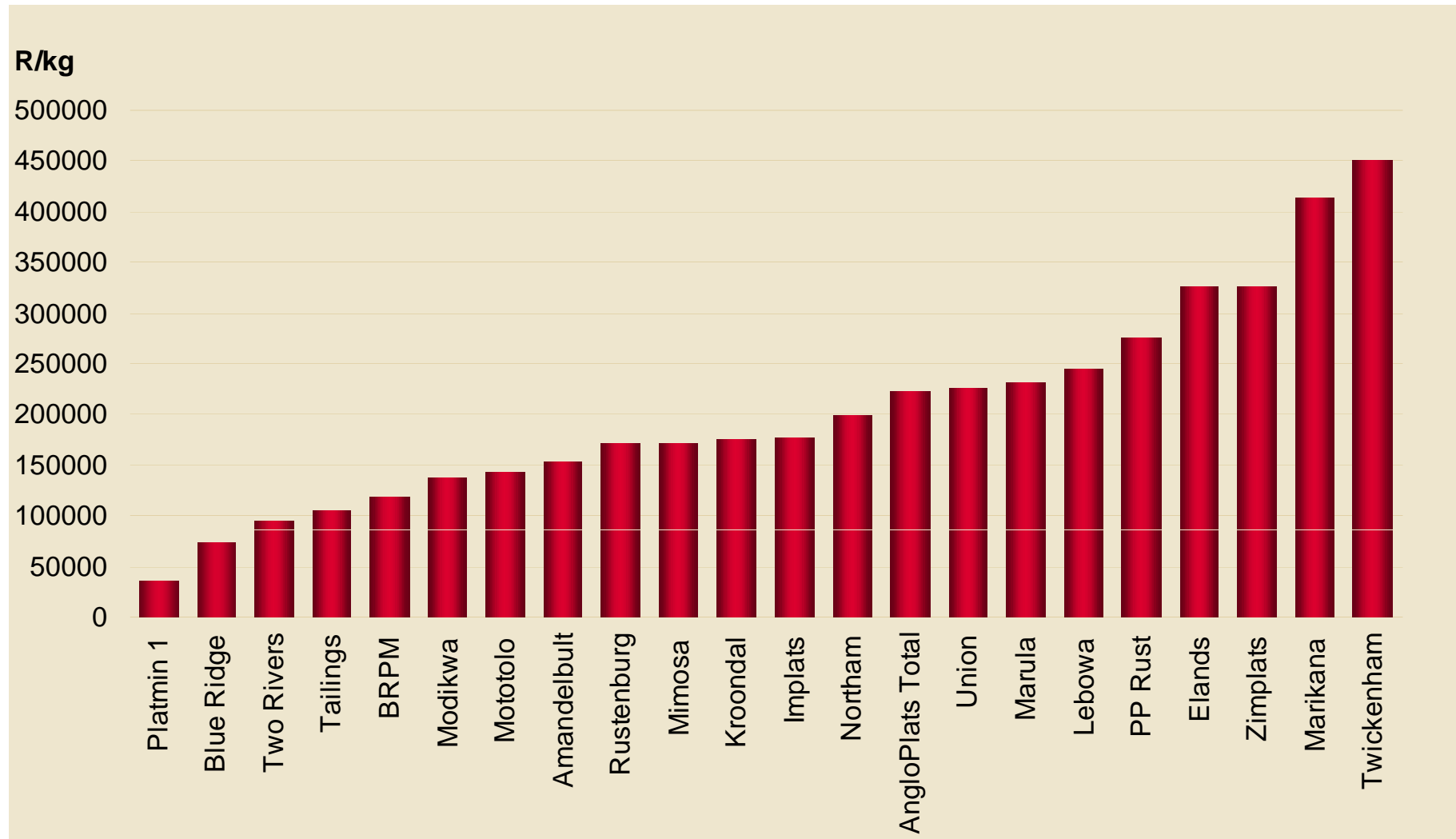
R/t Cost Including Capex - Recent price R2200/t



