



# Meaningful and sustainable empowerment in the platinum industry



# A landmark transaction



- An historic BEE transaction for the platinum industry;
- Creation of two major HDSA managed and controlled PGM producers;
- Truly broad-based empowerment:
  - Communities, Women, Employees;
- Largest employee share ownership initiative by value in the South African mining sector to date; and
- Landmark transaction which further enhances transformation of South African mining sector.

# Anglo American – delivering on transformation

- Anglo American is proud of its empowerment track record and its commitment to the transformation of the South African economy;
- Anglo American has led R50 billion worth of empowerment transactions to date;
- A catalyst in several of South Africa's leading BEE initiatives:
  - Anglo Coal / Inyosi
  - ARM
  - De Beers / Ponahalo
  - Exxaro
  - Eyesizwe
  - Hulamin
  - Kumba Iron Ore
  - Mondi / Shanduka
  - Mvela Resources
  - Scaw Metals
  - Tongaat Hulett
- Anglo American is the largest investor in the South African mining industry:
  - R182 billion invested since 1999; and
  - R37 billion capital expenditure committed for South Africa in 2007 and 2008.

# NORMAN MBAZIMA

*Acting Joint CEO – Anglo Platinum*



## 1. Overview of the Transactions

*Norman Mbazima (Acting Joint CEO – Anglo Platinum)*

## 2. The Anooraq Transaction

*Tumelo Motsisi (Acting President and CEO – Anooraq Resources)*

*Meta Maponya (Director - Pelawan)*

## 3. The Mvela Resources Transaction

*Lazarus Zim (Chairman – Mvela Resources)*

*Khanyi Ntsaluba (FD – Mvela Resources)*

## 4. The Anglo Platinum ESOP, Conclusion and Q&A

*Norman Mbazima (Acting Joint CEO – Anglo Platinum)*

# Background to the Transactions



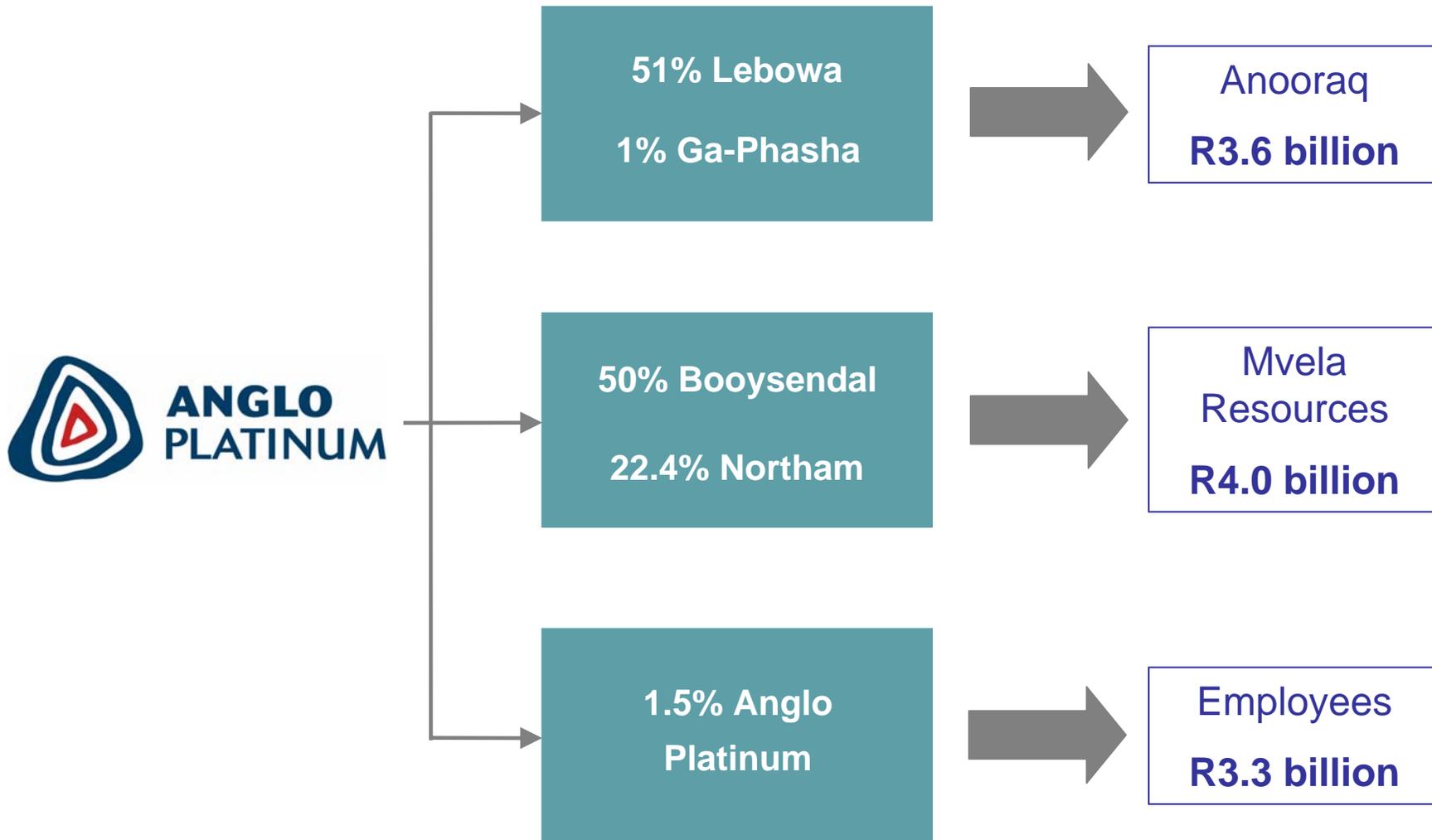
- Reflects Anglo Platinum's commitment to transformation and broad-based BEE;
- Builds on Anglo Platinum's ongoing progress in addressing the ownership requirements of the Mining Charter;
- Delivers on the promise to make significant progress to complete Anglo Platinum's transformation programme;
- Entrenches relationships developed with BEE partners; and
- Comprehensive consultation.

