

CONTENTS

KEY EVENTS OF THE FINANCIAL YEAR	3
CHAIRMAN'S STATEMENT	4
CHIEF EXECUTIVE OFFICER'S REVIEW	12
MARKET REVIEW	20
FINANCE REVIEW	32
Financial performance	32
Ten-year financial review	34
EXECUTIVE COMMITTEE	36
OPERATIONS REVIEW	37
Location of operations	37
Flow chart	38
Safety	40
Mining and Retreatment	42
Process	56
Projects	64
Black Economic Empowerment (BEE) initiatives	72
Human resources	74
Ore reserves and mineral resources	78
Group statistics	94
ANNUAL FINANCIAL STATEMENTS CONTENTS	111
Approval of the annual financial statements	112
Declaration by the Company Secretary	112
Report of the independent auditors	113
Directors' report	114
Remuneration report	120
Principal accounting policies	131
Consolidated financial statements	138
GLOSSARY OF TERMS	192
DIRECTORATE	194
MANAGEMENT	198
ADMINISTRATION	199
NOTICE TO MEMBERS	200
FORM OF PROXY	203
SHAREHOLDERS' DIARY	206
CONTENTS OF SUSTAINABLE DEVELOPMENT REPORT VOLUME 2	207
ACKNOWLEDGEMENTS	208

For a full appreciation of the Group's activities and performance, read this Business Report in conjunction with our Sustainable Development Report, both of which are available on the Company's website: <http://www.angloplatinum.com>

OUR MISSION

Our mission is to mine, process, refine and market platinum, other platinum group metals, and base metals.

OUR VISION

Our vision is to increase our lead as the world's number one platinum organisation. This means: delivering financial growth that is superior in our business; taking the lead not only in production, but also in cost efficiency, safety, sustainable development and market development; and developing mutually constructive and beneficial relationships with our broad stakeholder base.

OUR STRATEGY

Our strategy is to develop the market for platinum group metals, to expand our production into that opportunity and to conduct our business cost-effectively and competitively.

OUR VALUES

Our values are based on the following principles: maintenance and promotion of the safety and health of all our people; fostering trust among and respect for all employees; development of our people; preservation of the environment; responsibility toward communities; wealth creation for all stakeholders; honesty and integrity in the conduct of our business; and safeguarding our assets.

OUR GOALS

In order to achieve our goals, we are guided by the principles of providing direction and leadership; encouraging optimal performance among employees; promoting understanding through effective communication; developing employees so that they can achieve personal growth; and empowering all employees by providing appropriate training and equipment.



KEY EVENTS OF THE FINANCIAL YEAR

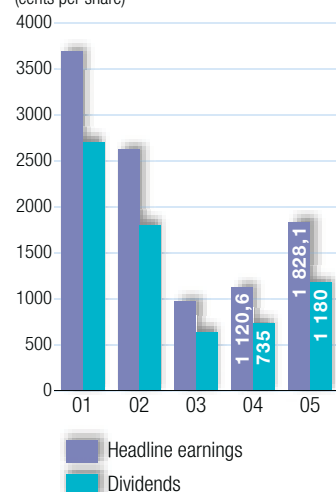
GROUP HIGHLIGHTS

- Rand basket price per platinum oz increased by 16,0%
- Headline earnings per ordinary share up 63,1%
- Dividends per ordinary share up 60,5%
- PGM production up 5,1%
- Refined platinum production 2 453 200 oz

MAIN FEATURES

Headline earnings and dividends per share

(cents per share)



		2005	2004	% change
Refined production				
Platinum (Pt)	000 oz	2 453,2	2 453,5	—
Palladium (Pd)	000 oz	1 353,2	1 310,7	3,2
Rhodium (Rh)	000 oz	328,1	253,3	29,5
Gold (Au)	000 oz	117,5	109,9	6,9
PGM	000 oz	4 651,0	4 426,4	5,1

Operational highlights, steady-state mines

Cash on-mine costs	R/ton milled	270	252	7,1
Cash on-mine costs	R/oz equivalent refined Pt ¹	4 718	4 007	17,7
Cash operating costs	R/oz PGM refined	2 983	2 652	12,5

Financial highlights (R million)

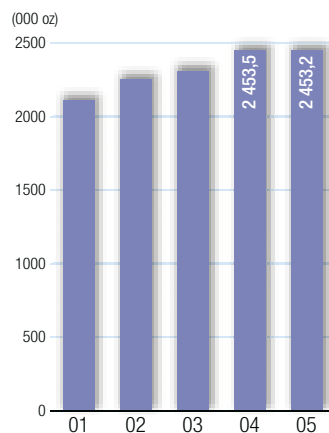
Gross sales revenue	23 308,4	19 624,8	18,8
Gross profit on metal sales	5 837,7	4 588,2	27,2
Headline earnings	4 231,4	2 578,9	64,1
Net debt	2 460,1	3 429,4	28,3
Debt : equity ratio	1:4,9	1:3,1	
Capital expenditure	4 362,3	4 606,1	(5,3)
Gross profit margin (%)	25,0	23,4	
Net sales revenue per platinum ounce sold (R)	8 871	7 649	16,0

¹ Mines' production and purchases of metal in concentrate converted to equivalent refined production using Anglo Platinum's standard smelting and refining recoveries.

CHAIRMAN'S STATEMENT



Anglo Platinum refined platinum production



It has been a year of headlines for platinum. Towards the end of 2005, the platinum price traded at a 26-year high, reaching an intraday high of US\$1 012/oz. This helped translate into a record average basket price of R8 871 per platinum ounce sold (i.e. net sales revenue divided by total platinum ounces sold), an improvement of 16% on that for 2004 despite continued strength in the rand. The Group's platinum production in concentrate increased although refined platinum production was unchanged year-on-year.

The impact of a strong dollar platinum price and firmness in the dollar prices of other components of the basket of metals we produce, particularly rhodium, saw net sales revenue in rand terms increase 19,1% to R22,94 billion. Gross profit on metals sales rose 27,2% to R5,84 billion while the operating margin increased to 29,9%. Headline earnings per ordinary share increased substantially by 63,1% to R18,28.

“Platinum’s unique chemical and physical properties in autocatalysis and other industrial applications continue to support an increase in demand for the metal.”

SAFETY

Improving the safety performance of all our employees and contractors remains Anglo Platinum’s highest priority and we continue to invest substantial resources in a comprehensive suite of safety initiatives to support the Group’s mining, processing and refining operations. Despite some noteworthy achievements in several areas of safety, it is with regret that I have to report that work-related accidents during the year claimed the lives of 24 employees and contractors at managed operations and one employee at our non-managed Modikwa joint venture. Fatalities are unacceptable. Management joins in mourning with the families, friends and colleagues of those we have lost, and deeply regrets the personal suffering they have had to endure.

While safety is the responsibility of every employee, it remains management’s task to ensure that safety principles are communicated effectively and implemented and that performance is strictly monitored. Rigorous campaigns focused on behavioural improvement are in place in an unremitting endeavour to achieve our goal of zero fatalities. In addition, management will embark on a Du Pont safety training initiative in 2006.

MARKET DEMAND AND SUPPLY

Demand for platinum group metals (PGMs) during 2005 remained robust. Strong and steady demand for platinum, particularly from the markets for autocatalysts – diesel particulate filters, heavy-duty diesel catalysts and retrofitting – combined with institutional portfolio investment in precious metals resulted in the platinum price reaching a higher annual average of US\$897/oz during 2005. This represented a 6% increase over the 2004 average price of US\$846/oz and a 22% increase over the 2003 average of US\$692/oz.

While the pressure of high prices continues to negatively affect sales of new metal in the jewellery manufacturing sector, with some loss of market share to white gold products, platinum’s unique chemical and physical properties in autocatalysis and other industrial applications continue to support an increase in demand for the metal.

Indeed, a global desire to protect and care for the environment, evidenced by the growing stringency of legislation to control and reduce harmful

emissions, constitutes a unique driver of demand for platinum, palladium and rhodium.

This trend of robust growth in demand provides a positive outlook for Anglo Platinum. It is important to reflect on the critical role the South African platinum industry plays in meeting this demand. In 2005, South Africa produced 78% of the world's platinum supply, excluding recycling. Russian supply, produced as a by-product of its base metal mining, accounted for 13%. As a consequence of South Africa's position, a more direct correlation between strength in the rand and strength in the dollar platinum price has developed.

The strength and stability of the rand over the past year is a reflection of South Africa's continuing sound monetary policy, relatively high interest rates and US dollar weakness against a background of strong global demand for commodities. Should these conditions persist, the rand is unlikely to soften to any significant extent in the foreseeable future.

It is clear that the cost of production of PGMs will increase over time. As South African mines become older and deeper, and as the platinum-palladium ratio continues to reflect the increasing proportion of UG2 reef being mined, operating margins will be squeezed. Given the world's reliance on the South African platinum industry for the supply of primary ounces and in the absence of a softer rand, US dollar prices for platinum, palladium and rhodium will increasingly have to reflect a basket price appropriate to meet the returns required to fund replacement and expansion supply projects.

The PGM mining sector has overtaken gold as this country's largest mineral revenue earner with R33,3 billion worth of sales in 2004. PGMs alone accounted for 10,8% of South Africa's merchandise exports in that year and this contribution continues to increase. High prices occasioned by an ongoing platinum supply deficit are benefiting the Group and the country in the short term, but it is of concern that the process of thrifting usage and the drive for substitution could gain momentum from these high prices and affect some sectors of demand. In the absence of some softening of the rand, sustained very high US dollar prices for PGMs will inhibit demand growth and so negatively influence the contribution the PGM industry can make to South Africa's development and economic well-being.





The Group's long-term strategy has been and continues to be the promotion of demand for PGMs and the expansion of its productive capacity to meet this growing demand. The Group remains involved in several R&D initiatives, as do other players in the industry, in a quest to broaden the base of industrial applications for PGMs with the long-term aim of providing stability and growth to the markets. A relative newcomer to this effort is the ongoing research into the application of palladium in light-duty diesel autocatalysis. Although this segment has been the exclusive domain of platinum, a breakthrough permitting the use of palladium would provide a more balanced application of PGMs in autocatalysis.

LEGISLATIVE ENVIRONMENT

Anglo Platinum has made important progress towards meeting the requirements of the Mining Charter and Scorecard. This is more fully reported in the accompanying Sustainable Development Report. The key issue remains the conversion of the Group's 'old-order' rights to 'new-order' mineral rights. Steady progress has been made in our submissions for conversion, with 13 applications lodged. This process is supported by constant dialogue with officials from the Department of Minerals and Energy (DME).

BENEFICIATION

The desirability of adding value to mineral products, and so realising the economic advantages of beneficiation is evident. Indeed, significant beneficiation already occurs in many sectors of South Africa's minerals industry.

South Africa is a resource-rich nation with an imperative for high economic growth and it is understandable that there have been many calls from government to further beneficiate our minerals. In order for beneficiation to be successful in terms of financial returns on investment, a number of factors must be present to ensure a competitive advantage for the beneficiated product/s in international markets. These include, in addition to the availability of the metals, such factors as suitable process technology, design, knowledge of and proximity to markets, and a set of labour and managerial skills able to combine these into a package that



produces an acceptable and sustainable return on investment. There is often a presumption that the mere physical presence of a mineral or metal in South Africa guarantees its competitiveness as a candidate for successful beneficiation. I have even heard it suggested that the producer of a particular metal should subsidise its beneficiation by selling at prices which significantly discount international market prices to ensure the competitiveness of the beneficiated product. I submit that this supportive role would be more appropriately fulfilled by government and, even then, only if such subsidisation was required to kick-start a beneficiation process, the longer-term profitability and so sustainability of which could be confidently forecast without ongoing support.

I do not suggest that beneficiation should not be aggressively pursued and encouraged for the sake of the contribution it can make to the development of our country's economy, but that its complexities must be properly understood in the formulation and implementation of government policy.

SKILLS DEVELOPMENT

The skills shortage facing South Africa at present is reminiscent of the situation many years ago when skilled artisans had to be imported to fill positions in an economy dominated by the primary sector, specifically mining. Recognizing the cost to the country and employers of importing skills, large public and private employers embarked on focused training programmes which saw the number of apprentice admissions rising to an annual count of 33 000 in the mid-1970s. By the year 2000, the number of new apprentices had diminished significantly to some 3 000 enrolments.

Our economy is growing at rates not seen since the 1960s. The current shortage of skills is likely to constrain our ability to grow even faster. An urgent and carefully considered approach is required, particularly in critical areas such as mathematics, science and technology. I am encouraged, however, by government's resolve to address these issues, not only by means of supporting programmes that fast-track workplace experience and tangible training, but also by the longer-term focus on the sciences in secondary and tertiary education.



DIRECTORATE AND STAFF

During the year, Dorian Emmett resigned from the board as a non-executive director. Up until 2004, Dorian had, as an executive director, acted in both a technical and commercial capacity, making a very valuable contribution to the business of Anglo Platinum. I extend my appreciation to him for his commitment to the Group over the years and wish him every success as head of sustainable development at Anglo American plc. In his place, I welcome David Hathorn and look forward to his participation in our business.

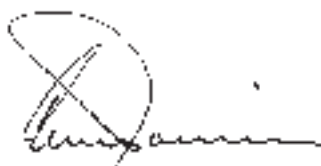
Although the past year has witnessed a marked improvement in profitability, there remains much to be done in meeting the operational and expansionary challenges of the Group. Ralph Havenstein, our chief executive, and his team are fully capable of and totally committed to meeting these challenges, as is our entire workforce. I thank them all for their considerable efforts in the past year and wish them every success for 2006.

“Platinum demand is expected to continue its upward trend in 2006. While supplies of the metal are forecast to increase in 2006, the market is expected to remain in deficit, supporting continuing strength in the platinum price.”

LOOKING AHEAD

Platinum demand is expected to continue its upward trend in 2006. While supplies of the metal are forecast to increase in 2006, the market is expected to remain in deficit, supporting continuing strength in the platinum price.

As a global and capital-intensive industry, the mining sector is well placed to play a major role in reaching the ambitious targets for economic growth which South Africa has set itself. With its significant capital expansion programme, Anglo Platinum looks forward to participating in that growth.



Barry Davison

Non-executive Chairman

Johannesburg

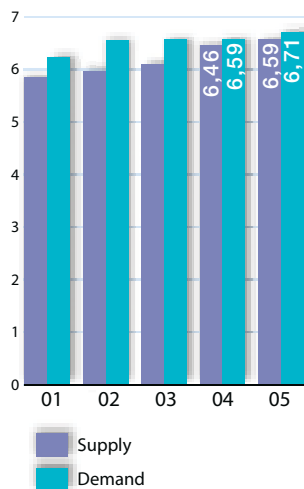
9 February 2006



2005 has been a challenging yet rewarding year for Anglo Platinum, with record US dollar prices for platinum underpinned by robust demand, and continued progress towards our strategic goals.

Platinum supply and demand

(Moz)



SAFETY AND SUSTAINABLE DEVELOPMENT

A critically important area of concern remains safety in the workplace. Twenty-five employees at managed and non-managed operations died during the year. This loss of life and the attendant suffering and hardships for the employees' families is deeply regretted and unacceptable to management.

Fatalities due to fall-of-ground incidents reduced from 15 to 6 and good safety performances were recorded at certain of the Group's operations, reflecting progress towards our target of zero fatalities. There remains, however, substantial room for improvement. Most incidents are caused

“In addition to the existing safety programmes, we have introduced several initiatives to improve safety performance, including rule-based regulations and entrenching a behaviour-based culture.”

by non-adherence to rules and procedures. In addition to the existing safety programmes, we have introduced several initiatives to improve safety performance, including rule-based regulations and entrenching a behaviour-based culture. Management resources have been strengthened to achieve this goal. I look forward to being able to report substantial progress in the year ahead.

To ensure that all injuries are duly recorded and acted upon, we have changed the definition of lost-time injuries (LTI) to include all restricted work cases and implemented a more rigid application of this definition. This had the effect of increasing the lost-time injury frequency rate (LTIFR) from 1,45 in 2004 to 2,06 in 2005, indicating stricter reporting rather than a deterioration in safety performance. The overall improvement is reflected by the continued decrease in the total injury frequency rate from 7,88 in 2003 to 5,99 in 2005.

Anglo Platinum remains committed to sustainable development to ensure that the Group's economic, social and environmental performance enhances the quality of life of all stakeholders and we are pleased with the good progress made. It is satisfying to report that our 2004 sustainable development report was ranked first in the Ernst & Young Excellence in Corporate Sustainability Reporting awards.

MARKET CONDITIONS

The platinum market has maintained a remarkable period of sustained growth for over two decades and 2005 was another year of robust growth, with net demand rising 2% to an all-time high of 6,71 million ounces. The effect of the unique features that characterise the balance between autocatalyst and industrial versus jewellery demand for platinum was clearly evident during 2005 as the US dollar platinum price surged to a 26-year high.

As was widely anticipated, demand in the autocatalyst sector grew strongly as vehicle manufacturers complied with increasingly tight emission-control standards. Industrial demand benefited from strong consumption, particularly in the electronic industry. Overall the derived (autocatalyst and industrial) demand for the metal increased by 7,5%.

Jewellery, the created demand sector, requires constant promotion and support to maintain platinum's position as the ultimate precious metal. Understandably, the sustained strength in the platinum price resulted in a drop in sales of new metal, particularly in China. What remains encouraging is that, although the volume of new metal to the Chinese jewellery market has dropped, consumer demand remains robust, as a result of the broadening scope and success of the Platinum Guild International's (PGI) bridal and other campaigns in new and existing markets. US dollar sales value continues to grow, demonstrating that jewellery consumers have, over time, adapted to a rising platinum price.

Palladium demand increased during the year, owing principally to a significant increase in purchases of the metal for the manufacture of jewellery in China. While there was a slight increase in supply from South Africa, world supplies fell in 2005 because of a reduction in sales of Russian stock transferred to Stillwater Mining Company. Improved demand fundamentals, and the belief that palladium will continue to substitute for platinum in the gasoline autocatalyst market have attracted speculative investment in the metal. This has had a positive effect on the price, which gained nearly US\$100/oz from January 2005 to December 2005.

Rhodium also recorded strong demand growth, driven by greater use in the autocatalyst and glass sectors, with the price firming considerably from the US\$1 400-1 600/oz range in January 2005 to a peak of US\$3 130/oz in November and averaging US\$2 055/oz for 2005.

OPERATIONAL AND FINANCIAL PERFORMANCE

Anglo Platinum achieved a good financial performance during the year, increasing operating profit by 59,4% from R3,73 billion to R5,95 billion and total headline earnings by 64,1% from R2,58 billion to R4,23 billion.

Gross sales revenue rose by R3,68 billion to R23,31 billion against the background of higher dollar prices. The average exchange rate for the



The 4B Shaft portal at Union Section.

rand against the US dollar was similar to that for 2004. Cash generated from operations was R7,54 billion and cash outflows comprised mainly capital expenditure (R4,10 billion) and dividend payments (R2,03 billion). Year end net debt, at R2,46 billion, was considerably lower than for the previous year, largely because of higher revenue and lower-than-planned capital expenditure.

A final cash dividend of 700 cents per ordinary share was declared, bringing the total cash dividend for the year to 1 180 cents a share. This was a 60,5% increase on the total dividend paid in the previous year.

Cost of sales increased by R2,42 billion to R17,10 billion, while cash mining, smelting and refining costs rose by R948 million to R13,11 billion. A component of the increase reflects the cost of improving flexibility and stope face availability, the benefits of which are likely to be seen during 2006.

The cash operating cost per equivalent refined platinum ounce (mined ounces converted to expected refined ounces) rose by 9,4%, largely owing to lower than expected growth in mining production. Operationally, programmes to simplify and standardise production methods and improve volumes at the Group's Rustenburg and Amandelbult operations are ongoing and bottom-line benefits, including lower mining unit costs, are expected in 2006. Cost performance at our processing operations has been satisfactory and overall smelting and refining unit costs decreased in real terms.

Equivalent refined platinum production from our managed mines, and those of our joint venture partners, increased by 2,0% or 50 000 ounces for the year. Increased production was recorded from the developing Modikwa joint venture, and from the Kroondal pooling-and-sharing agreement with Aquarius Platinum, where a second concentrator was commissioned in March 2005. This increase was offset by lower output from Amandelbult arising from the implementation of the programme to address current geological conditions. Production also declined at Rustenburg's Merensky operations.

It is expected that output will increase steadily from 2006. Several key initiatives to concentrate mining areas, improve 'in-stope' team efficiency and enhance mining flexibility are ongoing. These are detailed in the operations review.

A significant operational issue during the year was a manufacturing defect on a cooler which resulted in a water leak and subsequent steam detonation at the Polokwane smelter. A decision was taken to use the cooler repair as an opportunity to advance the planned redesign of an improved cooler system, which will allow for easier replacement and on-site testing. Repair costs totalled R70 million, with additional ongoing operating expenses of R40 million per annum. Although we were able to divert much of the Polokwane feed to our Waterval smelter, there was a build-up of untreated concentrate and an associated reduction in our output of refined platinum ounces. Remaining stocks of untreated concentrate will be smelted and refined during the first half of 2006.

Against this background, refined platinum production was maintained for the year at 2,45 million ounces. Our target is to increase refined output to between 2,7 and 2,8 million ounces in 2006.



Roof bolting via remote control in progress.

PROJECT REVIEW

We remain confident of the long-term growth outlook for PGM demand and, in line with our stated strategy, are committed to increasing production to take advantage of this opportunity. Anglo Platinum's expansion and replacement programme is constantly monitored against key market conditions to ensure that the Group's investment profile aligns with the Group's strategic objectives for all stakeholders over the long term.

During 2005, we commenced two new mining ventures. In July, we announced a second pool-and-share agreement with Aquarius Platinum to pool assets near the existing Marikana operation. Under this agreement, platinum and palladium production is expected to reach 90 000 ounces and 43 000 ounces per annum respectively by the end of 2006. In August, we announced the Mototolo joint venture with Xstrata

South Africa to establish a new mine on the eastern limb of the Bushveld Complex to continue developing our ore reserves in the area. At steady-state production, the mine is expected to produce 132 000 ounces of platinum and 82 000 ounces of palladium per annum, with production expected to begin towards the end of 2006.

The board approved mining replacement projects totaling R4,90 billion, in 2005 money terms, at Rustenburg, Amandelbult and Union sections, Leplats and PPRust during 2005. These projects are planned to reach steady-state between 2008 and 2012, replacing some 586 000 ounces of platinum production per annum. Included in these projects is the PPRust North replacement project.

Board and regulatory approvals for a further expansion project at PPRust North are expected shortly.

CAPITAL EXPENDITURE AND FUNDING

Anglo Platinum incurred capital expenditure of R4,36 billion during the year, mainly for ongoing replacement and expansion projects. A total of R2,80 billion was devoted to maintaining operations and replacement projects, in addition to R1,42 billion for expansion projects. Interest of R147 million was capitalised.

Capital expenditure for 2006, estimated at between R5,5 and R6,0 billion, remains subject to an ongoing review of the Group's project portfolio. It includes the Waterfall concentrator retrofit project and the first of a number of deep or intermediate vertical shafts required at Rustenburg and Amandelbult to replace Merensky reserves.

PROSPECTS

Anglo Platinum is committed to increasing production in line with growth in global demand. In light of continuing growth in autocatalyst and industrial demand and the resilience of the jewellery market at higher prices, average production growth of around 5% per annum can be expected. Operational focus will remain on optimising production and controlling cost increases.



“The Board approved mining replacement projects totaling R4,90 billion, in 2005 money terms, at Rustenburg, Amandelbult and Union sections, Leplats and PPRust during 2005. These projects are planned to reach steady-state between 2008 and 2012, replacing some 586 000 ounces of platinum production per annum. Included in these projects is the PPRust North replacement project. ”



The buffalo loading system at Union Section.

While production and sales volumes will increase in 2006, the most significant variable affecting earnings will be metal prices in rand terms. If the rand basket price remains at current levels, then earnings for 2006 are likely to be higher than in 2005.

The invaluable contributions that my fellow executive directors and each and everyone at Anglo Platinum have made during the year are greatly appreciated. I believe our Group is well on the road to exciting and sustainable growth.

Ralph Havenstein

Chief Executive Officer

Johannesburg
9 February 2006

MARKET REVIEW

Platinum Supply and Demand

('000 oz)	2005	2004
Supply		
South Africa	5 120	4 970
Russia	860	850
North America	340	385
Others	270	255
Total Supply	6 590	6 460
Demand		
Autocatalyst: gross	3 860	3 560
recovery	(800)	(705)
Jewellery	2 020	2 160
Industrial	1 615	1 535
Investment	15	40
Total Demand	6 710	6 590
Movement in stocks	(120)	(130)

Source: Johnson Matthey

Platinum Demand: Autocatalyst

('000 oz)	2005	2004
Europe	1 940	1 680
Japan	580	605
North America	820	800
Rest of the World	520	475
Total	3 860	3 560

Source: Johnson Matthey

Platinum

Platinum enjoys an eminence higher than any other metal on account of its beauty, rarity and unique physical and chemical properties. Its high corrosive resistance, unparalleled catalytic properties and high melting point ensure its role in many varied industrial uses, while its lustre, colour, strength, rarity and brand identity attract an increasing following in the jewellery sector.

MARKET REVIEW

Net demand for platinum rose by 1,8% in 2005 to an all-time high of 6,71 million ounces. Despite a 2,0% increase in supplies to 6,59 million ounces, the market remained in deficit for the sixth consecutive year.

AUTOCATALYSTS

Demand for platinum from the autocatalyst sector rose 300 000 ounces in 2005, largely on account of continued growth in the sales of diesel vehicles in Europe.

North America

Sales of light vehicles in the USA were 0,9% higher in the first 11 months of the year compared to the same period a year before. Sales in the last quarter were impacted by higher fuel prices with consumer demand for more fuel-efficient vehicles resulting in slowing demand for pick-ups and truck-based SUVs. Sales of light trucks fell 1,3% in the year to November to 8 197 326 units and accounted for 53% of sales compared to 54,5% for the whole of the previous year. Demand for platinum increased by 2,5% to 820 000 ounces in 2005, despite the continuing concerted effort by North American domestic auto manufacturers to

move towards palladium technology in gasoline vehicles. Foreign-brand vehicles have been gaining market share at a significant rate. The foreign marques contain higher platinum loadings on average and their increase in purchases of platinum largely made up for the decline in purchases from the 'Big Three', General Motors, Ford and DaimlerChrysler. Furthermore, many heavy-duty vehicles were fitted with diesel oxidation catalysts in 2005. The retrofit of heavy-duty vehicles has been boosted in recent years by a higher level of government funding for mobile source reduction measures. Some states within the USA are offering additional incentives for retrofitting, further increasing the number of vehicles being equipped with diesel oxidation catalysts.

Europe

Sales of new light vehicles did not increase in 2005, with the market weighed down by a slowdown in the UK after three record years. Demand for platinum from the European autocatalyst sector, however, rose strongly to 1,94 million ounces as light-duty diesel vehicles continued to gain market share. Diesel vehicles predominantly use platinum in their emissions control. Diesel vehicles are expected to increase by close to half a million units and account for more than 46% of light vehicle sales. Many diesel vehicles are now being voluntarily fitted with catalysed particulate filters in addition to diesel oxidation traps, which further contributed to the growth in demand for platinum.

Japan

Platinum requirements from the Japanese autocatalyst sector increased in 2005, however, purchases of new metal declined from 2004 when demand was inflated by

buying for inventory. Requirements were higher in 2005 largely on account of new legislation introduced for heavy-duty diesel vehicles. As a result of the new standards, which came into force in October, most new trucks will be fitted with a diesel oxidation catalyst.

China

Chinese demand for platinum for autocatalysts increased by 37,5% in 2005 on the back of an increase in vehicle sales and increasingly tighter emission legislation. Production of light vehicles is estimated to have grown by 13,0% in 2005 to 5,7 million units. Starting in



The use of after-treatment systems on heavy-duty diesel vehicles made a significant contribution to growth in autocatalyst demand for platinum in 2005.

AUTOCATALYSTS

Awareness of the harmful effects of airborne pollutants emerged in the 1950s, when severe smog in large cities such as London, was found to adversely affect health. Despite the fact that motor vehicles generated more air pollution than any other single human activity, legislation covering their emissions was only promulgated in the late 1960s. The controls on auto emissions were first applied in the United States in 1968, and were relatively easily achieved through minor technical modifications to vehicles and improved fuel consumption. The 1970 Clean Air Act called for more severe standards on carbon monoxide (CO) and hydrocarbons (HC) that could not be met from engine modifications alone, and from 1975 oxidation catalysts were fitted to new vehicles in the United States. The oxidation catalysts typically contained either platinum or palladium or both. Tighter emission standards were phased in from 1981, targeting nitrous oxide (NOx) as well as CO and HC emissions. To comply with the new legislation it became necessary to fit three-way catalysts to vehicles, so named as they convert all three pollutants. At a specific air:fuel ratio the three-way catalyst frees the oxygen from the NOx, and uses it to oxidise the CO and HC. The resultant emissions are nitrogen, carbon dioxide and water. Rhodium was added to the washcoat to promote the reduction of NOx. From 1983, all new vehicles in the United States were fitted with three-way catalysts.

Heavy photochemical smog in Tokyo, as with Los Angeles, prompted Japan into relatively early adoption of emission limits for vehicles, with legislation in place from 1975.

Despite some voluntary standards finding adherence in parts of Europe, the European Community and the rest of the world stalled legislation for motor vehicles and by 1990 less than 50% of their vehicles were fitted with catalysts. South Korea adopted standards in 1987, Mexico in 1989, the member states of the European Union in 1993, Brazil in 1994, Argentina in 1999 and China in 2000. In March 2005, the Mexican government announced that light vehicles will have to meet Euro IV equivalent emission legislation starting in 2006. In addition to the geographical spread of legislation, the requirements are becoming increasingly more rigorous, requiring larger amounts of PGMs on the catalysts to comply, despite thriving through technological advances. Furthermore, there are many retrofit programmes worldwide, requiring large diesel buses and trucks be fitted with diesel oxidation catalysts, which are contributing to demand for platinum.

2005, all new light-duty gasoline vehicles registered in China are required to meet EURO II equivalent standards. At present legislation covering light-duty diesels and heavy-duty diesels can be met without catalysts; however, trucks and buses in Shanghai and Beijing are being retrofitted with catalysts as part of a clean-air programme ahead of the Olympic Games in 2008.

Rest of the World

Autocatalyst demand for the rest of the world, excluding China, rose 4% to 410 000 ounces in 2005.

New legislation was implemented in South Korea at the beginning of 2005. This required the retrofit of emission control systems for heavy-duty trucks in Seoul, resulting in an increase in platinum demand. New heavy-duty trucks will require after-treatment from next year, which will contribute to further growth in the future.

Demand for PGMs for autocatalysts in South America is primarily driven by production of vehicles for export. Some 70% of vehicle production in Mexico is destined for North America.

Recovery from scrap autocatalysts

Recovery of PGMs from spent autocatalysts rose 18% in 2005. Higher metal prices encouraged better collection rates in North America while greater recovery in Europe comes ahead of the introduction of legislation. The European End of Life Vehicle (ELV) directive comes into effect in 2006. The legislation requires at least 85% of all ELVs by weight to be reused or recovered. The precious metal content of the catalyst makes it economically attractive to recover. Overall, platinum accounted for only 49% of the total

PGMs recovered from spent autocatalysts in 2005, the first time that it is below the 50% level. This reflects the higher palladium-content catalysts of the 1990s that are now reaching the recovery stage. Palladium recovery has increased by almost 200% from 230 000 ounces in 2000 to 680 000 ounces in 2005.

JEWELLERY

Higher prices dampened purchases of new metal in all markets and negatively impacted platinum demand for jewellery fabrication, which contracted 6,5% in 2005 to 2,02 million ounces.

China

Purchases of platinum by Chinese jewellery manufacturers declined by 10% in 2005 to 910 000 ounces. With the platinum price increasing steadily through the year, the cost of holding platinum inventory has risen. Many retailers are filling counter space with palladium and white gold, which allows them to lower their inventory costs and potentially improve their returns on investment should the alternative product sell. Manufacturers are filling spare capacity in off-peak periods with palladium. Demand for new metal was also influenced by an increase in the percentage of recycled platinum used in fabrication which is estimated to account for about 25% of supply. Platinum brand identity remains strong with growth in dollar spend.

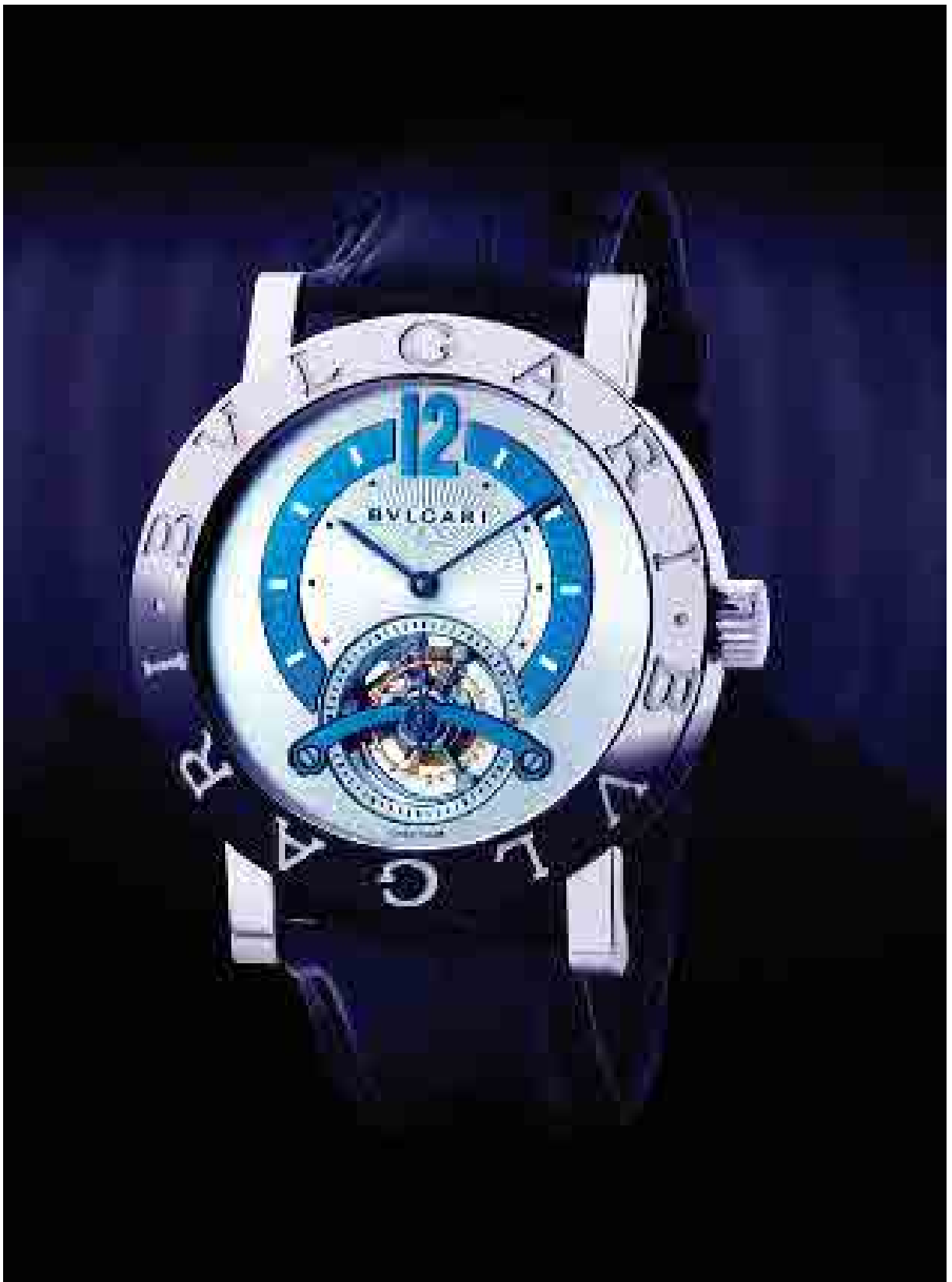
Europe

Demand for platinum for the fabrication of jewellery in Europe was unchanged in 2005 at 195 000 ounces. The number of platinum jewellery pieces hallmarked in the UK for the first nine months of the year was 9,4% lower than the equivalent period the previous year.

Platinum Demand: Jewellery

('000 oz)	2005	2004
Europe	195	195
Japan	550	560
North America	260	290
Rest of the World		
China	910	1 010
Other	105	105
Total	2 020	2 160

Source: Johnson Matthey



Bvlgari Tourbillon produced by the Bvlgari Group. 40mm platinum case with anti-reflective sapphire crystal.

However, the average weight of the pieces has risen and demand is expected to be unchanged for the year. Platinum has maintained its share of the bridal market but the fashion sector has been hampered by the higher prices this year. Similarly, demand from German jewellery manufacturers is not expected to have grown in 2005, with consumers choosing alternative, more affordable white metals. Demand from Italy and Switzerland is also expected to remain unchanged year on year.

North America

North American demand for platinum for jewellery fabrication fell 30 000 ounces in 2005. Platinum maintained a high profile in 2005, with many celebrities attending annual ceremonies, such as the Emmy and Academy awards, wearing designer platinum pieces. High-end designer pieces benefited and exclusive top-end jewellers continue to report strong demand. However, this was insufficient to make up for the losses platinum suffered in the bridal and less expensive sector. In response to higher prices, a few manufacturers have started to motivate the manufacturing of jewellery in a 585 platinum alloy. Interest in palladium jewellery is also on the rise in North America, but off a small base and at a very slow rate.

Japan

The Japanese government expects that Japan's real economic growth in GDP terms will be 2,7% in this fiscal year to March 2006, revealing a steady economic recovery. Despite a more positive economic outlook, platinum demand for jewellery fabrication declined for the sixth consecutive year in 2005, albeit by a very small amount. Purchases of platinum for the manufacture of jewellery were 10 000 ounces less than in 2004. The yen price of platinum rose dramatically in 2005, which encouraged consumers to purchase more affordable white gold, particularly in the non-bridal fashion sector. Platinum retains a strong position in bridal and engagement rings.

Rest of the World

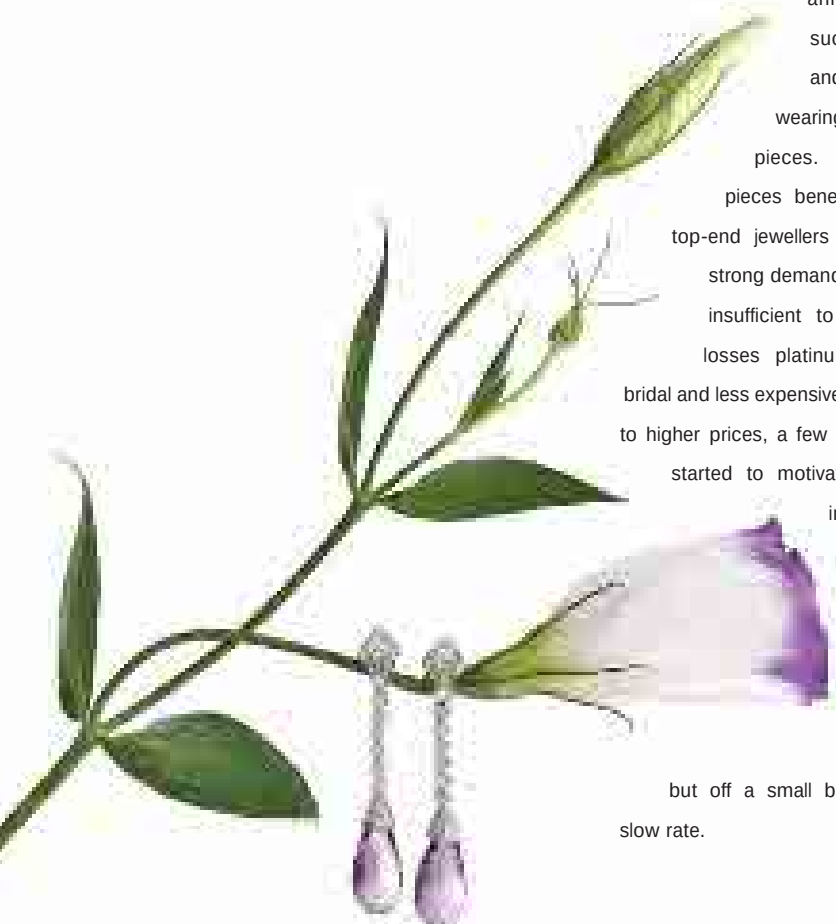
Demand for platinum for jewellery fabrication in the rest of the world remained unchanged in 2005 at 105 000 ounces. In India, where PGI has a development campaign and strength in the domestic retail market, demand was offset by weakness in export markets.

INDUSTRIAL

Demand for platinum for industrial applications rose 5% in 2005 to 1,615 million ounces with strong demand from the electrical and glass sector making up for declines in chemical and other applications.

Electrical

Platinum is used in a cobalt alloy coating on computer hard disks to enhance the magnetic qualities of the cobalt alloy, enabling data to be stored at higher densities and improving access times. All hard disks now contain platinum in their magnetic layer. Platinum



is also used in the manufacture of thermocouples for the glass, steel and semiconductor industries.

Demand for platinum in electrical applications rose by an estimated 18% in 2005 largely on the back of strong demand for hard disks. Sales of personal computers and consumer electronic goods rose strongly in 2005, necessitating expansions in hard-disk production capacity. Sales of personal computers are estimated to have grown by 15,8% worldwide in 2005 after an increase of 15,3% in 2004, while growth in the consumer electronic sector is expected to be over 50% year on year.

Glass

Purchases of platinum by the glass-manufacturing industry rose by almost 9% to 315 000 ounces in 2005. Growth in demand for flat panel displays has risen dramatically over the past two years, necessitating the construction of new capacity. Corning, a major glass producer, predicted that sales of liquid crystal display (LCD) televisions worldwide would reach 19 million in 2005 and expects further growth in 2006. Demand for LCD glass has been further boosted by an increase in sales of slim-line LCD computer monitors. According to a report published by International Data Corp, sales of LCD monitors in Asia could soon overtake those of cathode-ray-tube (CRT). The growth in demand necessitated new investment in LCD glass substrate plants and construction of new capacity took place in Japan and the rest of world. In 2004, platinum demand for glass declined in North America and Europe as production capacity shifted closer to markets in the East. In 2005, however, with factory closures in North America complete, some demand returned. Despite closures in France and the UK, some new developments are taking place in Turkey.

Chemical

Many chemical processes employ platinum catalysts but the most significant in terms of platinum demand is the manufacture of speciality silicones. Platinum is also used in the production of paraxylene, the major end-use of which is in the production of purified terephthalic acid (PTA). PTA is the favoured raw material in making the polyethylene terephthalate polymer which in turn is used in manufacturing goods such as textiles, packaging and film products. Although there was further growth in the construction of new paraxylene plants the rate of expansion has slowed compared to 2004. Despite growth in the nitric acid industry in China and the rest of the world, the increase in demand for platinum from these regions was offset by closures and metal thrifting in North America and Europe. Overall demand for platinum in the chemical sector softened somewhat in 2005 to 320 000 ounces.

Petroleum

With refineries operating at high capacity in 2005, platinum demand for reforming and isomerisation catalysts increased. The construction of new reforming and isomerisation capacities in the Middle East and Asia also contributed to the increase in demand.

FUEL CELLS

Fuel cells are electro-chemical generators of electricity. Platinum promotes a reaction between hydrogen and oxygen to produce electricity. As there is no combustion of carbon fuel, there are no noxious emissions. The only by-products of the process are heat and water. The concept of fuel cells has been long understood; it is, however, only recently that the commercial use of fuel cells has been explored. The primary driver behind

MOBILE PHONES

Mobile phones being sold across the globe incorporate multiple functions, as well as content offerings that continue to expand. Mobile phones now include cellular service, PDA features, streaming video, music and picture files as well as e-mail capabilities.

The convergence of devices from multiple handheld units to one single unit has placed demands on the actual unit itself, as well as the components within. The drive for smaller sizes, more efficient processors and high-level functionality has presented new and exciting opportunities for the PGM industry.

The latest mobile phones include a small 0,8 inch (20,3mm) hard drive that has capacities of up to ten gigabytes. Platinum and ruthenium are known for their use in the mini hard drives now found in new generation units.

With the new larger colour displays on phones, there have been increases in the use of platinum and palladium in the construction of the small display screens to improve the picture quality, increase durability and extend their lifetime.

The speed at which a mobile phone operates requires new memory and computing chips to address the always-on state of a mobile device. Therefore, we are beginning to see an increase in the employment of faster mobile processor chips in these products that utilise platinum and ruthenium metals in their fabrication.

Given all the features now packed into one unit, batteries must maintain a charge for extended periods. PGMs are again at the forefront of these technological developments. The industry has utilised palladium, rhodium and silver to construct this new generation of batteries that reduce recharge time and increase overall use time.

As seen in this review, nearly all PGMs are used in one form or another to support the advances in technology for these devices.



research has been the increasingly severe emission controls promulgated worldwide. Further impetus has been garnered with the recent oil crisis exposing current reliance on fossil fuels.

There are different types of fuel cells: alkaline fuel cells (AFCs) that provide power on spacecraft, direct methanol fuel cells (DMFCs), molten carbonate fuel cells (MCFCs), solid oxide fuel cells (SOFCs) and proton exchange membrane fuel cells (PEMFCs). They all have specific properties that lend themselves to different applications. However, PEMFCs, containing platinum, are the most versatile and currently the most favoured technology for vehicular transport.

Most major automobile manufacturers are involved in fuel cell research. The PEMFC is seen as the best option in developing an emission-free vehicle that runs on hydrogen. There are still issues that need to be resolved before the commercialisation of fuel-cell vehicles, especially the storage of hydrogen and cost barriers. In 2005, however, auxiliary power units for use on boats and caravans were successfully marketed. In markets such as these there is a genuine need for the product and so the initially high price-tag does not have the same deterrence as it does in the light vehicle market. Furthermore, in the portable electronics sector many companies, especially from Japan and Korea, are expecting to commercialise fuel-cell-powered laptops in the near future.

OTHER

Other applications requiring platinum, although individually small, together consume a significant amount of platinum each year. Demand for platinum from this sector weakened slightly in 2005 as a result of a decline in platinum's use in dental alloys, due to its price disparity with substitutes

such as gold and palladium. Other areas of demand, such as non-catalytic automotive uses (oxygen sensors and spark plugs), rose strongly. As with autocatalysts, the driver of demand for these components is emission legislation. As legislation becomes more stringent, more oxygen sensors per vehicle are required. Furthermore, the extended warranty period required by the US's emission legislation has increased demand for longer-life spark plugs.

Platinum plays an important role in medical applications, as guidewires with coiled platinum tips used in locating blockages in arterial disease and electrodes in pacemakers for example. Demand for internal cardioverter defibrillator (ICD) resulted in growth for platinum in biomedical devices in 2005. Platinum is also used in the production of anticancer drugs such as cisplatin, carboplatin and oxaliplatin. Sales of oxaliplatin (eloxatin), which is used in the treatment of metastatic colorectal cancer, have risen strongly this year.

Palladium

Demand for palladium expanded by 6% in 2005 while supplies declined by 5%, resulting in a significant decline in the market surplus. Demand growth was primarily driven by a massive increase in the manufacture of palladium jewellery in China, while lower shipments from Russia and a decline in the output from North America were responsible for the decline in supplies.

AUTOCATALYSTS

Despite robust sales of cars as discussed earlier in most regions in the world, palladium demand for autocatalysts declined slightly to 3,69 million ounces in 2005. Although application of palladium in the gasoline sector

Palladium Supply and Demand

('000 oz)	2005	2004
Supply		
South Africa	2 600	2 510
Russia	3 730	4 100
North America	925	1 035
Others	285	265
Total Supply	7 540	7 910
Demand		
Autocatalyst: gross	3 690	3 720
recovery	(680)	(535)
Dental	860	850
Electronics	970	920
Other	2 050	1 525
Total Demand	6 890	6 480
Movement in stocks	650	1 430

Source: Johnson Matthey

is broader, lower loadings per vehicle allowable due to technological advances, have limited growth.

North America

Demand for palladium in the North American autocatalyst sector weakened in 2005 on account of continuing thrifting of metal in the catalyst systems and a decrease in the sales of pick-up trucks and SUVs. Average loadings have been decreasing due to advances in catalyst technology and engine improvements.

Europe

Demand for palladium from the European autocatalyst sector declined by 9% in 2005. Gasoline vehicles continued to lose market share to diesels, falling around 3% to 54%. As in North America, advances in catalyst and engine technology have enabled lower loadings of metal in catalysts, which further impacted demand in this sector.

Japan

Production of light vehicles in Japan was almost 2% higher in 2005 compared to the previous year. The increase in output was largely on account of increased demand from export markets. Demand for palladium increased slightly on account of the higher output of vehicles. Furthermore, loadings on vehicles have been boosted by manufacturers voluntarily meeting more stringent emission legislation ahead of promulgation.

Rest of the World

Autocatalyst demand for palladium in the rest of the world, excluding China, rose by 15% to almost half a million ounces in 2005. This was in line with higher production of light-duty gasoline vehicles.

ELECTRONICS

Palladium is widely used in electronics applications on account of its electrical conductivity and its durability. The largest area of palladium use in the electronics sector is in multi-layer ceramic capacitors (MLCCs). Smaller amounts of palladium are used in conductive tracks in hybrid integrated circuits (HICs) and for plating connectors and lead frames.

Demand for palladium in the electronics industry increased by 5% in 2005. Palladium's price relative to gold is encouraging connector manufacturers to choose palladium plating for new products, while the European directive to ban the use of lead in components is encouraging the use of palladium in lead frames. Demand for palladium in MLCCs continues to decline. Base metal MLCCs now account for 70% of the market and manufacturers of palladium MLCCs have managed to reduce the amount of palladium in the conductive pastes.

DENTAL

Palladium demand in the dental industry grew slightly in 2005 due to an increase in demand from North America and Japan. The Japanese governmental subsidy of a palladium alloy for dental treatment has kept demand in this region stable. In Europe, higher palladium prices from 1999 encouraged investment into alternative technologies such as gold and ceramics and palladium retains only a small market share at present.

JEWELLERY

Palladium jewellery was introduced by manufacturers in China in 2004. Palladium jewellery offers the retailer larger margins and has helped manufacturers use up idle

capacity when demand for platinum has been low. Demand has increased substantially, satisfying the need for purity at a competitive price. Despite manufacturers' margins having fallen in 2005 compared to 2004, palladium's lower price makes it cheaper to finance and to stock. It is estimated that 1,2 million ounces of palladium were fabricated into jewellery in China in 2005, an increase of 71% over 2004.

The palladium product has been stocked by retailers in secondary and tertiary cities of China but as yet the effective uptake by consumers is difficult to measure. Should this be successful and the palladium segment of jewellery becomes sustainable, it could beneficially alter the nature of palladium supply and demand.

OTHER

Demand for palladium in other applications is estimated to have grown 2,0% to 620 000 ounces in 2005.

Higher precious metal prices have heightened investor interest in palladium investment vehicles in the last few years. In 2005, investors were offered one-ounce maple leaf coins in addition to the one-ounce bars already on offer from PAMP, Credit Suisse and Stillwater Mining. The coin features an updated portrait of Her Majesty Queen Elizabeth II by artist Susanna Blunt, and has proved very popular with investors, with the initial run of 40 000 reportedly sold out. Investment demand in palladium is estimated to have grown 10% in 2005.

Palladium is used in the chemical industry as a catalyst in the manufacture of purified terephthalic acid and in catchment gauze in the manufacture of nitric acid. PTA is the favoured raw material in making the polyethylene terephthalate polymer which in

turn is used in the manufacturing of goods such as textiles, packaging and film products. Higher demand for these products has resulted in increasing capacity construction which is underpinning growth of palladium purchases in this sector. Demand for palladium in the nitric acid industry is expected to have remained flat in 2005.

Palladium catalysts are used in the hydrocracking stage of petroleum refining; demand for palladium in this sector did not increase in 2005 because of some refiners moving to base metal catalysts in this application. Palladium hydrotreating catalysts are used in the petroleum industry to reduce the aromatic compounds contained in diesel fuels. Legislation requiring reduction in these aromatic compounds will drive future demand from this sector.

Rhodium

Demand for rhodium rose by almost 9% in 2005 due to increased purchases by the autocatalyst and glass sectors. Despite a 4% increase in supplies of rhodium to 744 000 ounces, the market remained in deficit.

AUTOCATALYSTS

Demand for rhodium for use in autocatalysts rose 8% in 2005 to 820 000 ounces. North American automobile manufacturers purchased 30% more rhodium than the previous year when demand was lower due to the industry sourcing some of its manufacturing requirements from stocks. In Europe demand for rhodium for autocatalysts rose slightly in 2005, as rhodium loadings on catalysts increased ahead of the January 2006 implementation of EURO IV emissions standards, which made up for the decrease in production of gasoline vehicles. In Japan

Rhodium Supply and Demand

('000 oz)	2005	2004
Supply		
South Africa	616	576
Russia	90	105
North America	21	17
Others	17	16
Total Supply	744	714
Demand		
Autocatalyst: gross	820	758
recovery	(150)	(141)
Chemical	45	42
Electrical	9	7
Glass	50	47
Other	16	14
Total Demand	790	727
Movement in stocks	(46)	(13)

Source: Johnson Matthey



Source: Johnson Matthey

Catalytic converters: PGMs are the key component in converter technology with more than 90% of pollutants (carbon monoxide, oxides of nitrogen and various hydrocarbons) converted into harmless compounds.

VEHICLE EMISSION LEGISLATION IN EUROPE

1993 saw the introduction of the first Euro legislation, Euro I, setting limits for the emission of carbon monoxide (CO), hydrocarbons (HC) and nitrogen oxides (NOx) as well as particulate matter (PM). In order to comply with the legislation vehicles had to undergo a 'real-world' test to ensure that the limits set were not breached. This test was known as the engine cycle test (ETC). It consisted of two parts; the urban drive cycle (UDC) that simulates city driving conditions and the extra-urban drive cycle (EUDC) that mimics higher speed highway driving. Subsequent legislation, Euro II, III and IV, required further reductions in emissions. Furthermore, Euro III saw the introduction of the new engine drive cycle (NEDC) which incorporated 'cold start' emissions. Euro III also saw the introduction of a durability requirement to 80 000km and improved requirements for on-board diagnostics (OBD). Euro IV, which was enforced from 2005, increased the durability requirement to 100 000km.

Vehicle emissions legislation for passenger cars in Europe

grams/km

Stage	Start year	CO		HC		Nox		HC+Nox		PM	
		Gas	LDD	Gas	LDD	Gas	LDD	Gas	LDD	Gas	LDD
EURO III	2000	2,300	0,640	0,200		0,150	0,500	0,560		0,050	
EURO IV	2005	1,000	0,500	0,100		0,080	0,250	0,300		0,025	
EURO V*	2010	1,000	0,500	0,075		0,060	0,200	0,060	0,250	0,005	0,005

*European Commission Draft Proposal

demand fell 8% in 2005, as industry purchases in 2004 had exceeded requirements with auto manufacturers augmenting their inventory levels. Rhodium demand in China and the rest of the world rose in 2005 due to increasing production of light-duty gasoline vehicles in those regions.

INDUSTRIAL

Industrial demand for rhodium expanded by 9% in 2005 with growth in all sectors. Demand from the glass industry rose in line with the increase in demand for LCD and other flat panel displays, while chemical demand was boosted by construction of new oxo-alcohol and acetic acid plants.

Nickel

The first half of the year saw a strong rally in nickel prices. Having started the year at US\$15 201 a ton, prices continued to rise,

averaging US\$16 931 a ton in May 2005. Market expectations, however, were soon altered by the rapid escalation of western world stainless steel stocks. This was largely caused by a reduction in China's stainless steel imports following an increase in domestic stainless steel production. Primary nickel consumption was negatively impacted – over the year, Japan's nickel consumption fell by more than 30% – as major stainless steel producers announced production cutbacks on concerns of oversupply. Consequently, prices began to weaken in the third quarter, drifting to below US\$13 000 a ton in quarter four.

China's stainless steel usage, having surged with the economy's rapid industrialisation, was 80% dependent on imports. However, with the commissioning of 2,5 million tons of domestic smelting capacity, domestic stainless steel demand is now only 43% dependent on imports. Chinese stainless steel demand is targeted at 5,2 million tons in 2006. An ongoing build-up in nickel



LME A-grade nickel cathodes produced at Rustenburg Base Metal Refiners.

production over the medium term, together with more manageable levels of stainless steel inventories, is likely to restrain future rises in the nickel price.

High nickel prices, nevertheless, have ensured global supply continues to grow, notably from the new Australian producers and from Cerro Matoso's expansion in Colombia. New projects, apart from the ramping up of a scaled-back Voisey's Bay, do not appear on the horizon until 2007 and the expectation is for a 1.2% increase in refined nickel supply to 1.3 million tons in 2006. This is likely to result in a more balanced market in 2006, potentially a surplus. The merger of Inco and Falconbridge, the world's second- and fourth-largest nickel producers respectively, will consolidate nickel

production in the world's top five producers, a move that is likely to support market stability.

London Metal Exchange (LME) nickel inventories have been rising sharply. From stocks of below eight weeks during the second quarter of 2005, LME stocks had by year end risen to 11 weeks. Stocks are expected to rise to above 12 weeks in 2006, a level that is likely to be maintained through to 2008 as European mills release deliverable Russian metal to the market while retaining their contracted ferro-nickel intake. Against this background, and in anticipation of the nickel market trending to a slight surplus, the nickel price is forecast to weaken in 2006 and to continue softening into 2007.

“Headline earnings attributable to ordinary shareholders increased by 63,9% to R3,98 billion and headline earnings per ordinary share rose by 63,1% to 1 828 cents. A final dividend of 700 cents per share has been declared.”

Financial performance

The Group achieved a significant improvement in headline earnings for 2005 when compared to 2004. Factors contributing to the increase included: higher US dollar prices realised on metals sold; increased sales volumes; gains on repatriation of US dollar revenue and once-off benefits arising from both the reduction in the South African corporate tax rate and an increase in the quantity and value of pipeline stocks in 2005.

Headline earnings increased by 64,1% to R4,23 billion. Headline earnings attributable to ordinary shareholders increased by 63,9% to R3,98 billion and headline earnings per ordinary share rose by 63,1% to 1 828 cents. A final dividend of 700 cents per share has been declared.

FINANCIAL RESULTS

Gross sales revenue rose by R3,68 billion to R23,31 billion. The increase was primarily the result of higher US dollar metal prices achieved, contributing R2,99 billion of the increase and higher volumes of metals sold which contributed a further R645 million. The average rand/US dollar exchange rate of R6,3915 was similar to the rate achieved in 2004 (R6,4055).

Cost of sales rose by R2,42 billion to R17,10 billion, principally as a result of the following:

- Purchases of metal in concentrate doubled from R965 million to R1,99 billion following an increase in the volume and value of metals in concentrate from the Bafokeng-Rasimone and Modikwa joint ventures, as well as the Kroondal Pooling and Sharing agreement.

- Cash mining, smelting and refining costs increased by R948 million or 7,8% to R13,11 billion, as detailed in the operations section of this commentary, and included savings of some R235 million arising from specific projects.
- As a result of the capital expenditure programme and increased utilisation of new operating assets, amortisation rose by R413 million. Further, in response to IAS16 (revised), the Group has re-estimated the expected useful lives of components of property, plant and equipment resulting in additional amortisation of R289 million. Total operating amortisation therefore increased by R702 million to R2,21 billion.
- The value of metals in inventory increased by R1,23 billion during 2005. This was due to a number of factors including a gain in the quantity of pipeline stocks indicated by a full stock count; a stock build-up at the smelters due to the Polokwane smelter shutdown during the fourth quarter; and unit cost increases which affected the value of metal stocks. The increase was offset by a reduction in closing refined metal stock due to higher sales volumes at the end of the year.

Other net income rose to R322 million. Foreign exchange gains amounted to R336 million and profit on the sale of conversion rights to R117 million. Fair valuations of assets contributed to joint venture arrangements amounted to R196 million. This income was reduced by R278 million in restructuring costs.

Net interest expensed during the year amounted to R138 million, compared with R188 million in 2004. Interest paid was net of R147 million (2004: R198 million) of interest on borrowings capitalised to capital projects in progress.

CAPITAL EXPENDITURE

Total capital expenditure amounted to R4,36 billion (2004: R4,61 billion). Expenditure to maintain operations increased to R2,80 billion (2004: R2,68 billion) and expansion expenditure amounted to R1,42 billion (2004: R1,73 billion). Interest of R147 million was capitalised (2004: R198 million).

The decrease in capital expenditure in 2005 was as a result of the continued emphasis on capital optimisation and the deferral of certain projects. It is anticipated that capital expenditure for 2006 will amount to between R5,5 billion and R6,0 billion, subject to decisions being taken and approvals obtained during the course of the year.

CASH FLOWS

Net debt decreased by R969 million to R2,46 billion. Cash generated from operations amounted to R7,54 billion. Cash outflows consisted mainly of capital expenditure of R4,10 billion (2004: R4,26 billion), dividend payments of R2,03 billion (2004: R1,58 billion) and taxation payments amounting to R555 million (2004: R392 million).

Dividend payments aggregated R2,03 billion, being R1,77 billion of ordinary dividends and R255 million of preference dividends.

DIVIDEND

Ordinary dividends are declared in the light of current and future funding requirements and are paid out of cash generated from operations.

The board has declared a final ordinary dividend of 700 cents per share. This brings the total ordinary dividend declared for 2005

to 1 180 cents per share, which is 60,5% higher than the corresponding figure for 2004. The dividend cover ratio of 1,5 has been maintained.

Preference dividends of 318 cents and 320 cents per preference share were declared and paid in May 2005 and November 2005 respectively.



TEN-YEAR FINANCIAL REVIEW

R million	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
Gross sales revenue	23 308,4	19 624,8	16 508,6	20 285,7	18 690,9	16 185,6	8 794,9	6 855,2	5 313,0	3 899,7
Commissions paid	(370,4)	(357,8)	(408,2)	(733,0)	(812,0)	(648,6)	(276,9)	(232,3)	(154,8)	(198,5)
Net sales revenue	22 938,0	19 267,0	16 100,4	19 552,7	17 878,9	15 537,0	8 518,0	6 622,9	5 158,2	3 701,2
Cost of sales	(17 100,3)	(14 678,9)	(12 190,5)	(10 129,9)	(8 262,9)	(6 675,8)	(5 338,7)	(4 815,8)	(4 311,0)	(2 943,1)
Cash operating costs	(15 098,6)	(13 126,9)	(11 025,1)	(8 883,9)	(7 044,5)	(5 871,4)	(5 056,3)	(4 538,1)	(4 032,3)	(2 849,4)
On-mine costs	(11 255,7)	(10 355,6)	(9 027,1)	(7 369,4)	(5 948,6)	(4 934,6)	(4 187,5)	(3 787,0)	(3 267,1)	(2 385,7)
Purchases of metals in concentrate	(1 988,2)	(964,9)	(291,6)	(121,9)	—	—	—	—	—	—
Smelting costs	(1 003,3)	(999,1)	(910,1)	(640,6)	(441,9)	(336,9)	(330,7)	(264,7)	(269,6)	(163,2)
Treatment and refining costs	(851,4)	(807,3)	(796,3)	(752,0)	(654,0)	(599,9)	(538,1)	(486,4)	(495,6)	(300,5)
Amortisation of operating assets	(2 213,1)	(1 511,1)	(1 146,6)	(763,8)	(498,8)	(395,8)	(304,5)	(256,5)	(208,5)	—
Increase/(decrease) in metal inventories	1 229,6	717,6	584,9	109,1	(45,1)	100,0	239,7	236,3	(125,4)	(70,5)
Transfer to/(from) metal lease liability	—	—	—	—	—	—	64,4	(29,1)	226,8	—
Other costs	(1 018,2)	(758,4)	(603,7)	(591,3)	(674,5)	(508,6)	(282,0)	(228,4)	(171,6)	(23,2)
Gross profit on metal sales	5 837,7	4 588,2	3 909,9	9 422,8	9 616,0	8 861,2	3 179,3	1 807,1	847,2	758,1
Other net income/(expenditure)	322,1	(663,9)	(269,3)	(754,7)	2 452,7	716,2	56,0	159,4	23,0	1,8
Market development and promotional expenditure	(214,3)	(194,1)	(257,5)	(266,5)	(251,0)	(180,2)	(139,1)	(120,7)	(118,6)	(84,3)
Operating profit	5 945,5	3 730,2	3 383,1	8 401,6	11 817,7	9 397,2	3 096,2	1 845,8	751,6	675,6
Net interest (paid)/received	(137,9)	(188,2)	(236,9)	155,7	340,3	295,6	120,6	220,8	231,7	45,8
Income from associates	134,8	50,7	35,0	181,6	170,6	157,6	—	—	—	—
Profit before taxation	5 942,4	3 592,7	3 181,2	8 738,9	12 328,6	9 850,4	3 216,8	2 066,6	983,3	721,4
Renewals and replacements	—	—	—	—	—	—	—	—	—	(258,7)
Current taxation	(681,7)	(449,9)	(449,5)	(1 764,1)	(3 800,8)	(2 319,3)	(566,8)	(470,0)	(158,9)	(87,8)
Deferred taxation	(770,8)	(656,5)	(639,8)	(1 234,8)	(508,0)	(613,1)	(45,5)	(176,6)	(108,5)	(21,7)
Net profit	4 489,9	2 486,3	2 091,9	5 740,0	8 019,8	6 918,0	2 604,5	1 420,0	715,9	353,2
Basic earnings attributable to ordinary shareholders	4 234,7	2 333,5	2 091,9	5 740,0	8 019,8	6 918,0	2 604,5	1 420,0	715,9	353,2
Headline earnings attributable to ordinary shareholders	3 976,2	2 426,1	2 091,7	5 630,4	8 008,2	6 795,3	2 604,5	1 420,0	715,9	353,2
Headline earnings	4 231,4	2 578,9	2 091,7	5 630,4	8 008,2	6 795,3	2 604,5	1 420,0	715,9	353,2
Dividends and capitalisation share awards	2 028,7	1 579,6	2 731,6	5 362,9	6 087,4	2 457,4	1 013,3	654,7	356,0	289,2
Cash flows from operating activities	6 724,9	4 792,5	1 607,0	6 277,9	9 969,9	7 945,7	2 972,6	1 438,6	849,0	580,1
Cash flows (used in)/from investing activities	(3 873,7)	(4 025,3)	(7 096,4)	(5 196,3)	(3 060,1)	(1 623,6)	(1 302,1)	(1 186,1)	848,0	(317,3)
Capital expenditure	(4 097,4)	(4 260,3)	(7 423,6)	(5 994,1)	(3 586,1)	(1 919,7)	(1 472,9)	(1 460,0)	(641,3)	(364,4)
Cash flows from/(used in) financing activities	(3 408,3)	1 041,2	4 478,8	(5 288,0)	(7 246,2)	(2 413,8)	(985,5)	(639,0)	(940,2)	(33,2)
Cash and cash equivalents at year-end	1 807,4	2 364,5	569,4	1 580,0	5 786,4	6 122,8	2 214,5	1 529,5	1 916,0	730,4
Metal inventories	4 058,6	2 830,7	2 113,1	1 528,2	1 097,0	1 142,1 ¹	1 042,1 ¹	802,4 ¹	566,1 ¹	251,8 ¹
Net liquid (liabilities)/assets	(3 815,0)	(3 436,8)	(6 950,0)	(140,6)	2 992,6	4 774,8	1 668,9	1 283,8	1 691,7	728,6
Shareholders' equity	20 802,0	17 980,2	12 422,7	13 184,1	12 521,6	11 714,1	7 196,3	5 551,9	4 752,7	2 905,4
Average prices achieved, US\$/oz										
Platinum	894	842	696	544	526	544	377	373	397	398
Palladium	199	228	198	329	582	675	358	282	180	129
Rhodium	1 966	933	527	831	1 610	1 847	894	609	291	294
Average R/US\$ exchange rate achieved on sales										
	6,3915	6,4055	7,4055	10,3101	8,5434	6,9881	6,1576	5,5835	4,6393	4,2906
Rand basket price*	8 871	7 649	7 017	8 690	8 654	8 287	4 366	3 603	3 003	2 472

¹Rand revenue per platinum ounce sold

R million	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
Ratio analysis										
Return on equity (%)	23,2	16,4	16,3	45,0	66,2	73,2	40,9	27,6	18,7	12,9
Net asset value as a % of market capitalisation	20,9	40,0	19,8	19,1	13,1	15,3	17,8	32,0	34,1	34,5
Gross profit margin (%)	25,0	23,4	23,7	46,5	51,4	54,7	36,1	26,4	15,9	19,4
After-tax operating profit as a % of average operating assets	23,6	17,4	20,2	66,3	120,0	117,6	49,1	35,4	21,0	27,2
Effective tax rate (%)	24,4	30,8	34,2	34,3	34,9	29,8	19,0	31,3	27,2	15,2
Debt : equity ratio	1:4,9	1:3,1	1:1,7	1:97	—	1:346	1:152	1:76	1:67	—
Current ratio	1,0:1	1,0:1	0,5:1	1,5:1	1,9:1	3,0:1	3,2:1	3,9:1	3,9:1	2,6:1
Share performance										
Number of ordinary shares in issue (millions)	218,3	217,4	215,4	214,9 ²	214,1 ²	217,0	216,1	215,1	214,6	131,4
Weighted average number of ordinary shares in issue (millions)	217,5	216,5	215,1	214,5	217,0	216,3	215,5	214,5	214,1	130,2
Headline earnings per ordinary share (cents)	1 828,2	1 120,6	972	2 625	3 696	3 142	1 209	662	334	270
Ordinary dividends per share (cents)	1 180	735	640	1 800	2 700	2 410	700	385	250	200
Interim	480	400	370	900	1 100	710	275	190	135	150
Final	700	335	270	900	1 100	1 100	425	195	115	50
Special	—	—	—	—	500	600	—	—	—	—
Preference dividend per share (cents)	638	322								
Market capitalisation (R millions)	99 763,1	45 001,8	62 789,1	67 918,9	95 659,9	76 384,0	40 410,7	17 358,6	13 949,0	8 409,6
Number of ordinary shares traded (millions)	70,7	74,0	97,4	107,7	97,9	67,8	71,1	39,5	41,3	12,1
Highest price traded (cents)	49 763	37 600	35 900	54 800	45 040	37 000	19 560	9 600	8 800	9 000
Lowest price traded (cents)	20 500	19 200	19 300	28 900	25 500	17 400	7 650	4 950	5 600	6 000
Closing price (cents)	45 700	20 700	29 150	31 600	44 680	35 200	18 700	8 070	6 500	6 400
Number of deals	74 829	66 749	73 484	90 877	96 207	51 640	30 346	18 829	12 269	7 082
Value of deals (R millions)	20 975,6	19 289,1	26 756,3	42 748,1	32 339,6	15 440,3	9 780,5	3 046,5	3 059,7	880,9

Financial years 1997 – 2005 are prepared in accordance with International Financial Reporting Standards. Financial information published for financial year 1996 is prepared in accordance with South African GAAP and consists of the statistics for Anglo Platinum Limited (formerly Rustenburg Platinum Holdings Limited), its subsidiaries, joint ventures, and associates.

¹ These amounts were not restated for the change in accounting policy with respect to metal inventories that were adopted in 2002.

² Net of 1 673 400 shares held by a wholly-owned subsidiary.

EXECUTIVE COMMITTEE



Ralph Havenstein



Robin Mills



Roeland van Kerckhoven



Sandy Wood



Abe Thebyane



Mike Halhead

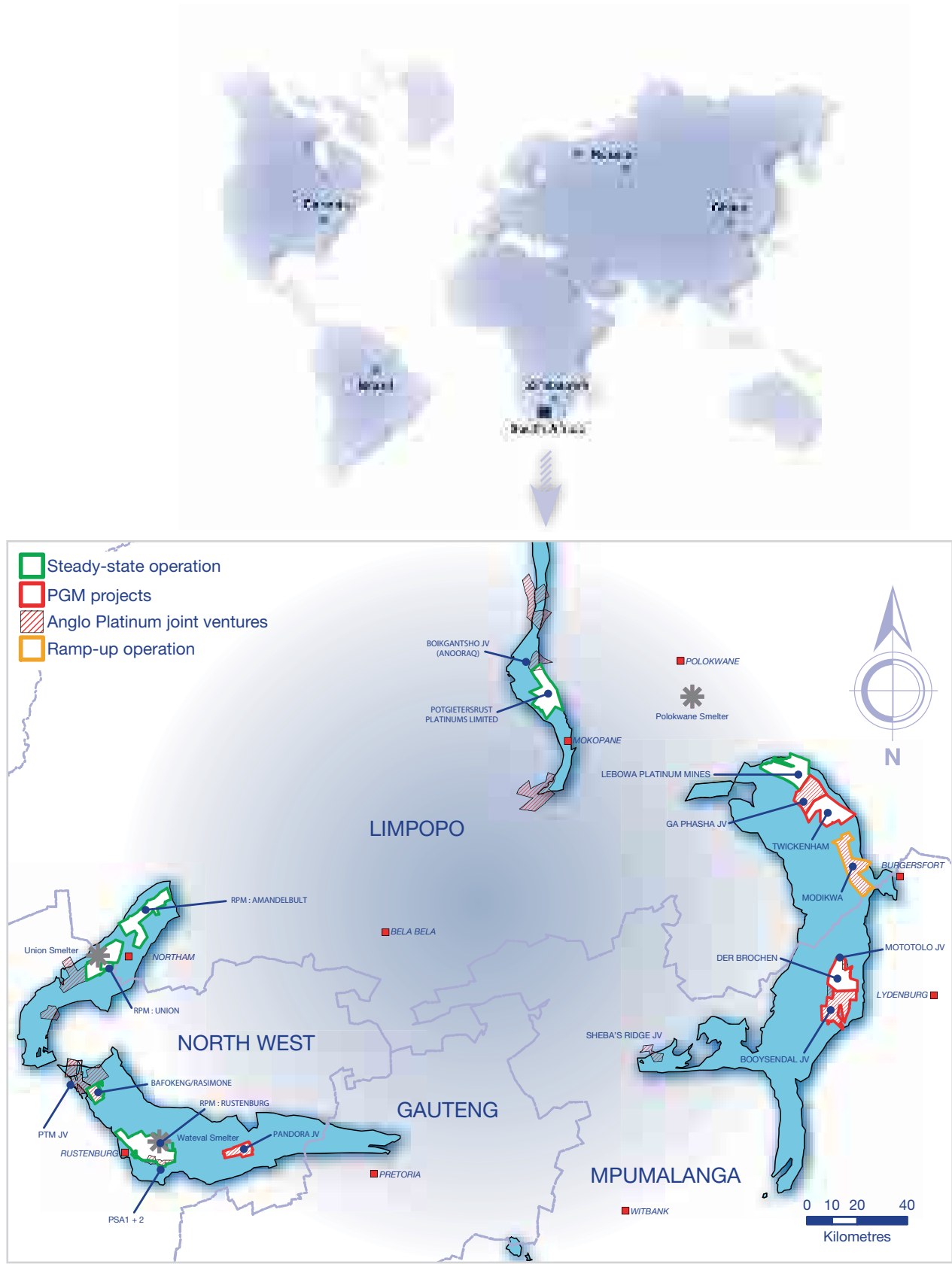


Duncan Wanblad



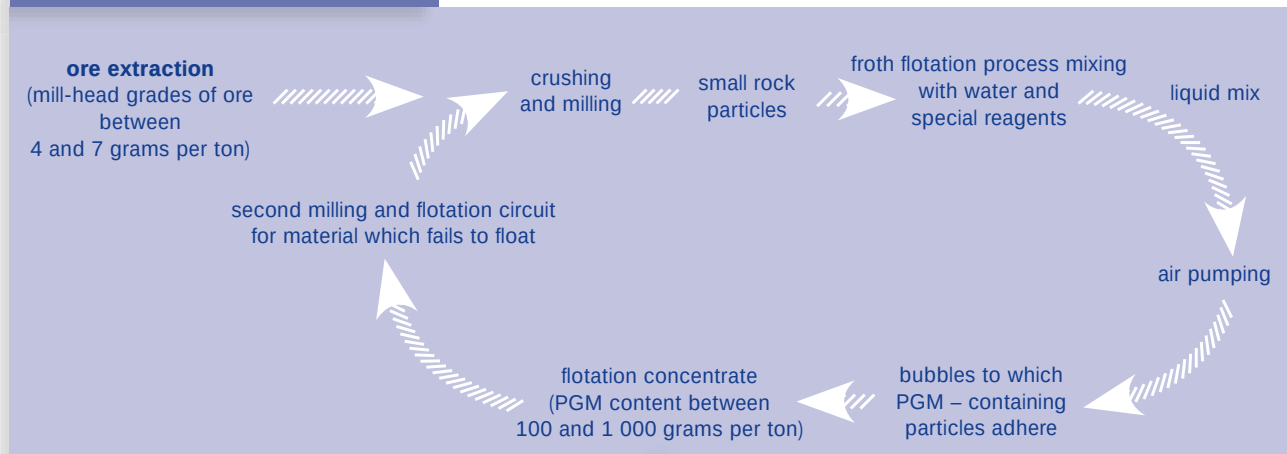
Francis Petersen

Location of operations

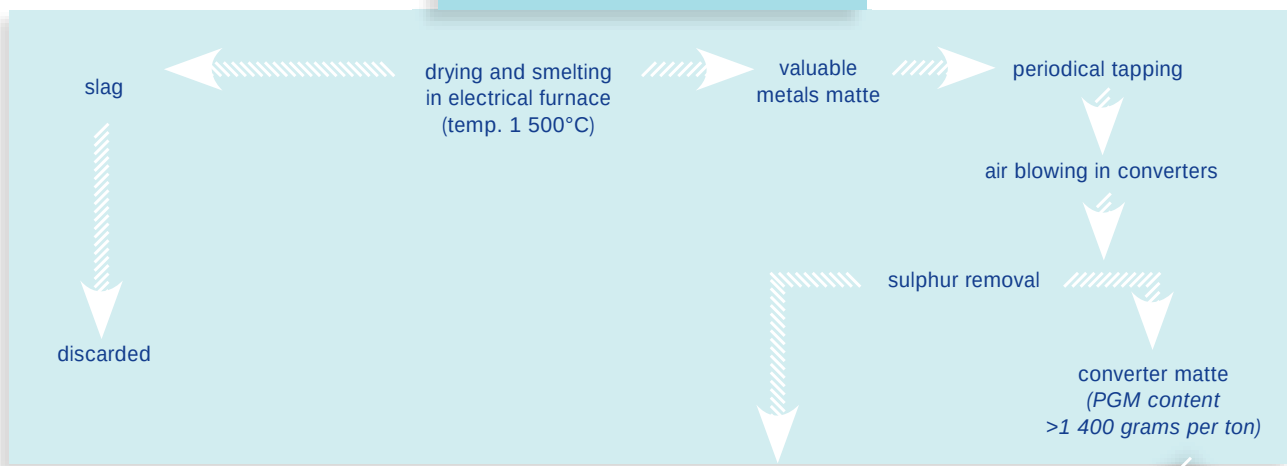


FLOW CHART

EXTRACTION

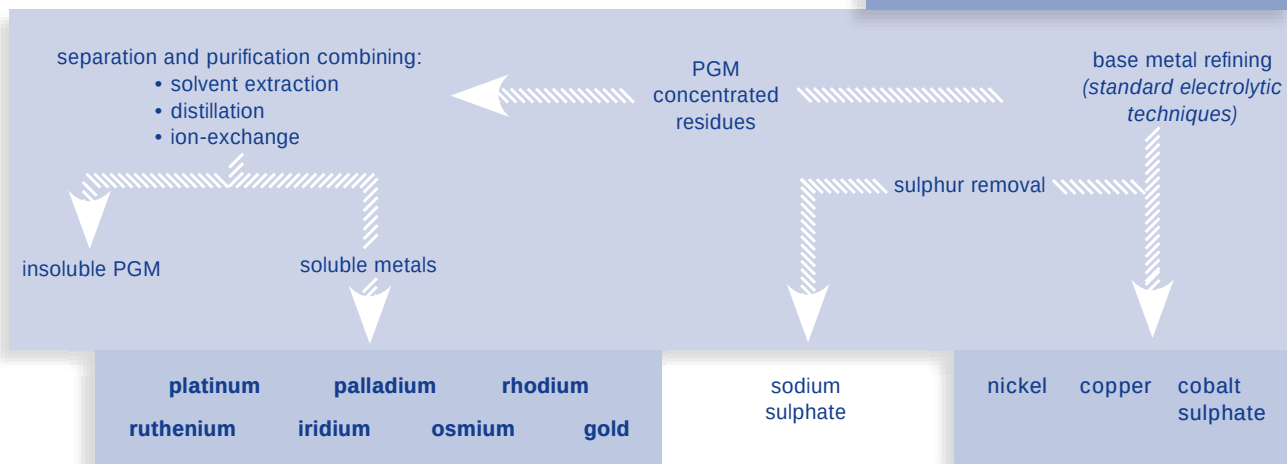


CONCENTRATION



sulphuric acid

REFINING



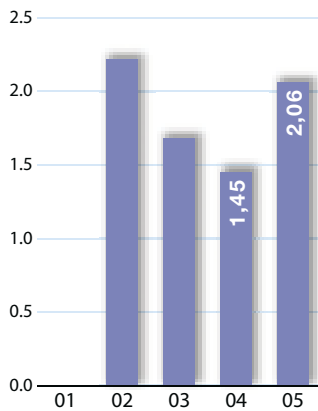


Metallurgist Neo Molelekeng inspecting the thermocouple connections and mud-guns at the ACP Phase B furnace.

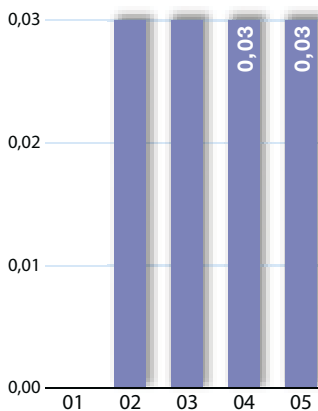
SAFETY

Anglo Platinum's operations in aggregate continued to reduce the quantum and frequency of injury accidents at work, coupled with very good individual safety performances at some operations. The performance across the Group nevertheless remains unacceptable to management and the board with the same number of fatalities, 24 (21 underground), at managed operations, as were recorded in 2004 (22 underground). Modikwa, a non-managed operation, recorded one fatality in the year, a reduction of two compared to 2004.

LTIFR



FIFR



Improving safe production remains the highest priority in all Anglo Platinum's operations. A significant drive to review and then expedite changes in underground rock support measures, a project commenced in late 2004, has borne fruit with a welcome reduction in the fall-of-ground (FOG) fatality component, from 15 in 2004 to six in 2005. This was associated with many instances where production was halted while such new and upgraded support mechanisms were put in place. It is clear that application of the more accessible and visible type of workplace standard, (for example, underground roof support), is generally more rigorous than in several other areas of behaviour.

An increase from two to nine behaviour-related incidents, associated with vehicles, trucks and mechanical loaders, offset the progress made in the FOG arena. The Group remains committed to eliminate all such events.

Behavioural aspects will continue to be addressed by the ongoing development of a workplace culture that supports and complies with basic mining rules and procedures with special efforts in the following areas:

- **Leadership:** skills development for accelerated change;
- **Training:** to instil better understanding of the need for compliance to uniform basic rules. There has been a significant

increase in investment in miner and back-to-basics training supported by an improved consistency of standards;

- **Discipline:** by streamlining processes and further empowering supervisors to stop work and fix potential unsafe work areas. Management pressure for achieving targets is recognised as a factor and is addressed through improving their planning, resourcing and interactive competencies;
- **Culture:** a study in conjunction with the University of Witwatersrand's Sociology Department to better understand cultural, race, language and gender implications in the relationships between management and the workforce has led to additional management actions for implementation in 2006;
- **Peer reviews:** participation with AA plc in safety methodologies and peer reviews; and
- **Structures:** changes to the safety and sustainable development organisational structures both at the centre and at certain operations should improve delivery.

The total injury frequency rate (TIFR) is an indication of the occurrence of any workplace injury, no matter how minor. The quantum and rate have reduced steadily over recent years and Anglo Platinum registered a TIFR of 5,99 in 2005 compared to 6,29 in 2004

and 7,88 in 2003. The lost-time injury frequency rate (a component of the TIFR and one measure of severity of any injury accident) at managed operations in 2005 was 2,06. This is compared to reported figures of 1,45 in 2004 and 1,68 in 2003. The increase in the reported LTIFR is not attributed to deterioration in safety performance but to the adoption of a more rigid definition and stricter

reporting against that definition. Nevertheless, ongoing efforts at improving all aspects of safety across the Group should result in a significant improvement of the LTIFR in 2006.

Details of fatalities and discussion on safety in general appear in the sustainable development report.



A training session on the correct method of barring down at Rustenburg Sections's underground training facilities.

Mining and retreatment operations

Equivalent refined platinum production of 2 503 700 ounces, from the operations managed by Anglo Platinum and its joint venture partners, increased by 50 000 ounces or 2,0% compared to 2004, primarily as a result of higher production from the Kroondal, BRPM, PPRust and Modikwa mines.

These increases were partially offset by lower production at the Rustenburg and Amandelbult mines, both of which are undergoing significant recovery programmes and demonstrated improved performances in the second half of 2005. The work-in-progress at these mines is geared to reverse the effects of both the changing underground ore-type dispositions and geotechnical conditions as well as to improve the operational responses thereto, active processes which continued from 2004 throughout 2005. Immediately available ore reserves and immediately stopeable reserves increased in the year.

Leplats achieved lower ounce production in 2005, having suffered a contractor stoppage in February. The Western Limb Tailings Retreatment Plant also reduced production as planned and Union Section effectively maintained level production.

Cash costs continued to rise strongly in the year but with the real expectation that the recovery measures and investments effected in 2005 will support increasing volumes and improving efficiencies, with concomitant reduction in unit costs.

The cash cost per equivalent refined platinum ounce rose by 10,7%, principally as a result of lower production volumes at Rustenburg,

Amandelbult and Leplats, with additional costs incurred as a result of the above inflation wage settlements and the recovery measures being implemented. Leplats experienced industrial action during the year; Union continued to substantially increase underground rock support costs to assure safe production and the higher diesel price at PPRust.

STEADY-STATE OPERATIONS

Operations are classified as steady-state when they have substantially met their design parameters, even though there may still be potential for improvement as well as short-term difficulties that reduce production. Rustenburg UG2 Phase 2, a ramp-up operation in 2004, was reported as a steady-state operation.

Production of equivalent refined platinum ounces from steady-state operations amounted to 2 374 700 in 2005, up 17,5% from 2 020 600 ounces produced in 2004, owing to the addition of Rustenburg UG2 production previously reported as a ramp-up mine and the production attributable to Anglo Platinum from the Kroondal Platinum Mine. Some 72 000 of the 123 200 equivalent refined platinum ounces attributable to Anglo Platinum from the Kroondal Platinum Mine are not included in the equivalent refined ounce production total as they were sold in concentrate form and not refined by Anglo Platinum.

At Rustenburg the ore-source mix continued to change with the ongoing replacement of Merensky ore with UG2 ore, as available Merensky reserves diminish. A drive to secure and sustain a sizeable component of deeper Merensky production, owing to its superior value generation, is a fundamental part of the

“Production of equivalent refined platinum ounces from steady-state operations amounted to 2 374 700 in 2005, up 17,5% from 2 020 600 ounces produced in 2004.”

Rustenburg strategy and planning in the capital programme for down-dip vertical shaft access, north of the Paardekraal Shaft initially, is well advanced. Operating performance in the second half improved as the considerable efforts to restore production and improve safety and efficiencies at the constituent shafts took hold.

Amandelbult continued with efforts to reverse the impact of the transition zone ore type at No 1 Shaft Merensky, as well as the disturbed ground conditions at No 2 Shaft. Planning is well advanced and includes down-dip vertical shaft access proposals, for which a significant seismic survey and drilling programme commenced in the year. Further progress underground was made in breaching the transition zone on the western boundary as well as on preparations for increased UG2 delivery in 2006 from No 1 Shaft, and other major sources in future. Second-half performance improved, reflecting the start of the planned turnaround.

Difficult ground conditions at Union Section's Richard and Spud shafts prevailed throughout early 2005 and additional stope support measures continued to be implemented to secure safe mining and minimise production losses. UG2 ore access at the near-surface mechanised decline sections has also required additional ground support measures and these will be completed during the first quarter of 2006 with some initial effect on production.

BRPM equivalent refined platinum production increased with all production from underground sources. BRPM has ended the year with a surface ore stockpile of some 150 000 tons. Anglo Platinum is evaluating treatment options with its joint venture partner in BRPM.

Equivalent refined platinum production at PPRust increased during the year and preparations to move further north to the planned Overysel pit are well advanced.

The overall operating margin of the steady-state operations remained robust at 31,1%.

RAMP-UP MINES

Modikwa produced 129 000 equivalent refined platinum ounces compared to 114 200 in 2004. More is expected and the productivity of relatively new mining crews is not yet at required levels nor is the challenging (but improving) employee-relations climate. Development rates accelerated during 2005, resulting in an improved immediately-available ore reserve position of ten months compared to eight months at the end of 2004. The decision to change to breast mining instead of down-dip increased the raise intervals, resulting in a reduction in the amount of reef development required.

Mining operations at the Booysendal, Twickenham, Ga-Phasha and Der Brochen mines remain in a planning and optimisation phase to ascertain best possible methods for exploitation of the available reserves. These are discussed further page 68 of this report.

NEW MINING TECHNOLOGIES

There is a continuing commitment to practical mining mechanisation on the narrow reefs. Furthermore, a broader range of technologies was explored. These are researched, tested and developed to feasible prototype mining systems. The preferred technologies are then transferred to mining operations through a process of pilot implementation.

“Increased production volumes and a continuous focus on cost efficiency are expected to result in a lower unit cost increase in 2006.”

Three main programmes under development include:

- *Continuous improvement of existing technologies and methods.* These are aimed at conventional mining systems used in existing and brownfield operations and are high-speed, flat-end development, high-advance boxhole rates, high-advance stope rates as well as enhanced in-stope, low-profile support operations.
- *Programmes of trial, transfer and implementation.* These are aimed at extra-low profile, trackless mining systems, drill jigs in stopes and electric stope-drilling machines, all of which are currently progressing with safety, productivity levels and cost of operation showing promise in most areas. The intensity of trials will continue in 2006 with increasing roll-out across the Group during the year.
- *Research and development programmes.* These are targeting the next wave. Most are collaborative research and include rock engineering, geophysics and ventilation advances as well as reliable rock-cutting systems.

CAPITAL EXPENDITURE

Capital expenditure on mining and treatment operations in 2005 amounted to R2,75 billion. Expansion expenditure of R358 million was mainly in respect of the Kroondal and Modikwa mines. Ongoing capital expenditure of R2,39 billion included R300 million on the Rustenburg UG2 project and most of the balance related to normal stay-in-business

items. Several major replacement projects for mining reserves and downstream concentrating upgrades were progressed in terms of design and modelling, with several starting up during 2005. The board approved mining replacement projects during 2005 totalling R4,90 billion. These projects are planned to reach steady-state between 2008 and 2012.

OUTLOOK

Equivalent refined platinum production from the operations is expected to continue to increase with additional production at Amandelbult, Modikwa, Union and Kroondal. Marginally increased production (at lower cost) is expected at Rustenburg and BRPM. Joint ventures at Mototolo and possibly Pandora will also start contributing ounce production during 2006.

Increased production volumes and a continuous focus on cost efficiency are expected to result in a lower unit cost increase in 2006. Focus at all mining operations is and will be to improve the provision of sufficient face length for injury-free sustainable production. A further project to effect a rationalisation in the employment practices and ratios of volume and labour-hire contractors, in relation to full-time employees, is scheduled for review in 2006 and improved efficiencies are expected to result, as should the impact of the two-year wage agreement reached in 2005 with the unions and associations.

The Motlhotlo village relocation at PPRust North will progress such that mining activities will commence in 2006.



Jimmy Bapela, who trained on the simulator at PPRust in September 2005, is now a 785 dump truck operator.



Chris Sheppard



Rudi Rudolph



Peter van Dorssen

Rustenburg Section

PRODUCTION

The proportion of UG2 ore production, as a percentage of total production, increased from 49% in 2004 to 57% in 2005. Merensky ore production is declining and Rustenburg's active strategy is to fill the gap by expanding production from the UG2 horizon and, in due course, to secure and sustain a base level of Merensky ore contribution from additional, deeper vertical shaft access. Equivalent refined platinum ounces declined 2,9% from 864 700 to 839 400 in 2005 while the mine actively progressed the adopted 500-day programme to increase, inter alia, the limited face availability that negatively impacted on underground production in the year. Attention was also given to addressing labour mix and utilisation with a view to improved productivity in 2006.

COSTS

The cash on-mine cost per equivalent refined platinum ounce rose by 9,9% in 2005, mainly due to lower volumes achieved, compounded by inflationary increases and investment in the recovery plan. The absolute cost increase was 5,1%.

CAPITAL EXPENDITURE

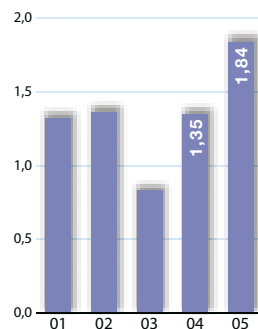
Capital expenditure decreased from R1,20 billion in 2004 to R837 million in 2005. The delayed implementation of the concentrator retrofit project (not critical to production in 2005) and lower-than-anticipated spend on the cluster development projects at Frank, Turffontein and Boschfontein contributed to the decrease in capital spend. This is expected to rise sharply in 2006.