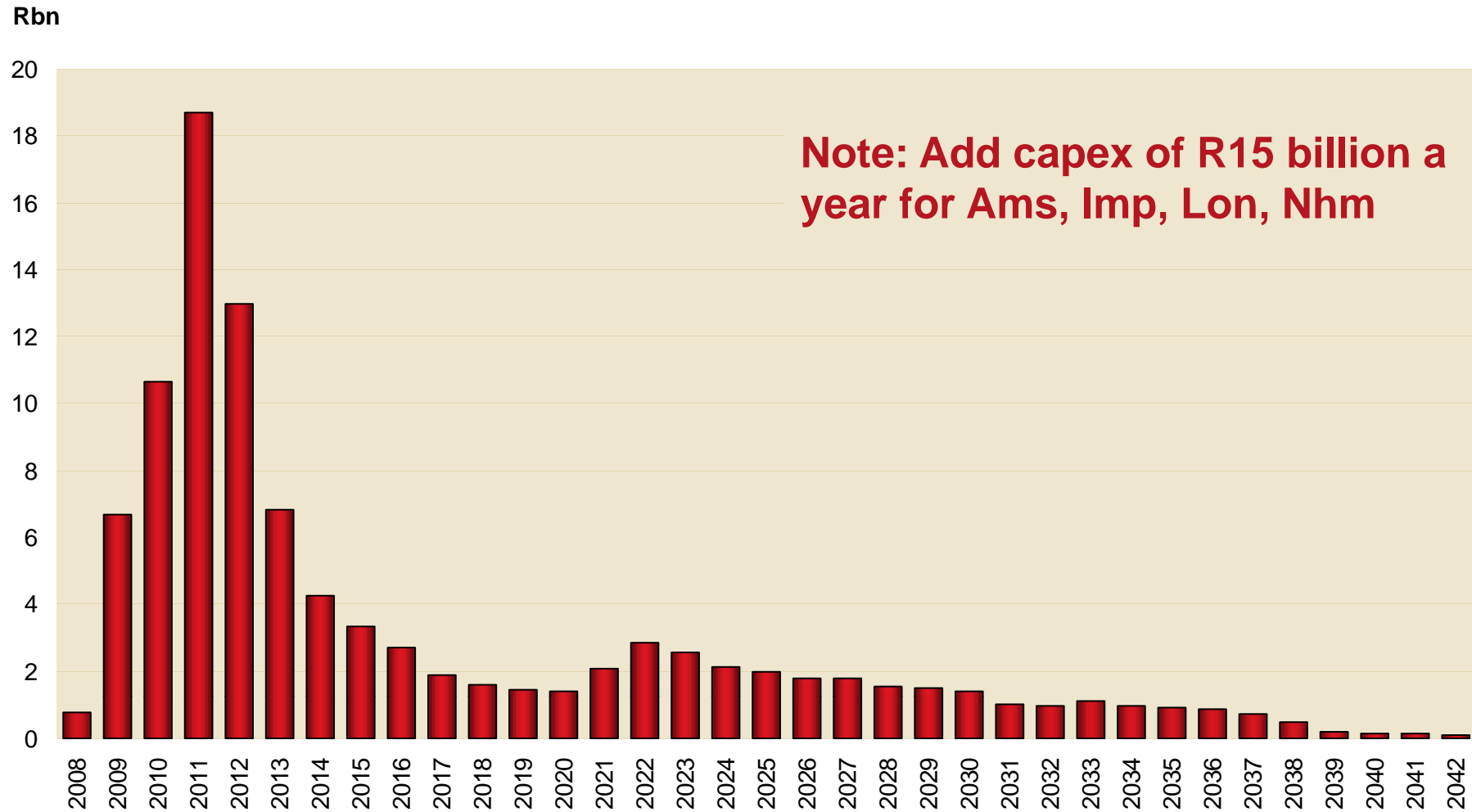
R/kg Cash Cost – Recent price R550 000/kg



R/kg Cost Including Capex – Recent price R550 000/kg



Capex Total for SA Platinum Explorers (Rbn)



Impacts – Eskom power

- Power shortage: Effect on producers – this will likely be 20% of production across the board
- A 10% power cut results in a 20% production fall
- Recently, power-outages have been uncommon, but don't count on a pleasant surprise yet.
- Explorers currently have no power requirements, will use diesel trucks and generators, open pit will come in first – by 2012 more power should be available

Valuation Exercise Example

- Cashflow exercise

Year End	1	2	3	4	...30
Tons					
Grade					
Cost					
Capex (All)					
Income					
Working cost (All)					
Profit					
Taxable income					
Tax					
Cashflow					

- Take an NPV at 15% real for an explorer, 3% real for a producer

Conclusion

- The Platinum Market will likely remain in undersupply – jewellery demand might be the shock absorber
- The palladium market will strengthen as stocks diminish
- The Rhodium market will add strong support – perpetual undersupply indicated
- Share valuations at spot prices look extremely attractive.
- Record ZAR revenues and the currency on a softening path, skills and power shortages
- A really **Perfect Storm for Platinum**

Valuation Exercise

DCF Value at real return rates

(Preferred method of valuing platinum and mining projects)