# Transaction assets



- Natural fit with particular assets;
- Ability to maximise the scope for value-add;
- Proven track record in the platinum industry;
- Long established working relationship with Anglo Platinum; and
- Shared BEE objectives in respect of broad-based participation through the inclusion of women, communities and employees.

# Transaction overview



*Two HDSA managed and controlled PGM producers*

# TUMELO MOTSISI

*Acting President and CEO – Anooraq Resources*



**Anooraq Resources Corporation**

## Company overview

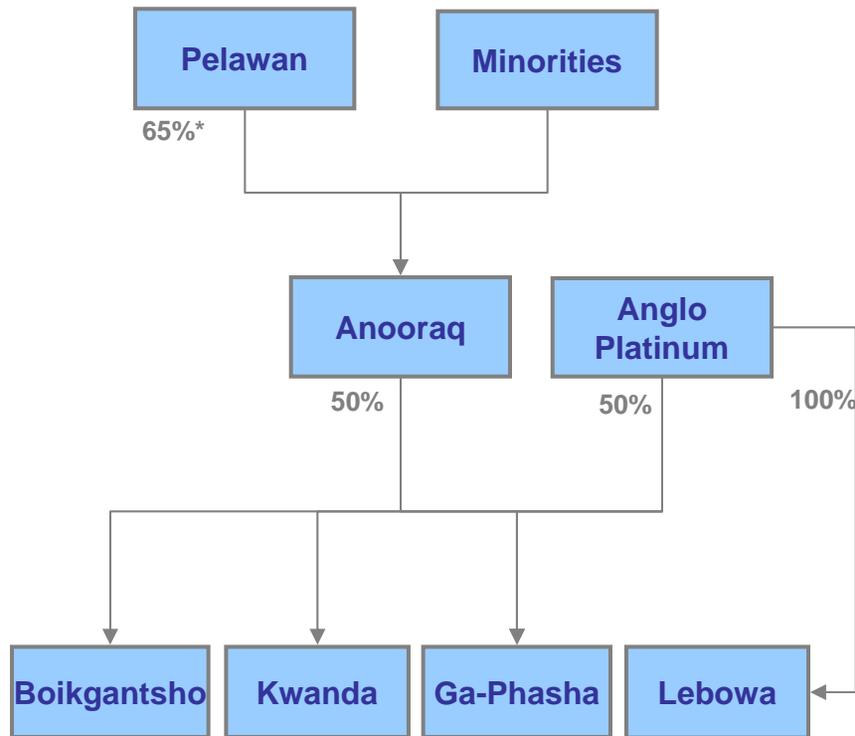
- Currently engaged in the exploration and development of PGM properties in the Bushveld Complex;
- Principal assets include a 50% interest in Ga-Phasha, Boikgantsho and Kwanda JV projects;
- First HDSA controlled company with an offshore primary listing on TSX-V;
- Secondary listings on AMEX and JSE;
- A 65% subsidiary of Pelawan, a 100% broad-based HDSA company; and
- Significant capital raising capacity whilst retaining an agreed minimum HDSA shareholding of 52% – 167 million Anooraq warrants also held by Pelawan.