OUTLOOK

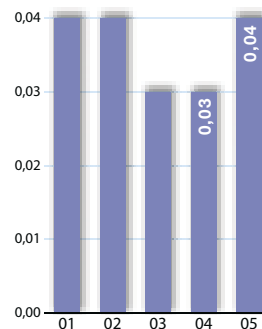
Rustenburg aims to maintain a sustainable level of Merensky production into the future. The envisaged short- and medium-term ore split would be 40% Merensky and 60% UG2. The broad Rustenburg outlook for 2006 is to succeed in the recovery plan that was launched during 2005. This well-defined programme is aimed at right sizing the Rustenburg operation in all aspects of production, people and costs and the expected outcomes of the programme are reflected in the 2006 plan.

Equivalent refined platinum production, at lower cost, is expected to increase marginally in 2006. The end-state of the recovery plan is to gear Rustenburg to produce at a safe and sustainable 850 000 to 900 000 equivalent refined ounces from 2008.

LTIFR

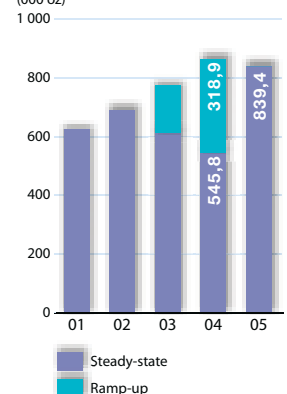


FIFR



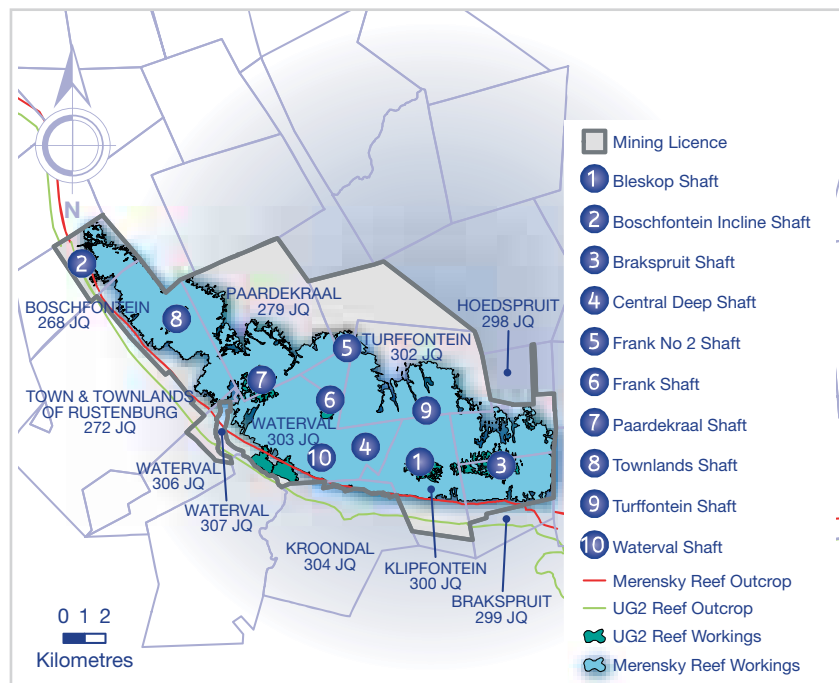
Equivalent refined platinum production

(000 oz)





Mercia Coetzee, the Group's first female mine overseer, at Rustenburg Section.





Francois Uys

Amandelbult Section

PRODUCTION

Equivalent refined platinum ounces decreased 6,0%, from 591 700 ounces in 2004 to 556 400 ounces in 2005.

The mine continued with the recovery programme, Amandelbult on Target, adopted in 2005 to reverse the impact of the transition zone ore type met at the boundary of the remaining 1 Shaft Merensky ore horizon, as well as the traditionally more disturbed ground conditions hosting the Merensky ore at No 2 Shaft.

As at Rustenburg, advanced plans include down-dip vertical shaft access proposals, for which a significant seismic survey and drilling programme commenced in the year and is due for completion in the first half of 2006.

This will permit proper shaft positioning and expedite detailed planning.

Further progress underground was made in breaching the Transition Zone on the western boundary and this should assist in stabilising the Merensky contribution from No 1 shaft. Development for increased UG2 delivery in 2006 from No 1 Shaft, and other major sources in future, is well advanced.

Second-half performance improved, indicating the planned turnaround beginning to take effect.

COSTS

The cash on-mine cost per equivalent refined platinum ounce increased by 13,5% compared to 2004, principally as a result of the reduction in volumes and inflationary increases plus expenditure incurred on the Amandelbult on Target recovery activities. The absolute cash cost increase was 6,7%.

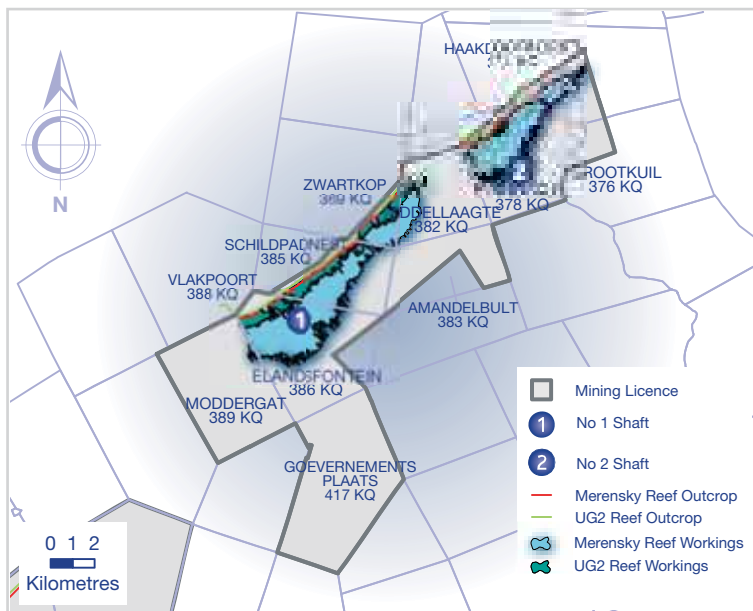
CAPITAL EXPENDITURE

Capital expenditure increased from R314 million to R566 million. This is mainly as a result of expenditures on developing a third (UG2) ore pass at No 1 Shaft and the new 75ktpm concentrator plant which was in commissioning during December 2005 to handle the additional UG2 underground production envisaged in 2006.

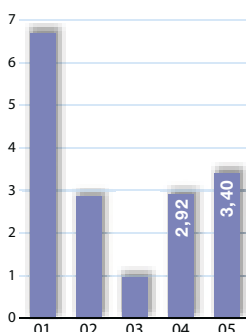
OUTLOOK

Amandelbult will pursue vigorously the Amandelbult on Target project launched in 2005. The outcome will secure improved performance on a range of key issues, including safety and the conversion of the established operation control centres at shafts into a more effective business and management tool.

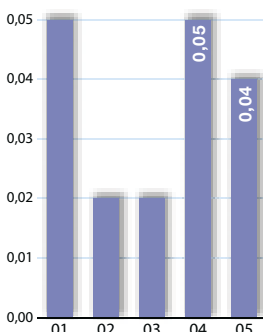
Equivalent refined platinum production is expected to increase in 2006 with a view to restoring historical levels by year end. This will result primarily from the UG2 project at No 1 Shaft. There are further opportunities for UG2 expansion at Amandelbult and these will be planned out in 2006.



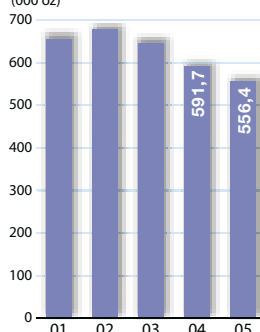
LTIFR



FIFR



Equivalent refined platinum production (000 oz)



Union Section

PRODUCTION

At Union production of 314 000 equivalent refined platinum ounces for the year was similar to that of 2004.

Difficult ground conditions at several stoping and logistics access points at the Union Section's Richard and Spud shafts prevailed throughout early 2005 and additional stope and tunnel support measures continued to be implemented to secure safe mining and minimise production losses. Progress has been good in securing older infrastructures at these shafts.

Ground conditions in the UG2 ore accesses at near-surface mechanised decline sections deteriorated as mining progressed through 2005. As a productive source of ready ore, additional ground support measures were initiated in the third quarter of 2005, to be completed during the first quarter of 2006, with some initial effect on production.

COSTS

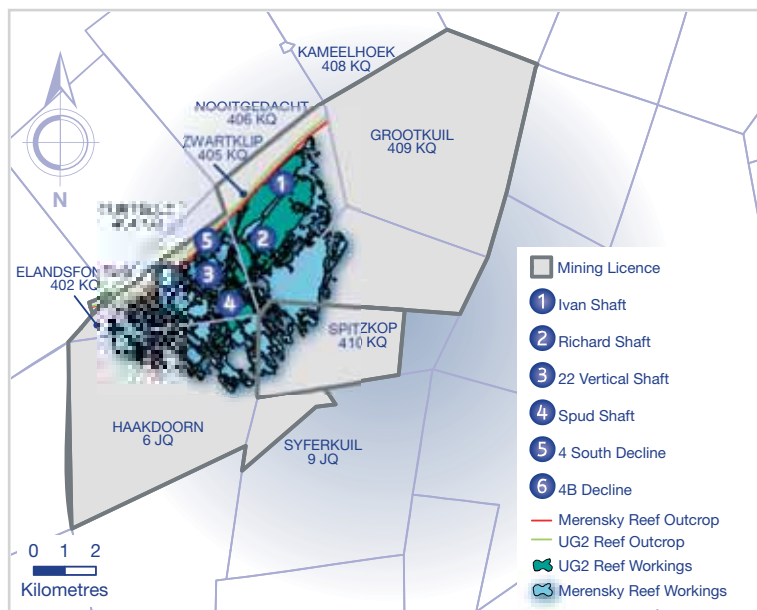
The cash on-mine cost per equivalent refined platinum ounce increased by 9,2%. The introduction of much-improved stope support systems, together with some extensive work on infrastructure, contributed to the cost increase. The infrastructure is in a much-improved condition to support cost-effective output in 2006. The absolute cash cost increase was 9,5%.

stope support systems have been introduced incorporating pillars, nets, bolts, pre-stressed elongates and packs, which will contribute to safety and consistent production output.

Cost efficiency is expected to improve as a result of sourcing a higher proportion of production from more favourable mining areas.



Noel Williams



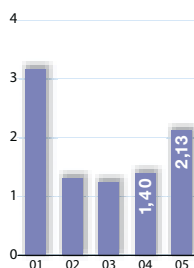
CAPITAL EXPENDITURE

Capital expenditure was at a similar level to 2004 at R298 million. This expenditure is at normal stay-in-business levels for Union Section.

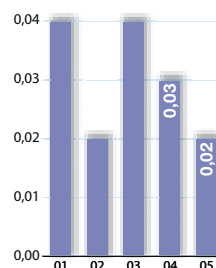
OUTLOOK

Equivalent refined platinum production is expected to increase in 2006. Enhanced

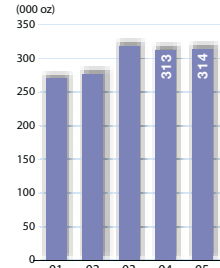
LTIFR



FIFR



Equivalent refined platinum production (000 oz)





Ted Nohajer

Potgietersrust Platinums (PPRust)

PRODUCTION

PPRust continued to exploit the flexibility afforded by sourcing material from both the Zwartfontein South and Sandsloot pits to optimise grade and recovery. Equivalent refined platinum production at PPRust increased 2,6% to 205 300 ounces in the year and preparations to move further north to the planned Overysel pit are well advanced.

Equipment utilisation improved and the addition of an extra face shovel and two haul trucks of 220-metric-ton capacity led to an increase in mining volumes and improved mining efficiencies. Despite the worldwide shortage of heavy-duty truck tyres, the mine is positioned to resource adequately for 2006.

The concentrator throughput was maintained at 4,54 million milled tons and metal recovery improved, especially with the Zwartfontein South material.

COSTS

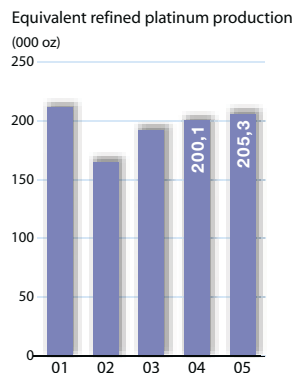
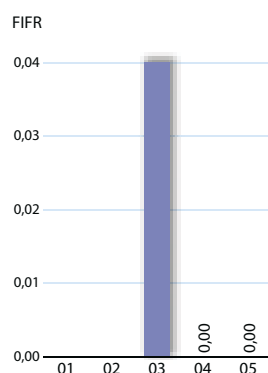
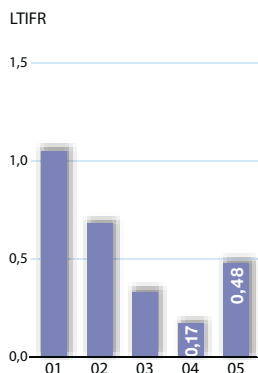
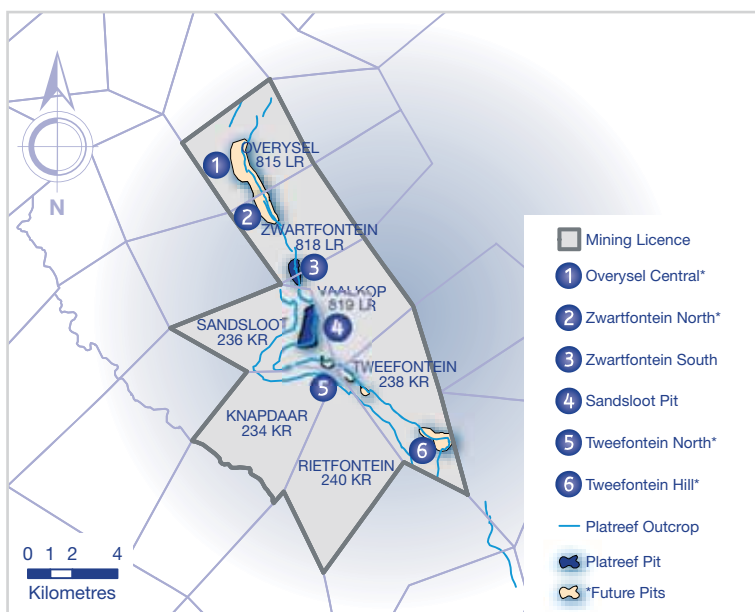
The cash on-mine cost per equivalent refined platinum ounce increased by 13,3% in 2005 mainly due to a significantly higher diesel price compared to 2004. Absolute cash cost increase was 16,3%.

CAPITAL EXPENDITURE

Capital expenditure for the year of R374 million provided for the preparation of the relocation of two villages adjacent to the planned northern operation, as well as the acquisition of a new face shovel, two haul trucks and two drill rigs.

OUTLOOK

PPRust will continue to mine both the current open pits in 2006 and safe production of equivalent refined platinum production is expected to be similar to that achieved in 2005. Immediately-available ore reserves will be maintained and the slope angles at Sandsloot have been optimised. In terms of PPRust's pit replacement strategy, mining activities will, subject to final conditions being met, commence at the PPRust North pit in 2006.



Lebowa Platinum Mines (Leplats)

PRODUCTION

Leplats produced 112 100 equivalent refined platinum ounces in 2005, down 5,6% on 2004, due primarily to an unprotected contractor strike during February. The mine processed a limited amount of ore generated at the Twickenham Platinum Mine and will do so while some spare capacity exists at the concentrators.

The mine had a fatality-free year in 2005.

The immediately available ore reserves were in line with that achieved in 2004. Development at the new Brakfontein Merensky Declines replacement project progressed well and this is essential to replace the now-diminished Merensky reserves at the old vertical shaft operation.

COSTS

The cash on-mine cost per equivalent refined platinum ounce increased by 15,0% compared to 2004, principally as a result of the reduction in volumes caused by the contractor strike. The absolute cash costs rose by 8,6% when the Group changed both its contractor employment models and increased the number of stoping and development teams to secure improved performance.

CAPITAL EXPENDITURE

Capital expenditure increased from R138 million to R198 million. This includes the Brakfontein Merensky replacement project of R95,7 million and the Middelpunt Hill (UG2) extension project of R43,7 million.

OUTLOOK

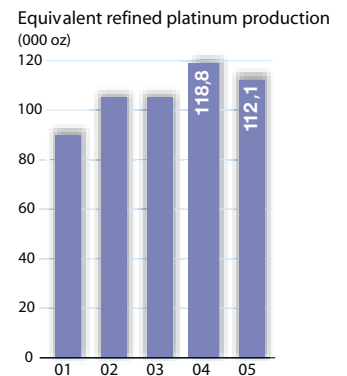
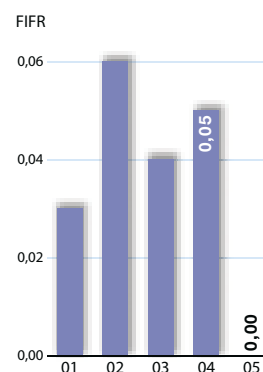
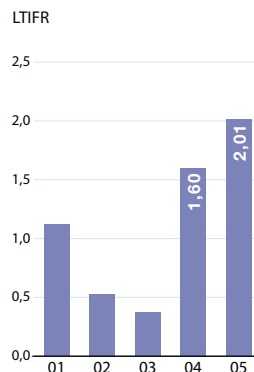
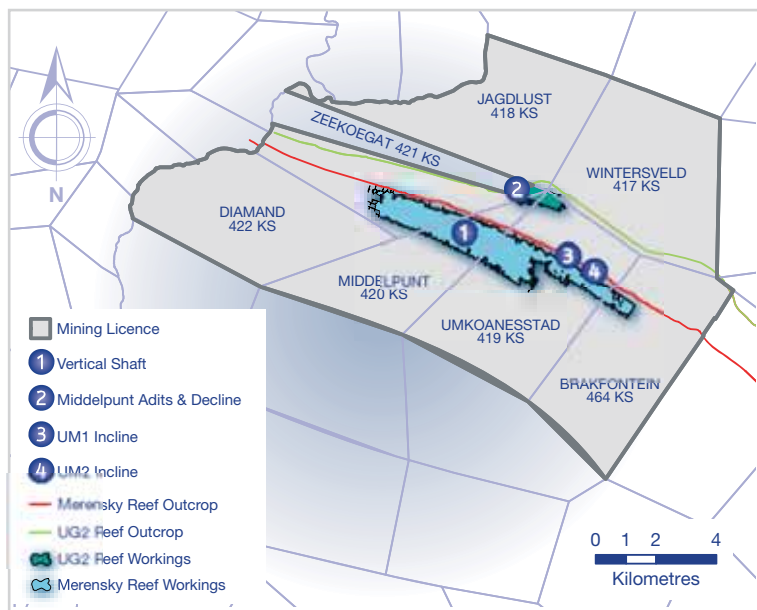
Merensky and UG2 optimisation together with stringent cost control will form the focus of Leplats' efforts in 2006. Equivalent refined

platinum production is expected to increase. Focus will be on employee development and alignment to further improve safety in 2006.

Capital expenditure is planned to continue with the Merensky replacement project. Full production from this replacement project is expected from 2009 with early contributions in 2007.



Felix Manyanga





Mark Farren

Bafokeng-Rasimone Platinum Mine (BRPM)

PRODUCTION

BRPM, a joint venture with Royal Bafokeng Resources, is now in steady-state production with monthly milled throughput having reached and exceeded the original design capacity of 200ktpm of Merensky ore. All reef tonnage broken in the year was from underground sources, increasing by 5% on the previous year. Milled throughput of

underground material increased by 8% with additional development and sweepings sourced. Equivalent refined platinum production increased by 5,5% from 184 900 to 195 000 ounces. BRPM has ended the year with a surface stockpile of some 150kt, resulting from underground production in excess of plant capacity during the second half of the year.

COSTS

The cash on-mine cost per equivalent refined platinum ounce increased by 4,2% compared to 2004.

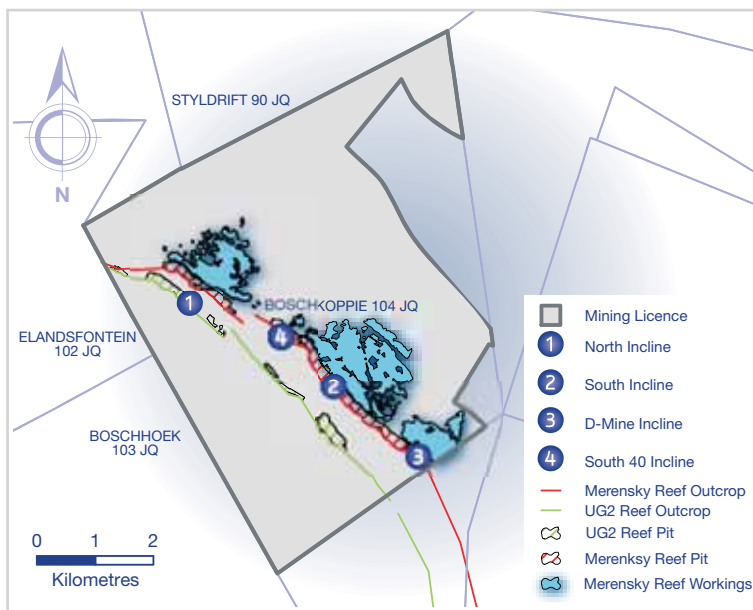
The absolute cash on-mine cost was 10,1% above 2004 due to additional production and inflationary increases.

CAPITAL EXPENDITURE

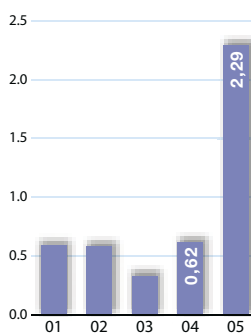
Anglo Platinum's share of capital expenditure increased from R125 million to R152 million. The bulk of capital expenditure relates to stay-in-business capital projects. The main decline extensions are progressing satisfactorily and the wet- screening project at the concentrator was commissioned during the year.

OUTLOOK

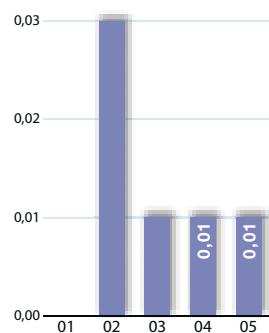
Management focus is directed at further improving immediately stopeable face length and creating the requisite capacity for injury-free, sustainable production. The declines capital programme will support this.



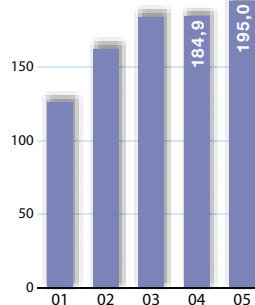
LTIFR



FIFR



Equivalent refined platinum production (000 oz)



BRPM is evaluating treatment options for the stockpile accumulated in 2005. Once processed, production in 2006 is expected to increase more than 200 000 platinum ounces. Built-up head grade is expected to remain in line with improved grades achieved in the last quarter of 2005.

Modikwa Platinum Mine

(non-managed)

Modikwa Platinum Mine is a joint venture between Anglo Platinum and a black economic empowerment consortium led by African Rainbow Minerals. In terms of the joint venture, all metal produced is smelted and refined by Anglo Platinum, 50% being attributable to Anglo Platinum's share of the mining operation, while the other 50% is purchased from the joint venture partners.

PRODUCTION

Equivalent refined platinum production rose 13,0% to 129 000 ounces in 2005, but has not yet reached targeted production levels.

More is expected, with the productivity of relatively new mining crews not as yet at required levels nor is the challenging (but improving) employee relations climate.

Development rates accelerated during 2005, resulting in an improved immediately-available ore reserve position. The decision to change to breast mining increased the raise intervals, resulting in a reduction in the amount of reef development required.

The achievement of lower stoping widths resulted in better concentrator feed grade, partly offset by medium-grade ore supplied from the shafts to increase concentrate production.

COSTS

The cash on-mine cost per equivalent refined platinum ounce increased by 0,2% in 2005 but remains above the targeted cost efficiency for this operation. Together with the joint venture partners, Anglo Platinum is making every effort to speed up the rate of improvement towards steady-state efficiency and to further improve employee relations. Emphasis is also placed on reducing fixed costs with a continuous business improvement process. The absolute cash cost increase was 13,1%.

CAPITAL EXPENDITURE

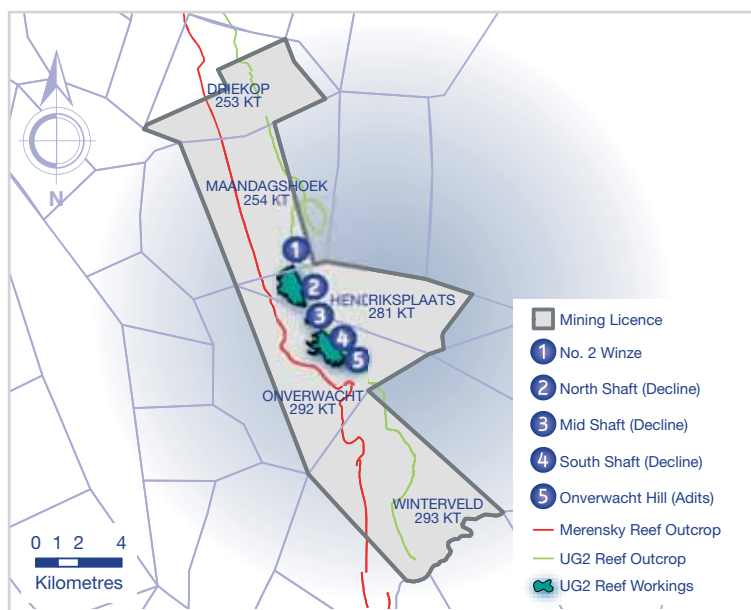
Anglo Platinum's share of capital expenditure amounted to R121 million, which comprised additional development including shaft deepening, the provision of employee housing at Burgersfort and normal stay-in-business capital expenditure.

OUTLOOK

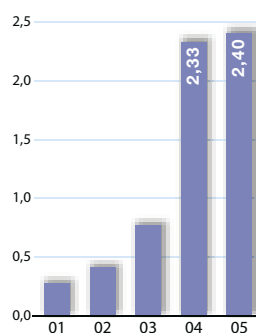
Management's primary focus in 2006 will be to drive safe production to reach full design capacity (50 000m² per month) as fast as possible. This will improve both revenue-generation and cost efficiency. Capital expenditure will increase as the establishment of new underground levels commences.



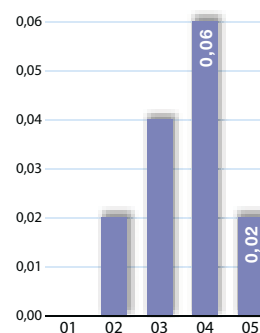
Nick James



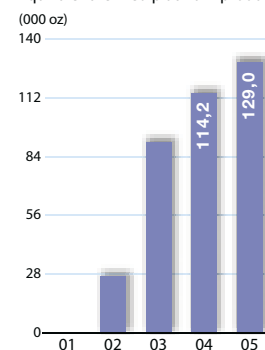
LTIFR



FIFR



Equivalent refined platinum production



Kroondal Pooling and Sharing Agreement (PSA)

(non-managed)

The PSA provides for the parties to pool their assets, while retaining ownership, and to share the proceeds equally. Anglo Platinum provides access to a portion of the UG2 ore body on Rustenburg Section's mining area, while Aquarius Platinum provides access to its existing Kroondal Platinum Mine mining area and infrastructure.

Production arising from the Kroondal Platinum Mine is sold to Impala Platinum under a volume-based concentrate offtake agreement. The commitment in terms of this agreement will be met from the shafts in production at commencement of the PSA and will be fully met during 2007 at current production rates. Additional production arising from the expansion made possible by the PSA is smelted and refined by Anglo Platinum.

Anglo Platinum's share of the Kroondal Platinum Mine was included in operating results for the first time in 2004.

PRODUCTION

Steady-state production from the Kroondal Platinum Mine in 2005 was 246 500 equivalent refined platinum ounces, of which 50%, or 123 200 ounces, was attributable to Anglo Platinum. This is 66,5% higher than in 2004 due to the Kroondal K-2 plant being commissioned during March 2005. Some 72 000 ounces were sold to Impala Platinum in concentrate form.

COSTS

The cash on-mine cost per equivalent refined platinum ounce decreased by 10,0% from R4 381 in 2004 to R3 945 in 2005, mainly due to additional volumes. The current performances represent a very favourable contributor to Anglo Platinum's steady-state operations.

CAPITAL EXPENDITURE

Anglo Platinum's share of capital expenditure in 2005 amounted to R161 million, most of which related to the PSA1 expansion project.

OUTLOOK

Total production from this now reconstituted PSA will increase in 2006, with all production delivered to Anglo Platinum for smelting and refining. The Marikana PSA will be developed in 2006 to treat ore from the No 4 shaft which was historically treated by the Kroondal PSA.



Scraper operations in a gulley at Paardekraal shaft, Rustenburg Section.

“The new insoluble metals (rhodium) and gold solvent extraction sections of the capacity-increase project were successfully commissioned with significant reduction in metal pipeline and improved rhodium recovery and purity.”

Processing operations

The safety performance on processing operations was generally satisfactory, with some areas of excellence. The performance of the Rustenburg and Leplats concentrator operations, which recorded zero lost-time injuries, is noteworthy. The performance was marred, however, by the regrettable contractor fatality at the Waterval Merensky plant.

The initial transformation phase of incorporating concentrating, smelting and converting, and refining operations into a single unit focused on meeting technical metal processing challenges, was completed during the year. Transformation processes are continuing with the objective of improving efficiencies and productivity by means of rationalising operational structures and upgrading operator training levels.

The concentrator operations performed well, reporting improvements in both cost and recovery performance. Recoveries improved by 2%, while total cost increases were limited to 4%, both year-on-year.

Following the successful commissioning of the ACP process at Waterval Smelter in late 2004, there was an immediate improvement in sulphur fixation performance and the Group was in compliance with the issued operating permits for the year. During 2005, the associated acid plants were upgraded and rehabilitated and the Group is now uniquely positioned to achieve benchmark sulphur fixation levels at the Waterval smelting complex. Optimisation of the ACP and slag cleaning furnace continued with significant improvements in processing efficiencies and release of metal from process stocks. Polokwane Smelter experienced a steam detonation in September as a result of the premature failure of a cooling block. Extensive

damage was caused to the furnace roof and, regrettably, seven lost-time injuries were incurred as a result of dust and gas inhalation. The furnace was rebuilt and brought back on line by year end.

Smelting operational performance continues to improve, with cash costs increasing marginally by 0,4% year-on-year, with high metal recoveries and accountability being achieved. Concentrate smelted exceeded 2004 by 11,5% in spite of the Polokwane stoppage.

The refineries performed well in 2005. Cost and operating efficiencies were improved. The new insoluble metals (rhodium) and gold solvent extraction sections of the capacity-increase project were successfully commissioned with significant reduction in metal pipeline and improved rhodium recovery and purity.

The overall recovery of platinum improved by 2,9% as a result of new technology introduced in concentrating and smelting operations.

Research and development (R&D)

The Group maintained an active R&D portfolio during the year via the Anglo Platinum Research Centre (ARC), Anglo American Research Laboratories (AARL) and a wide variety of external South African and international partners. The research efforts were heavily focused on support of the project programme and the development of new technologies aimed at improving recoveries and efficiencies. Some significant developments were made in the mineral processing area and it is anticipated that these will be implemented in 2006.



Comfort Kupa, an instrument technician at PPRust, monitoring crucibles in the robolab.

A decision was taken in 2004 to merge ARC with AARL to form a single integrated research centre. Consolidation of the management structures and the transfer of staff were completed by the year-end. It is intended that, during 2006, the facilities will be physically consolidated on the Crown Mines site, with the Primrose site being closed down. The merger has an immediate financial benefit for Anglo Platinum in terms of the rationalisation of facilities and administrative overheads. In the longer term the larger unit will, by virtue of its increased facilities and broader customer base, have improved viability and will form a centre of technical excellence for the whole Anglo group. The management of Anglo Platinum's R&D portfolio will remain within the Group as part of the metallurgical services department and the merged entity, Anglo Research Division (ARD), will function as a service provider to this portfolio.



Joseph Lesetja Rafam conducting maintenance on the interior lining of the ball mill at the PPRust concentrator.

Concentrators

The Group's concentrators, comprising 17 individual processing plants, have been consolidated into one management structure reporting to the executive director process. The general manager concentrators manages this unit. Technical support and direction is provided by the consulting metallurgist. While major on-plant support comes from the pilot plant facilities of the divisional metallurgical laboratory in Rustenburg.

PRODUCTION

Tons milled were up 1% although recoveries improved by 2% year-on-year. This is despite an increase in the proportion of UG2 ore milled to 50% and fall in head grade of 4%. The improvement was achieved by a focus on the stability of operations and management of mass pull to utilise available smelting capacity optimally. A new 75 000 ton per month UG2 processing unit was constructed at Amandelbult Section during the year and was commissioned and operational by year end. The plant (being based on the conversion of existing and redundant open-cast facilities) was completed in record time and at high capital efficiency.

COSTS

Increases in cash operating costs were well contained to R22,1 million or 1% compared to 2004. Cash operating costs per ton milled were maintained as a result of increased throughput. A number of initiatives have contributed to this performance including an integrated commodity management process with the supply chain department.

CAPITAL EXPENDITURE

Capital expenditure totalled R455 million of which approximately 91% was allocated for stay-in-business and 9% for expansion projects.

In addition to the Amandelbult UG2 plant discussed above, the capital projects area has enjoyed an active year with the commencement of the new Mototolo concentrator construction, which will be commissioned in late 2006, and the reactivation of the Waterval retrofit project on a revised scope. Approval of the latter has been given and site activities will commence in early 2006 with completion in mid-2007. The scope for the retrofit project has been tailored to the long-term Rustenburg mining plan and will provide increased operational flexibility with varying ore ratios going into the future. Both projects incorporate improved technology and organisational structures. On the smaller project front, the installation of an IsaMill at PPRust was approved; the application of this and other ultra-fine grinding techniques is anticipated to yield significant benefits in both recovery and energy efficiency.

Western Limb Tailings Retreatment (WLTR)

The plant is situated near the Brakspruit Shaft in Rustenburg and draws feedstock from a number of tailings dams in the Klipfontein and Waterval areas. The plant was commissioned at the beginning of 2004. The initial phase of the project treats old tailings from the Klipfontein tailings dams at a throughput rate of 450 000 tons per month.

PRODUCTION

Throughput production is currently in steady-state with processed tonnage of 5,58 million tons and equivalent refined platinum production of 50 113 ounces in 2005. Despite increasing tonnage by 28,2% from 2004, equivalent refined platinum ounces decreased by 24,4%, largely due to lower grade, from 2,07 grams per ton in 2004 to 1,16 grams per ton in 2005. The fall in grade is in accordance with the business plan and is a consequence of the depletion of the older, high-grade resources.

The concentrator technical programme is tailored around continuous improvement of metallurgical efficiencies and equipment availability.

COSTS

Costs were well controlled and the cash cost per ton milled decreased by 3,3%. However, the impact of lower grades is evident in the increase of cost per equivalent refined platinum ounce at 67% compared to 2004.

CAPITAL EXPENDITURE

Capital expenditure, mainly for the expansion relating to Phase 1, amounted to R41,2 million. Capital expenditure planned for 2006 is mostly for the completion of Phase 1.

Smelters

Waterval, Polokwane and Mortimer smelters process PGM concentrates from Anglo Platinum concentrating operations and concentrate purchased mainly from joint venture partners to produce furnace matte. The furnace matte is treated at the ACP, situated at Waterval Smelter, to a converter

“Average sulphur dioxide (SO₂) emissions at Waterval Smelter were below the emission limits in our current scheduled process permits.”

matte suitable for further processing by the refineries.

PRODUCTION

The Polokwane smelter experienced a steam detonation inside the furnace that resulted in the collapse of the furnace roof on 7 September 2005. The furnace had been inspected in July and cleared for operation at full capacity through to January 2006, when a waffle cooler replacement was scheduled. The premature failure was found to be due to a manufacturing defect. Given the time required to repair the immediate damage, it was decided to bring the waffle cooler replacement forward and complete the two jobs together. The repair and modification work on the furnace was completed and on line again in December 2005. A number of enhancements to the original design have been included to improve the monitoring and control of the wall integrity.

Notwithstanding the above, the smelting operations performed well with total concentrate smelted increasing by 11,5% compared to 2004. Metal recoveries improved significantly while productivity per employee improved by 8% over 2004.

Optimisation of the ACP converter achieved some notable successes and significantly improved cost and operating efficiencies. The Pierce-Smith converters, put on cold standby in 2004, have been retained on standby until the successful commissioning of the standby ACP converter in 2006. The optimisation of the slag cleaning furnace continued, with improved furnace availability and metal recoveries.

Average sulphur dioxide (SO₂) emissions at Waterval Smelter were below the emission limits in our current scheduled process permits. The double-contact double-

absorption (DCDA) plant commissioned during 2005 will ensure achievement of current and future sulphur dioxide emission limits in our scheduled process permits.

COSTS

Total cash operating costs increased by R4,2 million, or 0,4% compared to 2004. The increase was mainly driven by higher volumes of concentrate smelted. The cash cost per ton smelted decreased by 10%, due to increased tons smelted and the cash smelting cost per refined platinum ounce dispatched increased by 2,6%. As throughput volumes continue to increase, cost performance improvements are planned.

CAPITAL EXPENDITURE

Capital expenditure totalled R516,6 million for the year of which approximately 66% was allocated for expansion projects and approximately 34% for stay-in-business items. Expansion project expenditure includes R302,5 million for the ACP Phase B project, relating to the construction of the standby converter and R18,3 million for the completion of the DCDA plant. Stay-in-business capital includes R44,9 million spent on the rebuild at Polokwane, following the waffle cooler failure, and R85,3 million on the scheduled rebuild of furnace 2 at Waterval Smelter.

OUTLOOK

The smelting operations are still relatively high-cost operations due to excess installed capacity. Cost efficiency is expected to continue improving in real terms as operating efficiencies improve at higher volumes, and recent new projects are optimised. Opportunities to utilise capacity more effectively continue to be sought.



Alwyn Botha checking pressures on the newly commissioned deaerator section of the ancillary equipment for boiler 7 at RBMR.

Rustenburg Base Metal Refiners (RBMR)

PRODUCTION

The two metallurgical process plants – the magnetic concentration plant (MC Plant) and the base metal refinery plant (BMR) – continued to perform exceptionally well over the year. Base metal production was 3 300 tons or 9,6% lower than 2004 and platinum production was 68 500 ounces or 3,1% lower than 2004, mostly the result of lower inputs. These lower inputs were mainly due to metal lock-up at the smelters, which resulted from the Polokwane smelter shutdown.

Despite lower tons of base metal for the year, efficiencies and production measured per employee were comparable to 2004. Platinum and base metal pipeline levels continue to be optimised, and levels at year end were lower than 2004.

COSTS

Cash operating costs were well contained with a marginal decrease of 0,4% compared to 2004. Unit cash cost per base metal ton increased 10% due to lower inputs while the cash cost per platinum ounce increased marginally by 2,9%.

CAPITAL EXPENDITURE

Capital expenditure amounted to R123,7 million, mostly in respect of stay-in-business capital expenditure. A new boiler was commissioned successfully. A scrubber to reduce boiler stack emissions is currently under construction, for commissioning during 2006.

OUTLOOK

RBMR is well positioned to process increased volumes expected in 2006. Cash unit costs should decrease in real terms due to ongoing cost-saving initiatives combined with better planned throughput.



RBMR

Precious Metals Refiners (PMR)

PRODUCTION

PMR receives final concentrate from the MC plant at RBMR and metallic concentrate from some of the concentrators in the Group and joint ventures. The concentrate is refined to high degrees of purity, which is fabricated to customer requirements. Refined platinum production was similar to 2004, primarily due again to the Polokwane smelter shutdown.

The new insoluble metals (rhodium) and gold solvent extraction sections of the capacity-increase project were successfully commissioned with significant reduction in metal pipeline and improvement in rhodium recovery and purity. In addition, a plant to scrub any furan dioxins was constructed and commissioned successfully during the year.

COSTS

Lower-than-anticipated volumes resulted in a 15% increase in cash cost per refined platinum ounce. The unit costs are therefore expected to reduce in 2006.

CAPITAL EXPENDITURE

Capital expenditure totalled R159,1 million for the year, of which R120,8 million was for expansion projects and R38,3 million for stay-in-business capital expenditure.

OUTLOOK

Due to the high fixed costs of the operation, coupled with planned higher volumes, unit cash costs for 2006 are expected to decrease significantly compared to 2005.



PMR

PROJECTS

The Group continued with the development of expansion projects and replacement of depleted reserves in line with its long-term growth profile. The project portfolio includes a growing number of joint venture opportunities, such as the Marikana pooling-and-sharing agreement between RPM and Aquarius as well as the Modikwa Phase 2 replacement project discussed below.

The board approved mining replacement projects totaling R4,90 billion, in 2005 money terms, at Rustenburg, Amandelbult and Union sections, Leplats and PPRust during 2005. These projects are planned to reach steady-state between 2008 and 2012, replacing some 586 000 ounces of platinum production per annum. Included in these projects is the PPRust North replacement project.

Board and regulatory approvals for a further

expansion project at PPRust North are expected shortly.

In 2005, the projects division changed its safety reporting methodology. Projects are classified in one of two ways: greenfields (a project not on an existing operation) or brownfields (a project that falls within an existing operation). Brownfield project safety results are reported via the operation and greenfield through the projects division. Greenfield projects experienced six lost-time injuries during 2005 with a LTIFR of 0,22. The overall LTIFR for both green and brownfield projects in 2005 was again 0,3 (15 LTIs). The division experienced no fatalities in 2005.

The safe behaviour of the workforce continues to be a main focus area in projects and, in support of this, the projects division has implemented a behaviour-based safety process on surface projects which in 2006, will be extended to underground projects.

MINING PROJECTS IN DEVELOPMENT

Rustenburg UG2 Project

In light of the changed economic environment and planning parameters, the Rustenburg strategy has been revised to one where the Merensky horizon is used as the base production reef to ensure sustained profitability (due to its higher grades and platinum content), and the UG2 horizon, where viable, is used to maintain output at infrastructural capacity levels. As part of



this strategy, the Rustenburg UG2 Phase 2 project, originally announced as a 400 000 tons per month operation, has been scaled back and will comprise some 275 000 tons per month of Rustenburg steady-state. Suspension of the Boschfontein East Shaft System development due to economic reasons, together with the reduction of UG2 output from Frank Shaft by 40 000 tons per month, has allowed for an increase in Merensky production capacity. This has reduced capital expenditure and improved project returns under prevailing market conditions. The concentrator strategy is being aligned with the revised mining strategy. The Townlands and rescoped Frank sections of the project have completed the development of their capital footprint and have successfully ramped-up to steady-state production levels. The Boschfontein West section of the project remains on schedule. Full production, at 275 000 tons, from UG2 is expected during 2008 with production having reached 179 000 tons per month during November 2005.

Rustenburg Section Replacement Projects

The replacement of ore reserves on both the Merensky and UG2 reef horizons, which continue to be mined in a ratio that optimises value, has necessitated the replacement of ore reserves by deepening existing mine infrastructure at Frank, Paardekraal, Townlands and Turffontein on the Merensky horizon, and Waterval on the UG2 horizon.

Feasibility work is being concluded after completion of geological drilling and seismic investigation for the establishment of an intermediate shaft, down-dip of the existing Paardekraal Shaft to further exploit deeper Merensky reserves thereby sustaining Merensky production at Rustenburg Section.

The ore reserve replacement projects for Frank and Turffontein shafts were approved in 2005 and are currently being implemented, with Frank and Turffontein reaching steady-state in 2008 and 2009 respectively. The Waterval decline extension (Phase 2) project was also approved in 2005 and steady-state production is expected in the latter half of 2006.

The concentrator modernisation project, termed the Waterval concentrator retrofit, as part of the Rustenburg strategy was approved by the board during 2005. The project start is scheduled for January 2006 with completion in the second quarter 2007. This project will improve concentrator efficiency and align capacity with our mining strategies.

Union Section Replacement Projects

Since achieving steady-state, the 4 South and 4B UG2 decline projects have sustained their design output. The second phases of these projects were implemented in accordance with the original investment proposal to provide replacement panels to sustain production output. The third phases are currently being motivated for implementation in 2006. The 3 South UG2 decline project received approval and is being implemented as a tonnage replacement project for the current 3 South high-profile section. The 3 North UG2 decline project has been implemented. However, some major hanging wall closures associated with tensile zones within the Merensky/UG2 middling have created a temporary loss of panels. A new support system has been designed in consultation with industry experts, which should eliminate the type of problem experienced recently. A detailed exercise is underway to present a mining plan and financial modelling for the entire 3 North area up to the boundary.

Amandelbult Section Replacement Projects

The No 1 Shaft UG2 optimisation project is currently being implemented and is expected to be commissioned at the end of January 2006. This project will provide the necessary infrastructure to facilitate co-extraction of the Merensky and UG2 chromitite ore reserves. The project will utilise excess shaft capacity as Merensky production declines due to the depletion of Merensky ore reserves in this area for UG2 production. This infrastructure includes a UG2 chromitite ore pass, complete with its associated components, and also a UG2 chromitite surface ore silo. The production from this facility will be processed in the new 75 000 ton per month UG2 concentrator, which was commissioned as planned in December 2005 within the approved R154,9 million capital cost.

The No 3 Shaft project pre-feasibility study was temporarily put on hold to evaluate potential intermediate vertical shaft projects in the central and western sections of Amandelbult Section. These projects were identified for their potential to provide earlier production than the No 3 Shaft Deep project at a lower initial capital cost. This will be evaluated during the first quarter of 2006.

A suite of four UG2 projects has been identified in the eastern section at Amandelbult and is undergoing pre-feasibility study. These projects are expected to produce 125 000 tons per month of UG2 ore if they are all implemented. This will necessitate a further expansion to the UG2 concentrator. This forms part of the Amandelbult UG2 depletion planning.

Kroondal Platinum Mine (KPM): the pooling-and-sharing agreement with Aquarius Platinum

Construction of the project, announced in 2003, has continued satisfactorily. Sinking of the No 3 Shaft, and the extension to current mine infrastructure, is on schedule with production ramp-up ahead of plan. The new concentrator facility was commissioned, ahead of schedule, in March 2005. The expected mine output is 500 000 tons per month, which is planned to be achieved in 2006. During 2005, the mine achieved an overall average of 240 000 tons per month, with 486 330 tons delivered in the month of November.

Negotiations were finalised to reconstitute the existing pooling-and-sharing agreement as the Marikana Pooling and Sharing agreement into a revised project incorporating additional reserves from RPM and Aquarius. The requisite board approvals were obtained at end of 2005. The revised project will deliver 750 000 tons per month at full capacity by 2008.

BRPM Joint Venture

The BRPM Phase 2 project, which covers extension of the existing south and north shaft infrastructure by a further five levels from the initial five levels established, has been approved and remains on schedule, with a phased transition up to 2011. With work now approximately 18% complete, this will ensure the continued production of Merensky at 110 000 tons per month per shaft system for a further seven years. Construction is on target and production from the first replacement levels will be realised from the first quarter of 2006, as planned.

The previously-announced Styldrift project has been rescoped to align exploitation with

the more complex geological structure identified as a result of further drilling and seismic interpretation. Together with the joint venture partners, Anglo Platinum has agreed to a development plan that will allow feasibility work and further geological exploration to continue in 2006. A pre-feasibility study was completed during 2005, and funding was approved by Anglo Platinum and the joint venture partner, Royal Bafokeng Resources (Pty) Ltd (a wholly-owned subsidiary of the Royal Bafokeng Nation), for completion of a full feasibility study during 2006.

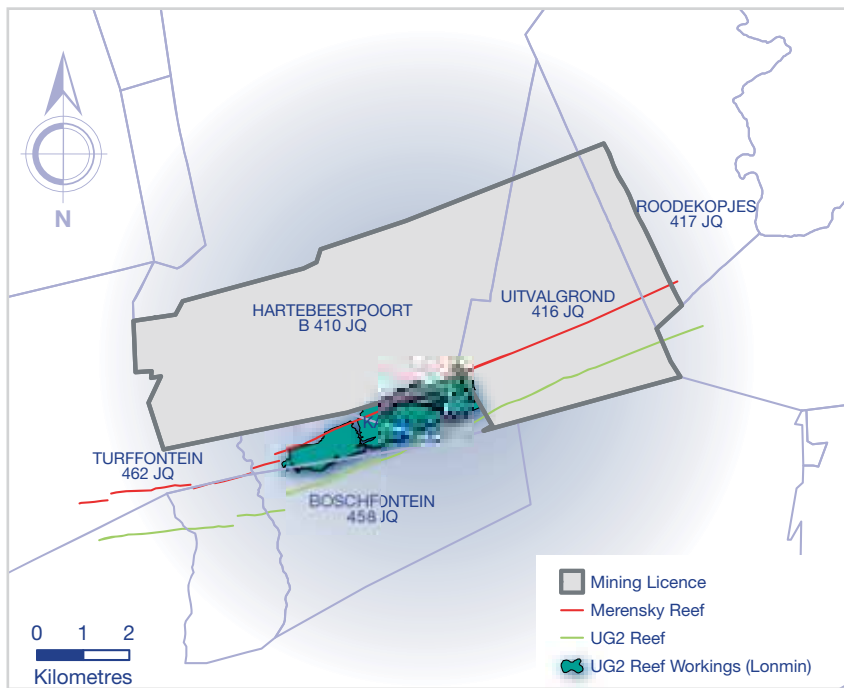
Pandora Joint Venture with Lonmin Platinum, Mvelaphanda Resources, and the Bapo Ba Mogale Tribe

The joint venture agreements have been concluded with enhanced BEE participation in line with the requirements of the Mining Charter. A mining authorisation has been issued for the project.

Due to prevailing economic circumstances, our joint venture partners have approved a phased implementation of the project. A revised expansion strategy for the way forward is proposed and will be decided in conjunction with our joint venture partners during 2006.

Modikwa Joint Venture with ARM Mining Consortium Limited (ARM)

The Modikwa project was approved in 2000 and construction work commenced during the third quarter of 2001 on the first phase, mining from surface to 4 level. Modikwa Platinum Mine is still in build-up phase to 240 000 tons per month and currently produces 200 000 tons per month from two decline shafts. Interim funding was approved during 2005 by the partners to commence work on the extension from 4 level to 5 level and to proceed with pre-feasibility and

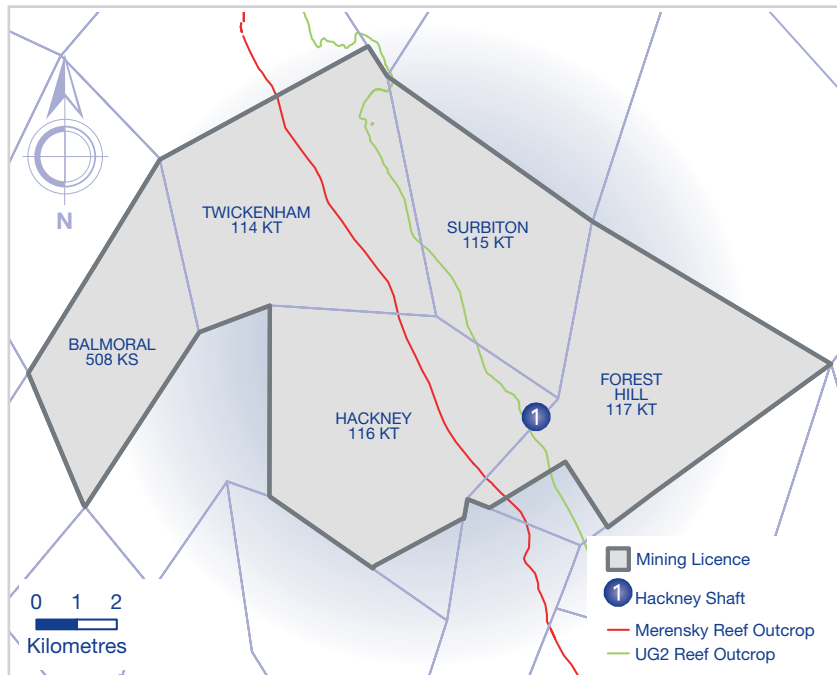


feasibility study work to implement Phase 2 extensions during 2006 (5 level to 8 level).

Lebowa

The existing Merensky mine, producing 85 000 tons a month from the main vertical and UM2 inclined shafts, is being negatively impacted as workings progress further from primary infrastructure. In response to this, the Brakfontein Merensky project feasibility study for a new 120 000 tons per month Merensky mine was completed and is currently in implementation. This mine will provide sufficient feedstock for an upgraded Merensky concentrator until 2021.

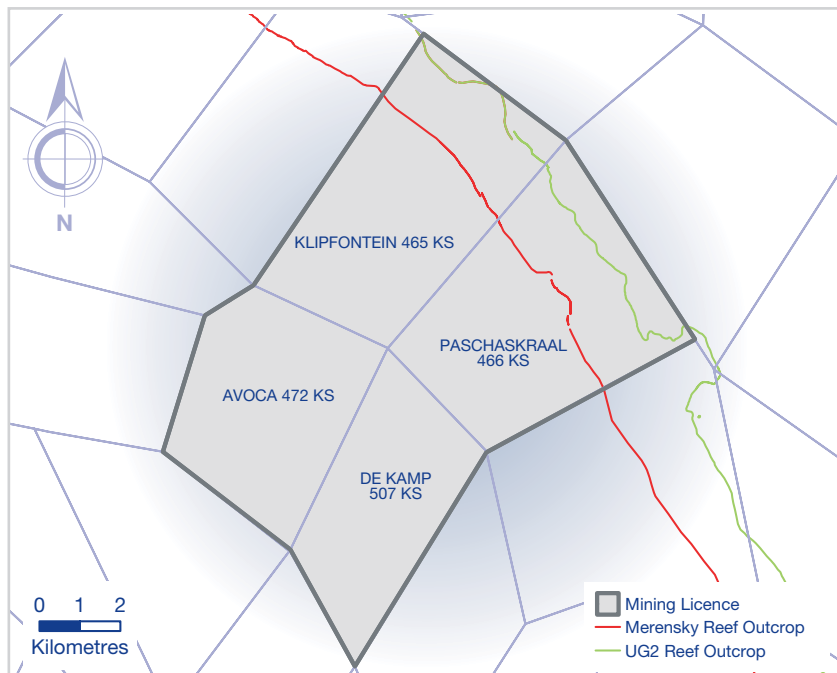
The UG2 operations (50 000 tons per month), based on four adits into Middelpunt Hill, will deplete available reserves over the next six years. The Middelpunt Hill project has thus also subsequently been approved and is in implementation. This project will sustain production at 45 000 tons per month by accessing further levels and, at the same time, positioning the mine for further expansion should the opportunity arise. The



ore will continue to be processed through the existing UG2 concentrator.

Twickenham Platinum Mine

Early in 2004, it was resolved to continue with a small mine on the Hackney Shaft. This operation proved favourable under difficult economic conditions and has built up to 13 000 tons per month. There are now further plans to continue growing this to some 50 000 tons per month pending final project approvals. The initial mining has proven most valuable with better-than-expected stoping widths and grade having been achieved. This has now laid the foundation to improve confidence levels on the proposed mining method as well as the geological model. The mine will continue with the pre-feasibility study to expand the operation to 125 000 tons per month from Hackney Shaft and 130 000 tons per month from Twickenham Shaft during the 2006 financial year.



Ga-Phasha PGM Project

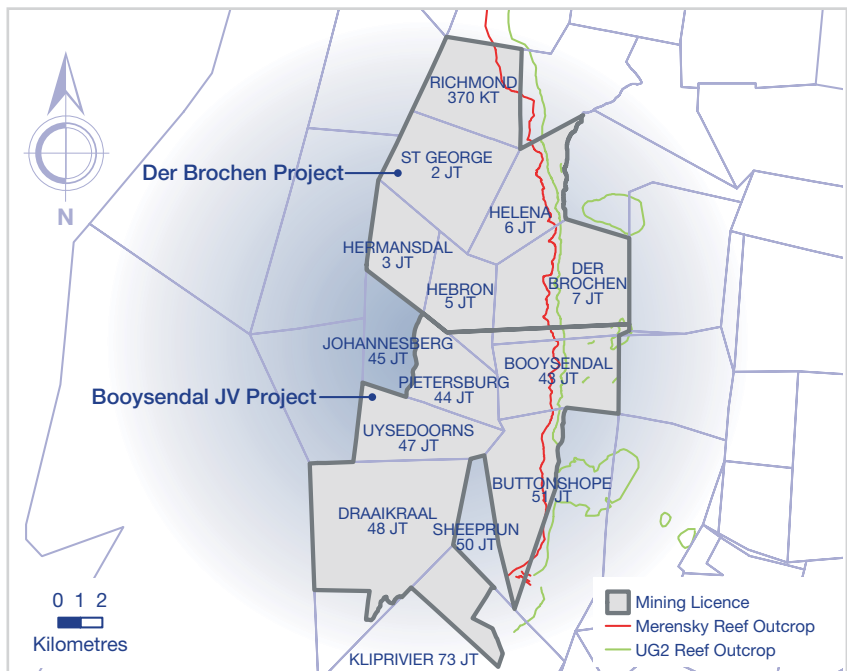
In August 2004, Anglo Platinum signed a joint venture agreement with Plateau Resources to develop the Ga-Phasha PGM project. Plateau Resources replaced Pelawan Investments (Pty) Ltd as Anglo Platinum's BEE joint venture partner on the project following a reverse takeover of Anooraq by Pelawan. The joint venture covers the farms Klipfontein 465KS and Paschaskraal 466KS, contributed by Anglo Platinum, and the farms Avoca 472KS and De Kamp 507KS contributed by the Department of Minerals and Energy on behalf of Pelawan. In 2005, the conceptual study was performed over these properties and these studies will proceed into pre-feasibility stage in 2006.

Der Brochen

The Der Brochen Platinum Mine, 100% owned by Anglo Platinum, will exploit the Der Brochen, Richmond and Helena areas. A mining authorisation for these farms was granted in April 2003. A conceptual study was completed during 2005 and move into the pre-feasibility phase during the course of 2006. Ongoing site activities include additional infill exploration drilling aimed at optimising mining plans.

Booyensdal Joint Venture

Negotiations continue with the BEE joint venture partner, Khumama, so that agreements can be finalised. A conceptual mining trade-off study has been completed and will advance into pre-feasibility study during 2006. Additional drilling activities are continuing in the area to optimise the proposed mining plans.



Unki

This project is situated near Gweru, on Zimbabwe's Great Dyke.

The feasibility of upgrading the project from an 85 000 tons per month operation to 120 000 tons per month is continuing and, subject to approval, first production is forecast in 2008. Development of the mine surface infrastructure has continued with good progress on the establishment of the Lucillapoort dam, road and housing infrastructure. Development of underground infrastructure commenced in 2005, with the development of the decline portal (box cut) and, subject to board approval early in 2006, development of the declines is expected to commence in 2006.



The project is still subject to certain Zimbabwean and South African regulatory and fiscal approvals, and development costs are under review in light of the economic and exchange-rate environment in Zimbabwe.

PPRust North Replacement Project

PPRust's life-of-mine plan was approved in December 2004. This gave rise to the approval and implementation of the Ga-Puka and Ga-Sekhaolelo villages relocation project, which are communities close to the proposed new open pit. Implementation of this project is progressing well.

During 2005, negotiations were finalised with the two affected communities and their agreement to relocate was formalised in individual and community legal agreements. During April, two contracts for the relocation of some 2 200 graves, as well as the establishment and operation of a brickyard to produce some 14 million cement stock bricks, were placed. In September, the main Motlotlo Village construction contract, for the construction of two new villages – some 1 000 houses, four schools, 30 businesses and other associated communal facilities – was placed with Group 5 Housing in a joint venture with the communities. Both village relocation contracts are progressing well, with the grave relocation contract on schedule for completion in February 2006 and the brickyard and village construction contracts ending in July 2007.

The Polokwane effluent water supply project was approved in November 2005 and is currently underway with completion expected in the third quarter 2007.

In 2005 the board approved the PPRust North replacement project which will mill 385 000 tons per month, producing 200 000 replace-ment platinum ounces per annum. This project will be further expanded to mill

an additional 600 000 tons per month, producing an additional 230 000 platinum ounces per annum. The currently estimated capital cost of this expansion is some R4 billion in 2006 money terms. Board and regulatory approvals for this expansion project are expected shortly.

Mototolo Joint Venture

The Mototolo project is located close to Steelpoort, adjacent to Anglo Platinum's Der Brochen property. The 50:50 joint venture between Anglo Platinum and Xstrata began with initial discussions in 2003, culminating in the respective board approvals in July 2005. This UG2 mine comprises two decline shaft systems which are being sunk on reef, each producing 100 000 tons per month, using a mechanised bord-and-pillar mining method. Ore will be transported to the concentrator by overland conveyor. The concentrator is a 200 000 tons per month MF2 plant similar to those in service else-where in the Group. The tailings dam is adjacent to the plant. Commissioning of the 200 000 tons per month concentrator is scheduled for the last quarter of 2006.

By agreement, Xstrata is developing and operating the mine and Anglo Platinum is designing, constructing and operating the concentrator. All concentrate produced by the joint venture will be processed through Anglo Platinum's smelters and refineries. At steady-state, the project will produce 132 000 ounces of platinum per annum.

Eastern Limb Water Supply

To ensure sufficient water for the Eastern Limb mining and process plants, the dam wall at the Flag Bosheilo dam is being raised by five metres. The dam project was approved during 2004. In addition, the 56-kilometre Lebalelo Water User Association pipeline,

which includes two buffer dams and two pump stations, is being extended to carry water from Modikwa to the Mototolo JV and caters in part for the Der Brochen Valley projects. The Polokwane effluent water supply project was approved in November 2005 and is currently underway with completion expected in the third quarter 2007.

PROCESSING PROJECTS IN DEVELOPMENT

Anglo Platinum Converting Process (ACP)

ACP Phase A has been operating successfully from the beginning of 2004 with no matte converting undertaken in the existing Pierce-Smith converters since April 2004. All matte converting now takes place in the ACP plant with the gas treated in the new ACP acid plant.

The second standby ACP reactor, Phase B, has been successfully cold-commissioned and is planned to be available for full production in the first quarter of 2006.

Although the 20 tons per day SO₂ emission target was achieved by the end of 2004, the sustainability of this achievement at increased production levels was doubtful due to acid plant design constraints. The rectification strategy is being rolled out. The modified acid plant was partially commissioned during the third quarter of 2005 with final commissioning on schedule for the first quarter 2006.

Precious Metals Refiners (PMR) Expansion

The expansion of the PMR in accordance with the Group's PGM production targets continued on schedule during 2005. The

new plant areas have been commissioned successfully and the ramp-up of the new rhodium process completed to plan.

The expansion programme is substantially complete with two minor areas requiring de-bottlenecking, which will be implemented as required by production forecasts.



The new fume extraction system on the ladle pre-heaters of the ACP Phase B furnace. Pre-heater fumes are collected and piped, along with other fumes, to the acid plant.

BLACK ECONOMIC EMPOWERMENT (BEE) INITIATIVES

“The BRPM/Stylrift joint venture will have mineable Merensky reserves and resources in excess of 130 million tons, at the expected production rate of 485 000 ounces of refined platinum and 236 000 ounces of refined palladium per annum, and have an expected life in excess of 50 years.”

Northam Platinum Limited (Northam)

In August 2000, Anglo Platinum sold a 17,5% interest in Northam Platinum Limited (Northam) to Mvelaphanda Platinum (Pty) Limited (Mvelaphanda). Anglo Platinum facilitated the sale of an additional 5% interest from the Rembrandt Group (Remgro) to Mvelaphanda. As at 31 December 2005, Anglo Platinum's beneficial shareholding in Northam was 52 474 501 shares (2004: 52 104 038), representing 22,5% (2004: 22,5%) of Northam's issued share capital and Mvelaphanda's beneficial shareholding in Northam was 51 738 305 shares (2004: 51 738 305), representing 22,18% (2004: 22,34%) of Northam's issued share capital.

Modikwa Platinum Mine

In August 2001, RPM and the ARM Mining Consortium Limited concluded a joint venture, known as the Modikwa Platinum joint venture, to exploit the mineral resource of four contiguous properties on the Eastern Limb of the Bushveld Complex: Driekop, Maandagshoek, Onverwacht and Winterveld. The mine was designed to produce 200 000 tons of UG2 ore per month utilising two shafts at an initial capital cost of some R1,35 billion, with annual production of 162 000 ounces platinum. The mine plans to build up to 240 000 tons per month.

Pandora Joint Venture

The Pandora joint venture project, which became unconditional on 29 April 2004, is located some ten kilometres west of the town of Brits in North West province. The joint venture comprises both Merensky and UG2 reefs. The participants to the joint venture are RPM (42,5%), Eastern Platinum Limited (42,5%), Bapo Ba Mogale Tribe

(7,5%) and Mvelaphanda Resources Limited (7,5%).

The synergies of working together on the project are expected to realise significant capital cost savings and this has facilitated an immediate tonnage build-up by utilising existing Eastern Platinum mine access and infrastructure. Pandora will mine the UG2 reef and the resource is estimated at 160 million tons. The mining operation will have an expected life of 30 years.

Bafokeng-Rasimone Platinum Mine and Stylrift Joint Venture

On 12 August 2002, Anglo Platinum and the Royal Bafokeng Nation announced that agreement had been reached to form a 50:50 joint venture to mine the Boschkoppie and Stylrift farms owned by Anglo Platinum and Royal Bafokeng Nation respectively, near Rustenburg in the North West province. In terms of the joint venture, which became unconditional on 27 February 2004, RPM and the Royal Bafokeng Resources, a wholly-owned subsidiary of the Royal Bafokeng Nation, will co-operate as equal participants and intend to utilise the existing infrastructure at BRPM to gain access to the farm Stylrift. Additional infrastructure, including a new decline shaft and a 230 000 tons per month concentrator, will allow the joint venture to attain full production of 2,76 million tons per annum.

The previously-announced Stylrift project has been rescoped to align exploitation with the more complex geological structure identified as a result of further drilling and seismic interpretation. Together with our joint venture partner, Anglo Platinum has agreed to a development plan that will allow feasibility work and further geological exploration to continue in 2006.

The joint venture will have mineable Merensky reserves and resources in excess of 130 million tons, at the expected production rate of 485 000 ounces of refined platinum and 236 000 ounces of refined palladium per annum, and have an expected life in excess of 50 years.

Booyssendal Joint Venture

In July 2003, Anglo Platinum and Khumama Platinum (Pty) Ltd, a BEE consortium, announced their agreement in principle to establish a 50:50 joint venture to develop the Booyssendal Platinum Project on the Eastern Limb of the Bushveld Complex in Mpumalanga province. This joint venture includes the farms Buttonsheep 51JT, Kliprivier 73JT, Draaikraal 48JT, Uysedoorns 47JT, Booyssendal 43JT, Pietersburg 44JT, a portion of Der Brochen 7JT and a portion of Hebron 5JT contributed by Rustenburg Platinum Mines and the farms Sheeprun 50JT and Johannesburg 45JT contributed by the Department of Minerals and Energy on behalf of Khumama. The conclusion of the joint venture agreement is still subject to certain conditions, including obtaining the necessary regulatory and statutory consents and authorisations, as well as board approvals.

Ga-Phasha PGM project

In August 2004, Anglo Platinum signed a joint venture agreement with Plateau Resources to develop the Ga-Phasha PGM project. Plateau Resources replaced Pelawan Investments (Pty) Ltd as Anglo Platinum's BEE joint venture partner on the project as a result of a reverse takeover of Anooraq by Pelawan. The joint venture covers the farms Klipfontein 465KS and Paschaskraal 466KS,

contributed by Anglo Platinum, and the farms Avoca 472KS and De Kamp 507KS contributed by the Department of Minerals and Energy on behalf of Pelawan. The joint venture has embarked on a programme to determine how to optimally exploit both the Merensky and UG2 reef horizons. The programme is intended to be completed in the first quarter of 2006 after which a timetable for completion of the necessary studies will be determined.

Elandsfontein

In October 2005, Anglo Platinum signed an agreement with Eland Platinum Mines (Pty) Ltd for the disposal of its mineral and surface rights on the property Elandsfontein 440JQ for a cash consideration. In terms of the agreement, Anglo Platinum will apply for the conversion of its old order rights into new order rights and request ministerial consent for the transfer to Eland Platinum Mines (Pty) Ltd. The Ngazana Consortium, led by Dr Penuell Maduna, and incorporating prominent businesswomen and other historically disadvantaged persons, holds an unencumbered 26% interest in Eland Platinum Mines. In addition to their unencumbered beneficial interest, historically disadvantaged persons control the boards of both Eland Platinum Mines and Eland Platinum Holdings Ltd, which holds a further 65% of Eland Platinum Mines and is due to list on the JSE Limited during 2006. In terms of the agreement, Anglo Platinum will provide all geological information at its disposal to Eland Platinum Mines (Pty) Ltd and may, at its election, enter into a further agreement to purchase the concentrate emanating from the mining of this property and certain contiguous properties.

“The Group remains committed to providing educational support for every level of employee.”

HUMAN RESOURCES STRATEGY

The principle underlying the Anglo Platinum human resources strategy is the recognition that to sustain and grow shareholder value, people management and development must be a core component of the business plan.

The Group prides itself on having talented people – without them we would not be able to achieve world-class performance in all areas of business. Anglo Platinum's goal is to be an employer of choice; to attract and retain the best through creating an organisational culture and set of values that foster performance excellence and provide opportunities for all our employees to reach their full potential.

CAREER AND EMPLOYEE DEVELOPMENT

Investment in employees includes developing career paths that will enable them to maximise their contribution to the Group, achieve job satisfaction, develop their marketability and reach their full potential. To give effect to this commitment, generic career paths have been generated for every discipline with documented role descriptions that detail job complexity levels and minimum education, experience and competency requirements.

In 2005, in excess of 31 000 employees underwent some form of training: adult basic education, job skills training, professional or management development. Costs associated with this training amounted to 1,2% of total employment costs. The Group remains committed to providing educational support for every level of employee.

Career Development Panels (CDPs) gained momentum in 2005 and saw the introduction of functional CDPs for senior staff chaired by an executive director. In 2006, the challenge will be to ensure post-CDP feedback and action to ensure the ongoing credibility of this development process among employees.

ADULT BASIC EDUCATION (ABET)

For a number of employees, reading and writing is a real challenge. Approximately 1 880 employees are enrolled in Group ABET programmes that support candidates in acquiring basic adult literacy skills and beyond.

In 2005, recognition of prior learning (RPL) was implemented successfully across ABET 1, 2, 3 and NQF 1 within the mining operations. National examinations were held, reflecting an improvement of 2% in the overall pass rate compared with 2004.

LEADERSHIP SUPPLY

Investment in long-term training initiatives to ensure the Group is resourced with people who have the potential to develop and take on more complex and challenging roles is a priority. In many areas where few employment opportunities exist, the Group offers young people the chance to obtain transferable skills and qualifications and economic independence.

In addition to the current 323 students already on Anglo Platinum's bursary schemes, a further 413 bursary awards for tertiary study have been targeted for 2006. While

target numbers are likely to be met, a cause for concern is the relatively low number of school leavers with a symbol C higher grade or B standard grade maths and science, intent on pursuing a technical qualification and a career within the mining industry.

Anglo Platinum is concerned about the skills shortage resulting from the national decline in the number of registered engineering learners throughout all industry sectors. This issue has been raised by all SETAs, as well as the Minister of Labour. The situation is aggravated by the number of artisans lost through emigration. Anglo Platinum's bursary and graduate development programmes, as well as the Engineering Technical Centre for Technical Learnerships, are the means that the Group envisages will ensure that it is not affected by the skills shortages.

PERFORMANCE MANAGEMENT

Anglo Platinum is committed to effective employee-performance management, through regular formal and informal feedback and review, and open communication. In 2005, significant refinements were made to the Group's performance management system applied to managerial employees. These redesign changes have allowed for a more accurate picture of organisational performance. Steps were also taken to enhance the alignment of incentive awards paid by the Company to the relative performance of individuals, assets and the business.

The Group's aim is that every employee will have regular face-to-face meetings with a direct line manager to agree performance

targets and to review performance and development needs. Feedback and discussions on performance assist employees to work more effectively by building on strengths and identifying ways to overcome identified shortcomings. These conversations ensure that employees understand what is expected of them and how their individual contributions support our business strategy.

TALENT MANAGEMENT

The year ahead will provide an opportunity to refocus and integrate talent management with performance management processes to ensure the methodology yields a better picture of the talent potential in the Group.

TRANSFORMATION IN SOUTH AFRICA

Internally, transformation has been a key focus in recent years, with a comprehensive strategy aimed at building a diverse workforce. Anglo Platinum believes that a strong, positive culture embraces diversity. Drawing on diverse experiences, perspectives and approaches encourages innovation and is a source of competitive differentiation for Anglo Platinum. There is no quick fix and this means a real long-term commitment to overcome historical imbalances.

Representation of historically disadvantaged South Africans in management positions continued, rising from 30% in 2004 to 36% in 2005. While this represents a steady change in the composition of senior management, it is clear that progress towards meeting Mining Charter targets of 40% HDSA in

“In September 2005, a wage agreement was signed with all representative unions and associations for a two-year period (2005 – 2007).”

management levels and 10% women in core functions will not be achieved through normal attrition. The Group has therefore initiated a number of fast-tracking programmes across most disciplines to effect more rapid progress. So far, 87 employees have been engaged on these programmes with further candidates identified for 2006.

The need to promote and support diversity in the workforce is a key challenge, particularly attracting women into mining, which has seen progress being made with the first woman obtaining a mine overseer's certificate. Although progress has been made, the five-year 10% target in respect of women in mining poses a considerable challenge for the Group. Efforts are continuing with stakeholders, including government, which should do much to address this issue.

MINING CHARTER – SOCIAL AND LABOUR PLANS

As part of the process of converting old order mining rights, we have submitted with those applications social and labour plans. The outcome of these applications is awaited from the DME.

EMPLOYEE RELATIONS

The Group continued to enjoy labour stability as a result of positive relations with labour unions and associations through the use of various forums and communication

structures. In September 2005, a wage agreement was signed with all representative unions and associations for a two-year period (2005 – 2007).

However, despite relative labour stability work disruptions were experienced with contract labour and labour-hire employees. This is a disruptive and unsatisfactory situation and is receiving management's attention.

Turnaround initiatives at some operations in the Group have highlighted the need to be able to redeploy employees across the business to ensure the correct skills mix. This issue will receive further attention in 2006.

The employee relations policy agreement will be reviewed in 2006 in accordance with the agreement with all labour stakeholders. The review will ensure that the revised policy supports the business strategy and is expected to be implemented before the end of 2006.

The Group uses various means of engaging with employees including formal briefing sessions down the line, newsletters and monthly Group publications. Employees are also encouraged to discuss issues of concern with their immediate supervisors or local human resource co-ordinators. If an employee is of the view that a particular issue is not being addressed appropriately then he or she is welcome to raise the issue through the formal grievance process.



Training methods for methane detection at Rustenburg Sections's underground training facilities.

“The UG2 Reef has become an important additional source of PGMs due to the depletion of much of the best areas of shallow Merensky Reef.”

The Bushveld Complex

The Bushveld Complex is a world-class repository for a number of ore bodies yielding a range of mineral commodities that include chrome, vanadium, titaniferous magnetite, and platinum group metals (PGMs). The complex is extensive, stretching approximately 350km east to west and 250km north to south. It is approximately saucer-shaped with the edges dipping inwards towards the centre. At the rim of the ‘saucer’, pyroxenites, norites, gabbros and chromitites are found inter-layered in a variety of combinations. Unique to the Bushveld Complex is the presence of two stratiform deposits, known as the Merensky Reef and the UG2 Reef that can be traced for hundreds of kilometres along the rim and down into the complex and which contain economically exploitable quantities of PGMs. Since mining commenced in the 1920s, the Merensky Reef has been the primary focus of Anglo Platinum’s mining operations and still tends to be the most lucrative of the ores mined.

The Merensky Reef and UG2 Reef are separated by a vertical distance of between 16 and 400 metres, depending on location. The UG2 Reef has become an important additional source of PGMs due to the depletion of much of the best areas of shallow Merensky Reef. Although narrow

(the Merensky Reef and UG2 Reef are generally mined at a stoping width of less than a metre) these tabular ore bodies extend laterally over hundreds of kilometres.

On the northern limb of the Bushveld Complex a stratigraphic horizon, known as the Platreef, occurs. It is believed to be the local equivalent of the Merensky Reef, but is substantially wider and as such supports open-pit mining operations.

Overview of current exploration

SOUTH AFRICA

As in the past, Anglo Platinum’s exploration activities are directly linked to the Group’s announced expansion programme and are primarily focused on quantifying Ore Reserves and Mineral Resources in the Bushveld Complex. Good progress continues to be made on all exploration fronts with 401 kilometres of diamond coring being completed as part of the geological data collection phase. In the past year, the spread of exploration activity was about equal between the eastern, western and northern limbs of the Bushveld Complex, reflecting the geographic range of Anglo Platinum’s Bushveld projects.

IMPACT OF THE MINERAL AND PETROLEUM RESOURCES DEVELOPMENT ACT (MPRDA) ON THE REPORTING OF RESOURCES AND RESERVES IN SOUTH AFRICA

In preparing the 2005 Anglo Platinum Reserve and Resource Statement, Anglo Platinum has adopted the following policy in respect of mineral rights:

- Where applications for rights have been submitted and these have either been approved or are still being processed and discussed, these have been included in the statement;
- Where applications for conversion of rights have not yet been submitted and the required deadline for submission has not passed, these have been included in the statement; and
- Where rights have effectively been relinquished, these have been excluded from the Anglo Platinum Reserve and Resource Statement.

OPERATIONS (including major on-mine projects)

Rustenburg Platinum Mines (RPM)

RPM holds mineral rights throughout the Bushveld Complex under various old order titles, totalling 44 499 hectares, and is exploiting these on a fully-operational basis at Rustenburg, Union and Amandelbult sections. Drilling continues to improve the level of confidence in the various projects in all sections. A three dimensional (3D) seismic survey was completed during the year at Rustenburg Section, which, together with the aeromagnetic survey results, has significantly assisted in understanding the structures affecting the Mineral Resources within the mining licence area.

Aspects covered were the near-mine Ore Reserve conversion from Mineral Resource and the need for deeper information for longer-term mine planning and scheduling, with particular attention to the Merensky Reef. Similarly, 3D seismics and diamond drilling were focused on the western section of Amandelbult in the area of a possible No 3 vertical shaft. A further 3D seismic survey over the remainder of Amandelbult was started towards the end of the year and will be completed in 2006.

BRPM

BRPM is currently mining on the farm Boschkoppe 104JQ which covers a total area of 3 362 hectares. The adjacent farm, Styldrift 90JQ, also forms part of the BRPM joint venture and has recently been the focus of exploration. During the year, a 3D seismic survey was completed and the interpretation of results is being used to direct the Mineral Resource drilling programmes. The relatively complex geology, found mainly at North Shaft, has necessitated a more intense

drilling programme on the farm Boschkoppe 104JQ. The improvement in mining production in 2005 bears testimony to the benefits of this programme.

Modikwa

The Modikwa JV with ARM Platinum holds a mining licence that covers an area of 14 313 hectares on portions of the farms Maandagshoek 254KT, Onverwacht 292KT, Winterveld 293KT, Driekop 253KT and Hendriksplaats 281KT. The Merensky Reef and UG2 Reef both occur on these properties and are being systematically evaluated to provide data for Modikwa's development programmes.

CHANGES IN THE ORE RESERVE AND MINERAL RESOURCE STATEMENT FOR 2005

Ore reserve – Mineral Resource Summary

Category	2005		2004	
Total Ore Reserves	1 265,9Mt	166,9Moz	1 156,6Mt	162,3Moz
Proved Ore Reserves	667,4Mt	83,1Moz	577,6Mt	74,2Moz
Total Mineral Resources	6 087,6Mt	806,4Moz	5 236,6Mt	781,3Moz
Measured Mineral Resources	537,2Mt	75,7Moz	536,7Mt	74,5Moz
Measured and Indicated Mineral Resources	2 163,0Mt	290,6Moz	1 874,1Mt	272,7Moz

- Ore Reserves increased primarily due to the conversion of additional UG2 Mineral Resources to Ore Reserves at:
 - Rustenburg Section (Waterval area) and Union Section;
 - New JV partners at Aquarius PSA2 and Mototolo; and
 - The Modikwa JV.
- Proved Ore Reserves increased primarily as a result of additional tonnage from the UG2 at Rustenburg Section and Aquarius PSA2.
- The total Mineral Resources increased primarily due to the introduction of Platreef Mineral Resources from PPRust – Tweefontein Hill, Tweefontein North, PPRust North, Zwartfontein North projects and Zwartfontein South pit. As a result of exploration activities, the Mineral Resources for Zwartfontein North have been assessed and are reported in 2005. Note: A 1g/t cut-off has been used for the Platreef Mineral Resources.

However the Merensky Reef and UG2 Reef Mineral Resources decreased due to the following:

- The Booyssendal JV resulting in the loss of 50% of the tonnage;
- The Modikwa JV agreement resulting in the loss of 50% of the Modikwa Deeps and portions of Driekop UG2 tonnage; and
- The disposal of the mineral rights at Elandsfontein 440JQ.
- The increase in Measured Mineral Resources stems from PPRust.
- The increase in Measured and Indicated Mineral Resources resulted from additional Platreef Mineral Resources.



A Geosearch (Pty) Ltd drill rig in operation on the Leplats mining licence.



Anglo Platinum geologists Willem Anthonissen (left) and Russell Booth (right) examining ore from a drill rig at Leplats.

Potgietersrust Platinums Limited (PPRust)

PPRust is engaged in mining PGMs and base metals, which are an integral part of the Platreef. PPRust holds a mining licence over an area of 13 603 hectares on the Platreef in the Mokopane and Mokerong districts. The properties over which the Company has the rights to mine are situated on the northern (Polokwane) limb of the Bushveld Complex.

Mineral Resource drilling on the northern limb, which includes the PPRust North project, was completed in 2005. The Mineral Resource estimation for the project has had a very positive effect on the Group's Mineral Resource totals as shown in the subsequent tabulation. Mineral Resource definition will continue on other parts of PPRust in 2006.

Lebowa Platinum Mines (Leplats)

Leplats is engaged in mining the Merensky Reef and UG2 Reef on the farms Middelpunt 420KS, Umkoanesstad 419KS, Brakfontein 464KS, Diamand 422KS, and Zeekoegat 421KS. The mining licences cover an area of 14 757 hectares.

Rights to mine UG2 Reef on portions of the farms Winterveld 417KS and Jagdlust 418KS were obtained in 2003. These farms are adjacent to the Middelpunt Hill operations.

OTHER PROJECTS

Since acquiring its portfolio of mineral rights, the Group has systematically explored and categorised its Mineral Resources in preparation for expansion or replacement of depleting operations. Current exploration is geared toward evaluation and feasibility studies. The programmes therefore focus on borehole drilling (mainly diamond drilling) and

geophysical surveys (mainly aeromagnetic and 3D seismics). The largest component of the exploration budget comprises drilling costs with its associated chemical analysis for PGMs and base metals, as well as detailed mineralogical examination.

Some highlights of 2005 were:

- Ongoing refinements of Mineral Resource evaluation and estimation techniques, in line with international and local regulatory requirements, have complemented the past few years' exploration efforts. As stated in the 2004 annual report, the manner and execution of Mineral Resource estimation and classification has been revised to be fully SAMREC-compliant and, in addition, to incorporate a quantifiable risk confidence-based approach to the classification technique. Conditional simulation was introduced into Mineral Resource risk assessment and classification. This technique enables geologists to estimate a quantifiable risk for various parameters of the Mineral Resource, such as width grade, or content, under different mining rate scenarios. Where appropriate this technique has been incorporated in the Mineral Resource classification process. The Mineral Resource classification, however, ultimately reflects the competent person's assessment. Refer to the definitions of Ore Reserves and Mineral Resources for more information on the level of confidence deemed acceptable.
- External audits and an external review of the Group's resource evaluation have verified the integrity and completeness of the transition to the new Mineral Resource reporting process.
- As noted above, a total of 401 kilometres of diamond drilling was achieved in the year, of which a substantial portion was

completed in rugged and tortuous terrain, where logistical support was difficult. Calendar year 2006 will see a similar level of activity, continuing the process of asset verification and quantification. During the reporting period, 11 088 shifts were worked totalling 443 520 man-hours with only two lost-time injuries sustained by employees and contractors. There were no fatalities in the exploration operation.

- Anglo Platinum has been instrumental in partnering the development of a geological database and logging system for the purpose of acquiring drill-hole data during periods of accelerated drilling programmes. This has permitted the electronic accumulation of data, its safe storage and prompt transmission of data to a central storage facility aimed at compiling, validating and consolidating data prior to the Mineral Resource modelling process. Coupled with the above, all core data has been successfully logged, sampled, validated and verified, reflecting an effective and robust geological database system. Implementation of a bar-coded sample tracing and submission system, linked to new robotic laboratories, has been initiated.

DER BROCHEN, BOOYSENDAL JV, TWICKENHAM, BRAKFONTEIN MERENSKY

Drilling in the eastern limb has been directed at upgrading and confirming the classification of Mineral Resources in the project areas of Der Brochen, Booysendal JV, Twickenham and Brakfontein. Results have been in line with expectations and are encouraging.

OLD ORDER PROSPECTING PERMITS

Anglo Platinum holds various old order prospecting permits throughout the Bushveld Complex. These are being systematically explored and evaluated. Applications for conversion of these old order prospecting permits to new order prospecting rights are being submitted to the DME at the appropriate times.

INTERNATIONAL

Canada

River Valley

Mineral Resource definition along strike of the original target has now identified approximately nine kilometres of breccia-zone PGE mineralisation with many encouraging intersections. The Mineral Resource estimates for the River Valley have been updated by Pacific North West Capital Corporation's consultants (Derry, Michener, Booth and Wahl) and these too show encouragement. The delineation and expansion of the target zones was aided by the interpretation of Spectrem airborne electromagnetic data flown during 2003.

Bulk sampling for metallurgical flotation response test work is underway at Anglo Platinum's facilities. Ongoing work towards feasibility assessment is envisaged for 2006, together with further Mineral Resource strike definition drilling. Given that this is a low-platinum grade, high-palladium content ore body, good metallurgical recoveries would be a key aspect to the feasibility. Pacific North West Capital Corp is the joint venture partner and operator.



Geologist Denzil Oliver conducting detailed core logging at the Driekop Exploration camp.

Agnew Lake

Anglo Platinum has decided that no further exploration work will be conducted at present over the property because recent work has suggested current targets do not exhibit potential for PGM ores. Possible future work will be carefully considered should new targets arise out of a review of exploration model hypotheses. Pacific North West Capital Corp (PFN) are the JV partners and operators of the JV.



Anglo Platinum exploration drilling in the Danba Region, China.

Russia

Urals Platinum Exploration

Following the re-issue of the exploration licence, test-pitting and trial bulk processing of material has commenced on the Tylai area, where initial indications are very positive. Reconnaissance work to the north of the current licence area has also been encouraging, with target generation indicating potential of further unexploited alluvial deposits. Further land acquisition is currently receiving attention in areas that have characteristics favourable for placer platinum development. Eurasia Mining plc is Anglo Platinum's partner in this joint venture and is the project manager.

China

Fieldwork commenced in 2005 with drilling and geophysical surveys being conducted on three project areas. In addition, the focus of activity has been to generate new targets based on the soon-to-be-made-available regional geochemical data. The Panxi rift orogenic belt is known to host a number of igneous intrusives of which the Danba area

(Yangliuping Mine) is of particular interest, and known to contain base metal with attendant PGE mineralisation. An assessment of the current state of knowledge and an evaluation of previous work form the starting points of an economic assessment of the area. Two other areas are currently under review and show initial promise at this point. Several other targets will be considered in the coming periods.

Brazil

Pedra Branca

Previous work conducted by Solitario, and the more recent exploration funded by Anglo Platinum, has advanced ten significant PGM targets at the Pedra Branca site to the drill definition stage. The Esbarro prospect is the most advanced with 85 drill holes defining a shallow mineralised zone nearly 800 metres long and up to 200 metres wide. Drill-hole intersections within this zone often exceed 2,5 grams per ton PGM. Upon completion of a staged US\$7,0 million work commitment, Anglo Platinum will have the right to earn an additional 9% interest (to 60% total interest) by completing a bankable feasibility study within 18 months of earning its 51% interest. Anglo Platinum can earn a further 5% interest (to 65% total interest) by arranging 100% of the project financing necessary to place the project into commercial production.

Zimbabwe

Unki Platinum Project

Drilling within the planned ten-year mining footprint has been completed and a geostatistical evaluation exercise completed



Current small-scale mining (Yangliuping mine) China, showing adits on the hillside.

of the project. Portal site and decline placement geotechnical drilling was completed during 2005. Further drilling outside of the mining footprint will be conducted during 2006. Opening up of the old Paarl Winze has been successful, with a resampling programme and potential trial mining exercise being the objective.

Combined ore reserves and mineral resources

The following tables list the combined Ore Reserve and Mineral Resource status of Anglo Platinum's operations and projects. Anglo Platinum's use of the term 'Ore Reserves' is synonymous with that of 'Mineral Reserves' as defined in the SAMREC Code (subclause 5.5.1). The table includes Ore Reserves and Mineral Resources associated with projects not reported in previous annual reports. They are in addition to the table of Ore Reserves and Mineral Resources pertaining to existing operations and announced projects. It should be noted that the Mineral Resources quoted are over a minimum mining cut as appropriate to the ore deposit. The Mineral Resources are in excess of the Ore Reserves.

The geological models from which the Mineral Resources and Ore Reserves are estimated were completed and signed off by July 2005. Ore Reserve depletions are up to 31 December 2005.

The SAMREC Code for reporting Ore Reserves and Mineral Resources has been applied, as defined on page 92. This is consistent with the reporting basis used by Anglo American plc. Various competent

SOUTH AFRICAN MINERALS LEGISLATION

The Mineral and Petroleum Resources Development Act, No 28 of 2002 (MPRDA) came into effect on 1 May 2004. It brings about a radical departure from the common-law concept of privately owned mineral rights and provides for a system in which, as in most other countries, the state grants and regulates prospecting and mining rights. Among others, the objects of the Act are to:

- Promote equitable access of the nation's mineral and petroleum resources to all the people of South Africa;
- Expand opportunities for HDSAs to enter the mineral industry and to benefit from the exploitation of the nation's mineral resources;
- Promote economic growth and mineral development in the Republic;
- Promote employment and advance the social and economic welfare of all South Africans;
- Provide for security of tenure in respect of present prospecting, exploration, mining and production operations; and
- Ensure that holders of mining rights contribute towards the socio-economic development of the areas in which they operate.

The immediate challenge for Anglo Platinum is to convert its privately held mineral rights to those granted by the state under the MPRDA. Anglo Platinum complies with the legislative requirements for conversion and has already lodged application for conversion of some of its old rights in respect of its current operations for conversion. All old rights in respect of existing operations remain in force for five years as from 1 May 2004.

Anglo Platinum holds some 17 old order mining rights in the name of its wholly-owned subsidiaries and four old order mining rights held with joint venture partners, directly and indirectly through subsidiaries and associate companies. Of the 17 old order rights, 13 have been lodged for conversion. The remaining four and four old order joint venture mining rights are expected to be lodged soon.

persons, as defined by the SAMREC Code of Practice, have prepared the Ore Reserve and Mineral Resource figures quoted in this report. The figures were reviewed and signed off by the signatory below.



Ron Hieber (Pr.Sci.Nat)

Head: Exploration and Mineral Strategy

Johannesburg
9 February 2006

ORE RESERVES AND MINERAL RESOURCES BY REEF, AS AT 31 DECEMBER 2005

Ore Reserves by reef, as at 31 December 2005

Ore Reserves as at 31 December 2005				Metric				Imperial	
Reef	Category	Reserves million tons		Grade 4E g/t		Contained 4E tons		Contained 4E million troy ounces	
		2005	2004	2005	2004	2005	2004	2005	2004
Merensky Reef	Proved	98,6	91,3	5,42	5,57	534,4	508,9	17,2	16,4
	Probable	118,7	124,8	5,70	6,14	676,8	765,8	21,8	24,6
	Total	217,3	216,0	5,57	5,90	1 211,2	1 274,7	38,9	41,0
UG2 Reef	Proved	279,5	229,5	4,03	4,12	1 127,4	944,8	36,2	30,4
	Probable	420,8	362,3	4,12	4,41	1 735,6	1 596,9	55,8	51,3
	Total	700,3	591,8	4,09	4,29	2 863,0	2 541,7	92,0	81,7
Platreef	Proved	276,9	246,8	3,21	3,34	889,8	825,5	28,6	26,5
	Proved Stockpiles	12,4	9,9	2,76	2,91	34,1	28,9	1,1	0,9
	Probable	59,1	92,0	3,29	4,09	194,1	376,0	6,2	12,1
	Total	348,3	348,7	3,21	3,53	1 118,0	1 230,4	35,9	39,6
All reefs	Proved	667,4	577,6	3,87	4,00	2 585,7	2 308,0	83,1	74,2
	Probable	598,6	579,1	4,35	4,73	2 606,5	2 738,8	83,8	88,1
	Total	1 265,9	1 156,6	4,10	4,36	5 192,2	5 046,8	166,9	162,3
Tailings	Proved								
	Probable	48,2	33,5	0,98	1,10	47,2	36,9	1,5	1,2
	Total	48,2	33,5	0,98	1,10	47,2	36,9	1,5	1,2

Footnotes

General

■ Rounding of figures may result in computational discrepancies. 4E grade reported: sum of platinum, palladium, rhodium and gold grades.