Spot prices used

R/USD	7.8			
Pt	2150	Au	972	Nickel
Pd	564	Ru	400	Copper
Rh	8980	Ir	445	Cobalt

EXPLORERS	Domicile Currency	Latest Price	Comment	SPOT DCF VALUATION	
				Real Discount Rates 15%	10%
Nkwe Platinum	AUD	83	Garatouw project undervalued	1598	2521
AIM Resources	AUD	12	Grasvaly prospect - low grade of concern, highly	91	158
Ridge Mining	GBP	125	Sheba's Ridge value underestimated by market, low cost	538	902
Anooraq	CAD	395	Market underestimating value, large resource	1651	2143
Jubilee Platinum	GBP	67	Single Project, good grades, medium depth.	252	422
Sylvania	AUD	301	Dump re-Treatment and Everest North - small but profitable	1044	1581
Caledonia Mining	GBP	10	Mainly gold and Grasvaly property - PGMs and nickel	30	52
Platinum Group Metals	CAD	342	Good grades and shallow resource	944	1653
Platmin	GBP	408	Small projects, but reasonably good quality, open-pittable	896	1442
Platinum Australia	AUD	280	Small low grade deposits, open pittable, low cost	565	908
Wesizwe	ZAR	946	Deep, good grade but will have high costs	1305	2491
Eastern platinum	CAD	355	Broken ground, difficult to mine.	217	371
Consolidated Puma	CAD	150	In Kola peninsula, Russia. Part of Bema Gold	Not Valued	
Platinum Group of India	RUP	n/a	Recycling business.	Not Valued	
Beartooth	CAD	15	In Stillwater Complex. Low value due to high Pd content.	Not Valued	
Average					

PRODUCERS	ZAR/sh		Real Discount Rates		
			5%	3%	
Aquarius	ZAR	118	Offers good value	728	877
Anglo Platinum	ZAR	1272	Undervalued. Cost controls have been a problem.	3033	3811
Northam	ZAR	70	Fairly valued	132	170
Lonmin	ZAR	511	Expensive, lack of face length problems appearing	818	1070
Implats	ZAR	338	Expensive	538	707
Average					

Valuation Exercise

USD Per ounce Valuation (4 PGMs)

(Less preferred valuation method)

AUD/USD 0.9311
 CAD/USD 1.0151
 Rand /USD 7.82
 GBP/USD 1.98

EXPLORERS	Domicile Currency	Latest Price (cps or pps)	Shares Issued	Market Cap (Mil) Domicile Currency	Market Cap (Mil) In USD/oz	Resources Mil Ozs. 4 PGM	Valuation USD/Oz Resource 4PGMs
Ridge Mining	GBP	125	90728000	113	225	48.2	5
Jubilee Platinum	GBP	67	88017408	59	117	23	5
Anooraq	CAD	395	185054407	731	742	105	7
Nkwe Platinum	AUD	83	184000000	153	142	29	5
Platinum Australia	AUD	280	207520521	581	541	16	34
Eastern Platinum	CAD	355	668128194	2372	2408	95	25
Platinum Group Metals	CAD	342	61451747	210	213	5.1	42
Platmin	GBP	408	96374938	393	779	17	46
Wesizwe*	ZAR	946	554829167	5249	671	11	61
AIM Resources	AUD	12	766657985	92	86	1	86
Caledonia Mining	GBP	10	487869280	49	97	0.7	138
Sylvania	AUD	301	176379273	531	570	1.8	317
Consolidated Puma	CAD	150	n/a	n/a	n/a	n/a	n/a
Platinum Group of India	RUP	n/a	n/a	n/a	n/a	n/a	n/a
Beartooth	US	15	n/a	n/a	n/a	n/a	n/a
Simple Average/Total					6590	353	19

* Takes account of the issue of 62m shares for Africa Wide

PRODUCERS	ZAR per share						
Northam	ZAR	70	237845000	16649	2129	129	17
Anglo Platinum	ZAR	1272	236145719	300377	38411	884	43
Lonmin	ZAR	511	156186715	79811	10206	204	50
Aquarius	ZAR	118	256534266	30271	3871	44	88
Implats	ZAR	338	630899228	213244	27269	263	104
Simple Average/Total				623704	79758	1524	54



AllanHochreiter



Thank you

**Allan Hochreiter (Pty) Ltd
Corporate Finance and Advisory**

René Hochreiter

rene@allanhochreiter.co.za

www.allanhochreiter.co.za

+27 11 325 5457 (office)

+27 83 633 6677 (mobile)