## Strategic objectives

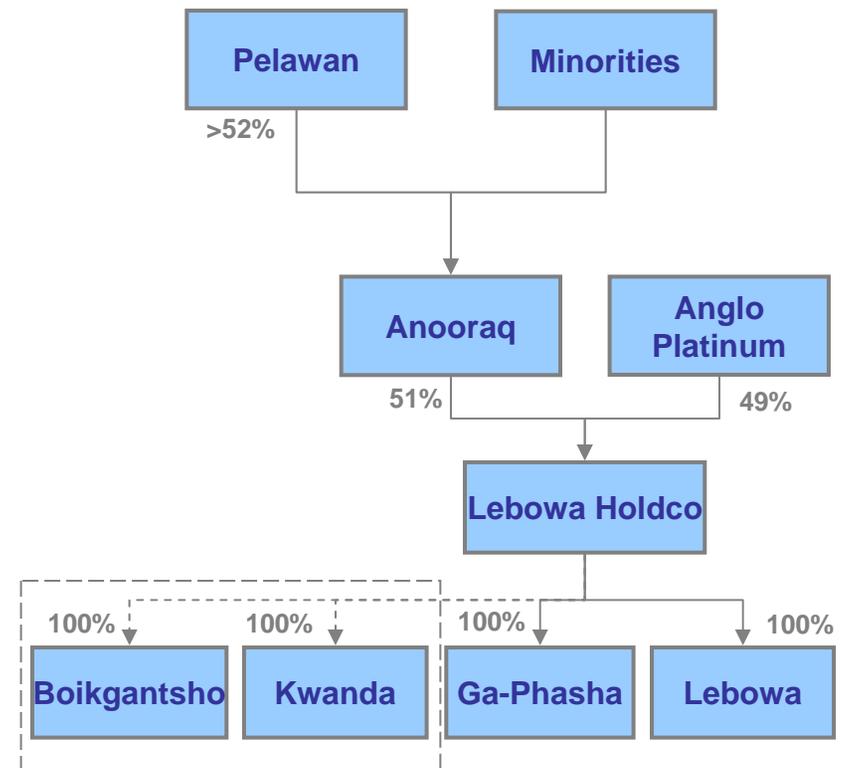
- Long-term objective of becoming a significant and independent PGM producer; and
- Expansion of PGM portfolio through organic and acquisitive growth.