■ New joint venture agreements have been finalised:

- PSA2 JV with Aquarius Platinum South Africa
- Mototolo JV with Xstrata

Merensky Reef

■ The global grade decrease results from changes in stope width due to improved understanding of the geology and mineralisation within the pothole reef at Union Section and Amandelbult Section and the introduction of in stope bolting at Amandelbult sections.

UG2 Reef

■ The increase in tonnage is based on:

- The conversion of Mineral Resources to Ore Reserves at Modikwa JV, Union and Rustenburg Sections.
- The introduction of new joint ventures at Mototolo and PSA2.

■ Metal increase by 10Moz due to the conversion of Mineral Resources to Ore Reserves and the introduction of the JV Ore Reserves. Tonnage increased by 108Mt mainly due to mechanised mining methods applied in the Rustenburg and Mototolo mining areas. The overall effect is a grade decrease of 0,2g/t.

Platreef

■ Recently encountered geotechnical constraints have restricted the final pit layout at PPRust North, resulting in some of the previously reported portion of the higher-grade Ore Reserves being reallocated to Mineral Resources categories and necessitated a redesign of the pit.

Platreef stockpiles

■ These are reported separately as Ore Reserves and aggregated into the summation tabulations.

Tailings

■ These are reported separately as Mineral Resources and Ore Reserves but are not aggregated to the global Mineral Resource and Ore Reserve summation.

"A 'Competent Person' is a person who is a member of the South African Council for Natural Scientific Professions (SACNASP) and/or the Engineering Council of South Africa (ECSA) and/or the South African Council for Professional Land Surveyors and Technical Surveyors (PLATO) or any other statutory South African or international body that is recognised by SAMREC. A Competent Person should have a minimum of five years' experience relevant to the style of mineralisation and type of deposit under consideration and to the activity that person is undertaking. If the Competent Person is estimating or supervising the estimation of Mineral Resources, the relevant experience must be in the estimation, assessment, and evaluation of Mineral Resources. If the Competent Person is estimating or supervising the estimation of Ore Reserves, the relevant experience must be in the estimation, assessment, evaluation, and economic extraction of Ore Reserves."

Source: Samrec Code

Mineral Resources by reef, as at 31 December 2005

Mineral Resources as at 31 December 2005				Metric				Imperial	
Reef	Category	Resources million tons		Grade 4E g/t		Contained 4E tons		Contained 4E million troy ounces	
		2005	2004	2005	2004	2005	2004	2005	2004
Merensky Reef	Measured	68,4	76,1	5,62	5,23	384,7	398,3	12,4	12,8
	Indicated	250,0	261,4	5,30	5,63	1 326,2	1 470,4	42,6	47,3
	Measured and Indicated	318,4	337,5	5,37	5,54	1 710,9	1 868,7	55,0	60,1
	Inferred	1 057,8	1 138,9	5,54	5,53	5 863,5	6 299,4	188,5	202,5
	Total	1 376,2	1 476,4	5,50	5,53	7 574,4	8 168,1	243,5	262,6
UG2 Reef	Measured	262,7	312,0	5,48	5,25	1 438,1	1 638,8	46,2	52,7
	Indicated	660,7	766,8	5,45	5,12	3 601,6	3 925,4	115,8	126,2
	Measured and Indicated	923,4	1 078,9	5,46	5,16	5 039,6	5 564,2	162,0	178,9
	Inferred	1 394,3	1 648,2	5,41	5,30	7 550,2	8 732,1	242,7	280,7
	Total	2 317,7	2 727,1	5,43	5,24	12 589,8	14 296,3	404,8	459,6
Platreef	Measured	206,1	148,5	2,58	1,88	531,2	278,6	17,1	9,0
	Indicated	715,0	309,2	2,46	2,49	1 757,1	769,0	56,5	24,7
	Measured and Indicated	921,2	457,7	2,48	2,29	2 288,3	1 047,6	73,6	33,7
	Inferred	1 472,5	575,5	1,79	1,37	2 629,2	788,6	84,5	25,4
	Total	2 393,7	1 033,2	2,05	1,78	4 917,5	1 836,2	158,1	59,0
All reefs	Measured	537,2	536,7	4,38	4,31	2 354,0	2 315,7	75,7	74,5
	Indicated	1 625,8	1 337,4	4,11	4,61	6 684,9	6 164,8	214,9	198,2
	Measured and Indicated	2 163,0	1 874,1	4,18	4,53	9 038,9	8 480,5	290,6	272,7
	Inferred	3 924,6	3 362,6	4,09	4,70	16 042,9	15 820,1	515,8	508,6
	Total	6 087,6	5 236,6	4,12	4,64	25 081,8	24 300,6	806,4	781,3
Tailings	Measured								
	Indicated	161,9	180,1	1,05	1,03	170,2	186,4	5,5	6,0
	Measured and Indicated	161,9	180,1	1,05	1,03	170,2	186,4	5,5	6,0
	Inferred								
	Total	161,9	180,1	1,05	1,03	170,2	186,4	5,5	6,0

Footnotes

General

- Rounding of figures may result in computational discrepancies. 4E grade reported: sum of platinum, palladium, rhodium and gold grades.
- Various JV agreements (PSA2 and Mototolo) have been finalised. The reporting of only 50% of the attributable tonnage from Booyssendal in 2005 resulted in a significant Merensky Reef and UG2 Reef tonnage decrease.
- 'Others' (see Mineral Resources tabulation page 89): Decrease in tonnage
 - In the 2004 annual report
 - 100% of the Mineral Resources in Modikwa Deeps were quoted (Garatouw, Hoepakrantz and Eerste Geluk and 50% of those on Nooitverwacht [due to depth constraints only 50% of the Mineral Resources were quoted]).
 - Additionally portions of Driekop UG2 Reef and 50% of portion 11/4 of Frischgewaagd 96JQ were included.
 - In the 2005 annual report
 - 50% of the Mineral Resources in Modikwa Deeps are quoted (Garatouw, Hoepakrantz and Eerste Geluk and 25% of those on Nooitverwacht [due to depth constraints only 50% of the Mineral Resources]) and
 - 50% of the portions of the Driekop UG2 Reef.
 - Modikwa Deeps and portion of Driekop UG2 Reef are part of the Modikwa JV but are quoted separately in 'Others' for comparison with the 2004 figures.
 - In addition 50% of portion 11/4 of Frischgewaagd 96JQ are included.

Merensky Reef

- The slight overall grade decrease results from:
 - The Modikwa JV area where the resource cut is based on the chrome to chrome resource cut modelling resulting in an attributable tonnage of 104,5Mt over 2,03m @ 2,97g/t. Within this Mineral Resource a potential optimum resource over a 1m cut is available (51,8Mt @ 4,41g/t). In 2004, the reported resource cut was over a targeted mining width of 0,85m containing 41,6Mt at 5,04g/t.
 - Union section where a lower grade results from an increase in the resource cut within the pothole reef facies.

UG2 Reef

- For Elandsfontein 440JQ the rights have been disposed to a third party (97,8Mt @ 4,34g/t, 13,6Moz) resulting in a tonnage decrease.
- A new PSA with Aquarius Platinum South Africa resulted in a decrease of Mineral Resource tonnages at Rustenburg Townlands.
- The average grade has increased due to revised modelling in areas where the geotechnical consideration forms part of the UG2 Reef resource cut. This influences the overall resource cut grade for the East and North-east Bushveld.

Platreef

- A 1,0g/t cut-off has been used.
- Extensive core drilling during 2005 along the strike and down-dip has increased volume and confidence of the Mineral Resources:
 - Improvements at the Tweefontein Hill, Tweefontein North, PPRust North and Zwartfontein South Mineral Resource portions resulted in larger volumes.
 - In 2004 the Tweefontein Hill and Tweefontein North modelled Mineral Resources included only the higher-grade centre. In 2005 the Mineral Resources of these areas increased significantly.
 - The Mineral Resources for Zwartfontein North could not be reported in 2004, but are now included in 2005 as a result of sufficient exploration drilling having been completed.

Tailings:

- These are reported separately as Mineral Resources and Ore Reserves but are not aggregated to the global Mineral Resource and Ore Reserve summation.

Ore Reserves by operation, as at 31 December 2005

South Africa		Merensky		UG2		UG2 Opencast		Platreef		Stockpile		Tailings	
Mine (attributable)	Category	Reserves Mt	Grade g/t 4E	Reserves Mt	Grade g/t 4E	Reserves Mt	Grade g/t 4E	Reserves Mt	Grade g/t 4E	Reserves Mt	Grade g/t 4E	Reserves Mt	Grade g/t 4E
Rustenburg Section ¹	Proved	42,1	5,72	96,6	3,84								
	Probable	8,5	5,19	101,8	3,27							47,0	0,96
	Total	50,6	5,63	198,4	3,55							47,0	0,96
Amandelbult Section ²	Proved	17,9	6,06	83,6	4,45								
	Probable	71,3	5,89	219,3	4,44								
	Total	89,2	5,92	302,9	4,44								
Union Section ³	Proved	8,8	6,26	22,8	4,19								
	Probable	19,4	6,08	31,3	4,30							1,2	1,91
	Total	28,2	6,14	54,1	4,25							1,2	1,91
PPRust ⁴	Proved							276,9	3,21	12,4	2,76		
	Probable							59,1	3,29				
	Total							335,9	3,23	12,4	2,76		
Leplats ⁵	Proved	15,5	4,27	24,5	4,66								
	Probable	6,6	4,31	11,1	4,62								
	Total	22,1	4,29	35,6	4,65								
BRPM-JV ⁶	Proved	13,8	4,40										
	Probable	7,7	4,59										
	Total	21,5	4,47										
Modikwa Platinum Mine (JV) ⁷	Proved			6,8	4,91								
	Probable			11,9	4,99								
	Total			18,7	4,96								
Twickenham Platinum Mine Project ⁸	Proved			1,9	4,69								
	Probable			11,4	4,91								
	Total			13,3	4,88								
Kroondal PSA 1 ⁹	Proved			26,3	3,10	0,1	3,24						
	Probable			6,1	3,18								
	Total			32,4	3,12	0,1	3,24						
Kroondal PSA 2 ¹⁰	Proved			12,5	2,92	4,0	3,13						
	Probable			3,5	3,11	0,7	3,80						
	Total			16,0	2,96	4,7	3,23						
Northam ¹¹	Proved	0,5	6,10	0,3	4,30								
	Probable	5,1	6,00	9,3	4,30								
	Total	5,6	6,01	9,6	4,30								
Mototolo ¹²	Proved												
	Probable			14,4	3,80								
	Total			14,4	3,80								

Footnotes

General: Rounding of figures may result in computational discrepancies. 4E grade reported: sum of platinum, palladium, rhodium and gold grades.

1. Merensky Reef: A decrease in the stope width resulted in increased grade and decreased tonnage.

UG2 Reef: Conversion of Mineral Resources to Ore Reserves for the entire Waterval area (room and pillar mining at wide widths) has resulted in increased tonnage and decreased grade (+60% higher tonnage: +74,5Mt).

2. Merensky Reef: Exploration and re-interpretation has indicated a reef width increase for the Merensky reef (pothole reef facies) which, following re-modelling has resulted in a grade decrease and stope width increase. Additionally due to the introduction of in stope bolting the stope width has been increased resulting in lower grades. Exploration drilling and re-interpretation has resulted in the reallocation of some Ore Reserves to Mineral Resources.

UG2 Reef: Exploration drilling and re-interpretation has resulted in the reallocation of some Ore Reserves to Mineral Resources.

3. Merensky Reef: Exploration and re-interpretation has indicated a reef width increase for the Merensky reef (pothole reef facies) which, following re-modelling has resulted in a grade decrease and a tonnage increase. Additionally due to the introduction of in stope bolting the stope width has been increased resulting in lower grades.

UG2 Reef: Conversion of Mineral Resources to Ore Reserves resulted in a tonnage increase by 44% (+16,5Mt).

Footnotes (continued)

4. Exploration drilling and re-modelling resulted in increased proved reserves (+12%, +30Mt). Recently encountered geotechnical constraints have restricted the final pit layout at PPRust North. This has resulted in the transformation of the deeper portion of the higher grade Ore Reserves into Mineral Resources.
5. Depletion resulted in a slight decrease of Ore Reserve tonnages.
UG2 Reef: Revised mining parameters resulted in a grade decrease.
6. Anglo Platinum's attributable interest is 50% of the Mineral Resources and Ore Reserves of portions of Boschkoppie 104JQ, Styldrift 90JQ and portions of Frischgewaagd 96JQ. The Merensky Reef figure quoted is the attributable interest. A revision of the mining layout resulted in a tonnage increase and grade decrease.
7. Anglo Platinum's attributable interest is 50% in the Modikwa Platinum Mine JV. The UG2 Reef figure quoted is the attributable interest. In 2005 a large area has been converted to Ore Reserves resulting in a significant tonnage increase (+123%, +10Mt). Additional drilling and re-modelling resulted in a slight grade increase.
8. New modelling based on extensive new drilling resulted in increased Ore Reserve grade.
9. Anglo Platinum's attributable interest is 50% in the PSA1 JV. The figure quoted is the attributable interest. The Ore Reserve tonnage and grade cannot be compared with the 2004 tabulation due to a change in footprints between the original PSA1 and the newly formed PSA2 JV. The new PSA1 area comprises portions of the old PSA1 (portions of Frank and Bleskop shaft areas at the Rustenburg section) and portions of the Townlands farm. Kroondal UG2 Reef figures as per the Kroondal PSA, managed by Aquarius Platinum South Africa.
10. During 2005 the PSA2 JV with Aquarius Platinum South Africa has been finalised. Anglo Platinum's attributable interest is 50%. The figure quoted is the attributable interest. The PSA2 area comprises portions of the old PSA1 area (portions of Bleskop and Brakspruit shaft areas at Rustenburg section), the Xstrata block and the Marikana mine. Kroondal UG2 Reef figures as per the Kroondal PSA, managed by Aquarius Platinum South Africa.
11. Anglo Platinum retains an attributable interest of 22,5% in Northam Platinum Ltd as quoted in Northam's annual report dated end June 2005. The figure quoted is the attributable interest.
12. During 2005 the Mototolo JV (Xstrata) was finalised. Anglo Platinum's attributable interest is 50%. The figure quoted is the attributable interest.

Zimbabwe		Metric					Imperial
Mine (attributable)	Category	Reserves Mt	Grade 4E g/t	Grade %Cu	Grade %Ni	Contained 4E 4E t	Contained 4E 4E Moz
Unki	Proved	2,7	3,81	0,14	0,20	10,1	0,3
	Probable	22,0	3,81	0,14	0,20	83,9	2,7
(51%)	Total	24,7	3,81	0,14	0,20	94,1	3,0

Rounding of figures may result in computational discrepancies. Following the finalisation of an agreement Anglo Platinum envisages an attributable interest of 51%. A revision of the stope width resulted in a grade decrease and tonnage increase. The new mine plan converts only the first five years into Proved Ore Reserves.

Mineral Resources by operations/projects, as at 31 December 2005

South Africa		Merensky		UG2		UG2 Opencast		Platreef		Tailings	
Mine (attributable)	Category	Resources Mt	Grade g/t 4E	Resources Mt	Grade g/t 4E	Resources Mt	Grade g/t 4E	Resources Mt	Grade g/t 4E	Resources Mt	Grade g/t 4E
Rustenburg Section ¹	Measured	7,3	7,38	1,6	5,01						
	Indicated	25,4	7,97	165,1	4,87					84,6	1,01
	Inferred	78,7	7,42	124,5	4,55						
	Total	111,3	7,54	291,3	4,73					84,6	1,01
Amandelbult Section ²	Measured										
	Indicated	9,7	7,03	31,0	5,03						
	Inferred	158,7	6,96	198,1	5,29						
	Total	168,4	6,96	229,1	5,26						
Union Section ³	Measured	1,5	6,43	29,4	5,70						
	Indicated	10,0	6,74	26,5	5,49					77,3	1,10
	Inferred	48,2	7,17	92,9	5,41						
	Total	59,7	7,08	148,7	5,48					77,3	1,10
PPRust ⁴	Measured							206,1	2,58		
	Indicated							715,0	2,46		
	Inferred							1 472,5	1,79		
	Total							2 393,7	2,05		
Leplats ⁵	Measured	22,1	5,72	62,1	6,72						
	Indicated	25,4	5,39	104,3	6,88						
	Inferred	118,3	5,32	149,8	6,71						
	Total	165,8	5,38	316,2	6,77						
BRPM (JV) ⁶	Measured			1,7	5,20						
	Indicated	23,7	5,51	7,9	5,19						
	Inferred	61,7	6,37	97,1	4,86						
	Total	85,4	6,13	106,7	4,89						
(50%)	Measured										
	Indicated			30,1	5,59						
	Inferred	31,5	3,01	35,1	5,65						
	Total	73,1	2,96	43,9	5,73						
Modikwa Platinum Mine (JV) ⁷	Measured										
	Indicated										
	Inferred										
	Total										
(50%)	Measured										
	Indicated										
	Inferred										
	Total										
Twickenham Platinum Mine Project ⁸	Measured										
	Indicated										
	Inferred										
	Total										
Ga-Phasha PGM Project (JV) ⁹	Measured										
	Indicated										
	Inferred										
	Total										
(50%)	Measured										
	Indicated										
	Inferred										
	Total										
Pandora (JV) ¹⁰	Measured										
	Indicated										
	Inferred										
	Total										
(42,5%)	Measured										
	Indicated										
	Inferred										
	Total										
Der Brochen Project ¹¹	Measured										
	Indicated										
	Inferred										
	Total										
	Measured										
	Indicated										
	Inferred										
	Total										

Mineral Resources by operations/projects, as at 31 December 2005 *continued*

South Africa		Merensky		UG2		UG2 Opencast		Platreef		Tailings	
Mine (attributable)	Category	Resources Mt	Grade g/t 4E	Resources Mt	Grade g/t 4E	Resources Mt	Grade g/t 4E	Resources Mt	Grade g/t 4E	Resources Mt	Grade g/t 4E
Booyssendal Project (JV) ¹²	Measured	2,6	5,64	14,2	5,02						
	Indicated	6,2	5,15	22,6	4,72						
	Inferred	149,1	4,69	206,7	4,94						
	Total	157,9	4,72	243,5	4,92						
PTM (JV) Elandsfontein/ Frischgewaagd ¹³	Measured										
	Indicated										
	Inferred	6,2	7,13	6,8	4,13						
	Total	6,2	7,13	6,8	4,13						
Rooderand 46 JQ Project	Measured										
	Indicated										
	Inferred			13,3	5,54						
	Total			13,3	5,54						
Others ¹⁴	Measured	2,6	4,36								
	Indicated	8,0	4,52								
	Inferred	77,7	5,15	112,6	5,71						
	Total	88,3	5,07	112,6	5,71						
Northam ¹⁵	Measured										
	Indicated	3,2	7,48	3,3	4,89						
	Inferred										
	Total	3,3	7,48	3,3	4,89						
Kroondal PSA 1 (JV) ¹⁶	Measured										
	Indicated										
	Inferred			0,6	6,07						
	Total			0,6	6,07						
Kroondal PSA 2 (JV) ¹⁷	Measured										
	Indicated			1,5	3,90						
	Inferred			1,7	3,75						
	Total			3,2	3,82						
Mototolo (JV) ¹⁸	Measured			1,3	4,15						
	Indicated			7,6	3,89						
	Inferred										
	Total			8,9	3,93						

Footnotes

General: Rounding of figures may result in computational discrepancies. 4E grade reported: sum of platinum, palladium, rhodium and gold grades.

- Merensky Reef:** Additional drilling and re-interpretation resulted in facies boundary adjustments. An overall decrease in the resource cut resulted in a tonnage decrease of 15% and a grade increase of 9%. The mineable pothole Mineral Resources are included.
UG2 Reef: The conversion of Mineral Resources to Ore Reserves have contributed to the tonnage decrease (Waterval area). Additionally the finalisation of the PSA2 JV (Aquarius Platinum South Africa) resulted in decreased Mineral Resource tonnages (portions of Townlands). Better understanding of the ore body resulted in an overall decrease of the geological loss.
- Merensky Reef:** Exploration and re-interpretation has indicated a reef width increase for the Merensky reef (pothole reef facies) which, following re-modelling has resulted in a grade decrease and resource cut increase. Reallocation from Ore Reserves to Mineral Resources resulted in a tonnage increase.
UG2 Reef: Changes are largely due to the reallocation of Ore Reserves to Mineral Resources.
- Merensky Reef:** Exploration and re-interpretation has indicated a reef width increase for the Merensky reef (pothole reef facies) which, following re-modelling has resulted in a grade decrease and tonnage increase.
UG2 Reef: Exploration and re-interpretation resulted in a tonnage increase and a grade decrease. The Measured Mineral Resource increased by 16% (+6.5Mt).
- Extensive core drilling during 2005 along strike and down-dip have increased volume of and confidence in the Mineral Resources. Extended Mineral Resource models at the Tweefontein Hill, Tweefontein North, PPRust North and Zwartfontein South Mineral Resource portions resulted in larger volumes. A 1,0g/t cut-off has been used.

Footnotes (continued)

5. Infill drilling in areas of problematic geology (Merensky Reef and UG2 Reef) has resulted in better understanding of the geology and an increase in the UG2 Reef Mineral Resources. UG2 Reef: Additional drilling, re-interpretation and re-modelling resulted in a resource cut grade increase by 8%. The Measured Mineral Resources increased by 15% (+8Mt).
6. Anglo Platinum's attributable interest is 50% of the Mineral Resources of portions of Boschkoppe 104 JQ, Styldrift 90JQ and portions of Frischgewaagd 96JQ. The figure quoted is the attributable interest.
UG2 Reef: Re-interpretation resulted in a grade decrease and a tonnage increase.
7. Anglo Platinum's attributable interest is 50%. The figure quoted is the attributable interest.
Merensky Reef: The 2005 Mineral Resource cut is based on the chrome to chrome resource cut modelling resulting in an attributable tonnage of 104,5Mt over 2,03 m @ 2,97g/t. Within this Mineral Resource a potential optimum resource over a 1m cut is available (51,8Mt @ 4,41g/t). In 2004 a minimum resource cut was tabulated (41,6Mt @ 5,04g/t).
UG2 Reef: The conversion of Mineral Resources to Ore Reserves resulted in a tonnage decrease. Additional drilling and re-modelling resulted in an increase of the Measured Mineral Resources by 19% (+5Mt).
8. Additional drilling and re-modelling resulted in a tonnage and grade increase of both the Merensky Reef and the UG2 Reef.
9. Anglo Platinum's attributable interest is 50%. The figure quoted is the attributable interest. Additional drilling and re-modelling resulted in a tonnage and grade increase of both the Merensky Reef and UG2 Reef.
10. Anglo Platinum's attributable interest is 42,5%. The figure quoted is the attributable interest.
11. As a result of the finalisation of the Mototolo JV, the Merensky Reef Mineral Resources within Der Brochen increased (inclusion of Thornccliffe) and the UG2 Reef Mineral Resources decreased.
12. As a result of the finalisation of the Booyensdal JV Anglo Platinum's attributable interest is 50% inclusive of Johannesburg 45JT and Sheeprun 50JT. The figure quoted is the attributable interest.
13. Anglo Platinum's attributable interest is 37%. The figure quoted is the attributable interest.
Merensky Reef: As a result of a better understanding of the facies boundaries the resource cut grade increased by 21% and the tonnage decreased by 21%.
UG2 Reef: Re-interpretation resulted in a tonnage increase and a grade decrease.
14. Decrease in tonnage:
 - In the 2004 annual report:
 - 100% of the Mineral Resources in Modikwa Deeps were quoted (Garatouw, Hoepakrantz and Eerste Geluk and 50% of those on Nooitverwacht [due to depth constraints only 50% of the Mineral Resources were quoted]).
 - Additionally portions of Driekop UG2 Reef and 50% of portion 11/4 of Frischgewaagd 96JQ were included.
 - In the 2005 annual report:
 - 50% of the Mineral Resources in Modikwa Deeps are quoted (Garatouw, Hoepakrantz and Eerste Geluk and 25% of those on Nooitverwacht [due to depth constraints only 50% of the Mineral Resources]) and
 - 50% of the portions of the Driekop UG2 Reef.
 - Modikwa Deeps and Driekop UG2 Reef are part of the Modikwa JV but are quoted separately in 'Others' for comparison with the 2004 figures.
 - In addition 50% of portion 11/4 of Frischgewaagd 96JQ are included.

Currently portion 11/4 of Frischgewaagd 96 JQ is listed separately from the PTM JV pending resolution of outstanding legal issues.
15. Anglo Platinum retains an attributable interest of 22.5% in Northam Platinum Ltd. Residual Mineral Resources contained in the shaft pillar and between 14 to 18 level are as quoted in Northam's annual report dated end June 2005.
16. Anglo Platinum's attributable interest is 50% in the PSA1 JV. The figure quoted is the attributable interest. The Mineral Resource tonnage and grade cannot be compared with the 2004 tabulation due to a change in footprints between the original PSA1 and the newly formed PSA2 JV. The new PSA1 area comprises portions of the old PSA1 (portions of Frank and Bleskop shaft areas at the Rustenburg section) and portions of the Townlands farm. Kroondal UG2 Reef figures as per the Kroondal PSA, managed by Aquarius Platinum South Africa.
17. During 2005 the PSA2 JV with Aquarius Platinum South Africa was finalised. Anglo Platinum's attributable interest is 50%. The figure quoted is the attributable interest. The PSA2 area comprises portions of the old PSA1 area (portions of Bleskop and Brakspruit shaft areas at Rustenburg section), the Xstrata block and the Marikana mine. UG2 Reef figures as per the Kroondal PSA, managed by Aquarius Platinum South Africa.
18. During 2005 the Mototolo JV (Xstrata) was finalised. Anglo Platinum's attributable interest is 50% in the JV. The figure quoted is the attributable interest.

Mineral Resources by projects, as at 31 December 2005

South Africa		Metric				Imperial	
Mine (attributable)	Category	Resources Mt	Grade 3E g/t	Grade % Cu	Grade % Ni	Contained 3E t	Contained 3E Moz
Anooraq-Anglo	Measured						
Platinum JV ¹	Indicated	88,3	1,35	0,08	0,13	119,2	3,8
Pt+Pd+Au	Measured and Indicated	88,3	1,35	0,08	0,13	119,2	3,8
	Inferred	52,0	1,23	0,09	0,14	64,0	2,1
(50%)	Total	140,4	1,31	0,08	0,13	183,3	5,9
Sheba's Ridge ²	Measured	143,1	0,74	0,07	0,18	106,3	3,4
Pt+Pd+Au	Indicated	109,6	0,80	0,07	0,18	88,1	2,8
cut-off: US\$10,50/t	Measured and Indicated	252,7	0,77	0,07	0,18	194,4	6,3
total revenue contribution from the constituent metals	Inferred	18,7	0,71	0,05	0,17	13,3	0,4
(35%)	Total	271,4	0,77	0,07	0,18	207,7	6,7

Rounding of figures may result in computational discrepancies. 3E grade reported: sum of platinum, palladium and gold grades.

1. Following the finalisation of an agreement Anglo Platinum holds an attributable interest of 50%.

2. Following the finalisation of an agreement Anglo Platinum holds an attributable interest of 35%. Revised modelling with external reviews by SRK and Snowden resulted in Mineral Resource classification upgrades.

1. & 2. Figures not included in the global Mineral Resource summary.

Americas		Metric				Imperial	
Mine (attributable)	Category	Resources Mt	Grade 3E g/t	Grade % Cu	Grade % Ni	Contained 3E t	Contained 3E Moz
Pedra Branca – Brasil ^{1, 2}	Measured						
Resource above cut-off (3E) 0,7 g/t	Indicated						
	Measured and Indicated						
	Inferred	6,5	2,27	0,03	0,23	14,7	0,5
(50%)	Total	6,5	2,27	0,03	0,23	14,7	0,5
River Valley – Canada ¹	Measured	4,3	1,79	0,12	0,02	7,6	0,2
	Indicated	11,0	1,20	0,09	0,02	13,3	0,4
	Measured and Indicated	15,3	1,37	0,10	0,02	20,9	0,7
	Inferred	1,2	1,24	0,09	0,02	1,5	<0,1
(50%)	Total	16,5	1,36	0,10	0,02	22,4	0,7

1. 3E grade reported: sum of platinum, palladium and gold grades.

2. In 2005 a cut-off grade of 0,7g/t was applied.

Zimbabwe		Metric				Imperial	
Mine (attributable)	Category	Resources Mt	Grade 4E g/t	Grade % Cu	Grade % Ni	Contained 4E t	Contained 4E Moz
Unki	Measured	4,0	4,08	0,15	0,21	16,4	0,5
	Indicated	5,9	4,28	0,16	0,20	25,5	0,8
	Measured and Indicated	10,0	4,20	0,15	0,20	41,9	1,3
	Inferred	50,3	4,29	0,15	0,20	216,0	6,9
(51%)	Total	60,3	4,28	0,15	0,20	257,8	8,3

Anglo Platinum envisages a 51% controlling share in the Unki Platinum Mine. Revised resource cut resulted in a grade decrease and tonnage increase. The 2005 model covers a different area than previously reported.

Footnotes (continued)

5. Infill drilling in areas of problematic geology (Merensky Reef and UG2 Reef) has resulted in better understanding of the geology and an increase in the UG2 Reef Mineral Resources. UG2 Reef: Additional drilling, re-interpretation and re-modelling resulted in a resource cut grade increase by 8%. The Measured Mineral Resources increased by 15% (+8Mt).
6. Anglo Platinum's attributable interest is 50% of the Mineral Resources of portions of Boschkoppe 104 JQ, Styldrift 90JQ and portions of Frischgewaagd 96JQ. The figure quoted is the attributable interest.
UG2 Reef: Re-interpretation resulted in a grade decrease and a tonnage increase.
7. Anglo Platinum's attributable interest is 50%. The figure quoted is the attributable interest.
Merensky Reef: The 2005 Mineral Resource cut is based on the chrome to chrome resource cut modelling resulting in an attributable tonnage of 104,5Mt over 2,03 m @ 2,97g/t. Within this Mineral Resource a potential optimum resource over a 1m cut is available (51,8Mt @ 4,41g/t). In 2004 a minimum resource cut was tabulated (41,6Mt @ 5,04g/t).
UG2 Reef: The conversion of Mineral Resources to Ore Reserves resulted in a tonnage decrease. Additional drilling and re-modelling resulted in an increase of the Measured Mineral Resources by 19% (+5Mt).
8. Additional drilling and re-modelling resulted in a tonnage and grade increase of both the Merensky Reef and the UG2 Reef.
9. Anglo Platinum's attributable interest is 50%. The figure quoted is the attributable interest. Additional drilling and re-modelling resulted in a tonnage and grade increase of both the Merensky Reef and UG2 Reef.
10. Anglo Platinum's attributable interest is 42,5%. The figure quoted is the attributable interest.
11. As a result of the finalisation of the Mototolo JV, the Merensky Reef Mineral Resources within Der Brochen increased (inclusion of Thornccliffe) and the UG2 Reef Mineral Resources decreased.
12. As a result of the finalisation of the Booyensdal JV Anglo Platinum's attributable interest is 50% inclusive of Johannesburg 45JT and Sheeprun 50JT. The figure quoted is the attributable interest.
13. Anglo Platinum's attributable interest is 37%. The figure quoted is the attributable interest.
Merensky Reef: As a result of a better understanding of the facies boundaries the resource cut grade increased by 21% and the tonnage decreased by 21%.
UG2 Reef: Re-interpretation resulted in a tonnage increase and a grade decrease.
14. Decrease in tonnage:
 - In the 2004 annual report:
 - 100% of the Mineral Resources in Modikwa Deeps were quoted (Garatouw, Hoepakrantz and Eerste Geluk and 50% of those on Nooitverwacht [due to depth constraints only 50% of the Mineral Resources were quoted]).
 - Additionally portions of Driekop UG2 Reef and 50% of portion 11/4 of Frischgewaagd 96JQ were included.
 - In the 2005 annual report:
 - 50% of the Mineral Resources in Modikwa Deeps are quoted (Garatouw, Hoepakrantz and Eerste Geluk and 25% of those on Nooitverwacht [due to depth constraints only 50% of the Mineral Resources]) and
 - 50% of the portions of the Driekop UG2 Reef.
 - Modikwa Deeps and Driekop UG2 Reef are part of the Modikwa JV but are quoted separately in 'Others' for comparison with the 2004 figures.
 - In addition 50% of portion 11/4 of Frischgewaagd 96JQ are included.

Currently portion 11/4 of Frischgewaagd 96 JQ is listed separately from the PTM JV pending resolution of outstanding legal issues.
15. Anglo Platinum retains an attributable interest of 22.5% in Northam Platinum Ltd. Residual Mineral Resources contained in the shaft pillar and between 14 to 18 level are as quoted in Northam's annual report dated end June 2005.
16. Anglo Platinum's attributable interest is 50% in the PSA1 JV. The figure quoted is the attributable interest. The Mineral Resource tonnage and grade cannot be compared with the 2004 tabulation due to a change in footprints between the original PSA1 and the newly formed PSA2 JV. The new PSA1 area comprises portions of the old PSA1 (portions of Frank and Bleskop shaft areas at the Rustenburg section) and portions of the Townlands farm. Kroondal UG2 Reef figures as per the Kroondal PSA, managed by Aquarius Platinum South Africa.
17. During 2005 the PSA2 JV with Aquarius Platinum South Africa was finalised. Anglo Platinum's attributable interest is 50%. The figure quoted is the attributable interest. The PSA2 area comprises portions of the old PSA1 area (portions of Bleskop and Brakspruit shaft areas at Rustenburg section), the Xstrata block and the Marikana mine. UG2 Reef figures as per the Kroondal PSA, managed by Aquarius Platinum South Africa.
18. During 2005 the Mototolo JV (Xstrata) was finalised. Anglo Platinum's attributable interest is 50% in the JV. The figure quoted is the attributable interest.

social and governmental factors. These assessments demonstrate at the time of reporting that extraction is justifiable. Ore Reserves are subdivided, in order of increasing confidence, into Probable Ore Reserves and Proved Ore Reserves.

Probable Ore Reserve

The economically mineable material derived from a Measured and/or Indicated Mineral Resource. It is estimated with a lower level of confidence than a Proved Ore Reserve. It includes diluting materials and allows for losses that may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, including consideration of and modification by realistic mining, metallurgical, economic, marketing, legal, environmental, social, and governmental factors. These assessments demonstrate at the time of reporting that extraction is reasonably justified.

Proved Ore Reserve

The economically mineable material derived from a Measured Mineral Resource. It is estimated with a high level of confidence, includes diluting materials, and allows for losses that may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, including consideration of and modification by realistic mining, metallurgical, economic, marketing, legal, environmental, social, and governmental factors. These assessments demonstrate at the time of reporting that extraction is reasonably justified. Anglo Platinum's Proved Ore Reserves are contained within the limits of the five-year mining plans of its operations, this being the area of greatest understanding and certainty pertaining to the ore body.

THE DEVELOPMENT OF SOUTH AFRICA'S NEW MINERAL RIGHTS REGIME

- 1998 to 2000: Government publishes a Green and White paper announcing a policy which foreshadows the vesting of private mineral rights in the people of South Africa and under the custodianship of the government;
- 2002: Draft legislation published to implement the policies with regard to the vestment of mineral rights and the 'use it or lose it principle';
- June 2002: The Minerals and Petroleum Resources Development Act No. 28 of 2002 (MPRDA) passed by parliament;
- July 2002: The Mining Charter, which sets out the guidelines according to which the government aims to achieve the so-called Broad-based Socio-economic Empowerment objectives of the MPRDA, was leaked to the media. The leaked charter proposed a 51% transfer of ownership of South African mines to historically disadvantaged South Africans (HDSAs). This resulted in a significant loss of confidence in the future of the South African mining industry and caused an immediate sell-off of South African mining shares;
- July to October 2002: Negotiations between the Mining Industry, Department of Minerals and Energy and Labour on the provisions of the Mining Charter resulted in a settlement, which provides for, among others, a transfer of 15% of all South African mining assets to HDSAs within five years and 26% within ten years;
- March 2003: Publication of the Mineral and Petroleum Royalty Bill, which proposes a royalty of 4% of revenue derived from PGM sales;
- April 2004: Announcement that the publication of a new draft of a royalty bill is postponed to early 2005 and that the proposed new state royalties will not become payable before 2009;
- 1 May 2004: The MPRDA becomes effective which means the commencement of the five-year transition period for operating mines to convert from the present private mineral rights regime to state-issued mining rights. Also commencement of the five-year and ten-year periods for ownership transfer of mining assets provided for in the Mining Charter;
- 30 April 2005: Last date for holders of unused old rights to apply for new rights under the MPRDA. Where no application has been made, these old rights will cease to exist on 1 May 2005.

GROUP STATISTICS

Salient statistics		2005	2004	2003	2002	2001
Marketing statistics						
Average market prices achieved						
Platinum	US\$/oz	894	842	696	544	526
Palladium	US\$/oz	199	228	198	329	582
Rhodium	US\$/oz	1 966	933	527	831	1 610
Gold	US\$/oz	448	411	366	308	274
Nickel	US\$/lb	6,77	5,92	4,07	3,03	2,65
Copper	US\$/lb	1,57	1,25	0,77	0,67	0,68
US\$ basket price – Pt (net sales revenue per Pt oz sold)	US\$/oz Pt sold	1 388	1 194	948	843	1 013
US\$ basket price – PGM (net sales revenue per PGM oz sold)	US\$/oz PGM sold	755	668	526	512	622
Platinum	R/oz	5 704	5 397	5 140	5 567	4 531
Palladium	R/oz	1 274	1 458	1 459	3 403	4 936
Rhodium	R/oz	12 640	5 917	3 967	8 683	13 410
Gold	R/oz	2 902	2 627	2 728	3 247	2 425
Nickel	R/lb	43,00	38,04	30,76	31,92	23,14
Copper	R/lb	10,02	7,92	5,74	7,08	5,80
R basket price – Pt (net sales revenue per Pt oz sold)	R/oz Pt sold	8 871	7 649	7 017	8 690	8 654
R basket price – PGM (net sales revenue per PGM oz sold)	R/oz PGM sold	4 827	4 278	3 896	5 281	5 318
Average exchange rate achieved on sales	R/US\$	6,3915	6,4055	7,4055	10,3101	8,5434
Exchange rate at year-end	R/US\$	6,3450	5,6450	6,6679	8,5775	11,9610
Financial statistics and ratios						
Gross profit margin	%	25,0	23,4	23,7	46,5	51,4
Earnings before interest, taxation, depreciation and amortisation (EBITDA)	R millions	8 354,3	5 353,2	4 578,5	9 376,1	12 507,4
Operating profit to average operating assets	%	23,6	17,4	20,2	66,3	120,0
Return on average shareholders' equity	%	23,2	16,4	16,3	45,0	66,2
Return on capital employed	%	27,2	18,6	10,5	43,1	64,0
Interest cover – EBITDA		21,6	9,6	12,7		
Net debt to total capital employed	%	10,5	15,6	34,8		
Interest-bearing debt to shareholders' equity	%	20,5	32,2	58,8		
Net asset value per share	R	95,3	82,7	57,7	61,3	59,5
Cost of sales per total Pt oz sold*	R	6 587	5 794	5 313	4 502	3 999
Cash operating cost per equivalent refined Pt oz	R	5 523	5 049	4 622	4 030	3 452
Cash operating cost per refined Pt oz	R	5 670	5 046	4 725	3 910	3 340

* Total platinum ounces sold = refined platinum ounces sold plus platinum ounces sold in concentrate.

Operating contribution and margin by mine		2005	2004	2003	2002	2001
Operating contribution by mine	R millions					
Rustenburg Section steady-state*		2 134,3	1 539,8	1 130,0	2 794,2	2 993,6
Amandelbult Section		2 335,8	2 068,2	2 106,7	3 886,2	3 742,6
Union Section		694,2	415,7	413,7	1 059,3	1 190,9
PPRust		547,9	580,8	509,9	926,1	1 680,5
Leplats		231,4	218,6	163,4	450,1	407,7
BRPM**		223,8	226,3	—	—	—
Western Limb Tailings Retreatment		122,3	134,8	—	—	—
Kroondal PSA		436,9	148,9	—	—	—
Total steady-state operating contribution		6 726,6	5 333,1	4 323,7	9 115,9	10 015,3
Ramp-up operations						
BRPM**		—	—	120,3	433,9	275,2
Rustenburg Section UG2 Project		—	10,6	66,4	451,4	—
Modikwa JV		129,3	2,9	3,2	12,9	—
Consolidated operating contribution		6 855,9	5 346,6	4 513,6	10 014,1	10 290,5
Other costs		(1 018,2)	(758,4)	(603,7)	(591,3)	(674,5)
Gross profit on metal sales		5 837,7	4 588,2	3 909,9	9 422,8	9 616,0
Operating margin by mine	%					
Rustenburg Section steady-state		28,4	37,1	29,4	50,8	51,8
Amandelbult Section		48,3	46,0	50,4	65,3	68,4
Union Section		24,5	17,9	20,4	44,4	51,2
PPRust		25,8	29,3	28,6	48,9	65,7
Leplats		22,4	23,0	20,5	45,6	48,9
BRPM**		13,8	16,6	—	—	—
Western Limb Tailings Retreatment		26,4	39,5	—	—	—
Kroondal PSA		37,2	31,5	—	—	—
Total steady-state operating margin		31,1	33,2	34,2	54,5	59,0
Ramp-up operations						
BRPM**		—	—	10,1	31,9	30,3
Rustenburg Section UG2 Project*		—	0,5	4,0	34,5	—
Modikwa JV		9,7	0,3	0,5	7,9	—
Consolidated operating margin		29,9	27,8	28,0	51,2	57,6

* The Rustenburg Section UG2 Project has been included in Rustenburg Section steady-state from 2005.

** Steady-state from 2004.

TOTAL OPERATIONS

Refined production		2005	2004	2003	2002	2001
Refined production from mining operations						
Platinum	000 oz	2 236,1	2 326,8	2 264,7	2 238,5	2 109,2
Palladium	000 oz	1 221,8	1 226,7	1 150,6	1 103,1	1 049,0
Rhodium	000 oz	299,7	239,8	225,2	210,0	200,4
Gold	000 oz	108,0	104,2	114,8	106,7	102,2
PGMs	000 oz	4 232,1	4 182,4	4 059,0	3 920,6	3 673,6
Nickel	000 tons	19,0	21,2	21,9	19,4	19,5
Copper	000 tons	10,5	12,2	12,8	10,5	10,8
Refined production from purchases of metals in concentrate						
Platinum	000 oz	217,1	126,7	43,1	12,6	—
Palladium	000 oz	131,4	84,0	40,3	12,2	—
Rhodium	000 oz	28,4	13,5	7,3	1,7	—
Gold	000 oz	9,5	5,7	1,3	0,4	—
PGMs	000 oz	418,9	244,0	102,5	27,0	—
Nickel	000 tons	1,5	1,1	0,2	—	—
Copper	000 tons	0,8	0,7	0,1	—	—
Total refined production						
Platinum	000 oz	2 453,2	2 453,5	2 307,8	2 251,1	2 109,2
Palladium	000 oz	1 353,2	1 310,7	1 190,9	1 115,3	1 049,0
Rhodium	000 oz	328,1	253,3	232,5	211,7	200,4
Gold	000 oz	117,5	109,9	116,1	107,1	102,2
PGMs	000 oz	4 651,0	4 426,4	4 161,5	3 947,6	3 673,6
Nickel	000 tons	20,5	22,3	22,1	19,4	19,5
Copper	000 tons	11,3	12,9	12,9	10,5	10,8

Pipeline calculation		2005	2004	2003	2002	2001
Equivalent refined platinum production†		2 503,7	2 453,7	2 360,5	2 185,5	2 040,9
Steady-state operations		2 374,7	2 020,6	1 831,0	1 835,6	1 914,5
Rustenburg Section, steady-state	000 oz	839,4	545,8	571,3	611,5	689,9
Amandelbult Section	000 oz	556,4	591,7	644,7	677,6	653,7
Union Section	000 oz	314,0	313,0	318,2	276,7	269,5
PPRust	000 oz	205,3	200,1	191,8	164,7	211,4
Leplats	000 oz	112,1	118,8	105,0	105,1	90,0
BRPM*	000 oz	195,0	184,9	—	—	—
Western Limb Tailings Retreatment	000 oz	50,1	66,3	—	—	—
Kroondal Pooling & Sharing agreement – mined	000 oz	174,4	74,0	—	—	—
Kroondal Pooling & Sharing agreement – sold**	000 oz	(72,0)	(74,0)	—	—	—
Ramp-up operations		129,0	433,1	529,5	349,9	126,4
BRPM*	000 oz	—	—	183,5	161,5	126,4
Rustenburg Section UG2 Project***	000 oz	—	318,9	255,0	161,1	—
Modikwa JV	000 oz	129,0	114,2	91,0	27,3	—
Pipeline stock adjustment▲		73,1	91,1	—	—	—
Refined platinum production		(2 453,2)	(2 453,5)	(2 307,8)	(2 251,1)	(2 109,2)
Mining	000 oz	(2 236,1)	(2 326,8)	(2 264,7)	(2 238,5)	(2 109,2)
Purchase of concentrate	000 oz	(217,1)	(126,7)	(43,1)	(12,6)	—
Platinum pipeline movement		123,6	91,3	52,7	(65,6)	(68,3)

† Mines' production and purchases of metal in concentrate converted to equivalent refined production using Anglo Platinum's standard smelting and refining recoveries.

* Steady-state from January 2004.

** Metal in concentrate attributable to Anglo Platinum sold to Impala Platinum in terms of an off-take agreement that was in place when the Kroondal Pooling and Sharing agreement commenced. Metal in concentrate surplus to the volumes stipulated in the off-take agreement will be refined by Anglo Platinum.

*** The Rustenburg Section UG2 Project has been included in Rustenburg Section steady-state from 2005.

▲ 2004 – recovery from post ACP Waterval smelter clean-up.

2005 – gain in ounces indicated by physical stock count.

TOTAL OPERATIONS

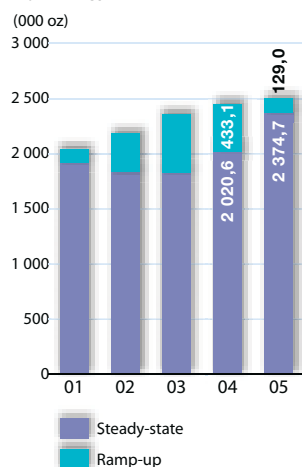
Total operations			2005	2004	2003	2002	2001
Production statistics and efficiency measures							
Tons broken – underground mines	000		32 937	31 917	31 334	26 748	22 775
Tons mined – opencast mine PPRust	000		56 799	54 026	48 444	39 672	29 631
Tons milled	000		41 252	39 758	34 757	31 352	26 844
Mines	000		35 675	35 409	34 757	31 352	26 844
Western Limbs Tailings Retreatment (WLTR)	000		5 577	4 349	—	—	—
Immediately available ore reserves (excl. WLTR)	months		16,0	13,3	14,4	13,9	14,0
Total average number of mine employees*			43 896	44 240	44 004	42 066	39 950
Underground mines			42 670	43 005	42 880	40 954	38 855
Opencast mine PPRust			1 119	1 132	1 124	1 112	1 095
WLTR			107	103	—	—	—
Total average number of contractors			19 634				
UG2 mined to total output (excluding WLTR)	%		50	48	43	35	28
Built-up head grade (excluding WLTR)	g/ton		4,26	4,41	4,53	4,62	5,01
Equivalent refined platinum production†							
Mined		000	2 503,7	2 453,7	2 360,5	2 185,5	2 040,9
Purchased			2 347,0	2 389,4	2 315,0	2 171,9	2 040,9
Sold			228,7	138,3	45,5	13,6	—
			(72,0)	(74,0)	—	—	—
Operating performance							
Cash on-mine costs	R/ton milled		273	260	260	235	222
Cash on-mine costs	R/oz equivalent refined Pt		4 796	4 334	3 899	3 393	2 915
Cash operating costs	R/oz Pt refined		5 670	5 046	4 725	3 910	3 340
Cash operating costs	R/oz PGM refined		2 996	2 807	2 636	2 233	1 918
Cash on-mine costs	US\$/ton milled		43	40	34	22	26
Cash on-mine costs	US\$/oz equivalent refined Pt		753	673	517	324	338
Cash operating costs	US\$/oz Pt refined		890	784	626	373	388
Cash operating costs	US\$/oz PGM refined		471	436	349	213	223
Operating income statement							
Net sales revenue	R millions		22 938,0	19 267,0	16 100,4	19 552,7	17 878,9
Operating cost of sales#			(16 082,1)	(13 920,4)	(11 586,8)	(9 538,6)	(7 588,4)
Operating contribution							
			6 855,9	5 346,6	4 513,6	10 014,1	10 290,5
Operating margin							
	%		29,9	27,8	28,0	51,2	57,6

* Excludes contractors.

† Mines' production and purchases of metal in concentrate converted to equivalent refined production using Anglo Platinum's standard smelting and refining recoveries.

Cost of sales excluding other costs.

Equivalent refined platinum production from mines*



*Includes all operations except Modikwa Platinum Mine, which was in a production ramp-up phase. In 2004 Rustenburg Section's UG2 Project was in ramp-up phase.

STEADY-STATE OPERATIONS*

Total steady-state operations		2005	2004	2003	2002	2001
Refined production						
Platinum	000 oz	2 325,0	2 027,4	1 799,1	1 918,5	1 979,0
Palladium	000 oz	1 225,5	1 024,4	905,5	937,6	1 004,7
Rhodium	000 oz	298,5	192,8	171,2	176,8	192,9
Gold	000 oz	113,5	98,5	94,5	90,8	96,1
PGMs	000 oz	4 322,7	3 552,7	3 214,6	3 363,0	3 478,0
Nickel	000 tons	19,8	19,8	18,1	16,8	18,5
Copper	000 tons	10,9	11,4	10,5	9,1	10,2
Production statistics and efficiency measures						
Tons mined, opencast PPRust	000	56 799	54 026	48 444	39 672	29 631
Tons broken, underground mines	000	31 456	22 804	20 134	20 179	21 519
Tons milled	000	39 948	32 065	25 349	24 587	24 952
Mines		34 371	27 716	25 349	24 587	24 952
Western Limb Tailings Retreatment (WLTR)		5 577	4 349	—	—	—
Immediately available ore reserves	Months	16,6	14,8	16,0	15,4	14,2
Average number of mine employees•		42 209	36 700	34 984	34 527	37 396
Underground mines		40 983	35 465	33 860	33 415	36 301
Opencast mine PPRust		1 119	1 132	1 124	1 112	1 095
WLTR		107	103	—	—	—
UG2 mined of total output	%	49	35	32	28	28
Built-up head grade (excluding WLTR)	g/ton milled, 4E	4,27	4,63	4,86	4,91	5,06
Equivalent refined platinum production†	000 oz	2 374,7	2 020,6	1 831,0	1 835,6	1 914,5
Mined		2 282,5	2 013,4	1 831,0	1 835,6	1 914,5
Purchased		164,2	81,2	—	—	—
Sold		(72,0)	(74,0)	—	—	—
Operating performance						
Cash on-mine costs	R/ton milled	270	252	253	233	217
Cash on-mine costs	R/oz equivalent refined Pt	4 718	4 007	3 497	3 123	2 825
Cash operating costs	R/oz Pt refined	5 587	4 670	4 304	3 599	3 254
Cash operating costs	R/oz PGM refined	2 983	2 652	2 409	2 053	1 852
Cash on-mine costs	US\$/ton milled	42	39	34	22	25
Cash on-mine costs	US\$/oz equivalent refined Pt	741	623	463	298	328
Cash operating costs	US\$/oz Pt refined	877	726	570	343	378
Cash operating costs	US\$/oz PGM refined	468	412	319	196	215
Operating income statement						
Net sales revenue	R millions	21 606,3	16 077,8	12 637,6	16 724,4	16 971,8
Operating cost of sales#		(14 879,7)	(10 744,7)	(8 313,9)	(7 608,5)	(6 956,5)
Operating contribution		6 726,6	5 333,1	4 323,7	9 115,9	10 015,3
Operating margin	%	31,1	33,2	34,2	54,5	59,0

* Includes all operations except Modikwa Platinum Mine, which is in a production ramp-up phase in 2005. In prior years, Rustenburg Section UG2 Project was also classified as 'ramp-up' and in 2001 to 2003 BRPM was classified as 'ramp-up'.

• Excludes contractors.

† Mine production and purchases of metal in concentrate converted to equivalent refined production using Anglo Platinum's standard smelting and refining recoveries.

Cost of sales excluding other costs.

STEADY-STATE OPERATIONS

		Includes UG2 ramp-up					
Rustenburg Section (100% owned)*		2005	2004	2004	2003	2002	2001
Refined production							
Platinum	000 oz	822,1	864,1	552,0	557,3	655,5	719,1
Palladium	000 oz	401,5	409,7	233,3	230,0	272,7	307,7
Rhodium	000 oz	114,4	82,0	42,4	38,5	43,1	54,0
Gold	000 oz	40,6	38,3	30,1	37,2	39,0	41,8
PGMs	000 oz	1 525,9	1 495,4	898,3	927,9	1 077,7	1 175,6
Nickel	000 tons	6,3	7,4	5,5	6,0	6,8	7,8
Copper	000 tons	3,5	4,5	3,3	3,7	3,9	4,5
Production statistics and efficiency measures							
Tons broken	000	13 285	13 488	5 759	6 360	7 014	8 550
Tons milled	000	11 848	12 274	5 763	6 511	7 031	7 733
Immediately available ore reserves	Months	17,6	12,2	14,8	15,6	17,0	15,0
Average number of mine employees•		18 468	19 803	13 478	14 540	14 780	17 346
UG2 mined of total output	%	57	49	—	—	2	16
Built-up head grade	g/ton milled, 4E	4,34	4,39	5,32	5,17	5,31	5,38
Equivalent refined platinum production†		000 oz					
		839,4	864,7	545,8	571,3	611,5	689,9
Mined		823,9	861,2	542,3	571,3	611,5	689,9
Purchased		15,5	3,5	3,5	—	—	—
Operating performance							
Cash on-mine costs	R/ton milled	360	331	382	316	296	286
Cash on-mine costs	R/oz equivalent refined Pt	5 179	4 714	4 059	3 604	3 400	3 206
Cash operating costs	R/oz Pt refined	5 967	5 396	4 615	4 366	3 822	3 650
Cash operating costs	R/oz PGM refined	3 217	3 118	2 837	2 623	2 325	2 233
Cash on-mine costs	US\$/ton milled	57	51	59	42	28	33
Cash on-mine costs	US\$/oz equivalent refined Pt	813	732	631	478	324	372
Cash operating costs	US\$/oz Pt refined	937	838	717	579	365	424
Cash operating costs	US\$/oz PGM refined	505	484	441	348	222	259
Operating income statement		R millions					
Net sales revenue		7 525,1	6 420,5	4 147,5	3 845,9	5 504,2	5 780,6
Operating cost of sales#		(5 390,8)	(4 870,1)	(2 607,7)	(2 715,9)	(2 710,0)	(2 787,0)
Operating contribution		2 134,3	1 550,4	1 539,8	1 130,0	2 794,2	2 993,6
Operating margin		%	28,4	24,1	37,1	29,4	50,8

* The Rustenburg Section UG2 Project has been included in Rustenburg Section steady-state from 2005.

• Excludes contractors.

† Mine's production and purchases of metal in concentrate converted to equivalent refined production using Anglo Platinum's standard smelting and refining recoveries.

Cost of sales excluding other costs.

STEADY-STATE OPERATIONS

Amandelbult Section (100% owned)		2005	2004	2003	2002	2001
Refined production						
Platinum	000 oz	548,9	605,6	634,6	711,0	679,3
Palladium	000 oz	255,4	272,0	277,1	314,7	299,4
Rhodium	000 oz	74,1	64,8	66,1	71,9	73,0
Gold	000 oz	20,7	19,8	24,0	23,6	23,0
PGMs	000 oz	992,9	1 048,4	1 102,0	1 228,6	1 172,4
Nickel	000 tons	3,6	4,0	3,9	4,2	4,2
Copper	000 tons	1,9	2,3	2,3	2,1	2,3
Production statistics and efficiency measures						
Tons broken	000	6 999	6 972	7 757	7 539	7 621
Tons milled	000	6 000	6 458	6 956	7 072	7 086
Immediately available ore reserves	Months	24,3	19,9	19,9	18,0	18,0
Average number of mine employees*		9 761	9 637	9 595	9 607	9 890
UG2 mined of total output	%	45	47	46	44	36
Built-up head grade	g/ton milled, 4E	5,58	5,69	5,76	5,86	5,68
Equivalent refined platinum production†	000 oz	556,4	591,7	644,7	677,6	653,7
Operating performance						
Cash on-mine costs	R/ton milled	335	292	242	212	184
Cash on-mine costs	R/oz equivalent refined Pt	3 613	3 183	2 607	2 210	1 995
Cash operating costs	R/oz Pt refined	4 219	3 641	3 213	2 533	2 312
Cash operating costs	R/oz PGM refined	2 332	2 103	1 850	1 466	1 340
Cash on-mine costs	US\$/ton milled	53	45	32	20	21
Cash on-mine costs	US\$/oz equivalent refined Pt	567	495	345	211	232
Cash operating costs	US\$/oz Pt refined	663	566	426	242	268
Cash operating costs	US\$/oz PGM refined	366	327	245	140	155
Operating income statement						
Net sales revenue	R millions	4 837,5	4 492,6	4 181,6	5 954,0	5 473,0
Operating cost of sales#		(2 501,7)	(2 424,4)	(2 074,9)	(2 067,8)	(1 730,4)
Operating contribution		2 335,8	2 068,2	2 106,7	3 886,2	3 742,6
Operating margin	%	48,3	46,0	50,4	65,3	68,4

* Excludes contractors.

† Mine production and purchases of metal in concentrate converted to equivalent refined production using Anglo Platinum's standard smelting and refining recoveries.

Cost of sales excluding other costs.

STEADY-STATE OPERATIONS

Union Section (100% owned)		2005	2004	2003	2002	2001
Refined production						
Platinum	000 oz	310,1	319,6	313,2	284,7	280,4
Palladium	000 oz	139,0	139,8	132,6	125,8	122,2
Rhodium	000 oz	57,8	47,6	43,6	40,2	42,3
Gold	000 oz	5,8	5,4	5,8	5,2	4,8
PGMs	000 oz	595,0	581,6	572,0	514,7	505,2
Nickel	000 tons	1,1	1,1	1,1	1,0	1,1
Copper	000 tons	0,5	0,5	0,5	0,4	0,5
Production statistics and efficiency measures						
Tons broken	000	4 859	4 196	4 041	3 707	3 694
Tons milled	000	6 258	6 209	5 882	4 562	4 466
Immediately available ore reserves	Months	18,8	19,0	19,7	20,0	16,1
Average number of mine employees*		7 619	7 261	6 870	6 240	6 342
UG2 mined of total output	%	59	69	74	64	60
Built-up head grade	g/ton milled, 4E	3,55	3,73	4,18	4,34	4,40
Equivalent refined platinum production†	000 oz	314,0	313,0	318,2	276,7	269,5
Operating performance						
Cash on-mine costs	R/ton milled	275	253	229	235	211
Cash on-mine costs	R/oz equivalent refined Pt	5 484	5 023	4 231	3 876	3 489
Cash operating costs	R/oz Pt refined	6 289	5 609	5 003	4 246	3 787
Cash operating costs	R/oz PGM refined	3 278	3 082	2 739	2 349	2 102
Cash on-mine costs	US\$/ton milled	43	39	30	22	24
Cash on-mine costs	US\$/oz equivalent refined Pt	861	780	561	370	405
Cash operating costs	US\$/oz Pt refined	988	871	663	405	439
Cash operating costs	US\$/oz PGM refined	515	479	363	224	244
Operating income statement						
Net sales revenue	R millions	2 827,9	2 328,7	2 029,2	2 385,7	2 326,6
Operating cost of sales#		(2 133,7)	(1 913,0)	(1 615,5)	(1 326,4)	(1 135,7)
Operating contribution		694,2	415,7	413,7	1 059,3	1 190,9
Operating margin	%	24,5	17,9	20,4	44,4	51,2

* Excludes contractors.

† Mine production and purchases of metal in concentrate converted to equivalent refined production using Anglo Platinum's standard smelting and refining recoveries.

Cost of sales excluding other costs.

STEADY-STATE OPERATIONS

PPRust (100% owned)		2005	2004	2003	2002	2001
Refined production						
Platinum	000 oz	200,5	196,0	188,9	165,3	211,1
Palladium	000 oz	214,3	209,2	196,9	159,0	219,8
Rhodium	000 oz	13,8	13,1	12,5	12,1	16,4
Gold	000 oz	21,7	21,7	21,4	17,1	21,2
PGMs	000 oz	443,4	431,9	411,0	349,4	462,9
Nickel	000 tons	4,6	5,1	5,7	3,4	4,2
Copper	000 tons	2,7	2,9	3,2	1,9	2,2
Production statistics and efficiency measures						
Tons mined	000	56 799	54 026	48 444	39 672	29 631
Stripping ratio		7,0	7,6	13,0	17,7	10,9
Tons milled	000	4 535	4 470	4 465	4 375	4 270
Immediately available ore reserves*	Months	5,6	4,8	5,3	6,1	3,5
Average number of mine employees•		1 119	1 132	1 124	1 112	1 095
Built-up head grade	g/ton milled, 4E	4,03	4,12	3,99	3,53	4,38
Equivalent refined platinum production†	000 oz	205,3	200,1	191,8	164,7	211,4
Operating performance						
Cash on-mine costs	R/ton milled	219	191	183	147	139
Cash on-mine costs	R/oz equivalent refined Pt	4 843	4 273	4 249	3 903	2 815
Cash operating costs	R/oz Pt refined	6 454	5 861	5 964	5 298	3 688
Cash operating costs	R/oz PGM refined	2 918	2 660	2 741	2 507	1 682
Cash on-mine costs	US\$/ton milled	34	30	24	14	16
Cash on-mine costs	US\$/oz equivalent refined Pt	761	664	563	373	327
Cash operating costs	US\$/oz Pt refined	1 014	911	790	506	428
Cash operating costs	US\$/oz PGM refined	458	413	363	239	195
Operating income statement						
Net sales revenue	R millions	2 119,9	1 979,6	1 782,6	1 892,6	2 558,6
Operating cost of sales#		(1 572,0)	(1 398,8)	(1 272,7)	(966,5)	(878,1)
Operating contribution		547,9	580,8	509,9	926,1	1 680,5
Operating margin	%	25,8	29,3	28,6	48,9	65,7

* Within the pit.

• Excludes contractors.

† Mine production and purchases of metal in concentrate converted to equivalent refined production using Anglo Platinum's standard smelting and refining recoveries.

Cost of sales excluding other costs.

STEADY-STATE OPERATIONS

Leplats (100% owned)		2005	2004	2003	2002	2001
Refined production						
Platinum	000 oz	110,0	113,6	105,1	102,0	89,1
Palladium	000 oz	76,4	78,0	68,9	65,4	55,6
Rhodium	000 oz	11,7	11,6	10,5	9,5	7,2
Gold	000 oz	5,9	6,2	6,1	5,9	5,3
PGMs	000 oz	217,7	222,1	201,7	192,6	161,9
Nickel	000 tons	1,4	1,5	1,4	1,4	1,2
Copper	000 tons	0,8	0,9	0,8	0,8	0,7
Production statistics and efficiency measures						
Tons broken	000	2 069	2 177	1 976	1 919	1 654
Tons milled	000	1 609	1 789	1 535	1 547	1 397
Immediately available ore reserves	Months	14,8	12,4	16,6	15,6	13,8
Average number of mine employees*		3 691	3 092	2 855	2 788	2 723
UG2 mined of total output	%	43	43	39	38	38
Built-up head grade	g/ton milled, 4E	4,66	4,51	4,61	4,46	4,26
Equivalent refined platinum production†	000 oz	112,1	118,8	105,0	105,1	90,0
Operating performance						
Cash on-mine costs	R/ton milled	397	329	327	285	256
Cash on-mine costs	R/oz equivalent refined Pt	5 703	4 958	4 779	4 197	3 983
Cash operating costs	R/oz Pt refined	6 562	5 895	5 499	5 027	4 540
Cash operating costs	R/oz PGM refined	3 316	3 015	2 866	2 663	2 498
Cash on-mine costs	US\$/ton milled	62	51	43	27	30
Cash on-mine costs	US\$/oz equivalent refined Pt	896	770	633	401	462
Cash operating costs	US\$/oz Pt refined	1 031	916	729	480	527
Cash operating costs	US\$/oz PGM refined	521	468	380	254	290
Operating income statement						
Net sales revenue	R millions	1 032,4	948,7	798,3	987,9	833,0
Operating cost of sales#		(801,0)	(730,1)	(634,9)	(537,8)	(425,3)
Operating contribution		231,4	218,6	163,4	450,1	407,7
Operating margin	%	22,4	23,0	20,5	45,6	48,9

* Excludes contractors.

† Mine production and purchases of metal in concentrate converted to equivalent refined production using Anglo Platinum's standard smelting and refining recoveries.

Cost of sales excluding other costs.

STEADY-STATE OPERATIONS

BRPM (50:50 JV with Royal Bafokeng Resources – steady-state from January 2004)*		2005	2004	2003	2002	2001
Refined production						
Platinum	000 oz	188,4	183,5	177,6	162,1	130,2
Palladium	000 oz	77,7	74,1	69,1	68,2	44,3
Rhodium	000 oz	15,2	11,5	11,2	10,5	7,5
Gold	000 oz	12,8	10,1	10,8	9,4	6,1
PGMs	000 oz	306,9	289,6	280,9	261,5	195,6
Nickel	000 tons	2,2	2,2	2,0	1,7	1,0
Copper	000 tons	1,2	1,3	1,3	1,0	0,6
Production statistics and efficiency measures						
Tons broken	000	1 537	1 706	2 681	2 159	1 256
Tons milled	000	1 288	1 381	2 481	2 491	1 892
Immediately available ore reserves	Months	12,1	11,7	10,3	6,7	7,3
Average number of mine employees•		1 435	1 989	3 457	3 267	2 554
UG2 mined of total output	%	—	—	8	13	24
Built-up head grade	g/ton milled, 4E	4,30	4,47	4,50	4,22	4,42
Equivalent refined platinum production†						
	000 oz	195,0	184,9	183,5	161,5	126,4
Mined		97,5	107,2	183,5	161,5	126,4
Purchased		97,5	77,7	—	—	—
Operating performance						
Cash on-mine costs	R/ton milled	378	372	329	284	285
Cash on-mine costs	R/oz equivalent refined Pt	4 998	4 795	4 456	4 382	4 266
Cash operating costs	R/oz Pt refined	5 885	4 956	5 221	5 045	4 638
Cash operating costs	R/oz PGM refined	3 612	3 058	3 301	3 127	3 087
Cash on-mine costs	US\$/ton milled	59	58	44	27	33
Cash on-mine costs	US\$/oz equivalent refined Pt	785	745	590	418	495
Cash operating costs	US\$/oz Pt refined	924	770	692	481	538
Cash operating costs	US\$/oz PGM refined	567	475	437	298	358
Operating income statement						
Net sales revenue	R millions	1 626,4	1 366,0	1 186,4	1 358,4	907,1
Operating cost of sales#		(1 402,6)	(1 139,7)	(1 066,1)	(924,5)	(631,9)
Operating contribution		223,8	226,3	120,3	433,9	275,2
Operating margin		13,8	16,6	10,1	31,9	30,3

* The joint venture with the Royal Bafokeng Nation became fully operational on 1 March 2004. The information reported reflects 100% of the Bafokeng-Rasimone Platinum Mine operations up to the end of February 2004, and thereafter represents half of the Bafokeng-Rasimone Platinum Mine operations plus the purchase, conversion and sale of 50% of the metals in concentrate.

• Excludes contractors.

† Mine production and purchases of metal in concentrate converted to equivalent refined production using Anglo Platinum's standard smelting and refining recoveries.

Cost of sales excluding other costs.

STEADY-STATE OPERATIONS

Western Limb Tailings Retreatment (100% owned)		2005	2004
Refined production			
Platinum	000 oz	55,0	57,1
Palladium	000 oz	18,6	18,0
Rhodium	000 oz	4,0	1,8
Gold	000 oz	5,0	5,2
PGMs	000 oz	91,2	80,8
Nickel	000 tons	0,5	0,4
Copper	000 tons	0,2	0,2
Production statistics and efficiency measures			
Tons milled	000	5 577	4 349
Average number of employees•		107	103
Built-up head grade	g/ton milled, 4E	1,16	2,07
Equivalent refined platinum production†	000 oz	50,1	66,3
Operating performance			
Cash on-mine costs	R/ton milled	29	30
Cash on-mine costs	R/oz equivalent refined Pt	3 265	1 955
Cash operating costs	R/oz Pt refined	4 599	3 743
Cash operating costs	R/oz PGM refined	2 773	2 645
Cash on-mine costs	US\$/ton milled	5	5
Cash on-mine costs	US\$/oz equivalent refined Pt	513	304
Cash operating costs	US\$/oz Pt refined	722	582
Cash operating costs	US\$/oz PGM refined	435	411
Operating income statement			
Net sales revenue	R millions	463,4	341,6
Operating cost of sales#		(341,1)	(206,8)
Operating contribution		122,3	134,8
Operating margin		26,4	39,5

• Excludes contractors.

† Mine's production and purchases of metal in concentrate converted to equivalent refined production using Anglo Platinum's standard smelting and refining recoveries.

Cost of sales excluding other costs.

STEADY-STATE OPERATIONS

Kroondal Pooling and Sharing Agreement (50:50 venture with Aquarius Platinum (South Africa))*		2005	2004
Refined production			
Platinum	000 oz	90,0	
Palladium	000 oz	42,6	
Rhodium	000 oz	7,5	
Gold	000 oz	1,0	
PGMs	000 oz	149,7	
Nickel	000 tons	0,1	
Copper	000 tons	0,1	
Production statistics and efficiency measures			
Tons broken	000	2 707	1 994
Tons milled	000	2 833	1 646
Immediately available ore reserves	Months	12,0	12,0
Average number of mine employees°		9	8
UG2 mined of total output	%	100	100
Built-up head grade	g/ton milled, 4E	2,94	3,07
Equivalent refined platinum production†	000	102,4	—
Mined		123,2	74,0
Purchased		51,2	—
Sold**		(72,0)	(74,0)
Operating performance			
Cash on-mine costs	R/ton milled	172	197
Cash on-mine costs	R/oz equivalent refined Pt	3 945	4 381
Cash operating costs	R/oz Pt refined	4 934	
Cash operating costs	R/oz PGM refined	2 964	
Cash on-mine costs	US\$/ton milled	27	31
Cash on-mine costs	US\$/oz equivalent refined Pt	620	681
Cash operating costs	US\$/oz Pt refined	775	
Cash operating costs	US\$/oz PGM refined	465	
Operating income statement			
Net sales revenue***	R millions	1 173,7	473,1
Operating cost of sales#		(736,8)	(324,2)
Operating contribution		436,9	148,9
Operating margin		37,2	31,5

°Mining and concentrating operations are conducted by contractors.

†Mine production and purchases of metal in concentrate converted to equivalent refined production using Anglo Platinum's standard smelting and refining recoveries.

#Cost of sales excluding other costs.

*Represents half of the Kroondal Platinum Mine operation plus the purchase, conversion and sale of 50% of metals in concentrate that are surplus to its off-take agreement with Impala Platinum.

**Metal in concentrate attributable to Anglo Platinum sold to Impala Platinum in terms of an off-take agreement that was in place when the Pooling and Sharing Agreement commenced.

Metal in concentrate surplus to the volumes stipulated in the off-take agreement are refined by Anglo Platinum.

***Revenue from sale of refined production and metal in concentrate.

RAMP-UP OPERATION

Modikwa Platinum Mine (50:50 JV with ARM Platinum)*		2005	2004	2003	2002
Refined production					
Platinum	000 oz	128,2	114,0	86,2	25,1
Palladium	000 oz	127,7	109,9	80,6	24,4
Rhodium	000 oz	29,6	20,9	14,6	3,3
Gold	000 oz	4,0	3,2	2,5	0,7
PGMs	000 oz	328,3	276,6	204,9	53,7
Nickel	000 tons	0,7	0,6	0,4	0,1
Copper	000 tons	0,4	0,3	0,3	—
Production statistics and efficiency measures					
Tons broken	000	1 481	1 384	1 484	459
Tons milled	000	1 304	1 182	1 211	488
Immediately available ore reserves	Months	10,3	7,7	2,9	4,0
Average number of mine employees•		1 687	1 215	1 057	850
UG2 mined of total output	%	99	98	100	100
Built-up head grade	g/ton milled, 4E	4,14	4,09	3,23	2,52
Equivalent refined platinum production†	000 oz	129,0	114,2	91,0	27,3
Mined		64,5	57,1	45,5	13,7
Purchased		64,5	57,1	45,5	13,6
Operating performance					
Cash on-mine costs	R/ton milled	372	363	303	185
Cash on-mine costs	R/oz equivalent refined Pt	7 532	7 515	8 057	6 598
Cash operating costs	R/oz Pt refined	8 498	8 519	9 268	7 880
Cash operating costs	R/oz PGM refined	3 319	3 511	3 898	3 683
Cash on-mine costs	US\$/ton milled	58	56	40	18
Cash on-mine costs	US\$/oz equivalent refined Pt	1 183	1 168	1 068	630
Cash operating costs	US\$/oz Pt refined	1 335	1 323	1 228	752
Cash operating costs	US\$/oz PGM refined	521	545	517	352
Operating income statement		R millions			
Net sales revenue		1 331,7	916,2	616,1	163,3
Operating cost of sales#		(1 202,4)	(913,3)	(612,9)	(150,4)
Operating contribution		129,3	2,9	3,2	12,9
Operating margin		%	9,7	0,5	7,9

*Represents half of the Modikwa Platinum Mine operation plus the purchase, conversion and sale of 50% of the metals in concentrate.

•Excludes contractors.

†Mine production and purchases of metal in concentrate converted to equivalent refined production using Anglo Platinum's standard smelting and refining recoveries.

#Cost of sales excluding other costs.

RAMP-UP OPERATION

Rustenburg Section UG2 Project (100% owned)		2005*	2004	2003	2002
Refined production					
Platinum	000 oz		312,1	244,9	145,4
Palladium	000 oz		176,4	135,7	85,1
Rhodium	000 oz		39,6	35,5	21,1
Gold	000 oz		8,2	8,3	6,2
PGMs	000 oz		597,1	461,1	269,4
Nickel	000 tons		1,9	1,6	0,8
Copper	000 tons		1,2	0,8	0,4
Production statistics and efficiency measures					
Tons broken	000		7 729	7 035	3 951
Tons milled	000		6 511	5 716	3 786
Immediately available ore reserves	Months		10,0	11,8	12,3
Average number of mine employees•			6 325	4 506	3 422
UG2 mined of total output	%		93	93	92
Built-up head grade	g/ton milled, 4E		3,56	3,38	3,24
Equivalent refined platinum production†	000 oz		318,9	255,0	161,1
Operating performance					
Cash on-mine costs	R/ton milled		285	252	221
Cash on-mine costs	R/oz equivalent refined Pt		5 829	5 647	5 205
Cash operating costs	R/oz Pt refined		6 767	6 661	6 415
Cash operating costs	R/oz PGM refined		3 537	3 538	3 462
Cash on-mine costs	US\$/ton milled		44	33	21
Cash on-mine costs	US\$/oz equivalent refined Pt		906	748	497
Cash operating costs	US\$/oz Pt refined		1 051	883	612
Cash operating costs	US\$/oz PGM refined		549	469	330
Operating income statement					
Net sales revenue	R millions		2 273,0	1 660,3	1 306,6
Operating cost of sales#			(2 262,4)	(1 593,9)	(855,2)
Operating contribution			10,6	66,4	451,4
Operating margin			0,5	4,0	34,5

* From 2005, the project has been included in Rustenburg Section steady-state.

• Excludes contractors.

† Mine production and purchases of metal in concentrate converted to equivalent refined production using Anglo Platinum's standard smelting and refining recoveries.

Cost of sales excluding other costs.

ANALYSIS OF GROUP CAPITAL EXPENDITURE

R millions	2005			2004		
	Ongoing	Expansion	Total	Ongoing	Expansion	Total
Mining						
Rustenburg Section	836,8	—	836,8	1 207,1	—	1 207,1
Amandelbult Section	566,0	—	566,0	314,4	—	314,4
Union Section	298,1	—	298,1	294,3	—	294,3
PPRust	306,0	67,9	373,9	186,2	—	186,2
Leplats	197,5	—	197,5	122,1	16,0	138,1
BRPM JV	152,2	—	152,2	122,7	2,1	124,8
Western Limb Tailings Retreatment	4,1	37,1	41,2	0,9	116,9	117,8
Modikwa JV	28,3	92,5	120,8	49,7	23,9	73,6
Kroondal PSA	—	160,8	160,8	—	202,0	202,0
Total mining	2 389,0	358,3	2 747,3	2 297,4	360,9	2 658,3
Processing						
Waterval Smelter	86,4	320,8	407,2	69,0	249,0	318,0
Polokwane Smelter	88,2	21,2	109,4	52,6	54,1	106,7
RBMR	116,8	6,9	123,7	53,4	12,4	65,8
PMR	38,3	120,8	159,1	48,6	395,0	443,6
Total processing	329,7	469,7	799,4	223,6	710,5	934,1
Projects and other	80,3	588,5	668,8	156,7	659,3	816,0
Total capital expenditure	2 799,0	1 416,5	4 215,5	2 677,7	1 730,7	4 408,4
Capitalised interest			146,8			197,7
Grand total			4 362,3			4 606,1

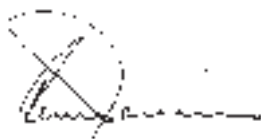


CONTENTS

APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS	112
DECLARATION BY THE COMPANY SECRETARY	112
REPORT OF THE INDEPENDENT AUDITORS	113
DIRECTORS' REPORT	114
Financial results and nature of business	114
Listings	114
Compliance with accounting standards	114
Reporting in United States dollars	114
Ordinary dividends	114
Preference shares	115
Corporate governance	115
Corporate Code of Conduct	116
Directorate	116
Interests of directors	117
Directors' remuneration	117
Shares repurchased	117
Change of name	117
Amendments to Articles of Association	117
General authority to permit the Company and/or its subsidiaries to acquire shares in the Company	118
Amendments to the deferred bonus plan	119
Share capital	119
Dematerialisation of shares (STRATE)	119
Property	119
Auditors	119
Administration	119
Subsidiary companies	119
Holding company and ultimate holding company	119
REMUNERATION REPORT	120
Role of the Remuneration Committee and terms of reference	120
Membership of the Remuneration Committee	120
Remuneration policy and Executive Remuneration	120
Share incentive schemes for executives other than directors	130
CONSOLIDATED FINANCIAL STATEMENTS	131
Principal accounting policies	131
Consolidated income statement	138
Segmental information	139
Consolidated balance sheet	140
Group statement of recognised income and expense	141
Consolidated cash flow statement	142
United States dollar equivalents	143
Notes to the consolidated financial statements	146
Annexure A: mining and process property, plant and equipment	176
Annexure B: non-mining property, plant and equipment	177
Annexure C: equity compensation benefits, Anglo Platinum share incentive schemes	178
Annexure D: investments in wholly-owned subsidiaries, joint ventures and associates	184
Appendix 1: Anglo Platinum Limited annual financial statements	186

APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

The annual financial statements, which appear on pages 114 to 191, were approved by the Board of Directors on 9 February 2006 and are signed on its behalf by:

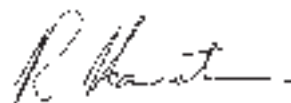


Barry Davison

Non-executive Chairman

Johannesburg

9 February 2006



Ralph Havenstein

Chief Executive Officer

Johannesburg

9 February 2006

DECLARATION BY THE COMPANY SECRETARY

In terms of Section 268(G)(d) of the South African Companies Act 1973, as amended, I declare that, to the best of my knowledge, the Company has lodged with the Registrar of Companies all such returns as are required of a public company in terms of the Companies Act and that all such returns are true, correct and up to date in respect of the financial year reported upon.



Jenny Meyer

Group Company Secretary

Johannesburg

9 February 2006

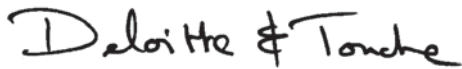
REPORT OF THE INDEPENDENT AUDITORS

To the members of Anglo Platinum Limited

We have audited the Group annual financial statements and annual financial statements of Anglo Platinum Limited set out on pages 114 to 191 for the year ended 31 December 2005. These annual financial statements are the responsibility of the Company's Directors. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management; as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion these annual financial statements fairly present, in all material respects, the financial position of the Group and of the Company as at 31 December 2005 and the results of their operations and cash flows for the year then ended in accordance with International Financial Reporting Standards, South African Statements of Generally Accepted Accounting Practice and in the manner required by the Companies Act of South Africa.



Deloitte & Touche

Chartered Accountants (SA)

Registered Accountants and Auditors

Johannesburg

9 February 2006

The directors have pleasure in submitting their report and the annual financial statements of the Group and the Company for the year ended 31 December 2005.

In the context of the financial statements, the term 'Group' refers to the Company, its subsidiaries, associates and joint ventures.

The directors are of the opinion that stakeholder interests are best served by separating the Group's annual financial statements from those of the Company. The latter financial statements appear in Appendix 1.

FINANCIAL RESULTS AND NATURE OF BUSINESS

The financial statements fully set out the financial results of the Company and the Group. The Company is the holding company of the Group. The nature of the Group's business is described at the front of this Business Report.

LISTINGS

The abbreviated name under which the Company is listed on the JSE Limited (JSE) is 'AngloPlat' and the Company's JSE Clearing House Code is 'AMS' for the ordinary shares and 'AMSP' for the preference shares. The Company, which is the sole listed entity for the Group, also has a secondary listing on The Stock Exchange, London.

International Depositary Receipts in respect of the Company's shares are listed on the Brussels Bourse. These depositary receipts are issued by SOGÈS-DEWAAY, the issuing company of Bank Brussels Lambert SA.

COMPLIANCE WITH ACCOUNTING STANDARDS

The Group's and the Company's annual financial statements comply with International Financial Reporting Standards, as well as South African Statements of Generally

Accepted Accounting Practice, the South African Companies Act and the JSE's listing requirements.

REPORTING IN UNITED STATES DOLLARS

For the convenience of users, the income statement, balance sheet and cash flow statement of the Group have been translated into United States dollars on pages 143 to 145.

ORDINARY DIVIDENDS

The Company's dividend policy is to declare an interim and a final dividend in respect of each financial year.

At its discretion, the board may declare a special dividend where appropriate.

Interim dividend

On Tuesday, 26 July 2005, the board declared an interim cash dividend (number 105) of 480 cents per ordinary share (2004: 400 cents) to shareholders reflected in the register of the Company on Friday, 26 August 2005.

This dividend was paid on Monday, 29 August 2005.

Final dividend

On Thursday, 9 February 2006, the board declared a final cash dividend (number 106) of 700 cents per ordinary share (2004: 335 cents) to shareholders reflected in the register of the Company on Friday, 17 March 2006.

Salient dates for the final dividend	2006
Last date to trade (cum dividend)	Friday, 10 March
First date of trading (ex dividend)	Monday, 13 March
Currency conversion date (for sterling payments from London)	Tuesday, 14 March
Record date	Friday, 17 March
Payment date	Monday, 20 March

Total dividends for the year in respect of ordinary shares

The abovementioned interim and final dividends resulted in dividends for the year totalling 1 180 cents per ordinary share (2004: 735 cents).

The board is satisfied that the capital remaining after the payment of the final dividend, together with anticipated borrowings, will be sufficient to support current operations and to facilitate future development of the business.

PREFERENCE SHARES

On 10 May 2004, a renounceable rights offer was made to shareholders by the Company of 40 000 000 preference shares with a par value of one cent each at an issue price of R100 per preference share, in the ratio of 18,4249 preference shares for every 100 ordinary shares held in the Company at the close of business on Friday, 7 May 2004. The rights offer was fully taken up.

During the year, a total of 46 preference shares have been converted to 16 ordinary shares (2004: a total of 325 preference shares were converted to 113 ordinary shares).

Preference dividends (No. 2 and 3)

The JSE granted a ruling allowing the Company to pay preference dividends on the dividend dates, being 31 May and 30 November each year, regardless of which other, later dates would apply if the standard procedures were followed. This avoids prejudice to the Company or preference shareholders in respect of dividend payments being made before/after the calculation date.

Accordingly, on Monday, 9 May 2005, the board declared a preference dividend (No. 2) of 318 cents per preference share (calculated for the period 1 December 2004 to 31 May 2005) (2004: nil) to preference shareholders reflected in the register of the Company on Friday, 27 May 2005 and paid on Tuesday, 31 May 2005.

On Tuesday, 1 November 2005, the board declared a preference dividend (No. 3) of 320 cents per preference share (calculated for the period 1 June to 30 November 2005) (2004: 322 cents per preference share) and paid on Wednesday, 30 November 2005.

CORPORATE GOVERNANCE

Directors' responsibilities in respect of annual financial statements

The directors are required by the South African Companies Act to maintain adequate accounting records and to prepare annual financial statements that fairly present the state of affairs of the Group and the Company as at the end of the financial year and the profit or loss for that year. Furthermore, in order to achieve fair presentation, these financial statements are drawn up to comply with International Financial Reporting Standards and South African Statements of Generally Accepted Accounting Practice. The financial statements are the responsibility of the directors and it is the responsibility of the independent auditors to report thereon.

To enable the directors to meet these responsibilities, the board sets standards and implements systems of internal control aimed at reducing the risk of error or loss in a cost-effective manner. The controls include the proper delegation of responsibilities within a clearly defined framework, effective

accounting procedures and adequate segregation of duties, ensuring an acceptable level of risk. These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring that the Group's business is conducted in a manner that in all reasonable circumstances is beyond reproach.

Particulars relating to the Group's internal controls and audit approach, embracing the role and function of the Audit Committee, are set out in the section on Corporate Governance in Volume 2 of this annual report: the sustainable development report. The audit approach ensures a thorough comprehension of the Group's financial and business objectives, as well as an analysis of the underlying systems and procedures.

The focus of risk management in the Group concentrates on identifying, assessing, managing and monitoring all known forms of risk. While operating risk cannot be fully eliminated, the Group endeavours to minimise it by ensuring that the appropriate infrastructure, controls, systems and ethics are applied throughout the Group and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management and the internal auditors and on comment by the independent auditors on the results of their audit, that the internal controls are adequate for ensuring:

- The reliability and integrity of financial and operating information;
- The compliance of established systems with policies, plans, procedures, laws and regulations;
- The safeguarding of the Group's assets against unauthorised use or disposition;
- The economic, effective and efficient utilisation of resources; and
- The achievement of established objectives and goals for operations or programmes.

Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures, or systems occurred during the year under review.

The internal auditors concur with these statements by the directors. While the external audit is not designed to provide internal control assurance, the external auditors did not identify any material internal control weaknesses during the course of their audit.

Accordingly, the financial records may be relied upon for preparing the financial statements and maintaining accountability for assets and liabilities.

In preparing the financial statements, the Group complied with International Financial Reporting Standards and used appropriate accounting policies, supported by reasonable and prudent judgements and estimates. The directors are of the opinion that the financial statements fairly present the financial position of the Company and of the Group at 31 December 2005, and the results of the operations and cash flow information for the year then ended. The directors have reviewed the Group's cash flow forecast for the year to 31 December 2006 and in the light of this review and the current financial position, they are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Group continues to adopt the going-concern basis in preparing its financial statements.

The directors believe, as a result of the comprehensive structures and controls in place and the ongoing monitoring of the activities of executive and operational management, that the board maintains effective control over the Group's affairs.

The board considers that the Company and its subsidiaries complied during the financial year with the principles of the Code of Corporate Practices and Conduct contained in the 2002 King Committee Report on Corporate Governance (King II), except in

regard to the composition of the Remuneration Committee since 30 September 2004 (refer to page 120).

Details of the Group's corporate governance structures and practices are set out in Volume 2 of this annual report: the Sustainable Development Report.

CORPORATE CODE OF CONDUCT

The Group is committed to promoting and observing the highest standards of ethical behaviour among its directors, management and employees. In accordance with this objective, a code of ethics and business principles has been circulated throughout the Group to provide a clear guide for the behaviour expected of all employees in their dealings with each other and with the Group's stakeholders. All employees of the Group are required to maintain the highest ethical standards, ensuring that the Group's business practices are conducted in a manner that is beyond reproach.

Having regard to the provisions of the JSE Listings Requirements and the Securities Services Act, the Company enforces 'closed periods' prior to the publication of its interim and year-end financial results, during which directors, officers and other employees of the Group may not deal in the shares or other instruments pertaining to the shares of the Company. This principle is also applied at other times whenever warranted by circumstances.

DIRECTORATE

On 11 July 2005, Dorian Emmett resigned as a non-executive director and on 26 July 2005, David Hathorn was appointed a non-executive director.

In terms of the Articles of Association, Barry Davison, David Hathorn, Bongani Khumalo, Hixonia Nyasulu, Abe Thebyane, Roeland van Kerckhoven and Tom Wixley retire as directors at the forthcoming annual general meeting and, being eligible, are available for re-election.

The board as it is currently constituted is set out on pages 194 to 197.

INTERESTS OF DIRECTORS

The shareholdings of the Directors and Alternate Directors in the ordinary and preference shares of the Company at 31 December 2005, which did not individually exceed 1% of the Company's issued share capital, were:

	Number of ordinary shares held		Number of preference shares held	
	2005	2004	2005	2004
Dave Barber	200	200	37	37
Colin Brayshaw	720	720	—	—
Barry Davison	50 392	60 392	—	—
Mike Halhead	572	—	—	—
Ralph Havenstein	2 185	696	—	—
Robin Mills	837	479	—	—
Abe Thebyane	469	—	—	—
Roeland van Kerckhoven	1 038	335	1	1
Duncan Wanblad	525	—	—	—
Tom Wixley	300	300	55	55
Sandy Wood	1 010	442	—	—
Total	58 248	63 564*	93	93

*This total does not include 1 638 ordinary shares in respect of Dorian Emmett, who resigned on 11 July 2005.

Included in the above are 4 688 shares purchased by certain executive directors on 18 February 2005 at a price of R229,78 in terms of the deferred bonus plan. If these shares are held for three years, they will be matched by the Company on a one-for-one basis, conditional upon the executive directors' continued employment. (Refer to page 122).

In addition to the above, the Directors who held office on 31 December 2005 were interested in 144 321 options to acquire ordinary shares in the Company in terms of the old scheme at an average price of R235,82, 108 396 options to acquire ordinary shares in the Company in terms of the Executive Share Appreciation Scheme at an average price of R234,24 and 108 396 options to acquire ordinary shares in the Company in terms of the Long-term Incentive Plan. (Refer to pages 121 + 126 for more detail on these schemes).

Subsequent to the year end, none of the directors exercised any options to acquire shares.

No other material change in the foregoing interests has taken place between 31 December 2005 and the date of this report.

Save for the Share Option Scheme, no arrangements to which the Company was a party existed at the end of the financial year, or at any time during the year, that would have enabled the directors or their families to acquire benefits by means of the acquisition of shares in the Company.

There were no contracts of any significance during or at the end of the financial year in which any directors or alternate directors of the Company were materially interested.

DIRECTORS' REMUNERATION

Details of directors' remuneration are set out in the Remuneration Report starting on page 120.

SHARES REPURCHASED

No share repurchases took place during the year under review.

CHANGE OF NAME

At the last annual general meeting, shareholders approved the change of name of the Company by way of special resolution from Anglo American Platinum Corporation Limited to Anglo Platinum Limited with effect from 30 May 2005. The special resolution was registered by the Registrar of Companies on 5 April 2005.

Members are advised that all regulatory company information remains unchanged in all respects as follows:

Registration number	1946/022452/06
Share code	
Ordinary	AMS
Preference	AMSP
Short name	ANGLOPLAT
ISIN code	
Ordinary	ZAE000013181
Preference	ZAE000054474

AMENDMENTS TO ARTICLES OF ASSOCIATION

At the last annual general meeting, shareholders approved the following amendments to the Articles of Association of the Company:

- The period after which unclaimed dividends may be forfeited by the directors for the benefit of the Company was shortened from 12 years to three years.
- The Company and shareholders may now utilise electronic mediums of communication to facilitate communications between them.

The special resolution was registered by the Registrar of Companies on 5 April 2005.

GENERAL AUTHORITY TO PERMIT THE COMPANY AND/OR ITS SUBSIDIARIES TO ACQUIRE SHARES IN THE COMPANY

In terms of Sections 85 and 89 of the Companies Act, a general authority granted by shareholders, under a special resolution, to acquire shares issued by a company and/or its subsidiaries, is only valid until the next annual general meeting of a company whereafter it must be renewed. The board proposes that, at the forthcoming annual general meeting to be held on Tuesday, 28 March 2006, shareholders approve a special resolution whereby a general authority is granted permitting the Company and/or any of its subsidiaries to acquire shares in the Company.

The JSE Listing Requirements require that a repurchase of securities be implemented on the main board of the JSE (previously repurchases were required to be made in the open market) and permit a company to use derivative transactions to repurchase securities. The special resolution contains provision for the Company to conclude derivative transactions which may result in the acquisition of its shares.