# Transaction structure

## Current structure



## Resultant structure

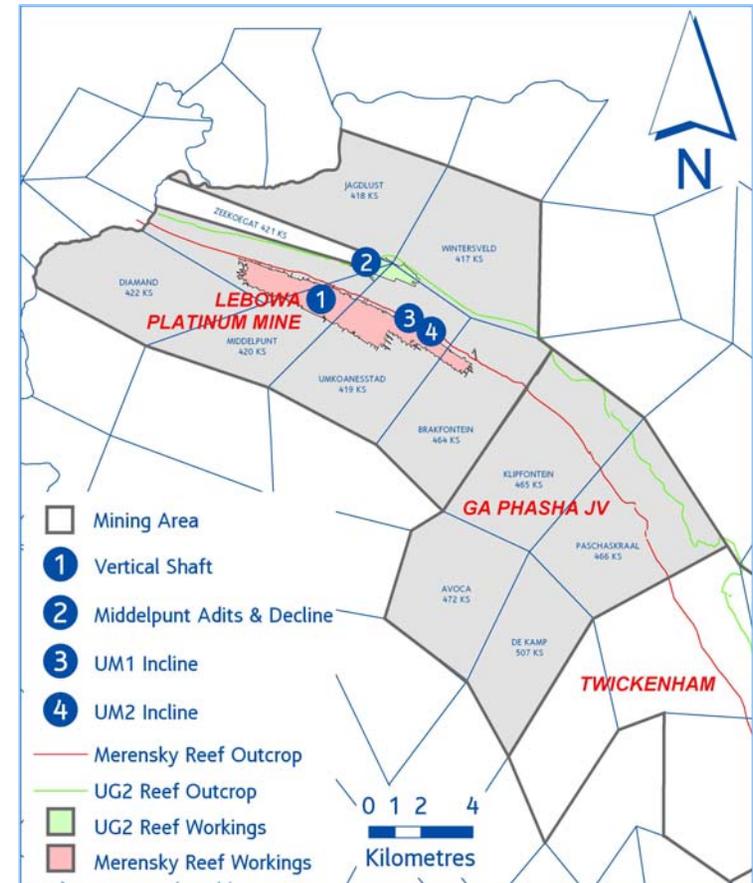


\* Plus 167 million warrants

**Anooraq will control Lebowa Holdco**

# Lebowa – exciting growth prospects

- The scale of mining at Lebowa is increasing to reflect the true quality of the resource;
- Current production – 140,000 tpm (106,000 platinum oz / 202,500 4E oz per annum);
- Middelpunt Hill and Brakfontein projects expansion – increase to 245,000 tpm (approximately 200,000 platinum oz / 430,000 4E oz per annum) by 2012;
- There is scope for further expansion to 350,000 tpm and synergies with Ga-Phasha;
- Attractive grades; and
- Existing infrastructure.



# Anooraq transformed

- Significantly increases reserves and resources controlled by Anooraq from 47.9 million 4E oz to 199.4 million 4E oz;
- Ability to exploit synergies between Lebowa and Ga-Phasha;
- Immediate access to existing production and cash flow from Lebowa;
- New stand alone Lebowa Holdco will fast track growth projects at Lebowa and Ga-Phasha;
- Life of mine in excess of 100 years;
- Better placed to attract top expertise to the company and access to a large pool of technical skills at Lebowa; and
- Cements relationship with Anglo Platinum and progresses shared vision of Anooraq becoming a mine to market company.

Anooraq will control the 3rd largest PGM resource base in South Africa

***Transforms Anooraq into an independent and significant PGM producer***

# META MAPONYA

*Director - Pelawan*



Anooraq Resources Corporation

## Women

- Committed to women ownership in the mining sector through a 42% beneficial interest in Pelawan;
- Women mainly represented by Mookodi Trading, Africa Without Boundaries Mining and Leswika Women's Investments;
- Women's groups committed to the advancement of women's interests;
- Women will provide meaningful contribution at board level; and
- Women's participation to extend to executive and management roles as well as other operational areas.

## Communities

- Anglo Platinum and Anooraq have agreed on the broad strategic intent regarding the involvement of communities; and
- Communities associated with the operations will participate in the transaction.

## Employees

- ESOP will be provided for all Lebowa Holdco employees; and
- Will be broadly aligned with the Anglo Platinum ESOP and involve approximately 3,000 employees.

# LAZARUS ZIM

*Chairman – Mvela Resources*



Mvelaphanda Resources Limited



## Overview

- A great day for Mvela Resources;
- Pioneer of BEE in the mining sector;
- Significant investments include:
  - 15% interest in Gold Fields South Africa
  - 21.8% interest in Northam Platinum
  - 20.7% (fully diluted) interest in Trans Hex (diamonds)
- Exploration and development joint ventures – BHP Billiton, De Beers, Gold Fields, Lonmin and Trans Hex; and
- Broad-based ownership through Mvelaphanda Holdings and Afripalm Resources (over 30,000 beneficiaries).