As required by the JSE Listings Requirements, the Notice to Members convening the annual general meeting contains the required statements by the board of its intentions regarding:

- the utilisation of the desired general authority, and
- the effect of a repurchase of shares up to a maximum of 10% of the Company's issued ordinary share capital upon the Group's solvency and the adequacy of the working capital and ordinary capital and reserves during the 12 months after the date of the notice convening the annual general meeting. The maximum general repurchase permitted by the JSE Listings Requirements is 20% of the

Company's issued share capital in any one financial year.

Assuming that the general authority to repurchase shares is approved at the annual general meeting, the board believes that it might be opportune from time to time for the Company and/or any of its subsidiaries to acquire up to a maximum of 20% of the Company's issued ordinary share capital in the abovementioned 12 month period. Accordingly, the proposed general authority provides the board with flexibility to acquire shares should it deem such acquisition to be in the best interests of the Company and the Group.

AMENDMENTS TO THE DEFERRED BONUS PLAN

These amendments have been necessitated by changes to section 8C of the Income Tax Act, 1962 ("the Tax Act"), which became effective on 26 October 2004. Prior to its amendment, the Anglo American Platinum Deferred Bonus Plan 2003 ("the Plan") contained a restriction on the ability of participating employees ("participants") to dispose of their bonus shares prior to a date set by the Company ("the Release Date"). The effect of the changes to section 8C of the Tax Act is that when this restriction is lifted on the Release Date, the participants become liable to tax on the increased value of their bonus shares. This prejudices participants insofar as they become liable for tax in a manner that was not intended for schemes or plans such as the Plan.

The purpose of these amendments is accordingly to remove the aforesaid restriction on participants so as to avoid the aforesaid adverse tax consequences, whilst still retaining the essential purpose of the Plan. The South African Revenue Services have agreed to these amendments being implemented.

SHARE CAPITAL

The authorised and issued share capital of the Company as at 31 December were as follows:

Ordinary	
<i>Authorised</i>	
2004	
400 000 113 ordinary shares of 10 cents each	R40 000 011,30
2005	
400 000 129 ordinary shares of 10 cents each	R40 000 012,90
<i>Issued</i>	
2004	
217 405 496 ordinary shares of 10 cents each	R21 740 549,60
2005	
218 391 482 ordinary shares of 10 cents each	R21 839 148,20
<i>Ordinary shares issued during the year:</i>	
985 970 shares were allotted and issued in terms of the share option scheme and 16 shares were converted from 46 preference shares.	
Accordingly, a total of 985 986 shares were allotted, bringing the total issued ordinary share capital at 31 December 2005 to 218 391 482 ordinary shares.	
<i>Authorised and Issued</i>	
Preference (see page 115)	
2004	
39 999 675 preference shares of 1 cent each	R399 996,75
2005	
39 999 629 preference shares of 1 cent each	R399 996,29

At the annual general meeting, which is to be held on Tuesday, 28 March 2006, members will be requested to consider an ordinary resolution placing the authorised but unissued ordinary shares of the Company, other than those ordinary shares needed to meet the requirements of the Share Option Scheme, under the control of the directors until the 2007 annual general meeting.

DEMATERIALISATION OF SHARES (STRATE)

Shareholders are again requested to note that, as a result of clearing and settlement of trades through the STRATE system, the Company's share certificates are no longer good for delivery for trading. Dematerialisation of the Company's share certificates is now a prerequisite when dealing in its shares.

PROPERTY

The register of land and buildings is available for inspection at the registered office of the Company during normal business hours.

AUDITORS

Deloitte & Touche continued in office as auditors for all Group companies.

At the annual general meeting, shareholders will be requested to re-appoint Deloitte & Touche as auditors of Anglo Platinum Limited and to hold office for the ensuing year.

ADMINISTRATION

On 1 March 2005, Jenny Meyer was appointed Group Company Secretary in place of Anglo Platinum Management Services (Proprietary) Limited, which continues to act as the administrative, financial and technical adviser to the Company.

Anglo American Services (UK) Limited continues in office as London Secretaries to the Company.

Computershare Investor Services 2004 (Proprietary) Limited and Capita IRG plc are respectively South African and United Kingdom registrars of the Company.

SUBSIDIARY COMPANIES

Details of major subsidiary companies in which the Company has a direct or indirect interest are set out on pages 184 and 185.

The aggregate after-tax earnings attributable to the Company from its subsidiaries were R4 491,8 million (2004: R2 495,6 million).

HOLDING COMPANY AND ULTIMATE HOLDING COMPANY

The Company's holding company is Anglo South Africa Capital (Proprietary) Limited. The ultimate holding company is Anglo American plc, which is incorporated in the United Kingdom.

ROLE OF THE REMUNERATION COMMITTEE AND TERMS OF REFERENCE

The Remuneration Committee is a committee of the board of directors and is responsible for:

Making recommendations to the board on the general policy on executive remuneration, benefits and conditions of service;

Determining the specific remuneration packages of executive directors of the Company including, but not limited to, basic salary, performance-based short- and long-term incentives, pensions and other benefits;

The design and operation of the Company's share incentive schemes.

The full terms of reference of the committee are included on the company's website.

MEMBERSHIP OF THE REMUNERATION COMMITTEE DURING 2005

Tom Wixley (*Chairman*);

Colin Brayshaw;

Barry Davison; and

Tony Trahar.

Since 30 September 2004, the committee has comprised four non-executive directors of whom two, including the chairman, are independent. This does not comply with paragraph 2.5.2 of the King II Code of Corporate Practice and Conduct which requires a majority of independent non-executive directors. In the opinion of the board the composition of the Committee is appropriate.

The committee met six times during 2005. The chief executive officer attends the committee meetings by invitation and assists the committee in its deliberations, except when issues relating to his own compensation are discussed. No director is involved in deciding his or her own remuneration. In 2004 the committee was advised by CB Corrin (Group Human Resources, Anglo American plc), the Company's finance and human resources functions, and

– PricewaterhouseCoopers, who assisted with the implementation of the executive incentive schemes;

– Deneys Reitz, who advised the committee on the legal implementation of the executive incentive schemes.

The Company's auditors, Deloitte & Touche, have not provided advice to the committee; however, in their capacity as Group auditors, they do undertake agreed-upon procedures regarding the remuneration of executive directors.

REMUNERATION POLICY AND EXECUTIVE REMUNERATION

Principles of Executive Remuneration

Anglo Platinum's remuneration policy aims to attract and retain high-calibre executives and to motivate them to develop and implement the Company's business strategy in order to optimise long-term shareholder value creation. The policy conforms to best practice standards and is based on the following principles:

Total rewards are set at levels that are competitive within the relevant market;

Incentive-based rewards are earned through the achievement of demanding performance conditions consistent with shareholder interests over the short, medium and long term;

Incentive plans, performance measures and targets are structured to operate effectively throughout the business cycle; and

The design of long-term incentives is prudent and does not expose shareholders to unreasonable financial risk.

Elements of Executive Director Remuneration

Base salary;

Benefits;

Annual bonus; and

Long-term incentives

The committee seeks to ensure an appropriate balance between the fixed and performance-related elements of executive director remuneration and between those aspects of the package linked to short-term financial performance and those linked to longer-term shareholder value creation. The committee considers each element of remuneration relative to the market and takes into account the performance of the Company and the individual executive director in determining quantum and design.

The policy relating to each component of remuneration is summarised below:

Base salary

The base salary of the executive directors is subject to annual review and is set to be competitive at the median level with reference to market practice in similar companies, which are comparable in terms of size, market sector, business complexity and international scope. Company performance, individual performance and changes in responsibilities are also taken into consideration when determining annual base salaries.

Benefits

Benefits for executive directors include membership of a defined contribution retirement fund to which contributions are made by the director and the Company. Other benefits include medical, car scheme, personal computer and entertainment allowances.

Annual bonus

All executive directors are eligible to participate in an annual bonus plan, with payment levels based on corporate and individual performance. Bonus potentials are set on an individual basis each year and do not normally exceed 60% of base salary for the chief executive officer and 50% for other executive directors. In 2005 the bonus levels

were increased to take account of current practice in the industry. The bonus plan is non-contractual and not pensionable. The committee retains the discretion to make adjustments to bonuses earned at the end of the year on an exceptional basis, taking into account both Company performance and the overall and specific contribution of individual executive directors to the Company's success.

The performance measures for the annual bonus plan include measures of corporate performance as well as the achievement of specific individual objectives. The corporate element in 2005 was based upon stretching production, cost and profitability targets and is reduced on non-achievement of the safety targets.

The committee reviews measures annually to ensure these and the targets set are appropriate given the economic context and the performance expectations for the Company. It is the committee's policy to base 75% of each annual bonus award on the corporate measures and the remaining 25% on the defined personal key performance indicators.

Long-term incentives

Since 2004 a new set of share incentive schemes have been in operation. These schemes are in line with best international practice in this field and replaced the Anglo American plc long-term incentive schemes in which executive directors formerly participated. The vesting of awards under the Executive Share Appreciation Scheme and Long-term Incentive Plan is subject to a range of performance conditions, which are designed to align the interests of executives with those of the Company's shareholders. In addition, the shareholding requirements for executive directors outlined below will further strengthen the alignment. These schemes apply to executive directors.

Intended change from cash-settled to share-settled schemes in 2006

For all cash-settled incentive schemes, the board has approved a change to settlement by shares for all allocations made after 1 January 2006, using the schemes approved by shareholders in 2004. The change will provide greater certainty regarding the accounting charge to be raised by the Group in future in terms of IFRS 2. The performance measures, the number of shares to be issued and the other terms of the schemes will not change. It is not intended to issue any new shares to satisfy requirements in terms of the new long-term incentive schemes, but rather to acquire the shares on the open market.

Executive share appreciation scheme (ESAS)

The Remuneration Committee gives consideration to making allocations of share appreciation options to executive directors on an annual basis. On 1 March 2005, the Remuneration Committee made annual allocations of share appreciation options in terms of this scheme to all executive directors. This allocation is a right to a cash bonus that will vest after three years and will be paid out subject to Anglo Platinum's earnings per share increasing by at least 6 percentage points above US CPI over a three-year period measured in US dollars. If the condition is not met for a given tranche of options, retesting of the condition from the fixed base year in year four and year five against Headline USD EPS targets of USD CPI + 8% and USD CPI + 10% is permitted. Options are normally exercisable, subject to satisfaction of the performance condition, between three and ten years from the date of grant.

Long-term incentive plan (LTIP)

Annual conditional allocations of LTIP shares are made to the executive directors. The shares vest over a three-year period subject to the achievement of two stretching

Executive share appreciation scheme (ESAS)	Balance as at 1 January 2005	Allocated on 1 March 2005	Balance as at 31 December 2005	Earliest date of vesting
Mike Halhead	6 038	6 986	13 024	1 June 2007
Ralph Havenstein	13 148	16 055	29 203	1 June 2007
Robin Mills	8 440	9 662	18 102	1 June 2007
Abe Thebyane	5 510	5 621	11 131	1 June 2007
Roeland van Kerckhoven	7 328	9 229	16 557	1 June 2007
Duncan Wanblad	—	7 474	7 474	1 March 2008
Sandy Wood	6 121	6 784	12 905	1 June 2007
<i>Alternate director</i>				
Richard Pilkington	—	3 939	3 939	1 March 2008
Total	46 585	65 750	112 335	

Long-term incentive plan (LTIP)	Balance as at 1 January 2005	Allocated on 1 March 2005	Balance as at 31 December 2005	Earliest date of vesting
Mike Halhead	6 038	6 986	13 024	1 June 2007
Ralph Havenstein	13 148	16 055	29 203	1 June 2007
Robin Mills	8 440	9 662	18 102	1 June 2007
Abe Thebyane	5 510	5 621	11 131	1 June 2007
Roeland van Kerckhoven	7 328	9 229	16 557	1 June 2007
Duncan Wanblad	—	7 474	7 474	1 March 2008
Sandy Wood	6 121	6 784	12 905	1 June 2007
<i>Alternate director</i>				
Richard Pilkington	—	3 939	3 939	1 March 2008
Total	46 585	65 750	112 335	

Deferred bonus plan	Balance as at 1 January 2005	Allocated on 1 March 2005	Balance as at 31 December 2005	Earliest date of vesting
Mike Halhead	—	572	572	1 March 2008
Ralph Havenstein	696	1 489	2 185	1 June 2007
Robin Mills	479	358	837	1 June 2007
Abe Thebyane	—	469	469	1 March 2008
Roeland van Kerckhoven	331	707	1 038	1 June 2007
Duncan Wanblad	—	525	525	1 March 2008
Sandy Wood	442	568	1 010	1 June 2007
Total	1 948	4 688	6 636	

performance measures over this period: total shareholder return measured against a group of comparable companies, and return on capital employed. These performance conditions have been selected on the basis that they clearly foster the creation of shareholder value. The LTIP closely aligns the interests of shareholders and executive directors by rewarding superior shareholder and financial performance and by encouraging executive directors to build up a shareholding in Anglo Platinum.

Deferred bonus plan

Under the deferred bonus plan executive directors are required to defer 50% of their bonus and may, at the discretion of the committee on a year-by-year basis, defer all of their bonus (net of tax) to acquire shares in Anglo Platinum. If these shares are held for three years, they are matched by the Company on a one-for-one basis, conditional upon the executive director's continued employment. Use of this share match will allow Anglo Platinum to maintain competitiveness in annual bonus plan levels and encourage executives to invest in the shares of the Company, thus increasing the proportion of executive director rewards linked to both short-term performance and longer-term total shareholder returns. The bonus deferred and share match will also act as a retention tool and ensure that executive directors share a significant level of personal risk with the Company's shareholders.

Executive shareholding targets

Within five years of their appointment, executive directors are expected to acquire a holding of shares (including conditional share awards) with a value of one and a half times base salary in the case of the CEO and one times base salary in the case of other executive directors.

Executive share options – Executive Directors

Executive directors still hold share options granted under the previous Anglo Platinum share option scheme. The options were allocated at the middle market price ruling on the trading day prior to the date of allocation, vest after stipulated periods and are

exercisable up to a maximum of 10 years from the date of allocation. No allocations of these options to directors were made since 2003 as the scheme was replaced by the ESAS described on page 121. Options still valid under historic grants made to executive directors are set out below:

Anglo Platinum Share Option Scheme: Executive Directors

Director's name	Balance as at 1 January 2005 or on date of appointment	Exercised during 2005	Range of dates exercised	Balance as at 31 December 2005	Exercisable options	Allocation price, rands	Exercisable date
Mike Halhead	31 136	21 850	27 Oct 2005	9 286	246	204,70	14 July 2003
					246	204,70	14 July 2004
					494	204,70	14 July 2004
					1 660	279,42	06 Mar 2005
					1 660	279,42	06 Mar 2006
					1 660	279,42	06 Mar 2007
					3 320	279,42	06 Mar 2008
Ralph Havenstein	50 000	10 000	27 Oct 2005	40 000	14 500	236,43	01 Oct 2004
					7 800	236,43	01 Oct 2005
					15 600	236,43	01 Oct 2006
					2 100	236,43	01 Oct 2007
Roeland van Kerckhoven	18 883	12 483	16 Aug – 15 Dec 2005	6 400	1 280	268,86	12 Mar 2005
					1 280	268,86	12 Mar 2006
					1 280	268,86	12 Mar 2007
					2 560	268,86	12 Mar 2008
Duncan Wanblad	29 485	2 800	28 Oct 2005	26 685	6 051	80,50	01 Oct 2002
					473	204,70	14 July 2002
					473	204,70	14 July 2003
					473	204,70	14 July 2004
					947	204,70	14 July 2005
					2 108	239,33	01 Apr 2005
					2 108	239,33	01 Apr 2006
					2 108	239,33	01 Apr 2007
					4 220	239,33	01 Apr 2008
					1 544	279,36	02 Apr 2006
					1 544	279,36	02 Apr 2007
					1 544	279,36	02 Apr 2008
Sandy Wood	5 900			5 900	1 180	268,86	12 Mar 2005
					1 180	268,86	12 Mar 2006
					1 180	268,86	12 Mar 2007
					2 360	268,86	12 Mar 2008
Total – Directors	135 404	47 133		88 271	88 271		

Anglo Platinum Share Option Scheme: Alternate Directors

Alternate Director's name	Balance as at 1 January 2005 or on date of appointment	Exercised during 2005	Range of dates exercised	Balance as at 31 December 2005	Exercisable options	Allocation price, rands	Exercisable date
Richard Pilkington	43 627	13 000	27 Oct 2005	30 627	11 558	193,00	01 Jun 2005
					252	204,70	14 July 2002
					252	204,70	14 July 2003
					252	204,70	14 July 2004
					504	204,70	14 July 2005
					3 561	233,24	01 Aug 2005
					3 561	233,24	01 Aug 2006
					3 561	233,24	01 Aug 2007
Chris Sheppard	40 088	14 665	18 Aug – 27 Oct 2005	25 423	7 126	233,24	01 Aug 2008
					2 302	289,60	19 Mar 2006
					3 272	264,10	01 Aug 2006
					1 075	324,14	01 Aug 2006
					2 149	324,14	01 Aug 2007
					4 156	233,24	01 Aug 2006
					4 156	233,24	01 Aug 2007
					8 313	233,24	01 Aug 2008
Total – Alternate Directors	83 715	27 665		56 050	56 050		
Total Executive and Alternate Directors	219 119	74 798		144 321	144 321		

Anglo Platinum Share Option Scheme: Non-executive Directors

Director's Name	Balance as at 1 January 2005 or on date of appointment	Exercised during 2005	Range of dates exercised	Balance as at 31 December 2005	Exercisable options	Allocation price, rands	Exercisable date
Dorian Emmett (resigned as a director 11 July 2005)	59 348	20 000	12 Oct 2005	39 348	25 000	67,80	1 Feb 2003
					1 369	131,40	23 Jun 2001
					1 369	131,40	23 Jun 2002
					1 369	131,40	23 Jun 2003
					2 741	131,40	23 Jun 2004
					1 500	268,86	12 Mar 2005
					1 500	268,86	12 Mar 2006
					1 500	268,86	12 Mar 2007
					3 000	268,86	12 Mar 2008
Total	59 348	20 000		39 348	39 348		

Anglo Platinum Nominal Share Option Scheme: Alternate Directors

Alternate Director's Name	Balance as at 1 January 2005 or on date of appointment	Exercised during 2005	Range of dates exercised	Balance as at 31 December 2005	Exercisable options	Allocation price, rands	Exercisable date
Richard Pilkington	1 573	1 573	27 Oct 2005	—	—	—	—
Total	1 573	1 573		—	—	—	—

Anglo American plc share incentive schemes

In addition to the above incentive plans, executive directors participate in certain historic Anglo American plc schemes. However, participation is now restricted to the extent of any entitlement arising from awards or grants made under those schemes before 2003. In that year, it was decided that, for reasons of sound governance, executive directors should not participate in any further Anglo American plc schemes, including those below.

Allocations to Barry Davison by Anglo American plc in terms of these schemes are excluded for the reason that he participated in Anglo American plc's schemes in his capacity as an executive director of Anglo American plc. Details of his participation and allocations under the various Anglo

American plc schemes appear in the Anglo American plc annual report.

The following details are applicable to the executive directors' restricted participation in the Anglo American plc schemes:

Anglo American plc share option scheme

Executive directors were eligible in 2001 and 2002 to participate in the Anglo American plc share option scheme. Options were not granted at a discount to the market price at date of grant and were not pensionable. The exercise of the options is subject to Anglo American plc's earnings per share increasing by at least 6% above the UK Retail Price Index over a three-year period. Options are normally exercisable, subject to satisfaction of performance conditions, between three and ten years from the date of grant.

Anglo American plc Share Option Scheme

	Balance as at 1 January 2005	Exercised during 2005	Date exercised	Balance as at 31 December 2005	Weighted average price, £	Earliest exercisable date
Robin Mills ¹	97 200			97 200	9,629	23 Mar 2003
Roeland van Kerckhoven	48 000			48 000	10,7317	2 April 2004
Sandy Wood	34 000			34 000	9,65	13 Sept 2004
Total	179 200			179 200		

¹Awarded before being appointed to the board of the Company

Anglo American plc long-term incentive plan (LTIP)

Executive directors were entitled in 2001 and 2002 to receive awards of conditional shares in terms of the Anglo American plc LTIP. Vesting of this award was conditional upon the satisfaction of two performance criteria that foster shareholder wealth creation. The first (applicable to Dorian Emmett alone) was based on Anglo American plc's total shareholder return relative to a weighted group of international natural resource companies and the second (applicable to other executive directors) was based on an underlying operating measure that focuses on raising the Company's return on capital employed over the medium term. The 2002 LTIP vested during the year.

Anglo American deferred bonus plan

Executive directors were eligible in 2001 and 2002 to participate in an Anglo American plc deferred bonus plan based on the achievement of short-term performance targets set for each executive director. These directors were eligible to defer up to 50% of their cash bonus (after tax) to acquire shares in Anglo American plc, which if held for three years will be matched on a one-for-one basis conditional upon the executive director's continued employment.

Other matters affecting remuneration of Directors

External appointments

Executive directors are not permitted to hold external directorships or offices without the approval of the board. If approved, they may retain the fees payable from one such appointment.

Non-executive Directors

The board, in reviewing non-executive directors' fees makes recommendations to shareholders in the light of fees payable to non-executive directors of comparable companies and the importance attached to the retention and attraction of high-calibre individuals as non-executive directors. Levels of fees are also set by reference to the responsibilities assumed by the non-executive directors in chairing the Board and in chairing or participating in its committees.

Directors' fees

For 2005, each of the non-executive directors received directors' fees at the rate of R120 000 per annum (2004: R120 000). The chairman received a sum of R400 000 per annum (2004: R400 000). The deputy chairman received a fee of R180 000 per annum (2004: R180 000). Non-executive directors who serve on the Anglo Platinum Group committees each received fees per annum as follows: Audit Committee R55 000 (2004: R50 000); Corporate Governance Committee R25 000 (2004: R25 000); Nomination Committee R25 000 (2004: R25 000); Remuneration Committee R40 000 (2004: R25 000); and Safety and Sustainable Development Committee R25 000 (2004: R25 000). The chairman of each committee received an additional R15 000 per annum in fees, except for the chairman of the Audit Committee, who received an additional R20 000 per annum (2004: R25 000) and the Chairman of the Remuneration Committee, who received an additional R25 000 per annum (2004: R15 000).

DIRECTORS' REMUNERATION

The table below provides an analysis of the emoluments paid to executive and non-executive directors of the Company in 2005.

2005 emoluments

Names of Directors	Salary and benefits	Retirement benefits	Bonuses	Director's fee	Committees	Subtotal	Gain on share options exercised	Total emoluments
Executive Directors								
Mike Halhead ⁵	1 955 419	201 899	222 286			2 379 604	6 261 142	8 640 746
Ralph Havenstein ⁵	4 008 965	683 924	641 110			5 333 999	1 875 600	7 209 599
Robin Mills ⁵	2 571 553	651 308	330 233			3 553 094		3 553 094
Abe Thebyane ⁵	1 768 204	265 624	194 767			2 228 595		2 228 595
Roeland van Kerckhoven	2 556 974	383 087	320 156			3 260 217	3 949 339	7 209 556
Duncan Wanblad ⁵	1 667 930	239 889	202 820			2 110 639	928 200	3 038 839
Sandy Wood	1 911 816	291 717	236 845			2 440 378		2 440 378
Alternate Directors								
Richard Pilkington	1 406 153	200 393	222 851			1 829 397	3 520 581	5 349 978
Chris Sheppard	1 777 235	147 153	222 851			2 147 239	1 427 490	3 574 729
Non-executive Directors								
Dave Barber ^{1, 2 *}				120 000	80 000	200 000		200 000
Colin Brayshaw ^{1, 2, 3, 4}				120 000	165 000	285 000		285 000
Barry Davison ^{2, 3, 4 *}				295 000	105 000	400 000		400 000
Dorian Emmett†				63 587		63 587		63 587
David Hathorn ^{2 *}				51 848	10 734	62 582		62 582
Sam Jonah ²				120 000	25 000	145 000		145 000
Bongani Khumalo ^{1, 2, 5}				120 000	105 000	225 000		225 000
Bill Nairn ^{2, 5 *}				120 000	65 000	185 000		185 000
Hixonia Nyasulu ²				120 000	25 000	145 000		145 000
Tony Redman ^{2, 5 *}				120 000	50 000	170 000		170 000
Tony Trahar ^{2, 3, 4 *}				120 000	90 000	210 000		210 000
Tom Wixley ^{1, 2, 3, 4}				180 000	185 000	365 000		365 000
Lazarus Zim ^{2 *}				120 000	25 000	145 000		145 000
Alternate Director								
Vincent Uren ^{1 *}					55 000	55 000		55 000
Total	19 624 249	3 064 994	2 593 919	1 670 435	985 734	27 939 331	17 962 352	45 901 683

Salary and benefits include cash, medical, car scheme, personal computer scheme and entertainment allowances.

Retirement benefits include provident fund, pension fund, flexi-pension and deferred compensation.

†Resigned from the Board on 11 July 2005

¹Audit Committee member

²Corporate Governance Committee member

³Nomination Committee member

⁴Remuneration Committee member

⁵Safety and Sustainable Development Committee member

*Director's fees ceded to Anglo Operations Limited (AOL) a wholly-owned subsidiary of Anglo American plc. In addition, AOL has been reimbursed in the amount of R1 964 851 (2004: R2 677 743) for the services provided to the Company by Barry Davison.

REMUNERATION REPORT *continued*

2004 emoluments

Names of Directors	Salary and benefits	Retirement benefits	Bonuses	Director's fee	Committees	Subtotal	Gain on share options exercised	Total emoluments
Executive Directors								
John Dreyer (Retired January 2004)	477 494	18 879				496 373		496 373
Dorian Emmett ⁵ (8 months to August 2004) ⁵	2 299 194	230 072	200 790			2 730 056		2 730 056
Mike Halhead ⁵ (Appointed August 2004)	289 737	38 839				328 576	2 689 922	3 018 498
Ralph Havenstein ⁵	3 514 772	403 157	1 448 131			5 366 060		5 366 060
Robin Mills ⁵	2 442 919	521 720	236 729			3 201 368		3 201 368
Abe Thebyane ⁵ (Appointed February 2004)	1 471 761	190 969				1 662 730		1 662 730
Roeland van Kerckhoven	2 393 898	290 273	145 990			2 830 161		2 830 161
Duncan Wanblad ⁵ (Appointed November 2004)	231 445	31 343				262 788		262 788
Sandy Wood	1 781 218	242 460	195 094			2 218 772		2 218 772
Alternate Directors								
Mike Halhead ⁵	1 337 230	137 615	56 700			1 531 545		1 531 545
Richard Pilkington	1 339 323	188 162	98 000			1 625 485		1 625 485
Chris Sheppard	1 638 864	135 687	100 000			1 874 551		1 874 551
Non-executive Directors								
Dave Barber ^{1, 2 *} (Appointed August 2004)				45 000	25 000	70 000		70 000
Leslie Boyd ³				75 000	31 250	106 250		106 250
Colin Brayshaw ^{1, 2, 3, 4}				120 000	150 000	270 000		270 000
Barry Davison ^{2, 3, 4 *}				325 000	75 000	400 000	6 470 490	6 870 490
Dorian Emmett ⁵ (4 months to December 2004)				40 000		40 000		40 000
Sam Jonah ² (Appointed August 2004)				45 000	6 250	51 250		51 250
Bongani Khumalo ^{1, 2, 5}				120 000	50 000	170 000		170 000
Mike King ³				75 000	31 250	106 250		106 250
Bill Nairn ^{2, 5 *}				120 000	65 000	185 000		185 000
Hixonia Nyasulu ^{2 †}				120 000	62 500	182 500		182 500
Tony Redman ^{2, 5 *} (Appointed August 2004)				45 000	16 372	61 372		61 372
Tony Trahar ^{2, 3, 4 *}				120 000	75 000	195 000		195 000
Tom Wixley ^{1, 2, 3, 4}				180 000	155 000	335 000		335 000
Lazarus Zim ^{2 *}				120 000	25 000	145 000		145 000
Alternate Director Vincent Uren ^{1 *}					41 667	41 667		41 667
Total	19 217 855	2 429 176	2 481 434	1 550 000	809 289	26 487 754	9 160 412	35 648 166

Salary and benefits include cash, medical, car scheme, personal computer scheme and entertainment allowances.

Retirement benefits include provident fund, pension fund, flexi-pension and deferred compensation.

*Retired from the Board, Nomination Committee and Corporate Governance Committee on 16 August 2004

†Resigned from the Nomination and Remuneration Committees on 30 September 2004

¹Audit Committee member

²Corporate Governance Committee member

³Nomination Committee member

⁴Remuneration Committee member

⁵Safety and Sustainable Development Committee member

*Director's fees ceded to Anglo Operations Limited (AOL) a wholly-owned subsidiary of Anglo American plc. In addition, AOL has been reimbursed in the amount of R2 677 743 (2003 : R1 531 525) for services provided to the Company by Barry Davison.

Increase in Directors' fees

At the annual general meeting on 28 March 2006, members will be asked to pass ordinary resolutions approving the following:

The annual fees payable to non-executive directors of the Company be fixed at the rate of R120 000 each per annum.

The annual fee payable to the deputy chairman of the board be increased from the rate of R180 000 per annum to R198 000 per annum.

The annual fee payable to the chairman of the board be increased from the rate of R400 000 per annum to the rate of R530 000 per annum (inclusive of all board and committee responsibilities).

The fees payable to non-executive directors for serving on the committees of the board as follows:

Audit Committee: member's fee to increase from R55 000 per annum to R65 000 per annum; chairman's fee to increase from R75 000 per annum to R100 000 per annum.

Corporate Governance Committee: member's fee to increase from R25 000 per annum to R30 000 per annum; chairman's fee to increase from R40 000 per annum to R50 000 per annum.

Nomination Committee: member's fee to increase from R25 000 per annum to R30 000 per annum; chairman's fee to increase from R40 000 per annum to R50 000 per annum.

Remuneration Committee: member's fee to increase from R40 000 per annum to R50 000 per annum; chairman's fee to increase from R65 000 per annum to R90 000 per annum.

Safety and Sustainable Development Committee member's fee to increase from R25 000 per annum to R30 000 per annum; chairman's fee to increase from R40 000 per annum to R50 000 per annum.

The increase in directors' fees is proposed for the purposes of remaining market competitive and attracting and retaining non-executive directors of high calibre and with the skills required for meaningfully contributing to the operation of the board and its committees.

Non-executive directors do not participate in the Company's annual bonus plan, Share Option Schemes, or LTIP, except for Barry Davison and Dorian Emmett who received share option allocations in terms of the existing share option scheme when they were still executive directors.

Directors' service contracts

It is the Company's policy that the period of notice required for executive directors does not exceed 12 months. In order to reflect their spread of responsibilities properly, all the executive directors have contracts with Anglo Platinum Limited.

None of the non-executive directors have a contract of employment with the Company. Their appointments are made in terms of the Company's Articles of Association and are confirmed initially at the first annual general meeting of shareholders following their appointment, and thereafter at three-year intervals.

SHARE INCENTIVE SCHEMES FOR EXECUTIVES OTHER THAN DIRECTORS

A summary of shares subject to option in terms of the existing Share Option Schemes is provided in annexure C on page 178.

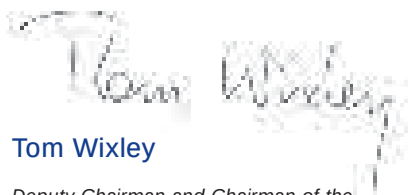
Change from cash-settled to share-settled schemes

As for executive directors, the cash-settled incentive schemes for other executives will be changed to settlement by shares for all allocations made after 1 January 2006, using the schemes approved by shareholders in 2004.

Approval

This remuneration report has been approved by the board of directors of Anglo Platinum.

Signed on behalf of the board of directors.



Tom Wixley

*Deputy Chairman and Chairman of the
Remuneration Committee*

Johannesburg

9 February 2006

BASIS OF PREPARATION

The financial statements are prepared on the historical cost basis except for certain financial instruments that are fairly valued by marking-to-market. Significant details of the Company's and the Group's accounting policies are set out below, which are consistent with those applied in the previous year, except where otherwise indicated.

The financial statements comply with International Financial Reporting Standards (IFRS) of the International Accounting Standards Board, South African Statements of Generally Accepted Accounting Practice, The JSE's Listings Requirements and the South African Companies Act.

NEW ACCOUNTING POLICIES ADOPTED IN RESPONSE TO CHANGES IN IFRS

IAS 1 – Presentation of financial statements

IAS 1 requires disclosure of:

- Judgement applied in the application of accounting policies where it could have a significant effect, and
- Key assumptions concerning the future and other assumptions that have a significant risk of adjustment in a subsequent period.

These disclosures are included in the Principal Accounting Policies under inventories.

IFRS 2 – Share-based payments

IFRS 2 requires the recognition of equity-settled share-based payments at fair value at the date of grant and the recognition of liabilities for cash-settled share-based payments at the current fair value at each balance sheet date. Prior to the adoption of IFRS 2, the Group did not recognise the financial effect of share-based payments.

In accordance with the transitional provisions of IFRS 2, the standard has been applied retrospectively to all grants of equity instruments after 7 November 2002 that were unvested as at 1 January 2005, and to liabilities for share-based transactions existing at 1 January 2005.

The Group issues equity-settled and cash-settled share-based instruments to certain employees. Equity-settled share-based payments are measured at the fair value of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on management's estimate of shares that are expected to eventually vest. A liability equal to the portion of the services received is recognised at the fair value determined at each balance sheet date for cash-settled share-based payments.

Fair value is measured using the bi-nomial option pricing model. The fair values used in the model have been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

For 2004, the change in accounting policy has resulted in a decrease in earnings for the year of R38,0 million. The balance sheet at 31 December 2004 has been restated to reflect the recognition of a liability for share-based payments of R50,0 million and a share-based payment reserve of R51,1 million (for grants after 7 November 2002) which is included in accumulated profits.

For 2005, the impact of share-based payments is a charge to earnings of R137,2 million. At 31 December 2005, the share-based payment reserve amounted to R90,0 million, which is included in accumulated profits and the liability recognised for share-based payments amounts to R188,5 million.

The share-based payment charge has been included as part of cost of sales in other costs.

IFRS 3 – Business combinations

On adoption of IFRS 3, limited retrospective application was elected, thus avoiding the need to restate past business combinations. An amount of R173,4 million representing negative goodwill was transferred from investments in associates to accumulated profits on 1 January 2005. The prior year figures are not affected by this change.

IFRIC 4 – Determining whether an arrangement contains a lease

On 1 January 2005, the Group adopted the requirements of IFRIC 4. This new policy has no impact on the current or prior year financial statements.

IFRIC 5 – Rights to interests arising from Decommissioning, Restoration and Environmental Restoration Funds

On 1 January 2005, the Group adopted the requirements of IFRIC 5. The objective of the interpretation is to determine the accounting in the financial statements of a contributor for interests arising from decommissioning funds that have the following features:

- (a) the assets are administered separately (either by being held in a separate legal entity or as segregated assets within another entity).
- (b) A contributor's right to access the assets is restricted.

Adoption has the effect that the Platinum Producers' Environmental Trust is consolidated. The effect is that the balance previously included in originated loans is now reflected in non-current cash deposits held by Platinum Producers' Environmental Trust.

NEW ACCOUNTING POLICY ADOPTED IN RESPONSE TO LOCAL REQUIREMENTS

BEE transactions

The cost of entering into a BEE transaction that contains a share-based payment transaction, which is not a business combination, is expensed unless the cost can be directly attributed to the acquisition or protection of mining or similar tangible rights. This new policy has no impact on the financial results.

except when the investment is classified as held for sale, in which case it is accounted for under IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations.

Equity accounting involves recognising in the income statement the reporting entities' share of the associates' profit or loss for the period. The carrying amount of the investment in an associate in the balance sheet represents the Group's share of the net assets, including goodwill arising on acquisition. Adjustments for impairment are recorded when they occur.

Existing accounting policies

1. CONSOLIDATION

The consolidated financial statements include the results and financial position of Anglo Platinum Limited, its subsidiaries, joint ventures and associates. The results of any subsidiaries acquired or disposed of during the year are included from the date control was acquired and up to the date control ceased to exist. Where an acquisition of a subsidiary is made during the financial year, any excess or deficit of the purchase price compared to the fair value of the attributable net identifiable assets is recognised respectively as goodwill or in profit or loss and accounted for as described in the goodwill accounting policy note 4.

All intragroup transactions and balances are eliminated on consolidation. Unrealised profits that arise between Group entities are also eliminated.

3. JOINT VENTURES

The Group's interest in jointly controlled entities is accounted for through proportionate consolidation. Under this method the Group includes its share of the joint ventures' individual income and expenses, assets and liabilities in the relevant components of its financial statements on a line-by-line basis.

Where a Group company undertakes its activities under joint venture arrangement directly, the Group's share of jointly controlled assets and any liabilities incurred jointly with other venturers is recognised in the financial statements of the relevant company and classified according to their nature. Liabilities and expenses incurred directly in respect of interests in jointly controlled assets are accounted for on an accrual basis. Income from the sale or use of the Group's share of the output of jointly controlled assets, is recognised when the revenue recognition criteria detailed in the accounting policy note 9 are met.

2. INVESTMENT IN ASSOCIATES

An associate is an entity over which the Group exercises significant influence but which it does not control. These investments are accounted for using the equity method,

4. GOODWILL

Goodwill arising on the acquisition of a subsidiary or a jointly controlled entity represents the excess of the cost of acquisition over the Group's interest in the

net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary or jointly controlled entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is not amortised.

Goodwill is tested for impairment annually and an impairment loss recognised is not reversed in a subsequent period.

On disposal of a subsidiary or a jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

5. PROPERTY, PLANT AND EQUIPMENT

Mining

Mine development cost is capitalised to capital work-in-progress and transferred to mining property, plant and equipment when the mining venture reaches commercial production.

Capitalised mine development cost includes expenditure incurred to develop new mining operations and to expand the capacity of the mine. Costs include interest capitalised during the construction period where qualifying expenditure is financed by borrowings and the discounted amount of future decommissioning costs. Capitalised mine development cost is amortised on a straight-line basis over the expected life of that mine which is revised annually.

Items of mining property, plant and equipment are amortised on a straight-line basis over their expected useful lives which are reviewed annually. Amortisation is first charged on mining ventures from the date on which they are ready for use.

Items of property, plant and equipment that are withdrawn from use, or have no reasonable prospect of being recovered through use or sale, are regularly identified and written off.

Revenue derived during the project phase is recognised in the income statement and an appropriate amount of development cost is charged against it.

Non-mining

Non-mining assets are carried at historical cost less accumulated depreciation.

Depreciation is charged on the straight-line basis over the expected useful lives of these assets.

Impairment

An impairment review of property, plant and equipment is carried out annually by comparing the carrying amount thereof to its recoverable amount. The Group's operations as a whole constitute the smallest cash-generating unit. The recoverable amount thereof is the Group's market capitalisation adjusted for the carrying amounts of financial assets that are tested separately for impairment.

Where the recoverable amount is less than the carrying amount, the impairment charge is included in other net expenditure in order to reduce the carrying amount of property, plant and equipment to its recoverable amount.

The adjusted carrying amount is amortised on a straight-line basis over the remaining useful life of property, plant and equipment.

6. LEASES

A finance lease transfers substantially all the risks and rewards of ownership of an asset to the Group.

Assets subject to finance leases are capitalised as property, plant and equipment at fair value of the leased asset at inception of the lease, with the related lease obligation recognised at the same amount. Capitalised leased assets are depreciated over their estimated useful lives.

Finance lease payments are allocated between finance cost and the capital repayment, using the effective interest rate method.

Minimum lease payments on operating leases are charged against operating profit on a straight-line basis over the lease term.

7. INVESTMENTS

Investments in subsidiaries are reflected at cost, less impairment.

8. INVENTORIES

Refined metals

Metal inventories are measured at the lower of cost, on the weighted average basis, or net realizable value. The cost per ounce or ton is determined as follows:

- Platinum, palladium, rhodium and nickel are treated as joint products and are measured by dividing the mine output into total mine production cost, determined on a 12-month rolling average basis, less net revenue from sales of other metals, in the ratio of the contribution of these metals to gross sales revenue.
- Gold, copper and cobalt sulphate are measured at net realizable value.

Work-in-process

Work-in-process is valued at the average cost of production or purchase less net revenue from sales of other metals.

Production cost is allocated to joint products in the same way as is the case for refined metals.

Stores and materials

Stores and materials consist of consumable stores and are valued at average cost. Obsolete and redundant items are written off to operating costs.

9. REVENUE RECOGNITION

- Revenue from the sale of metals and intermediary products is recognised when the significant risks and rewards of ownership are transferred to the buyer. Gross sales revenue represents the invoiced amounts excluding value-added tax.
- Dividends are recognised when the right to receive payment is established.
- Interest is recognised on a time-proportional basis, which takes into account the effective yield on the asset over the period it is expected to be held.
- Royalties are recognised when the right to receive payment is established.

10. DIVIDENDS DECLARED

The liability for dividends and related taxation thereon is raised when the dividend is declared.

11. PROVISIONS

A provision is recognised when there is a legal or constructive obligation as a result of a past event for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

12. TAXATION

The charge for current tax is based on the profit before tax for the year as adjusted for items, which are exempt or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Current and deferred tax is charged or credited to the income statement, except when it relates to items credited or charged directly to equity, in which case the taxation effect is also recognized within equity.

Deferred tax is provided on the balance sheet liability method.

Deferred tax assets and liabilities are measured using tax rates that are expected to apply to the period when the asset is realized and the liability is settled.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available, against which deductible temporary differences or assessed or calculated losses can be utilized.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

13. RESEARCH AND EXPLORATION COST

Research cost is expensed when incurred. Exploration cost is expensed when incurred, except when it is probable that a mining asset will be developed as a result of the exploration work. In such case, the capitalized exploration expenditure is amortized on a straight-line basis over the expected useful life of the constructed mining asset.

14. FINANCIAL INSTRUMENTS

The Group's financial instruments consist primarily of non-current receivables, cash and cash equivalents, accounts receivable, borrowings, preference shares, ordinary shares, accounts payable and certain derivative instruments.

Non-current receivables

Non-current receivables are initially recorded at cost and subsequently carried at amortized cost. Any subsequent impairment is included in the determination of other net income.

Cash and cash equivalents

Cash and cash equivalents consist of cash, cash deposits with banks and money-market instruments. The carrying amount of cash, cash deposits with banks and money-market instruments approximates their fair value. Gains or losses arising from marking-to-market or a change from carrying amount to fair value at reporting intervals is included in the determination of other net income.

Accounts receivable

Accounts receivable are stated at their nominal values, reduced by appropriate allowances for estimated irrecoverable amounts.

Borrowings

Long-term borrowings are recorded initially at the fair value of the consideration received, which is cost net of any issue costs associated with the borrowing. These are subsequently measured at amortized cost, using the effective interest rate method. Amortized cost is calculated taking into account any issue costs and any discount or premium on settlement.

Accounts payable

Accounts payable are stated at their nominal values.

Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received net of direct issue costs.

Derivative instruments

In the ordinary course of its operations, the Group is exposed to fluctuations in metal prices, volatility of exchange rates and changes in interest rates. From time to time portions of these exposures are managed through the use of derivative financial instruments. Derivatives are initially measured at cost.

- All forward, option and swap contracts are subsequently marked-to-market to fair value at financial reporting dates and any changes in their fair values are included in other net income in the period to which they relate.
- Commodity contracts that are entered into and continue to meet the Group's expected purchase, sale or usage requirements, which were designated for that purpose at their inception and are expected to be settled by delivery, are recognized in the financial statements when they are delivered into, and are not marked-to-market through net profit.
- Gains and losses arising on all other contracts not spanning a reporting

interval are recognized and included in the determination of other net income at the time that the contract expires.

- Where the conditions set out in IAS 39 for hedge-accounting are met, the hedging instrument is recognized on the balance sheet as either a derivative asset or liability and recorded at fair value. In the case of cash-flow hedges of firm commitments, the effective portion of the gains or losses on the hedging instrument is recognized in equity until the underlying transaction occurs, whereupon the gains or losses are recognized in earnings.

15. FOREIGN CURRENCIES

The South African rand is the functional currency of the Group, which reflects the economic substance of the underlying events and circumstances.

Foreign currency transactions are recorded at the spot rate of exchange on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at rates of exchange ruling at the reporting date.

Foreign exchange gains or losses arising from foreign exchange transactions are included in the determination of net profit.

16. ENVIRONMENTAL REHABILITATION PROVISIONS

Estimated long-term environmental obligations, comprising pollution control, rehabilitation and mine closure, are based on the Group's environmental management plans in compliance with current technology, environmental and regulatory requirements.

Decommissioning costs

The discounted amount of estimated decommissioning costs that embody future economic benefits is capitalized as a decommissioning asset when it reaches commercial production and a concomitant provision is raised. These estimates are reviewed annually and discounted using a pre-tax risk-free rate that reflects current market assessments of the time-value of money. The increase in decommissioning provisions, due to the passage of time, is charged to interest paid. All other changes in the carrying amount of the provision subsequent to initial recognition are included in the determination of the carrying amount of the decommissioning asset.

Decommissioning assets are amortized on a straight-line basis over the expected benefit period.

Restoration costs

Changes in the discounted amount of estimated restoration costs are charged to net profit during the period in which such changes occur. Estimated restoration costs are reviewed annually and discounted using a pre-tax risk-free rate that reflects current market assessments of the time-value of money. The increase in restoration provisions, due to the passage of time, is charged to interest paid.

Ongoing rehabilitation costs

Expenditure on ongoing rehabilitation costs is recognized as an expense when incurred.

Platinum Producers' Environmental Trust

The Group contributes to the Platinum Producers' Environmental Trust annually and it is consolidated for accounting purposes. The Trust was created to fund the estimated cost of pollution control, rehabilitation and mine closure at the end of the lives of the Group's mines. Contributions are determined on the basis of the estimated environmental obligation over the life of a mine. Contributions made are reflected in non-current cash deposits held by Platinum Producers' Environmental Trust.

17. BORROWING COSTS

Borrowing costs are charged to interest paid.

When borrowings are utilized to fund qualifying capital expenditure such borrowing costs are capitalized in the period in which the capital expenditure and related borrowing cost are incurred. (Refer accounting policy note 5)

18. EMPLOYEE BENEFITS

Short-term employee benefits

Remuneration paid to employees in respect of services rendered during a reporting period is recognized as an expense in that reporting period. Accruals are made for accumulated leave, and are measured at the amount that the Group expects to pay when the leave is used.

Termination benefits

Termination benefits are charged against income when the Group is demonstrably committed to terminating the employment of an employee or group of employees before their normal retirement date.

Post-employment benefits

Defined contribution plans

Retirement, provident and pension funds

Contributions to defined contribution plans in respect of services rendered during a reporting period are recognized as an expense in that period.

Defined benefit plans

Post-retirement medical aid liability

The post-retirement medical aid liability is recognized as an expense systematically over the periods during which services are rendered using the projected unit credit method. Independent actuarial valuations are conducted at least every three years, or sooner if necessary.

Actuarial gains and losses arising as a result of experience adjustments and/or the effects of changes in actuarial assumptions are recognized as income or expenditure as and when they occur. Adjustments pertaining to retired employees are recognized immediately as income or an expense.

19. SEGMENTAL INFORMATION

The Group produces PGMs primarily in South Africa. The risks and rewards associated with the individual operations are not sufficiently dissimilar to warrant identification of separate geographical segments.

Therefore, the directors consider that the primary reporting format is by business segment. Two business segments are identified. Firstly, mining, extraction and production of platinum group metals (PGMs) and secondly, the purchase of metals in concentrate for further treatment and refining. Costs are allocated to business segments on a full-absorption costing basis.

20. SHARE-BASED PAYMENTS

The accounting policy for share-based payments is disclosed under 'new accounting policies adopted in response to changes in IFRS'.

CONSOLIDATED INCOME STATEMENT

for the year ended 31 December

	Notes	2005 Rm	2004 Rm Restated
Gross sales revenue	1	23 308,4	19 624,8
Commissions paid		(370,4)	(357,8)
Net sales revenue		22 938,0	19 267,0
Cost of sales (Segmental information)		(17 100,3)	(14 678,8)
Gross profit on metal sales		5 837,7	4 588,2
Other net income/(expenditure)	6	322,1	(663,9)
Market development and promotional expenditure		(214,3)	(194,1)
Operating profit		5 945,5	3 730,2
Interest expensed	7	(273,4)	(354,3)
Interest received	7	135,5	166,1
Net income from associates	15	134,8	50,7
Profit before taxation	8	5 942,4	3 592,7
Taxation	9	(1 452,5)	(1 106,4)
Net profit		4 489,9	2 486,3
Headline earnings	11	4 231,4	2 578,9
Attributable to ordinary shareholders		3 976,2	2 426,1
Attributable to preference shareholders		255,2	152,8
Number of ordinary shares in issue (millions)		218,3	217,4
Weighted average number of ordinary shares in issue (millions)		217,5	216,5
Earnings per ordinary share (cents)	10		
– Basic		1 947,0	1 077,8
– Diluted (basic)		1 935,3	1 076,8
Dividends per ordinary share (cents)		1 180,0	735,0
– Interim		480,0	400,0
– Final		700,0*	335,0
Dividend per preference share (cents)		638,0	322,0
Dividend cover per ordinary share		1,5	1,5

*Proposed ordinary dividend.

SEGMENTAL INFORMATION

for the year ended 31 December

	Notes	Mined Rm	Purchased metals in concentrate Rm	Total Rm
2005				
Gross sales revenue		21 381,0	1 927,4	23 308,4
Commissions paid		(339,1)	(31,3)	(370,4)
Net sales revenue		21 041,9	1 896,1	22 938,0
Cost of sales		(15 290,7)	(1 809,6)	(17 100,3)
On-mine		(12 766,3)	—	(12 766,3)
Cash operating costs	3	(11 255,7)	—	(11 255,7)
Amortisation	4	(1 510,6)	—	(1 510,6)
Purchase of metals in concentrate		—	(1 988,2)	(1 988,2)
Smelting		(1 346,7)	(117,5)	(1 464,2)
Cash operating costs	3	(922,0)	(81,3)	(1 003,3)
Amortisation	4	(424,7)	(36,2)	(460,9)
Treatment and refining		(1 006,3)	(86,7)	(1 093,0)
Cash operating costs	3	(784,4)	(67,0)	(851,4)
Amortisation	4	(221,9)	(19,7)	(241,6)
Increase in metal inventories		841,6	388,0	1 229,6
Other costs	5	(1 013,0)	(5,2)	(1 018,2)
Gross profit on metal sales		5 751,2	86,5	5 837,7
Segment assets (Rm)		35 106,5	683,0	35 789,5
Segment liabilities (Rm)		14 190,8	796,7	14 987,5
Gross profit margin (%)		26,9	4,5	25,0
Cost of sales per Pt ounce sold (R)		6 430	8 290	6 587
2004 (Restated)				
Gross sales revenue		18 720,4	904,4	19 624,8
Commissions paid		(340,7)	(17,1)	(357,8)
Net sales revenue		18 379,7	887,3	19 267,0
Cost of sales		(13 830,6)	(848,2)	(14 678,8)
On-mine		(11 555,0)	—	(11 555,0)
Cash operating costs	3	(10 355,6)	—	(10 355,6)
Amortisation	4	(1 199,4)	—	(1 199,4)
Purchase of metals in concentrate		—	(964,9)	(964,9)
Smelting		(1 128,5)	(70,0)	(1 198,5)
Cash operating costs	3	(940,7)	(58,4)	(999,1)
Amortisation	4	(187,8)	(11,6)	(199,4)
Treatment and refining		(873,8)	(45,8)	(919,6)
Cash operating costs	3	(767,3)	(40,0)	(807,3)
Amortisation	4	(106,5)	(5,8)	(112,3)
Increase in metal inventories		482,6	235,0	717,6
Other costs	5	(755,9)	(2,5)	(758,4)
Gross profit on metal sales		4 549,1	39,1	4 588,2
Segment assets (Rm)		32 227,2	295,0	32 522,2
Segment liabilities (Rm)		14 199,9	356,9	14 556,8
Gross profit margin (%)		24,3	4,3	23,4
Cost of sales per Pt ounce sold (R)		5 726	7 204	5 794

CONSOLIDATED BALANCE SHEET

as at 31 December

	Notes	2005 Rm	2004 Rm Restated
Assets			
Non-current assets		26 984,4	24 823,3
Property, plant and equipment	13	19 744,0	17 757,3
Capital work-in-progress	14	6 132,1	6 124,4
Investment in associates	15	683,1	435,3
Cash deposits held by environmental trusts	17	204,7	149,0
Prepaid operating lease rentals and royalties	18	220,5	357,3
Current assets		8 805,1	7 698,9
Inventories	19	4 412,3	3 192,3
Accounts receivable	20	2 418,2	2 058,5
Cash held by insurance captives		167,2	83,6
Cash and cash equivalents	21	1 807,4	2 364,5
Total assets		35 789,5	32 522,2
Equity and liabilities			
Share capital and reserves	22		
Share capital – ordinary and preference	23	22,2	22,1
Share premium – ordinary and preference	22	5 399,7	5 236,7
Accumulated profits before proposed dividend and related secondary tax on companies (STC)	22	15 380,1	12 706,6
Accumulated profits after proposed dividend and related STC		13 637,0	11 863,3
Proposed ordinary dividend and related STC		1 719,1	819,3
Undeclared cumulative preference share dividend and related STC		24,0	24,0
Shareholders' equity		20 802,0	17 965,4
Non-current liabilities		7 053,7	6 086,0
Deferred taxation	24	5 948,0	5 175,3
Environmental obligations	25	424,9	362,7
Employees' service benefit obligations	26	218,5	102,0
Obligations due under finance leases	27	462,3	446,0
Current liabilities		7 933,8	8 470,8
Interest-bearing borrowings	28	3 805,2	5 347,9
Accounts payable	29	3 595,2	2 656,5
Derivative financial liabilities	30	14,0	28,1
Taxation	33	519,4	438,3
Total equity and liabilities		35 789,5	32 522,2

GROUP STATEMENT ORECOGNISED INCOME AND EXPENSE

at 31 December

	2005 Rm	2004 Rm Restated
Income and expense recognised directly in equity		
After-tax changes in forward metal prices recognised directly in equity	—	164,0
Income and expense recognised directly in the income statement		
Net profit for the year	4 489,9	2 486,3
Total recognised income and expense for the year	4 489,9	2 650,3
Effect of changes in accounting policies/restatement		
Negative goodwill on associate reversed (refer changes in accounting policy and note 15)	173,4	—
Share-based payments (refer changes in accounting policy)	—	(48,7)
Restatement – Cash held by insurance captives	—	43,2
	173,4	(5,5)

Total recognised income and expense is attributable to the equity holders of Anglo Platinum Limited since there are no minority interests.

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December

	Notes	2005 Rm	2004 Rm Restated
Cash flows from operating activities			
Cash receipts from customers		23 048,7	19 619,1
Cash paid to suppliers and employees		(15 506,3)	(14 173,0)
Cash from operations	32	7 542,4	5 446,1
Interest paid (net of interest capitalised)		(262,6)	(274,5)
Taxation paid	33	(554,9)	(392,4)
Net cash from operating activities		6 724,9	4 779,2
Cash flows used in investing activities			
Purchase of property, plant and equipment (includes interest capitalised)	34	(4 097,4)*	(4 260,3)*
Proceeds from sale of plant and equipment		61,4	33,7
Investment in associates		(16,3)	(0,1)
Proceeds on sale of conversion rights		62,3	5,8
Increase in cash deposits held by environmental trusts	17	(55,7)	(35,6)
Growth in environmental trusts	17	10,8	10,1
Interest received	7	124,7	156,0
Capital reduction by Northam Platinum Limited	15	—	10,4
Dividends received	15	36,5	54,7
Net cash used in investing activities		(3 873,7)	(4 025,3)
Cash flows from/(used in) financing activities			
Proceeds from the issue of ordinary and preference share capital		163,1	4 441,0
Repayment of current interest-bearing borrowings		(1 542,7)	(1 820,2)
Ordinary and preference dividends paid	12	(2 028,7)	(1 579,6)
Net cash (used in)/from financing activities		(3 408,3)	1 041,2
Net (decrease)/increase in cash and cash equivalents		(557,1)	1 795,1
Cash and cash equivalents at beginning of year		2 364,5	569,4
Cash and cash equivalents at end of year	21	1 807,4	2 364,5
*The Group concluded certain non-cash transactions – refer note 34.			
Movement in net debt			
Net debt at beginning of year		(3 429,4)	(6 923,0)
Net cash from operating activities		6 724,9	4 779,2
Net cash used in investing activities		(3 873,7)	(4 025,3)
Other		(1 881,9)	2 739,7
Net debt at end of year		(2 460,1)	(3 429,4)
Made up as follows:			
Cash and cash equivalents	21	1 807,4	2 364,5
Obligations due under finance leases	27	(462,3)	(446,0)
Interest-bearing borrowings	28	(3 805,2)	(5 347,9)
		(2 460,1)	(3 429,4)

CONSOLIDATED INCOME STATEMENT

for the year ended 31 December • Supplementary information for the convenience of users

	2005 US\$m	2004 US\$m Restated
Gross sales revenue	3 660,5	3 048,8
Commissions paid	(58,2)	(55,6)
Net sales revenue	3 602,3	2 993,2
Cost of sales	(2 685,5)	(2 280,4)
Gross profit on metal sales	916,8	712,8
Other net income/(expenditure)	50,6	(103,1)
Market development and promotional expenditure	(33,7)	(30,2)
Operating profit	933,7	579,5
Interest expensed	(42,9)	(55,0)
Interest received	21,1	25,8
Net income from associates	21,2	7,9
Profit before taxation	933,1	558,2
Taxation	(228,1)	(171,9)
Net profit	705,0	386,3
Dividends paid	(318,6)	(245,4)
Exchange rate translation adjustment	(244,2)	352,3
Accumulated profits at beginning of year as restated	2 281,6	1 757,7
As previously stated	2 250,9	1 765,0
Change in accounting policy		
– Share-based payment	—	(7,3)
– Negative goodwill	30,7	—
Accumulated profits at end of year	2 423,8	2 250,9
Average Rand/US\$ exchange rate	6,3676	6,4368
Number of ordinary shares in issue (millions)	218,3	217,4
Weighted average number of ordinary shares in issue (millions)	217,5	216,5
Earnings per ordinary share (cents)		
– Basic	305,8	167,4
– Diluted (basic)	303,8	167,3
Dividends per ordinary share (cents)	185,3	114,1
– Interim	75,4	62,1
– Final	109,9*	52,0
Dividend per preference share (cents)	100,2	50,0
Dividend cover per ordinary share (headline earnings)	1,5	1,5

Income statement items were translated at the average exchange rate for the year.

*Proposed dividend.

CONSOLIDATED BALANCE SHEET

as at 31 December • Supplementary information for the convenience of users

	2005 US\$m	2004 US\$m Restated
Assets		
Non-current assets	4 252,9	4 397,4
Property, plant and equipment	3 111,7	3 145,7
Capital work-in-progress	966,4	1 084,9
Investment in associates	107,7	77,1
Cash deposits held by environmental trusts	32,3	26,4
Prepaid operating lease rentals and royalties	34,8	63,3
Current assets	1 387,6	1 363,9
Inventories	695,4	565,5
Accounts receivable	381,0	364,7
Cash held by insurance captives	26,4	14,8
Cash and cash equivalents	284,8	418,9
Total assets	5 640,5	5 761,3
Equity and liabilities		
Share capital and reserves		
Share capital – ordinary and preference	3,5	3,9
Share premium – ordinary and preference	851,0	927,7
Accumulated profits before proposed dividend and related secondary tax on companies (STC)	2 423,8	2 250,9
Accumulated profits after proposed dividend and related STC	2 149,1	2 101,6
Proposed ordinary dividend and related STC	270,9	145,1
Undeclared cumulative preference share dividend and related STC	3,8	4,2
Shareholders' equity	3 278,3	3 182,5
Non-current liabilities	1 111,7	1 078,2
Deferred taxation	937,4	916,8
Environmental obligations	67,0	64,3
Employees' service benefit obligations	34,4	18,1
Obligations due under finance leases	72,9	79,0
Current liabilities	1 250,5	1 500,6
Interest-bearing borrowings	599,7	947,3
Accounts payable	566,7	470,6
Derivative financial liabilities	2,2	5,0
Taxation	81,9	77,7
Total equity and liabilities	5 640,5	5 761,3
Closing Rand/US\$ exchange rate	6,3450	5,6450

Balance sheet items have been translated at the closing exchange rate.

CONSOLIDATED CASH FLOW STATEMENT

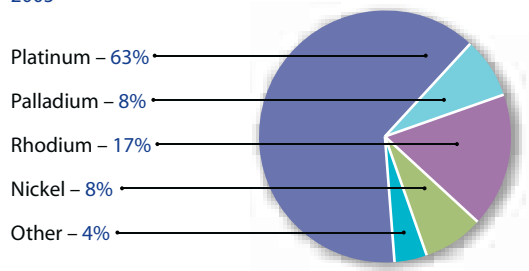
for the year ended 31 December • Supplementary information for the convenience of users

	2005 US\$m	2004 US\$m Restated
Cash flows from operating activities		
Cash receipts from customers	3 619,7	3 048,0
Cash paid to suppliers and employees	(2 435,2)	(2 202,0)
Cash from operations	1 184,5	846,0
Interest paid (net of interest capitalised)	(41,2)	(42,6)
Taxation paid	(87,1)	(61,0)
Net cash from operating activities	1 056,2	742,4
Cash flows used in investing activities		
Purchase of property, plant and equipment (includes interest capitalised)	(643,5)	(661,9)
Proceeds from sale of plant and equipment	9,6	5,2
Investment in associates	(2,6)	—
Proceeds on sale on conversion rights	9,8	0,9
Increase in cash deposits held by environmental trusts	(8,7)	(5,5)
Growth in environmental trusts	1,7	1,6
Interest received	19,6	24,2
Capital reduction by Northam Platinum Limited	—	1,6
Dividends received	5,7	8,6
Net cash used in investing activities	(608,4)	(625,3)
Cash flows (used in)/from financing activities		
Proceeds from the issue of ordinary and preference share capital	25,6	689,9
Repayment of current interest-bearing borrowings	(242,3)	(282,8)
Ordinary and preference dividends paid	(318,6)	(245,4)
Net cash (used in)/from financing activities	(535,3)	161,7
Net (decrease)/increase in cash and cash equivalents	(87,5)	278,8
Exchange rate translation adjustment	(46,6)	54,7
Cash and cash equivalents at beginning of year	418,9	85,4
Cash and cash equivalents at end of year	284,8	418,9
Average Rand/US\$ exchange rate	6,3676	6,4368

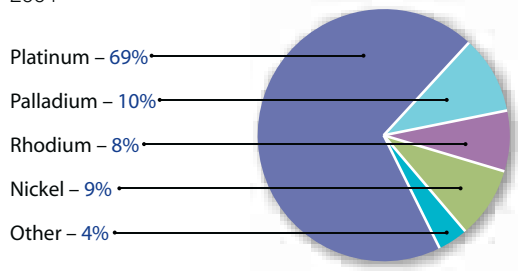
Cash flow items were translated at the average exchange rate for the year.

	2005 Rm	2004 Rm
1. Gross sales revenue		
Sales revenue emanates from the following principal regions:		
Precious metals	21 204,2	17 483,5
Europe	6 430,9	6 711,3
Asia	9 249,8	6 035,6
North America	1 861,2	2 267,1
Africa	3 662,3	2 469,5
Base metals	2 025,4	2 062,8
Africa	1 743,8	1 768,3
Europe	9,3	154,0
Asia	231,0	107,8
Other	41,3	32,7
Other	78,8	78,5
Africa	78,8	75,7
Asia	—	2,8
	23 308,4	19 624,8
Gross sales revenue by metal:		
Platinum	14 767,5	13 609,5
Palladium	1 749,1	1 911,9
Rhodium	4 063,9	1 475,1
Nickel	1 748,4	1 811,3
Other	979,5	817,0
Gross sales revenue	23 308,4	19 624,8

Gross sales revenue by metal (%)
2005



Gross sales revenue by metal (%)
2004



	2005 Rm	2004 Rm
2. Exchange rates to the South African rand		
Year-end rates:		
US dollar	6,3450	5,6450
British pound	10,9185	10,8418
Euro	7,4820	7,6721
Average rates for the year:		
US dollar	6,3676	6,4368
British pound	11,5838	11,7980
Euro	7,9226	8,0089

3. Cash operating costs

Cash operating costs consist of the following principal categories:

	On-mine* Rm	Smelting Rm	Treatment and refining Rm
2005			
Labour	4 604,8	231,3	317,2
Stores	3 142,4	279,2	277,8
Utilities	691,6	262,2	59,0
Contracting	1 522,6	3,1	5,3
Sundry	1 294,3	227,5	89,8
Toll refining		—	102,3
	11 255,7	1 003,3	851,4
2004			
Labour	4 370,8	250,2	313,2
Stores	2 920,8	255,9	252,2
Utilities	652,8	243,4	58,1
Contracting	1 253,4	3,7	3,8
Sundry	1 157,8	245,9	81,8
Toll refining		—	98,2
	10 355,6	999,1	807,3

*On-mine costs comprise mining and concentrating costs.

	2005 Rm	2004 Rm
4. Amortisation of operating assets*		
Amortisation of mining and process property, plant and equipment consists of the following categories:		
Mining	1 510,6	1 199,4
Smelting	460,9	199,4
Treatment and refining	241,6	112,3
	2 213,1	1 511,1

*Refer note 37 for an explanation of the impact of a change in estimate on this account.

5. Other costs (Restated)

Other costs consist of the following principal categories:

Research	145,4	141,9
Corporate costs	156,6	145,6
Exploration	136,4	89,2
Total exploration costs	271,9	221,5
Less: Capitalised	(135,5)	(132,3)
Contributions to educational and community development	66,0	92,1
Transport of metals	35,5	30,5
Royalties paid	161,3	169,2
Corporate finance activities/projects	17,6	10,1
Regional Services Council levies and other	96,3	36,6
Share-based payment	203,1	43,2
	1 018,2	758,4

6. Other net income/(expenditure)

Other net income/(expenditure) consists of the following principal categories:

Realised and unrealised foreign exchange gains/(losses)	336,2	(266,3)
Project maintenance costs*	(62,0)	(130,9)
Restructuring costs**	(278,4)	(191,0)
Impact of assets exchanged	196,0	(97,6)
Property, plant and equipment	94,8	93,4
Conversion rights	101,2	(191,0)
Profit on commodity contracts	1,2	0,3
Profit on disposal of conversion rights (Note 8)	117,3	5,8
Other – net	11,8	15,8
	322,1	(663,9)

*Project maintenance costs comprise assets scrapped as a result of the slow-down of capital projects, costs incurred to maintain land held for future projects and costs to keep projects on care and maintenance.

**Restructuring costs comprise retrenchment costs and consulting fees.

	2005 Rm	2004 Rm
7. Interest expensed and received		
Interest expensed	(239,9)	(359,4)
Interest paid	(386,7)	(557,1)
Less: Capitalised (Note 34)*	146,8	197,7
Time value of money adjustment to environmental trusts obligations	(33,5)	5,1
Decommissioning costs (Note 25)	(29,5)	9,2
Time value adjustment	(29,5)	(28,9)
Adoption of IFRIC 1	—	38,1
Restoration costs (Note 25)	(4,0)	(4,1)
	(273,4)	(354,3)
Interest received		
Interest received	124,7	156,0
Growth in environmental trusts (Note 17)	10,8	10,1
	135,5	166,1

*The rate used to capitalise borrowing costs was 7,8735% (2004: 8,0763%).

8. Profit before taxation

Profit before taxation is arrived at after taking account of:

Auditors' remuneration	7,7	6,8
Audit fees	5,1	4,3
Other services	2,6	2,5
Internal audit projects and tax compliance work	1,2	1,6
Assurance services with respect to trading updates, acquisitions and sustainable development	0,9	0,8
Other/special investigations	0,5	0,1
Amortisation and depreciation	2 274,0	1 572,3
Mining and process assets (Note 13)*	2 227,8	1 526,1
Operating assets (Note 4)	2 213,1	1 511,1
Amortisation included in other costs	14,7	15,0
Depreciation – Non-mining (Note 13)	46,2	46,2
Operating lease charges – buildings	32,0	15,2
Profit/(loss) on disposal of plant, equipment and conversion rights	120,1	(17,2)
Property, plant and equipment	2,8	(23,0)
Conversion rights (Note 6)	117,3	5,8

*Refer to note 37 for an explanation of the impact of a change in estimate on this amount.

	2005 Rm	2004 Rm Restated
9. Taxation		
Current	681,7	449,9
Deferred	770,8	656,5
	1 452,5	1 106,4
Comprising:		
South African normal taxation	1 041,1	812,3
Secondary tax on companies (STC)	253,6	197,4
Foreign and withholding taxation	157,8	96,7
	1 452,5	1 106,4
A reconciliation of the standard rate of South African normal taxation compared with that charged in the income statement is set out in the following table:		
South African normal taxation*	% 29,0	% 30,0
STC	4,3	5,5
	33,3	35,5
Foreign income	(6,0)	(5,4)
Disallowable items	0,8	0,9
Change in corporate tax rate	(2,9)	—
Capital profits	(0,6)	—
Other	(0,2)	(0,2)
Effective taxation rate	24,4	30,8
	Rm	Rm
Amounts which are available for offset against future taxable income:		
Unredeemed capital expenditure for which deferred tax liabilities with respect to property, plant and equipment have been reduced	2 164,5	5 302,5
Calculated losses for which deferred tax assets have been raised	—	115,8
	2 164,5	5 418,3
*In 2005, the corporate tax rate for South African normal taxation changed from 30% to 29%. The effect of this was an increase in net profit of R172,1 million due to a decrease in net deferred tax liabilities at the time of the change.		

10. Earnings per ordinary share

The calculation of basic and headline earnings per ordinary share is based on earnings of R4 234,7 million and R3 976,2 million respectively (2004: R2 333,5 million and R2 426,1 million) and a weighted average of 217 539 603 (2004: 216 459 375) ordinary shares in issue during the year.

The calculation of diluted earnings per share, basic and headline, is based on earnings of R4 489,9 million and R4 231,4 million respectively (2004: R2 486,3 million and R2 578,9 million). Refer below for weighted average number of potential diluted ordinary shares in issue during the year.

	2005	2004
Weighted average number of potential diluted ordinary shares in issue		
Weighted average number of ordinary shares in issue	217 539 603	216 459 375
Dilutive potential ordinary shares, relating to:		
Share option scheme	574 135	509 972
Weighted average number of potential diluted ordinary shares in issue – basic	218 113 738	216 969 347
Diluted potential ordinary shares, relating to:		
Conversion of preference shares	13 907 563	13 907 579
	232 021 301	230 876 926

	2005 Rm	2004 Rm
11. Reconciliation between net profit and headline earnings (Restated)		
Net profit	4 489,9	2 486,3
Less: Declared and undeclared cumulative preference share dividends and related STC	(255,2)	(152,8)
Basic earnings attributable to ordinary shareholders	4 234,7	2 333,5
Adjustments (after tax where applicable):		
Profit on disposal of conversion rights	(117,3)	(5,8)
Impact of assets exchanged	(139,2)	68,3
Property, plant and equipment	(67,3)	(65,4)
Conversion rights	(71,9)	133,7
Net goodwill amortisation	—	1,5
(Profit)/loss on disposal and scrapping of property, plant and equipment	(2,0)	28,6
Headline earnings attributable to ordinary shareholders	3 976,2	2 426,1
Add: declared and undeclared cumulative preference share dividends and related STC	255,2	152,8
Headline earnings	4 231,4	2 578,9
Attributable headline earnings per ordinary share (cents)		
Headline	1 828,1	1 120,6
Diluted	1 823,9	1 116,9
12. Ordinary and preference dividends		
Dividends paid in cash and reinvested were as follows:		
Ordinary dividends		
Dividend No. 102		581,6
Paid in cash		100,1
Reinvested by shareholders		481,5
Dividend No. 103		869,2
Dividend No. 104	728,3	
Dividend No. 105	1 045,2	
Preference dividend		
Dividend No. 1		128,8
Dividend No. 2	127,2	
Dividend No. 3	128,0	
	2 028,7	1 579,6

	2005 Rm	2004 Rm
13. Property, plant and equipment		
Mining and process (Annexure A)		
Mining and process property, plant and equipment comprise expenditure on conversion rights, qualifying exploration cost, properties, shaft sinking, development, equipment, plant, buildings, decommissioning and mining projects.		
Cost		
Opening balance	23 262,8	18 671,6
Transfer from capital work-in-progress (Note 14)	4 297,9	5 670,7
Disposals	(139,3)	(1 133,2)
	27 421,4	23 209,1
Addition to decommissioning asset (Note 25)	23,0	55,8
Disposal of 50% of the decommissioning asset relating to the Bafokeng-Rasimone Platinum Mine	—	(2,1)
Closing balance	27 444,4	23 262,8
Accumulated amortisation		
Opening balance	5 643,9	4 270,1
Charge for the year (Note 8)	2 227,8	1 526,1
Disposals	(50,8)	(152,3)
Closing balance	7 820,9	5 643,9
Carrying amount – Mining and process (Annexure A)	19 623,5	17 618,9
Non-mining (Annexure B)		
Non-mining property, plant and equipment comprise freehold land, plant and equipment, motor vehicles and office equipment.		
Cost		
Opening balance	291,4	291,1
Additions at cost (Note 34)	27,6	24,6
Transfer from capital work-in-progress (Note 14)	29,1	17,8
Disposals	(74,0)	(42,1)
Closing balance	274,1	291,4
Accumulated depreciation		
Opening balance	153,0	141,8
Charge for the year (Note 8)	46,2	46,2
Disposals	(45,6)	(35,0)
Closing balance	153,6	153,0
Carrying amount – Non-mining (Annexure B)	120,5	138,4
Total carrying amount	19 744,0	17 757,3

	2005 Rm	2004 Rm
14. Capital work-in-progress		
Opening balance	6 124,4	7 249,2
Additions at cost (Note 34)	4 334,7	4 581,5
Transfer to mining and process property, plant and equipment (Note 13)	(4 297,9)	(5 670,7)
Transfer to non-mining property, plant and equipment (Note 13)	(29,1)	(17,8)
Scrapping of capitalised development costs (Note 32)	—	(17,8)
Closing balance	6 132,1	6 124,4
Exploration and evaluation assets included in capital work-in-progress	344,1	310,8
15. Investment in associates		
Listed – Ordinary shares (Market value: R997,0 million (2004: R 461,1 million))	483,2	229,3
Unlisted (Directors' valuation: R199,9 million (2004: R 206,0 million))	199,9	206,0
Ordinary shares	109,8	130,2
Cumulative redeemable preference shares	76,4	75,8
Loan to associate (sub-ordinated to third party debt)	13,7	—
	683,1	435,3
The movement for the year in the Group's investment in associates was as follows:		
Investment in listed and unlisted ordinary shares		
Carrying amount – opening balance	359,5	400,4
Negative goodwill transferred to retained earnings	173,4	—
Investment to maintain shareholding proportion	5,8	0,1
Net profit after taxation	90,8	24,1
Income from associates	134,8	50,7
Profit before taxation	134,8	52,2
Goodwill amortised	—	(13,1)
Negative goodwill amortised	—	11,6
Taxation	(44,0)	(26,6)
Current	(41,1)	(25,6)
STC	(4,6)	(6,8)
Deferred	1,7	5,8
Dividends received	(36,5)	(54,7)
Capital reduction	—	(10,4)
Loan to associate	10,5	—
Revaluation of loan to associate	3,2	—
Carrying amount – closing balance	606,7	359,5
Investment in cumulative redeemable preference shares	76,4	75,8
	683,1	435,3
Gross goodwill less accumulated impairment included in carrying amount		
Goodwill	104,9	104,9
Negative goodwill	—	(173,4)

	2005 Rm	2004 Rm

15. Investment in associates *(continued)*

Listed investment: Northam Platinum Limited (Northam)

At 31 December 2005 the Group held 52 474 501 (2004: 52 104 038) shares in Northam representing a 22,5% interest. Northam operates a mine and processing plants on the Bushveld Complex of South Africa. This Company has a June year end, however, equity accounting based on interim results extends to December.

The summarised pro forma financial statements of Northam Platinum Limited for the 12 months ended 31 December are outlined below:

Income statement		
Gross sales revenue	1 919,8	1 558,6
Net profit before taxation	706,9	322,9
Taxation	(212,8)	(135,3)
Net profit after taxation	494,1	187,6
Balance sheet		
Non-current assets	1 447,2	1 356,7
Current assets	1 015,4	751,2
	2 462,6	2 107,9
Non-current liabilities	359,8	343,7
Current liabilities	291,8	304,3
Equity	1 811,0	1 459,9
	2 462,6	2 107,9

Unlisted investment: Johnson Matthey Fuel Cells Limited (JMFC)

As at 31 December 2005 the Group held 17,5% of the equity and 43% of the voting rights in JMFC, incorporated in the United Kingdom. The interest is represented by 35 ordinary shares (acquired for GBP 13 million) and seven million redeemable preference shares (acquired for GBP 7 million). JMFC carries on research and development for the enhancement and development of fuel cells and associated hydrogen-generation technology from fuels and the commercial exploitation thereof including the manufacture and sale of fuel cell-related products. This Company has a March year end, however, equity accounting extends to December based on management accounts.

Investment in redeemable preference shares

The subscription for the redeemable preference shares in JMFC is treated as initial funding by the Group. Johnson Matthey also provides initial funding in the form of interest-bearing debt. The economic return on the redeemable preference shares matches the economic return of the initial funding provided by the controlling shareholder which will equate to United Kingdom market returns. The redeemable preference shares are redeemable proportional to the repayment of the initial funding of the controlling shareholder. Preference dividends are cumulative. The summarised pro forma management accounts of JMFC for the 12 months ended 31 December are outlined below:

Income statement		
Net operating loss before taxation	(138,3)	(146,4)
Taxation	22,5	22,7
Net loss after taxation	(115,8)	(123,7)
Balance sheet		
Non-current assets	353,8	394,4
Current assets	46,9	90,0
	400,7	484,4
Non-current liabilities	53,5	19,8
Current liabilities	514,3	434,1
Equity	(167,1)	30,5
	400,7	484,4

16. Joint ventures

Jointly controlled operations

The Group and African Rainbow Minerals (ARM) have established a 50:50 jointly controlled operation, known as the Modikwa Platinum Mine Joint Venture (Modikwa). Modikwa operates a mine and a processing plant on the Eastern Limb of the Bushveld Complex.

Pooling and sharing arrangement

Kroondal

The Group and Aquarius have pooled certain conversion rights and infrastructure. The two parties share 50:50 in the profits from the jointly controlled mine, which is managed by Aquarius. (Also see Note 36)

Marikana

The Group and Aquarius have pooled certain conversion rights and infrastructure. The two parties share 50:50 in the profits from the jointly controlled mine, which is managed by Aquarius. This arrangement became unconditional during December 2005.

Jointly controlled assets

Bafokeng-Rasimone Platinum Mine (BRPM) Joint Venture

The Group and Royal Bafokeng Resources (Pty) Limited (RBR) have entered into a 50:50 joint venture. In terms of the agreement, the Group contributes the operating infrastructure and Bafokeng-Rasimone Platinum Mine (BRPM) the related conversion rights to the venture, while RBR contributes certain conversion rights, and has to compensate the Group for the net cash spent on the development of BRPM, plus interest. (Also see note 34)

Pandora Joint Venture

The Group, Eastern Platinum Limited, Northam Platinum Limited and Bapo Mogale Mining Company (Pty) Limited have entered into a 42,5:42,5:7,5:7,5 joint venture. In terms of the agreement, the Group contributes certain conversion rights to the venture, while Eastern Platinum Limited contributes certain surface infrastructure.

Mototolo Joint Venture

The Group and Xstrata have entered into a 50:50 joint venture. In terms of the agreement, each party will contribute a similar amount of in-situ PGM reserves and resources from Xstrata's Thorncliffe farm, adjacent to its Thorncliffe chrome mine and the Group's bordering farm, part of its Der Brochen project area. This joint venture became effective during October 2005.

	2005 Rm	2004 Rm
17. Cash deposits held by environmental trusts		
Opening balance	149,0	113,4
Disposal of 50% of Bafokeng-Rasimone Platinum Mine	—	(4,0)
Contributions	44,9	29,5
Growth in environmental trusts	10,8	10,1
	204,7	149,0
These funds may only be utilised for purposes of settling decommissioning and environmental liabilities relating to existing mining operations.		
18. Prepaid operating lease rentals and royalties		
Non-current portion of prepaid operating lease rentals	87,9	92,2
Prepaid operating lease rentals to Ga-Pila (Proprietary) Limited, a company registered in terms of section 21 of the Companies Act in South Africa	92,2	96,5
Less: short-term portion transferred to accounts receivable (Note 20)	(4,3)	(4,3)
Non-current portion of prepaid royalties	132,6	265,1
Prepaid royalties	265,1	397,7
Less: short-term portion transferred to accounts receivable (Note 20)	(132,5)	(132,6)
	220,5	357,3
19. Inventories		
The amounts attributable to the different categories are as follows:		
Refined metals	1 171,7	1 101,2
At cost	1 111,7	1 051,1
At net realizable values	60,0	50,1
Work-in-process at cost	2 888,6	1 729,5
Total metal inventories	4 060,3	2 830,7
Stores and materials at cost	352,0	361,6
	4 412,3	3 192,3
20. Accounts receivable		
Trade accounts receivable	1 152,6	1 263,3
Related parties (Note 31)	—	0,3
Other	1 152,6	1 263,0
Other receivables and prepaid expenses	1 128,8	658,3
	2 281,4	1 921,6
Short-term portion of prepaid operating lease rentals and royalties (Note 18)	136,8	136,9
	2 418,2	2 058,5

	2005 Rm	2004 Rm
21. Cash and cash equivalents		
Cash and cash equivalents consist of cash on hand, balances with banks and money-market instruments.		
Currency analysis:		
US dollar	1 768,1	2 309,8
South African rand	21,8	39,1
Other currencies	17,5	15,6
	1 807,4	2 364,5

22. Combined statement of movement in shareholders' funds and movement in reserves

	Share capital Rm	Share premium Rm	Accumulated profits Rm	Unrecognised hedging deficit Rm	Total Rm
Balance at 31 December 2003	21,5	796,3	11 769,0	(164,0)	12 422,8
Change in accounting policy					
Share-based payments			(48,7)		(48,7)
Restatement					
Cash held by insurance captives			43,2		43,2
Restated balance at 31 December 2003	21,5	796,3	11 763,5	(164,0)	12 417,3
Net profit (restated)			2 486,3		2 486,3
Ordinary and preference dividends	0,2	481,4	(1 579,6)		(1 098,0)
Paid in cash	0,2	481,4	(1 098,0)		(1 098,0)
Reinvested			(481,6)		—
Proceeds from preference share capital issued	0,4	3 923,9			3 924,3
Preference share capital issued	0,4	3 999,6			4 000,0
Less: Share issue expenses		(75,7)			(75,7)
Ordinary share capital issued	—*	35,1			35,1
After-tax changes in forward metal prices				164,0	164,0
Equity-settled share-based compensation			36,4		36,4
Restated balance at 31 December 2004	22,1	5 236,7	12 706,6	—	17 965,4
Change in accounting policy – negative goodwill for associate reversed			173,4		173,4
Net profit			4 489,9		4 489,9
Ordinary and preference dividends paid in cash			(2 028,7)		(2 028,7)
Ordinary share capital issued	0,1	162,6			162,7
Conversion of preference shares	—*	0,4			0,4
Equity-settled share-based compensation			38,9		38,9
Balance at 31 December 2005	22,2	5 399,7	15 380,1	—	20 802,0

*Less than R50 000.

2004	2005		2005 Rm	2004 Rm
23. Share capital				
Authorised – ordinary and preference shares				
400 000 113	400 000 129	Ordinary shares of 10 cents each	40,0	40,0
39 999 675	39 999 629	Convertible, perpetual, cumulative preference shares of 1 cent each (preference shares)	0,4	0,4
Issued – ordinary shares				
215 393 567	217 405 496	Ordinary shares of 10 cents each at 1 January	21,7	21,5
2 011 929	985 986	Issued	0,1	0,2
217 405 496	218 391 482	Balance at 31 December	21,8	21,7
Issued – preference shares				
40 000 000	39 999 675	Preference shares: opening balance/issued	0,4	0,4
(325)	(46)	Converted	—*	—*
39 999 675	39 999 629	Balance at 31 December	0,4	0,4

Ordinary shares

The unissued ordinary shares (excluding shares reserved for the share option scheme) are under the control of the Directors until the forthcoming annual general meeting.

Preference shares

The preference shares are convertible into ordinary shares at a conversion price of R288,43 at the election of the shareholder, at any time on or before the final conversion date, being the fifth anniversary of the issue date, 31 May 2009. Thereafter, the preference shares are callable into perpetuity by the Company, either through redemption or acquisition. Preference shares which are not converted nor callable by the Company will continue to exist as preference shares. Dividends, if declared, are paid six-monthly in arrears at 6,38% per annum. The dividend dates are 31 May and 30 November.

*Less than R50 000

	2005 Rm	2004 Rm Restated
24. Deferred taxation		
Deferred taxation is attributable to temporary differences relating to:		
Deferred taxation liabilities	6 241,2	5 504,1
Mining property, plant and equipment	6 172,4	5 452,8
Other	68,8	51,3
Deferred taxation assets	(293,2)	(328,8)
Accrual for leave pay	(154,6)	(155,3)
Share-based payment provision	(54,0)	(14,5)
Post-retirement medical aid benefits	(8,6)	(15,6)
Calculated losses	—	(81,1)
Other	(76,0)	(62,3)
Net position at 31 December	5 948,0	5 175,3
The movement for the year in the Group's net deferred taxation position was as follows:		
Deferred taxation liabilities		
At 1 January	5 504,1	4 761,9
Income statement movement	737,1	742,2
At 31 December	6 241,2	5 504,1
Deferred taxation assets		
At 1 January	(328,8)	(323,0)
Income statement movement	35,6	(76,1)
Equity movement	—	70,3
At 31 December	(293,2)	(328,8)
Net position at 31 December	5 948,0	5 175,3

	2005 Rm	2004 Rm
25. Environmental obligations		
Provision for decommissioning cost	333,7	281,2
Opening balance	281,2	238,4
Movement for the year	52,5	42,8
Discounted amount for decommissioning of expansion projects (Note 13)	23,0	55,8
Disposal of 50% of Bafokeng-Rasimone Platinum Mine	—	(3,8)
Charged to net investment income (Note 7)	29,5	(9,2)
Provision for restoration cost	91,2	81,5
Opening balance	81,5	70,3
Movement for the year	9,7	11,2
Discounted amount for increase in restoration obligation charged to income statement	5,7	9,1
Disposal of 50% of Bafokeng-Rasimone Platinum Mine	—	(2,0)
Charged to net investment income (Note 7)	4,0	4,1
Environmental obligations – Gross	424,9	362,7
Environmental obligations before funding	424,9	362,7
Less: Environmental trusts (Note 17)	(204,7)	(149,0)
Unfunded environmental obligations	220,2	213,7
Pre-tax risk-free discount rate	5,0%	5,0%
Undiscounted amount of environmental obligations	1 198,8	1 096,7

	2005 Rm	2004 Rm
26. Employee benefits (Restated)		
Employees' service benefit obligations (non-current)		
Provision for post-retirement medical aid benefits	30,0	51,9
Share-based payments provisions	188,5	50,1
	218,5	102,0
Aggregate earnings		
The aggregate earnings of employees including directors were:		
Salaries and wages and other benefits	5 304,4	5 101,0
Retirement benefit costs	374,9	364,4
Medical aid contributions	101,0	48,6
	5 780,3	5 514,0
Termination benefits		
Retrenchment costs	134,2	122,8
Directors' emoluments		
Remuneration for executives		
– Salaries, benefits, performance-related bonuses and other emoluments	25,3	24,2
Remuneration for non-executives		
– Fees	4,6	5,0
Paid by Holding Company and Subsidiaries	29,9	29,2
Paid by Subsidiaries	(27,2)	(26,8)
Paid by Holding Company	2,7	2,4
Profit on share options exercised	18,0	9,2
Directors' remuneration is fully disclosed in the Remuneration Committee Report, which is included in the Directors' Report.		
Equity compensation benefits		
The Directors' Report sets out details of the Company's Share Option Scheme and Annexure C provides details of share options issued and exercised during the year by participants as well as the relevant disclosures required by IFRS 2 – Share-based payments. The details pertaining to share options issued to and exercised by directors during the year, are disclosed in the Remuneration Committee Report.		

26. Employee benefits (continued)

Retirement funds

Separate funds, independent of the Group, provide retirement and other benefits to all employees. These funds consist of defined contribution plans and a defined benefit plan. All funds are subject to the Pension Funds Act, 1956. The Amplats Officials Pension Fund is in the process of being wound up, whereupon the administration of pensioners will be outsourced and active members will be transferred to an appropriate retirement fund.

Defined contribution plans

Contributions are made to the following defined contribution plans:

	Number of members*	Number of pensioners	Employer contributions Rm	Market value of fund assets Rm
2005				
Amplats Retirement Fund	1 156		37,2	413,8
Amplats Mines Retirement Fund	10 248		163,5	1 823,4
MRR Retirement Fund	1 338		21,1	411,8
Amplats Group Provident Fund	31 076		209,0	1 979,4
Amplats Officials Pension Fund	16	1 115	1,1	187,5
	43 834	1 115	431,9	4 815,9
2004				
Amplats Retirement Fund	1 075		27,0	326,9
Amplats Mines Retirement Fund	10 038		116,8	1 433,4
MRR Retirement Fund	1 340		10,4	322,0
Amplats Group Provident Fund	32 949		207,6	1 626,1
Amplats Officials Pension Fund	20	2 853	0,3	187,4
	45 422	2 853	362,1	3 895,8

*Certain members are not in the employment of the Group while others are members of more than one fund.

26. Employee benefits (continued)

Post-retirement medical aid benefits

The post-retirement medical aid obligation is actuarially valued every three years by an independent firm of consulting actuaries, unless events like plan curtailments necessitate more regular valuations. The obligation was last valued as at 31 December 2005 using the projected unit credit method. The assumptions used in the valuation included estimates of life expectancy and long-term estimates of the increase in medical costs, appropriate discount rates and the level of claims based on the Group's experiences.

The plan assets comprise a captive cell arrangement with Guardrisk, which arrangement exists to fund the Group's obligation towards pensioners. The medical aid premiums are paid by Guardrisk to the medical aid fund on behalf of the Group.

	2005	2004
The principal actuarial assumptions used were as follows:		
Actuarial assumptions		
Discount rate (Nominal)	8,3%	9,5%
Healthcare cost trend	5,8%	6,5%
Expected return on reimbursive rights	9,5%	9,5%
Membership		
In-service members	382	555
Continuation members	1 220	1 177
	Rm	Rm
Fund status		
Fair value of plan assets	(102,4)	(84,0)
Present value of obligations	132,4	135,9
Net unfunded liability	30,0	51,9
Movements in the net liability		
Opening balance	51,9	63,2
Amounts recognised in income statement	(14,6)	(4,7)
Current service cost	1,0	1,0
Interest cost	10,7	8,1
Curtailement gains	—	(7,2)
Change in membership	(0,5)	5,9
Release of deferred service gain	(17,5)	(5,8)
Return on reimbursive rights	(8,3)	(6,7)
Benefits paid	5,1	5,6
Contributions to reimbursive rights	(12,4)	(12,2)
Closing balance	30,0	51,9

27. Obligations due under finance leases

The Group finances certain housing requirements through finance leases. The Group holds a call option to acquire legal title to the land and houses at the end of the lease term. Group Five Limited (Group Five) holds a put option to put legal title of the remaining land and houses back to the Group. The implicit interest rate is linked to JIBAR (Johannesburg Inter Bank Acceptance Rate) and an average rate of 9,4% (2004: 9,9%) was paid for the year under review. The remaining lease term is 12 years (2004: 13 years). The Group provided guarantees as disclosed in Note 36. The carrying amount of assets held under finance leases amounts to R428,6 million (2004: R384,3 million). The finance lease obligation relating to houses amounts to R459,1 million (2004: R439,1 million).

	2005		2004	
	Rm		Rm	
Finance lease obligations	466,5		449,9	
Less: short-term portion transferred to accounts payable (Note 29)	(4,2)		(3,9)	
	462,3		446,0	
Reconciliation of future minimum lease payments under finance leases				
	Minimum lease payments		Present value of minimum lease payments	
	2005	2004	2005	2004
	Rm	Rm	Rm	Rm
Within one year	47,3	47,3	4,2	3,9
In the second to fifth years	175,6	180,8	2,8	6,9
Six years and thereafter	761,8	786,9	459,5	439,1
	984,7	1 015,0	466,5	449,9
Less: future finance charges	(518,2)	(565,1)	—	—
Present value of leasing obligations	466,5	449,9	466,5	449,9

28. Interest-bearing borrowings

	2005 Rm Facility amount	2005 Rm Utilised amount	2004 Rm Facility amount	2004 Rm Utilised amount
Bank overdrafts				
*Committed	11 556,6	3 805,2	11 556,6	4 685,3
ABN AMRO	1 000,0	696,7	1 000,0	183,5
Anglo American Corporation of South Africa Limited	—	—	1 000,0	—
ABSA Limited	3 000,0	911,1	3 000,0	1 048,6
Calyon Corporate & Investment Bank	1 300,0	422,8	300,0	—
Investec Bank Limited	400,0	—	400,0	348,6
FirstRand Limited	1 856,6	545,5	1 856,6	970,3
Nedbank Limited	2 000,0	604,9	2 000,0	1 068,1
Standard Bank Limited	2 000,0	624,2	2 000,0	1 066,2
**Uncommitted	1 414,6	—	1 070,0	662,6
Citibank, N. A. JHB	317,3	—	285,0	—
Calyon Corporate & Investment Bank	317,3	—	285,0	168,9
Old Mutual Specialised Finance Limited	600,0	—	500,0	493,7
Standard Chartered Bank	180,0	—	—	—
	12 971,2	3 805,2	12 626,6	5 347,9

Borrowing powers

The borrowing powers in terms of the Articles of Association of the Holding Company and its subsidiaries are unlimited.

The weighted average borrowing rate at 31 December 2005 was 7,8735% (2004: 8,0763%).

* Committed facilities are defined as the bank's obligation to provide funding until maturity of the facility by which time the renewal of the facility is negotiated.
R6 857 million (2004: R6 857 million) of the facilities are committed for five years while the rest are committed for 364 days.

** Uncommitted facilities are callable on demand and will be renegotiated at various dates during 2006.

for the year ended 31 December

	2005 Rm	2004 Rm
29. Accounts payable		
Trade accounts	1 616,1	1 037,3
Related parties (Note 31)	8,8	12,3
Other	1 607,3	1 025,0
Other payables and accruals	1 448,9	1 102,7
Accrual for leave pay	526,0	512,6
	3 591,0	2 652,6
Short-term portion of obligations due under finance leases (Note 27)	4,2	3,9
	3 595,2	2 656,5
30. Derivative financial liabilities		
Fair value of forward foreign exchange contracts	14,0	25,1
Other	—	3,0
	14,0	28,1
31. Related party transactions		
The Company and its subsidiaries, in the ordinary course of business, enter into various sale, purchase, service and lease transactions with the ultimate holding company, Anglo American plc, its subsidiaries, joint ventures and associates. The Group also participates in the Anglo American plc insurance programme. Certain deposits and borrowings are also placed with the holding company. These transactions are priced on an arms-length basis. Material-related party transactions were as follows and for the current and prior years all transaction and balances relate to fellow subsidiaries of Anglo Platinum Limited.		
Amounts owed by related parties at 31 December (Note 20)	—	0,3
Sale of goods and services for the year	—	1,7
Amounts owed to related parties as at 31 December (Note 29)	8,8	12,3
Purchase of goods and services for the year	309,2	282,1
Deposits at 31 December:	580,6	496,2
Interest received for the year	14,3	8,2
Trade payables		
Trade payables are settled on commercial terms.		
Deposits		
Deposits earn interest at market-related rates and are repayable on maturity.		
Directors		
Details relating to Directors' emoluments and shareholding in the Company are disclosed in the Director's Report.		
Shareholders		
The principal shareholders of the Company are detailed in Note 39 Analysis of shareholders.		

	Notes	2005 Rm	2004 Rm Restated
32. Reconciliation of profit before taxation to cash from operations			
Profit before taxation		5 942,4	3 592,7
Adjustments for:			
Interest received	7	(124,7)	(156,0)
Growth in environmental trusts	7	(10,8)	(10,1)
Interest expensed	7	239,9	359,4
Amortisation and depreciation of property, plant and equipment	8	2 274,0	1 572,3
Profit on disposal of plant, equipment and conversion rights	8	(120,1)	17,2
Profit on exchange of dissimilar assets		(202,7)	—
Impact of assets exchanged		132,5	294,5
Scrapping of capitalised development costs	14	—	17,8
Income from associates	15	(134,8)	(50,7)
Exchange gains and losses on revaluation of redeemable preference shares		(3,8)	7,8
Unrealised fair value adjustment in respect of financial liabilities		(14,9)	(73,8)
Equity-settled share-based payments charge to reserves		38,9	36,4
		8 015,9	5 607,5
Movement in non-cash items		160,0	82,5
Increase in employees' service benefit obligations	26	116,5	78,1
Net change to decommissioning asset (Annexure A)		(23,0)	(53,9)
Decrease in prepaid operating lease rentals and royalties	18	4,3	4,3
Increase in provision for environmental obligations	25	62,2	54,0
Working capital changes		(633,5)	(243,9)
Increase in metal inventories	19	(1 229,6)	(717,6)
Decrease/(increase) in stores and materials	19	9,6	(35,1)
(Increase)/decrease in accounts receivable		(387,8)	338,0
Increase in accounts payable		974,3	170,8
Cash from operations		7 542,4	5 446,1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*

for the year ended 31 December

	Notes	2005 Rm	2004 Rm
33. Taxation paid			
Amount unpaid at beginning of year		438,3	398,4
Current taxation provided		636,0	432,3
Company and subsidiaries	9	681,7	449,9
Prior year adjustment		—	14,8
Associate – current	15	(41,1)	(25,6)
Associate – STC	15	(4,6)	(6,8)
Amount unpaid at end of year		(519,4)	(438,3)
Payments made		554,9	392,4
34. Purchase of property, plant and equipment			
Additions to mining and process capital work-in-progress	14	4 334,7	4 581,5
Additions to non-mining plant and equipment	13	27,6	24,6
Total additions		4 362,3	4 606,1
Less: Non-cash transactions		(264,9)*	(345,8)*
		4 097,4	4 260,3
Cash purchases are made up as follow:			
To maintain operations		2 795,3	2 571,2
To expand operations		1 155,3	1 491,4
Interest capitalised	7	146,8	197,7
		4 097,4	4 260,3
Total additions are made up as follow:			
To maintain operations		2 799,0	2 677,7
To expand operations		1 416,5	1 730,7
Interest capitalised		146,8	197,7
		4 362,3	4 606,1

*2004

– The exchange of Bafokeng-Rasimone Platinum Mine for conversion rights and a non-current receivable on formation of the Bafokeng-Rasimone Platinum Mine Joint Venture.

– The exchange of certain conversion rights for mining infrastructure on formation of the Pandora Joint Venture.

– Finance lease for housing, equipment and vehicles.

2005

– The exchange of conversion rights on formation of the Mototolo Joint Venture.

– The exchange of conversion rights and mining infrastructure on formation of the Marikana Pooling and Sharing Arrangement.

	2005 Rm	2004 Rm
35. Commitments		
<i>Mining and process property, plant and equipment</i>		
Contracted for	1 442,9	1 308,0
Not yet contracted for	6 259,0	5 953,6
Authorised by the directors	7 701,9	7 261,6
Allocated for expansion of capacity	2 430,7	2 299,4
– within one year	1 209,7	1 201,9
– thereafter	1 221,0	1 097,5
Maintenance of capacity	5 271,2	4 962,2
– within one year	2 004,6	2 174,8
– thereafter	3 266,6	2 787,4
<i>Other</i>		
Operating lease rentals – buildings	589,9	666,8
Due within one year	41,0	44,8
Due within two to five years	163,3	173,6
Thereafter	385,6	448,4
Information Technology service providers	144,5	100,8
Due within one year	62,1	38,9
Due within two to five years	82,4	61,9
These commitments will be funded from existing cash resources, future operating cash flows, borrowings and any other funding strategies embarked on by the Group.		

36. Contingent liabilities

Letters of comfort have been issued to financial institutions to cover certain banking facilities. There are no encumbrances of Group assets, other than the houses held under finance leases by the Group as disclosed in Note 27.

Aquarius Platinum (South Africa) (Proprietary) Limited holds a put option to put their interest in the pooling and sharing arrangement (Note 16) to the Group in the case of termination of that relationship. The probability of the option being exercised is considered remote. The amount of such an obligation is dependant on a discounted cash flow valuation of their interest at that point in time.

37. Changes in accounting estimate

Metal inventories

During the year, the Group changed its estimate of the quantities of inventory based on the outcome of a physical count of in process metals. The Group runs a theoretical metal inventory system based on inputs, the results of previous physical counts and outputs. Due to the nature of in process inventories being contained in weirs, pipes and other vessels, physical counts only take place once per annum.

This change in estimate has had the effect of increasing the value of inventory disclosed in the financial statements by R335,7 million (no physical count of in process inventory was undertaken for the comparative period). This results in the recognition of an after-tax gain of R238,3 million.

The amount of the effect in future periods has not been disclosed because estimation is impracticable.

Useful lives of property, plant and equipment

In response to IAS 16 (revised), the Group has re-estimated the expected useful lives of plant and equipment. The impact on current year earnings of this change in estimate amounts to an after tax decrease of R205,5 million. It is expected that there will be an impact going forward from IAS 16 (revised).

38. Financial risk management

The Group does not trade in financial instruments but, in the normal course of its operations, the Group is exposed to currency, metal price, investment, credit, diesel price, interest rate and liquidity risk. In order to manage these risks, the Group may enter into transactions that make use of financial instruments. The Group has developed a comprehensive risk-management process to facilitate, control and monitor these risks. This process includes formal documentation of policies, including limits, controls and reporting structures.

Controlling risk in the Group

The Executive Committee and the Financial Risk Sub-committee are responsible for risk management activities within the Group. Overall limits have been set by the board. The Executive Committee is responsible for setting individual limits. In order to ensure adherence to these limits, activities are marked-to-market on a daily basis and reported to the Group treasurer. The Finance Risk Sub-committee, composed of marketing and treasury executives, meets weekly to review market trends and develop strategies to be submitted for Executive Committee approval. The Treasury is responsible for managing investment, currency, interest rate, diesel price, liquidity and credit risk within the limits and constraints set by the board. The Marketing Department is responsible for managing metal price risk, also within the laid-down limits and constraints set by the board.

Currency risk

The Group operates in the global business environment and many transactions are priced in a currency other than South African rand. Accordingly the Group is exposed to the risk of fluctuating exchange rates and seeks to actively manage this exposure through the use of financial instruments. These instruments typically comprise forward exchange contracts and options. Forward contracts are the primary instruments used to manage currency risk. Forward contracts require a future purchase or sale of foreign currency at a specified price.

Current policy prevents the use of option contracts without Executive Committee approval. Options provide the Group with the right but not the obligation to purchase (or sell) foreign currency at a predetermined price, on or before a future date. Few contracts of this nature were entered into during the year, and no such contracts were in existence at year-end.

38. Financial risk management (continued)

Forward exchange contracts

2005

Currency	Nominal amount of forward exchange contracts (i.e. nominal amount in South African rands)			
	Maturing within 12 months		Average rates	
	Rm		Purchases	Sales
	Purchases	Sales	Purchases	Sales
United States dollar	130,5	25,1	6,8132	6,3496
Euro	80,9	16,5	8,1835	7,6569
Australian dollar	4,2	—	4,7945	—
Total	215,6	41,6		

2004

Currency	Nominal amount of forward exchange contracts (i.e. nominal amount in South African rands)			
	Maturing within 12 months		Average rates	
	Rm		Purchases	Sales
	Purchases	Sales	Purchases	Sales
United States dollar	319,6	170,2	6,2178	5,6742
Euro	4,9	—	7,7392	—
Australian dollar	3,4	—	4,4810	—
Total	327,9	170,2		

The difference between the contracted rates and forward rates at year-end, has been recognised. (Note 30)

Options

2005

Currency	Maturing within 12 months		Average rates	
	Rm		Purchases	Sales
	Purchases	Sales	Purchases	Sales
United States dollar	—	325,3	—	6,5057
Total	—	325,3		

38. Financial risk management (continued)

Metal price risk

Metal price risk arises from the risk of an adverse effect on current or future earnings or uncertainty resulting from fluctuations in metal prices. The ability to place forward contracts is restricted owing to the limited size of the financial market in PGMs. Financial markets in certain base metals are, however, well established. The Group places contracts where opportunities present themselves to increase/reduce the exposure to metal price fluctuations. Historically, the Group has made use of forward contracts to manage this exposure. Forward contracts enable the Group to obtain a predetermined price for delivery at a future date. No such contracts existed at year-end.

Investment, liquidity risk and interest rate risk

The borrowed position of the Group exposes it to interest-rate risk. Where necessary, the Group covers these exposures by means of derivative financial instruments subject to the approval of the Executive Committee. During the period, the Group used forward-rate agreements in this respect.

Liquidity risk is the risk that the Group will be unable to meet a financial commitment in any location or currency. This risk is minimised through the holding of cash balances and sufficient available borrowing facilities (refer Note 28). In addition, detailed cash-flow forecasts are regularly prepared and reviewed by Treasury. The cash needs of the Group are managed according to its requirements.

Diesel price risk

Diesel price risk arises from the adverse movement(s) in the price of diesel, impacting on current or future earnings. The Group covers the exposure, from time to time, by means of derivative instruments, subject to the approval of the Executive Committee.

Credit risk

Credit risk arises from the risk that a counterparty may default or not meet its obligations timeously. The Group minimises credit risk by ensuring that counterparties are banking institutions of the highest quality. Where possible, management ensures that netting agreements are in place. Counterparty limits are reviewed annually by the Executive Committee.

Trade accounts receivable involve a small group of international companies. The financial condition of these companies and the countries in which they operate are regularly reviewed.

Fair value of financial instruments

Type of instrument	Carrying amount as at 31 December		Fair value as at 31 December	
	2005 Rm	2004 Rm	2005 Rm	2004 Rm
Cash held by insurance captives	167,2	83,6	167,2	83,6
Cash and cash equivalents	1 807,4	2 364,5	1 807,4	2 364,5
Accounts receivable	2 418,2	2 058,5	2 418,2	2 058,5
Obligations due under finance leases	462,3	446,0	462,3	446,0
Accounts payable	3 595,2	2 656,5	3 595,2	2 656,5
Interest-bearing borrowings	3 805,2	5 347,9	3 805,2	5 347,9

Derivatives – no fair value

The group holds a call option over a 22,5% stake in Northam Platinum Limited, which option is conditional upon the current owner achieving certain ownership thresholds by historically disadvantaged persons on or before 30 November 2006. The call option is exercisable at R8,50 per share. No fair value is attributable to this option as it is contingent upon the event explained above.

39. Analysis of shareholders

An analysis of the share register at year-end showed the following:

Ordinary shares	2005		2004	
	Number of shareholders	Percentage of issued capital	Number of shareholders	Percentage of issued capital
Size of shareholding				
1 – 1000	12 246	0,98	13 665	0,08
1 001 – 10 000	1 379	1,85	1 567	0,34
10 001 – 50 000	305	3,14	291	0,28
50 001 – 100 000	72	2,37	43	1,86
100 001 – 1 000 000	75	9,89	53	10,02
1 000 001 and over	11	81,77	13	87,42
	14 088	100,00	15 632	100,00
Category of shareholder				
Companies	407	74,76	527	75,19
Individuals	10 719	1,71	11 846	1,95
Pension and provident funds	305	4,90	322	4,25
Insurance companies	75	0,97	79	1,26
Bank, nominee and finance companies	2 287	14,95	2 418	11,89
Trust funds and investment companies	181	2,69	323	5,40
Other corporate bodies	114	0,02	117	0,06
	14 088	100,00	15 632	100,00
Shareholder spread				
Public shareholders	14 074	25,46	15 616	25,13
Non-public shareholders				
– Directors and associates	13	0,03	15	0,03
– Persons interested, directly or indirectly in 10% or more	1	74,51	1	74,84
	14 088	100,00	15 632	100,00

Major shareholders

According to the Company's share register at year-end, the following shareholders held shares equal to or in excess of 5% of the issued ordinary share capital of the Company:

	2005		2004	
	Number of shares	Percentage	Number of shares	Percentage
Anglo South Africa Capital (Proprietary) Limited	162 714 358	74,51	162 714 358	74,84

Geographical analysis of shareholders

Resident shareholders held 194 231 722 shares (88,94%) (2004: 87,57%) and non-resident shareholders held 24 159 760 shares (11,06%) (2004: 12,43%) of the Company's issued ordinary share capital of 218 391 482 shares at 31 December 2005 (2004: 217 405 496).

for the year ended 31 December

39. Analysis of shareholders (continued)

An analysis of the share register at year-end showed the following:

Preference shares	2005		2004	
	Number of shareholders	Percentage of issued capital	Number of shareholders	Percentage of issued capital
Size of shareholding				
1 – 1000	3 035	1,08	3 787	1,31
1 001 – 10 000	246	1,92	281	2,12
10 001 – 50 000	46	2,67	51	2,93
50 001 – 100 000	11	1,71	17	3,10
100 001 – 1 000 000	19	13,80	20	11,70
1 000 001 and over	2	78,82	2	78,84
	3 359	100,00	4 158	100,00
Category of shareholder				
Companies	168	75,65	237	75,82
Individuals	2 277	1,14	2 749	1,36
Pension and provident funds	91	3,70	110	3,91
Insurance companies	11	1,80	15	1,45
Bank, nominee and finance companies	668	12,63	852	11,98
Trust funds and investment companies	107	5,06	138	5,43
Other corporate bodies	37	0,02	57	0,05
	3 359	100,00	4 158	100,00
Shareholder spread				
Public shareholders	10 091 056	25,23	10 091 102	25,23
Non-public shareholders				
– Directors and associates	93	—	93	—
– Persons interested, directly or indirectly in 10% or more	29 908 480	74,77	29 908 480	74,77
	39 999 629	100,00	39 999 675	100,00

Major shareholders

According to the Company's share register at year-end, the following shareholders held shares equal to or in excess of 3% of the issued ordinary share capital of the Company:

	2005		2004	
	Number of shares	Percentage	Number of shares	Percentage
Anglo South Africa Capital (Proprietary) Limited	29 908 480	74,77	29 908 480	74,77
Rand Merchant Bank	1 621 215	4,05	1 625 215	4,07

Geographical analysis of shareholders

Resident shareholders held 38 197 801 shares (95,50%) (2004: 95,64%) and non-resident shareholders held 1 801 828 shares (4,50%) (2004: 4,36%) of the Company's issued preference share capital of 39 999 629 shares at 31 December 2005 (2004: 39 999 675).

40. Comparative figures and restatement

The leave pay accrual which was previously disclosed as a non-current liability was reclassified as a current liability and is included in accounts payable, for the current and prior years. Cash held by captive cell entities was previously included in originated loans and receivables. The prior year was reformatted to separately disclose this balance in addition to the bringing to book of other previously unconsolidated captive cell entities. Comparative figures were restated for changes in accounting policy.



Annexure A

Mining and process property, plant and equipment

	31 December 2005			31 December 2004		
	Cost Rm	Accumulated amortisation Rm	Carrying amount Rm	Cost Rm	Accumulated amortisation Rm	Carrying amount Rm
<i>Owned and leased assets</i>						
Mining development and infrastructure	8 249,0	1 638,2	6 610,8	6 512,9	1 432,2	5 080,7
Plant and equipment	16 218,3	5 409,9	10 808,4	14 197,6	3 664,7	10 532,9
Land and buildings	2 285,4	436,6	1 848,8	1 970,3	334,5	1 635,8
Motor vehicles	391,7	251,9	139,8	317,2	151,6	165,6
Furniture, fittings and equipment	91,2	54,9	36,3	79,0	39,6	39,4
	27 235,6	7 791,5	19 444,1	23 077,0	5 622,6	17 454,4
Decommissioning asset	208,8	29,4	179,4	185,8	21,3	164,5
Note 13	27 444,4	7 820,9	19 623,5	23 262,8	5 643,9	17 618,9

The carrying amount of mining and process assets can be reconciled as follows:

	Carrying amount at beginning of year Rm	Additions Rm	Disposals Rm	Amortisation Rm	Carrying amount at end of year Rm
2005					
<i>Owned and leased assets</i>					
Mining development and infrastructure	5 080,7	1 800,9	(64,6)	(206,2)	6 610,8
Plant and equipment	10 532,9	2 079,4	(15,3)	(1 788,6)	10 808,4
Land and buildings	1 635,8	315,5	(0,3)	(102,2)	1 848,8
Motor vehicles	165,6	89,3	(7,9)	(107,2)	139,8
Furniture, fittings and equipment	39,4	12,8	(0,4)	(15,5)	36,3
	17 454,4	4 297,9	(88,5)	(2 219,7)	19 444,1
Decommissioning asset	164,5	23,0	—	(8,1)	179,4
Note 13	17 618,9	4 320,9	(88,5)	(2 227,8)	19 623,5

Note 8

2004

<i>Owned and leased assets</i>					
Mining development and infrastructure	4 066,3	2 009,8	(583,5)	(411,9)	5 080,7
Plant and equipment	8 743,1	3 091,6	(341,9)	(959,9)	10 532,9
Land and buildings	1 300,3	442,2	(27,8)	(78,9)	1 635,8
Motor vehicles	133,5	122,1	(27,6)	(62,4)	165,6
Furniture, fittings and equipment	41,0	5,0	(0,3)	(6,3)	39,4
	14 284,2	5 670,7	(981,1)	(1 519,4)	17 454,4
Decommissioning asset	117,3	55,8	(1,9)	(6,7)	164,5
Note 13	14 401,5	5 726,5	(983,0)	(1 526,1)	17 618,9

Note 8

Annexure B

Non-mining property, plant and equipment

	31 December 2005			31 December 2004		
	Cost	Accumulated depreciation	Carrying amount	Cost	Accumulated depreciation	Carrying amount
	Rm	Rm	Rm	Rm	Rm	Rm
<i>Owned assets</i>						
Freehold land	5,7	—	5,7	5,7	—	5,7
Plant and equipment	125,3	64,0	61,3	142,6	70,6	72,0
Motor vehicles	36,8	18,7	18,1	45,7	21,1	24,6
Office furniture and equipment	106,3	70,9	35,4	97,4	61,3	36,1
Note 13	274,1	153,6	120,5	291,4	153,0	138,4

The carrying amount of non-mining assets can be reconciled as follows:

	Carrying amount at beginning of year	Additions	Disposals	Depreciation	Carrying amount at end of year
	Rm	Rm	Rm	Rm	Rm
2005					
<i>Owned assets</i>					
Freehold land	5,7	—	—	—	5,7
Plant and equipment	72,0	24,9	(15,2)	(20,4)	61,3
Motor vehicles	24,6	13,0	(9,8)	(9,7)	18,1
Office furniture and equipment	36,1	18,8	(3,4)	(16,1)	35,4
Note 13	138,4	56,7	(28,4)	(46,2)	120,5

Note 8

2004

<i>Owned assets</i>					
Freehold land	5,5	0,2	—	—	5,7
Plant and equipment	77,0	14,4	(0,2)	(19,2)	72,0
Motor vehicles	25,7	15,7	(6,6)	(10,2)	24,6
Office furniture and equipment	41,1	12,1	(0,3)	(16,8)	36,1
Note 13	149,3	42,4	(7,1)	(46,2)	138,4

Note 8

Annexure C

Equity compensation benefits

1. Anglo Platinum share option scheme

	2005			2004		
	Directors	Employees and others	Total	Directors	Employees and others	Total
Outstanding at 1 January	278 467	3 000 781	3 279 248	308 515	2 873 526	3 182 041
Granted during the year	—	—	—	—	768 013	768 013
Exercised during the year	(94 798)	(891 172)	(985 970)	(52 135)	(282 250)	(334 385)
Expired during the year	—	(244 917)	(244 917)	—	(336 421)	(336 421)
Net reallocation of share options ⁽¹⁾	(39 348)	39 348	—	22 087	(22 087)	—
Outstanding at 31 December	144 321	1 904 040	2 048 361	278 467	3 000 781	3 279 248
Exercisable at the end of the year	54 310	744 127	798 437	148 520	1 291 041	1 439 561
Number of share options allocated during the year	—	—	—	—	768 013	768 013
Expiry date	—	—	—	—	2014	2014
Allocation price per share (R)	—	—	—	—	216 – 341	216 – 341
Aggregate proceeds if shares are issued (Rm)	—	—	—	2,1	194,0	196,1
Number of share options exercised	94 798	891 172	985 970	52 135	282 250	334 385
Allocation price per share (R)	68 – 327	53 – 380	53 – 380	68 – 205	53 – 205	53 – 205
Weighted average share price at date of exercise	294 – 498	230 – 498	230 – 498	239 – 302	206 – 335	206 – 335
Aggregate issue proceeds (Rm)	14,5	147,9	162,4	4,1	30,9	35,0

(1) Net re-allocation relate to appointments and resignations of directors and their alternates during the year.

Terms of the options outstanding at 31 December

	Allocation price R	2005 Number	2004 Number
Expiry date			
31 December 2005	29,93 – 61,96	—	41 207
31 December 2006	44,57 – 71,00	10 630	55 316
31 December 2007	60,59 – 81,52	—	23 628
31 December 2008	62,40 – 91,70	192 535	396 099
31 December 2009	80,80 – 184,00	133 502	367 263
31 December 2010	163,00 – 319,20	205 036	462 996
31 December 2011	264,10 – 414,75	84 873	118 949
31 December 2012	321,97 – 500,16	89 338	115 088
31 December 2013	201,20 – 354,63	682 183	943 224
31 December 2014	215,87 – 341,20	650 264	755 478
		2 048 361	3 279 248

Options are exercisable as follows:

- 20% – 2 years after allocation
- 40% – 3 years after allocation
- 60% – 4 years after allocation
- 100% – 5 years after allocation

Subject to certain circumstances, which include, inter alia, the retrenchment or death of a participant, each option granted will remain in force for a period of ten years from the date of the granting of such option. Where employees retire options vest on date of retirement.

For purposes of IFRS 2, a bi-nomial option pricing model is applied and no options were granted during the year. A risk-free rate of 7,45% for the year and an expected average dividend yield of 3,96% was applied.

2. Anglo Platinum share option scheme (cash-settled)

	2005			2004		
	Directors	Employees and others	Total	Directors	Employees and others	Total
Outstanding at 1 January	1 573	1 543 007	1 544 580	1 573	1 308 131	1 309 704
Granted during the year	—	—	—	—	345 707	345 707
Exercised during the year	(1 573)	(265 482)	(267 055)	—	(41 948)	(41 948)
Lapsed during the year	—	(320 081)	(320 081)	—	(68 883)	(68 883)
Outstanding at 31 December	—	957 444	957 444	1 573	1 543 007	1 544 580
Exercisable at the end of the year	—	9 196	9 196	1 573	375 272	376 845
Number of share options allocated during the year	—	—	—	—	345 707	345 707
Expiry date	—	—	—	—	2014	2014
Allocation price per share (R)	—	—	—	—	232 – 332	232 – 332
Number of share appreciation rights exercised	1 573	265 482	267 055	—	41 948	41 948
Allocation price per right (R)	70 – 131	63 – 449	63 – 449	—	53 – 205	53 – 205
Exercise price per right (R)	424	228 – 498	228 – 498	—	208 – 310	208 – 310

Terms of the options outstanding at 31 December

Expiry date	Allocation Price R	2005 Number	2004 Number
31 December 2005	52,17 – 61,96	—	5 503
31 December 2006	44,57 – 67,43	2 377	2 377
31 December 2007	60,59 – 82,52	3 322	6 330
31 December 2008	62,40 – 91,70	10 837	23 897
31 December 2009	84,50 – 178,80	22 173	66 952
31 December 2010	163,00 – 274,00	24 137	122 551
31 December 2011	264,10 – 414,75	102 754	168 783
31 December 2012	324,14 – 521,16	103 936	142 050
31 December 2013	201,20 – 332,24	482 150	687 932
31 December 2014	232,49 – 332,19	205 758	318 205
		957 444	1 544 580

Options are exercisable as follows:

- 20% – 2 years after allocation
- 40% – 3 years after allocation
- 60% – 4 years after allocation
- 100% – 5 years after allocation

Subject to certain circumstances, which include, inter alia, the retrenchment or death of a participant, each option granted will remain in force for a period of ten years from the date of the granting of such option. Where employees retire options vest on date of retirement.

For purposes of IFRS 2, a bi-nomial option pricing model is applied and no options were granted during the year. A risk-free rate of 7,45% for the year and an expected average dividend yield of 3,96% was applied.

Annexure C *(continued)***Equity compensation benefits** *(continued)***3. Anglo Platinum Employee share appreciation scheme (cash-settled)**

	2005			2004		
	Directors	Employees and others	Total	Directors	Employees and others	Total
Outstanding at 1 January	46 585	35 419	82 004	—	—	—
Granted during the year	61 811	293 780	355 591	46 585	35 419	82 004
Forfeited during the year	—	(10 056)	(10 056)	—	—	—
Outstanding at 31 December	108 396	319 143	427 539	46 585	35 419	82 004
Number of share appreciation rights allocated during the year	61 811	293 780	355 591	46 585	35 419	82 004
Expiry date	2015	2015	2015	2014	2014	2014
Allocation price per share (R)	230	230 – 368	230 – 368	240	240	240

Terms of the options outstanding at 31 December

	Allocation Price R	2005 Number	2004 Number
Expiry date			
31 December 2014	239,58	82 004	82 004
31 December 2015	230,21 – 367,88	345 535	—
		427 539	82 004

Options are exercisable as follows:
100% – 3 years after allocation

Subject to certain circumstances, which include, inter alia, the retrenchment or death of a participant, each option granted will remain in force for a period of ten years from the date of the granting of such option. Where employees retire options vest on date of retirement.

The share appreciation rights are exercisable as follows:

100% – 3 years after allocation if a US Dollar Headline Earnings per Share growth target is met. The growth target is re-measured in years 4 and 5 if not met earlier.

For purposes of IFRS 2 a bi-nomial option pricing model is applied and the proportion of shares that are expected to vest is based on a Monte Carlo simulation of US Dollar Headline Earnings per Share. Expected volatility is based on historic volatility of 39,5% on average for 2005. The weighted average fair value of employee share appreciation rights granted during the year is R121,38 per right. It is expected that 51,2% of the current year grant will vest. A risk-free rate of 7,45% for the year and an expected average dividend yield of 3,96% was applied.

4. Anglo Platinum long-term incentive plan (cash-settled)

	2005 Employees and others	2004 Employees and others
Outstanding at 1 January	30 009	—
Granted during the year	115 988	30 009
Forfeited during the year	(9 346)	—
Outstanding at 31 December	136 651	30 009
Number of share options allocated during the year	115 988	30 009
Expiry date	2015	2014
Allocation price per share (R)	n/a	n/a

Terms of the options outstanding at 31 December

	2005 Number	2004 Number
Expiry date		
31 December 2014	30 009	30 009
31 December 2015	106 642	—
	136 651	30 009

Options are exercisable as follows:
100% – 3 years after allocation

Subject to certain circumstances, which include, inter alia, the retrenchment or death of a participant, each option granted will remain in force for a period of ten years from the date of the granting of such option. Where employees retire options vest on date of retirement.

The right to payment under this plan vests as follows:

100% – 3 years after allocation. 50% of the grant is subject to a return on capital employed target being met and the other 50% on a total shareholder's return target.

For purposes of IFRS 2 a bi-nomial option pricing model is applied and the proportion of shares that are expected to vest is based on management's expectation of return on capital employed. The fair value of the market condition (total shareholder's return) is measured using a Monte Carlo simulation. Expected volatility is based on historic volatility of 39,5% on average for 2005. The weighted average fair value of long-term incentive plan rights granted during the year is R107,22 per right. It is expected that 60,2% of the current year grant that are subject to the return on capital employed condition, will vest. A risk-free rate of 7,45% for the year and an expected average dividend yield of 3,96% was applied.

Annexure C *(continued)*

Equity compensation benefits *(continued)*

5. Anglo Platinum long-term incentive plan (equity-settled)

	2005	2004
	Directors	Directors
Outstanding at 1 January	46 585	—
Granted during the year	61 811	46 585
Outstanding at 31 December	108 396	46 585
Number of share options allocated during the year:	61 811	46 585
Expiry date	2015	2014
Allocation price per share (R)	n/a	n/a

Terms of the options outstanding at 31 December

	2005 Number	2004 Number
Expiry date		
31 December 2014	46 585	46 585
31 December 2015	61 811	—
	108 396	46 585

Options are exercisable as follows:

100% – 3 years after allocation. 50% of the grant is subject to a return on capital employed target being met and the other 50% on a total shareholder's return target.

Subject to certain circumstances, which include, inter alia, the retrenchment or death of a participant, each right granted will remain in force for a period of ten years from the date of the granting of such option. Where employees retire options vest on date of retirement.

For purposes of IFRS 2 a bi-nomial option pricing model is applied and the proportion of shares that are expected to vest is based on management's expectation of return on capital employed. The fair value of the market condition (total shareholder's return) is measured using a Monte Carlo simulation. Expected volatility is based on historic volatility of 39,5% on average for 2005. The weighted average fair value of long-term incentive plan rights granted during the year is R107,22 per right. It is expected that 60,2% of the current year grant that are subject to the return on capital employed condition, will vest. A risk-free rate of 7,45% for the year and an expected average dividend yield of 3,97% was applied.

6. Anglo Platinum deferred bonus plan (equity-settled)

	2005 Directors	2004 Directors
Outstanding at 1 January	1 948	—
Granted during the year	4 688	1 948
Outstanding at 31 December	6 636	1 948
Exercisable at the end of the year	—	—
Number of share options allocated during the year	4 688	1 948
Expiry date	2015	2014
Allocation price per share (R)	229,78	239,58
Terms of the options outstanding at 31 December		
	Allocation Price	
Expiry date	R	2005 Number
31 December 2014	239,58	1 948
31 December 2015	229,78	4 688
		6 636
		1 948

Under this plan, each share acquired by the participant is matched with a share by the employer subject to the participant being in employment and holding the share at the end of three years. For the purpose of IFRS 2, the rights are valued using a Monte Carlo model and the weighted average value of a right is R202,17 per right. A risk-free rate of 7,45% for the year and an expected average dividend yield of 3,97% was applied.

Annexure D

Investments in wholly-owned subsidiaries, joint ventures and associates

	Nature of business
Direct investments	
Anglo Platinum Development Limited (formerly Anglo Platinum Limited)	E
Anglo Platinum Shared Services (Proprietary) Limited	E
Lebowa Platinum Mines Limited	A
Potgietersrust Platinums Limited	A
Rustenburg Platinum Mines Limited	A
Amplats (Isle of Man) Limited (ii)	E
Kaymin Resources Limited (iii)	A
Indirect investments	
Anglo Platinum Housing Trust	L
Anglo Platinum International S.a.r.l (xii)	K
Anglo Platinum Management Services (Proprietary) Limited	E
Bafokeng Rasimone Management Services (Proprietary) Limited	E
Bleskop-Waterval Mining Management Services (Proprietary) Limited	E
Blinkwater Farms 244 KR (Proprietary) Limited	I
Brakspuit Platinum (Proprietary) Limited	N
Dithaba Platinum (Proprietary) Limited	C
Dwaalkop Prospecting Company (Proprietary) Limited	A
E. L. Ramsden Bleskop (Proprietary) Limited (xi)	F
Geluksanker Boerdery (Eiendoms) Beperk	I
Indlovu Medicine Suppliers (Proprietary) Limited	H
Invest in Property 85 (Proprietary) Limited	I
Jumeseco Properties (Proprietary) Limited	N
Maandagshoek Platinum (Proprietary) Limited	N
Matthey Rustenburg Refiners (Proprietary) Limited	B
Messina Nickel Mining and Exploration Company of Africa (Proprietary) Limited	N
Micawber 146 (Proprietary) Limited	E
Micawber 207 (Proprietary) Limited	E
Micawber 278 (Proprietary) Limited	E
Middelpunt Hill Management Services (Proprietary) Limited	A
Norbush Properties (Proprietary) Limited	C
Norsand Holdings (Proprietary) Limited	C
PGI Deutschland GmbH (vii)	K
PGI SA (i)	K
PGI (Italia) S.r.l. (iv) *	K
PGI KK (v)	K
PGI (United Kingdom) Limited (vi)	K
PGI (U.S.A.) Jewellery Inc. (x)	K
PGM (Brakspuit) (Proprietary) Limited	C
Platinum Air Services Limited	N
Platinum Mines Expansion Services (Proprietary) Limited	F
Platinum Open Cast Services (Proprietary) Limited	A
Platinum Prospecting Company (Proprietary) Limited	N
Platmed Properties (Proprietary) Limited	H
Platmed (Proprietary) Limited	H
Precious Metal Refiners (Proprietary) Limited	B
Roelf Van Dyk Boerdery (Proprietary) Limited	I
Rustenburg Base Metals Refiners (Proprietary) Limited	B
Rustenburg Platinum Mines (Cyprus) Limited (viii)	A
Sichuan Platinum Investments (Mauritius) (ix)	A
Sichuan Anglo Platinum Exploration Company Limited (ix)	A
Transvaal Land and Development Company (Proprietary) Limited	N
UNKI HI (Mauritius) (ix)	E
UNKI Management Services (Proprietary) Limited (ix)	E
Whiskey Creek Management Services (Proprietary) Limited	E
Jointly controlled operations	
Modikwa Platinum Mine Joint Venture (Note 16)	A
Jointly controlled entities	
Boikgantsho Platinum Mine (Proprietary) Limited	A
Micawber 277 (Proprietary) Limited	E
Modikwa Mining Personnel Services (Proprietary) Limited	F
Modikwa Platinum Mine (Proprietary) Limited	C
Mototolo Holdings (Proprietary) Limited	A
Thusong Platinum Mine (Proprietary) Limited	A
Tylai Mining Limited (Cyprus) (vii)	A
Urals Alluvial Platinum Limited (Cyprus) (viii)	A
Pooling and sharing arrangement	
Kroondal Platinum Mine (Note 16)	A
Marikana Mine (Note 16)	A
Jointly controlled assets	
Bafokeng-Rasimone Platinum Mine Joint Venture (Note 16)	A
Pandora Joint Venture (Note 16)	A
Mototolo Joint Venture (Note 16)	A
Associate companies	
Northam Platinum Limited	A
Johnson Matthey Fuel Cells Limited (vi)	A, B, C, D

Number of shares held		Carrying amount		Holding company current account	
2005	2004	2005	2004	2005	2004
		Rm	Rm	Rm	Rm
180 709 809	180 709 809	360,6	322,9	77,6	38,5
1	1	2,7	1,6	—	—
129 568 618	129 568 618	228,6	228,6	—	—
129 762 372	129 762 372	739,0	739,0	(0,8)	(0,9)
426 228	426 228	842,2	842,2	4 011,4	4 011,4
2 000	2 000	—	—	0,4	0,4
1 000	1 000	—	—	—	—
Not applicable	Not applicable	—	—	—	—
100	100	—	—	—	—
23 250	23 250	—	—	119,5	5,9
1 000	1 000	—	—	—	—
100	100	—	—	—	—
100	100	—	—	—	—
250 000	250 000	—	—	—	—
525 000	525 000	—	—	—	—
4 000	4 000	—	—	—	—
5	5	—	—	—	—
100	100	—	—	—	—
800	800	—	—	—	—
1	1	—	—	—	—
100	100	—	—	—	—
450 000	450 000	—	—	—	—
1 360 100	1 360 100	—	—	—	—
1 000	1 000	—	—	—	—
1	1	—	—	—	—
100	100	—	—	—	—
100	100	—	—	—	—
1 000	1 000	—	—	—	—
375 000	375 000	—	—	—	—
14	14	—	—	—	—
100	100	—	—	—	—
50 000	50 000	—	—	—	—
R12,451	R12,451	—	—	—	—
40 000	40 000	—	—	—	—
2	2	—	—	—	—
100	100	—	—	—	—
200 000	200 000	—	—	—	—
50 000	50 000	—	—	—	—
100	100	—	—	—	—
100	100	—	—	—	—
1	1	—	—	—	—
508 000	508 000	—	—	—	—
100	100	—	—	—	—
100	100	—	—	—	—
1 000	1 000	—	—	—	—
1	1	—	—	—	—
1 000	1 000	—	—	—	—
100	100	—	—	—	—
100	100	—	—	—	—
220	220	—	—	—	—
100	100	—	—	—	—
1	1	—	—	—	—
1 000	1 000	—	—	—	—
		2 173,1	2 134,3	4 208,1	4 055,3
		Note 5	Note 5	Note 6 and Note 10	Note 6 and Note 10

Nature of business

A – Mining
B – Treatment and refining
C – Minerals and surface rights holding
D – Metals trading
E – Financial

F – Recruitment
G – Air chartering
H – Medical facilities
I – Property
J – Insurance

K – Marketing
L – Housing
M – Further processing
N – Dormant

All companies are incorporated in the Republic of South Africa except where otherwise indicated.

- i Incorporated in Switzerland
- ii Incorporated in the Isle of Man
- iii Incorporated in the Cayman Islands
- iv Incorporated in Italy
- v Incorporated in Japan
- vi Incorporated in the United Kingdom
- vii Incorporated in Germany
- viii Incorporated in Cyprus
- ix Incorporated in Mauritius
- x Incorporated in the United States of America
- xi Incorporated in Lesotho
- xii Incorporated in Luxembourg
- * Represents a 100% membership.

Income Statement

for the year ended 31 December

	Notes	2005 Rm	2004 Rm
Operating (loss)/profit		(2,7)	(9,5)
Net investment income	1	2 029,5	1 579,8
Profit before taxation		2 026,8	1 570,3
Taxation	3	—	—
Net profit		2 026,8	1 570,3

Balance Sheet

as at 31 December

	Notes	2005 Rm	2004 Rm Restated
Assets			
Non-current assets			
Investments	5	2 173,1	2 134,3
Current assets		4 223,3	4 070,2
Accounts receivable	6	4 222,8	4 070,2
Cash and cash equivalents	7	0,5	—
Total assets		6 396,4	6 204,5
Equity and liabilities			
Share capital and reserves			
Share capital	8	22,2	22,1
Share premium		5 399,7	5 236,7
Accumulated profits before proposed dividend and related secondary tax on companies (STC)		945,4	908,5
Accumulated profits after proposed dividend and related STC		945,4	908,5
Proposed ordinary dividends receivable from subsidiaries		(24,0)	(752,3)
Proposed ordinary dividend payable		—	728,3
Undeclared cumulative preference share dividend and related STC		24,0	24,0
Shareholders' equity	9	6 367,3	6 167,3
Non-current liabilities		29,1	37,2
Accounts payable	10	26,7	34,8
Taxation	12	2,4	2,4
Total equity and liabilities		6 396,4	6 204,5

Company Statement of recognised income and expense

	2005 Rm	2004 Rm
Income and expense recognised directly in the income statement		
Net profit for the year	2 026,8	1 570,3
Total recognised income and expense for the year	2 026,8	1 570,3

Total recognised income and expense is attributable to the equity holders of Anglo Platinum Limited since there are no minority interests.

Cash Flow Statement

for the year ended 31 December

	Notes	2005 Rm	2004 Rm Restated
Cash flows (used in) operating activities			
Cash (used in) operations	11	(163,4)	(4 439,2)
Interest paid	1	—	(0,2)
Taxation paid	12	—	(2,1)
Net cash (used in) operating activities		(163,4)	(4 441,5)
Cash flows from investing activities			
Interest received		0,8	0,4
Dividends received		2 028,7	1 579,6
Net cash from investing activities		2 029,5	1 580,0
Cash flows (used in)/from financing activities			
Proceeds from the issue of ordinary and preference share capital		163,1	4 441,0
Ordinary and preference dividends paid	4	(2 028,7)	(1 579,6)
Net cash (used in)/from financing activities		(1 865,6)	2 861,4
Net increase/(decrease) in cash and cash equivalents		0,5	(0,1)
Cash and cash equivalents at beginning of year		—	0,1
Cash and cash equivalents at end of year	7	0,5	—

Notes to the Financial Statements

for the year ended 31 December

	2005 Rm	2004 Rm
1. Net investment income		
Interest received	0,8	0,4
Dividends received	2 028,7	1 579,6
	2 029,5	1 580,0
Interest paid	—	(0,2)
	2 029,5	1 579,8
2. Profit before taxation		
Profit before taxation is arrived at after taking account of:		
Directors' emoluments – Remuneration as non-executives	2,7	2,4
3. Taxation		
No taxation was payable during the current or prior year due to all income received being dividends which are exempt from tax.		
4. Dividends		
Dividends paid in cash were as follows:		
Ordinary dividends		
Dividend No. 102		581,6
Paid in cash		100,1
Reinvested by shareholders		481,5
Dividend No. 103		869,2
Dividend No. 104	728,3	
Dividend No. 105	1 045,2	
Preference dividends		
Dividend No. 1		128,8
Dividend No. 2	127,2	
Dividend No. 3	128,0	
	2 028,7	1 579,6

			2005 Rm	2004 Rm
5. Investments (Restated)				
Investment in wholly owned subsidiaries at cost (Annexure D)			2 173,1	2 134,3
6. Accounts receivable				
Other receivables and prepaid expenses			13,9	14,0
Subsidiary companies' current accounts (Annexure D)			4 208,9	4 056,2
			4 222,8	4 070,2
7. Cash and cash equivalents				
Cash and cash equivalents consist of cash on hand, balances with banks and money-market instruments.			0,5	—
Borrowing powers				
The borrowing powers in terms of the Articles of Association of the Company are unlimited.				
2004	2005		2005 Rm	2004 Rm
		8. Share capital		
		Authorised – ordinary and preference shares		
400 000 113	400 000 129	Ordinary shares of 10 cents each	40,0	40,0
39 999 675	39 999 629	Convertible, perpetual, cumulative preference shares of 1 cent each (preference shares)	0,4	0,4
		Issued – ordinary shares		
215 393 567	217 405 496	Ordinary shares of 10 cents each at 1 January	21,7	21,5
2 011 929	985 986	Issued	0,1*	0,2
217 405 496	218 391 482	Balance at 31 December	21,8	21,7
		Issued – preference shares		
40 000 000	39 999 675	Preference shares: opening balance/issued	0,4	0,4
(325)	(46)	Converted	—*	—*
39 999 675	39 999 629	Balance at 31 December	0,4	0,4
		The unissued ordinary shares (excluding shares reserved for the share option scheme) are under the control of the directors until the forthcoming annual general meeting.		
		*Less than R50 000		

Notes to the Financial Statements *(continued)*

for the year ended 31 December

9. Combined statement of movement in shareholders' funds and movement in reserves

	Share capital Rm	Share premium Rm	Accumulated profits Rm	Total Rm
Balance as at 31 December 2003 (Restated – Note 13)	21,5	796,3	866,7	1 684,5
Net profit			1 570,3	1 570,3
Ordinary and preference dividends paid in cash (Note 4)			(1 579,6)	(1 579,6)
Ordinary share capital issued	0,2	516,5		516,7
Proceeds from preference shares issued	0,4	3 923,9	—	3 924,3
Preference share capital issued	0,4	3 999,6		4 000,0
Less: Share issue expenses		(75,7)		(75,7)
Equity-settled share-based compensation			51,1	51,1
Balance as at 31 December 2004 (Restated – Note 13)	22,1	5 236,7	908,5	6 167,3
Net profit			2 026,8	2 026,8
Ordinary and preference dividends paid in cash (Note 4)			(2 028,7)	(2 028,7)
Ordinary share capital issued	0,1	162,6		162,7
Conversion of preference shares	—*	0,4		0,4
Equity-settled share-based compensation			38,8	38,8
Balance as at 31 December 2005	22,2	5 399,7	945,4	6 367,3

*Less than R50 000

	2005 Rm	2004 Rm
10. Accounts payable		
Other payables and accrued expenses	25,9	33,9
Subsidiary companies current accounts (Annexure D)	0,8	0,9
	26,7	34,8
11. Reconciliation of profit before taxation to cash from/(used in) operations		
Profit before taxation	2 026,8	1 570,3
Adjustments for:		
Interest Paid (Note 1)	—	0,2
Dividends received (Note 1)	(2 028,7)	(1 579,6)
Interest received (Note 1)	(0,8)	(0,4)
	(2,7)	(9,5)
Working capital changes	(160,7)	(4 429,7)
Decrease/(increase) in accounts receivable	(152,6)	(3 860,5)
Increase/(decrease) in accounts payable	(8,1)	(569,2)
	(163,4)	(4 439,2)
12. Taxation paid		
Amount unpaid at beginning of year	2,4	4,5
Current taxation provided	—	—
Amount unpaid at end of year	(2,4)	(2,4)
Payments made	—	2,1
13. Restatement		
The opening balance of the comparative figure for accumulated profits and investments was restated by reducing both by R307,3 million. This adjustment relates to an entry that was historically passed on consolidation but which should have been passed in the Company's accounts. The group's income statement and balance sheet is unaffected by this adjustment.		

GLOSSARY OF TERMS

3E: three elements: platinum, palladium, and gold.

4E: four elements. The grade at Anglo Platinum mines is measured as the combined content of the four most valuable precious metals: platinum, palladium, rhodium, and gold.

AA plc: Anglo American plc, registered in the UK.

After-tax operating profit as a percentage of average operating assets: net profit excluding net investment income and income from associates as a percentage of average operating assets.

Aquarius: Aquarius Platinum (South Africa) (Pty) Limited.

Au: gold.

Average operating assets: average of the aggregate of total assets less capital work-in-progress, cash and cash equivalents, Platinum Producers' Environmental Trust and investments at the beginning and end of the financial year.

Built-up head grade: the total 4E grams produced from the concentrating process from concentrate, metallics (where applicable) and tailings, divided by the total tons milled. See definition of 4E above.

Capital expenditure: total capital expenditure on mining and non-mining property, plant, equipment and capital work-in-progress.

Concentrating: the process of separating milled ore into a waste stream (tailings) and a valuable mineral stream (concentrate) by flotation. The valuable minerals in the concentrate contain almost all the base metal and precious metal minerals; these minerals are treated further by smelting and refining to obtain the pure metals (PGMs, Au, Ni and Cu).

Cu: copper.

Current ratio: current assets as a ratio of current liabilities.

Debt equity ratio: interest-bearing borrowings, including the short-term portion payable, as a ratio of shareholders' equity.

Decline: a generic term used to describe a shaft at an inclination below the horizontal and usually at the same angle as the dip of the reef.

Development: any tunnelling operation that has for its object either exploration or exploitation.

Effective tax rate: current and deferred taxation as a percentage of profit before taxation.

Equivalent refined platinum: mine production and purchases of metal in concentrate converted to equivalent refined platinum production using Anglo Platinum's standard smelting and refining recoveries.

Face advance: the average distance stope faces advance per month; a measure of resource utilisation.

Flotation: in the flotation process, milled ore mixed with water (pulp) is passed through a series of agitating tanks. Various chemicals are added to the pulp in a sequence that renders the valuable minerals hydrophobic (water-repellent) and the non-valuable minerals hydrophilic (water-loving). Air is dispersed through the tanks and rises to the surface. The hydrophobic particles attach to the rising air bubbles and are removed from the main volume of pulp as a soapy froth. In this manner, various combinations of flotation cells in series are utilised to produce a concentrated stream of valuable mineral particles, called the 'concentrate', and a waste pulp stream, called 'tailings'.

g/t: grams per ton, the unit of measurement of grade. One gram per ton is one part per million.

Gross profit margin: gross profit on metal sales expressed as a percentage of gross sales revenue.

IFRS: international financial reporting standards

Immediately available ore reserves: ground available for mining without any further development.

In situ: the original, natural state of the ore body before mining or processing of the ore takes place.

JORC: the Australian Institute of Mining and Metallurgy Joint Ore Reserves Committee Code.

kt: thousand tons.

ktpm: thousand tons per month.

Market capitalisation: number of ordinary shares in issue multiplied by the closing share price as quoted on the JSE Limited.

Merensky Reef: a band in the Bushveld sequence often containing economic grades of PGMs.

Milling: a process to reduce broken ore to a size at which concentrating can be undertaken.

Mining area: the area for which a mining authorisation/permission to mine has been granted.

Ml: Million litres.

Mt: Million tons.

Net asset value: total assets less all liabilities, including deferred taxation, which equates to shareholders' equity.

Net asset value as a percentage of market capitalization: shareholders' equity expressed as a percentage of market capitalization.

Net liquid assets: accounts receivable and cash and cash equivalents less current liabilities.

Ni: nickel.

Oz: Troy ounce.

Pd: palladium.

PGM: platinum group metals, six elemental metals of the platinum group nearly always found in association with each other. Some texts refer to PGE (platinum group elements). These metals are platinum, palladium, rhodium, ruthenium, iridium and osmium.

Platreef: the name of the ore mined at PPRust.

Pt: platinum.

Rand revenue per platinum ounce sold: net sales revenue divided by platinum ounces sold.

Refined ounces: refined metal available for sale.

Regional Pothole Reef: this is Merensky Reef that has formed over a large area (several square kilometres) at a lower stratigraphic position than normal and is a feature of the Union Section and Amandelbult mines.

Return on average shareholders' equity: net profit expressed as a percentage of average shareholders' equity.

SAMREC: the South African Mineral Resources Committee.

Stoping: operations directly associated with the extraction of reef.

Stripping ratio: the number of units of unpayable material that must be mined to expose one unit of ore.

Sweepings: the final process in stoping operations, in which the footwall is thoroughly cleaned to remove the last portion of broken ore and fines.

Tailings: that portion of the ore from which most of the valuable material has been removed by concentrating and that is therefore low in value and rejected.

Ton: metric ton, equal to 1 000kg, unless otherwise defined.

Transition zone: the area on plan that defines the change-over from Merensky Reef at its normal stratigraphic elevation down to Regional Pothole Reef at a lower stratigraphic elevation. The area has an irregular and constantly varying width.

Total assets: the sum of non-current and current assets.

tpm: tons per month.

UG2: a chromite reef in the Bushveld sequence often containing economic values of PGMs.

Xstrata: Xstrata South Africa (Pty) Limited.

Executive Directors



RALPH HAVENSTEIN (49)

BSc (Chemical Engineering), MSc (Chemical Engineering), BCom, AMP

Chief Executive Officer

Joined the Group in 2003 and appointed a director in 2003

Until 30 June 2003, Ralph was responsible for Sasol Chemical Industries and a director of companies in the Sasol group. Ralph was appointed Chief Executive Officer of Anglo Platinum Ltd on 1 July 2003. He is a director of Anglo Platinum Group subsidiaries, Northam Platinum, Anglo American South Africa Ltd and Mintek. In 2005, Ralph was appointed Vice-president of the Chamber of Mines' Executive Council.



ROBIN GEORGE MILLS (58)

BSc (Eng), Mining, CEng, FIMM, FSAIMM

Executive Director: Mining

Joined the Group in 2003 and appointed a director in 2003

Robin joined the greater Anglo American Group in 1965. He has served locally and internationally in the fields of mining engineering, project and general management across most of the mineral commodities represented in that group. At an executive level, he has served as a director of several related companies and was appointed to the board of Anglo Platinum and Group subsidiaries in May 2003.

**Alternate director*

Christopher Bernard Sheppard



ROELAND HERMAN HENDRIK VAN KERCKHOVEN (53)

BCom, MBL (Belgian)

Executive Director: Finance and Corporate Development

Joined the Group in 1977 and appointed a director in 1994

After joining Johannesburg Consolidated Investment Company Ltd (Johnnies) in 1977, Roeland occupied various Johnnies Group financial positions. He became Financial Director of Johnnies (Platinum Division) in 1994 and was appointed Anglo Platinum Executive Director: Finance in the same year. He is also a director of Anglo Platinum Group subsidiaries and a director of Northam Platinum.



JOHN MICHAEL HALHEAD (56)

BSc (Eng) (British)

Executive Director: Process

Joined the Group in 1982 and appointed a director in 2004

From 1982 to 1996 Mike held various engineering and metallurgical positions. He has subsequently held the positions of Divisional Director: Technology, Divisional Director: Projects and Director Technical Services. He was appointed to the board of Anglo Platinum and various Group subsidiaries in 2004.

**Alternate director*

Richard Pilkington



ABRAM MAKWADI THEBYANE (45)

BAdmin, HDip: Human Resources, MBA

Executive Director: Human Resources

Joined the Group in 2004 and appointed a director in 2004

Abe has acquired extensive human resources and overall business experience through various senior and executive positions, which he held over many years in large corporations. He was an executive director of Iscor Ltd before joining Anglo Platinum. He is also a director of Group subsidiaries.

Non-Executive Directors



DUNCAN GRAHAM WANBLAD (39)

BSc (Mechanical Engineering)

Executive Director: Projects and Engineering

Joined the Group in 1990 and appointed a director in 2004

Duncan joined the Johnnies Group in 1990 and held various engineering positions at different mines and divisions of the Group. From August 2001 to July 2004 he was the General Manager: Process Projects in the Projects Division. He was appointed to the board of Anglo Platinum and various Group subsidiaries in 2004.



ALEXANDER IAN WOOD (54)

BSc (Chemical Engineering), MBA (British)

Executive Director: Commercial

Joined the Group in 2001 and appointed a director in 2001

From 1975 to 1980, Sandy held various metallurgical responsibilities at Anglo American Corporation of South Africa's gold, diamond and coal mines. During his service with Johnnies, from 1981 to 1997, he was General Manager: Marketing and Planning (Platinum Division), General Manager (Coal and Base Metals Division) and CEO: Consolidated Metallurgical Industries. From 1997 to 1998, he was Chief Operating Officer: JCI Ltd (Non-gold).



BARRY ERSKINE DAVISON (60)

BA

Non-executive Chairman

Joined the Group in 1973 and appointed a director in 1988

During his period of service with Johnnies from 1973 to 1994, Barry was an executive director of that company and held various directorships of Johnnies Group companies. He is a director of Rustenburg Platinum Mines Ltd and Anglo American South Africa Ltd. He was appointed a member of the executive committee of Anglo American plc in December 2000 and an executive director of Anglo American plc on 15 May 2001. On 25 May 2001, he was appointed Executive Chairman of Anglo Platinum and was appointed President of the Chamber of Mines of South Africa on 15 November 2001. In pursuit of good corporate governance, Barry relinquished the role of executive chairman of Anglo Platinum in July 2003, retaining the role of non-executive chairman. He retired as an executive director of Anglo American plc on 30 December 2005. Barry is a director of the Tongaat Hulett Group, Kumba Resources Ltd and Nedbank Ltd.



DAVID ANDREW HATHORN (43)

BCom, CA(SA), CFA

Appointed a director in 2005

David joined Mondi in 1993 and became CEO of Mondi Europe in 2000 and finally chairman and CEO of the Mondi group in 2003. David is a director of Anglo American plc and is a member of Anglo American's Executive board and Investment Committee and is also a director of De Beers.



DAVID DUNCAN BARBER (53)

CA, FCA (British)

Appointed a director in 2004

David spent 20 years with the Anglovaal Group and was Executive Director Finance at the time of its unbundling. In 2002, after a short tenure as Chief Financial Officer at Fedsure Holdings, he joined Anglo American South Africa Ltd as Finance Director. He also serves as non-executive director on the boards of the Tongaat Hulett Group and Highveld Steel and Vanadium.

**Alternate director*

Vincent Patrick Uren

Non-Executive Directors *continued***SIR SAMUEL ESSON JONAH (56)**DSc (UK)(Hon) (*Ghanian*)**Appointed a director in 2004**

Sam was appointed the President of AngloGold Ashanti Ltd in 2004. He is the Chancellor of the University of Cape Coast, Ghana and serves on various boards, including the Commonwealth African Investment Fund, the African Regional Advisory Board of the London Business School, Anglo American South Africa Ltd and Transnet. He is a member of the Presidential Advisory Councils of the Republic of South Africa and Ghana. Her Majesty, Queen Elizabeth II of Great Britain and Northern Ireland and Head of the Commonwealth conferred on Sam Jonah an honorary knighthood in recognition of his exceptional achievements as an African businessman, a leading business executive from the Commonwealth and an international public figure.

**WILLIAM ALAN NAIRN (61)**

BSc (Mining Engineering)

Appointed a director in 2000

Bill joined the Johnnies Group in 1964, became Chairman of the Gold Division companies in 1994, and Managing Director of JCI Ltd. He was appointed a director of Anglo American South Africa Ltd in 1997. In December 2000, he was appointed a member of the Anglo American plc executive committee and then an executive director of Anglo American plc from which board he retired at the end of 2004. He is a director of AngloGold Ashanti, Kumba Resources Ltd, Boart Longyear Ltd and Amzim.

Alternate director*Arthur Harry Calver (*British*)ANTHONY EDWIN REDMAN (57)**MSc (Mining Engineering and Mineral Production Management) (*British*)**Appointed a director in 2004**

Tony is the Technical Director of Anglo American South Africa Ltd. He was appointed a member of the executive committee of Anglo American plc and is the Chairman of Anglo Coal. Tony was appointed a director of Anglo American South Africa Ltd in 1999 and Chief Executive Officer of Anglo Coal in the same year.

**ANTHONY JOHN TRAHAR (56)**

BCom, CA (SA)

Appointed a director in 1999

Tony is the Chief Executive Officer of Anglo American plc and Chairman of its executive board. He is also Chairman of Anglo American South Africa Ltd and a director of AngloGold Ashanti.

**POLELO LAZARUS ZIM (45)**

MCom

Appointed a director in 2003

Laz was the Deputy Chief Executive Officer of Anglo American South Africa Ltd until 31 January 2005. On 1 February 2005, he was appointed Chief Executive Officer Anglo American South Africa Ltd. He was previously the managing director of MTN International Ltd. Laz is a director of Mondi South Africa Ltd, AngloGold Ashanti Ltd, Kumba Resources Ltd and Telkom SA Ltd. He is President of the Chamber of Mines of South Africa.

Independent Non-executive Directors



COLIN BERTRAM BRAYSHAW (70)

CA (SA), FCA

Appointed a director in 1996

Colin is the retired managing partner and chairman of Deloitte & Touche. He is chairman of Freestone Property Holdings Ltd, and a director of other companies including AECL, AngloGold Ashanti, Datatec, Highveld Steel and Vanadium and Johnnic Communications.



BONGANI AUGUSTINE KHUMALO (53)

D Admin (hc), MA, MBA, Dip in Mngmnt, AEP

Appointed a director in 2003

Bongani is the Chairman of Grey Global South Africa, Fox Publishing (Pty) Ltd, School of Business Leadership (SBL) at the University of South Africa (Unisa), Gravitas Investment Holdings (Pty) Ltd, Publisher Aboveboard (Africa's Global Chronicle on Governance, Leadership and Ethics); Extraordinary Professor (and Chairman of the African Centre for HIV/AIDS Management), Faculty of Economic and Management Sciences, University of Stellenbosch. He is also a director of the Oasis Crescent Property Fund.



THEMBALIHLE HIXONIA NYASULU (51)

BA (Hon) Psych, IPBM

Appointed a director in 2003

Hixonias is the Executive Chairman of Ayavuna Women's Investments (Pty) Ltd. She has been a director of various listed companies for over 12 years. Her current directorships include Defy Appliances (Pty) Ltd and Tongaat Hulett Group Ltd. She is also a member of the advisory board of JP Morgan.



THOMAS ALEXANDER WIXLEY (65)

BCom, CA (SA)

Appointed a director and Non-executive Deputy Chairman in 2001

Tom is the retired chairman of Ernst & Young. He served for many years on the Accounting Practices Board and other professional bodies and is a non-executive director of African Life Assurance Company Ltd, Johnnic Communications and New Corpcapital.

Chief Executive Officer

RALPH HAVENSTEIN

Chief Executive Officer

Ron Hieber

Head: Exploration & Mineral Strategy

Francis Petersen

Head: Strategy

Johan Serfontein

Chief Information Officer

Mining

ROBIN MILLS

Executive Director: Mining

Chris Sheppard

General Manager: Rustenburg Mines

Peter van Dorssen

Mine Manager: Rustenburg (Upper)

Rudi Rudolph

Mine Manager: Rustenburg (Lower)

Mark Farren

Mine Manager: BRPM/Stylrift

Francois Uys

Mine Manager: Amandelbult Section

Noel Williams

Mine Manager: Union Section

Ted Nohajer

Mine Manager: PPRust

Felix Manyanga

Mine Manager: Leplats

Nick James

Business Leader: Modikwa

Chris Griffith

Head of Operating Joint Ventures

Theo Pegram

Head: Mine Geological Services

Mike Rogers

Head: Mine Technical Services

Stephen Yatt (Acting)

General Manager: Supply Chain

Process

MIKE HALHEAD

Executive Director: Process

Richard Pilkington

Head: Concentrators/Operations

July Ndlovu

Consulting Metallurgist: Process

Chris Rule

Consulting Metallurgist: Concentrators

Leon Coetzer

Manager: Process Control

CJ Labuschagne

Chief Mechanical and Electrical Engineer

Peter Charlesworth

Head: Metallurgical Services

Archie Myezwa

Head: Smelting Operations

Stephan Muller

Head: Refining Operations

Eric Magnus

Manager: Protection Services

Engineering and Projects

DUNCAN WANBLAD

Executive Director: Projects and Engineering

Lester Napier

General Manager: Projects

Nic du Toit

Programme Manager: Concentrators

Sean Chelius

Programme Manager: Process

Dean Pelser

General Programme Manager, Eastern Limb Development

Anton Valente

Programme Manager: Joint Ventures

Hein Jantsen

Programme Manager: Rustenburg

Rocco Adendorff

Programme Manager: Amandelbult/Union

Human Resources

ABE THEBYANE

Executive Director: Human Resources

Henry Zondi

Head: Operational Human Resources

Lorato Mogaki

Head: Human Resources Development

Greg Nortje

Human Resources Project Manager

Pumlani Tyali

Group Socio-economic Development Manager

Finance and Corporate Development

ROELAND VAN KERCKHOVEN

Executive Director: Finance and Corporate Development

Simon Scott

Head: Financial Services

Werner Grundling

Head: Shared Services

John Martin

General Manager: Group Audit Services

Charles Buchanan

Group Treasurer

Martin Prinsloo

General Manager: Corporate Finance and Development

Leon Bekker

Head: Legal, Mineral Rights

Jenny Meyer

Group Company Secretary

Trevor Raymond

Senior Manager: Investor Relations

Commercial

SANDY WOOD

Executive Director: Commercial

Tim Aiken

General Manager: Marketing

Peter von Zahn

Business Manager: RPM Zug

GROUP COMPANY SECRETARY

Jenny Meyer

FINANCIAL, ADMINISTRATIVE, TECHNICAL ADVISORS

**Anglo Platinum Management Services
(Proprietary) Limited**

CORPORATE AND DIVISIONAL OFFICE, REGISTERED OFFICE AND BUSINESS AND POSTAL ADDRESSES OF THE COMPANY SECRETARY AND ADMINISTRATIVE ADVISORS:

55 Marshall Street
Johannesburg 2001

PO Box 62179
Marshalltown 2107

Telephone 011 373 6111
Facsimile 011 834 2379
011 373 5111

SOUTH AFRICAN REGISTRARS

Computershare Investor Services 2004
(Proprietary) Limited

70 Marshall Street
Johannesburg 2001

PO Box 61051
Marshalltown 2107

Telephone 011 370 5000
Facsimile 011 836 0792
011 836 6145

LONDON SECRETARIES

Anglo American Services (UK) Limited

20 Carlton House Terrace
London SW1Y 5AN
England

Telephone 0207 968 8888
Facsimile 0207 968 8755

UNITED KINGDOM REGISTRARS

Capita IRG PLC
The Registry
34 Beckenham Road
Beckenham
Kent
BR3 4TU
England

Telephone 0208 639 2342
Facsimile 0870 162 3100

AUDITORS TO ANGLO PLATINUM

Deloitte & Touche
Deloitte & Touche Place
The Woodlands
Woodmead
Sandton 2196

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of shareholders of the Company will be held in the Auditorium, on the 18th Floor, 55 Marshall Street, Johannesburg on Tuesday, 28 March, 2006 at 14:00, for the following purposes:

ORDINARY BUSINESS

1. To receive, consider and adopt the annual financial statements for the year ended 31 December 2005, together with the report of the auditors.
2. To re-elect directors retiring by rotation and who have been appointed during the year and are retiring in terms of the Articles of Association and who are eligible and offer themselves for re-election as directors of the Company.

Directors retiring by rotation:

- (a) Mr B E Davison
- (b) Dr B A Khumalo
- (c) Mrs T H Nyasulu
- (d) Mr A M Thebyane
- (e) Mr R H H van Kerckhoven
- (f) Mr T A Wixley

Director appointed during the year:

Mr D A Hathorn

3. To appoint Deloitte & Touche as auditors of the Company to hold office for the ensuing year.

SPECIAL BUSINESS

In addition, shareholders will be requested to consider and, if deemed fit, to pass the following special and ordinary resolutions with or without amendment:

Special resolution

General authority to permit the Company and/or its subsidiaries to acquire shares in the Company.

"RESOLVED THAT: the Company and/or any of its subsidiaries from time to time are

hereby authorised, by way of a general authority, to:

- (a) acquire ordinary shares of 10 (ten) cents each ("ordinary") issued by the Company in terms of sections 85 and 89 of the Companies Act, 1973 as amended ("the Companies Act"), and in terms of the Listings Requirements of the JSE Limited ("the Listings Requirements"); and/or
- (b) conclude derivative transactions which may result in the purchase of ordinary shares in terms of the Listings Requirements; it being recorded that such Listings Requirements currently require, inter alia, that:
 - (1) the Company may make a general repurchase of securities only if any such repurchase of ordinary shares shall be implemented on the main board of the JSE Limited (JSE) or any other stock exchange on which the Company's shares are listed and on which the Company or any of its subsidiaries may wish to implement any repurchases of ordinary shares with the approval of the JSE and any other such stock exchange, as necessary;
 - (2) this general authority shall only be valid until the Company's next annual general meeting, provided that it shall not extend beyond fifteen months from the date of passing of this special resolution;
 - (3) the repurchase of ordinary shares may not be made at a price greater than 10% (ten per cent) above the weighted average of the market value of such ordinary shares for the 5 (five) business days immediately preceding the date on which the transactions are effected;
 - (4) any derivative transactions which may result in the repurchase of ordinary shares must be priced as follows:
 - (i) the strike price of any put option written by the Company may not be at a price greater than that stipulated in paragraph (3) above at the time of entering into the derivative agreement;

- (ii) the strike price of any call option may be greater than that stipulated in paragraph (3) above at the time of entering into the derivative agreement, but the Company may not exercise that call option if it is more than 10% "out of the money";
- (iii) the strike price of any forward agreement may be greater than that stipulated in paragraph (3) above but limited to the fair value of a forward agreement based on a spot price not greater than that stipulated in paragraph (3) above;
- (5) when the Company and/or any of its subsidiaries has cumulatively purchased 3% (three per cent) of the number of ordinary shares in issue on the date of passing of this special resolution (including the delta equivalent of any such ordinary shares underlying derivative transactions which may result in the repurchase by the Company of ordinary shares), and for each 3% thereof in aggregate, acquired thereafter, an announcement must be published as soon as possible and not later than 08:30 on the business day following the day on which the relevant threshold is reached or exceeded, and the announcement must comply with the Listings Requirements;
- (6) any general purchase by the Company and/or any of its subsidiaries of the Company's ordinary shares in issue shall not in aggregate, in any one financial year, exceed 20% (twenty per cent) of the Company's issued ordinary share capital."

The reason for the special resolution is to obtain a general approval in terms of the Companies Act and the Listings Requirements to grant the Company and/or any of its subsidiaries authority to acquire ordinary shares in the Company and/or conclude derivative transactions which may result in the repurchase by the Company of ordinary

shares. The effect of the special resolution will be to allow the Company and/or any of its subsidiaries to acquire the Company's ordinary shares and/or conclude derivative transactions which may result in the repurchase by the Company of ordinary shares.

The intention of the Company's board is to utilise the general authority if at some future date the cash resources of the Company are excess to its requirements. In this regard, the board will take account of, inter alia, an appropriate capitalisation structure for the Company and the long-term cash needs of the Company.

The Company's board has considered the impact which a repurchase of up to a maximum of 20% (twenty per cent) of the Company's issued ordinary share capital under a general authority would have on the Company and the Group and is of the opinion that:

- the Company and the Group will in the ordinary course of business be able to pay its debts;
- the assets of the Company and the Group will be in excess of the liabilities of the Company and the Group, calculated in accordance with the accounting policies used in the audited financial statements for the year ended 31 December 2005; and
- the ordinary capital, working capital and reserves of the Company and the Group will be adequate for ordinary business purposes;

for a period of 12 months after the date of this Notice of Annual General Meeting.

Ordinary resolution No. 1

Placing the unissued ordinary shares under the control of directors.

"RESOLVED THAT subject to the provisions of the Companies Act, 1973, as amended, and the Listings Requirements of the JSE Limited, the authorised but unissued ordinary shares of 10 cents each in the share capital of the Company (excluding for this purpose those ordinary shares over which the Directors have been given specific authority

to meet the requirements of the Anglo Platinum Share Option Scheme) be and are hereby placed at the disposal and under the control of the directors, who are hereby authorised to allot and issue such shares in their discretion to such persons on such terms and conditions and at such times as the Directors may determine, which authority shall only be valid until the Company's next Annual General Meeting."

Ordinary resolution No. 2

Approval of amendments to the Deferred Bonus Plan 2003.

"RESOLVED THAT the Anglo American Platinum Deferred Bonus Plan 2003 be and is hereby amended and replaced by the (amended) Anglo American Platinum Deferred Bonus Plan 2003 tabled at the annual general meeting at which this ordinary resolution will be proposed and initialled by the chairman of the annual general meeting for purposes of identification."

Ordinary resolution No. 3

Approval of the non-executive directors' fees.

"RESOLVED THAT:

- The annual fees payable to non-executive directors for serving on the committees of the board be as follows:
 - Audit Committee: member's fee to increase from R55 000 per annum to R65 000 per annum; chairman's fee to increase from R75 000 per annum to R100 000 per annum.
 - Corporate Governance Committee: member's fee to increase from R25 000 per annum to R30 000 per annum; chairman's fee to increase from R40 000 per annum to R50 000 per annum.
 - Nomination Committee: member's fee to increase from R25 000 per annum to R30 000 per annum; chairman's fee to increase from R40 000 per annum to R50 000 per annum.
 - Remuneration Committee: member's fee to increase from R40 000 per annum to R50 000 per annum;

chairman's fee to increase from R65 000 per annum to R90 000 per annum.

- Safety and Sustainable Development Committee: member's fee to increase from R25 000 per annum to R30 000 per annum; chairman's fee to increase from R40 000 per annum to R50 000 per annum.

Ordinary resolution No. 4

Signature of documents, etc.

"RESOLVED THAT, any one director or alternate director of the Company be and is hereby authorised to sign all such documents and to do all such things as may be necessary for or incidental to the implementation of the abovementioned special and ordinary resolutions to be proposed at the Annual General Meeting."

PROXY AND VOTING PROCEDURE

Members of the Company who have not dematerialised their shares or who have dematerialised their shares with "own name" registration are entitled to attend and vote at the meeting and are entitled to appoint a proxy to attend, speak and vote in their stead. The person so appointed need not be a member of the Company.

If certificated members or dematerialised members with "own name" registration are unable to attend the Annual General Meeting but wish to be represented thereat they must complete the attached proxy form.

In order to be effective, proxy forms shall be delivered or posted to Computershare Investor Services 2004 (Proprietary) Limited, 70 Marshall Street, Johannesburg, 2001,

PO Box 61051, Mashalltown 2107 or at the offices of Capita IRG plc, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, England so as to reach these addresses not later than 14:00 on Wednesday, 22 March 2006.

Members who have dematerialised their shares, other than those members who have dematerialised their shares with "own name" registration, should contact their Central Securities Depository Participant ("CSDP") or stockbroker:

- to furnish their CSDP or stockbroker with a voting instruction; and
- in the event that they wish to attend the meeting, to obtain the necessary authority to do so.

By order of the Board



Jenny Meyer

Group Company Secretary

Anglo Platinum Limited

Johannesburg

9 February 2006

Particulars of the age, qualifications, Group Service, and/or business experience of the directors who are subject to retirement by rotation in terms of the Articles of Association and who are eligible and available for re-election to the board of directors, appear on page 194 of this Business Report.

Anglo Platinum Limited

Incorporated in the Republic of South Africa Date of incorporation: 13 July 1946 Registration number: 1946/022452/06

JSE Code: AMS, ISIN: ZAE000013181 ('Anglo Platinum' or 'the Company')

To be completed ONLY by ordinary shareholders who have not dematerialised their shares, Central Securities Depository Participants' (CSDP) nominee companies brokers' nominee companies and shareholders who have dematerialised their shares and who have elected own-name registration in the sub-register through a CSDP.

Shareholders who have dematerialised their shares and not elected own-name registration in the sub-register through a CSDP must NOT complete this form of proxy and must provide their CSDP or broker with their voting instructions, in terms of the custody agreement entered into between such shareholders and the CSDP or broker.

Shareholders who have not dematerialised their shares, or have dematerialised their shares and have elected own-name registration in the sub-register through a CSDP, must complete this form of proxy and return it to the registrars of Anglo Platinum, Computershare Investor Services 2004 (Proprietary) Limited in South Africa, or Capita IRG plc in the United Kingdom, so as to be received by not later than 14:00 on Wednesday, 22 March 2006.

I/We _____ of _____
(name in block letters please) *(address in block letters)*

Telephone: _____ Telephone: _____
(work) (area code and number) *(home) (area code and number)*

being the holder/s or custodians of _____ ordinary shares in Anglo Platinum, hereby appoint (see note 1):

1. _____ or failing him/her;

2. _____ or failing him/her;

3. The Chairman of the Annual General Meeting,

as my/our proxy to attend and speak for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Tuesday, 28 March 2006 at 14:00 on the 18th Floor, 55 Marshall Street, Johannesburg, South Africa, and at any adjournment thereof, and to vote or abstain from voting as indicated below on the resolutions to be considered at the said meeting in respect of the shares registered in my/our name(s) in accordance with the following instructions (see note 2).

VOTING INSTRUCTION FORM

ORDINARY BUSINESS		In favour of	Against	Abstain
1.	To adopt the Group annual financial statements for the year ended 31 December 2005			
2.	Resolution to re-elect the following directors:			
	2.1 To re-elect Mr B E Davison as a Director of the Company			
	2.2 To elect Mr D A Hathorn as a Director of the Company			
	2.3 To re-elect Dr B A Khumalo as a Director of the Company			
	2.4 To re-elect Mrs T H Nyasulu as a Director of the Company			
	2.5 To re-elect Mr A M Thebyane as a Director of the Company			
	2.6 To re-elect Mr R H H van Kerckhoven as a Director of the Company			
	2.7 To re-elect Mr T A Wixley as a Director of the Company			
3.	To appoint Deloitte & Touche as auditors of the Company to hold office for the ensuing year			
SPECIAL BUSINESS				
4.	Special resolution to permit the Company and/or its subsidiaries to acquire shares in the Company			
5.	Ordinary resolutions to:			
	5.1 Authorise the Directors to allot and issue the unissued ordinary shares of 10 cents each			
	5.2 Approve the amendments to the Deferred Bonus Plan 2003			
	5.3 Approve the Non-executive Directors fees			
	5.4 Authorise the signature of documents			

Please indicate with an 'X' in the spaces above how you wish your votes to be cast. If no indication is given, the proxy will vote or abstain at his discretion.

Any member of the Company entitled to attend and vote at the meeting may appoint a proxy or proxies to attend, speak, and vote in his stead. A proxy need not be a member of the Company.

Every person present and entitled to vote at an Annual General Meeting shall, on a show of hands, have one vote only, but in the event of a poll, every share shall have one vote.

Please read the notes appearing on the reverse hereof.

Signed _____ on _____ 2006

Signature(s) _____ Assisted by _____

Full name(s) of signatory/ies if signing in a representative capacity (see note 6.2)

(please use block letters)

NOTES

1. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space(s) provided, with or without deleting the words 'the Chairman of the Annual General Meeting', but any such deletion must be signed in full by the shareholder. The person whose name appears first on the form of proxy and has not been deleted and who is present at the Annual General Meeting will be entitled to act as proxy to the exclusion of those whose names follow. In the event that no names are indicated, the Chairman of the Annual General Meeting shall act as proxy.
2. A shareholder's instructions to the proxy must be indicated by the insertion of an 'X' in the appropriate box provided. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the Annual General Meeting as he/she deems fit in respect of all the shareholder's votes exercisable thereat. Where the proxy is the Chairman, such failure shall be deemed to authorise the Chairman to vote in favour of the resolutions to be considered at the Annual General Meeting in respect of all the shareholder's votes exercisable thereat.
- 3 In order to be effective, completed proxy forms must reach the Company's South African Registrars, Johannesburg, not less than 48 hours before the time appointed for the holding of the meeting, or the offices of the United Kingdom Registrars not less than 48 hours before the time appointed for the holding of the meeting (excluding Saturdays, Sundays and Public Holidays).
4. The completion and lodging of this form of proxy shall in no way preclude the shareholder from attending, speaking, or voting in person at the Annual General Meeting to the exclusion of any proxy appointed in terms hereof.
5. Should this form of proxy not be completed and/or received in accordance with these notes, the Chairman may accept or reject it, provided that in respect of its acceptance the Chairman is satisfied as to the manner in which the shareholder wishes to vote.
6.
 - 6.1 Documentary evidence establishing the authority of a person signing this form of proxy in a representative or other legal capacity (such as a power of attorney or other written authority) must be attached to this form of proxy unless previously recorded by the Company's South African or United Kingdom Registrars or waived by the Chairman of the Annual General Meeting.
 - 6.2 The Chairman shall be entitled to decline to accept the authority of a person signing the proxy form:
 - 6.2.1 Under a power of attorney, or
 - 6.2.2 On behalf of a companyunless that person's power of attorney or authority is deposited at the offices of the Company's South African or United Kingdom Registrars not less than 48 hours before the meeting.
- 7 Where shares are held jointly, all joint holders are required to sign the form of proxy.
8. His/her parent or guardian must assist a minor unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Company's South African or United Kingdom Registrars.
9. Any alteration or correction made to this form of proxy must be signed in full and not initialed by the signatory/ies.
10. On a show of hands, every shareholder present in person or represented by proxy shall have only one vote, irrespective of the number of shares he/she holds or represents.
11. On a poll, every shareholder present in person or represented by proxy shall have one vote for every share held by such shareholder.

SHAREHOLDERS' DIARY

ANNUAL GENERAL MEETING

Tuesday, 28 March 2006, at 14:00

REPORTS

Interim Report for half-year to 30 June 2006 published
Preliminary Report for year to 31 December 2006 published
Annual Report for year to 31 December 2006 released
Annual General Meeting (2005 year)

July 2006
February 2007
February 2007
March 2006

DIVIDENDS – ORDINARY

Interim

Declared July 2006
Payable September 2006
Declared February 2007
Payable March 2007

Final

DIVIDENDS – PREFERENCE

Dividend Period 1 December to 31 May

Declared May 2006
Payable May 2006
Declared November 2006
Payable November 2006

Dividend Period 1 June to 30 November

Shareholders are reminded to notify the South African or the United Kingdom Registrars of any change of address.

REGISTERED OFFICE

55 Marshall Street
Johannesburg 2001
PO Box 62179
Marshalltown 2107
South Africa

LONDON SECRETARIES

Anglo American Services (UK) Limited
20 Carlton House Terrace
London SW1Y 5AN
England

SOUTH AFRICAN REGISTRARS

Computershare Investor Services 2004 (Proprietary) Limited
70 Marshall Street
Johannesburg 2001
PO Box 61051
Marshalltown 2107
South Africa

UNITED KINGDOM REGISTRARS

Capita IRG plc
The Registry
34 Beckenham Road
Beckenham, Kent,
BR3 4TU
England

CONTENTS

CHIEF EXECUTIVE OFFICER'S MESSAGE	4
THE SOUTH AFRICAN MINING CHARTER	9
REPORT SCOPE	10
Assurance policies and internal practices	10
Restatement of comparatives	10
Contact details and further information	11
KPMG: INDEPENDENT ASSURANCE STATEMENT	12
PROFILE	16
Main products and nature of markets served	16
Key Statistics	18
GOVERNANCE AND MANAGEMENT SYSTEMS	20
Principles of corporate governance and structures	20
The Board of Directors	20
Corporate governance structure	21
Overarching policy and management systems	23
Aspects of Corporate Governance – Vol 1: Business Report	29
ECONOMIC AND MANUFACTURED CAPITAL	36
Direct Value Added to South Africa	36
Employees	36
Public Sector	36
Private Sector	37
Indirect and other economic impacts	38
Ownership and joint ventures	39
Manufactured capital – beneficiation	41
NATURAL CAPITAL	46
Policy	46
Environmental Management System	46
Stakeholder Engagement	46
Environmental Performance	49
Biodiversity	55
Emissions, effluent and waste	56
Environmental complaints and incidents	64
Suppliers	68
Products and services	68
Compliance	69
Transport	70
Environmental expenditure	70
HUMAN AND SOCIAL CAPITAL	74
Employment statistics	74
Safety and Health	74
HIV/AIDS	85
Housing and living conditions	90
Labour/management relations	93
Human Resources Development – training and education	95
Employment Equity – diversity and opportunity	99
Human Rights	100
Society	104
Mine Community and rural development	104
Corporate Social Investment	105
Resettlement	109
Bribery and corruption	110
Political contributions	110
Competition and pricing	111
Customer health and safety	111
Products and services	111
Advertising	111
Respect for privacy	113
Awards	113
GRI 'IN ACCORDANCE WITH' SELF-ASSESSMENT	114
GRI CONTENT INDEX	116
JSE-SRI INDEX REFERENCE TABLE	117
GLOSSARY OF DEFINITIONS, TERMS AND ACRONYMS	118
CONTENTS OF BUSINESS REPORT VOLUME 1	121
OTHER USEFUL WEBSITES	122
ACKNOWLEDGEMENTS	122
FAX REPLY FORM	123

ACKNOWLEDGEMENTS

JEWELLERY AND PHOTOGRAPHIC MATERIAL

Bvlgari

Charles Greig

International Platinum Association

Johnson Matthey plc

Platinum Guild International

Vendome Aoyama

W. C. Heraeus

While great care has been taken to ensure that all the information and statistics herein are accurate, no responsibility can be accepted for any mistakes, errors or omissions or for any action taken in reliance thereon. Opinions expressed herein represent those of Anglo Platinum at the time of publication.



CONTENTS

CHIEF EXECUTIVE OFFICER'S MESSAGE	4
THE SOUTH AFRICAN MINING CHARTER	9
REPORT SCOPE	10
Restatement of comparatives	10
Assurance policies and internal practices	10
Contact details and further information	11
KPMG: INDEPENDENT ASSURANCE REPORT	12
PROFILE	16
Main products and nature of markets served	16
Key statistics	18
GOVERNANCE AND MANAGEMENT SYSTEMS	20
Principles of corporate governance and structures	20
The Board of Directors	20
Corporate governance structure	21
Overarching policy and management systems	23
Aspects of Corporate Governance – Vol 1: Business Report	29
ECONOMIC AND MANUFACTURED CAPITAL	36
Direct Value Added to South Africa	36
Employees	36
Public Sector	36
Private Sector	37
Indirect and other economic impacts	38
Ownership and joint ventures	39
Manufactured capital – beneficiation	41
NATURAL CAPITAL	46
Policy	46
Environmental Management System	46
Stakeholder Engagement	46
Environmental Performance	49
Biodiversity	55
Emissions, effluent and waste	56
Environmental complaints and incidents	64
Suppliers	68
Products and services	68
Compliance	69
Transport	70
Environmental expenditure	70
HUMAN AND SOCIAL CAPITAL	74
Employment statistics	74
Safety and Health	74
HIV/AIDS	85
Housing and living conditions	90
Labour/management relations	93
Human Resources Development – training and education	95
Employment Equity – diversity and opportunity	99
Human Rights	100
Society	104
Mine Community and rural development	104
Corporate Social Investment	105
Resettlement	109
Bribery and corruption	110
Political contributions	110
Competition and pricing	111
Customer health and safety	111
Products and services	111
Advertising	111
Respect for privacy	113
Awards	113
GRI 'IN ACCORDANCE WITH' SELF-ASSESSMENT	114
GRI CONTENT INDEX	116
JSE-SRI INDEX REFERENCE TABLE	117
GLOSSARY OF DEFINITIONS, TERMS AND ACRONYMS	118
CONTENTS OF BUSINESS REPORT VOLUME 1	121
OTHER USEFUL WEBSITES	122
ACKNOWLEDGEMENTS	122
FAX REPLY FORM	

For a full appreciation of the Group's activities and performance, read this Sustainable Development Report in conjunction with our Business Report, both of which are available on the Company's website: <http://www.angloplatinum.com>

OUR MISSION

Our mission is to mine, process, refine and market platinum, other platinum group metals, and base metals.

OUR VISION

Our vision is to increase our lead as the world's number one platinum organisation. This means: delivering financial growth that is superior in our business; taking the lead not only in production, but also in cost-efficiency, safety, sustainable development and market development; and developing mutually constructive and beneficial relationships with our broad stakeholder base.

OUR STRATEGY

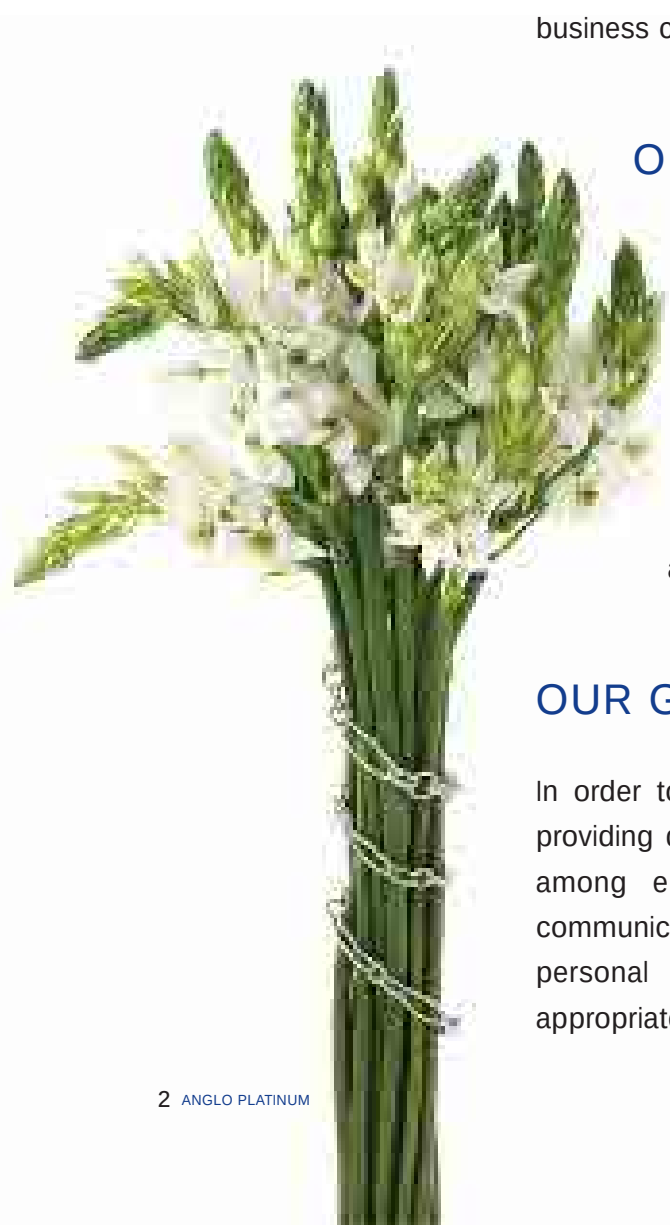
Our strategy is to develop the market for platinum group metals, to expand our production into that opportunity and to conduct our business cost-effectively and competitively.

OUR VALUES

Our values are based on the following principles: maintenance and promotion of the safety and health of all our people; fostering trust among and respect for all employees; development of our people; preservation of the environment; responsibility toward communities; wealth creation for all stakeholders; honesty and integrity in the conduct of our business; and safeguarding our assets.

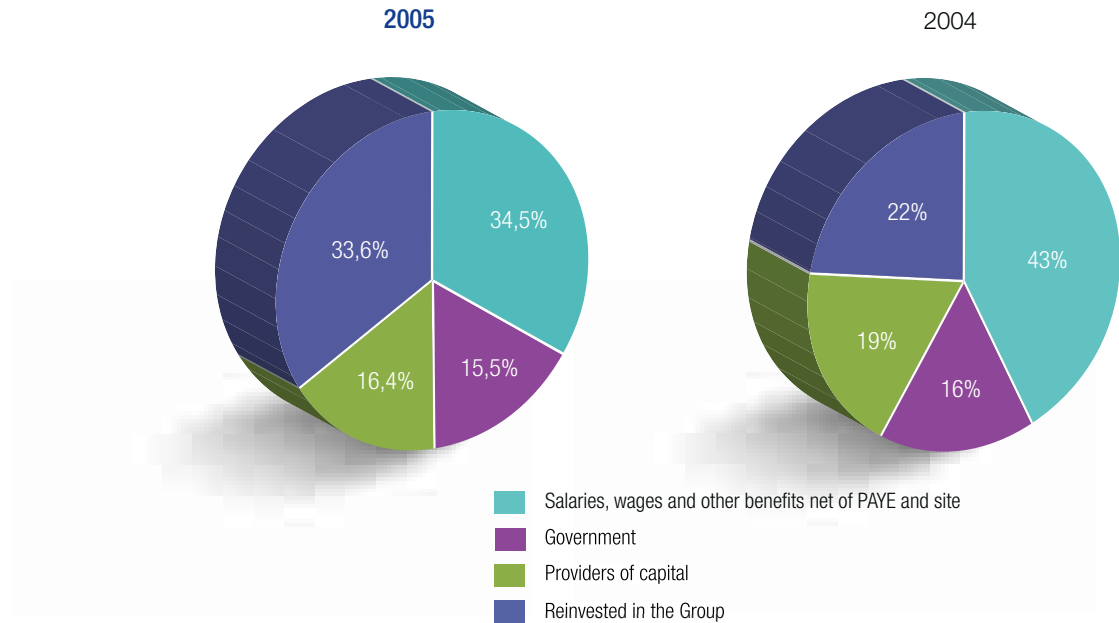
OUR GOALS

In order to achieve our goals, we are guided by the principles of: providing direction and leadership; encouraging optimal performance among employees; promoting understanding through effective communication; developing employees so that they can achieve personal growth; and empowering all employees by providing appropriate training and equipment.



VALUE ADDED STATEMENT

Total value distributed (%)



Amandelbult Section.

CHIEF EXECUTIVE OFFICER'S MESSAGE



During a discussion with a cross-section of our stakeholders, who were reviewing our 2004 sustainable development report, one stakeholder stated that, *“Stakeholders want to know specifically what companies are doing to manage risks and opportunities around sustainable development.”*

I believe that Anglo Platinum has made significant strides in 2005 in responding to such requests from many of our stakeholders. In the past

year, we broadened the terms of reference of our SHE board committee to include sustainable development issues, and consequently renamed it the Safety and Sustainable Development Committee. We consolidated the key functions responsible for overseeing our sustainable development programme, at a Group level, into a safety and sustainable development department. It is through these structures that we will continue to drive our sustainable development initiatives.

This is the fourth year in which we have produced a sustainable development report, released in conjunction with our annual report, with the object of providing stakeholders with more detail on our efforts to increase the economic and social value resulting from our mining of a finite mineral resource, while minimizing the adverse impacts of our operations on the natural environment.

The sustainable development report is our principal means of sharing information with our stakeholders on our activities and provides insights into how we have managed the many important non-financial issues, risks and opportunities in our business during the past year.

OUR SUSTAINABLE DEVELOPMENT VISION AND STRATEGY

We remain convinced that by continuing to develop mutually constructive and beneficial partnerships with our broad stakeholder base – which comprises our employees, customers, communities, government departments and representatives, suppliers, shareholders and other

stakeholders – we shall be able to sustain our mining and mineral beneficiation processing interests for as long as our mineral resources and beneficiation technologies allow, thereby achieving the best possible long-term return for our shareholders.

The table on the inside cover of this report sets out our sustainable development vision for the key issues and risks we face as a Group, provides a brief overview of our 2005 performance and details our targets for 2006.

“We managed to achieve 12 of our stated 22 targets, while a further six targets have longer-term goals. We failed to achieve four of our stated targets.”

PERFORMANCE

In this past year, we managed to achieve 12 of our stated 22 targets. A further six targets have longer-term goals. We failed to achieve four of our stated targets, specifically: reducing CO₂ emissions per ounce of precious metals in concentrate; reaching zero fatalities; improving on our lost-time injury frequency rate; and reducing our SO₂ emissions from Waterval Smelter to less than 20 tons per day, (although our average emissions were below our scheduled process permit performance limits).

Dealing first with safety, I must report with deep sadness the death of 24 employees due to mining-related accidents – 11 full-time employees and 13 contractors. These deaths are particularly distressing in light of the wide range of safety initiatives implemented across the Group. While the rise in the lost-time injury frequency rate from 1,45 to 2,06, is primarily attributed to the inclusion of all forms of restricted work cases in lost-

time injury data, it does demonstrate that much effort is still required from all of us to make progress towards our achievable target of zero injuries.

On environmental issues, we met our water-use reduction targets but did not achieve the same with respect to our energy and greenhouse gas emissions targets. Increased focus on improving our overall energy efficiency will see a reduction in energy intensity in future. We did, however, see a 43% reduction in average sulphur dioxide emissions from Waterval Smelter to an average of 21 tons per day, narrowly missing our target of 20 tons per day. During 2005, we have also successfully converted all, but one of our ISO 14001 certificates to the new ISO 14001:2004 standard.



Gillian Gresak, HIV/AIDS manager for Anglo Platinum, receives the Khomanani excellence award for the best corporate HIV/AIDS programme from the minister of health, Dr Manto Tshabalala-Msimang.

The human tragedy posed by HIV/AIDS in South African society remains a deep concern. There was an encouraging upswing in the counselling and voluntary testing programme, with 53% of operations employees receiving counselling in 2005. Increased uptake in anti-retroviral therapy (ART) and a decrease in default cases, due to employees who stop taking medication, was recorded during 2005. Most of our employees on ART have been able to return to work and perform their normal duties. The Group received the Khomanani Excellence Award for the Best Corporate HIV/AIDS programme from the Minister of Health, Dr Manto Tshabalala-Msimang, in 2005.

On the economic front, I am pleased to report an increase in headline earnings per ordinary share of 63,1%. I am encouraged by the increase in procurement from HDSA vendors in 2005 of just over R1 billion, with 17,4% of our discretionary procurement expenditure now coming from HDSA vendors. Furthermore, I am satisfied with the good work being done by all stakeholders on local beneficiation and marketing of platinum jewellery. We will continue to play a facilitating and supportive role in this regard. As a result of this collective effort, there has been a 58% increase in local platinum sales, off what is essentially a very low base.

ON-GOING ENGAGEMENT

Experience has shown us that sustainable development must at all times be a co-operative effort if it is to succeed. That is why we have sought to develop and invest in partnerships and engagement processes. Our stakeholder relationships are not about co-option or scoring public relations points; rather they are about fostering a sense of mutual respect built on a real understanding of everyone's needs and constraints.

We therefore encourage our stakeholders to use the opportunities offered by our response to the challenges of sustainable development, to show support for our local education and ABET initiatives, our growing procurement of goods and services from HDSA-influenced vendors and local companies, and our facilitation of PGM beneficiation in South Africa. It is only in this way that we can jointly arrive at legitimate, enduring solutions that will create the balance necessary for real sustainable development to take place and ultimately lead to communities and a country enriched by, but not dependent on, mining.



The new double-contact double-absorption acid plant at Waterval Smelter that will allow 99% fixation of sulphur and SO₂ emissions to drop below 20t/day.

“Participating in the JSE-SRI Index provides us with an opportunity to review our progress towards sustainability.”

THE MINING CHARTER

Once again, our operations have continued to adhere to corporate policies with respect to monitoring, managing and reporting on all aspects of the Charter, including significant areas of continuous improvement (see page 9 for details). The Group has applied for conversion to new order mining rights for its various old order mining rights at Amandelbult, Leplats, Rustenburg Section, BRPM and PPRust. The applications for conversion of other old order mining rights will be made in due course. Discussions with the Department of Minerals and Energy (DME) continue.

JSE-SRI INDEX

Since its inception in 2004, Anglo Platinum has participated in the JSE Limited's Socially Responsible Investment (SRI) Index. We have found that participating in this index gives us an opportunity to review our progress towards sustainability, while ensuring that we continue to provide the types of information informed stakeholders seek from us. To make the process of providing this information to you easier, we have included a breakdown of the SRI Index's requirements at the back of this report.

'IN ACCORDANCE WITH' GRI

As with our previous sustainable development reports, this year's report has been prepared 'in accordance with' the reporting requirements of the 2002 Global Reporting Initiative (GRI) Guidelines, applying its principles and protocols. This report represents a balanced and reasonable presentation of our organisation's economic, environmental and social performance. In preparing this report a decision was taken to apply all GRI principles or protocols. Furthermore, there have been no significant changes in the type of information reported since the 2004 sustainable development report.

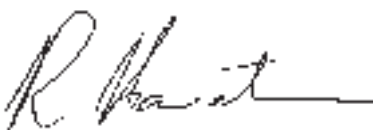
KPMG was appointed to provide assurance on:

- Selected 2005 sustainable development (SD) performance indicators as detailed in the assurance statement;
- Anglo Platinum's compliance with the reporting requirements of the Mining Charter and with those requirements relating to procurement from historically disadvantaged South Africans (HDSAs); and
- Whether the report complies with the 'in accordance with' requirements of the 2002 GRI Guidelines.

Their assurance statement is printed in full on page 12.

FEEDBACK

Finally, let me return to the need for sustained, constructive engagement from all stakeholders. At the back of this report, you will find a fax reply form which we would like you to complete and send to us. I encourage all our stakeholders to avail themselves of this or any other means of continuing their engagement with us to assist in developing better, more sustainable ways for the achievement of the targets embodied in our vision.



Ralph Havenstein

Chief Executive Officer

Johannesburg

9 February 2006

THE SOUTH AFRICAN MINING CHARTER

Mining Scorecard Reference Table

Description	For response refer to page
Human resource development Has the company offered every employee the opportunity of being functionally literate and numerate by the year 2005 and are employees being trained? Has the company implemented career paths for HDSA employees, including skills development plans? Has the company developed systems through which empowerment groups can be mentored? ¹	 96 98 99
Employment equity Has the company published its employment equity plan and reported on its annual progress in meeting that plan? Has the company established a plan to achieve a target for HDSA participation in management of 40% within five years and is it implementing the plan? Has the company identified a talent pool and is it fast-tracking it? Has the company established a plan to achieve the target for women participation in mining of 10% within the five years and is it implementing it? ²	 100 100 98 100
Migrant labour Has the company subscribed to government and industry agreements to ensure non-discrimination against foreign migrant labour? ³	 101
Mine community and rural development Has the company co-operated in the formulation of integrated development plans and is the company co-operating with government in the implementation of these plans for communities where mining takes place and for major labour-sending areas? Has there been effort on the side of the company to engage the local mine community and major labour-sending area communities? (Companies will be required to cite a pattern of consultation, indicate money expenditures, and show a plan).	 104 32, 104
Housing and living conditions For company-provided housing, has the mine, in consultation with stakeholders, established measures for improving the standard of housing, including the upgrading of hostels and conversion of hostels to family units, and promoted home-ownership options for mine employees? Companies will be required to indicate what they have done to improve housing, show a plan to progress the issue over time, and demonstrate that they are implementing the plan. For company-provided nutrition, has the mine established measures for improving the nutrition of mine employees? Companies will be required to indicate what they have done to improve nutrition, show a plan to progress the issue over time, and demonstrate that they are implementing the plan.	 90 84
Procurement Has the mining company given HDSAs preferred-supplier status? Has the mining company identified current levels of procurement from HDSA companies in terms of capital goods, consumables, and services? Has the mining company indicated a commitment to a progression of procurement from HDSA companies over a three to five-year timeframe in terms of capital goods, consumables, and services and to what extent has the commitment been implemented?	 38 38 38
Ownership and joint ventures Will the mining company achieve HDSA participation, in terms of ownership of equity or attributable units of production, of 15% in HDSA hands within five years and 26% within ten years? ⁴	 39
Beneficiation Has the mining company identified its current level of beneficiation? Has the mining company established its base-line level of beneficiation and indicated the extent that this will have to be grown in order to qualify for an offset? ⁵	 41
Reporting Has the company reported on an annual basis its progress towards achieving its commitments in its annual report? ⁶	 1 – 122

Notes: The Group has programmes in response to all Mining Charter Scorecard requirements except beneficiation offsets.

¹ The mentoring of empowerment groups refers to the mining company's HDSA employees and HDSA partners at the levels of ownership and procurement.

² The five-year 10% target in respect of women in mining poses a considerable challenge for the Group. Continued engagement with stakeholders, including government, will do much to address this issue.

³ The Group has reviewed its policies to ensure there is no discrimination against foreign migrant workers.

⁴ Discussions with a number of potential HDSA partners to ensure that the 26% target is achieved are currently in progress.

⁵ The offset guidelines have not been finalised by the DME and therefore the Group cannot calculate what offset it qualifies for.

⁶ The Group considers this annual report to comply with this requirement.

Anglo Platinum's financial year is from January to December; this report reviews results for calendar and financial year 2005. The last report was released in February 2005. Since that report, there have been no changes in Anglo Platinum's size, structure, ownership, or products significant enough to materially alter the scope of this report. Where there have been restatements of data provided in previous reports, reasons have been provided in this report.

“It is worth mentioning that the Group has specifically amended the definition of lost-time injuries to include all forms of restricted work cases.”

By far the majority of Anglo Platinum's activities takes place in South Africa, and are confined to three provinces (North West, Limpopo and Mpumalanga), with a fourth (Gauteng) being the location of the centralised corporate office. Where applicable, this report provides information at provincial level. Our main products are the platinum group metals (PGMs), of which the main three are platinum, palladium and rhodium.

Primary activities cover everything from exploration and mining ore to refining and production of final metal products for sale to customers. In the case of operations not controlled by the Group – Northam Platinum, Modikwa (jointly managed with African Rainbow Minerals), Kroondal (managed by Aquarius) and Pandora (managed by Lonmin Platinum) – such impacts are excluded from this report. Leased facilities and plants are treated for reporting purposes as if the Group owned them. Impacts associated with exploration outside South Africa are excluded from the scope.

RESTATEMENT OF COMPARATIVES

To facilitate comparability with previous reports, the Group has endeavoured to be consistent in the parameters reported year-on-year. However, in this report it is worth mentioning that the Group has specifically amended the definition of lost-time injuries to include restricted work cases in all their forms (page 76). An accurate and meaningful restatement of previous lost-time injuries has not been possible as all necessary data was

not captured in the past. Where there have been other restatements of data provided in the previous reports, the reasons have been provided in the relevant sections of this report.

ASSURANCE POLICIES AND INTERNAL PRACTICES

The Group has internal systems in place to record, monitor, and improve the accuracy, completeness, and reliability of financial, operational, safety, health, and environmental management information. Management information also includes data on community involvement, as well as systematic monitoring of unintended community impacts, support for or violations of human rights, and other social issues.

The directors:

- recognise explicitly that they are responsible for the content of this report and for this reason KPMG was appointed to provide assurance over selected parameters;
- recognise explicitly that the assurance provider, KPMG, alone is responsible for the content of the independent assurance report and agrees, at the outset, to publish the assurance report in full; and
- ensure that adequate resources are made available for KPMG's work and that KPMG has access to all individuals, groups, sites, records, and information that it considers necessary for carrying out the assurance engagement.



BRPM mine located in the North West province. The mine is managed by Anglo Platinum and jointly owned with Royal Bafokeng Resources.

CONTACT DETAILS AND FURTHER INFORMATION

For further information, please e-mail us at sustainabledevelopment@angloplat.com or complete the fax reply form at the back of this report. The Anglo Platinum website is: <http://www.angloplatinum.com>

Contact person for the sustainable development report	Additional information about Anglo Platinum
Stephen Bullock Sustainable Development Operations Manager	Trevor Raymond Senior Manager: Investor Relations
Anglo Platinum Limited 55 Marshall Street Johannesburg 2001	Anglo Platinum Limited 55 Marshall Street Johannesburg 2001
PO Box 62179 Marshalltown 2107 South Africa	PO Box 62179 Marshalltown 2107 South Africa
Telephone: +27 11 373 6646 Fax: +27 11 373 5646	Telephone: +27 11 373 6462 Fax: +27 11 373 5462
E-mail: sbullock@angloplat.com	E-mail: traymond@angloplat.com

Independent assurance report to the Directors of Anglo Platinum Limited on aspects of the Sustainable Development Report for 2005

INTRODUCTION

We have performed our independent assurance engagement of the Anglo Platinum Limited (Anglo Platinum) Volume 2: Sustainable Development Report (the Report) published with the 2005 Annual Report, with respect to the following three aspects of the Report:

- 'Selected 2005 Sustainable Development (SD) performance indicators', indicated below;
- Anglo Platinum's compliance with the reporting requirements of the Broad Based Socio-economic Empowerment Charter for the Mining Sector (the Mining Charter) and with those requirements relating to procurement from Historically Disadvantaged South Africans (HDSA's); and
- Whether the Report complies with the 'in accordance with' requirements of the 2002 Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (the 2002 GRI Guidelines).

This report is made solely to Anglo Platinum in accordance with the terms of our engagement. Our work has been undertaken so that we might state to Anglo Platinum those matters we have been engaged to state in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Anglo Platinum, for our work, for this report, or for the conclusions we have reached.

RESPONSIBILITIES OF DIRECTORS

The Directors of Anglo Platinum are responsible for the preparation and presentation of the Report for 2005 and the

information and assessments contained within it; for determining the Group's objectives in respect of SD performance and for designing, implementing and maintaining appropriate performance management and internal control systems to record, monitor and improve the accuracy, completeness and reliability of SD data from which the reported information is derived.

RESPONSIBILITY OF THE ASSURANCE PROVIDER

Our responsibility is to express our conclusions to Anglo Platinum, based on our independent assurance engagement, performed in accordance with the International Standard on Assurance Engagements (ISAE 3000): *Assurance engagements other than audits or reviews of historical financial information*. This standard requires us to comply with ethical requirements and to plan and perform our assurance engagement to obtain reasonable or limited assurance, expressed below, regarding the subject matter of the engagement.

BASIS OF WORK AND LIMITATIONS

The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the subject matter and the purpose of our engagement. In making these assessments we have considered internal controls relevant to the company's preparation and presentation of information in the Report, in order to design procedures appropriate for gathering sufficient evidence to determine that the three aspects indicated above are not materially misstated

or misleading. Our assessment of relevant internal controls is not, however, for the purpose of expressing a conclusion on the effectiveness of the company's internal controls.

Anglo Platinum applies the Anglo American plc Safety, Health and Environmental (SHE) Reporting Guidance, Community Engagement Guidelines and Socio-Economic Assessment Toolkits (Anglo American's sustainability guidance) as the criteria for determining the recognition and measurement of the 'selected 2005 SD performance indicators'. The reliability of SD performance indicators is subject to inherent limitations given their nature and methods for determining, calculating or estimating such data. This is demonstrated by the amendment in 2005 of the definition for lost time injuries to include restricted work cases in all their forms. The effect of this on the LTIFR performance indicator is detailed on pages 76-78. It is important to understand the 'selected 2005 SD performance indicators' and related statements in the Report, in the context of these limitations.

Compliance with the procurement criteria contained in the Mining Charter relating to procurement from HDSA suppliers is dependent on the adequacy and effectiveness of the internal controls over procurement systems implemented at the Anglo Platinum sites and Corporate Office.

We planned and performed our work to obtain all the information and explanations that we considered necessary to provide sufficient appropriate evidence to provide a basis for our reasonable or limited assurance conclusions expressed below, for each aspect of the Report that was the subject of our assurance engagement. No assurance is expressed in relation to the remaining SD performance indicators included in the Report, not covered by our work performed.

Where a limited assurance conclusion is expressed, our evidence gathering procedures are more limited than for a reasonable assurance engagement, and therefore less assurance is obtained than in a reasonable assurance engagement. We believe that our work performed as set out below provides an appropriate basis for our conclusions.

SELECTED 2005 SD PERFORMANCE INDICATORS

Subject matter and criteria

The SD performance indicators selected by KPMG, in conjunction with Anglo Platinum, to be the subject of the assurance engagement were determined by considering Anglo Platinum's key SD risks, identifying those SD indicators considered relevant to management and stakeholder decision-making processes, and our experience of the risks associated with reporting SD performance and the systems and processes in place to mitigate those risks. These are collectively referred to as the 'selected 2005 SD performance indicators'.

- a) The 2005 SD performance indicators selected for purposes of expressing reasonable assurance were: *total number of work-related fatalities (Page 75); carbon dioxide (CO₂) emissions from processes and fossil fuels (Page 56); CO₂ emissions from electricity purchased (Page 56); and total energy used (Page 50).*
- b) The 2005 SD performance indicators selected for purposes of expressing limited assurance were: *lost time injury frequency rate (LTIFR) (Pages 76-78); new cases of occupational diseases (Pages 81-83); HIV prevalence rate (Page 86); number of employees participating in the Wellness Programme (Page 87); number of employees participating in the Voluntary Counselling and Testing (VCT) Programme*

(Page 86); number of employees receiving anti-retroviral treatment (ART) (Page 87); water used for primary activities (Pages 53-54); water efficiency in water stressed areas (Page 54); number and level of environmental incidents (Page 76); non-mineral hazardous and non-hazardous waste to landfill (Page 62); number of significant operations with community engagement plans (CEP's) in place (Page 104); number of Socio Economic Assessment Toolkit (SEAT) assessments conducted (Page 104).

The internally developed Anglo American sustainability guidance was used as the criteria for assessing the selected 2005 SD performance indicators.

Work performed

Our work consisted of:

- Obtaining an understanding of the systems used to generate, aggregate and report the selected 2005 SD performance indicators based on Anglo American's sustainability guidance for the selected 2005 SD performance indicators at four selected sites and at Corporate office level to assess the associated reliability of the selected 2005 SD performance indicators;
- Conducting interviews with management, at sites visited in the current and previous year and at Corporate office level, to obtain an understanding of the consistency of the reporting processes compared with prior years and to obtain explanations for SD performance trends;
- Performing an analytical review of the selected 2005 SD performance indicators aggregated at Corporate office level and obtaining explanations for unusual trends;

- Testing the accuracy of the aggregation process for the consolidated selected 2005 SD performance indicators at Corporate office level; and
- Reviewing the consistency between the selected 2005 SD performance indicators and related statements in the Report, in light of the findings from the site visits and our analytical review.

Conclusion

Based on the work described above, in our opinion:

- the selected 2005 SD performance indicators set out in (a) above for the year ended 31 December 2005, are properly presented in all material respects on the basis of the Anglo American plc SHE Reporting Guidance; and
- nothing has come to our attention that causes us to believe that the selected 2005 SD performance indicators set out in (b) above for the year ended 31 December 2005, are not properly presented in all material respects on the basis of Anglo American's sustainability guidance.

THE MINING CHARTER

Subject matter and criteria

Our limited assurance engagement was to determine whether Anglo Platinum complies with the reporting requirements of the Mining Charter, and with those requirements relating to procurement from HDSA suppliers. Criteria for the nine elements specified in the Mining Charter of the Department of Minerals and Energy are set out in the Mining Scorecard on Page 9 of the Report, together with the company's responses.

Work performed

Our work performed with respect to compliance with the reporting requirements of the Mining Charter consisted of:

- Conducting interviews with management at each of the four selected sites and Corporate office group level and a review of policies, procedures systems and controls to obtain an understanding of the consistency of the reporting processes in respect of the Mining Charter performance data for the following selected Mining Charter performance indicators and the associated management systems: *rand value of HDSA Procurement; rand value of Corporate Social Investment (CSI) expenditures; participation in the development of Integrated Development Plans (IDPs) in mine-affected communities; and completion of Community Engagement Plans (CEPs).*
- Reviewing the presentation of the selected 2005 Mining Charter performance indicators and associated statements in the Report, in light of our findings from the site and Head Office work performed.

Conclusion

Based on the work described above, in our opinion, Anglo Platinum complies with the reporting requirements of the Mining Charter.

COMPLIANCE WITH THE 2002 GRI GUIDELINES

Subject matter and criteria

Our limited assurance engagement was to determine whether the Report complies with the 'in accordance with' requirements of the 2002 GRI Guidelines.

Work performed

We compared the contents of the Report to specific 2002 GRI Guidelines, to assess whether the Report met the requirements for stating that it is 'in accordance with' the 2002 GRI Guidelines. Our procedures performed enabled us to determine whether:

- Anglo Platinum adequately reports on the 44 numbered elements in Sections 1 to 3 of Part C of the 2002 GRI Guidelines;
- the Report includes a GRI Content Index
- a response has been given to each core indicator in Section 5 of Part C of the 2002 GRI Guidelines;
- the company's response to each of the principles in Part B of the 2002 GRI Guidelines, as set out in the 'GRI In Accordance With Self-Assessment' (Pages 114 - 115) is not materially misstated; and
- the Report includes a GRI 'in accordance with' statement signed by the CEO.

Conclusion

Based on the work described above, nothing has come to our attention that causes us to believe that Anglo Platinum has not complied with the 'in accordance with' requirements of the 2002 GRI Guidelines in the Report.



KPMG Services (Pty) Limited

Johannesburg
9 February 2006

Anglo Platinum Limited is listed on the JSE and is the sole listed entity for the Group. It is also listed on the London Stock Exchange. International Depositary Receipts in respect of the Company's shares are listed on the Brussels Bourse.

“Anglo Platinum is the world's leading primary producer of platinum and accounts for approximately 37% of the world's newly mined production.”

'Group' refers to the Company and its major wholly owned subsidiaries: Anglo Platinum Management Services (Proprietary) Limited; Rustenburg Platinum Mines Limited (RPM); Potgietersrust Platinum Limited (PPRust); Lebowa Platinum Mines Limited (Leplats); and all other subsidiaries.

The Group holds a 22,5% share of Northam Platinum, acquired as a consequence of a mineral rights swap in 2002.

The Group is also in joint ventures with: ARM Platinum, a historically disadvantaged South African (HDSA) mining company, to operate the Modikwa Platinum Mine; Royal Bafokeng Resources, an HDSA partner, over the combined Bafokeng-Rasimone Platinum Mine (BRPM)/Styl drift properties; Lonmin Platinum and HDSA partners, the Bapo Ba Mogale Tribe and Mvelaphanda, over the Pandora PGM reserves; Xstrata to operate the Mototolo mine and has pooling and sharing agreements (PSA) with Aquarius Platinum (South Africa), covering the shallow reserves of its Kroondal and Marikana mines contiguous to RPM's Rustenburg Section.

The Group's smelting and refining operations are wholly owned through RPM and situated in South Africa. These operations treat concentrates not only from its wholly owned operations, but also from its joint ventures.

In Zimbabwe, the Group envisages a 51% controlling share in the Unki Platinum Mine. Partners include Anglo American Corporation of South Africa and a local Zimbabwean consortium.

Elsewhere in the world, the Group is involved in exploration in Canada, Russia, Brazil and China. The Group has also established a representative office in Beijing.

MAIN PRODUCTS AND NATURE OF MARKETS SERVED

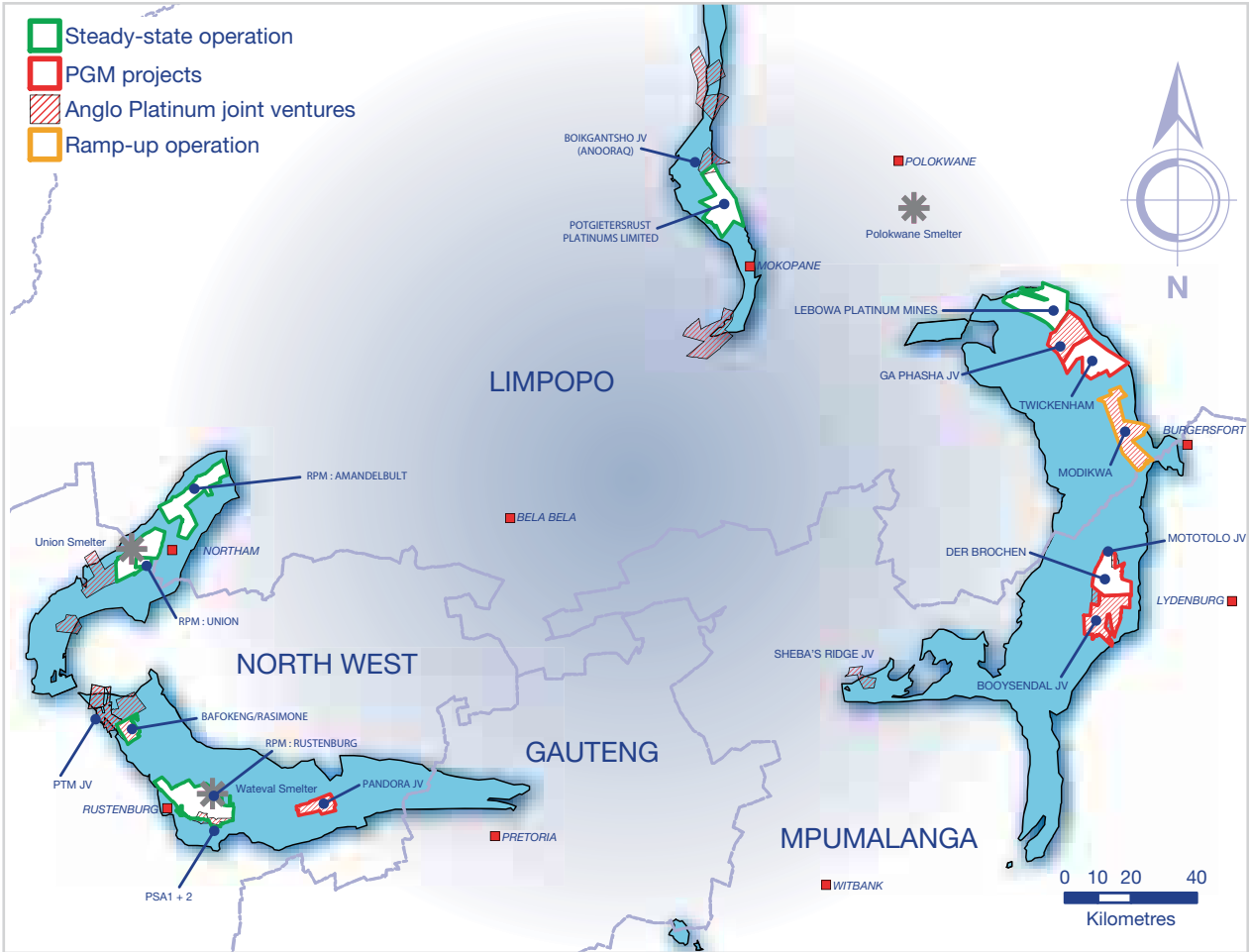
Anglo Platinum is the world's leading primary producer of platinum and accounts for about 37% of the world's newly mined production. It also produces other platinum group metals (PGMs) in quantities determined by their occurrence in the ores mined. Apart from platinum, PGMs comprise palladium, rhodium, ruthenium, iridium and osmium. Gold, nickel, copper and other base metals are by-products of PGM operations.

For a more detailed review of the uses of these metals, the reader is referred to the market review in volume 1: business report.

The Group is firmly committed to the development of PGM markets and, in joint arrangements with Johnson Matthey and others, researches and promotes new products using PGMs.

Anglo Platinum created the Platinum Guild International (PGI) in 1975 and provides funding for its jewellery development efforts. The Group is active in other industry organisations, including the International Platinum Association, which is an advocacy forum for producers and fabricators.

The world's number one primary platinum organisation . . .



Key Statistics

Anglo Platinum Limited		2005	2004	2003
Total workforce				
Full-time employees		43 416	43 825 ^a	44 217 ^a
Contractors		31 062	24 002	22 220
Total capitalisation, as of 31 December, R millions				
Debt		4 267,5	5 793,9	7 492,4
Equity		20 802,0	17 965,4	12 422,7
Total assets, as of 31 December, R millions:				
Property, plant, and equipment		19 744,0	17 757,3	14 550,8
Capital work-in-progress		6 132,1	6 124,4	7 249,2
Platinum Producers' Environmental Trust (restatement in financial statement) – cash held		204,7	149,0	113,4
Investment in associates		683,1	435,3	484,0
Pre-paid operating lease rental and royalties		220,5	357,3	96,5
Inventories		4 412,3	3 192,3	2 439,6
Accounts receivable		2 418,2	2 058,5	2 286,7
Cash held by insurance captives		167,2	83,6	—
Cash and cash equivalents		1 807,4	2 364,4	569,4
Refined production				
Platinum	000 oz	2 453,2	2 453,5	2 307,8
Palladium	000 oz	1 353,2	1 310,7	1 190,9
Rhodium	000 oz	328,1	253,3	232,5
Gold	000 oz	117,5	109,9	116,1
Nickel	tons	20,5	22,3	22,1
Copper	tons	11,3	12,9	12,9
Gross revenue, R millions		23 308,4	19 624,8	16 508,6
North America		1 861,2	2 267,1	1 934,6
Asia		9 480,8	6 146,2	5 202,0
Europe		6 440,2	6 865,3	6 306,4
Africa		5 484,9	4 313,5	3 048,5
Other		41,3	32,7	17,1
Total cash operating costs, R millions:		15 098,6	13 126,9	11 025,2
Gauteng		—	—	—
Limpopo		6 504,1	5 938,4 ^b	5 240,5 ^b
Mpumalanga		—	—	—
North West		8 485,9	7 076,5 ^b	5 673,7 ^b
Non-South Africa		108,6	112,0 ^b	111,0
Value added, R millions		14 722,0	11 389,2	9 240,6
To salaries, wages, and other benefits, net of tax		5 082,2	4 864,4	4 289,2
To government		2 277,0	1 872,7	1 127,5
To providers of capital		2 415,3	2 136,7	3 219,0
Reinvested in the Group		4 947,5	2 515,4	604,9

^a Annual average employee numbers for 2004 and 2003 restated to exclude Modikwa employees.

^b The cash operating costs have been restated to align with the split per province methodology used throughout the report.



A ladle under the off-gas extraction ducting at Waterval Smelter's ACP plant. The off-gas is sent for treatment at the new acid plant. This system has allowed for improved capturing of fugitive off-gas, thereby reducing the overall SO₂ emissions.

Corporate governance encompasses the concept of sound business practice, which is inextricably linked to the Group's management systems, structures, policies and culture of governance and ensures that the Group acts towards all stakeholders in a responsible and transparent manner from an economic, social and environmental perspective. This governance portion of our sustainable development report represents a succinct overview of the Group's corporate governance disclosures. Further information is provided in Volume 1: Business Report.

“The board is responsible for setting the Group strategy and direction by establishing and implementing key policies and strategic objectives.”

PRINCIPLES OF CORPORATE GOVERNANCE AND STRUCTURES

The board re-affirms its commitment to the principles and cornerstones of sound governance. It ensures that the Group's business is conducted in accordance with high standards of corporate governance, within the pre-determined parameters of risk management and control and in accordance with local and internationally accepted corporate practice. This, in turn, ensures conformance and compliance without impeding business performance. These standards are well embedded in the Group's system of internal controls, which have been implemented to comply with King II recommendations.

The directors endorse and are of the opinion that the Group adheres to the Code of Corporate Practices and Conduct set out in the second King report with one exception.

The remuneration committee consists of four non-executive directors, of whom two are independent, whereas King II requires a majority of independent non-executives.

The board and management actively review and enhance the Group's systems of control and governance on a continuous basis to ensure that the Group's business is managed

ethically and within prudently determined risk parameters in conformity with internationally accepted standards of best practice.

THE BOARD OF DIRECTORS

The Company has a unitary board comprising seven executive and 12 non-executive directors. Four non-executive directors are independent (44%) as defined by King II.

The board is responsible for setting the Group strategy and direction by establishing and implementing key policies and strategic objectives. It monitors strategy and policy implementation by way of a structured approach to reporting, on the basis of agreed performance criteria and defined, written delegations to management in respect of detailed planning and implementation of such policies and objectives. The board meets quarterly, or more frequently should circumstances so require.

The board has a charter setting out its mission, role, duties and responsibilities and, in particular, important aspects concerning the following:

- The directors' fiduciary responsibilities;
- Leadership of the board;
- Induction of new directors;
- Evaluation of directors;

CORPORATE GOVERNANCE STRUCTURE

The Board

Responsible to shareholders for setting direction through strategic objectives and key policies; monitors implementation through structured reporting systems.

Barry Davison (Non-executive Chairman)	Bill Nairn (Non-executive)
Tom Wixley (Independent Non-executive Deputy Chairman)	Hixonia Nyasulu (Independent Non-executive)
Ralph Havenstein (Chief Executive Officer)	Tony Redman (Non-executive)
Dave Barber (Non-executive)	Abe Thebyane (Executive)
Colin Brayshaw (Independent Non-executive)	Tony Trahar (Non-executive)
Mike Halhead (Executive)	Roeland van Kerckhoven (Executive)
David Hathorn (Non-executive)	Duncan Wanblad (Executive)
Sam Jonah (Non-executive)	Sandy Wood (Executive)
Bongani Khumalo (Independent Non-executive)	Lazarus Zim (Non-executive)
Robin Mills (Executive)	

Executive Committee	Administration Committee	Audit Committee	Corporate Governance Committee	Nomination Committee	Remuneration Committee	Safety and Sustainable Development
Recommends policies and strategies; monitors implementation; deals with all executive management business; responsible for all material matters not expressly reserved for the board; co-ordinates, manages and monitors resources to achieve the Group's aims.	Responsible for all matters pertaining to staff and administration.	Monitors the adequacy of financial controls and reporting; reviews the audit plans and adherence thereto by internal and external auditors; ascertains the reliability of the audit; ensures that financial reporting complies with IFRS and the Companies Act; reviews and recommends on all matters financial and monitors the Company's appetite for risk and concomitant controls.	Reviews the quality of corporate governance and makes recommendations to the board; provides advice to directors and management in respect of the Companies Act, JSE listing requirements and other governing legislation.	Considers suitable nominations for appointments to the board and makes appropriate recommendations to the board.	Establishes the overall principles of remuneration and determines the remuneration of executive directors and the head of internal audit; considers, reviews, and approves the Group's policy on executive remuneration and communicates this to stakeholders in the annual report.	Develops framework, policies and guidelines for S & SD management and ensures implementation; monitors Group compliance with relevant legislation.
Ralph Havenstein• Mike Halhead Jenny Meyer ¹ Robin Mills Francis Petersen ¹ Abe Thebyane Roeland van Kerckhoven Duncan Wanblad Sandy Wood	Ralph Havenstein• Mike Halhead Jenny Meyer ¹ Robin Mills Francis Petersen ¹ Abe Thebyane Roeland van Kerckhoven Duncan Wanblad Sandy Wood	Colin Brayshaw• Dave Barber Bongani Khumalo Vincent Uren ² Tom Wixley	Tom Wixley• Dave Barber Colin Brayshaw Barry Davison David Hathorn Sam Jonah Bongani Khumalo Bill Nairn Hixonia Nyasulu Tony Redman Tony Trahar Lazarus Zim	Barry Davison• Colin Brayshaw Tony Trahar Tom Wixley	Tom Wixley• Colin Brayshaw Barry Davison Tony Trahar	Bill Nairn• Mzolisi Diliza ² Dorian Emmett ² Mike Halhead Ralph Havenstein Bongani Khumalo Robin Mills Tony Redman Abe Thebyane Duncan Wanblad

• Committee chairperson

¹ Attends committees by invitation.

² Not members of the board.

- Relationship to staff and external advisors, as well as unrestricted access to Company records; and
- Board meetings and procedures.

The directors have a responsibility, in terms of the board charter, to become acquainted with all duties, as well as with the issues pertaining to the operations and business of the Company. Directors are appraised and updated on an ongoing basis of pertinent information, legislative and governance developments. To assist new directors, an induction programme has been established by the Company.

In terms of the board charter, the directors are assessed annually, both individually as directors and collectively as a board. In addition, the remuneration committee formally evaluates the chief executive officer (CEO) on an annual basis.

The board as a whole approves the appointment of new directors, based on recommendations by the nomination committee.

All directors are subject to retirement by rotation and re-election by shareholders in accordance with the dictates of the Company's articles of association.

All directors have access to the advice and services of the company secretary and are entitled to seek independent professional advice concerning the affairs of the Group at the expense of the Group.

The board has established a number of standing committees, which are ultimately accountable to the board, namely:

- The Executive Committee;
- The Administration Committee;
- The Audit Committee;
- The Corporate Governance Committee;

- The Nomination Committee;
- The Remuneration Committee; and
- The Safety and Sustainable Development Committee.

These committees operate within defined written terms of reference, which are summarised on the previous page. The audit and remuneration committees are each chaired by an independent non-executive director and consist entirely of non-executive directors.

Each committee member is required to assess the committee's performance on an annual basis.

In 2005, the remit of the former safety, health and environmental (SHE) committee was expanded to include key sustainable development issues, risks and opportunities faced by the Group. The SHE committee was renamed the safety and sustainable development committee and the new terms of reference approved by the board in July.

In addition to the committees that report to the board, as depicted on page 21, the Group has established a transformation steering forum, whose job it is to report to the executive committee on issues pertinent to the social and labour plans and compliance with the Mining Charter and Scorecard.

At the operational level, the Group charges its line management with ensuring that adequate resources are applied and attention is given to the implementation of a sustainable development policy within the communities affected by the Group's mining and processing activities. The operational executive directors' membership of the transformation steering forum is designed to ensure alignment of the Group's social and human resource policies and programmes throughout its operations.

Directors' attendance at board and committee meetings in 2005

Director	Board	Audit Committee	Corporate Governance Committee	Nomination Committee	Remuneration Committee	Safety and Sustainable Development Committee
Number of meetings held during the year	4	4	5	1	6	4
Dave Barber (<i>Non-executive</i>)	4	4	5	—	—	—
Colin Brayshaw (<i>Independent Non-executive</i>)	4	4	4	1	6	—
Barry Davison (<i>Non-executive Chairman</i>)	4	—	5	1	5	—
Dorian Emmett (<i>Non-executive</i>) resigned from board 11/7/2005	2	—	—	—	—	1
Mike Halhead (<i>Executive</i>)	4	—	—	—	—	3
David Hathorn (<i>Non-executive</i>) appointed 26/7/2005	0	—	—	—	—	—
Ralph Havenstein (<i>Chief Executive Officer</i>)	4	4*	—	1*	6*	4
Sam Jonah (<i>Independent Non-executive</i>)	3	—	2	—	—	—
Bongani Khumalo (<i>Independent Non-executive</i>)	3	4	4	—	—	3
Robin Mills (<i>Executive</i>)	4	—	—	—	—	4
Bill Nairn (<i>Non-executive</i>)	4	—	4	—	—	4
Hixonia Nyasulu (<i>Independent Non-executive</i>)	4	—	3	—	—	—
Tony Redman (<i>Non-executive</i>)	4	—	5	—	—	1
Abe Thebyane (<i>Executive</i>)	4	—	—	—	6*	4
Tony Trahar (<i>Non-executive</i>)	4	—	0	1	6	—
Vincent Uren (<i>Alternate Non-executive</i>)	—	4	—	—	—	—
Roeland van Kerckhoven (<i>Executive</i>)	4	4*	—	—	—	—
Duncan Wanblad (<i>Executive</i>)	3	—	—	—	—	3
Tom Wixley (<i>Independent Non-executive Deputy Chairman</i>)	4	4	5	1	6	—
Sandy Wood (<i>Executive</i>)	4	—	—	—	—	—
Lazarus Zim (<i>Non-executive</i>)	3	—	1	—	—	—

— Not applicable

* Attendance by invitation

Overarching Policies and Management Systems

BUSINESS INTEGRITY AND ETHICS

Anglo Platinum, its subsidiaries and managed joint ventures are committed to a policy of equity and integrity in the conduct of their business. This commitment, which is actively endorsed by the Anglo Platinum board of directors, is based on the fundamental belief that business should be conducted honestly, fairly and ethically. We support free enterprise as the system best able to contribute to the economic welfare of society, as well as to the

promotion of individual liberty. Without satisfactory profits and a strong financial foundation, it would not be possible to fulfil our responsibilities to shareholders, employees, society and those with whom we do business. However, our corporate actions are not governed solely by economic criteria; they also take into account social, environmental, and political considerations.

We comply with all applicable laws and regulations.

We are opposed to corruption. We do not offer, pay, or accept bribes or condone anti-competitive practices in our dealings in the

“You listed all your stakeholders in the 2004 sustainable development report, but so what! How are you actually interacting with stakeholders and what are their issues? This needs to be captured.”

– WELL-RESPECTED SD PRACTITIONER

The stakeholder list referred to above has been updated based on the Group's interactions during 2005 and an attempt has been made to reference pertinent issues relevant to the individual stakeholder groups.

marketplace and do not tolerate any such activity by our employees.

We prohibit employees from trading securities illegally when in possession of unpublished price-sensitive information.

We require our employees to perform their duties conscientiously, honestly, and with due regard to the avoidance of conflicts between any personal financial or commercial interests and their responsibilities to their employer.

We maintain high standards of planning and control:

- to identify and monitor material risks;
- to safeguard our assets; and
- to detect and prevent fraud.

We promote the application of our principles by those with whom we do business. Their willingness to accept these principles is an important factor in our decisions to enter into, and remain in, such relationships.

We encourage employees to take personal responsibility for ensuring that their conduct complies with our principles. Employees are encouraged to raise violations of this policy or any other legal or ethical concerns with management and are protected by the policy and by law from the repercussions of 'whistle-blowing'.

Disciplinary proceedings were brought against 644 employees in 2005, stemming from breaches of certain aspects of the business principles and code of ethics as follows:

Dishonesty	312
Use of violence	128
Harassment	4
Discrimination	9
Bringing the company into disrepute	18
Other illegal activities	173
Total	644

GOVERNANCE DOCUMENTATION

A formal system has been put in place whereby governance documents are developed and stored in a controlled environment and made available to the Group's employees via the internal intranet. A Group policies and standards committee, with representation from the various functional heads of department, has been established, focusing on the development, review and management of Group governance documents. Each operation is required to have a system in place for the management of operational level documentation.

OUR CODE OF ETHICS

The following highlights aspects of the Group's code of ethics and business principles, a complete copy of which will be made available on request or can be accessed at the Group's website. Any contravention of the code is a serious matter.

Compliance with laws and regulations

Employees must comply with all laws and regulations that are applicable to their activities on behalf of the Group.

Conflict of interest

The Group expects employees to perform their duties in accordance with the best interests of the Group and not to use their positions or proprietary information gained through their employment with the Group for private or personal advantage.

Outside activities, employment, and directorships

We all share a very real responsibility to contribute to our local communities. The Group encourages employees to participate in religious, charitable, educational, and civic activities, provided that such participation does not make undue demands on their work time or create a conflict of interest. All employees must annually declare their business interests and details of directorships on other company boards.

Relationships with clients, customers, and suppliers

Employees should ensure that they are independent of any business organisation having a contractual relationship with the Group or providing goods or services to the Group.

Gifts, hospitality, and favours

An employee must neither accept (without prior written approval) nor solicit any gifts, hospitality, or other favours from suppliers of goods or services.

Personal investments

Personal investment decisions must not contravene the conflict of interest provisions of this code, any applicable legislation, or any policies or procedures established by the various operating areas of the Group, and must not be based on material non-public information acquired by reason of an employee's connection with the Group.

CORPORATE CITIZENSHIP

We respect human dignity and the rights of individuals and of the communities

associated with our operations. We seek to make a contribution to the economic, social, and educational well-being of these communities by means that include local business development and providing opportunities to workers from disadvantaged backgrounds.

We recognise the sensitivities involved in addressing issues that relate to the cultural heritage of indigenous communities. We seek to ensure that such matters are handled in a spirit of respect, trust and dialogue.

We believe that we have the right and the responsibility to make our positions known to governments on any matters that affect our employees, shareholders, customers, or the communities associated with our operations.

While the primary responsibility for the protection of human rights lies with governments and international organisations, where it is within our power to do so, we seek to promote the observance of human rights in the countries where we operate. We support the principles set out in the Universal Declaration of Human Rights.

EMPLOYMENT AND LABOUR RIGHTS

We are committed to the adoption of fair labour practices at our workplaces: our conditions of service comply with applicable laws and industry standards.

We promote workplace equality and seek to eliminate all forms of unfair discrimination.

We do not tolerate inhumane treatment of employees, including any form of forced labour, physical punishment, or other abuse.

We prohibit the use of child labour.

We recognise the right of our employees to freedom of association.

We operate fair and appropriate means for the determination of terms of conditions of employment. We provide appropriate procedures for the protection of workplace rights and our employees' interests.

We provide employees with opportunities of enhancing their skills and capabilities, enabling them to develop fulfilling careers and to maximise their contribution to our business.

SAFETY, HEALTH AND ENVIRONMENTAL STEWARDSHIP

We have a comprehensive SHE policy and report regularly on our performance to the safety and sustainable development committee. We continue to review and develop this policy.

Our objective is to prevent fatalities, work-related injuries, and health impairment of employees and contractors.

We recognise the need for environmental stewardship to minimise consumption of natural resources, waste generation, and the impact of our operations on the environment.

Senior executives and line management are accountable for the Group's SHE issues and for allocating adequate financial and human resources within their operations to address these matters. We work to keep SHE at the forefront of workplace concerns and report on progress against our policies and objectives.

Recognising the human tragedy caused by the HIV/AIDS pandemic, particularly in sub-Saharan Africa, we have a clear policy for addressing HIV/AIDS in the workplace and are committed to a comprehensive

containment strategy, linked to programmes of care for those with HIV/AIDS. We strive to eliminate any stigma or unfair discrimination on the basis of real or perceived HIV status.

We are committed to the principles of sustainable development, by which we mean striking an optimal balance between economic, environmental, and social development. We strive to innovate and adopt best practice, wherever we operate, working in consultation with stakeholders.

In pursuance of this statement of commitment, we have published fuller policy statements, such as our SHE policy and other such codes and guidance notes, which are issued from time to time.

MANAGEMENT SYSTEMS

At its corporate office, the Group retains specialist sustainable development and other management staff in the safety and sustainable development department, (formed during 2005) who help determine overall Group policy and standards, advise on implementation and create alignment throughout the Group's operations in respect of sustainable development. The focus in 2005 was on the integration of sustainable development principles into other key business processes, such as the long-term planning process at each operation.

Regarding the principles of sustainable development, the Group takes the precautionary approach. As expressed in Principle 15 of the Rio Declaration on Environment and Development, this requires that 'where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation'. Details



A sophisticated radar and laser system in use at PPRust's open pit to monitor slope stability. Radar and laser beams detect the slightest movements in rock stability. The system is able to alert pit management of any potential rock fall, thereby enhancing pit safety.

of some of the Group's environmental precautions are given later in this report.

Risk management

Pursuant to its policy of aligning Group corporate governance with international best practice and thereby safeguarding the interests of stakeholders, the executive committee has, as reported last year, been mandated by the board to supplement the Group-wide system of internal controls to monitor, manage, and control significant Group risks. The achievement of these objectives is enhanced through compliance with and observance of the UK Turnbull guidelines on internal control and King II guiding principles for risk management and internal controls.

This risk management system is a principal factor facilitating the discharge of the board's responsibility in ensuring that the extensive risks associated with the Group's operations are effectively managed and the interests of stakeholders safeguarded.

Group risk management is achieved through the identification and control of all the main business risks, including operational risks, which could adversely affect the achievement of the Group's business objectives. The board has determined the level of acceptable risk and requires the operations to manage and report in terms of this.

Uncertainty is inherent in Anglo Platinum's business, potentially affecting its performance both negatively and positively. To manage various uncertainties, the Group has identified

17 headline risk areas, which form the basis for regular and exception reporting to the executive committee and the board, detailed below. Strategies are in place to address each area and performance and are reported on quarterly.

'Risk owners' have been appointed for each risk area and practical guidance is given in the Group's operational risk management handbook.

This system of internal control, implemented at all operations and tailored to suit the specific circumstances of each mine or plant, provides reasonable assurance that the Group's business objectives will be achieved within the prescribed risk tolerance levels.

In conducting its annual review of the effectiveness of risk management, the board considers the key findings from the ongoing

monitoring and reporting processes, as well as management and independent assurance reports. The board also takes account of material changes and trends in the Group's risk profile, and considers whether the control system, including reporting, adequately supports the board's risk management objectives.

The board is satisfied that there is an adequate ongoing risk management process in place that identifies, evaluates and manages the main risks faced by the Group.

Group internal audit conducts routine internal audits to ensure that all headline risk control measures are being implemented and attended to. A summary of internal audit findings and corrective action is made available to and reviewed by the audit committee.

HEADLINE RISK AREAS

1. Foreign exchange – risk of currency movement resulting in adverse changes in operating costs, capital costs and revenue
2. Commodity price – risk of commodity price movement resulting in adverse changes to revenues
3. Liquidity – risk of insufficient cash and credit lines
4. Interest rate – risk of higher/lower interest paid on borrowings/interest received on deposits
5. Counterparty – risk of credit exposure to treasury counterparties and customers
6. Employees – risk of inability to recruit, retain and motivate talented employees, cost of pension funds or cost of healthcare provision
7. Employee safety – risk of work-related injuries/fatalities of employees and contractors
8. Employee health – risk of work-related impairment of health of employees and contractors
9. Environment – risk of adverse impact on environmental resources
10. Social – risk of loss of 'social licence to operate', threat to access to capital, reputation
11. Political – risk of political acts or omissions that may deprive the Group of the economic benefits of ownership of assets
12. Legal, financial and regulatory – risk of adverse changes in legislation, lack of integrity of financial reporting, major breakdown of control procedures or governance
13. Reserves and resources – risk of inadequacy of reserves to maintain and grow the business
14. Operational performance – risk of lower than forecast operational performance
15. Capital projects – risk of capital or project management weaknesses
16. Mergers and acquisitions – risk of ineffective management of mergers and acquisitions
17. Event risk – risk of major events adversely impacting the business, for example fire, flood, explosion and earthquake

Stakeholder engagement processes

Our primary responsibility is to our investors. We seek to maximise shareholder value over time. We believe this is best achieved through an intelligent regard for the interests of other stakeholders, including our employees, the communities affected by our operations, our customers and our business partners. A reputation for integrity and responsible behaviour underpins our commercial performance and is gained by motivating employees and building trust and goodwill.

Identifying stakeholders is the first step in building a good engagement policy. The process includes mapping out the impact that particular stakeholders have or will have on the Group's business, which helps in the prioritisation of the engagement process.

Stakeholders are those individuals or groups that have an interest in or may be positively or negatively affected by the operations of Anglo Platinum. The geographical and economic boundaries containing the stakeholders overlap. The Group's principal stakeholders with whom it had interactions in 2005 are listed on the next page.

ASPECTS OF CORPORATE GOVERNANCE IN VOLUME 1: BUSINESS REPORT

- Directors' responsibilities for the annual financial statements; and
- A remuneration report covering service contracts, executive directors' emoluments, fees, and bonuses paid in 2005, and their participation in share option schemes and other schemes of benefit, as well as gains on share options exercised in 2005.

A STAKEHOLDER REVIEW OF ANGLO PLATINUM'S 2004 SUSTAINABLE DEVELOPMENT REPORT

Anglo Platinum invited a cross-section of its stakeholders, including representatives from NGOs, the media, peer companies, a financial analyst, academia and auditors to a workshop facilitated by an outside company to review the 2004 sustainable development report. The workshop was held on 27 May 2005 with the view to obtaining details of how Anglo Platinum could improve on its sustainable development reporting and what needed to change in future reports.

The general view was that the 2004 sustainable development was very comprehensive, of a high calibre and rated among the best in South Africa. Some constructive criticism of the report was received at the workshop and this has led to amendments, and what Anglo Platinum believes are improvements, being made to our 2005 report. Criticism included statements like:

"The report is just too long and there is too much description and too little analysis." Major shareholder SD practitioner.

"There is no link between the Group's list of stakeholders and what issues you are engaging them on." Well-renowned SD academic.

"You are not using the report enough as a means of engaging with unions." NGO.

"The company needs to highlight the value of reports as a resource to the media." Financial journalist.

"There needs to be a more explicit link between company risk assessments and issues reported." Well-renowned SD academic.

"Does a report matter when 75% of the company is held by one shareholder?" Financial analyst.

"Company reports must be the last form of stakeholder engagement." NGO.

"The JSE/SRI index does not appear to be adding value as no reference to it is made." SD practitioner from an assurance provider.

"Why is Anglo Platinum spending money on reporting when it is shedding jobs?" Financial journalist.

"The report needs more case studies on how learning loops are closed and issues addressed." Peer company SD practitioner.

The reader of the Group's 2005 report will see many of these comments have influenced its content and layout. For example, stakeholder issues are now page-referenced on the list of stakeholders and a JSE/SRI index reference table has been included. This process of engaging stakeholders will continue to ensure further improvements in the Group's management programmes and stakeholder reporting.

Our principal stakeholders

We continually engage a wide range of stakeholders on a plethora of issues. The table below summarises details of our principal stakeholders. The key issues of interest to our stakeholders are dealt with in the main body of the report in the referenced section.

	Key attributes	Relationship to Anglo Platinum	Method of engagement	Frequency of engagement	Refer to page for details
Investors					
Anglo American plc	Listed in London	Owns 74,5% of Anglo Platinum	Meetings	Weekly	18
Minority shareholders	Predominantly South African, European and North American	Own the balance of Anglo Platinum shares	Results presentations, media	Bi-annual continuous	36
Potential investors	Represented by investor groups, such as pension funds	An interest in the potential of becoming shareholders	Results presentations, media	Bi-annual continuous	
JSE Limited	Regulator of listed companies	Primary listing exchange and market	Various	Continuous	
JSE SRI Index	Independent assessment of triple bottom-line reporting	Anglo Platinum is included in the index	Index questionnaire	Annual	
Employees					
Permanent employees	43 416; 93% South Africa; 7% Botswana, Lesotho, Mozambique, Zimbabwe	Direct contractual relationship	Various	Continuous	18 74 101
Contractors	31 062; 70% South African	Indirect contractual relationship	Various	Continuous	
Trade unions and associations					
National Union of Mine Workers	20 162 predominantly mining employees	Signatory to employee relations policy	Partnership structures and task teams	Once every two months	93 95
United Association of SA	3 957 employees	Signatory to employee relations policy	Partnership structures and task teams	Once every two months	102
Trade Union Alliance	7 599 members of smaller unions	Signatory to employee relations policy	Partnership structures and task teams	Once every two months	
Togetherness Amalgamated Workers' Union of SA	908 employees	Signatory to employee relations policy	Partnership structures and task team	Once every two months	
Solidarity	149 supervisory mining and engineering employees	Signatory to employee relations policy	Partnership structures and task team	Once every two months	
National Union of Metalworkers of SA	196 plant employees	Signatory to employee relations policy	Partnership structures and task team	Once every two months	
Customers					
Johnson Matthey	Listed in London; PGMs fabricated into industrial products	Direct supply and long-term agency contracts for PGMs	Meetings and written correspondence	A minimum of once a month	18 36 – 37 68
Engelhard Corporation	Listed in New York; PGMs fabricated into industrial products	Direct long-term contract to buy PGMs	Meetings and written correspondence	A minimum of once a month	111
Tanaka Kikinzoku Kogyo KK	Private Japanese company; fabricating PGM industrial products	Direct long-term contract to buy PGMs	Meetings and written correspondence	A minimum of once a month	
Umicore SA	Listed in Brussels, fabricating PGM industrial products	Direct long-term contract to buy PGMs	Meetings and written correspondence	A minimum of once a month	
Heraeus	Private German company, fabricating PGM industrial products	Direct long-term contract to buy PGMs	Meetings and written correspondence	A minimum of once a month	
Toyota Motor Corporation	Tokyo-listed motor manufacturer; PGMs used in autocatalysts	Direct long-term contract to buy PGMs	Meetings and written correspondence	A minimum of once a month	
Honda Motor Corporation	Tokyo-listed motor manufacturer; PGMs used in autocatalysts	Direct long-term contract to buy PGMs	Meetings and written correspondence	A minimum of once a month	

	Key attributes	Relationship to Anglo Platinum	Method of engagement	Frequency of engagement	Refer to page for details
Business partners					
ARM Platinum	HDSA mining company	Joint venture partner at Modikwa Platinum Mine	Joint venture agreement meetings	Monthly	18
Aquarius Platinum	Sydney- and Johannesburg-listed mining company	Partner for exploiting Kroondal and Marikana reserves	Pooling and sharing agreement meetings	Monthly	36 – 37
Lonmin plc	London-listed mining company in partnership with Bapo Ba Mogale Tribe	Potential joint venture partner at Pandora	Joint venture agreement meetings	Quarterly	39 – 40
Mvelaphanda Resources	Johannesburg-listed HDSA mining company	Co-shareholder of Northam Platinum and joint venture partner at Pandora	Joint venture agreement meetings	Quarterly	
Plateau Resources (formerly Pelawan)	HDSA mining company	Joint venture partner at Ga-Phasha PGM project	Joint venture agreement meetings	As required	
Royal Bafokeng Resources	Resources company wholly owned by the Royal Bakokeng Nation, a tribal authority in North West province	Joint venture partner at BRPM/Styltdrift	Joint venture agreement meetings	Monthly	
Khumama (Pty) Ltd	HDSA company	Joint venture partner at Booyendal	Joint venture agreement meetings	Quarterly	
PTM	HDSA company exploration	Joint venture partner	Joint venture agreement meetings	Quarterly	
Pacific North West Capital Limited	Exploration Company	Joint venture exploration partners in Canada	Meetings	As required	
Eurasia	Exploration Company	Joint venture partner in Russia	Meetings	As required	
Solitario	Exploration Company	Joint venture partner in Brazil	Meetings	As required	
Sishuan Bureau of Geology and Mineral Resources	Exploration Company	Joint venture partner in China	Meetings	As required	
Major contractors					
JIC Mining	South African contract mining company	Service to the value of R310 million in 2005	Contract meetings and correspondence	Monthly	36 – 45
Group 5 Construction (Pty) Limited	Construction company	Service to the value of R304 million in 2005	Contract meetings and correspondence	Monthly	
San Contracting Services	South African contract mining company	Service to the value of R221 million in 2005	Contract meetings and correspondence	Monthly	68
Murray and Roberts	South African construction company	Service to the value of R327 million in 2005	Contract meetings and correspondence	Monthly	
Marsh South Africa	South African insurance advisory and broking company	Insurance premiums of R204 million in 2005	Service agreement meetings and correspondence	Annual	

	Key attributes	Relationship to Anglo Platinum	Method of engagement	Frequency of engagement	Refer to page for details
Major suppliers					
Eskom Holdings Ltd	South African energy supplier	Supply cost dropped from R875 million in 2004 to R840 million in 2005	Contract	Monthly	50 36 – 45 68
African Explosives	South African explosives supplier	Supply cost dropped from R378 million in 2004 to R354 million in 2005	Contract	Monthly	
Sandvik Tamrock	South African mining equipment supplier	Supply cost unchanged at R362 million	Contract	Monthly	
Scaw Metals	South African castings supplier	Supply cost rose from R227 million in 2004 to R265 million in 2005	Contract	Monthly	
Shell South Africa	South African fuel supplier	Supply cost rose from R219 million in 2004 to R284 million in 2005	Contract	Monthly	
Other contractors and suppliers					
Various	Of all contractors and suppliers, 99% are South African registered	Total supply costs of 'other' contractors and suppliers excluding the above increased from R9 450 million in 2004 to R12 399 million in 2005	Various	Various	18 36 – 45 68
Communities¹					
Rustenburg (NW373)	Municipal area in North West province	Labour-sending area; part of Rustenburg Section's and BRPM's mine communities	Formal and informal meetings	Monthly and as needs arise	38 46 74 104 110
Moses Kotane (NW375)	Municipal area in North West province	Labour-sending area; part of Rustenburg Section's, Amandelbult Section's, Union Section's and BRPM's mine communities	Formal and informal meetings	Bi-monthly and as needs arise	
Mafikeng (NW383)	Municipal area in North West province	Labour-sending area	Via TEBA	As required	
Thabazimbi (NP361)	Municipal area in Limpopo province	Labour-sending area and part of Amandelbult's mine community	Formal and informal meetings; joint planning sessions	Quarterly and as required	
Mogalakwena (NP367)	Municipal area in Limpopo province	Labour-sending area; part of PPRust's mine community	Formal meetings	Quarterly and as required	
Greater Tubatse (CBL5)	Municipal area in Limpopo and Mpumalanga provinces	Labour-sending area; part of Leplats' mine community	Formal meetings	Monthly	
Fetakgomo (NP03A3)	Municipal area in Limpopo province	Labour-sending area; part of Leplats' mine community	Formal and informal meetings; joint planning sessions	Monthly	
Polokwane (NP354)	Municipal area in Limpopo province	Labour-sending area; part of PPRust's, Leplats' and Polokwane Smelter's communities	Formal and informal meetings	As required	

	Key attributes	Relationship to Anglo Platinum	Method of engagement	Frequency of engagement	Refer to page for details
Communities¹ cont.					
OR Tambo District Municipality	District municipal area in Eastern Cape province covering the following local municipalities: King Sabata Dalindyebo; Nyandeni; Port St Johns; Ntabankulu; Qaukeni; Mbizana; Mhlontlo	Labour-sending area	Formal and informal meetings	As required	
Tribal authorities, administrations and liaison committees including, inter alia, Photemfi and Lefaragatla community forums	Traditional leadership around operational areas	Surface lease, social and economic impacts of mining on the community	Meetings, workshops and presentations	As required	
Governmental bodies					
Central government	Various administrative departments including the DME	Some departments may only be visited on specific issues, such as home affairs (matters of work permits); other relationships are more permanent and relate to specific issues (e.g. legislation on mining rights, environmental management, environmental permits and licences)	Formal and informal meetings/ presentations	Various structures meet at various times	18 38 – 45 104 109 110
Parliament	Various administrative departments	Policy discussion and lobbying (both ways) take place at this level; also debate on overarching issues of mutual interest	Formal and informal meetings/ presentations	Various	
Limpopo provincial government	Various administrative departments	Provides administrative governance function at provincial level	Formal and informal meetings/ presentations	Various	
Komamani Forum	Various administrative departments	Provides administrative governance function at provincial level	Formal and informal meetings/ presentations	As required	
Mpumalanga provincial government	Various administrative departments	Provides administrative governance function at provincial level	Formal and informal meetings/ presentations	Various	
North West provincial government	Various administrative departments	Provides administrative governance function at provincial level	Formal and informal meetings/ presentations	Various	

¹ Mine communities are defined as being within 50km of a mine and a labour-sending area is defined as supplying more than 1% of any mine's workforce. A 'major' labour-sending area is defined, for purposes of the Mining Scorecard, as supplying more than 5% of the Group's total workforce.

	Key attributes	Relationship to Anglo Platinum	Method of engagement	Frequency of engagement	Refer to page for details
Governmental bodies cont.					
District and local municipalities	Various administrative departments	Local and community-specific issues are discussed, including economic, environmental and social impacts of operations; also part of stakeholder forums with Anglo Platinum and community representatives	Formal and informal meetings/ presentations	Various structures meet at various times	104
Independent government structures	Commission for Conciliation, Mediation and Arbitration; Commission on Restitution of Land Rights; Magalies Water Board; Mintek; National African Federated Chamber of Commerce; and the South African Reserve Bank	Focused working groups may work together for up to 18 months on specific issues (e.g. land restitution)	Formal and informal meetings/ presentations	As required	Various
SAPS	Various branches of the SAPS around Group operations	Addressing security risks and issues in partnership	Meetings and consultations	Monthly and as required	103 110
North West Parks	Administers the provincial parks in the North West province	Involvement in the formulation of the Heritage Park			55
Non-governmental organisations (NGOs)					
Association of Black Professionals in Mining	A network of black professionals in mining, supporting entry and development of blacks in the mining industry	Community development, mentorship and support	Meetings, seminars and workshops	As required	38 99
African Pathways for Youth Development	Polokwane-based youth development and training organisation	Social impacts and community development	Meetings	As required	106
Environmental Justice Networking Forum	South African environmental watchdog	Environmental impacts	Meetings	Public meetings	46 – 73
Kroondal Environmental Forum	Rustenburg area environmental watchdog	Environmental impacts	Meetings	Every second month	
LimDev	Limpopo Business Development Agency	Business development, training and funding	Workshops	As required	38, 99
Limpopo Education Development Trust	A public-private partnership to develop education in Limpopo province	Educational developments in Limpopo	Meetings and workshops	Monthly and as required	38, 99
Limpopo SMME Agency	A business development agency funded through government	SMME development and support	Meetings and workshops	As required	38, 106
Limpopo Business Support Agency	A business development agency funded through government	Business development training and funding	Meetings and workshops	As required	38, 106
South African Small Scale Mining Forum	A forum of BEE small/marginal mining operations	Community development, mentorship and support	Meeting, seminars and workshops	As required	38
Vision of the Nation and Tshupe Hospice	A home-based care centre for HIV/AIDS patients around local communities	Provider of home-based care services funded by the Group	Meetings	Quarterly	88 – 90
Limpopo Wetlands Forum	Limpopo environmental group	Environmental impacts	Electronic and meetings	As required	46 – 73
Mpumalanga Education Development Trust	A public-private partnership to develop education in Mpumalanga	Educational developments in Burgersfort	Meetings and workshops	Monthly and as required	99

	Key attributes	Relationship to Anglo Platinum	Method of engagement	Frequency of engagement	Refer to page for details
Non-governmental organisations (NGOs) cont.					
North West Eco Forum	Rustenburg area environmental watchdog	Environmental impacts	Meetings, consultations and presentations	Every second month	46 – 73
North West Education Development Trust	A public-private partnership to develop education in North West province	Educational developments in North West province	Meetings and workshops	Monthly and as required	107
Royal Bafokeng Economic Board	Economic board of the Royal Bafokeng Nation looking at development of SMMEs within the Royal Bafokeng Nation	An important partner in the development of SMMEs in and around RPM operations and communities	Meetings, workshops and presentations	Monthly and as required	38, 106
Royal Bafokeng Resources – Environmental Management	Environmental arm of the Royal Bafokeng Nation looking at environmental issues	Partners Anglo Platinum in environmental issues in and around RPM operations and within the mining communities of Rustenburg	Meetings, workshops and presentations	As required	46 – 73
Sekhukhune People Development Trust	Graduate and skills development in Sekhukhune district municipality	Community development	Meetings	Monthly as required	106
Trade and Investment Limpopo	Investment agency for Limpopo	Black economic empowerment supplier, development and preferential procurement	Meetings	As required	105 – 109
Waterberg Biosphere Reserve	Limpopo nature conservancy body	Environmental impacts	Meetings	As required	55 – 56
Wildlife and Environment Society of South Africa	South African environmental organisation	Environmental impacts	Meetings	As required	46 – 73
Educational Institutions					
Universities/ universities of technology/technical and community colleges	Educational institutions promoting required skills	Bursary programmes. Continuing education. MDP/MBA. Graduate development. Research sponsorship. Membership of faculty advisory boards Interaction on planning directly and via professional bodies. Major contributor to Mineral Education Trust Fund. Sponsorship of professorial seats.	Meetings	As required	39 41 43 95 – 99

Economic impacts

DIRECT VALUE ADDED TO SOUTH AFRICA

Anglo Platinum adds direct value to the following sectors of South African society:

Employees

Total payroll and benefits paid in South Africa			
R millions	2005	2004 ^a	2003 ^a
Gauteng	496,2	332,5	303,0
Limpopo	2 524,2	2 349,3	1 929,7
North West	2 886,3	2 948,2	2 741,3
Total	5 906,7	5 630,0	4 974,0
Wages	5 296,6	5 094,2	4 511,1
Pension	374,9	364,4	374,0
Other benefits	101,0	48,6	88,9
Redundancy payments	134,2	122,8	1,0
Total	5 906,7	5 630,0	4 975,0

^a Restated to exclude Modikwa

Public sector

Taxes paid of all types in South Africa			
R millions	2005	2004	2003
South African normal taxation paid	217,1	98,3	1 020,2
Secondary tax on companies	249,0	197,4	340,9
Royalties	161,3	169,2	21,6
Total	627,4	464,9	1 382,7

Donations in South Africa, R millions			
	2005	2004	2003
Community groups			
Cash	30,0	18,0	6,4
In-kind	0,3	0,2	0,7
Civil society groups			
Cash	5,6	20,0	6,6
Other groups			
Cash	18,4	53,8	41,2
In-kind	—	0,1	0,0
Total	54,3	92,1	54,9

Non-core infrastructure development ¹			
R millions	2005	2004	2003
Total	14,5	24,2	23,1

¹ This is infrastructure built outside main business activities, such as schools or hospitals for employees and their families.

Private sector

Suppliers

Cost of goods, materials, and services purchased, R millions	2005	2004	2003
Total	14 504	12 506	13 149
Of which, sourced from South Africa	13 789	12 412	12 941

Note: 100% of contracts were paid in accordance with agreed terms

Customers

Anglo Platinum is primarily a PGM producer operating in South Africa. All other metals produced are a by-product from the PGM process. The following analyses of the Group's revenue are based on the end use of the metals sold, rather than on the location of its primary customers.

Gross sales revenue splits, R millions	2005	2004	2003
Platinum	14 767,5	13 609,5	11 793,5
Palladium	1 749,1	1 911,9	1 746,7
Rhodium	4 063,9	1 475,1	923,1
Nickel	1 748,4	1 811,3	1 357,0
Other	979,5	817,0	688,3
Total	23 308,4	19 624,8	16 508,6
North America	1 861,2	2 267,1	1 934,6
Asia	9 480,8	6 146,2	5 202,0
Europe	6 440,2	6 865,3	6 306,4
Africa	5 484,9	4 313,5	3 048,5
Other	41,3	32,7	17,1
Total	23 308,4	19 624,8	16 508,6

The following data represents the Group's output as a proportion of demand, as defined by Johnson Matthey as 'sales of new metal'.

Market share of global demand, %	2005	2004	2003
Platinum	37	37	36
Palladium	20	20	22
Rhodium	42	35	34

Providers of capital

Distributions to providers of capital, R millions	2005	2004	2003
Interest paid	386,7	557,1	487,4
Dividends	2 028,7	1 579,6	2 731,6
Total	2 415,4	2 136,7	3 219,0
Increase (decrease) in accumulated profit	2 673,5	943,1	(639,7)

INDIRECT AND OTHER ECONOMIC IMPACTS

Procurement

In 2005, the Group spent R14 504 million on the procurement of goods and services with suppliers, broken down approximately as follows:

■ Capital	R4 097 million
■ Contracting fees	R1 530 million
■ Consumables	R8 877 million

Preferred supplier status for HDSAs

Preferential opportunities for discretionary procurement in both capital and operating expenditure are afforded to HDSA-owned or HDSA-empowered companies. This preference is ranked in terms of:

1. HDSA-owned companies >50,0%;
2. HDSA-empowered companies >25,0%;
3. Companies without HDSA participation.

Other factors such as gender or persons with disabilities are also taken into account.

Anglo Platinum's vendor database for HDSA-owned, HDSA-empowered and HDSA-influenced totalled 977 companies. Despite stricter vendor accreditation criteria, the number of companies has increased by 299 (44%) compared to 2004. Of these, the Group contracted with 441 HDSA vendors in 2005.

The Group's supply chain produces monthly records of expenditure in percentage and monetary values of procurement from HDSA vendors, split into capital, consumables and services. The report is distributed monthly to various management teams and to operations.

2005 levels of procurement from HDSA vendors and future targets

In 2005, services and products worth R1,97 billion, 17,4% of the Group's discretionary procurement spend, was with HDSA vendors. This represented a doubling in HDSA spend over that achieved in 2004. The 2006 target for total Group HDSA spend is 18%.

A breakdown of the Group's 2005 total discretionary spend with HDSA vendors shows:

	2004 R millions	2005 target %	2005 actual %	2005 R millions	2006 target %
Procurement spend					
HDSA-empowered companies					
Capital goods	198	11,3	5,5	216	14,1
Consumables	467	14,9	19,0	730	15,5
Services	154	15,2	12,0	427	20,2
HDSA-owned companies					
Capital goods	20	0,4	1,9	75	0,5
Consumables	90	1,2	2,8	106	1,4
Services	49	2,0	11,8	419	2,3
Local companies¹					
Capital goods	20	0,4	0,2	23	0,5
Consumables	99	2,6	0,6	65	3,5
Services	81	3,0	2,5	227	3,5

¹ Numbers are best estimate and systems are being refined to more accurately reflect local spend.

EMPOWERING SMMEs

Anglo Platinum has an active and wide-ranging socio-economic development (SED) programme that specifically targets emerging small businesses owned by historically disadvantaged South Africans (HDSAs) in areas where Anglo Platinum operates. Often such interventions are made in association with local stakeholders and outside development and training agencies. Two examples of Anglo Platinum's SED programme in action during 2005 are outlined here:

Training in quality management and in safety, health and environment

Anglo Platinum, in partnership with a developmental institution organises and funds training for HDSA vendors in two critical success areas for sustainable development, namely quality management and safety, health and environment. To make the products of small businesses locally and internationally competitive, best-practice quality management systems need to be applied to the products and services, whether in the form of ISO certification or SABS standards. Workshops for small entrepreneurs introduce these concepts and provide training in how to apply them in their own businesses. Support is subsequently provided either to obtain accreditation or to provide training in becoming a safety representative, with safety being a key concern for contractors at Anglo Platinum mines.

Capacity-building in Limpopo province

Some of South Africa's poorest rural areas are located in Limpopo province. Here, Anglo Platinum's mining operations provide a key lifeline to local economic development and job creation through the support of small business development. Anglo Platinum projects include funding for training and skills transfers to small, medium and micro enterprises (SMMEs) in areas as diverse as management skills, financial skills, costing and pricing, as well as tendering. As a direct result, nine small businesses successfully obtained contracts in 2005 at local mines to provide services such as cleaning, building, fencing and bus transport.



During the year, Anglo Platinum assisted 293 HDSA vendors with training on the e-procurement platform known as Quadrem, established by 15 companies involved in the metals and mining industry in South Africa, in collaboration with government. Quadrem is an electronic sourcing tool that matches a company's request for goods and services with vendors.

OWNERSHIP AND JOINT VENTURES

Anglo Platinum is proud of the contribution it has made to empowerment, having facilitated

numerous empowerment transactions for projects and at existing operations. These transactions include:

- The facilitation in August 2000 of the purchase of 22,5% of Northam Platinum by Mvelaphanda Resources;
- The formation in August 2001 of the Modikwa Platinum Project, a 50:50 joint venture with a consortium led by ARM Platinum;
- The establishment in July 2001 of a 50:50 joint venture with Royal Bafokeng Resources, the Bafokeng-Rasimone Platinum Mine, inclusive of the Styldrift project area;

- The formation in August 2002 with Lonmin Platinum of the Pandora joint venture, which includes the participation of the Bapo Ba Mogale tribe and Mvelaphanda Resources as empowerment partners;
- In 2004 a joint venture agreement with Plateau Resources to develop the Ga-Phasha PGM project;
- Agreement of the principles of the Booyendal joint venture with Khumama (Pty) Limited, an HDSA consortium that will exploit the PGM resources on certain portions of the farms in the Der Brochen area;
- In October 2005, Anglo Platinum signed an agreement with Eland Platinum Mines (Pty) Ltd (Eland Mines) for the disposal of its mineral and surface rights on the property Elandsfontein 440 JQ for a cash consideration. The Ngazana

Consortium, led by Dr Penuell Maduna, and incorporating prominent business-women among a broad base of HDSAs, holds an unencumbered 26% interest in Eland Mines. The board of Eland Mines has plans to develop a mine which may result in the creation of 2 000 jobs; and

- Anglo Platinum has entered into a number of joint venture exploration agreements that allow for HDSA participation including the Thusong, Boikgantsho, Kwanda and PTM joint ventures. The Group already meets its 2009 target of 15%.

In addition to these empowerment joint ventures, Anglo Platinum also has a joint venture arrangement with Aquarius Platinum at Kroondal and Marikana Mines. The Group concluded the formation of the Mototolo Project with Xstrata in October 2005.

ENSURING THAT BEE IS LEGITIMATE – ELIMINATING ‘FRONTING’

‘Fronting’ occurs when suppliers of goods and services give a false impression of being black economic empowerment (BEE) suppliers by ‘window dressing’ their companies with historically disadvantaged South Africans (HDSAs) who have no real management or significant ownership function within the company. While Anglo Platinum has demonstrated its early and consistent support for BEE, we share government’s desire to eliminate such ‘fronting’ exercises as essentially fraudulent and demeaning to real emerging BEE entrepreneurs and we support the use of penalties to regulate such activities. Anglo Platinum will not treat black business people as public relations material, and thus insists on transparency in doing business that ensures that the intentions of the mining charter are successfully and meaningfully implemented.

Traditionally white-owned businesses may be tempted to form a ‘fronting’ HDSA company to secure future Anglo Platinum business as our HDSA requirements become more onerous. Anglo Platinum will not tolerate this.

Anglo Platinum has implemented a rigorous HDSA vendor accreditation process to ensure that ‘fronting’ is eliminated by checking company records and details of ownership structures. These credentials are reviewed from time to time.

MANUFACTURED CAPITAL – BENEFICIATION

Current beneficiation position

Beneficiation, or value addition to raw materials, occurs at each step of the PGM value chain from mining to finished-metal manufacturing. However, in the spirit of current mining legislation the term is used in reference to finished-metal manufacturing. Anglo Platinum's core competencies lie within mining and refining of PGMs, not in the downstream manufacturing of PGM products. Hence, Anglo Platinum has little competitive advantage in a direct involvement in downstream beneficiation but will, however, play a facilitation role. In line with the white paper – *A Minerals and Mining Policy for South Africa* (released in 1998) – Anglo Platinum is of the opinion that any decisions on beneficiation projects must be based on sound economic and market principles for long-term planning.

Mining companies tend to compete on the basis of comparative advantages, i.e. mineral endowment and access to ore bodies, while manufacturing beneficiation will compete on the basis of competitive advantages, i.e. an enabling economic environment and customer requirements.

Anglo Platinum's vision is to participate in PGM beneficiation facilitation in South Africa. This means assisting in developing capacity, creating markets as well as lobbying government for an enabling environment for fabricators to establish economically sound, sustainable and globally competitive industries within South Africa. Anglo Platinum's beneficiation strategy is built on four pillars: fabricator research and end-user research, R&D, exploration of opportunities

and participating in the formation of a national strategy.

In 2005, Anglo Platinum assigned dedicated resources towards beneficiation of jewellery and industrial development respectively. Anglo Platinum has been and continues to be active in jewellery development.

2005 saw the adoption of the Precious Metals Bill by parliament, the intent of which is to enable greater access to precious metals and to further promote downstream beneficiation within South Africa. Although Anglo Platinum supports the intent of the bill, it has expressed certain reservations on whether the regulatory regime envisaged will achieve its objectives. The Group continues to engage the DME on the implementation of the provisions of the bill. Further clarity is required on the definition of facilitation of beneficiation as well as identification of the key stakeholders who can drive the effort. Nevertheless, in support of promoting greater PGM beneficiation in South Africa, Anglo Platinum will continue to engage and encourage PGM manufacturers to consider South Africa as an option for establishing or expanding their manufacturing operations.

Anglo Platinum has played, and continues to play, a significant role in sponsoring R&D initiatives into additional uses of PGMs to grow the market. The Company views such activities as a means of facilitating beneficiation by building capacity through the development of skills.

Capacity-building is a key factor in creating a long-term sustainable and globally competitive PGM beneficiation industry within South Africa and is at the foundation of Anglo Platinum's beneficiation strategy.

The Platinum Development Initiative (PDI) is a platinum-industry-wide collaborative project that Anglo Platinum supports, with a focus on developing new industrial uses for platinum. The concept of the PDI was proposed by Anglo Platinum in 1995 and was formally set in motion in 1997. Members of the PDI include Anglo Platinum, Impala Platinum, Lonmin Platinum and Mintek. The role of the platinum industry has been to support the initiative through funding while steering the PDI towards commercialisation, and that of Mintek has been primarily to conduct fundamental research with a view to commercialisation, co-ordinate further funding, e.g. through state structures, and to

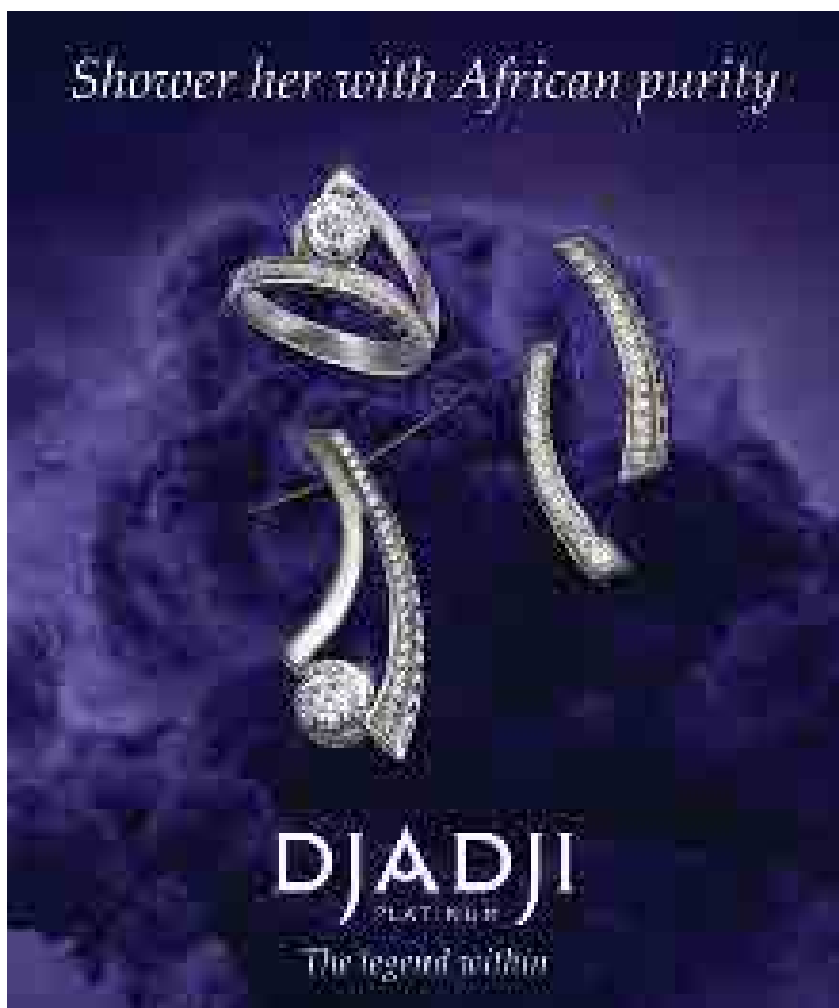
promote its research efforts as a means of enhancing capacity in South Africa through collaborative efforts with other researchers and end-users.

Jewellery fabrication

In 2005, the Group continued to actively support the local jewellery industry by proactively assisting the industry in its efforts to grow and use more platinum for both local and export markets.

Research has shown that the best way for Anglo Platinum to increase local platinum jewellery beneficiation is to assist in creating

“The number of South African jewellers stocking platinum jewellery has increased significantly in 2005.”



Platinum jewellery from the 'Djadji' range of branded platinum jewellery.

an enabling environment and to facilitate the building of local capacity and competence. The Group's strategy to increase local platinum jewellery fabrication includes:

- Increasing consumer awareness of platinum jewellery to drive retail demand;
- The stimulation and development of design and manufacturing excellence by supporting a design competition;
- Assisting the industry in building technical capacity through bursaries, development of platinum studios and advanced training;
- Developing an enabling environment with the Jewellery Council, including a platinum loan facility for jewellery fabricators (such a loan facility was created in 2005 and is administered by Johnson Matthey); and
- Investigating, with relevant partners, investment into downstream activities within the manufacturing and retail domain.

PlatAfrica jewellery competition and platinum awareness

This year, the PlatAfrica design competition had 22 professional entries and 45 student entries. The quality of workmanship continues to improve year on year, particularly from students enthusiastic about working with this unique metal. The objective of the design competition remains to promote innovation in

design and competence in technical manufacture of platinum jewellery. An outcome of the competition is a growing awareness of platinum jewellery by consumers and a realisation that South African designers are world-class. In raising awareness a number of public exhibitions were held, bringing the platinum message of 'pure, rare and eternal' into the hearts and minds of consumers.

It would appear from initial assessments that the number of South African jewellers stocking platinum jewellery has increased significantly in 2005, with the biggest demand coming from the bridal sector of the market. The number of jewellers competent in platinum manufacturing has increased substantially and they are now able to offer clients a wider range of platinum jewellery. Anglo Platinum will continue to bring international jewellery fabrication experts to South Africa to assist in improving capacity among local fabricators.

Capacity-building

The development of local human capacity is fundamental in growing the local platinum jewellery industry. Until recently only the Tshwane University of Technology offered platinum in its design and manufacture programmes. During the year, Anglo Platinum committed to funding for additional facilities at the universities of Stellenbosch and Johannesburg and has pledged support to the Cape Peninsula University of Technology and the College of Cape Town.



Lindiwe Hendricks, Minister of Minerals and Energy at the PlatAfrica Jewellery Awards, in October 2005, with Ralph Havenstein, Anglo Platinum's CEO.

JM platinum/palladium sales into the South African market in ounces	2005	2004	2003
Platinum	1 074	630	406
Palladium	3 016	608	133

In 2005, the Group provided four students with bursaries in jewellery design and manufacturing. A further two final-year students have received support to study a masters design programme at the Creative Academy in Italy, after securing bursaries from the luxury goods company, Cartier.

Jewellery manufacturing and marketing

In 2005, the Group, in partnership with the North West provincial government, launched

a platinum-branded range called 'Djajji', via the World of Platinum, a South African platinum jewellery marketing company. Seven local retailers are already stocking the Djajji platinum range.

Sales of platinum jewellery continue to grow in South Africa, albeit from a low base. The table on the previous page reflects Johnson Matthey's metal sales into the local jewellery market.



Nina Newman (left), a lecturer at Tshwane University of Technology jewellery department, oversees Hesti Prinsloo's design. Hesti is a fourth-year student.

PLATAFRICA JEWELLERY COMPETITION AND AWARDS



PlatAfrica is South Africa's most prestigious platinum jewellery competition that showcases platinum jewellery pieces designed by budding and established designers. The PlatAfrica jewellery competition initiative is a joint venture between Anglo Platinum, Johnson Matthey and the Metal Concentrators Group, in support of beneficiation and the platinum jewellery industry in South Africa. Attracting limited participation from local entrepreneurs in 1999, PlatAfrica has since grown from strength to strength and is now attracting participation from a host of designers from every corner of the country. PlatAfrica promotes talent, growth and development of small businesses and, in so doing, creates wealth, opportunities and jobs for fellow South Africans.

The 2005 awards were presented by the Minister of Minerals and Energy, Lindiwe Hendricks. The most prestigious prize went to Johan Louw of Uwe Koetter Jewellers, with first prize in the student category going to Jane Katherine Walsch from the Tshwane University of Technology.

The growth and development of small industries is the key to a successful economy. In this regard, the PlatAfrica jewellery competition reinforces Anglo Platinum's commitment to South Africa's long-term future.

“All operations comply with the new ISO14001:2004 standard and retained their certification in 2005.”

Environmental management

POLICY

The Group is committed to sustaining a safe and healthy environment for all its employees and members of communities with which it interacts. The Group therefore established an integrated policy that has five specific environmental aims and eight management principles. Its aims are:

- To conserve environmental resources;
- To prevent or minimise adverse impacts arising from the Group's operations;
- To demonstrate active stewardship of land and biodiversity;
- To promote good relationships with, and enhance capacities of, the local communities of which the Group is a part; and
- To respect people's cultural heritage.

The management principles are:

- Commitment;
- Competence;
- Risk assessment;
- Prevention and control;
- Performance;
- Evaluation;
- Stakeholder engagement; and
- Continual improvement.

ENVIRONMENTAL MANAGEMENT SYSTEM

All operations within the Group have implemented a formal environmental management system that complies with the ISO 14001:2004 standard. ISO 14001 is an international standard for environmental management systems (EMSs) and is based

on three key principles, namely prevention of pollution, compliance with relevant environmental law and continual improvement in both the system and environmental performance. Achievement and continued ISO 14001 certification by an independent accredited certification body gives testimony to a company's environmental commitment to stakeholders. It also means that all operations have appropriate management systems in place to ensure compliance with the management principles.

All operations maintained their ISO14001 certification during 2005. Polokwane Metallurgical Complex was certified for the first time during 2005. During the year the certification body was changed from BSI (British Standards Institute) to DQS German Association for Certification of Management Systems (Pty) Ltd, when DQS bought out BSI. However, all BSI certificates remain valid until new certificates are issued by DQS following the normal advancement audits.

The Group fosters creativity and continual improvement in environmental management and performance. A thorough environmental strategy review was conducted towards the end of 2004 to highlight areas where improvements should be made during 2005 and beyond. The strategy identified many opportunities for improvement. These are tabled overleaf. The progress to date is given in the right-hand column.

STAKEHOLDER ENGAGEMENT

Stakeholders are continually engaged through comprehensive public participation processes during the development and implementation stages of all major capital projects as well as by individual operations. ISO 14001 requires that each operation

consider processes for external communication on its significant environmental impacts. To this end, each operation has compiled a comprehensive stakeholder list from an environmental perspective.

The Group also continues to develop and enhance its positive working relationship with key government departments tasked with implementing environmental laws. Regular contact is maintained through environmental liaison, EMP meetings, and frequent site visits to Group operations.

During 2005, Rustenburg Section, in conjunction with the Waterval Smelter and Base and Precious Metals Refineries, hosted a public open day. Even though the open day was primarily to give the local community and government officials the opportunity to interact with personnel on environmental issues, the exhibits also featured community health issues, housing, corporate social investment, wellness and HIV/AIDS programmes. Raising environmental awareness in the communities in which the Group operates is also a key part of the environmental strategy.



A view up the Der Brochen valley, Mpumalanga. Anglo Platinum has developed a draft sustainable development vision for the valley that will influence mine development and be discussed with other stakeholders. Details on page 56.

Continual improvement areas identified in 2004 strategy	Progress to date
Improve recycling	Recycling of materials in 2005: 65 tons paper, 50 tons glass, 21 800 tons metal, 423 tons plastic, 183 tons hazardous waste, 23 500 tons non-hazardous waste, 7 tons grease and 876 kilolitres of used oil.
Integrate environmental issues into business plans	Environmental issues were included in the operations' long-term plans for the first time in 2005.
Integrate SHE, Turnbull and corporate risk management systems	Environmental risk assessment matrix was aligned with Turnbull matrix.
Set uniform environmental standards for new developments	Two new procedures to address this issue were compiled during the year; one to ensure uniform environmental standards during the execution of projects and the other setting out uniform standards for compiling, submitting, implementing and auditing statutory environmental management programme reports.
Further reduce emissions to air	Sulphur dioxide emissions reduced by a further 25%. A reduction of 73% has now been achieved since 2003. Particulate emissions from point sources reduced by 24%.
Increase focus on life-cycle analysis and product stewardship	A risk assessment has been completed for all products and is being evaluated.
Reduce water use and energy intensity	Water intensity target was achieved; energy intensity target was not achieved. Energy manager was appointed and energy technology project was officially launched.
Focus on innovation and cleaner technology	The REMIS (spatial environmental database) is being rolled out to more operations, electrostatic de-ionisation pilot plant is being tested at BRPM, bio-remediation trials at PPRust are ongoing. Boiler emission stack abatement equipment was installed at RBMR, a new high-grade incinerator was installed at PMR to further reduce emissions of dioxins and furans.
Further raise environmental awareness	Many awareness-raising projects were completed at operations. These included Arbor Day celebrations, anti-littering campaigns at operations and local villages, environmental awareness campaigns at local schools, excursions for local school children to game parks, oil pollution prevention campaigns and biodiversity awareness workshops.
Engage supply chain more actively on purchasing policies	Much closer ties were fostered during the year with supply chain. There was interaction on the following issues: waste management contract, fuel supplier contract, environmentally acceptable degreaser investigations and bio-remediation investigations.
Focus on ensuring ongoing compliance with commitments in EMPs, procedures, permits and other requirements.	Legal compliance audits were completed at most operations during the year. New integrated SHE legal register was launched. This legal register links environmental aspects and impacts directly with actual legal requirements and also gives immediate access to the full version of the law as well as commentary to explain the requirements in easily understood language.

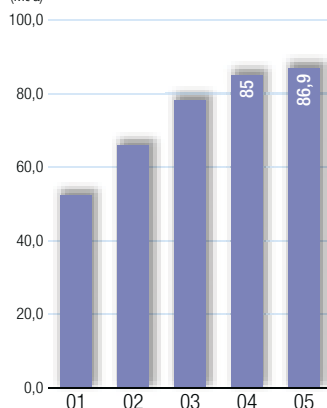
ENVIRONMENTAL PERFORMANCE

Materials

Bulk materials used include rock mined in underground and open-pit operations, milling of the mined rock, liquid fuels, coal, grease and lubricants. Bulk material use over the years is increasing due to the fact that operations are continually expanding production. Key bulk material use is illustrated in the charts below. The Group does not currently use waste, processed or unprocessed, from external sources.

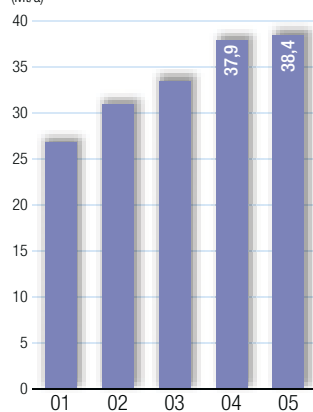
Rock mined^a

(Mt/a)



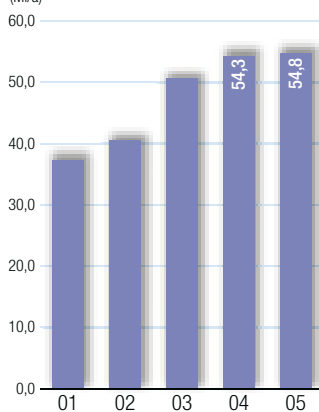
Ore milled^a

(Mt/a)



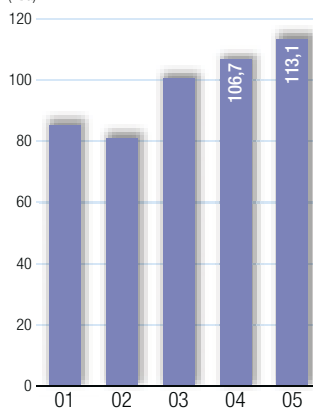
Fuels used

(Mt/a)



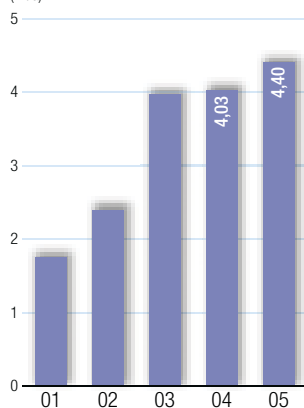
Coal used

(kt/a)



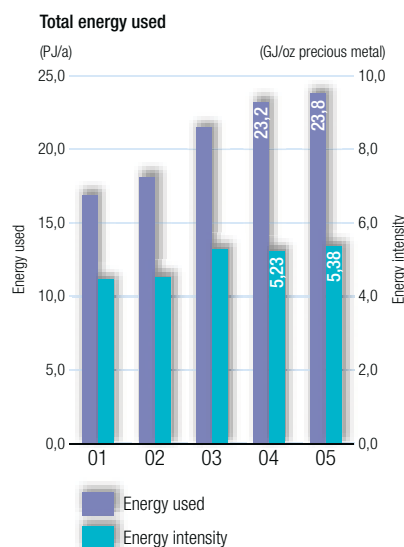
Lubricating and hydraulic oils

(Mt/a)



^a Rock mined data excludes Twickenham production and includes 100% of managed joint ventures.

Ore milled includes 100% of managed joint ventures.



Energy

Annualised energy footprint

Mining operations utilise the most amount of energy. The key energy uses at mining operations are compressed-air supply, ventilation and cooling requirements, winders and pumps. Smelting operations account for the second-largest energy use in the Group. At the concentrators the key energy users are the milling, flotation, tailings and crushing operations.

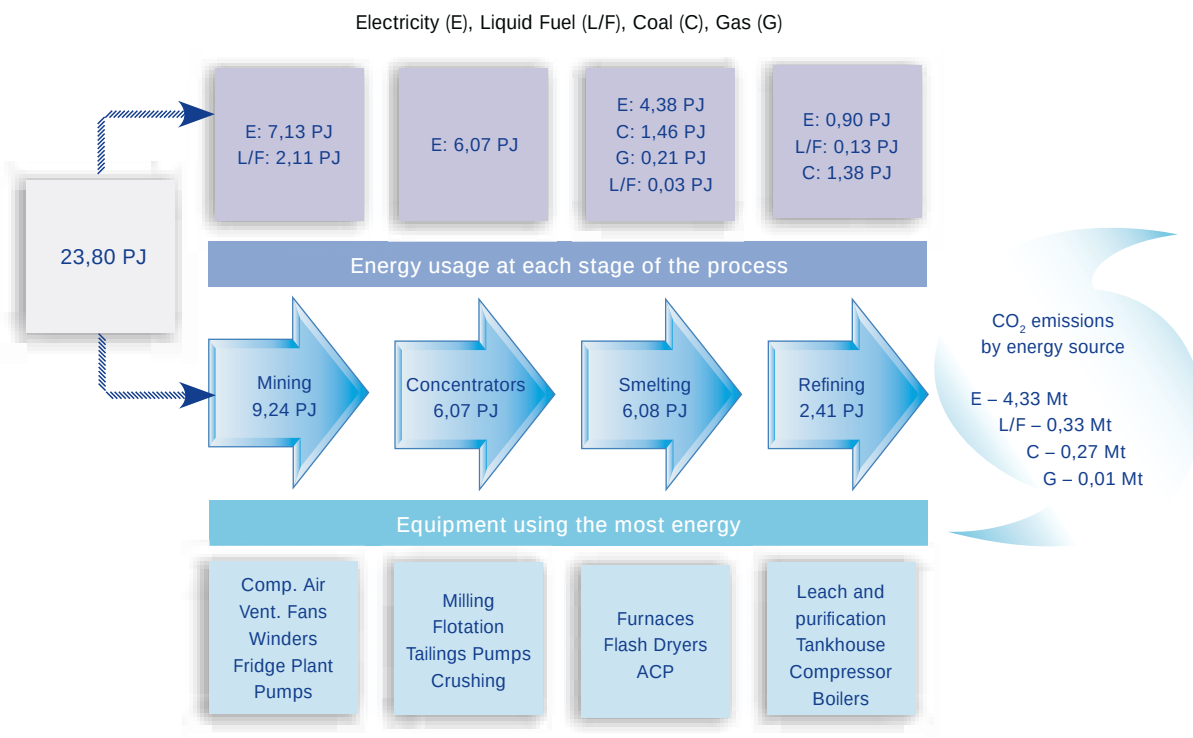
About 78% of the total energy consumed comes from electricity supplied by the national electricity utility. The second-largest source of energy is from liquid fuels, mostly diesel.

Total energy use and intensity

The total energy consumption, in absolute terms, increased by 2,6% from 23,18 million gigajoules in 2004 to 23,80 million gigajoules in 2005. Rustenburg Section, Waterval Smelter and Polokwane Smelter contributed most to the increase in absolute energy consumption (843 000 gigajoules), while PPRust, Amandelbult Section, Union Section, RBMR and PMR used less energy than in 2004 (263 000 gigajoules). The largest consumers of energy in the Group are Rustenburg Section with 5,76 million gigajoules and the Waterval Smelter with 3,98 million gigajoules. Leplats and PMR consumed the least amount of energy.

Total energy intensity per ounce of precious metal in concentrate increased by 2,9% from 5,23 gigajoules in 2004 to 5,38 gigajoules in

ENERGY FOOTPRINT – 2005



2005. The adjusted¹ target of 5,17GJ/oz of precious metal in concentrate was not achieved during 2005. The reasons for the target not being met are due to a slight reduction in ounces precious metal in concentrate from 2004 to 2005; increased energy consumption at the smelters during the start-ups following the furnace rebuilds without a commensurate increase in production; and finally, the increased mass-pull strategy at the concentrators in the first three quarters of 2005 that had a significant negative impact on energy intensity at the Waterval Smelter.

While it is still the intention of the Group to improve its energy intensity, it recognises the shortcomings of a single indicator based on ounces of precious metal in concentrate. It intends to set intensity targets during 2006, based on mining, concentrating, smelting and refining. Such separate targets will

improve benchmarking within the Group and with its peers.

Energy used for organisational travel is currently excluded from total energy use calculations. Energy used for transport of product is excluded, as it is not material. Energy used by third parties to transport concentrates and furnace matte between mines and smelters is also excluded from total energy use calculations.

The use of renewable energy is insignificant with Union Section being the only mine using renewable energy from a water-driven turbine in the shaft.

From the table below it seems that Rustenburg Section is far more energy-efficient than other mining operations. This is due to the fact that the energy use and tons milled at the Western Limb Tailings Retreatment Plant is included in the

Energy intensity targets per operation

Total energy intensity	2005	Target 2005	Target 2006
Mines, megajoules per ton milled			
Rustenburg Section	330	320	320
Amandelbult Section	496	451	451
Union Section	521	522	522
PPRust	475	470	470
Leplats	511	490	490
BRPM	405	417	417
Processing plants			
Waterval Smelter (megajoules per ton of converter matte produced)	95 021	76 598	90 000
Polokwane Smelter (megajoules per ton of furnace matte produced)	30 961	— ^a	30 000
RBMR (megajoules per ton of base metals produced)	47 781	51 420	60 000 ^b
PMR (megajoules per refined ounce of PGMs and gold)	207	259	190 ^b

^a No 2005 target due to production ramp-up

^b These targets were adjusted to reflect the actual energy split between RBMR and PMR

¹ The target was changed from 5,12 GJ/oz to 5,17 GJ/oz after publication of the 2004 sustainable development report as the conversion factors for fuels were changed from Net Calorific Value (NCV) to Gross Calorific Value (GCV) as required in the GRI Energy Protocol (the base for 2004 was thus 5,23 GJ/oz and the target 1% less at 5,17 GJ/oz).

Rustenburg Section figures. Union Section looks inefficient when compared to the other mines, but it must be borne in mind that the Mortimer Smelter energy use is included in the intensity calculation. Energy intensity at Waterval Smelter includes the converting process. It is therefore not possible to compare its intensity with that at Polokwane Smelter as the latter does not have a converting process.

The mining operations' intensity targets are kept constant for 2006 in anticipation of the splitting of these into 'mining' and 'concentrating' during 2006. The new intensity targets will be finalised during 2006 and public reporting against these targets will commence in the 2006 sustainable development report.

LOW ENERGY EQUALS HIGH SAVING AT AMANDELBULT

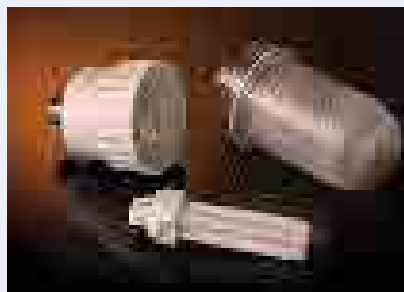
Amandelbult Mine expects to cut its carbon dioxide emissions and save more than R3 million a year by replacing its existing lights with low-energy light bulbs.

A survey found that hostels, shaft surface areas, training centres, hospitals and other buildings above ground consumed more than R1,46 millions-worth of electricity a year. Underground lighting costs even more as the mine's 32 673 lights were on all year round.

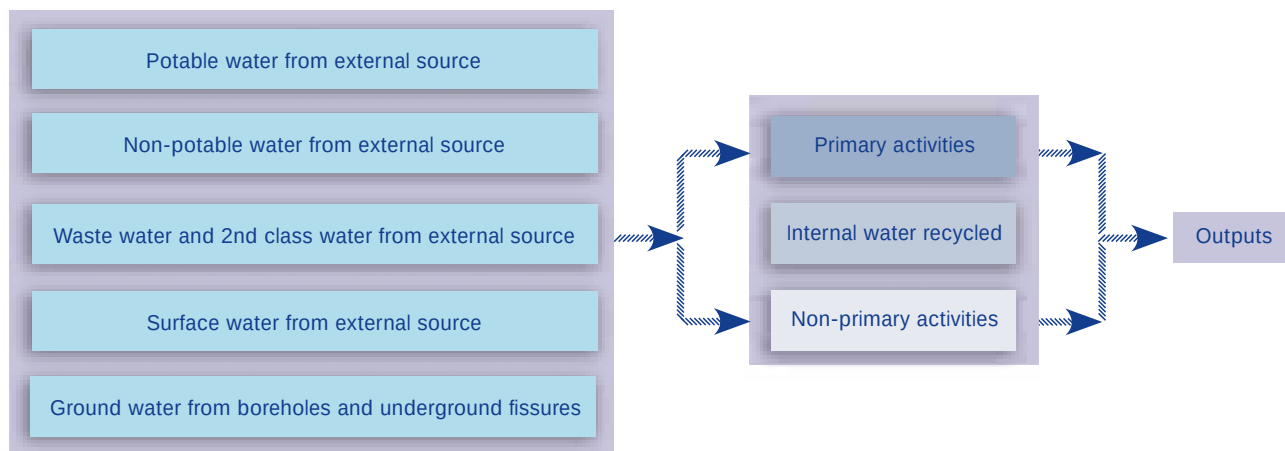
The mine is now investing R4 million to replace all its surface and underground lights with Voltex low-energy light bulbs that have specifically been designed and manufactured for mining applications.

This should save the mine an estimated 68 186 gigajoules of energy annually – a cut of 2,41% compared with the mine's 2004 electricity usage.

The switch to low-energy bulbs should cut the mine's annual electricity bill by R2,6 million. As the new bulbs will need replacing less often, maintenance costs are expected to drop by around R1 million a year.



WATER ALLOCATION



Energy efficiency project

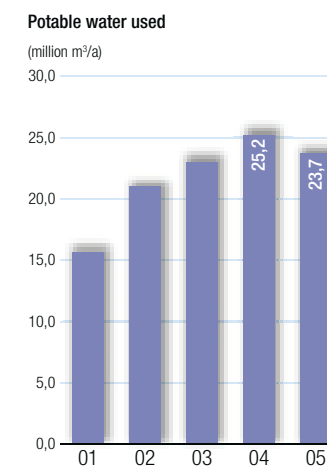
An energy efficiency team was launched in 2005 and an energy manager and steering committee were appointed. Eight energy management teams, each with a specific mandate, were established. The group is participating in the voluntary energy efficiency accord that was signed between the mining industry and the Department of Minerals and Energy.

Water

Water use at Anglo Platinum is divided into water use for primary activities, water used for non-primary activities and internally recycled water, as illustrated in the diagram on page 52. Primary activities include all water use to produce the products of the Group, from mining to refining. It excludes domestic and recreational use. Internally recycled water is also excluded from the water use for primary activities parameter.

Potable water is sourced from parastatal water utilities. Non-potable water usage at managed operations is very low and comes from various raw-water sources. The key supplier of non-potable water in the eastern limb is the Lebalelo pipeline, for which water is extracted from the Olifants River. Waste and second-class water is sourced from municipal sewage plants to supply process water to some operations, notably PPRust. Surface water from external sources is water-extracted directly from rivers and dams, excluding on-site pollution-control dams and tailings return water dams. Rain water collected in the open pit at PPRust and used is, however, included in the surface water parameter. The ground water parameter includes ground water from boreholes used for primary and non-primary activities as well as fissure water from underground operations where this can be measured with some accuracy.

There are no water sources or related ecosystems (such as Ramsar-listed wetlands) or habitats significantly affected by the Group's extraction and use of water.



Water use for primary activities intensity per operation

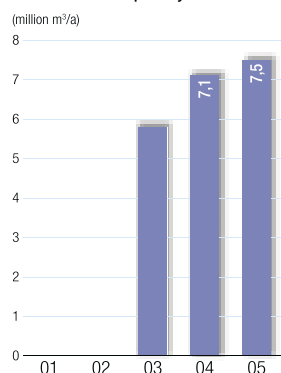
Water used for primary purposes intensity	2005	Target 2005	Target 2006
Mines, cubic metres per ton milled			
Rustenburg Section	0,43	0,48	0,45
Amandelbult Section	0,92	1,14	0,90
Union Section	0,45	0,48	0,47
PPRust	0,76	0,72	0,76
Leplats	0,94	1,50	1,00
BRPM	0,73	0,77	0,75
Processing plants			
Waterval Smelter (cubic metres per ton of converter matte produced)	40,47	30,25	35,00
Polokwane Smelter (cubic metres per ton of furnace matte produced)	6,41	— ^a	8,00
RBMR (cubic metres per ton of base metals produced)	19,34	17,8	17,80
PMR (cubic metres per refined ounce of PGMs and gold)	0,054	0,055	0,052

^a Ramp-up operation

^b Target adjusted upwards to reflect anticipated change in ore mix.

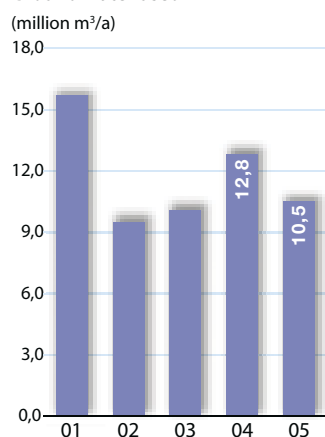
Note: the water used for primary activities intensity at Waterval Smelter and Polokwane Metallurgical Complex should not be compared as the water-use intensity at Waterval Smelter also includes the converting processes.

Water use for non-primary activities

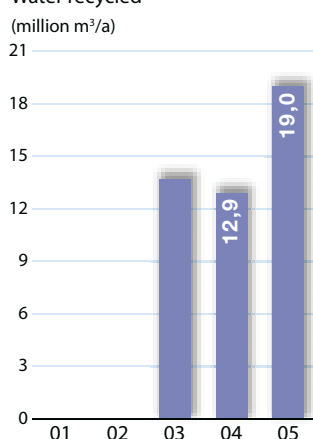


* 2001 and 2002 figures not given due to low confidence.

Ground water used



Water recycled



*2001 and 2002 figures not given due to low confidence.

Total water use for primary activities and intensity

Water use for primary activities, in absolute terms, decreased from 32,7 million m³ during 2004 to 25,5 million m³ in 2005, a decrease of 22%. Rustenburg, Amandelbult and Union sections and RBMR contributed the most to the actual reduction in water usage for primary activities (3,1 million m³). A large reduction in water usage for primary activities was reported by Leplats during 2005 (4,6 million m³); this reduction is due to the fact that recycled fissure water is no longer included in the water used for primary activities as the mine now has a sophisticated real-time water balance that is used to differentiate between new water and recycled water. The mine previously included recycled underground water in its water use for primary activities. The mine, in fact, uses very little new water for primary activities. Increases in water usage for primary activities were reported by PPRust (31%), Waterval Smelter (16%) and PMR (31%) during 2005 (1,4 million m³). The savings achieved at other operations, however, still offset the increased consumption.

The largest consumers of water for primary activities are Rustenburg Section (7,5 million m³), Amandelbult Section (5,5 million m³) and PPRust (3,4 million m³). PMR and Polokwane Smelter consumed the least amount of water for primary activities in 2005 (0,2 and 0,3 million m³ respectively).

Water used for primary activities per ounce of precious metal in concentrate decreased by 22% from 7,37 m³ (restated from 7,4 m³) in 2004 to 5,77 m³ in 2005. While this decrease is mostly due to the reallocation of water at Leplats, some operations have improved their efficiencies, as illustrated in the table at left. The target of 7,33 m³ per ounce of precious metal in concentrate was thus achieved.

Potable water used was 23,7 million m³ during 2005. Approximately 30% of the potable water intake is used for non-primary activities such as domestic and recreational use.

Ground water used was 10,5 million m³ during 2005 and water use in non-primary activities, such as domestic and recreational use, was 7,2 million m³ during 2005.

PPRUST PLANS TO USE RECYCLED WATER

PPRust is likely to require an additional 14 megalitres per day (ML/d) of water if expansion of the mine goes ahead. The mine has considered a number of options to source additional water including use of either potable water, ground water or recycled purified sewage effluent. The use of potable water was deemed inappropriate and unsustainable.

Therefore PPRust evaluated the option of using a recycled purified sewage effluent from Polokwane. An agreement was concluded in 2005 with the Polokwane local municipality to purchase and use the town's purified sewage effluent.

A 64km-long pipeline will be constructed from Polokwane to convey the 14 ML/d of water. The environmental impact assessment for the pipeline corridor has been approved by the Department of Environmental Affairs and Tourism. Construction will commence shortly once a decision has been made whether to expand the PPRust concentrator plant by 600 kt/m.

This project will result in a saving of potable water resources and will ensure that the mine has sufficient water fit for the purpose of expanding its operations.

Recycled water

Water recycled from internal sewage plants, tailings return-water dams, underground operations and other internal surface water sources are not included in water used for primary or non-primary activities. The total recycled water from processes (19 million m³ during 2005) should be viewed as an approximation, as some operations do not yet accurately measure recycled water.

BIODIVERSITY

Land owned, leased and managed

Land under Group charge for current mining activities

The Group holds surface and freehold rights over large tracts of land, but uses a relatively small section of this land for mining and infrastructure. The 'land under Group charge' parameter includes all land owned, leased or where surface rights exist and that is under the management and control of the Group. Before 2004, all land covered by mineral rights was included in this parameter. As from 2004, this parameter no longer equates to the total mining authorisation areas, as these often fall outside the managed areas and may be held privately, by the state or by local authorities. The Group has no management influence over such land. The increase in 2005 is due largely to the acquisition of property at Union Section.

Land utilised for mining and related activities

The parameter for 'land utilised for mining and related activities' includes all surface infrastructure and disturbance such as roads, shafts, processing operations, waste rock dumps, tailings dams, offices, hostels, hospitals and villages. Of the total area where surface or freehold titles are in place for

current mining operations, 25% is disturbed for mining operations and infrastructure. The GRI additional indicator of amount of impermeable surface as a percentage of land is not used, as the percentage of land disturbed is a wider indicator and gives a better reflection of the area disturbed by mining operations.

The Group mainly mines from underground resources, except at PPRust which is an open-pit mine. It is thus not possible to report on newly rehabilitated land on an annual basis as would be the case for opencast mining, as the pit is not rehabilitated concurrently with mining as is the case in opencast mines.

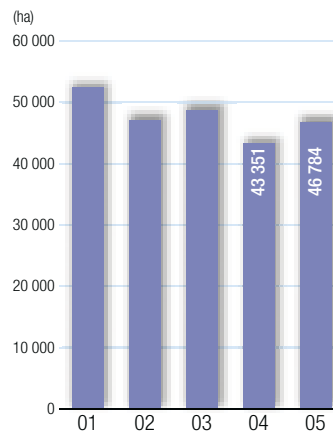
Other land

The Group also holds additional freehold rights over land in the Der Brochen project area and in the non-managed Modikwa mining area. This amounts to 32 764 ha. The Der Brochen land area will be included in the parameter 'land under Group charge for current mining activities' during 2006 once the construction of the Mototolo concentrator has been completed (the concentrator is currently being constructed on the farm Helena within the Der Brochen area.) The Group also holds the freehold rights (7 602ha) over some farms near PPRust which were previously earmarked for resettlement and buffer zones.

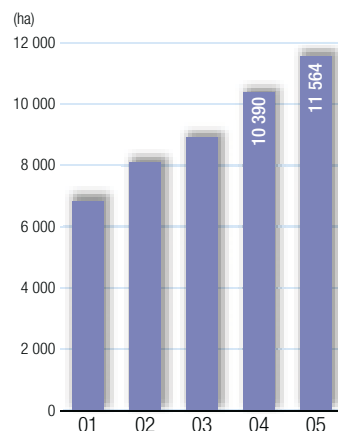
Protected areas

The Group has no operations in protected areas, such as IUCN (World Conservation Union) protected-area categories I – III, world heritage sites and biosphere reserves. The Madeleine Robinson reserve, established by Amandelbult Section, is shown in the UNEP-WCMC database of protected areas as an IUCN category IV area. There are no

Land under Group charge for current mining activities



Land utilised for mining and related activities



other category IV overlaps at any other operation. However, some current and future operations are located in areas with high concentrations of endemic plant species. The Der Brochen project, Mototolo JV, Modikwa Platinum Mine and Twickenham Platinum Mine are located in the Sekhukhuneland Micro-regional Centre of Plant Endemism, a region with a high concentration of endemic plant species.

During 2004, the Anglo Platinum executive committee approved a sustainable development strategy for its Der Brochen area. The approved vision for the area is:

"To promote mining as a viable means of unlocking socio-economic benefits in the broader area and enabling the long-term conservation of the Sekhukhuneland Centre of Endemism."

A management plan to give effect to the vision was also adopted. The management plan demarcates the area into three zones, namely mining, conservation and socio-economic development, each with its own operational rules. This strategy will be used to guide all mine planning within the Der Brochen valley over which the Group has control. Other operations in the area will be engaged to adopt a similar approach.

Biodiversity Action Plans

Each operation has compiled and is implementing biodiversity action plans (BAPs) based on the biodiversity risk profile of the operation. All aspects of the BAPs must be implemented by end-2009. BAPs describe

the objectives, programmes and targets for protecting and restoring native ecosystems and species in degraded areas. The BAPs have been integrated with the on-site EMS at each operation. In 2005 AAPlc conducted BAP peer reviews at BRPM and PPRust. The reviews found the quality and standard of the BAPs to conform to AA plc standards, which are based on best practice.

EMISSIONS, EFFLUENT AND WASTE

Greenhouse gas emissions

The main constituent of greenhouse gas emissions from the Group is carbon dioxide (CO₂).

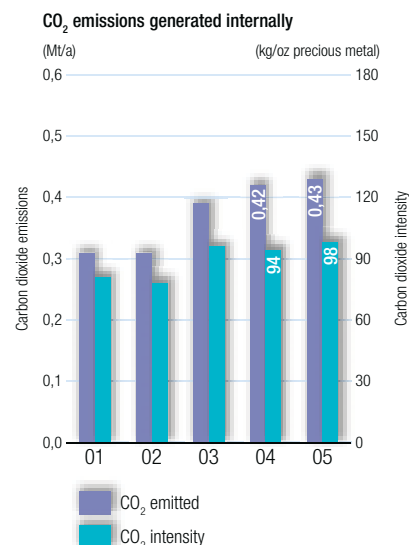
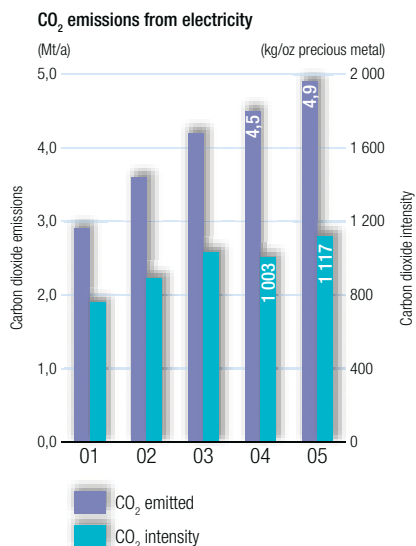
Indirect emissions from imported electricity

Indirect carbon dioxide emissions due to imported electricity from the national grid increased from 4,45 million tons in 2004 to 4,94 million tons in 2005, an increase of 11%^a.

Direct emissions from operations

Carbon dioxide emissions generated internally, from processes and fossil fuel usage, increased by 15 kilotons (4%).

Total carbon dioxide emissions per ounce of precious metal in concentrate increased from 1 097kg in 2004 to 1 215kg (11%) in 2005. The 2005 carbon dioxide intensity target of 1 086kg per ounce precious metal in concentrate was thus not achieved.



^a During 2005, the conversion factor, to determine carbon dioxide emissions from electricity generated from coal, was increased by 8% by the national electricity utility.

Ozone-depleting compounds

Ozone-depleting compounds have been phased out at all major installations, but there are some minor installations in which these compounds are still present. These include some fire-fighting systems and domestic appliances used at the operations.

Persistent organic pollutants

The key persistent organic pollutants (POPs) for the Group are PCBs, dioxins and furans. The Stockholm Convention requires that equipment containing PCBs must be phased out by 2025. Any PCBs recovered in the interim from such equipment must be treated and eliminated by 2028. Current in-situ equipment such as transformers and capacitors may remain in place and operational as long as all reasonable steps are taken to prevent leaks. Some of the Group's transformers still contain PCBs. These will be phased out to ensure compliance with the Stockholm Convention.

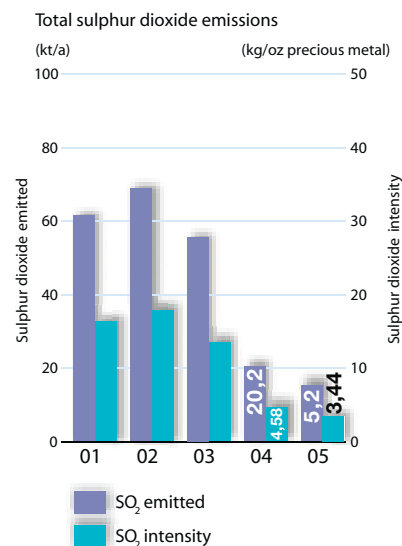
Dioxins and furans are principally emitted from PMR during the incineration of general and process wastes. The incineration is not a continuous process. Modelling and risk assessments have concluded that the dioxin and furan emissions are within government requirements for an incremental cancer-risk factor. However, the Group has undertaken to investigate measures to further reduce any stack emissions of dioxins and furans. This commitment has resulted in the installation of a new high-grade incinerator as well as an activated carbon absorption system that will reduce dioxin and furan emissions. Management commitment to increase training and awareness regarding

incinerator operation resulted in process optimisation and reduction in emissions.

Sulphur dioxide emissions

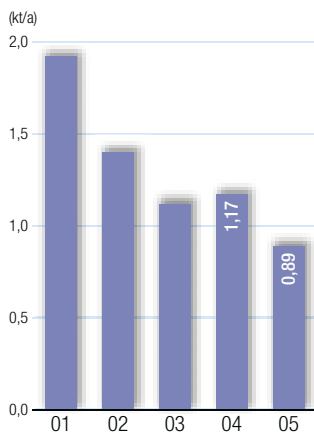
Sulphur dioxide (SO₂) is emitted from Waterval, Mortimer and Polokwane smelters and from RBMR. Total SO₂ emissions (stack and fugitives) in 2005 were 15,2 kilotons¹, of which the Waterval smelter contributed 51%. The average total SO₂ emissions from Waterval smelter decreased by 43% during 2005 from 37 tons per day during 2004 to 21 tons per day. The overall SO₂ emissions for the Group fell by 25% year on year. SO₂ emission intensity per ounce of precious metals produced decreased from 4,58kg in 2004 to 3,44kg in 2005, a decrease of 25%. SO₂ emissions from the smelters have met all provincial scheduled process permit targets and have elicited positive comments from NGOs and the regulator. R120 million was spent in 2005 on modifying the acid plant at Waterval Smelter from a single-contact single-absorption process to a double-contact double-absorption process. This will greatly improve SO₂ fixation from approximately 88% to above 99%.

Monitoring stations have measured ambient SO₂ concentrations at five locations in the Rustenburg region continuously since 1995. The results of these measurements are used in real-time models to predict air quality conditions under various production scenarios. There were 13 exceedances of the 24-hour average South African guideline (50 parts per billion over 24 hours) during 2005. One exceedance was recorded at the Hoërskool Bergsig monitoring station in Rustenburg town. Ten exceedances were recorded at the



¹ The reported sulphur dioxide figures are based on mass balances. Due to the total mass through the processes, sampling error and laboratory uncertainty, it must be highlighted that these figures are associated with some uncertainty.

Particulate emissions from point sources



Waterval village monitoring station and one each at the Paardekraal and Kroondal monitoring stations. It should be borne in mind that the Group is not the only emitter of SO_2 in the area and that exceedances also occur as a consequence of actions by others beyond the Group's control.

At Polokwane Smelter, four ambient monitoring stations have been in operation since 2002. There were no exceedances of the 24-hour average South African guideline (50 parts per billion over 24 hours) recorded during 2005.

Particulate emissions

Particulate emissions from point sources

The particulate emissions from point sources reduced by 24% year on year due mostly to improved operation of the ceramic filter installation at Waterval Smelter and the installation of emission abatement equipment at the RBMR boilers.

The monitoring of ambient fine particulate (PM_{10}) concentrations has been undertaken at three of the monitoring stations in Rustenburg since 2001. There were 12 exceedances of the 24-hour average South African guideline ($180\mu\text{g}/\text{m}^3$ over 24 hours) during the year.

There were no exceedances of the guideline during 2005 at the Polokwane Smelter.

Dust fall-out

Dust fall-out is monitored using an ASTM International bucket-and-water measurement system to determine monthly fall-out concentrations. These fall-out concentrations are then compared to the Department of Environmental Affairs and Tourism (DEAT) guidelines (see table on right).

Whereas most dust fall-out may be associated with dust generated at tailings dams, other sources such as crusher plants and gravel roads are also key contributors. Pre-control and post-control risk assessments, completed annually for tailings dams, indicate that there are 12 dams with the potential to generate nuisance dust. Seven of these dams are at Rustenburg Section, one at Leplats, one at PPRust and three at Union Section. However, the highest potential impact of dust fall-out is at Rustenburg Section and Leplats.



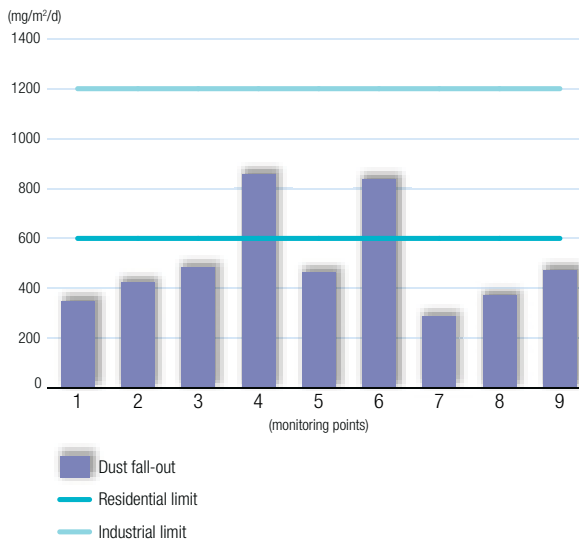
Donovan Rieger inspects the Waterval Smelter fence-line SO_2 monitoring equipment. This technology uses light diffraction to determine ground-level SO_2 emissions.

The charts on the right illustrate the average dust fall-out for 2005 at various monitoring points. At Leplats, points 2, 3, 4 and 9 are classified as 'industrial' and the rest as 'residential'. The heaviest dust fall-out was measured at the old (non-operational) concentrator plant (point 4 – industrial site) and next to the Potlake School (point 6 – residential site). The fall-out at these points cannot be related back directly to the tailings dam as point 4 is close to the Kwenya ore-crusher plant and point 6 is next to a gravel road.

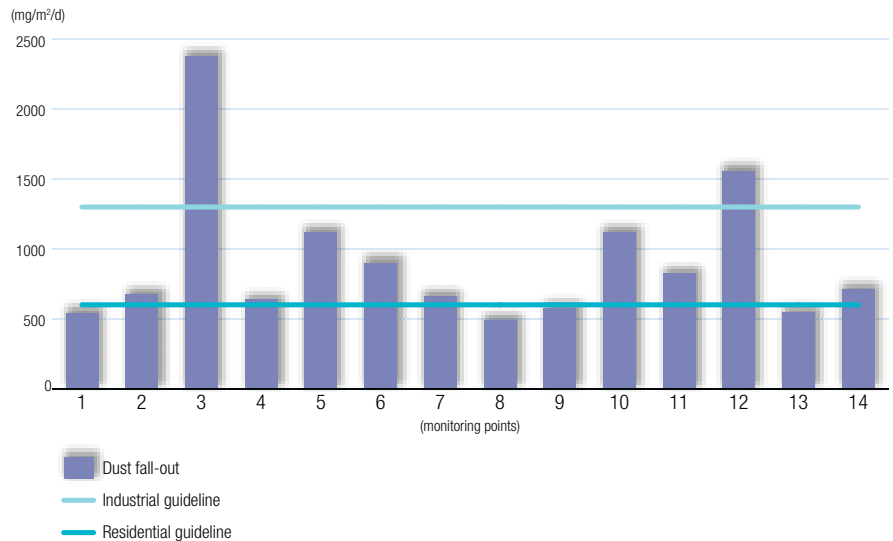
At Rustenburg Section dust fall-out is measured at 14 points. Four of the sites are classified as 'residential', namely points 2, 4, 13 and 14. All the others are classified as 'industrial'. At points 2 and 4 (located in Boitekong) the average dust fall-out has been slightly over the guideline for residential areas. The dust deposition in this area is in all probability due to dust formation on the Paardekraal tailings dam. The higher-than-average dust fall-out for residential areas at point 14 (located at Klipfontein village) is due to the dust formation at Klipfontein tailings complex. The average dust fall-out above the industrial guidelines at points 3 and 12 is due to the proximity of the dust-monitoring points to the Paardekraal and Waterval rock-crusher sites.

Typical dust amelioration measures used include increasing the tailings dam wet-beach area, improving vegetation cover, erecting screens to protect the new vegetation and using sealants that harden the surface of the tailings, thus preventing wind entrainment.

Annual average dust fall-out results – Leplats



Annual average dust fall-out results – Rustenburg Section

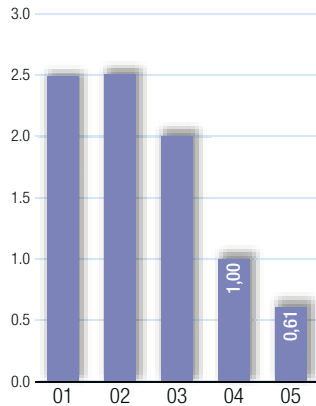


DEAT Guideline for dust fall-out

Label	Dustfall rate (D) (mg/m²/day, 30-day average)	Comment
Residential	D < 600	Permissible for residential and light commercial.
Industrial	600 < D < 1 200	Permissible for heavy commercial and industrial.
Action	1 200 < D < 2 400	Requires investigation and remediation if two sequential months lie in this band, or more than three occur in a year.
Alert	2 400 < D	Immediate action and remediation required following the first incidence of dustfall rate being exceeded. Incident report to be submitted to relevant authority.

Intentional discharge to surface water

(million m³/a)



Effluents

Discharge to surface water

All operations, except two, have a negative water balance. Due to geological conditions, two operations, Leplats and Amandelbult Section, have excess water which is discharged into nearby ephemeral streams. Water optimisation programmes are ongoing at all operations to minimise new water use and at these two operations to minimise discharges. The water discharged typically has elevated nitrate, sulphate, and chloride concentrations, but at the discharge concentrations these do not pose a danger if consumed by livestock or humans. Total excess water discharged during 2005 dropped by 39% to 608 megalitres from 2004.

Spills

Accidental discharges also occurred during the year at some operations due to the overflow of tailings return-water dams and pollution-control dams, as well as due to pipe breaks on potable and process water as well as tailings pipelines. A large number of tailings spills occurred at Amandelbult Section and Rustenburg Section, but as these had no off-site impact and were cleaned up they were deemed to be level 1 environmental incidents. Significant hydrocarbon-related spills also occurred at Rustenburg Section during the year. These are reported in the environmental complaints and incidents section on page 64 of this report.

Ground and surface water monitoring

Ground and surface water is monitored at all mines and plants, both up- and downstream of operations, as well as inside and outside

mining areas. Monitoring results are used to model ground water flows and contaminant plumes, if any, and surface water results are compared with various regulated standards. Bio-monitoring of surface water bodies is also conducted. The tailings return-water dams at all operations continue to provide a good habitat for fish, birds and plant life. The quality of the ground water is affected at all mining operations mainly due to seepage from the tailings dam complexes. The contamination is, however, localised in all instances and no external ground water users are affected. The ground water contamination increases the salinity of the water. Ground water beneath RBMR has been impacted due to historical operations. (See case study alongside for more detail.) Surface waters at some operations are also affected by the Group's operations, notably at the Klipfontein Spruit and Hex River at Rustenburg Section and the Bier Spruit at Amandelbult Section. The impact is mainly one of increased salinity and does not pose a threat to human health if consumed.

The water-monitoring and management programmes are integral parts of the integrated water-use licence applications (IWULAs) which have been submitted to the Department Water Affairs and Forestry (DWAFF) and are awaiting approval.

Acid rock drainage

Acid base accounting to determine acid rock drainage and hazardous leachate potential on both Merensky and UG2 tailings has indicated that such tailings have a negligible potential to generate acid or to mobilise metals. Although acid production and metal mobilisation does not occur, the sulphide content is sufficient to produce some soluble sulphates under oxidising conditions. This

ELEVATED METAL AND SALT CONCENTRATIONS IN RBMR GROUND WATER

The ground water monitoring programme at RBMR has shown that the ground water quality beneath the refinery has elevated concentrations above expected background concentrations of primarily nickel, copper, sodium and sulphate.

The elevated concentrations of these metals and salts is primarily attributed to past spillages and seepage from the plant, from the days when containment sumps, trenches and bunded areas were not lined. With time, the metals and salts have leached into the ground water. It is important to note that the aquifers in the area around RBMR are classified as 'non-aquifers' by the Department of Water Affairs and Forestry because they yield less than a base level of water. There are no users of the ground water within and immediately around the plant.

Ground water modelling and permeability tests have shown that the contaminated ground water is moving extremely slowly in a northerly direction towards the Klipfontein Spruit and is unlikely to decant or recharge the river.

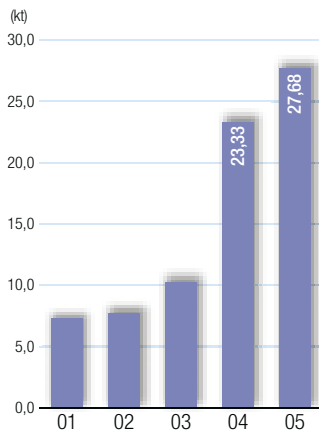
Much has already been done over the years to prevent further soil and ground water contamination. Measures include the construction of a storm-water diversion trench around the plant, removal and treatment of soil with nickel hyper-accumulators (*Berkheya coddii*), rubber lining of all sumps and bunded areas to make them impermeable, introduction of a planned maintenance programme to prevent pipe leaks and construction of a series of HDPE-lined containment dams to contain plant spillage and run-off.

Further options are still under consideration, including removal of some of the historically contaminated soils, use of some of the water back in the process and construction of a seepage cut-off trench to intercept the plume.

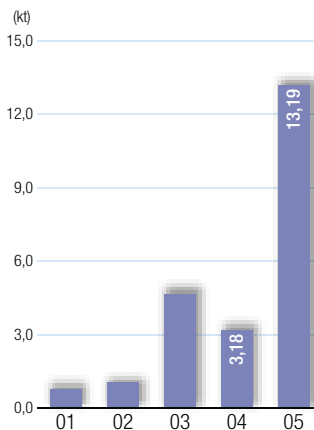


Steve Potgieter, Polokwane Smelter SHE manager, inspecting water monitoring instrumentation at an effluent containment dam.

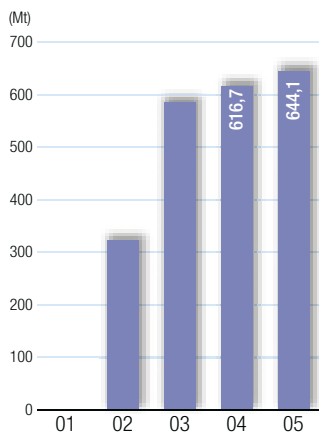
Non-mineral non-hazardous waste to landfill



Non-mineral hazardous waste to landfill



Mineral waste accumulated in tailings dams



Note: 2001 data not given as it is deemed too inaccurate. 2002 data is not accurate.

has the effect of increasing the sulphate concentration of water that comes into contact with the tailings.

Waste

Non-mineral waste

Anglo Platinum does not transport, import, or export any waste deemed 'hazardous' under the terms of the Basel Convention Annex I, II, III, and VIII.

Non-mineral, non-hazardous waste sent to landfill

The backlog of historical industrial-type waste that accumulated at some operations over the years was cleared by year end. Waste management at some operations is now providing revenue as opposed to incurring costs. Appropriate separation, sorting, recycling and disposal procedures are now in place at all operations.

The percentage of environmental incidents reported due to poor waste management practices has dropped from 24% in 2004 to just under 20% in 2005.

Non-mineral hazardous waste sent to landfill

Hazardous waste continues to be disposed of through third-party contractors in compliance with legal requirements. Hazardous wastes include, inter alia, oils, grease, fluorescent tubes, medical waste and chemical containers. The increase in hazardous waste disposed as shown on the chart on the left is due to a site-wide clean-up within the Rustenburg Section mining area.

Mineral Waste

Mineral waste – accumulated tailings

The Group has 23 tailings dams of which 15 are active. Mineral waste accumulated in active and inactive tailings dams includes all accumulated tailings from the concentrator plants and the co-disposal of excess slag from the Waterval and Mortimer smelters. The Klipfontein tailings complex is currently being reprocessed through the Western Limb Tailings Retreatment Plant. The tailings from this plant are sent to the new Hoedspruit tailings dam. The old Ivan A tailings dam at Union Section is also being reprocessed and the final tailings are sent to a new dam. Bi-annual aerial inspections of all tailings dams are conducted and each tailings dam is subjected to a third-party audit at least once a year. Pre-control and post-control risk assessments are completed annually for each dam. The post-control measure risk of a catastrophic tailings dam failure is low.

Mineral waste – accumulated waste rock

Just under 90% of the accumulated rock in the dumps are at PPRust. Rock dumps are generally not revegetated as this would require enormous quantities of topsoil, which are not readily available in the mining areas. The rock dumps are also a resource in many areas as they are used for aggregate production and HDSA companies have been given the contracts to process this waste rock, creating local employment opportunities.

During 2004, PPRust commenced with a study in conjunction with consultants to

COST SAVINGS DUE TO IMPROVED WASTE MANAGEMENT

All Anglo Platinum operations are certified to the internationally recognised ISO 14001:2004 standard. One of the requirements of the standard is that appropriate waste management strategies must be put into place. Implementation of such waste management strategies also contributes to sustainable development as it creates jobs and generates earnings from waste. Anglo Platinum finalised various Group-wide waste management contracts during 2005. These contracts also provided a prime opportunity for sub-contracting to accredited HDSA companies which now receive up to 80% of Anglo Platinum's total waste business. The waste management system is a good example of blended value, where one invests in sustainability while improving the bottom line.

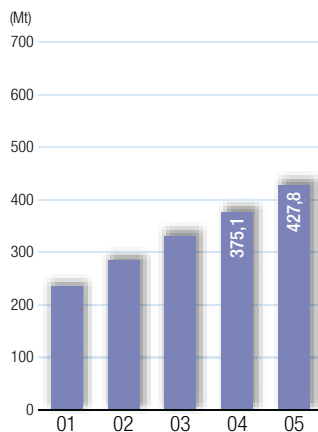
Waste disposal involves complex sorting and transport, income-generating recycling and varied means of disposal from landfill to storage to sale. In the year under review operations were improved, with strict environmental auditing of the process, with a managed chain of responsibilities, clear accountability and fixed performance targets. 'Site champions' manage HDSA contracts, which include the following services:

- Hazardous waste handling, transport and disposal;
- Purchase of used oil and grease;
- Handling, transport and disposal of domestic waste;
- Purchase of recyclable waste (paper and plastic);
- Management of salvage yard and sale of scrap metals;
- Medical waste handling, transport and disposal;
- Sewage works operation; and
- Landfill operation.

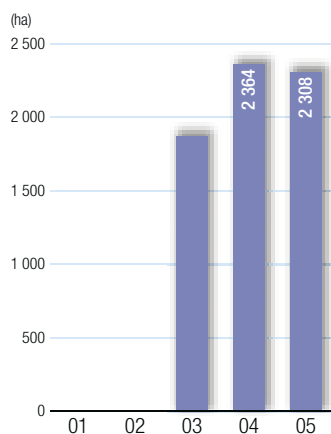


Results at Rustenburg Section illustrate the efficacy of this approach. Here contractor costs currently amount to R1 million per month, offset against earnings of R1,5 million per month for sales of recyclable materials and scrap metal. Anglo Platinum's waste management strategy has also resulted in the development of ways to minimise waste, with a significant reduction in waste allocated for landfill. This represents a saving of R12,7 million against the 2004 waste disposal costs.

Mineral waste accumulated in rock dumps (Mt)

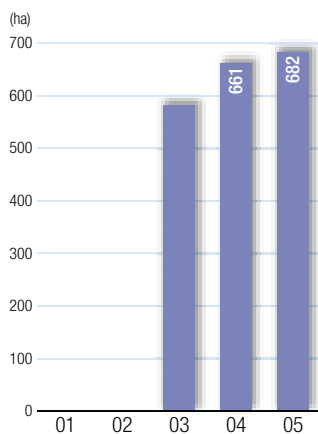


Total tailings dam area (ha)



*2001 and 2002 not available.

Total waste rock dump area (ha)



*2001 and 2002 not available.

determine the most suitable closure strategy for its rock dumps. The result of the study, concluded in 2005, indicated that the most cost-effective, ecologically and aesthetically pleasing solution would be to undertake further selective dumping on the current dumps to create a more natural look for the dumps with partial top-soiling and vegetation, thus creating a natural habitat for fauna and flora.

There is a historical slag dump at Mortimer Smelter and new slag dumps are being created at Polokwane Smelter. The rehabilitation of the Mortimer slag dump is in progress, while the slag pads at Polokwane Smelter are designed to take cognisance of the potential environmental impact of seepage and run-off from the slag residue stockpiles, even though the slag could be considered inert. The current slag pads at Polokwane Smelter have been constructed with 2mm HDPE liners with an estimated permeability of 1×10^{-14} metres per second which is far greater than the 1×10^{-8} metres per second specified in the approved environmental impact assessment (EIA). Whereas laboratory tests of the actual slag and slag run-off water have shown that these liners give more than adequate protection against any possible contamination emanating from the slag, they do not conform to the minimum requirements as specified for landfill sites by (DWAF). Motivation has been made to DWAF for a relaxation from the liner specifications contained in the minimum requirements for future slag pads.

ENVIRONMENTAL COMPLAINTS AND INCIDENTS

Complaints

Forty-five formal complaints were received in 2005 versus 73 in 2004. The majority of the complaints were about perceived deterioration in air quality due to particulate and sulphur dioxide emissions, as well as dust fall-out from various tailings dams. All formal complaints are logged and followed up.

Incidents

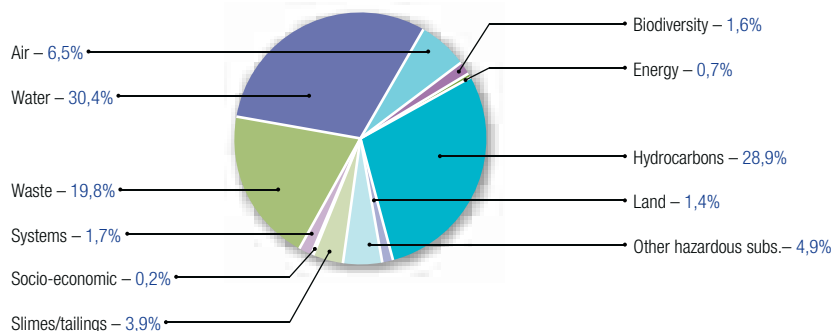
Level 1 Incidents

The number of level 1 incidents reported were 4 526 for 2005. The number of level 1 incidents reported at each operation is used as an indicator of the effectiveness of the environmental management systems, generally with the higher the number of level 1 incidents, the more effective the system. To put level 1 incidents in perspective an average of just under one incident was reported per operation per day for the year. The Group encourages level 1 incident reporting as it enables operations to focus on pollution prevention as many of the level 1 incidents are 'near misses'.

The chart on page 65 provides a consolidated view of the various categories of level 1 environmental incidents for the Group for 2005.

The number of hydrocarbon-related incidents dropped from 38% in 2004 to 29% of the total number of incidents in 2005. This drop was due to the increased focus placed on

Anglo Platinum level 1 environment incidents by category – 2005



hydrocarbon (fuels, oils and grease) management during the year. The Group is also embarking on a programme during 2006 to improve its fuel-dispensing and oil-storage systems in conjunction with its supplier.

Waste-related incidents dropped from 24% of the total in 2004 to 20% of the total incidents reported in 2005. Although encouraging, focus will be given to further reduce incidents related to waste management during 2006.

Water-related incidents increased from 19% of the total in 2004 to 30% in 2005. The bulk of these incidents was due to leakage and spillage of potable and process water due to pipe failures.

The number of incidents related to tailings spillages increased marginally during 2005, also due mostly to pipeline failures. New high-pressure pipelines have been installed at some operations to address the problem. Further installations are planned as required.

The number of incidents related to air quality reduced marginally from 2004. Most of the air-quality-related incidents (29%) reported by the PMR were due to increased particulate

emissions from the incineration process as there was a supply problem with the cartridge filter demisters.

Level 2 Incidents

Five level 2 environmental incidents were reported during the year: one at Rustenburg Section – Waterval Mine; one at the Rustenburg UG2 concentrator; one at Rustenburg Section – Lower Mine; and two at Polokwane Smelter.

Rustenburg Section – Waterval Mine Level 2 Incident:

Description of incident: The pumping of water from the pollution-control dams to the UG2 plant was stopped due to a high amount of oil in the water, resulting in the pollution-control dams overflowing into the surrounding environment.

Cause of incident: The oil separator at the workshops was not operating properly, causing oily water build-up in the trenches and the pollution-control dams. Prior to discovering the incident, oily water was also being pumped from the pollution-control dams to the UG2 concentrator.

“There is concern about the water flowing from Turffontein Shaft through Thekwane village.”

– LOCAL COMMUNITY LEADER
3 APRIL 2004

Members of the Thekwane community raised a concern – at a public open day on 3/4/2004 about water seeping from Turffontein Shaft at Rustenburg Section. The mine took action, intercepted the seepage and is now recycling the water.

Actions taken:

- Additional oil separator was installed at diesel-loading bays;
- Upgrade of existing separators with silt traps; and
- Installation of new separators in trenches flowing to pollution-control dams.

Rustenburg UG2 Concentrator Level 2 Incident:

Description of incident: Due to the same incident reported above, oily water was automatically being pumped into the UG2 pollution-control dams by Waterval Mine. Once management noticed the oil-contaminated water in the pollution-control dam, pumping into the plant was immediately stopped, resulting in an overflow from the pollution-control dams to the Klipfontein Spruit.

Cause of incident: The incident occurred because of the ineffectiveness of the oil skimmer at the Waterval Mine as well as the inability of the concentrator's bypass facility to prevent the overflow of the pollution-control dams during a shutdown.

Actions taken:

- Sampling and analysing of the water in pollution-control dams;
- Placing oil booms at the opening of pollution-control dams to contain the oil and prevent it from entering the spruit;
- Arranging with waste contractors to clean the dams; and
- Installing a valve at the trench coming from the mine to stop the oily water from entering the dams.

Rustenburg Section – Lower Mine Level 2 Incident:

Description of incident: The dirty-water dam at the Turffontein refrigeration plant overflowed into the Paardekraal Spruit. The water was contaminated due to elevated levels of ammonia and total dissolved solids, but was not hazardous to livestock or humans if consumed.

Cause of incident: The pipeline intended to pump the water from the dirty-water dam at the refrigeration plant to the Turffontein Shaft dirty-water system was stolen. In addition, there was no level-control switch in the dam to activate the pump.

Actions taken:

- Discharge stopped;
- Fixed pumping installation and installed level-control switch;
- Replaced pipeline to shaft;
- Instituted security patrol of pipelines;
- Investigated increased dirty-water capacity at refrigeration plant; and
- Improved community liaison to reduce theft.

Polokwane Smelter Level 2 Incident

Description of incident: The pollution-control dam overflowed into the Sterkloop vlei and spruit for nine days at end-February 2005.

Cause of incident: This incident was preceded by continuous freeboard-level exceedances and 70 millimetres of rain during the week of the incident. At the time of the incident, the Sterkloop Spruit was not

running and had stationary water in ponds. Samples taken of the water running out at the spillway and standing water in the vlei indicated that there was no direct impact on any downstream users.

Actions taken:

- Adequate return-water pumps with redundancy installed;
- Monitoring equipment connected directly with main control room system;
- Freeboard levels maintained to allow for primary and secondary catchment run-off water; and
- Investigated further storm-water run-off to ensure separation of clean-water and dirty-water catchments.

Polokwane Smelter Level 2 Incident

Description of incident: This incident relates to the furnace steam detonation that occurred on 7 September 2005.

Cause of incident: A steam detonation occurred in the south-western corner of the furnace. It is believed that water entered the furnace while it was in operation, which was caused by excessive corrosion as a result of a manufacturing fault in the copper coolers. The detonation resulted in the furnace collapsing. The related environmental impacts were mostly due to excessive amounts of sulphur dioxide, smoke and dust that were released from the furnace building in an uncontrolled manner into the atmosphere for approximately six to eight hours.

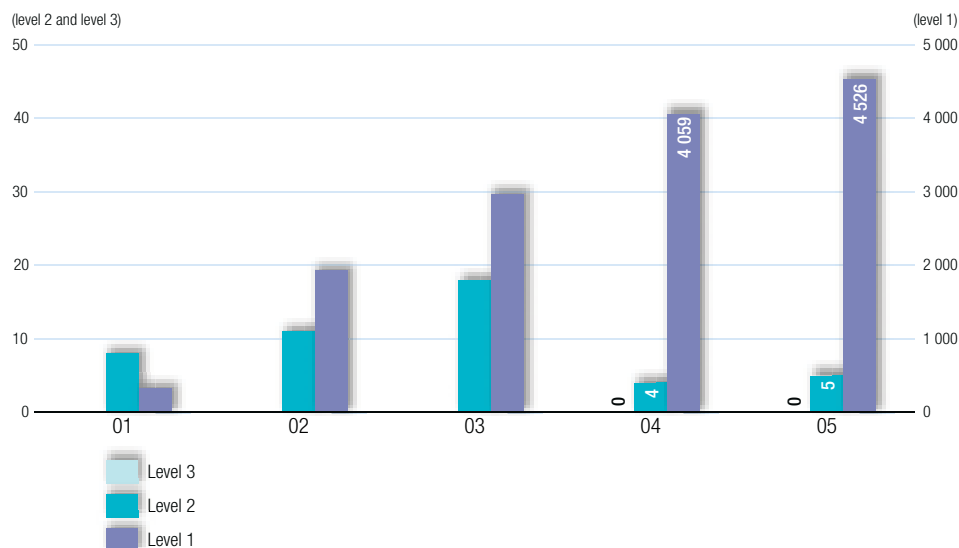
Actions taken:

- Furnace rebuilt; and
- The chief air pollution control officer of DEAT was notified of the incident.

Level 3 Incidents

No level 3 incidents were reported.

Level 1, level 2 and level 3 Environmental incidents



Note: The increase in level 1 environmental incidents is encouraging as many of these are near-miss incidents. This means the Group operations are focusing on pollution prevention.

“There is appreciation for Anglo Platinum’s efforts in resolving the issue of water from Turffontein Shaft entering the Thekwane Village.”

– LOCAL COMMUNITY LEADER
4 JUNE 2005

Positive feedback from the community at a public open day held on 4/6/2005.

SUPPLIERS

The Group’s contracts require suppliers to adhere to all applicable environmental legislation. Supply chain also plays an active role in ensuring that products and services supplied conform to responsible environmental principles. Anglo Platinum is embarking on a programme with its fuel supplier to ensure that all fuel dispensing and storage facilities at the operations are properly managed and maintained.

PRODUCTS AND SERVICES

Platinum’s unique physical and chemical properties enable it to be used in a variety of applications. Its catalytic abilities are utilised to clean exhaust gases, while its resistance to corrosion and ability to withstand high temperatures means that products containing PGMs are more durable, resulting in less waste. Furthermore, PGMs are recyclable, and their high relative value encourages their recovery from spent equipment.

Catalytic converters

Concern over the effects of vehicle emissions started to emerge in the 1960s when smog in cities such as Los Angeles and Tokyo reached levels that were negatively impacting health. In 1968, legislation was passed in the USA to limit the exhaust emissions from vehicles. Catalysts were first fitted to vehicles in the 1970s when the reductions in noxious gases promulgated in the Clean Air Act could not be met through engine management alone. Japan adopted similar legislation soon after, but the rest of the world, particularly Europe, lagged behind in

these developments, adopting emission legislation only in the 1990s. At present, more than 90% of new vehicles produced in the world are fitted with autocatalysts.

Euro IV emissions standards will apply to light-duty vehicles from January 2006 in the European Union, which will result in an increase in demand for platinum.

Fuel cells

Platinum is also at the forefront of technology to produce power with limited direct emissions. Fuel cells produce power without the combustion of fossil fuel and as such do not emit poisonous gases. The only by-products in the process are heat and water. Emission legislation in place in the USA requires an increasing number of zero-emission vehicles on the market. Fuel cells present the most viable technology to power zero-emission vehicles and all major manufacturers are engaged in research. Development has intensified in recent years on the back of concerns over dwindling oil resources. Fuel cells use oxygen and hydrogen, which are renewable resources and thereby alleviate reliance on depleting oil resources.

Other environmental benefits of using PGMs

The role of PGMs in reducing harmful emissions starts at the petroleum-refining stage where PGM catalysts are used to remove sulphur from gasoline and diesel. Sulphur, a harmful gas itself, contaminates autocatalysts, thus preventing them from effectively reducing other harmful gases.

Recycling

PGMs are non-corrosive, durable and have a high heat resistance, and as such little metal is lost. Up to 90% can be recovered when appliances containing PGMs reach the end of their life. The largest quantity of supply of recycled PGMs comes from the recovery of metal from spent autocatalysts. At present, only one third of the metal is recovered.

COMPLIANCE

All operations have access to relevant environmental legislation as well as to an environmental legal register, specifically designed to address issues of importance to the Group. This register is available through the EMSs and is updated at least twice annually. All operations are also kept informed of changes in environmental legislation through regular news flashes.

It is important to monitor, review, and confirm the effectiveness of performance against standards, objectives, targets and legal

requirements. Environmental audits and performance assessments are key elements in evaluating performance. Anglo Platinum uses a mix of both in-house and external audits to assess its environmental performance. This includes statutory EMP report performance assessments, legal compliance audits, as well as external audits in terms of ISO 14001 implementation. All operations were covered by environmental audits during 2005. Findings and action plans of all third-party audits are reported to corporate every quarter.

Environmental reports are compiled quarterly by each operation. A consolidated environmental report for the Group, using the individual reports as a basis, is also compiled quarterly and distributed to members of the S&SD committee, Exco and the operational managers.

Anglo Platinum is not aware of any pending environmental litigation against its managed operations and no fines were imposed during 2005 for non-compliance with environmental

Unresolved legal compliance incidents as at the end of 2005

Nature of non-compliance	Corrective action/risk control measures
National Water Act, 1998, Section 21 Water Use: No operations have as yet been issued with new integrated water-use licences by (DWAF).	All operations have applied for their integrated water-use licences. No application has yet been turned down by DWAF. Anglo Platinum is actively pursuing the issue with DWAF at both regional and head office level.
National Water Act, 1998, Regulation 704: Some operations do not yet comply fully with all the requirements of this regulation that deals with mining infrastructure and its impact on water resources.	All operations have conducted compliance audits and have action plans in place to ensure compliance with this regulation. Some requirements such as separation of clean- and dirty-water systems must be engineered retrospectively at older operations. Compliance will thus be phased in over time. Furthermore, some operations have applied for exemptions in their water-use licence applications.

regulations and permits. Unresolved legal compliance incidents are listed on the previous page. All infringements of regulatory, permit or licence conditions are reported to the relevant authorities and corrective action taken as soon as practical in all circumstances.

TRANSPORT

Transport of concentrates to the various smelters and of furnace matte from Polokwane and Mortimer Smelters to Waterval Smelter is transported by road by third-party contractors. Transportation of products such as copper, nickel, sulphuric acid and sodium sulphate is also by road. Precious metals are transported by road or air to customers. The energy used by contractor transportation of intermediate materials and final products is currently excluded from the Group energy totals. Any spillage from transport contractors is cleaned up by the relevant contractor to the satisfaction of the Group and local authorities.

ENVIRONMENTAL EXPENDITURE

The Group is monitoring total environmental costs, including staffing costs, at a consolidated level.

Provision for rehabilitation at closure

Each mine and plant annually estimates its expected total spend for the rehabilitation, management and remediation of negative environmental impacts at closure. All relevant rehabilitation liabilities were updated during 2005. The total undiscounted rehabilitation liability at end-2005 is R1 198,8 million.

The Platinum Producers' Environmental Trust (PPET) was created in 1995 to fund the estimated cost of pollution control, rehabilitation and mine closure at the end of the lives of the Group's mines. Contributions are determined on the basis of the estimated environmental obligation over the life of a mine (a maximum of 30 years). The total in this trust at year end was R187,4 million.

The RPM Rehabilitation Trust was created in 2005 to fund the estimated cost of pollution control, rehabilitation and mine closure of the relevant portion of the RPM liability of the Kroondal pooling and sharing agreement. The total in this trust at year end was R17,3 million.



Thembinkosi Ncube and Johan Engelbrecht download data from a continuous water monitoring point on the Klipfonteinspruit, upstream of the precious metal refinery in Rustenburg.

Consolidated environmental performance indicators

	2005	2004	2003	2002	2005	2004	2003	2002
Materials	000 tons				Tons per ounce precious metal ^c			
Rock mined	86 876 ^a	84 061 ^b	78 294	65 961	19,63	18,95	19,24	16,49
Ore milled	38 402 ^a	37 925	33 546	30 864	8,68	8,55	8,24	7,72
Accumulated low-grade stockpiles	13 246	11 086	9 524	10 769	—	—	—	—
Coal	113,1	106,7	100,4	81,0	—	—	—	—
Liquid petroleum gas (LPG)	4,53	5,5	4,4	3,1	—	—	—	—
Grease	1,17	1,2	0,4	0,9	—	—	—	—
	000 litres				Litres per ounce precious metal ^c			
Fuels	54 810	54 329 ^b	50 655	40 545	12,39	12,25 ^b	12,45	10,14
Lubricating and hydraulic oils	4 395	4 032 ^b	3 970	2 389	—	—	—	—
Energy consumption	000 gigajoules				Gigajoules per ounce precious metal ^c			
Energy from electricity purchased	18 476	18 003	16 955	14 433	4,18	4,06	4,17	3,61
Energy from processes and fossil fuels	5 319	5 181 ^b	4 578	3 661	1,20	1,17 ^b	1,12	0,92
Renewable energy	0	0	0	0	—	—	—	—
Energy used in travel (products and people)	NM	NM	NM	NM	NM	NM	NM	NM
Total energy consumed	23 795	23 184 ^b	21 533	18 095	5,38	5,23 ^b	5,29	4,52
Water	000 cubic metres				Cubic metres per ounce precious metal ^c			
Water used for primary activities	25 525	32 671 ^b	31 224	31 928	5,77	7,37 ^b	7,67	7,98
Potable water from an external source	23 740	25 181	22 974	21 006	—	—	—	—
Non-potable water from an external source	289	283	486	2 065	—	—	—	—
Waste water and second-class water used	1 969	1 788	1 125	969	—	—	—	—
Surface water used	181	0	505	325	—	—	—	—
Ground water used	10 473	12 819	10 101	9 501	—	—	—	—
Water recycled in processes	18 959	12 892	13 710	NM	—	—	—	—
Water used for non-primary activities	7 466	7 112	5 760	NM	—	—	—	—
Land	Hectares				Land utilised, %			
Land under Group charge for current mining activities	46 784	43 351	48 741	46 996	—	—	—	—
Land utilised for current mining and related activities	11 564	10 390	8 934	8 109	24,7	24,0	18,3	17,3
Total tailings dam area	2 308	2 364	1 875	NM	—	—	—	—
Total waste rock dump area	682	661	581	NM	—	—	—	—
Mining in formally protected areas	0	0	0	0	—	—	—	—
<i>Other land owned</i>								
Land for resettlement, buffer zone (PPRust)	7 602	7 602	—	—	—	—	—	—
Land at Der Brochen and Modikwa region	32 764	32 764	—	—	—	—	—	—
Emissions	000 tons				Kilograms per ounce precious metal ^c			
Greenhouse gas emissions, CO ₂ equivalent:								
From electricity purchased	4 942	4 451	4 192	3 565	1 117	1 003	1 030	891
Internally generated from fossil fuels	433	418	390	313	98	94	96	78
Ozone-depleting compounds vented/ released to atmosphere	0	0	0	0	—	—	—	—
Nitrous oxides	0,22	<0.01	NM		—	—	—	—
Sulphur dioxide	15,21	20,31	55,47	68,71	3,44	4,58	13,63	17,18
Particulates (point sources)	0,89	1,17	1,12	1,40	0,20	0,26	<1	<1
Persistent organic pollutants (POPs)	NM	NM	NM	NM	—	—	—	—

	2005	2004	2003	2002	2005	2004	2003	2002
Effluents	000 cubic metres				Litres per ounce precious metal ^b			
Effluents to surface water	608	1 001	2 004	2 511	137	226	492	629
Surface water quality monitored at all operations?	Yes	Yes	Yes	Yes	—	—	—	—
Surface water quality deterioration?	Yes	Yes	Yes	Yes	—	—	—	—
Adverse surface water impact on humans?	No	No	No	No	—	—	—	—
Ground water quality monitored at all operations?	Yes	Yes	Yes	Yes	—	—	—	—
Ground water quality deterioration?	Yes	Yes	Yes	Yes	—	—	—	—
Adverse ground water impact on humans?	No	No	No	No	—	—	—	—
Waste	000 tons							
Mineral waste accumulated in:								
Tailings dams (active and inactive)	644 065	616 666	585 241	322 390	—	—	—	—
Rock dumps	427 827	375 065	330 071	285 159	—	—	—	—
Slag dumps	2 915	2 229	2 202	NM	—	—	—	—
Non-mineral waste generated:								
Hazardous to landfill	13,19	3,18	4,65	1,05	—	—	—	—
Hazardous incinerated	0,03	<0,01	0,05	0,05	—	—	—	—
Non-hazardous to landfill	27,68	23,33	10,24	7,71	—	—	—	—
Non-hazardous incinerated	0,05	0,04	0,04	0,04	—	—	—	—
Low-level radioactive waste	0	0	0	0	—	—	—	—
Environmental incidents and complaints	Number							
Level 1 (minor impact and/or non-compliance)	4 526	4 059	2 967	1 933	—	—	—	—
Level 2 (intermediate impact and/or non-compliance)	5	4	18	11	—	—	—	—
Level 3 (major impact and/or non-compliance)	0	0	0	0	—	—	—	—
Formal complaints	45	73	83	32	—	—	—	—
Environmental rehabilitation liability and provisions (R million)								
Total undiscounted rehabilitation liability estimate at normal closure	1 198,8	1 175,7	974,2	948,8	—	—	—	—
Total in trust funds	204,7	149,0	113,4	89,3	—	—	—	—

^a The 'rock mined' and 'ore milled' figures for 2002 to 2005 exclude non-managed JVs (Kroondal PSA and Modikwa Platinum Mine).

^b Restated due to data refinements after publication of 2004 sustainable development report.

^c The denominator in 2002 and 2003 is 'refined' ounces; the denominator in 2004 and 2005 is 'ounces metal in concentrate' (4 423 337 oz) excluding Kroondal PSA and Modikwa Platinum Mine).

NM – not measured

Human Capital – Labour and Human Resources

EMPLOYMENT STATISTICS

Breakdown of South African workforce, numbers ^a	2005	2004	2003
Gauteng	691	442	686
Limpopo	21 806	19 016 ^b	19 253 ^b
North West	20 919	24 367	24 278
Total own employees	43 416	43 825^b	44 217^b
Contracting staff			
Outsourced	5 667	3 948	3 599
Volume contractors	16 860	15 090	11 490
Direct contractors	694	909	743
Through labour brokers	7 841	4 055	6 388
Total contracting staff	31 062	24 002	22 220
Employment creation in provinces, numbers			
Gauteng	23	—	209
Limpopo	493	193	309
North West ^c	0	204	89
Total own employees	516	397	607
Average labour turnover in South Africa, percentage			
Gauteng	8,9	7,9	12,7
Limpopo	8,9	7,2	8,1
North West	19,2	7,9	6,2
Total own employees	12,33	7,7	9,0

^a Workforce numbers based on an annual average.

^b 2003 and 2004 employee numbers restated to an annual average and to exclude Modikwa employee numbers.

^c The number of employees in the North West decreased.

“PPRust, Leplats, RBMR, PMR, Polokwane and Waterval smelters recorded no fatalities attributable to operations in 2005.”

The total number of employees decreased by 409 in 2005. This is primarily attributed to employees accepting voluntary retrenchment packages and natural attrition. The increase in contractors is attributed to better accounting and an increase in the number of contractors at Rustenburg Section.

SAFETY AND HEALTH

The International Labour Organisation's (ILO's) code of practice on recording and notification of occupational accidents and diseases requires government '... in the light of national conditions and practice, and in consultation with the most representative organisations of employers

and workers, (to) formulate, implement, and periodically review a coherent national policy on occupational safety, occupational health, and the working environment. The aim of the policy shall be to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment'.

Accordingly, the South African government has enacted legislation and participates in forums with trade unions and associations and business, where Anglo Platinum is represented, to debate issues of occupational safety and health.

The Group has established formal mandatory joint health and safety committees comprising management and worker representatives at all levels of the organisation.

To assess the risks and take any corrective and preventative steps necessary, Anglo Platinum's management, in co-operation with workers and unions/associations, investigates immediately:

- Accidents and other incidents, whether or not they cause bodily injury;
- Suspected and confirmed cases of occupational disease;
- Situations in which workers have removed themselves from danger; and
- Any other situation in which there may be an unacceptable level of risk.

Internally, the corporate safety and sustainable development department reports on Group performance at the following forums and committees:

- The AAPlc sustainable development committee and forum;
- The quarterly board safety and sustainable development committee;

- Mine committee (ad hoc);
- The bi-annual group environmental co-ordinator's forum;
- The quarterly public health forum;
- The bi-monthly group safety forum; and
- The monthly health forum.

Externally, the corporate safety and sustainable development department is involved in the following forums and committees:

- The Platinum Industry Safety Forum;
- The Bushveld Safety Forum;
- The Chamber of Mines' Occupational Health and Safety Policy Committee; and
- The Mine Health and Safety Council and its permanent statutory committees.

Safety

The safety and health of all employees and contractors is of critical importance to Anglo Platinum. Numerous initiatives and processes have been ongoing for several years and these are in line with international standards in safety management. Unfortunately these

Safety and absenteeism statistics	Number of fatalities			Fatal injury frequency rate (FIFR) ¹			Absenteeism rate ²		
Operation	2005	2004	2003	2005	2004	2003	2005	2004	2003
Rustenburg Section	14	9	10	0,04	0,03	0,03	2,0	2,0	0,7
Amandelbult Section	6	7	3	0,04	0,05	0,02	2,3	2,5	2,1
Union Section	3	3	5	0,02	0,03	0,04	0,9	2,3	3,1
PPRust	0	0	1	0	0	0,04	0,9	2,0	2,1
Leplats	0	3	2	0	0,05	0,04	1,0	1,2	3,3
BRPM	1	1	1	0,01	0,01	0,01	1,5	2,7	3,0
Waterval Smelter	0	0	2	0	0	0,11	0,9	0,0	2,1
Polokwane Smelter	0	0	0	0	0	0	0,1	1,8	0,0
RBMR	0	0	0	0	0	0	0,2	1,5	3,4
PMR	0	0	0	0	0	0	0,1	3,2	2,8
Projects	0	1	0	0	0,02	0	0,0	0,0	2,2
Total/aggregate (managed)	24	24	24	0,03	0,03	0,03	1,5	1,7	2,3

¹ Per 200 000 hours worked

² ≥ 1-day definition

Statistics include all contractors' safety performance.

“It is worth mentioning that the Group has specifically amended the definition of lost-time injuries to include all forms of restricted work cases.”

initiatives appear to have had little impact on reducing the number of fatalities in the Group and regrettably 24 of our colleagues were killed in 2005, due to mine-related accidents. There has been no reduction in the number of fatalities over the past three years. The board and management extend their condolences to all the families and people affected by these events. In addition to the 24 fatalities from managed operations, one fatality occurred at Modikwa, a non-managed operation. Six of the fatalities were attributed to falls of ground, 12 associated with transportation-related accidents, with the remaining six being attributed to other causes.

PPRust, Leplats, Polokwane and Waterval smelters, RBMR and PMR were fatality-free during 2005 and it was pleasing to note that several operations bettered their safety targets set at the beginning of the year. Lessons from these operations are being shared with the Group to ensure a Group-wide improvement in safety performance.

The number of serious and reportable injuries in 2005 was 629 compared to 351 in 2004. The lost-time injury frequency rate in 2005 was 2,06 compared to 0,8 in 2004 and 0,7 in 2003. It was stipulated in our 2004 report that the definition for both lost-time and serious injuries would be amended in 2005 to include all restricted work cases. The table below shows a comparison of the LTIFR rate from 2003 to 2005. For 2005 a distinction has been made between the LTIFR up to the end of the third quarter and for the full year because ‘report to training’ cases were only included as ‘restricted work cases’ in the last quarter of 2005. It is evident from the table that the increase in the LTIFR in 2005 is primarily attributed to the inclusion of ‘report to training’ cases data in the definition of lost-time injuries. An accurate and meaningful restatement of LTIFR (including ‘report to training’) prior to October 2005 has not been possible as all the data relating to ‘report to training’ has not been captured in the past.

This change in definition accounts for the apparent deterioration in safety performance.

Lost-time injury frequency rate comparison^{1, 2}

Operation	2005 ⁴	2005 ³ End Q3	2004 Incl RWC	2004 Excl RWC	2003 Incl RWC	2003 Excl RWC
Rustenburg Section	1,84	1,45	1,35	0,6	1,60	0,8
Amandelbult Section	3,40	3,52	2,92	1,5	1,73	1,0
Union Section	2,13	1,66	1,40	1,2	3,94	1,3
PPRust	0,48	0,46	0,17	0,1	0,96	0,3
Leplats	2,01	1,63	1,60	0,3	2,03	0,4
BRPM	2,29	0,66	0,62	0,4	0,64	0,3
Waterval Smelter	0,45	0,25	0,59	0,5	0,27	0,3
Polokwane Smelter	1,58	2,20	0,75	0,6	6,36	0,0
RBMR	0,68	0,66	0,21	0,2	0,06	0,1
PMR	0,20	0,27	0,12	0,1	0,12	0,1
Projects	0,22	0,24	0,37	0,4	0,33	0,3
Total/aggregate (managed)	2,06	1,64	1,45	0,8	1,68	0,7

¹ Per 200 000 hours worked.

² ≥ 1-day definition.

³ The 2005 end Q3 data represents the LTIFR as at end September 2005 and includes RWCs.

⁴ The 2005 LTIFR number includes RWCs for the entire year and the ‘report to training’ number from October 2005.

INVESTIGATING AND PREVENTING FALLS OF GROUND

For Anglo Platinum our people are our key resource. This is why safety tops our list of performance areas in all our mining operations. Safety is constantly reinforced through better technology, improved training and awareness campaigns, and enhanced monitoring and enforcement.

This is especially the case in eliminating fall-of-ground (FOG) incidents underground. Anglo Platinum conducts ongoing measures to eliminate FOG incidents as a cause for concern.

One way is to identify areas underground with similar geological disturbances to those areas where active mining takes place. At Bafokeng-Rasimone Platinum Mine (BRPM) a mock-up of the mine, replicating conditions, has been erected. This is used by the Anglo Platinum training centre to simulate all possible FOG events that might occur.

Employees undergoing training are required to identify the potential hazards and then suggest measures to eliminate or at least strictly control them. Trainees are also subjected to FOG crises for which they have not been prepared, or combinations of factors that are unlikely to occur, to ensure an all-round, instant response and to eliminate the human-error factor as far as possible.

Such underground training areas also have the advantage of being available to test safety procedures in the case of real FOG events. It's a training and awareness process that never ends, because safety is non-negotiable at Anglo Platinum.

The result is a steady drop in FOG fatalities. With attention now concentrated on better support and interventions, workers themselves are also able to identify the hazards, however minor, to prevent FOG.



ZERO TOLERANCE

The loss of life at Anglo Platinum's operations is our single greatest concern and each fatality is unacceptable.

This is reflected in the OTTO principle that applies to safety at all Anglo Platinum operations. It is summed up in our safety motto 'Zero Tolerance, Target Zero'. This means, 'absolute adherence to standards at all times and an intolerance of unsafe acts or conditions'. It means shutting down an operation immediately if work conditions are unsafe, regardless of cost. It means strict rules for all employees, as well as induction programmes, regular safety training and regular communications and safety awareness at every level of operation, from surface vehicle operations to actual mining. It means bottom-up improvements in safety conformance and new technologies, as well as 'rock-face' experience in simulated mining conditions. It means transparency and openness, and immediate action to prevent any future repetition of an incident. Disciplinary action for breaches of safety rules is swiftly implemented, if deemed appropriate.

After an accident, the steps taken are clear and urgent. First, an investigation is launched. Appropriate disciplinary action is taken, up to and including dismissal or demotion. A report on each and every fatal incident is submitted to the Department of Minerals and Energy Affairs, including details on follow-up. Prevention measures include changing mining methods and equipment or shutting down operations entirely if so required.

Anglo Platinum is doing its utmost, in partnership with its stakeholders, to reach its goal of zero fatalities. Anglo Platinum deeply regrets every life lost and is determined to eliminate fatalities and produce an ever-improving safety record.

IN MEMORIAM

Mr M Drotsky	02/02/2005
Mr E Mosemeng	11/02/2005
Mr J Thlutlwa	10/03/2005
Mr J Mogatle	12/03/2005
Mr M Ponto	07/04/2005
Mr J Mashavane	15/04/2005
Mr S Nhambongo	06/05/2005
Mr C Enslin	17/05/2005
Mr D Vilankulu	24/05/2005
Mr L Lekwene	20/06/2005
Mr A Mmolayeng	08/07/2005
Mr T Somboza	11/07/2005
Mr S Nkantshu	13/07/2005
Mr R Molefe	10/08/2005
Mr S Mangesi	12/09/2005
Mr M Mgubela	25/09/2005
Mr S Mokobotedi	24/09/2005
Mr T Makhomo	14/10/2005
Mr M Mvete	22/10/2005
Mr N Dinanda	03/11/2005
Mr M Tyali	10/11/2005
Mr P Simane	25/11/2005
Mr G Mokgothu	30/11/2005
Mr W Vakatsile	14/12/2005
Mr N Dyonase (Modikwa)	31/05/2005

Due to the significant increase in LTIFR, it is considered prudent to give examples of incidents that were previously recorded as medical treatment cases and not included in the LTI statistics:

- Minor injury cases (e.g. stitched finger but not able to do manual work as required by his '... regular duties for one full shift ...') that were enrolled in training and were previously considered to be integral to normal work activities. Hand injuries constituted over 30% of all injuries and formed the bulk of these.
- The database provides for a medical treatment case (MTC) (for e.g. '... application of sutures, or removal of foreign body embedded in the eye ...') that were previously not recorded as LTIs when not back at work the next working day according to the LTI definition. Between 16–19% of all injuries fall in this category.
- Minor injury cases seen prior to weekend or day off (but still medically unable to resume work on the next day or '... calendar days regardless of whether the injury was due to work or not ...' as per the database definition) were previously not recorded as LTIs.

The Group believes that its safety strategy is fundamentally sound and will continue to emphasise the critical role that behavioural interventions can play in reversing untoward trends and inculcating the required culture change in the organisation. Furthermore, Anglo Platinum will not relent in its efforts to effect a step-change in its operational safety performance. As part of these efforts, all Group operations have now implemented and obtained OHSAS 18001 certification. The peer review safety process was commissioned during 2005 to complement the Group's existing safety audit programme. The peer

review process involves a multi-disciplinary review team, comprising selected operational staff from across the AAPlc group, conducting a detailed review of all facets of an operation's safety management programme and system to identify opportunities for improvement so that injuries and accidents can be eliminated.

Health

Anglo Platinum approaches the management of employee health in a comprehensive manner, in partnership with government and NGOs. Human health and wellness, in general, are becoming increasingly important global issues. The Group has a committed interest in our employees' health and wellness and has not only invested in funding healthcare costs but also provides a comprehensive healthcare service. Comprehensive, quality healthcare is provided to all employees of Anglo Platinum in an affordable and sustainable manner through a health maintenance organisation (HMO) that has proved to be a huge benefit to employees, especially in peripheral and rural areas where public healthcare services may not be readily available.

Health services provided

Anglo Platinum provides the following health services:

- A range of public healthcare interventions aimed at preventing infectious diseases, including tuberculosis, cholera and malaria, as well as expert assistance to regional healthcare services to help deal with such issues;
- HIV/AIDS prevention and treatment programmes;
- Treatment for infectious diseases such as tuberculosis;

SAFETY, HEALTH AND ENVIRONMENTAL MANAGEMENT OF CONTRACTORS

Anglo Platinum's strict compliance with safety, health and environmental (SHE) guidelines has led to the establishment of a SHE adjudication process that extends safety concerns beyond employees to contractors. All potential suppliers of goods or services are vetted in terms of their credentials and through in-situ and machinery inspection. Service providers are not engaged until the project team is satisfied that they comply consistently with all SHE requirements. This includes BEE and SMME vendors.

No employee/contractor is allowed to conduct work for which he or she is not trained. This ensures the safety of contracted staff, avoids compromising Anglo Platinum's safety requirements and averts the use of untrained labour. SHE policies and procedures must be applied by contractors to their supervisory personnel and communicated to their employees, to ensure SHE compliance within the guidelines of OHSAS 18001 standards. SHE requirements include, inter alia, risk assessment, incident management, occupational health and hygiene, environmental measurement, emergency management procedures and SHE communications systems.

Where necessary, SHE training is provided, and a comprehensive range of other reporting and inspection procedures laid down and fully documented. If non-compliance of any kind is subsequently found among contractors and their employees, these individuals are identified and given special training to ensure that they adhere to safety guidelines. Indeed, training is deemed one of the most important elements for effective SHE management.

The Anglo Platinum SHE adjudication process ensures full compliance with the requirements of the Mine Health and Safety Act and ensures that safety is never compromised.

In 2005, Process Division Projects, including ACP Phase B, worked a full calendar year without a single lost-time injury. This project involved more than 600 people on site at the peak period of construction, working in a confined space in a six-storey building. This achievement is credited to the rigorous safety standards the project management team applied to all aspects of the project and specifically contractor management.

According to Process Projects' Programme Manager, Sean Chelius, 'this performance has been achieved by fanatical adherence to and enforcement of safety rules, standards and procedures'.



Platinum Health comparison with other medical schemes in the mining industry (based on 2004 contributions) for the same benefits

Medical scheme	Members	Gross contribution per member per month in Rands	Additional annual contribution if employee was a member of scheme referenced
Mining company, scheme 1	11 803	2 074	16 188
Mining company, scheme 2	20 477	2 306	18 972
Mining company, scheme 3	10 126	1 792	12 804
Mining company, scheme 4	7 077	1 808	12 996
Mining company, scheme 5	7 802	1 444	8 628
Platinum Health (Anglo Platinum)	17 423	725	—

Source: The Council for Medical Schemes report for 2004.

- Occupational healthcare services; and
- Primary, secondary and tertiary health-care.

All these contribute to an improved health status in the communities, as well as to reducing poverty and disability.

Cost-effective sustainable services

Given the background of high medical-cost inflation in South Africa and various financial constraints, Anglo Platinum manages costs and thereby ensures cost-effective and sustainable delivery. Mine hospital-based healthcare provision is the ideal model for enabling access to affordable healthcare for lower-income families who cannot afford the cost of private medical schemes. This service is available at affordable rates to all contractors working at Anglo Platinum operations.

A comparison of the costs to individual members in Anglo Platinum's HMO, Platinum

Health, with five other medical schemes in the South African mining industry, is provided in the table on the previous page.

Occupational Health

To prevent or minimise impairment from workplace health hazards, Anglo Platinum has a well-developed system of occupational healthcare services. This includes occupational hygiene systems, as well as occupational medicine systems. These are monitored and audited according to Anglo American occupational health management guidelines and best practice.

All operations scored above 88% in 2005. The Group average improved from 86,6% in 2004 to 92,2% in 2005.

Silicosis and ODIMWA

The South African Department of Labour launched a national campaign in 2004 to eradicate silicosis (a lung disease caused by

EXTENDING OUR HAND WITH COMMUNITY CARE

Since August 2005, Anglo Platinum began tracing all former employees who had retired or left because of ill health, starting with its prime labour-sending area, OR Tambo district municipality in the Eastern Cape. The programme extends to neighbouring areas such as Lesotho. In this mountainous, inaccessible region, isolated communities can only be traced with the help of local traditional leaders or municipal representatives.

Despite these difficulties, the first three months of this initiative proved to be richly rewarding. Some 66 former employees who retired because of ill health, and 20 ex-employees with spinal injuries, have been traced and interviewed. The aim is to identify their medical needs and provide them with additional support and care programmes delivered in close collaboration with their communities and any primary healthcare facilities within the area, as well with the Department of Health and any relevant non-governmental or community-based organisations. The assistance provided includes proper sanitation, the provision of medical services support for local healthcare facilities and training for village care workers. This is not a 'go it alone' project – it relies on close collaboration between all stakeholders, traditional leaders and affected communities. In this way, Anglo Platinum works to exceed expectations in delivering service and support to our people.

In conjunction with the Department of Health, Anglo Platinum has to date donated six mobile clinics (see photo on next page) in under-resourced areas and will donate two step-down facilities to two local municipalities in the OR Tambo district.

the inhalation of dust containing silica) and this campaign gained momentum in 2005. The objective is to align efforts in South Africa with the International Labour Organisation's global initiative to eradicate silicosis. The scientific basis for the prevention of silicosis is well established, but awareness and prevention efforts are still lacking. The campaign's objective is to increase awareness, improve prevention efforts and provide training to public health officials in diagnosing the condition.

None of Anglo Platinum's operations pose any risk of exposure to silica dust and the lung diseases associated with it. As an expanding mining company, recruitment of employees who have had previous exposure to silica at other types of mines does occur. As a result there are occasional cases of lung disease, which, once detected, are monitored. During 2005, 234 new cases of pneumoconiosis were recorded (212 in 2004), including cases of asbestosis. (Pneumoconiosis is a lung disease caused by

the inhalation of dust; asbestosis is a lung disease caused by the inhalation of asbestos particles.) In 2005, a review was done of a group of current employees to establish the level of existing lung disease. The outcome of this review was that of the 969 cases tested, three had silicosis, of which two were employees who had previously worked on other types of mines from where they had most likely contracted the disease.

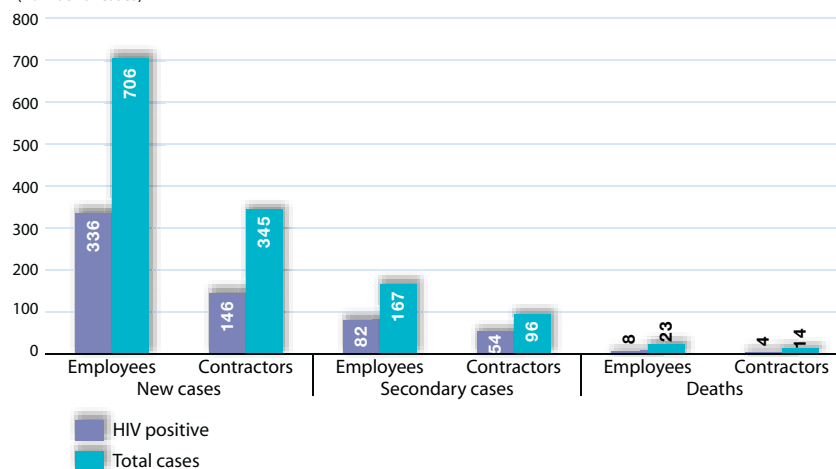
All mines are insured against lung diseases through a national statute, the Occupational Disease in Mines and Works Act (ODIMWA). Anglo Platinum considers it inappropriate to be risk-rated on par with mining operations that pose such risk. The Group took specific measures to ensure that actual risk is properly validated and considered by the state when determining levies payable in terms of this statute. To achieve this, Anglo Platinum requested the reinstatement of this statute's risk committee (in terms of the ODIMWA) from the Minister of Health, which has been done.



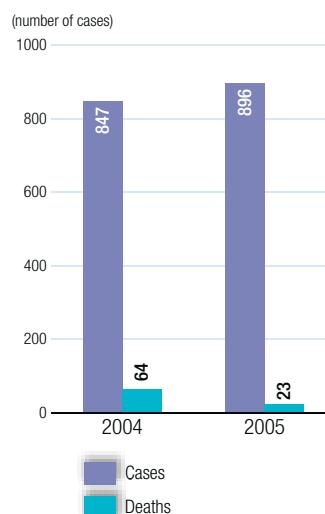


Ultraviolet lighting that prevents the spread of TB at Bleskop hospital's TB ward.

Non-occupational TB among employees and contractors
(number of cases)



Total number of infectious TB cases



The risk committee was convened in October 2004, having been dormant since 1997. A proper process of revising risk was agreed and recommended to the Minister of Health. Risk will be based on occupational exposure limits (OELs) and exceedences thereof.

Infectious tuberculosis (TB)

Anglo Platinum actively screens for TB and provides comprehensive treatment for infected employees. During 2005, a total of 896 employees with infectious TB were treated. A total of 23 deaths due to TB were recorded. Unfortunately the incidences of infectious TB in the country are not readily available or reliable for comparative purposes. From the graph on the left it is evident that approximately 50% of all infectious TB cases tested are HIV-positive.

Occupational tuberculosis (TB)

Previous exposure to silica dust at other types of mines, also renders such employees more susceptible to tuberculosis. Affected individuals are referred to national social security and workmen's compensation bodies. Only four cases of such occupational tuberculosis were diagnosed and submitted for compensation by Anglo Platinum in 2005.

Healthcare workers treating patients with infectious tuberculosis are exposed to an occupational risk of contracting TB. During 2003, Anglo Platinum diagnosed three cases of occupational TB in healthcare workers employed at Rustenburg's Bleskop hospital, but in 2004 and 2005 no such cases occurred. This can partly be attributed to the new state-of-the-art TB ward that was commissioned at Rustenburg's Bleskop hospital, thereby reducing occupational exposure to TB.

Noise-induced hearing loss (NIHL)

The major occupational health risk in Anglo Platinum is NIHL. Efforts to address this have been stepped up through addressing noise at source, greater emphasis on compliance with personal protective equipment rules, as well as general awareness and knowledge of the consequences of NIHL. To this effect a pilot study to evaluate the performance of electric drills compared to compressed-air drills in reducing noise-exposure levels at source, is nearing completion. Preliminary results are encouraging. In 2005 a total number of 696 cases were compensated.

Platinosis

The potential for platinum-salt sensitisation applies only to PMR. The risk has abated significantly over the last decade. Six cases of such sensitisation were recorded in 2004, although none have yet qualified for compensation for occupational asthma. During 2005, only four cases were sensitised with asthma.

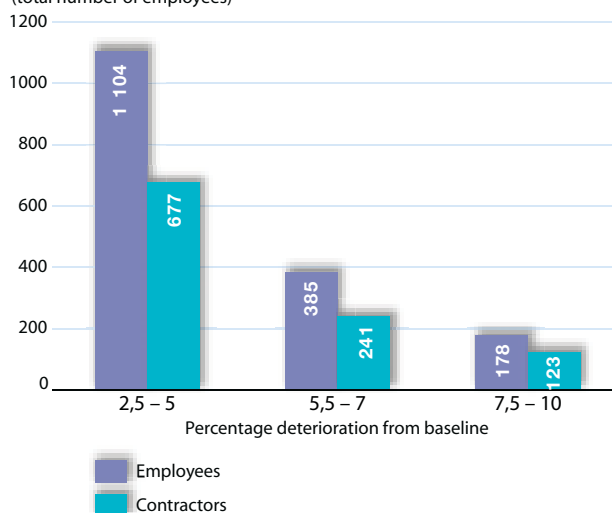
Evaluation of fitness to work, rehabilitation and functional assessment centres (RFA)

Apart from undertaking periodic medical examinations of existing employees, Anglo Platinum conducts medical examinations of all new employees (including contractors) to continuously monitor fitness to work and to establish any adverse medical effects emanating from the workplace. To conduct these medicals, Anglo Platinum operates two rehabilitation and functional assessment (RFA) centres: one at Rustenburg and the other at Thabazimbi. At the RFA centres, batteries of tests are used to objectively measure physical fitness through physical work capacity (PWC) testing, as well as functional work capacity (FWC) testing.



Elmie Stoop, an audiologist, conducts a hearing test on Mauakatshela Makhenke at Bleskop hospital.

Deterioration of hearing as percentage from baseline
(total number of employees)





Employees undergoing a battery of fitness to work tests at Rustenburg's functional assessment centre.

All employees included in rehabilitation programmes are assessed periodically until they pass the required tests, after which they are declared fit to return to work.

These findings result in a review of the individual's job placement. When medically affected, alternative placement is considered and a change of job category is undertaken. Where no accommodation is possible due to inability to meet any of the job requirements or where alternative jobs are not available, medical boarding is initiated.

This objective approach to evaluate an individual's ability to perform certain categories of work has significantly streamlined decisions pertaining to work fitness and productivity. The Department of Minerals and Energy has shown interest in utilizing the same methodology to arbitrate on cases of appeal.

To ensure that the employment of women in Anglo Platinum, in line with the requirements of the Mining Charter, is undertaken without compromising health and safety of both the individual and the rest of the workforce, the RFA centres are critical. Anatomical,

biological and physical facts have to be recognised and evaluated to ensure women are employed in jobs where they can meet the requirements of the job without compromising their own health or the health and safety of their fellow workers.

Digital X-rays

A state-of-the-art digital X-ray system is now operational at Rustenburg. This new system involves lower radiation exposure to employees, while achieving better detection and reliability. It also reduces patient waiting time and administration time.

The storage of records for 40 years, as required by the Mine Health and Safety Act, is readily met in this way, with the additional benefit of being able to reduce storage space. The Group uses X-rays mostly to scan mine workers for lung disease.

Nutrition

The menu for hostel residents ensures that adequate energy in the form of protein, carbohydrates and starch is supplied. The South African food-based dietary guidelines and the dietary reference intakes of the Institute of Medicine, Food and Nutrition Board, USA, are used as a directive to ensure adequacy of nutritional intake.

Regular audits are conducted by the Group's public health department to ensure adherence to all food safety principles. Raw and cooked food samples are taken to accredited laboratories for microbiological and chemical analysis to ensure conformity to health legislation as well as to Anglo Platinum standards. The Consulting Dietician analyses reports on actual consumption and meal participation, for portion and nutritional control, on a monthly basis and is responsible for addressing any concerns.

Food suppliers are audited annually by the Public Health Department's audit team, which includes a senior SAATCA (South African Auditor & Training Certification Association) auditor, to ensure health criteria adherence.

HIV/AIDS

Anglo Platinum is clear on its position regarding HIV/AIDS. The Group accepts its responsibility to manage the HIV/AIDS threat to our business and undertakes to:

- Minimise the total impact of the HIV/AIDS pandemic on the Group and its stakeholders;
- Ensure the long-term sustainability of our business operations by reducing the infection rate among employees and enhancing community health delivery in surrounding communities;
- Comprehensively manage the pandemic;
- Support efforts to prevent the further spread of HIV; and
- Protect the rights of employees with HIV/AIDS.

The Group's approach has two focus areas, namely the workplace and the community, underpinned by Mining Charter requirements. The workplace programme includes promotive, preventative and treatment measures and aims to work in partnership with internal and external stakeholders, while the community programme aims to complement and enhance the policy delivery of both the governmental departments of health and social development; particularly with respect to prevention and healthcare promotion as well as socio-economic interventions.



Peer educator, Mamoraka Rapoo, discusses HIV/AIDS prevention with workers at Waterval Smelter.

Workplace programme – information, education and communication

Essential to successful management is a sound understanding of all aspects of HIV/AIDS, from prevention and treatment to how to care for those with HIV. Information and education is channelled through the Group's various internal media, such as posters, leaflets, magazines and newsletters, as well as through peer educators. Volunteer workplace peer educators regularly undergo education sessions to be updated and to share experiences.

These information sources will be supported by video monitors in 2006, located in staff canteens, clinics and central offices, again utilising sourced material to ensure coherence of information.

Workplace programme – voluntary counselling and testing

In 2005, the Group improved access to counselling and testing facilities and focused on encouraging employees to be aware of their HIV/AIDS status.

The focus has shifted in the Group from voluntary counselling and testing (VCT) to mandatory counselling and voluntary testing (CVT), which has been enthusiastically received by employees. Counselling, viewed as an essential form of education, is conducted in large and small groups, as well as one-on-one, while testing remains voluntary and elective. Efforts to inform and encourage employees to come forward for counselling and voluntary testing were accelerated by moving the VCT clinic to the vicinity of the outpatient department, enabling access for employees undergoing medical examinations. This new approach resulted in more than 50% of the operational workforce participating in counselling and testing within the first six months of its implementation.

The additional cost to the 2005 wellness programme salary bill was R1,8 million. To appropriately manage the wellness programme, additional resources were employed in 2005. These included ten professional nurses, one enrolled nurse and four professional nurse counsellors, while 49 medical staff received ART/wellness training.

Complementing the challenge to positive behaviour change is the ongoing provision of male and female condoms; advisory and treatment services for sexually transmitted infections (STIs); post-test support; and follow-up psychological support. In addition to the professional code of ethics, medical staff signed a public pledge guaranteeing confidentiality, which was greatly appreciated by potential patients. Patient records are subject to strict medical confidentiality.

Workplace programme – HIV/AIDS prevalence

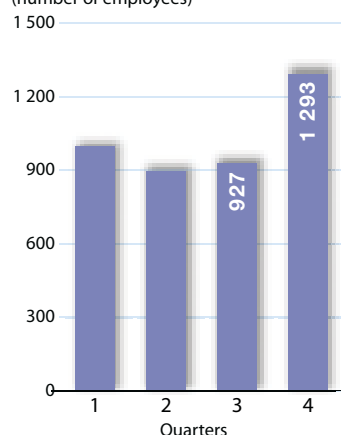
From prevalence testing and utilising the Actuarial Society of South Africa (ASSA) model, the best estimated prevalence for Anglo Platinum employees is 27% of current population. This is in line with national and provincial public sector results. From data and information collected from the VCT programme, it would appear that contractor employees have a higher prevalence rate, currently estimated at 30%.

Since the introduction of ART, the number of HIV-related medical incapacitations has dropped consistently over the past two years.

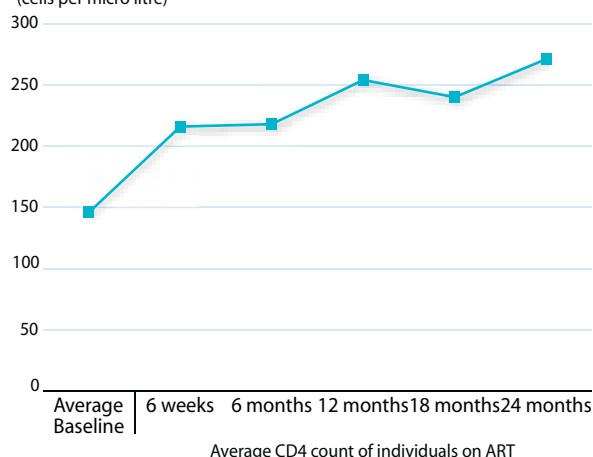
Workplace Programme – Wellness Programme and provision of ART

The Group introduced the provision of free antiretroviral therapy (ART) for employees in 2003 at nine registered sites. HIV-positive employees, who enrol into the Wellness Programme, undergo a full clinical review, receive information about the therapy and obtain counselling on the importance of adhering to this therapy, including strict drug adherence routine. They are also provided with training and support to develop the skills necessary for ensuring success in preventing

Total employees on ART – 2005
(number of employees)



Individuals on ART-2005 – CD4 response
(cells per micro litre)



ANGLO PLATINUM WINS KHOMANANI EXCELLENCE AWARD

Anglo Platinum's corporate leadership on HIV/AIDS issues in South Africa was acknowledged with the Khomanani Excellence Award for Best Corporate HIV and AIDS Programme during 2005, most notably the empowerment of previously disadvantaged people from local communities, including the implementation of the Circle of Hope Community Project and the Traditional Healers' Project.



The adjudicators noted that the

Anglo Platinum programme achieved high scores in all the adjudication criteria. Aspects which placed the programme in a class of its own include the high level of integration with the corporate vision and communication strategy. Intensive monitoring and evaluation and active stakeholder engagement demonstrate a programme intimately integrated into all other aspects of the Company. Thorough planning, risk assessment and management co-ordination ensure high levels of understanding and enthusiastic co-operation, including the uptake of VCT and treatment when necessary. Arising out of a comprehensive policy is the empowerment of previously disadvantaged people from local communities, exemplified by the business/employment opportunities for community peer educators, which include sponsored training to graduate as enrolled nurses, and the sponsored training of home-based caregivers, certified under the HW-SETA and the Co-operative Indigenous Knowledge and Medicinal Gardens for Traditional Health Practitioners.

The Khomanani Excellence Awards is a government initiative officiated by the Minister of Health, Dr Manto Tshabalala-Msimang, pictured above presenting the award to Gillian Gresak, Group HIV/AIDS manager.

the development of resistance to medication. The drugs are provided in terms of internationally accepted treatment protocols and are of high quality. There were 2 549 employees on the wellness programme at the end of.

Unfortunately, despite the education and information provided, it is notable that most employees are only entering the programme at an advanced stage of HIV infection and it is evident from prevalence data and the numbers of people on ART that there are many employees who are HIV/AIDS positive but are not on ART.

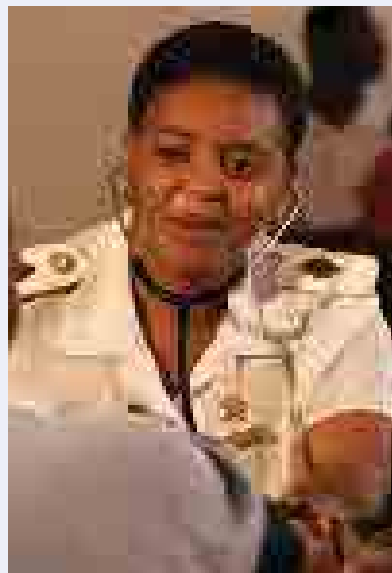
In the period from March 2003, when the ART programme began, to end-December 2005, 1 519 employees had commenced ART

therapy through the Group programme. As at end-December, 1 293 employees were still on treatment; the other 226 employees having withdrawn from the programme due to a variety of reasons including death, medical boarding, voluntary separation and therapy non-compliance. Most of the participating employees are responding well to ART and are back at work. The Karnofsky scale is the international scientific measurement of quality of life in patients. At the end of December 2005, only 7% of the employees on ART had a rating below 70 and were unable to return to work. The average weight of affected individuals increased by 6,5kg to 66,8kg over the year. The adherence figure, taking all tablets as prescribed, recorded in 2004 was 90%. This has remained the case in 2005.

HEALTHY COMMUNITIES

The success of Anglo Platinum's HIV/AIDS prevention campaign does not obscure other health needs in surrounding communities, hence Anglo Platinum's ancillary healthcare worker graduates, under the auspices of the Circle of Hope's care and support skills development programme.

This programme provides accredited training in healthcare provision and places registered healthcare workers in under-resourced communities to deliver competent and qualified services to the families of Anglo Platinum employees – and the broader community in which they live. Aligned to health workers' sector education training authority requirements, the training is conducted by Lethukukhanya Health Institute in a parallel roll-out across six community sites, directly related to Anglo Platinum operations.



In November 2005, some 128 registered learners graduated and were contracted to home-based-care NGOs, where they are able to perform the following services, among others:

- Conduct care and support service provision at household level;
- Assist with referrals to primary healthcare facilities;
- Engage in basic healthcare promotion services;
- Perform basic life-support and first-aid procedures; and
- Empower communities to understand their legal and human rights with regard to healthcare.

Candidates for the programme are selected from previously disadvantaged communities, with preference given to women who live in the community surrounding an Anglo Platinum operation, and who comply with the Circle of Hope criteria, i.e. are able to cope with an academically demanding curriculum but have not had access to tertiary education.

LOCAL WOMEN SUPPORT COMMUNITY HEALTH

Anglo Platinum funds the skills development of community peer educators, thus empowering historically disadvantaged individuals to join the mainstream economy as enrolled nurses. Centred at Leplats (Fetakgomo municipality), an area poor in resources and opportunities and with an extreme shortage of skilled nurses, this is one of Anglo Platinum's many projects in line with our commitment to the Mining Charter. Drawing from the ranks of community peer educators in community villages, those with special talent are identified for further training.

The first four candidates who commenced training in 2005 are currently receiving training in both theory and practice in the local hospitals, while a further eight will enrol in the first quarter of 2006. The aim is for these nurses to return to their villages with official certification as auxiliary nurses. Another eight candidates are due to follow them in 2006. This initiative helps to meet community needs, and to fulfil both personal aspirations and Anglo Platinum's commitment to the spirit of sustainable development.

Karnofsky scale	Comment
50	Needs assistance to care for oneself.
60	Able to care for oneself.
70	Unable to work.
80	Normal activity, some symptoms.
90	Normal activity, mild symptoms.
100	Normal activity, no symptoms.

The number of employees starting on the ART programme steadily increased during the second half of 2005, with the general trend since 2003 showing that more employees each month are joining the ART programme.

Several research projects aimed at improving the Group's understanding of the use of anti-retroviral therapy in our environment are currently in process. These include:

- Resistance study: using stored viral load specimens, resistance testing is done retrospectively on all patients who have failed the first-line regimen, to ensure that the second-line regimen succeeds;
- Efavirenz early side effects study: in this study we aim to explore the early neuro-psychiatric side effects of efavirenz; and
- Adherence study: a study to assess factors impacting on adherence in the ART programme.

Community HIV/AIDS programmes

The Circle of Hope Community Project, initiated in July 2002, is a large-scale community HIV/AIDS intervention programme, aimed at minimising the total impact of HIV/AIDS on Anglo Platinum stakeholders and to ensure the long-term sustainability of business operations. Circle of Hope operates in communities around Anglo Platinum's operations and aims to support, align and contribute towards a partnership with local

and district government, NGOs, traditional health practitioners and traditional leaders.

The project has a mandated operational distance of a 50km radius around Anglo Platinum's operations and includes activities in the Rustenburg and Moses Kotane local municipalities of the North West province and the Thabazimbi, Magalakwena, Fetakgomo and Polokwane local municipalities of Limpopo province. The project is being extended into the King Sabata Dalindyebo and Nyandeni local municipalities of the Eastern Cape, initially in the form of care and support in these labour-sending areas.

The main focus in 2005 was to maintain and support community outreach programmes in home-based care and peer education. To this end, 128 previously disadvantaged community members graduated as ancillary health workers and have been enrolled into home-based-care NGOs in Rustenburg, Moses Kotane, Thabazimbi, Fetakgomo, Polokwane and Magalakwena.

The home-based-care programme is being extended to cater for ex-mine workers and their families, as well as the broader community, in King Sabata and Nyandeni local municipalities of the OR Tambo district municipality. As part of the programme, 30 previously disadvantaged community members are undergoing the ancillary health workers' programme.

Some 277 community peer educators from Rustenburg, Moses Kotane, Thabazimbi, Fetakgomo, Polokwane and Magalakwena underwent refresher training and delivered focused education and information to community members in 2005. Twelve community peer educators from Fetakgomo have been selected and are undergoing training at Goldfields Nursing College, funded by Anglo Platinum. On graduating as enrolled

nurses, they will practise their profession in Fetakgomo.

The Group has continued to support local and national traditional health practitioner initiatives, including training undertaken through the national Department of Health to formalise the traditional health practitioner's role in helping to manage the HIV/AIDS pandemic.

Through the President's emergency provision for AIDS relief funding, several general practitioners (GPs) are now providing ART in areas around Anglo Platinum's operations and this is being expanded, meeting needs of spouses, contractors and the broader community. Doctors from historically disadvantaged communities, who are members of the People's Independent Practitioners' Association (PIPA), are sponsored by the Group to be trained in the provision of ART. In addition, they are contracted to Anglo Platinum to conduct

treatment and wellness sessions at Group clinics.

Anglo Platinum has as part of its community HIV/AIDS programme also initiated the business skills development programme which has, to date, trained 48 individuals infected or affected with HIV/AIDS in business skills. This has resulted in ten enterprise initiatives in a number of villages in the Moses Kotane and Rustenburg local municipalities.

Anglo Platinum support has enabled the extension of the IMAGE (Intervention through Micro-finance for AIDS and Gender Equity) project into the Greater Sekhukhune District by combining three core components, namely: poverty-focused micro-finance/income-generation services; a curriculum of gender awareness; and HIV education and community mobilisation.

HOUSING AND LIVING CONDITIONS

Promoting home-ownership

The Group continues to operate a number of subsidy schemes focused on promoting a variety of tenure options, both rental and ownership. These schemes complement the development of social housing programmes which facilitate housing options at an affordable level and in line with the integrated development planning of local municipalities. In response to requirements for family accommodation, a number of stakeholder advisory committees were established at the end of 2003 across all operations.

The Group's pilot project to build 3 000 housing units made significant progress in 2005. The project, which comprises representatives from local and provincial government, Anglo Platinum management



and organised labour, was facilitated by the Social Housing Foundation.

1 000 units are planned for construction in the Boitekong area in Rustenburg (North West province) and negotiations for acquisition of land in Rustenburg from the Rustenburg municipality are at an advanced stage. The North West provincial government has approved and allocated government grants to finance a portion of the construction of the 1 000 units. A further 1 000 housing units are planned in the Northam area, within the Thabazimbi local municipality and 1 000 units on the Eastern Limb (both in Limpopo province). Discussions with local municipalities for suitable land options, in line with the spatial development framework in the Limpopo area, have also proven fruitful.

With the belief that the housing association concept would be adopted widely by the mining sector, a presentation was also made to the sustainable development

sub-committee of the Chamber of Mines which commended the innovation and endorsed the approach.

Improving the standard of accommodation, residential housing and hostels

The refurbishment of a significant number of housing assets that required attention contributed towards improved occupancy rates.

The hostel refurbishment project continued on schedule during 2005. Originally piloted during 2003, hostels at Amandelbult, Union and Rustenburg sections are being upgraded from the current configuration to a future configuration of two employees per room.

The project to improve the standard of accommodation on mines will benefit over 15 000 employees living in single accommodation.

Home ownership schemes, actual and plans		2005	2006 Target
Home ownership promotion			
Number of participants		1 331	2 000
Number of employees participating in subsidy schemes			
Housing bond subsidy scheme		3 261	1 382
Home rent subsidy scheme		23 729	25 568
Total package provision		1 245	1 245
Total		28 235	28 195
Hostel accommodation, actual and plans			
	2004	2005	2006 Target
Employees in hostels			
Total number	15 885	14 928	15 325
As a percentage of total employees	37	34	31
Hostel de-densification			
Converted rooms, as a cumulative percentage	7	30	57
Capital expenditure, R millions	14,1	38,0	49,1

IMPROVING THE LIVING CONDITIONS AT HOSTELS



In October 2000, Anglo Platinum came to an agreement with organised labour to upgrade its hostel facilities across all its mining operations. This involved a reduction in the occupation density of existing hostels to two persons per room and refurbishing the buildings and hostels in line with requirements of the Mining Charter.

Anglo Platinum's consultative approach ensured that management and labour jointly agreed on how this would be implemented at individual mines. A pilot project at three mines to test theory against practice comprised Phase 1 of the project and this formed the basis for a five-year roll-out plan. Phases 2 and 3 of the project, extending into 2006 (before the completion target of 2008) are now underway. Fully 171 hostel blocks are being refurbished at a total cost of almost R263 million.

The project includes conversion of hostels to family units and promotion of home-ownership options for mine employees. The home-ownership option is being explored through a special-purpose vehicle, the Sunflower Housing Company, initiated by Anglo Platinum.

Family units, integrated with the surrounding communities to encourage social interaction and building healthy family lives, is the ideal. Eliminating dormitory accommodation, where possible, in favour of family accommodation will reduce incidences of anti-social behaviour and minimise the spread of communicable diseases so common to migrant workers.

All stand to gain from the Anglo Platinum hostels project, including the wider community. The restoration of human dignity, in the full spirit of *ubuntu*, is a key goal with everyone involved in an ideal partnership between business and the communities where the employees live and work. This is an initiative to be proud of and one that contributes significantly to employee motivation and the retention of good labour.

ASSESSING THE CAUSE OF CRACKED HOUSES

Anglo Platinum's Boschfontein mine is located close to the Lefaragathla community. The community was concerned about the appearance and widening of cracks in the walls of their homes. Some residents believed that mining activities, including the passing-by of heavy machinery and underground blasting, were responsible. The Royal Bafokeng Nation, of which the community is a part, and with whom Anglo Platinum has established good relations over time, encouraged the Lefaragathla community to raise their concerns with Anglo Platinum. This they did at the mine's public open day in April 2005.

Anglo Platinum representatives met with community leaders and launched an independent assessment into what may have caused the houses to crack. The assessment found that mining activities were not to blame – instead, poor construction methods and materials were responsible. The community was still not satisfied and requested an additional assessment, this time by an independent assessor selected by them. The second assessment reached the same conclusions, finding that less than 1% of the damage could be attributed to mining activities. Anglo Platinum funded both inquiries.

Following the recommendations of the second assessment and to contribute to an increase in knowledge in the area, Anglo Platinum has agreed to sponsor training for selected local community members to help improve their building skills, repair cracks and improve their understanding of methods appropriate for local soil conditions.

LABOUR/MANAGEMENT RELATIONS

Employee communication structures

In terms of the employee relations policy (ERP) signed by all recognised unions, associations and management, partnership structures were established at various levels of the Group. The creation of one single business entity with two components, mining and processing, has seen the removal of all regional operational structures. This in turn resulted in the removal of the regional partnership forums, which were created to service regional operational structures. Following these changes, the remaining fully functional partnership structures are: the central partnership forum (CPF); the steering committee; and the operating unit partnership forum (OUPF).

In addition to the ER policy structures, which focus on organised labour, the Group has implemented an employee communication policy. The objectives of this policy are to:

- Promote the empowerment of line management, with emphasis on line management to take responsibility for being the primary communicators to their employees;
- Ensure an understanding of the communication roles and responsibilities of all parties and provide a common approach to communication within Anglo Platinum;
- Create a framework to improve employee communication and put support resources in place for line management to achieve sustainable communication success; and
- To monitor and audit the effectiveness of employee communication to ensure there is an understanding of how to improve communication.

The policy also details the structures of communication at various levels of the organisation, for example, supervisors having face-to-face meetings with their teams to discuss production and safety issues.

Employee relations – policy and procedure framework

The ERP objectives are to ensure commitment to long-term partnerships and to support the Group's vision and values. The policy also regulates the recognition of new unions and associations that meet the required entry threshold for partnerships and collective bargaining. In so doing, it acts as the enabling instrument for all employee relations policy and procedure instruments in the Group.

Anglo Platinum faced no significant industrial action in 2005. Minor work stoppages were reported during 2005 and some union members did support COSATU's national strikes against job losses on 27 June in North West province, 10 October in Limpopo and 24 October nationally. A total of 27 477 working days were lost as a result of these stay-aways. However, contractors working for the Group suffered from increasing industrial action in 2005 and this impacted negatively on production. There were a total of 18 contractor-related incidents, resulting in 50 210 person-days being lost, which reduced production by an estimated 13 000 ounces of platinum. Given this trend and the deteriorating safety performance of contractors, the relationship with contractors and the ideal level of contracting in the Group is being reviewed under the leadership of the Executive Director: Mining, so that safe and sustainable production can be attained.

Employee relations – goals and measures

The Group's human resources scorecard is an effort to optimise employee relations. A component of the scorecard is the employee relations goals and measures implemented by each operation, as allocated.

The scorecard is presented at each sitting of the OUPF for perusal and comment by both labour and management.

Project plans and evaluation

In 2005, the focus was on building the effectiveness of the task teams, ensuring each have clearly mandated terms of reference, project plans, rules of conduct and meeting schedules.

In 2005, the ERP was implemented to ensure that it continues to serve as a viable employee-relations instrument, aligning

behaviour to the organisation's business goals and human resources strategy.

Union and association membership

The Group employee-relations consultant regularly reviews trade union and association membership figures. The 2005 figures across the Group are outlined below.

Employee consultation

On various matters of mutual interest to the Group and its employees, management regularly consults and communicates with employees belonging to trade unions and employee associations through the transparent partnership and communication structures enabled by the formation of the CPF. The conveners of these communication and consultation sessions are required to publish minutes of their meetings. This

“The ideal level of contracting is being reviewed given the trend of increased contractor industrial action and the deteriorating safety performance.”

Membership of recognised unions and associations as at 31 December			
	2005	2004	2003
National Union of Mineworkers (NUM)	20 162	18 333	16 890
Mouthpeace Workers' Union (MPWU)*	2 844	3 990	5 212
United Association of South Africa (UASA)	3 957	3 996	3 830
Commercial Workers' Union of South Africa (CUSA)*	1 864	2 928	3 146
Steel, Mining, and Commercial Workers' Union (STEMCWU)*	1 586	1 616	1 698
Building, Motor, Engineering, and Allied Workers' Union (BMEAWU)*	1 305	1 422	1 653
Togetherness Amalgamated Workers' Union of South Africa (TAWUSA)	908	1 266	1 375
Solidarity	149	422	380
National Union of Metalworkers of South Africa (NUMSA)	196	209	227
Total	32 971	34 182	34 411
Percentage of employees represented			
Gauteng	0	0	0
Limpopo	83	50,6	50,4
Mpumalanga	0	0	0
North West	75	95,1	96,2
Total	81	73,1	73,6

* Members of Trade Union Alliance – 7 599

ensures that all the relevant employees of the applicable operation are kept clearly and meaningfully informed on issues currently on the union and management agenda.

In addition, all employees are communicated to through the Group's formal internal communication system. This system includes the distribution as appropriate of an informative monthly publication as well as formal communication sessions.

HUMAN RESOURCE DEVELOPMENT – TRAINING AND EDUCATION

Strategy

Human resource development is a core component of Anglo Platinum's human resource and business strategies. Apart from the requirement to meet the Mining Charter's HDSA management targets, the development of future leadership is a key strategic focus area in achieving the Group's vision.

Outcome-based education, training and development began in the Group during 2003 to ensure that the human resource development strategy and practices are fully aligned with the national skills development strategy, relevant national legislation and approved by the relevant authorities. Since then the Group has established a world-class education, training and development methodology.

Human resource development structure and capacity

Human resource development in the Group largely takes place at, and is co-ordinated through, the Anglo Platinum Development Centre in Rustenburg, as well as at each

respective operation. The Anglo Platinum Development Centre offers a wide range of training courses to employees from across the Group and employs 472 human resources development practitioners and training staff.

People development interventions

The attraction, retention and development of high-quality professional staff to manage and lead Anglo Platinum into the future are key to the Group's long-term success. The growing shortage of critical skills in the mining industry in South Africa, combined with Anglo Platinum's heightened need for such skills in light of its expansion programme, has highlighted the importance of proper talent management and people development.

Adult basic education and training (ABET)

Adult education is a national priority in South Africa. The Group's education department offers employees a wide variety of full-time and part-time courses, including ABET level 1 to ABET level 4 courses, at its adult education centres. All eligible employees have been offered the opportunity to attend these courses.

In addition, the Group in 2005 formally assessed the level of literacy and numeracy among 70% of its A- and B-band workforce. In conjunction with these tests, a learning potential assessment is carried out with each employee, the results of which are used for career planning and for determining mentorship and fast-tracking potential. These assessments have shown that 25% of the Group's workforce is still functionally and numerically illiterate.



Jeanette Senne assists Johannes Thabadira with media and presentation skills at Rustenburg Section's ABET centre.

Significant resources have been allocated to ABET to ensure that the Group will be able to meet the anticipated demand and this includes the appointment of 110 full-time ABET trainers. Facilities, workbooks and facilitators are provided across the ABET spectrum.

An analysis of formal qualification data as it appears in the work place skills plan of 2005 indicates the following:

As at 31 December 2005, subject to further testing and evaluation	Number of Group employees
Number of employees below ABET level 1	11 129
Number of employees at ABET level 1, but below ABET level 2	3 855
Number of employees at ABET level 2, but below ABET level 3	1 539
Number of employees at ABET level 3, but below ABET level 4	749
Total number of employees who have been assessed	17 272*

**This excludes people placed at ABET level 4*

Anglo Platinum received accreditation from the Mining Qualifications Authority (MQA) during 2005 for its ABET training programme. This accreditation means that Anglo Platinum is no longer obliged to make use of external examination and certification bodies to run its programmes and issue certificates.

Staff development has continued with 25 adult education practitioners enrolling for the MQA ABET practitioner learnerships. ABET practitioners have also been trained as assessors.

Young professionals

In 2005, the Group spent R19,9 million on its bursary scheme.

The table below provides historical and future bursar numbers:

Bursary scheme	Number of bursars
2006 target	413
2005	323
2004	364
2003	395
2002	324
2001	252

Secondary, yet important, objectives of the scheme are to support:

- The Group's employment equity objectives and targets. To this end, 80,2% of the new bursars in 2006 are HDSAs;
- The communities in which the Group has its operations by placing emphasis on the bursar-recruiting and career-guidance activity in these areas. To this end 34% of the bursars that will start in 2006 come from communities within 50km of the Group's operations.

A total of 44 university and university of technology bursars obtained their qualifications

at the end of 2005 via the bursary scheme in the following disciplines: mining engineering, electrical and mechanical engineering, metallurgy and chemical engineering, analytical chemistry, rock engineering, geology, mine surveying, and finance and accountancy. These graduates will join the Group's graduate development programme in 2006, where they will be exposed to a comprehensive programme designed to prepare them for their first substantive position.

Over the past five years, 285 bursars obtained their tertiary qualifications through this bursary scheme.

Management and leadership development

To enhance performance at supervisory level, a supervisory development programme has been initiated, which to date has seen in excess of 2 000 supervisors go through an extended development intervention, covering areas such as personal and professional mastery, performance management,

employee relations, safety and employee communications.

In addition, the Anglo Platinum Development Centre continues to provide further leadership programmes (junior management programme and management development programme) for selected managers at various levels in conjunction with a leading South African business school.

The interventions fall into various categories, namely:

- The junior management programme, which caters for junior managers, and the management development programme, catering for middle-management development;
- Short courses: based on operational needs, the Anglo Platinum Development Centre conducts various interventions focusing predominantly on behavioural skills, for example:
 - Employee relations training; and
 - Performance management training.

Actual Training – Employees who received training		
	Number of beneficiaries ¹	
Occupational category	2005	2004
Legislators, senior officials, managers and owner-managers	459	274
Professionals	1 013	835
Technicians and associated professionals	2 520	2 364
Clerks	862	1 447
Service workers, shop and market sales-workers	247	1 481
Agricultural and fishery workers	—	—
Craft and related trade workers	4 805	5 564
Plant and machine operators and assemblers	11 696	21 515
Labourers and related workers	9 805	26 223
Total	31 407	59 703

1. Beneficiary – employees who received training, regardless of the number of training opportunities/interventions they have been exposed to.



Fritz Korsatz conducting a class at Anglo Platinum's computer training centre.

Technical skills training

The Group offers technical skills training to employees through a wide range of courses at its operational training centres, Anglo Platinum Development Centre and the Engineering Skills Training Centre. Courses include engineering learnerships such as electrical, fitting, plating, rigging, instrumentation, diesel and millwright as well as various short courses. Mining training includes NQF level 2 and 3 learnerships. Metallurgy includes courses such as floatation and filtration, crushing and screening.

Talent management

The Group has a talent management programme that identifies and develops high-potential and high-performing individuals to ensure leadership succession. To assist management with managing the programme there is a fully functional talent management section within the human resources department.

Career paths

Anglo Platinum has completed a process of generating generic career paths for every discipline at its operations. As part of this programme, role descriptions have been articulated, indicating minimum requirements such as job complexity, qualifications, experience and competence. Individual development charters are developed for employees and these development charters are reviewed annually.

Mentoring

Anglo Platinum has continued in 2005 with a formal HDSA mentoring process, which was rolled out in 2004. The main features of this programme are:

- The planned involvement, agreement and buy-in of suitable managers;
- The design of necessary training materials, mentoring agreements and working documents;
- The training and accreditation of line management responsible for mentoring;
- The matching of mentors to protégés;
- Regular audits and, if necessary, corrective action; and
- Institutionalisation of the process throughout Anglo Platinum's operations.

Quality assurance and external participation

Anglo Platinum Development Centre has retained its ISO 9001 listing and continues to be one of the few accredited training providers in the mining industry. The Group continues to maintain its strong representation in national structures, such as the Mining Qualifications Authority (MQA), and by so doing contributes significantly to human

resource development within the mining industry.

EMPLOYMENT EQUITY – DIVERSITY AND OPPORTUNITY

From our employment equity report submitted to the department of labour, numbers showed that 19,3% of legislators and senior managers were employment equity candidates against the five-year target of 18% (up from 14,7% in 2004). The employment equity representation in the professional category for 2005 was 43%. No progress was made in the technicians and associate professionals category with employment equity representation dropping from 54,9% in 2004 to 51,6% in 2005, against a target of 49,7%.

Female representation in the workforce increased by almost 1% in 2005 to 5,6%, realising the target set of 5,5%.

The Group's employment equity strategy seeks to address any possible barriers that may exist as well as any factors that may adversely affect people from designated groups and ensure that a sufficient number of capable HDSA management candidates are in a position to apply for new posts. This strategy, which looks to the early identification of suitable HDSA candidates, their internal development, mentoring and fast-tracking, has over the past year delivered positive results. The HDSA fast-tracking programme gained momentum in 2005 with a total of 72 employees currently on the programme.

The employment equity committees at the Group's operations play an enabling role in ensuring the success of the Group's workplace skills plans in terms of the Act. All



Anglo Platinum employees receiving practical engineering skills training.

mines and plants have employment equity co-ordinators, who report to the operational human resource managers.

The Group continues to make progress in meeting the 10% target of women in mining. During the second half of 2004, an internal 14-week project was undertaken to understand the current status, investigate areas of concern and develop recommendations that, when implemented, would enable Anglo Platinum to reach the 10% target. The nine key areas of concern encompassed: safety; health and environment; budgets and policies; facilities; suitability of jobs; availability of skills; training and development; social issues; culture and change management; and benchmarking. Recommendations are being implemented across the Group and many projects initiated in 2005 are underway to ensure that women can be accommodated on mines, without feeling discriminated against. Projects include upgrading accommodation, building female change-houses and making appropriate protective equipment available.

Furthermore, Anglo Platinum recognises that there is a duty of care to provide a safe system of work for women of reproductive age, their unborn children and all working mothers who are breastfeeding. At the same time, the right to equal opportunities and fairness is recognised.

Human Rights

STRATEGY AND MANAGEMENT

South Africa is a signatory to the Universal Declaration of Human Rights, which is in turn reflected in the country's constitution. AAPlc has made a commitment to comply with the Declaration.

Anglo Platinum has interpreted and incorporated this into its code of ethics and business principles.

NON-DISCRIMINATION

Discrimination in the workplace

Anglo Platinum's code of ethics and business principles declares that 'we promote workplace equality and seek to eliminate all forms of unfair discrimination'. The Group has subscribed to government and industry agreements and has amended its policies and procedures to ensure non-discrimination against foreign migrant labour.

While employment equity goes some way to forcing the reversal of historical unfair discrimination, and management's commitment to this principle is visible and publicly stated in a variety of media, it is an unfortunate fact in South Africa that residual racial and gender biases linger in the culture and value system of its society. The Group's employment equity policy includes a non-discrimination clause that reads, 'No person

HDSA participation in management, actual and plans, %	2004	Plan 2005	Actual 2005	Target ¹ 2006
Paterson F-level (top management)	7,1	10,0	7,1	10,0
Paterson E-level (senior management)	11,0	13,5	23,0	17,6
Paterson D-level (middle management)	28,9	30,0	30,5	34,0
Paterson C-level (junior management)	40,1	42,0	44,9	45,0
Total HDSA/total employees as a %	32,5	34,0	36,0	37,0
Women participation in mining, actual and plans, %				
Paterson F-level (top management)	0,0	0,0	0,0	0,0
Paterson E-level (senior management)	4,6	4,6	6,1	6,3
Paterson D-level (middle management)	14,2	12,7	13,8	13,7
Paterson C-level (junior management)	13,2	14,0	15,4	15,0
Paterson C-level (other)	10,0	9,9	10,5	11,1
Paterson B-level (semi-skilled)	2,6	3,2	2,8	4,6
Paterson A-level (unskilled)	10,5	10,3	13,1	12,7
Total women/total employees as a %	4,8	5,5	5,8	6,9

Note: These are year end numbers. The data in the main body of the report was from the employment equity plan progress report submitted for 2005.

¹ 2006 targets were set in 2004 as part of requirements to comply with the mining charter. Some 2006 targets were achieved in 2005. The 2006 targets remain.

PREPARING ANGLO PLATINUM'S FIRST FEMALE MINE OVERSEER

That Anglo Platinum is serious about addressing gender inequality issues, more specifically the under-representation of women in hands-on practical work, is exemplified in the case of Mercia Coetzee.

Mercia started her mining career with Anglo Platinum during 2002 as a developer in the trackless section at Frank 1 Shaft, Rustenburg Section. During her time as a developer she also held the record for achieving the most development metres in a measuring month at Frank 1 Shaft. She started acting as a shift supervisor at Frank 2 Shaft during 2003 and then left the industry for a year to pursue other interests.

Mercia returned to Anglo Platinum in 2005 as a role model and mentor on the Mining HDSA Fast-tracking project. She obtained her mine overseers certificate of competency during October 2005 – the first woman in Anglo Platinum to achieve this feat. Currently Mercia, seen in the green overall below, is a senior shift supervisor and on the fast-tracking development programme to prepare her as a mine overseer.



may unfairly discriminate, directly or indirectly, against an employee, in any employment policy or practice, on one or more grounds, including race, gender, pregnancy, marital status, family responsibility, ethnic or social origin, colour, sexual orientation, age, disability, religion, HIV status, conscience, belief, political opinion, culture, language and birth'.

Accordingly, the Group monitors and is on the alert for unfair discrimination through its

disciplinary and grievance procedures. The human resources department has tasked a person, whose task it is to track incidents, to report them and to look for trends. The Group takes all actions necessary to address unfair discrimination, including disciplinary procedures. Where necessary, guilty employees may be dismissed. Nine such cases of discrimination led to formal complaints and disciplinary procedures in 2005.

Anglo Platinum subscribes to government and industry agreements to ensure non-discrimination against foreign migrant labour.

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

All Anglo Platinum employees have the right to freedom of association under the South African Constitution and the Labour Relations Act (LRA), 1995. This right is also entrenched in the Group's code of ethics, business principles and employee relations policy.

The Group recognises trade unions and associations that have a significant representation among its employees, and these in turn participate in collective bargaining forums with Group management. 81% of the Group's employees are represented by trade unions and associations.

CHILD LABOUR, AND FORCED AND COMPULSORY LABOUR

Anglo Platinum has committed itself, in terms of its code of ethics and business principles, to 'comply with all relevant laws and regulations', to 'prohibit the use of child labour', and to 'not tolerate inhumane treatment of employees, including any form of forced labour, physical punishment, or other abuse'. The code also commits the Group to ensuring that 'conditions of service comply with applicable laws and industry standards'.

Monitoring of the Group's adherence to this commitment is undertaken through its SAP computerised management system, in which a database of all employees is maintained. No incidents involving child, forced or compulsory labour involving Anglo Platinum or any of its business partners were detected during 2005.

DISCIPLINARY PRACTICES

Appeal procedure

The Company's behavioural procedure governs the appeal process. In cases where an employee has been counselled, given a verbal warning, written warning, or both, or been handed a sanction arising from a hearing, the employee may appeal. The employee must appeal within three working days, in writing, to the employee relations practitioner. The manager or head of department will, within three working days, or as soon as reasonably possible, convene an appeal hearing, investigate the facts and circumstances, and assess the evidence led. The appellant has the right to be represented by a fellow employee or a trade union representative during an appeal.

Any appeal process is confined to the merits on which the request for relief is based, as being either;

- Wrongful verdict of guilt;
- Unfair penalty/sanction in light of the circumstances of the offence; and/or
- Substantive impropriety in that the appellant has been disciplined without reason.

The chairperson's decision on appeal is final. There is only one level of appeal. Should the employee wish to take the matter further, he or she is entitled to process it in terms of the LRA or any other applicable legal avenue.

Grievance procedure

Anglo Platinum's grievance procedure is intended to create an environment that is conducive to good employee relations and a satisfied, productive workforce by taking prompt and fair action when employees have legitimate complaints. There are two recognised grievances:

“Protection Services commenced with implementation of the AAplc guidelines for adherence to the voluntary principles on security and human rights.”

- An individual grievance, in which one person has a grievance; and
- A group grievance, in which more than one person has a grievance. In this instance, the aggrieved group may select up to five representatives to raise the grievance with their immediate supervisor. Union/association members must select shop stewards as representatives. Employees who are not members of a union or association must select a representative from the group that has the grievance. Individual and group grievances are treated in the same way and the same procedure must be followed.

Should a grievance remain unresolved, the final management authority within that particular structural hierarchy at the operating unit is allowed an opportunity to resolve and take a decision on the matter; after which external dispute resolution mechanisms regulated by the LRA may be employed by the aggrieved.

SECURITY PRACTICES

The Anglo Platinum protection services department commenced in 2005 with the implementation of the AAPlc guidelines for the implementation of the voluntary principles on security and human rights. These guidelines were issued following AAPlc becoming a signatory to the principles. The principles are relevant to many aspects of the Group's security management, including risk assessment and interactions with public and private security providers. The principles represent international best practice in the management of security and community risks including, for example, wherever we retain armed security providers.



Rassie Erasmus has his belongings checked by Alphus Kapoko as he leaves RBMR.

A comprehensive, cost-effective, in-house training course on human rights for new protection services' employees continued in 2005. Constant monitoring of human rights issues was performed within the various protection services sections across the Group. In addition, the Group's standard operating procedures for search, arrest and charging were rewritten in 2005, taking cognisance of South African legislation and the voluntary principles on security and human rights.

INDIGENOUS RIGHTS

In its code of ethics and business practices, Anglo Platinum states that it recognises 'the sensitivities involved in addressing issues that relate to the cultural heritage of indigenous communities'. The Group seeks 'to ensure that such matters are handled in a spirit of respect, trust, and dialogue'.

Anglo Platinum takes the view that most of what is intended in the GRI's definition of 'addressing the needs of indigenous people' is covered in the society section of this report

that follows, in which relationships with the communities associated with its operations are discussed.

Jointly managed grievance mechanisms for communities, whether 'indigenous' or not, are managed by the various forums set up as described elsewhere in this report.

Society

MINE COMMUNITY AND RURAL DEVELOPMENT

Integrated development plans

All Group operations have developed social and labour plans, which refer to and are aligned with the objectives of the municipal governments' integrated development plans (IDPs). Group operations participate in the IDP and local economic development (LED) processes in the following municipalities:

- Fetakgomo local municipality – Leplats;
- King Sabata local municipality – labour-sending area;
- Magalekwena local municipality – PPRust;
- Moses Kotane local municipality – Union Section;
- Nyandeni local municipality – labour-sending area;
- OR Tambo district municipality – labour-sending area;
- Rustenburg local municipality – Rustenburg mines and plants;
- Thabazimbi local municipality – Amandebult Section; and
- Tubatse local municipality – Twickenham

Each operation has an internal forum, headed by the manager and including internal participants from the key function of socio-

economic development, which in turn controls the functions of corporate social investment, HIV/AIDS, and small-, medium-, and micro-enterprise development, the latter carried out by the business development officers. Corporate specialists also join these forums.

The operations engage with other PGM producers in joint development forums, as have been established on the Eastern Limb over the Greater Sekhukhuneland and Mpumalanga reserves (the Tubatse JDF), in the Thabazimbi area (with, among others, Kumba), and in the Rustenburg area (with Impala, Aquarius, and chrome producers). In the areas where PGM mining is less dominant in the local economy, namely Polokwane (where the Group has only a smelter) and Mokopane (where PPRust is situated), the Group engages with government and with other non-PGM businesses represented in those municipal areas.

In the Greater Sekhukhuneland area, the Tubatse JDF has co-operated with government in bringing much-needed water supplies to communities via a dedicated pipeline, and it continues to build roads, schools, houses, and clinics, all within the scope of the area's integrated development plan. The reader is referred to the list of community stakeholders given earlier in this report.

Each operation has developed a three-year community engagement plan (CEP) and fully functional community engagement forums. These plans are under review to improve quality. To assist with this and to ensure community issues are being adequately addressed the AA plc socio-economic assessment toolkit (SEAT) process is being implemented.

“The Group’s social and labour plans are aligned with the objectives of the local municipalities integrated development plans.”

CORPORATE SOCIAL INVESTMENT (CSI)

Anglo Platinum maintained its strong commitment to financing and facilitating social development in host communities and labour-sending areas during the year. This ongoing commitment underpins the Group's strong desire to play a proactive role in facilitating South Africa's social and economic development by building key partnerships with various stakeholders. These stakeholders include local communities, non-governmental organisations (NGOs) and government departments at local, provincial and national levels.

The Group's CSI strategy, as a subset of its broader corporate socio-economic development portfolio, is to play a constructive role in enhancing the quality of life of those communities surrounding Group operations, as well as some of those regions from which some of the workforce are sourced. To a lesser extent, the Group is also engaged in social and economic initiatives of national importance.

Anglo Platinum continues to focus most of its corporate social investment activities in six main areas:

- Small donations: contributing to charitable causes, sport and community development events;
- Education: supporting the development of quality education centres and improvements in mathematics, science and English-language teaching and learning at primary and secondary schools;
- Infrastructure: contributing to the sustained improvement of physical infrastructure in underdeveloped areas;
- Health and welfare: supporting initiatives geared towards enhancing government's delivery of primary healthcare and welfare services to the underprivileged sector;
- Community capacity-building: supporting initiatives intended to improve the skills of community members and their organisations; and
- Small-, medium- and micro-enterprise development: supporting programmes intended to promote entrepreneurship in mine communities and labour-sending areas.



Children at the Rasimone village creche, where Anglo Platinum has provided training to care-givers.

Anglo Platinum allocated R52,2 million to support social upliftment programmes during the year. This amount is based on an agreed percentage of the Group's operational costs. The amount is split among operational units on a needs basis depending on the priorities identified, the process of engagement with local stakeholders and integrated development planning with local governments.

Donations

Anglo Platinum has given donations towards 40 charitable causes intended to benefit the disadvantaged sectors of society during 2005.

Education

The Anglo Platinum education project is the longest supported initiative within the Group's social investment portfolio and in 2005:

- Six subject advisors and 262 educators benefited from the training of subject advisors and educators in mathematics, science and technology in 2005;
- 2 121 learners participated and benefited from the provision of supplementary and bridging programmes in mathematics, science and technology and English in 2005;
- 2 827 learners benefited from building, renovations and improvements of school facilities in 2005;
- The Group is paying the salaries of 26 teachers deployed at seven schools close to the mines; and
- 35 school principals benefited from management and leadership training; run through the Catholic Institute of Education in 2005.

Community capacity-building

To address and, in time, reduce poverty, the Group offers practical skills development and training programmes that create marketable skills. These skills programmes are geared to the needs of communities in the vicinity of Group operations and they address the strengths and opportunities that exist within them.

These programmes help to promote entrepreneurship among unemployed people around Group operations. A sustainable change in entrepreneurial behaviour continued to be witnessed in 2005 and augurs well for the continued creation of self-driven entrepreneurs. The outcome-based modules include computer literacy, product development, money generation and business theory based on an unconventional approach that uses experiential learning and maximum learner participation.

Anglo Platinum continues to support various job-creating initiatives, such as the development of commercial vegetable gardens, poultry farms, carpentry businesses and community spaza shops, all of which promote self-reliance.

The Group also supported the Old Mutual Tycoons Programme in the province of Limpopo, aimed at promoting entrepreneurship.

In partnership with Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ), Anglo Platinum is promoting the use of affordable household cookers that use alternative forms of energy. This commitment is part of a wider national programme sanctioned by the Department of Minerals and Energy to protect the environment by conserving trees.

ANGLO PLATINUM CO-FINANCES THE CONSTRUCTION OF BOITEKONG SECONDARY SCHOOL

Anglo Platinum has made R2 million available to the North West provincial department of Education for the construction of the Boitekong Secondary School. Construction of the school will cost just over R5 million and it will be able to accommodate approximately 1 000 learners on completion. A large portion of these learners' parents work at Anglo Platinum's Rustenburg operations.

Construction of the school commenced in 2005, using a Rustenburg-based construction company and approximately 30 labourers from Boitekong, and is being project-managed directly by the Department of Education. It is expected that construction work will be completed by mid-2006 and the learners, who are currently being accommodated in one of the blocks, will move across into their new classrooms.



The new Boitekong Secondary School will go a long way to reducing already-stretched learner-educator ratios at other secondary schools in the Boitekong area.

Small-, medium- and micro-enterprise development

The Group supports programmes intended to increase economic and social opportunities for black business development. These interventions resulted in 145 individuals benefiting from the business skills training programme and the start-up of 48 new businesses (sole proprietorships and closed corporations).

Another development has been support given to the establishment of co-operative types of businesses. During this period the co-operative training programme resulted in seven new women-owned co-operatives being set up.

In addition, 52 black-owned BEE companies within and outside Anglo Platinum's supply value chain were given training on a wide variety of areas – ranging from management

to technical – to improve their capacity to deliver good-quality product and service. As a result, 16 of these companies were awarded either new or additional contracts by Anglo Platinum.

Infrastructure development

In line with the commitment to contribute towards assisting government in addressing the backlog on infrastructure development, Anglo Platinum has contributed to the construction of the following projects:

- Road projects – Manamakgoteng road at Union and D1639 road at Amandelbult;
- Multi-purpose centre at Lebowa and education resource centre in Rustenburg; and
- Water projects – the establishment of water and sanitation facilities at 13 schools.



Construction of the Mathabatha clinic at Leplats. Anglo Platinum is paying for the construction.

“The unions are not aware of the socio-economic development programmes that Anglo Platinum is involved with.”

– UNION REPRESENTATIVE

A visit was arranged for union leaders to see first-hand the infrastructural development projects Anglo Platinum is funding in Limpopo and North West provinces.

These projects were carried out in consultation and partnership with the relevant government departments, namely education, water affairs and transport.

Health and welfare

Anglo Platinum's primary community health objective remains the need to sustain a mutually beneficial partnership with government in its ongoing efforts to provide primary healthcare facilities to under-resourced communities near Group operations and labour-sending areas. This support is mostly undertaken through building health clinics or purchasing mobile clinics.

Support has been given to local NGOs rendering welfare services to communities adjacent to the mines, namely the Greater Rustenburg Foundation, Tslupe Hospice and Lighthouse Children's Centre.

Traditional labour-sending areas

In line with the Mining Charter, Anglo Platinum has developed a partnership with the OR

Tambo district municipality (Eastern Cape) to pursue a common goal in addressing the historical socio-economic imbalances, caused in part by the migrant labour system.

Anglo Platinum has supported agricultural projects in the Bizana Lusikisiki Flagstaff triangle and the King Sabata Dalindyebo local municipality. About 320 ex-mineworker family members are direct participants in these projects. The expected impact of this support is that of ensuring sustenance of livelihood among families of ex-mineworkers and stimulation of local economic activity.

Anglo American and Anglo Platinum Chairman's Fund

Anglo Platinum's 2005 contribution of R15,2 million represents a substantial proportion of the total allocated to this fund and is one of the mechanisms through which the Group makes its social investment in South Africa.

The fund, financed by Anglo American and Anglo Platinum, provides support amounting to millions of rands to education, health, job creation, welfare, and arts and culture. Through these and many other initiatives it strives to create an environment in which ordinary people are afforded the opportunity of assuming greater control of their lives.

The Anglo American Chairman's Fund has a long and proud history of providing basic infrastructure, mainly classrooms, for schools in the more remote rural areas.

The most recent developments in this programme have been the beneficial partnerships forged with various provincial departments of education. The joint resources of this public-private partnership have greatly

ANGLO PLATINUM SUPPORTS THE EDUMAP PROGRAMME

The shortfall in South Africa of school leavers with sound mathematics and physical science qualifications suitable for them to enter tertiary education is of national concern. Indirectly, mining groups are also affected by the small pool of HDSAs available to fulfil their BEE targets in staffing with people qualified in these fields.

Hence Anglo Platinum's support for the Edumap Programme, now in its third year of operations. Run by the Edumap Education Development Trust, the programme offers one-year residential learnerships to suitable candidates drawn from local mining communities. These learners then study to rewrite the senior certificate examinations in mathematics and physical science, with examinations run by the Department of Education. Learnerships provide additional enrichment, with supplementary courses in anything from computer skills to business and finance, as well as excursions to university campuses and local mines.

In 2006, some 40 learners will participate in this programme, before proceeding to higher education. This programme is offered at post-matric level, to ensure that learners are adequately prepared for successful further study. Society benefits, local socio-economic development benefits, and ultimately the pool of the next generation of Anglo Platinum leaders, is developed.

enhanced the effectiveness of the state's rural schools development programme.

Provinces strategically targeted for this partnership are Limpopo and North West, where Anglo Platinum runs most of its operations. In total, R10 million in matching funding for the rural schools development programme has been secured from provincial departments.

Informal settlements

Anglo Platinum is aware that a large number of South Africans in and around the communities within which it operates live in abject poverty, in settlements characterised by overcrowding, inadequate resources, social exclusion, and limited or no access to basic infrastructure, services, or economic opportunities.

Anglo Platinum, through its involvement with local municipalities, assists and facilitates the provision of basic infrastructure in certain existing informal settlements.

It is estimated that some 21% of Group employees live in informal settlements, yet they represent but a small part of total informal settlement populations. The Group participates in the Rustenburg Urban Renewal project, aimed at addressing the issues associated with people in the informal settlements. Such involvement in 2005 resulted into the Group contributing to the relocation of the Sondela and Bokamoso informal dwellers to a newly established formal housing area. It is also, with the Thabazimbi municipality, investigating the informal settlement outside Amandelbult Section, known as Schildpadnest.

RESETTLEMENT

Anglo Platinum has developed a resettlement policy and procedure based on the World Bank's guidelines, the new Safeguard Policies and the Chamber of Mines' resettlement guidelines.

No resettlements occurred in 2005. However, the Group plans to relocate an estimated 1 000 households as detailed in the case study on page 112. These relocations will be conducted in alignment with the World Bank guidelines and the new Safeguard Policies. Alternatives to resettlement were evaluated but due to the nature of the ore body, could not be avoided.

BRIBERY AND CORRUPTION

As far as Anglo Platinum is aware, no employees in 2005 were subjected to pressure by any outside party to pay bribes.

Employees and other stakeholders are encouraged to report anonymously on transgressions of this code. In 2003, the Group launched its confidential 'Speak-Up' whistle-blowing service provided by an independent company, Tip-offs Anonymous.

During 2005, the 'Speak-Up' facility was used by employees and suppliers to report

safety, industrial relations and criminal-related matters in the Group. A total of 49 cases were reported during 2005. Of these 49 cases, 27 have been closed and a further 22 are still being investigated. Of the 27 closed cases, 24 proved unfounded, one case led to a dismissal and two cases have led to eight employees receiving final warnings. No suppliers were flagged as high-risk during 2005.

Contact details for 'Speak-Up' (managed by Tip-offs Anonymous):

FreeCall phone: 0800 230 570

e-mail: angloplat@anglospeakup.com

Freepost 'Speak-Up', Freepost DN 298, Umhlanga Rocks 4320, South Africa

Website: www.anglospeakup.com

POLITICAL CONTRIBUTIONS

No contributions were made to political parties in 2005. The Group has, however, made contributions to political parties in previous years, details of which are included in our 2004 report.

2005 Corporate Social Investment (CSI) expenditure

2005 CSI, R million	In-house programmes			Chairman's Fund			Total			Percentage		
	2005	2004	2003	2005	2004	2003	2005	2004	2003	2005	2004	2003
Health and welfare	1,8	2,16	1,5	3,7	3,81	8,5	5,5 ^a	5,97	10,0	9	10	20
Arts, culture, and sport	3,6	0,69	1,3	1,4	0,23	0,1	5,1 ^b	0,92	1,4	8	2	2
Infrastructure development	18,3	24,16	14,3	5,7	4,49	10,0	24,3	28,65	24,3	39	48	48
SMME development	2,1	4,18	0,5	0,5	0,50	0	2,9	4,68	0,5	5	8	2
Education	8,4	15,14	8,6	3,9	2,34	4,0	12,3	17,48	12,6	20	30	25
Community capacity-building	11,0	0,76	1,3	0	0,62	0,2	11,9 ^c	1,38	1,5	19	2	3
Total	45,2	47,09	27,5	15,2	11,99	22,8	62,0^d	59,08	50,3	100	100	100

Note: All amounts exclude contributions for Modikwa.

^a Includes R1,2 million spent on community HIV/AIDS programmes.

^b Includes R0,35 million for environmental projects and R0,4 million for institutional costs.

^c Includes R1,6 million contributed to the development support trust at Leplats.

^d Excludes R3,9 million in administrative costs incurred and represents 1% of the pre tax profits.

COMPETITION AND PRICING

There were no court decisions regarding cases pertaining to anti-trust and monopoly regulations against Anglo Platinum during the course of 2005.

Product Responsibility

CUSTOMER HEALTH AND SAFETY

The refineries' safety, health, environmental and quality policies give a commitment to the production and supply of quality precious- and base-metal products for both domestic and international clients. Customer health and safety are of paramount importance to Anglo Platinum. To this end, various process changes have been implemented to facilitate the supply of products that do not compromise the health and safety of the Group's customers.

PMR has recently introduced new recyclable packaging that has been designed for ease of handling and storage. The newly introduced platinum ingot is now cast from a mould and machined to reduce sharp edges. A new osmium removal step has also been installed to reduce levels of the metal in other products. Furthermore, a process change in the production of palladium grain to create a rounder form, as opposed to the sharp irregularly shaped grain previously produced, has been introduced. The PMR has maintained regular practices, such as the supply of platinum sponge that is precipitated with wood flour in order to produce a coarser sponge for easier handling.

No instances of non-compliance with regulations concerning customer health and safety, and no penalties or fines were assessed for any breaches. Moreover, there were no complaints upheld by regulatory or similar official bodies.

PRODUCTS AND SERVICES

Both the PMR and RBMR ISO 9002 accreditations were upgraded to SABS ISO 9001:2000 in July and January 2003 respectively. In addition, the final-metals control laboratory at PMR achieved ISO 17025 accreditation in November 2003. PMR and RBMR maintained certification status in 2005.

Each product has a material safety data sheet, which is available on request and clearly marked on packaging as required.

ADVERTISING

The Group's policy is to channel corporate advertising assignments through a single agency, one that has, over a number of years, proven itself to have a sound understanding of the Group and the environment within which it operates.

The agency subscribes fully to and is guided by the Code of Advertising Practice. This code is specifically applicable to South Africa, but its use automatically results in compliance with other known codes because of its stringent nature, particularly in respect of comparative advertising. The agency is aware of certain international advertising restrictions, specifically those pertaining to the USA.

There has been no record of any charges having been laid by competitors or the public regarding non-compliance.

A COMMUNITY RELOCATION UNLOCKS SOCIO-ECONOMIC OPPORTUNITIES

PPRust plans to conduct open-pit mining at the farms Overysel and Zwartfontein, which are currently occupied in part by the Ga-Puka and Ga Sekhaolelo communities. A decision was taken by PPRust management in 2002 that the communities should be consulted with respect to the possibility undertaking a resettlement. An extensive consultation process followed involving various government departments, tribal authorities and individual community members.

A series of agreements have been reached with Government, traditional authorities and over 1 000 individual families to resettle the Ga-Puka community to the farm Rooibokfontein and the Ga-Sekhaolelo community to the farm Armoede. The agreements reached require PPRust to construct facilities for two new communities at a cost of approximately R600 million that will include everything from roads, water and sewage provision to schools, churches, business and recreation facilities. A new house will be built for each family matching the exact size of their existing residences and each family will receive a R20 000 resettlement allowance. PPRust will donate a further three farms adjacent to the communities to replace grazing and agricultural lands lost as a result of the relocation process.

As part of the resettlement process a number of socio-economic development projects and programmes have been initiated. The local community, via an SMME company, established in conjunction with civils contractor Group 5, is making the bricks for the new houses. This project is providing employment and skills for approximately 40 people. Anglo Platinum has contributed R12 million to a trust for further socio-economic development within the communities. In addition, a further R3 million has been set aside specifically for SMME business development. PPRust has also made 24 preferential bursaries available to learners from the communities to further their studies at tertiary institutions.

Families are expected to start relocating late in 2006 and there is ongoing consultation with the respective communities directly and through their legal representatives. Planning for this resettlement has been conducted in accordance with World Bank Guidelines and Safeguard Policies.



RESPECT FOR PRIVACY

The Group's policy is to make use of public media. Direct mailing has been used only in the case of people in a position to directly influence the Group, such as investment analysts and decision-makers in government.

The agency and the Group have never engaged in the dissemination of unsolicited information on the Internet or in the use of mass SMS marketing. No complaints of breach of privacy have ever been received.

AWARDS

During the year, Anglo Platinum received the following awards:

- Khomanani Excellence Award for Best Corporate HIV/AIDS Programme;
- Ernst & Young Best Sustainability Report for a JSE-SRI Index-listed company; and
- Named in the top five on the JSE SRI Index.



Barry Davison, Anglo Platinum chairman, Philip Hourquebie, CEO of Ernst & Young, and Stephen Bullock, Anglo Platinum sustainable development operations manager at the Ernst & Young best sustainability report award ceremony.



The new road connecting Union Section with Manamakgoteng, paid for by Anglo Platinum.

GRI 'IN ACCORDANCE WITH' SELF-ASSESSMENT

GRI Requirement	Indicator	Comments/Conclusion	Page
Requirement 1: The company must report on the number elements in Sections 1 to 3 in Part C of the Guidelines.	1. Vision and strategy	Inside front cover	
	2. Profile	An overview of the Company is included in the Profile section	16
	3. Governance structure and management systems	The Governance section provides a detailed overview	20
Requirement 2: The company must include a GRI content index as specified in Section 4 of Part C of the Guidelines.	GRI index table	Our 'GRI Content Index' is included on page 116. Page numbers refer to either the first or most significant location of relevant data.	116
Requirement 3: The company must respond to each core indicator in Section 5 of the Guideline by either reporting on the indicator or explaining the reason for its omission.	Does the report respond to each core indicator?	Our 'GRI Content Index' provides the relevant page reference for all core and non-core indicators. Our report responds to all core indicators.	116
Requirement 4: The Company must ensure that the report is consistent with the principles in Part B of the Guidelines.	Principle 1 – Transparency Does the report provide full disclosure of the processes, procedures and assumptions in report preparation?	Our section entitled 'Report Scope' provides a succinct overview of the processes, procedures and assumptions applied in the development of this Sustainable Development Report. Moreover, our CEO's Message provides additional information.	10
	Principle 2 – Inclusiveness Does the reporting organisation systematically engage its stakeholders to help focus and continually enhance the quality of its reports?	Our 2004 SD report was formally reviewed by a cross-section of stakeholders and comments received have resulted in some changes in both the format and content of this the 2005 SD Report. Our normal on-going engagement with stakeholders has influenced the content of this report.	29
	Principle 3 – Auditability Is the reported data and information recorded, compiled, analysed and disclosed in a way that would enable internal auditors or external assurance providers to attest to its reliability?	As evidenced by KPMG's Independent Assurance Report on page 12, as well as of our internal audit scopes for SHE data review, this Report is compiled to meet all requirements.	12
	Principle 4 – Completeness Does the report include all information that is material to users in assessing the organisation's economic, environmental and social performance in a manner consistent with the declared boundaries, scope and time period?	Anglo Platinum's Executive and Safety and Sustainable Development Committees have reviewed the content of this report, and are satisfied that the information contained herein is sufficient to meet all analysis requirements.	–
	Principle 5 – Relevance Does the report clearly define the degree of importance assigned to particular indicators, including the threshold at which the information becomes significant enough to be reported?	As detailed in our CEO's message and included in the fold-out inside the front cover, all information contained within this Report is deemed significant and important to our varied stakeholders.	4

GRI Requirement	Indicator	Comments/Conclusion	Page
	Principle 6 – Sustainability context Does the report provide an overview of the context in which the data is reported relative to the larger ecological, social and economic constraints?	The Report Scope, as well as the introductions to each core section, clearly indicate the context of the data being reported.	10
	Principle 7 – Accuracy Does the report achieve a high degree of exactness, or low margin of error, such that users can make decisions with a high degree of confidence?	This SD report has been reviewed by external assurance providers to ensure that the data contained within is presented with all attempts to eliminate errors.	12
	Principle 8 – Neutrality Does the report avoid bias in selection and presentation of information, and provide a balanced account of the organisation's performance?	This SD report represents Anglo Platinum's commitment to providing a balanced and unbiased account of our social, environmental and economic impacts, both positive and negative. Our neutrality includes several references to under-performance or unachieved targets.	–
	Principle 9 – Comparability Does the report maintain consistency with previous reports in the boundary and scope of indicators? Alternatively, are any changes in the boundary or scope, or re-statements of previously disclosed information, adequately disclosed?	This SD Report is largely consistent with the format of previous reports and comparability of data is possible. Where data are restated this has been clearly indicated via notes and footnotes.	10
	Principle 10 – Clarity Does the report make the reported information available in a manner that is responsive to the maximum number of users while still maintaining a suitable level of detail?	Anglo Platinum has again attempted to provide as comprehensive a report as is economically possible, while maintaining our commitment to clarity, consistency and ease of use. Our assertion must ultimately be tested by our many stakeholders.	–
	Principle 11 – Timelines Is the report being released in a manner that is consistent with a regular schedule that meets users needs?	Once again, Anglo Platinum is pleased to provide the SD Report in accordance with the annual financial year-end reporting guidelines.	–
Requirement 5: The Company must include the 'in accordance with' GRI statement signed by the CEO in the report.	Inclusion of the 'in-accordance with' statement?	The required quote has been included in our CEO's message on page 8. Moreover, it should be noted that this quote is a statement of ongoing commitment and not merely a 'compliance' exercise.	8

The Group has for the first time made use of the GRI Mining and Metals Sector Supplement released in February 2005, which requires other specific information to be provided.

GRI CONTENT INDEX

VISION AND STRATEGY	
1.1	cover
1.2	cover
Profile	
2.1	pg 16
2.2	pg 16
2.3	pg 16
2.4	pg 39
2.5	pg 17
2.6	pg 16
2.7	pg 16
2.8	pg 18
2.9	pg 30 – 35
2.10	pg 11
2.11	pg 10
2.12	pg 10
2.13	pg 10
2.14	pg 10
2.15	pg 10
2.16	pg 10
2.17	pg 8
2.18	pg 118–120
2.19	pg 10
2.20	pg 10
2.21	pg 10
2.22	pg 11
Management systems	
3.1	pg 21
3.2	pg 20
3.3	pg 20–22
3.4	pg 21
3.5	BR p120
3.6	pg 23
3.7	pg 23 –26
3.8	BR pg 200
3.9	pg 29
3.10	pg 30 – 35
3.11	pg 30 – 35
3.12	pg 29
3.13	pg 26
3.14	pg 26, 103
3.15	pg 16
3.16	pg 38, 68
3.17	pg 38, 56, 104
3.18	pg 10
3.19	pg 1 – 121
3.20	pg 46, 78

ECONOMIC	
Core	Additional
Customers	
EC1	pg 37
EC2	pg 37
Suppliers	
EC3	pg 37
EC4	pg 37
EC11	pg 32
Employees	
EC5	pg 36
Providers of capital	
EC6	pg 37
EC7	pg 37
Public sector	
EC8	pg 36
EC9	BR
EC10	pg 36
EC12	pg 36
Indirect economic impacts	
	EC13 pg 38 – 44
ENVIRONMENTAL	
Core	Additional
Materials	
EN1	pg 49
EN2	pg 49
Energy	
EN3	pg 50
EN4	pg 50
EN17	pg 51
EN18	pg 50
EN19	pg –
Water	
EN5	pg 53
EN20	pg 53
EN21	pg 53
EN22	pg 53
Biodiversity	
EN6	pg 55 – 56
EN7	pg 55 – 56
EN23	pg 55
EN24	pg 55
EN25	pg 56
EN26	pg 56
EN27	pg 56
EN28	pg 56
EN29	pg 56
Emissions, effluents, and waste	
EN8	pg 56
EN9	pg 56
EN10	pg 56 – 58
EN11	pg 60
EN12	pg 60 – 62
EN13	pg 65
EN30	pg 56
EN31	pg 60
EN32	pg 60
Suppliers	
	EN33 pg 68
Products and services	
EN14	pg 68
EN15	pg 68
Compliance	
EN16	pg 69
Transport	
	EN34 pg 70
Overall	
	EN35 pg 70

SOCIAL	
Core	Additional
Employment	
LA1	pg 74
LA2	pg 74
LA12	pg 79
Labour/management relations	
LA3	pg 94
LA4	pg 94
LA13	pg 95
Health and safety	
LA5	pg 74
LA6	pg 75
LA7	pg 75
LA8	pg 85
LA14	pg 78 – 80
LA15	
Training and education	
LA9	pg 97
LA16	pg 97
LA17	pg 97
Diversity and opportunity	
LA10	pg 99
LA11	pg 99
Strategy and management	
HR1	pg 101
HR2	pg 101
HR3	pg 102
HR8	pg 103
Non-discrimination	
HR4	pg 101
Freedom of association and collective bargaining	
HR5	pg 102
Child labour	
HR6	pg 102
Forced and compulsory labour	
HR7	pg 102
Disciplinary practices	
	HR9 pg 102
	HR10 pg 103
Security practices	
	HR11 pg 103
Indigenous rights	
	HR12 pg 104
	HR13 pg 104
	HR14 pg 104
Community	
SO1	pg 104
SO4	pg 113
Bribery and corruption	
SO2	pg 110
Political contributions	
SO3	pg 111
SO5	pg 111
Competition and pricing	
	SO6 pg 111
	SO7 pg 111
Customer health and safety	
PR1	pg 111
PR4	pg 111
PR5	pg 111
PR6	pg 111
Products and services	
PR2	pg 111
PR7	pg 111
PR8	pg 111
Advertising	
	PR9 pg 113
	PR10 pg 113
Respect for privacy	
PR3	pg 113
PR11	pg 113

JSE-SRI INDEX REFERENCE TABLE

General		Governance		Environment		Economy		Society	
SRI Ref	Page	SRI Ref	Page	SRI Ref	Page	SRI Ref	Page	SRI Ref	Page
G1	1 – 121	GV1a-b	20	EN1a	front cover	EC1a-e	36 – 41	S1a	95
G1a	114	GV1c-d	21	EN1b	68	EC2a-h	3, 36	Sb	99
G1b	Inside cover	GV1e	27	EN1c	46			S1c	93
G1c	10	GV1f	24	EN1d	48, 49			S1d	74
G2	10	GV1g	68	EN1e	68			S1e	105
G3a-e	10	GV2a-b	27	EN1f	68			S1f-h	104
G4ai-axiii	46, 73	GV3a-f	21	EN1g	49			S2a-b	93
G4bi-biv	36 – 41	GV4a-e	24, 110	EN1h	56			S2c	110
G4ci-cxi	85-89	GV6a-b	69	EN2a	46			S3	28, 78
G4di-dx	20 – 29	GV7	27	EN4a	68			S4	27
G5a	68			EN4b	64			S5	86
G5b	38			EN4c	46			S7	85 – 89
G5c	101 – 105			EN4e	46			S8	99
G6a-d	12			EN5a	55			S8a-b	FC, 39, 40
G7a	21			EN5b	99			S8c	99
G7b	46			EN5c	55			S8d	97 – 99
G7c	27			EN5d	56			S8e	38
G7e	21			EN5e	55			S11	94
G8a-j	30 – 35			EN6	56 – 64			S12	93
G9a-d	30 – 35			EN7	50			S13	93
G10a-g	29			EN8	51 – 53			S14	105 – 110
G11ai-av	95 – 99			EN9a-b	62			S15	NM
G11bi-bvi	74 – 85			EN9c	53			S16	110
G11ci-cvi	85 – 90			EN9d	69				
G12ai-aiii	68			EN10a	62 – 63				
G12bi-biii	74 – 90			EN10b-c	63				
G12ci-ciii	85 – 90			EN10d	53				
				EN11	70				
				EN12	65				

GLOSSARY OF DEFINITIONS, TERMS AND ACRONYMS

4E: four elements. The grade at Anglo Platinum's mines is measured as the combined content of the four most valuable precious metals: platinum, palladium, rhodium and gold.

AAplc: Anglo American plc, registered in the UK.

ABET: adult basic education and training.

Accumulated low-grade stockpiles: accumulated quantity of low-grade ore stockpiled for possible future processing.

Accumulated permanent waste rock/overburden: accumulated quantity of waste rock and overburden sent for disposal on surface.

Accumulated tailings in active and inactive tailings dams: accumulated tonnage of tailings deposited in active and inactive tailings/slimes dams.

ACP: Anglo Platinum Converting Process, a pyrometallurgical process.

ADC: Anglo Platinum Development Centre in Rustenburg.

Adverse ground water impacts on humans: evidence of adverse impacts on human health or activities as a result of discharge to ground water.

Adverse surface water impacts on humans: evidence of adverse impacts on human health or activities as a result of discharge to surface water.

ARM: African Rainbow Minerals Ltd.

ART: antiretroviral therapy, used for the treatment of HIV/AIDS to mitigate the effects of the disease.

Basel Convention: the 'Basel Convention on the Control of Trans-boundary Movements of Hazardous Wastes and their Disposal' was drafted and adopted in 1989 and came into effect in 1992. The convention works to reduce the movement of hazardous wastes to ensure that wastes are disposed of as closely as possible to where they were produced and to minimise the generation of hazardous wastes in terms of quantity and level of hazard.

BDO: Business Development Officer.

BEE: Black Economic Empowerment.

BRPM: Bafokeng-Rasimone Platinum Mine.

CEO: Chief Executive Officer.

CO₂: carbon dioxide.

COSATU: Confederation of South African Trade Unions.

CSI: Corporate Social Investment.

DEAT: Department of Environmental Affairs and Tourism of the South African Government.

Decent work: productive work in which rights (specifically those contained in the ILO Declaration

of Fundamental Rights at Work) are protected, which generates an adequate income, with adequate social protection. It also means sufficient work, in the sense that all should have full access to income-earning opportunities.

DME: Department of Minerals and Energy of the South African Government.

DWAF: Department of Water Affairs and Forestry of the South African Government.

Effluent to surface water: total volume of excess water discharged to surface water (e.g. rivers, dams, pans) during the reporting period.

EIA: environmental impact assessment.

EITI: the Extractive Industries Transparency Initiative launched in September 2003 by Mr Tony Blair, British Prime Minister.

EMP: environmental management programme.

EMS: environmental management system

Energy from electricity: electricity purchased from the national utility, Eskom.

Energy from processes and fossil fuels consumed: total energy excluding electricity purchased.

FIFR: fatal injury frequency rate; the number of fatal injuries per 200 000 hours worked.

Fuels: diesel, petrol, paraffin, coal and LPG consumed for processes and utilities.

Fundamental human rights conventions of the ILO: international labour standards covered in the Declaration on Fundamental Principles and Rights at Work (adopted by the International Labour Conference at its 86th session, Geneva 1998):

Convention No. 29: Forced Labour, 1930

Convention No. 87: Freedom of Association and Protection of the Right to Organise, 1948
Convention No. 98: Right to Organise and Collective Bargaining, 1949

Convention No. 100: Equal Remuneration, 1951

Convention No. 105: Abolition of Forced Labour, 1957

Convention No. 111: Discrimination (Employment and Occupation), 1958

Convention No. 138: Minimum Age, 1973

Convention No. 182: Worst Forms of Child Labour, 2000

GHG: greenhouse gas.

GJ: gigajoules (10⁹ joules).

Grease: total quantity of all types of grease used in all types of equipment during the reporting period.

GMI: Global Mining Initiative, established in October 1998. Founders were Anglo American plc, BHP Billiton, Codelco, Noranda, Newmont, Phelps Dodge, Placer Dome, Rio Tinto, and WMC.

Greenhouse gas emissions, CO₂-equivalent: quantity of CO₂ from electricity purchased and internally generated. Conversion factors used are as recommended by the Intergovernmental Panel on Climate Change (IPCC). Gases include CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, and other CO₂ equivalents.

GRI: the Global Reporting Initiative was established in 1997, with the mission of designing globally applicable guidelines for preparing enterprise-level sustainable development reports.

Ground water used: water abstracted/collected by the operation itself from ground water sources, e.g. from boreholes and mine de-watering, which is used by the operation.

Ground water quality deterioration: monitoring results indicate deterioration of ground water quality because of the operation's activities.

Ground water quality monitoring: monitoring programme to monitor water quality. Required sites are those identified for monitoring by legal permit requirements or by the site EMS.

g/t: grams per ton, the unit of measurement of grade. One gram per ton is one part per million.

Hazardous waste to incineration: this could include: heavy metal contaminated sludge; contaminated containers (reagent containers, oil/grease containers, anti-freeze drums); medical waste, vehicle batteries, and oil-contaminated material (gaskets, filters, soaking agents, rags). Incineration refers to incineration in a facility designed and operated in a manner compliant with legislation or internationally accepted practice (this does not include burning of waste in a pit or open area).

Hazardous waste to landfill: this could include: heavy metal contaminated sludge; contaminated containers (reagent containers, oil/grease containers, anti-freeze drums); contaminated soil; and oil-contaminated material (gaskets, filters, soaking agents, rags).

HDSA: historically disadvantaged South African. Refers to 'any person, category of persons or community, disadvantaged by unfair discrimination before the Constitution of the Republic of South Africa, 1993 (Act No. 200 of 1993) came into operation'. The Anglo Platinum definition of HDSA includes employees who are classified as African, Asian, Coloured or Women, regardless of citizenship status.

HMO: health maintenance organisation.

Hybrid methodology: the method used to calculate HDSA ownership based on a proportion of group production.

ICMM: International Council on Mining and Metals.

IDCs: individual development charters. These are being created for all management employees, as

mandated by Anglo Platinum's Operating Committee.

IDPs: integrated development plans, as specified in the Mining Scorecard in respect of mine community and rural development, and legislated by Government in terms of the Local Government: Municipal Systems Act.

IFRS: International Financial Reporting Standards.

IIED: International Institute for Environment and Development.

ILO (International Labour Organisation): the specialised UN agency that seeks the promotion of social justice and internationally recognised human and labour rights. It was founded in 1919.

IPA: International Platinum Association, which provides a communication forum for producers and fabricators and facilitates market development.

IRCA: International Risk Control Africa.

ISO: International Organisation for Standardisation.

ISO 14001: an EMS standard published by the ISO.

IUCN protected area categories: the World Conservation Union (IUCN) defines a protected area as 'an area of land and/or sea especially dedicated to the protection and maintenance of biological diversity, and of the natural and associated cultural resources, and managed through legal or other effective means'. IUCN categorizes protected areas by management objective and has identified six distinct categories of protected areas.

JDF: Joint Development Forum.

JM: Johnson Matthey plc, a leading fabricator of PGM products and leading researcher and developer of PGM applications and uses, based in London.

JSE: JSE Limited, the Johannesburg-based securities exchange.

JV: joint venture.

King Report: the King Committee on Corporate Governance in South Africa was formed in 1992 (under the auspices of the Institute of Directors in Southern Africa and chaired by Mervyn King) to promote the highest standards of corporate governance in South Africa. Corporate governance in South Africa was institutionalised by the publication of the King Report on Corporate Governance in 1994, and more recently by the release of an updated version ("King II") in 2002. The King Report features a Code of Corporate Practices and Conduct, which the JSE stipulates all listed companies must follow. GRI is referenced in this code.

Land disturbed for mineral extraction activities: area of land under Group charge where the original characteristics have been disturbed by mineral extraction and ancillary operations. This includes open pits and quarries, access roads, stockpiles, tailings/slimes dams and co-disposal facilities, offices, dumps, villages, land awaiting rehabilitation, screening banks, and concentrator, smelter, and refinery complexes. Disturbance can be by both physical and chemical means.

Land under Group charge: area of land under mineral rights and/or surface rights. This includes land falling under the direct management of the Group (including all land owned, leased or covered by surface rights), but excludes land that does not fall under the direct management of the Group. This also excludes prospecting rights.

Leplats: Lebowa Platinum Mines Ltd, 100% owned by Anglo Platinum.

Level 1 incidents: minor or no impact on the physical or biological environment with no significant or long-term impairment of ecosystem function or ground/surface water resource; and/or an inconvenience/disturbance/disruption/annoyance of short duration and with no long-term effect on the community; and/or a release of material which has the potential to cause illness, injury, or property damage to the public, or one which causes short-term discomfort; and/or isolated public complaints; and/or minor infringements of legal requirements.

Level 2 incidents: moderate impact on the physical or biological environment with limited impairment of ecosystem function or ground/surface water resource; and/or an inconvenience/disturbance/disruption/annoyance of moderate duration or with medium-term effect on the community; and/or a release of material which causes severe but reversible illness or moderate property damage to the public; and/or attention from local media or widespread complaints; and/or formal intervention by authorities or where prosecution and conviction have led to fines totalling less than US\$100 000 per event.

Level 3 incidents: significant impact on the physical or biological environment with extensive or long-term impairment of ecosystem function or ground/surface water resource; and/or an inconvenience/disturbance/disruption/annoyance of long duration or with long-term effect on the community; and/or a release of material which causes chronic illness, permanent disabling injury, fatality, or extensive property damage to the public; and/or public or national/international media outcry; and/or instances where prosecution has led to conviction and fines totalling more than US\$100 000 per event.

LTIFR: lost-time injury frequency rate; the number of lost-time injuries per 200 000 hours worked.

Lubricating oil and hydraulic oil used: total quantity of all types of lubricating oil and hydraulic oil added to all types of equipment.

MQA: Mining Qualifications Authority. The MQA is a South African government body charged with developing standards and qualifications for the country's mining sector; maintaining the quality of standards, qualifications and learning provision; developing and implementing a sector skills plan; disbursing grants from the Skills Development Levy; and establishing, registering, administering and promoting learnerships and apprenticeship administration.

NEMA: National Environmental Management Act (107 of 1998) of South Africa.

NGO: non-governmental organisation.

NIHL: noise-induced hearing loss.

Non-hazardous waste to incineration: incineration refers to incineration in a facility designed and operated in a manner compliant with legislation or internationally accepted practice (this does not include burning of waste in a pit or open area).

Non-hazardous waste to landfill: domestic-type waste to on-mine and off-mine landfill sites.

Non-potable water from an external source: water obtained from an external source that is untreated or only partially treated and is not of a standard suitable for drinking. This does not include waste water/second-class water, which is effluent from sewage works. It also does not include untreated surface water and ground water, extracted by the operation itself.

NWA: National Water Act (36 of 1998) of South Africa.

OHSAS 18001: Occupational Health and Safety Assessment Series (specifications for occupational health and safety management systems).

Oz: Troy ounce.

Ozone-depleting compounds: quantity of ozone-depleting compounds (ODCs) released/vented to atmosphere during the reporting period, expressed as CFC-11 equivalent. ODCs include the following compounds: chlorofluorocarbons (CFC) (CFC-11, CFC-12, CFC-113, CFC-114, CFC-115); hydro-chlorofluorocarbons (HCFCs); halons (Halon 1211, halon 1301, halon 2402); carbon tetrachloride; trichloroethane; methyl bromide; and hydrobromofluorocarbons. The 'Montreal Protocol on Substances that Deplete the Ozone Layer' is a landmark international agreement designed to protect the stratospheric ozone layer. The treaty was originally signed in 1987 and substantially amended in 1990 and 1992. The Montreal Protocol stipulates that the production and consumption of compounds that deplete ozone in the stratosphere (chlorofluorocarbons, halons, carbon tetrachloride, and methyl chloroform) were to be phased out by 2000 (2005 for methyl chloroform).

Particulates: mass of particulates released to atmosphere from point sources during the reporting period.

PCBs: Polychlorinated biphenyls are mixtures of chlorinated compounds.

PGI: the Platinum Guild International, based in London and the key promoter of platinum jewellery worldwide.

PGMs: platinum group metals; six elemental metals of the platinum group nearly always found in association with each other. Some texts refer to PGE (platinum group element). These metals are platinum, palladium, rhodium, ruthenium, iridium, and osmium.

PJ: Petajoules (10^{15} joules).

PMR: Precious Metals Refinery.

POPs: Persistent organic pollutants are chemicals that remain intact in the environment for long periods, become widely distributed geographically, accumulate in the fatty tissue of living organisms, and are toxic to humans and wildlife. POPs circulate globally and can cause damage wherever they travel.

Potable water from an external source: water obtained from an external source (e.g. local authority) that has been treated to a standard suitable for drinking. This parameter is used to identify the source of new water consumption.

Precious metal: All PGMs and gold.

PPRust: Potgietersrust Platinums Ltd, 100% owned by Anglo Platinum.

Ramsar-listed wetland: an area designated as a 'Wetland of International Importance' because of its importance for preserving biological diversity or because it is a representative, rare, or unique wetland type. The list includes 1 180 wetland sites, totalling 103,2 million hectares.

RBMR: Rustenburg Base Metals Refiners.

RBR: Royal Bafokeng Resources.

RDP: Reconstruction and Development Plan.

REMIS: Regional Environmental Management Information System.

RPM: Rustenburg Platinum Mines.

SED: Socio-economic development.

SEAT: AAPIC Socio Economic Assessment Toolkit.

SETA: Sector Education Training Authority.

SHE: Safety, Health, and Environment.

SO₂ from processes: mass of sulphur dioxide released to atmosphere from point sources and fugitive emissions during the reporting period.

Stockholm Convention: the Stockholm Convention is a global treaty to protect human health and the environment from persistent organic pollutants (POPs). In implementing the

convention, governments will take measures to eliminate or reduce the release of POPs into the environment.

Surface water quality deterioration: monitoring results indicate a deterioration of surface water quality off-site because of the operation's activities, during the reporting period.

Surface water quality monitored: a surface water quality monitoring programme to monitor water quality at all the required surface water quality monitoring sites. Required sites are those identified for monitoring by legal permit requirements or by the site EMS.

Surface water used: water abstracted/collected by the operation itself from surface water sources, e.g. from rivers, dams, and pans, and which is used by the operation, but excludes water recycled internally from storm-water and tailings return-water dams.

Tailings: that portion of the ore from which most of the valuable material has been removed by concentrating and that is therefore low in value and rejected.

TB: tuberculosis.

Ton: metric ton, equal to 1 000kg, unless otherwise defined.

Total energy used: energy from electricity purchased plus energy from fossil fuels consumed.

Ubuntu: Xhosa word meaning showing human compassion towards others (*I am because you are*)

UNEP-WCMC: United Nations Environment Programme – World Conservation Monitoring Centre.

Waste water/second-class water used: poor quality water obtained from an external source, e.g. municipal sewage effluent. Does not include non-potable water. Does not include internally recycled effluent.

Water used for primary activities: total new or make-up water entering the operation and used for the operation's primary activities. This definition includes mine de-watering water used for primary activities, but excludes internally recycled water and mine de-watering water discharged to surface and not used for any primary activities (it may be discharged or evaporated, but these are not primary activities). Primary activities are those activities in which the operation engages to produce its product(s) and include dust suppression within the operational area.

WBCSD: World Business Council for Sustainable Development.

WHO: World Health Organisation.

KEY EVENTS OF THE FINANCIAL YEAR	3
CHAIRMAN'S STATEMENT	4
CHIEF EXECUTIVE OFFICER'S REVIEW	12
MARKET REVIEW	20
FINANCE REVIEW	32
Financial performance	32
Ten-year financial review	34
EXECUTIVE COMMITTEE	36
OPERATIONS REVIEW	37
Location of operations	37
Flow chart	38
Safety	40
Mining and Retreatment	42
Process	56
Projects	64
Black Economic Empowerment (BEE) initiatives	72
Human resources	74
Ore reserves and mineral resources	78
Group statistics	94
ANNUAL FINANCIAL STATEMENTS CONTENTS	111
Approval of the annual financial statements	112
Declaration by the Company Secretary	112
Report of the independent auditors	113
Directors' report	114
Remuneration report	120
Principal accounting policies	131
Consolidated financial statements	138
GLOSSARY OF TERMS	192
DIRECTORATE	194
MANAGEMENT	198
ADMINISTRATION	199
NOTICE TO MEMBERS	200
FORM OF PROXY	203
SHAREHOLDERS' DIARY	206
CONTENTS OF SUSTAINABLE DEVELOPMENT REPORT VOLUME 2	207
ACKNOWLEDGEMENTS	208

OTHER USEFUL WEBSITES

Anglo American plc

<http://www.angloamerican.co.uk>

Basel Convention

<http://www.basel.int>

CITES

<http://www.cites.org>

Convention on Long-range Trans-boundary Air Pollution

<http://www.unece.org/env/lrtap/>

Eco-efficiency

<http://www.wbcsd.org>

EITI

<http://eitransparency.org/>

GMI

<http://www.globalmining.com>

GRI

<http://www.globalreporting.org>

ICMM

<http://www.icmm.com>

ILO

<http://www.ilo.org>

IIED

<http://www.iied.org>

IPA

<http://www.platinuminfo.net>

ISO

<http://www.iso.ch>

IUCN

<http://www.iucn.org>

JM

<http://www.platinum.matthey.com>

JM's fuel cell website

<http://www.fuelcelltoday.com>

King Report

<http://www.iodsa.co.za>

Kyoto Protocol

<http://www.unfccc.int>

MMSD

<http://www.iied.org/mmsd>

Montreal Protocol

<http://www.unep.org/ozone/montreal.shtml>

PGI

<http://www.preciousplatinum.com>

Ramsar

<http://www.ramsar.org>

Social Accountability International

<http://www.sa-intl.org>

Stockholm POPs Convention

<http://www.pops.int>

Transparency International

<http://www.transparency.org>

WBCSD

<http://www.wbcsd.ch>

WFCC

<http://www.fuelcellworld.org>

WHO

<http://www.who.int/en/>

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