## Strategic objectives

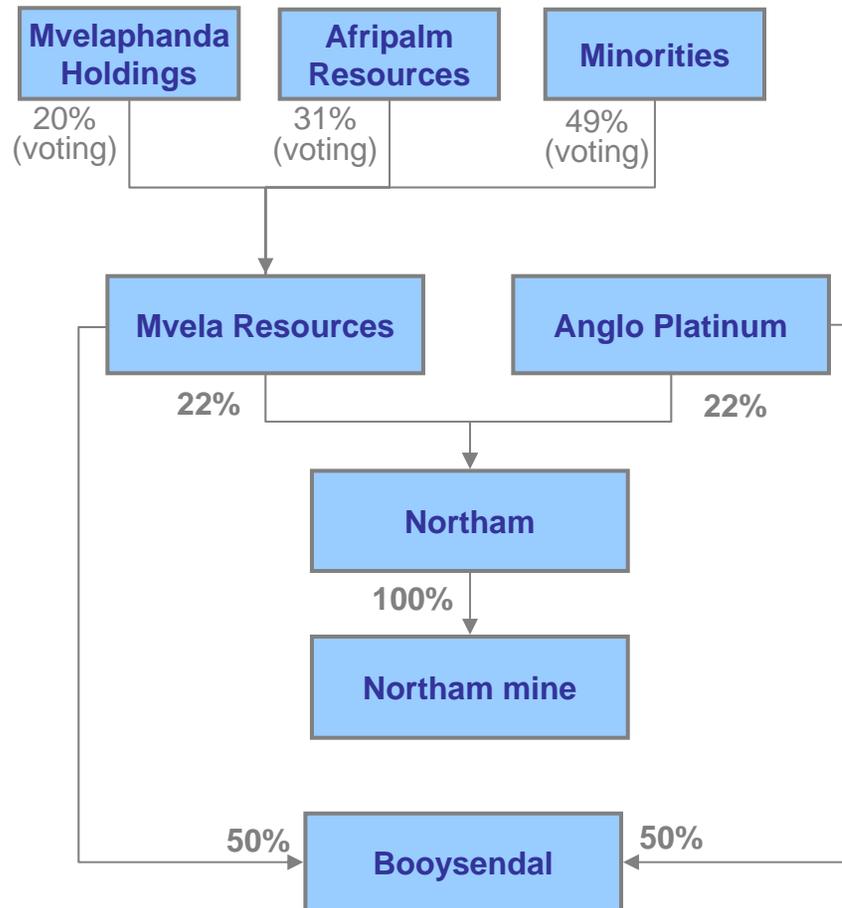
- A strategic milestone for Mvela Resources;
- Key objective: to be an operating mining company;
- Platinum is key to our strategy;
- Will continue diversification: commodities and geography;
- Build on strategic relationships; and
- Optimise growth prospects and technical skills.

# Transaction structure

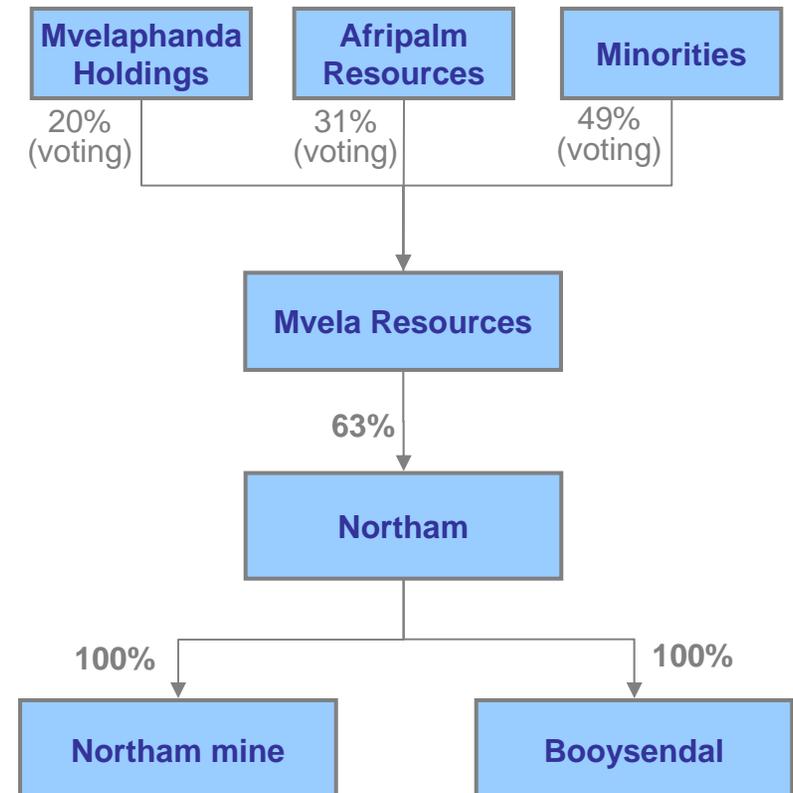


Mvelaphanda Resources Limited

## Current structure



## Resultant structure



***Mvela Resources gains control of Northam – an established PGM producer***



## Impact on Northam

- A new lease on life;
- From 17 million 4E oz to 129 million 4E oz;
- From a 16 year life of mine to over 100 years;
- Sustainability;
- Full operational control of Booyse dal; and
- Integrated mine to market company.



# KHANYI NTSALUBA

*Financial Director – Mvela Resources*



**Mvelaphanda Resources Limited**

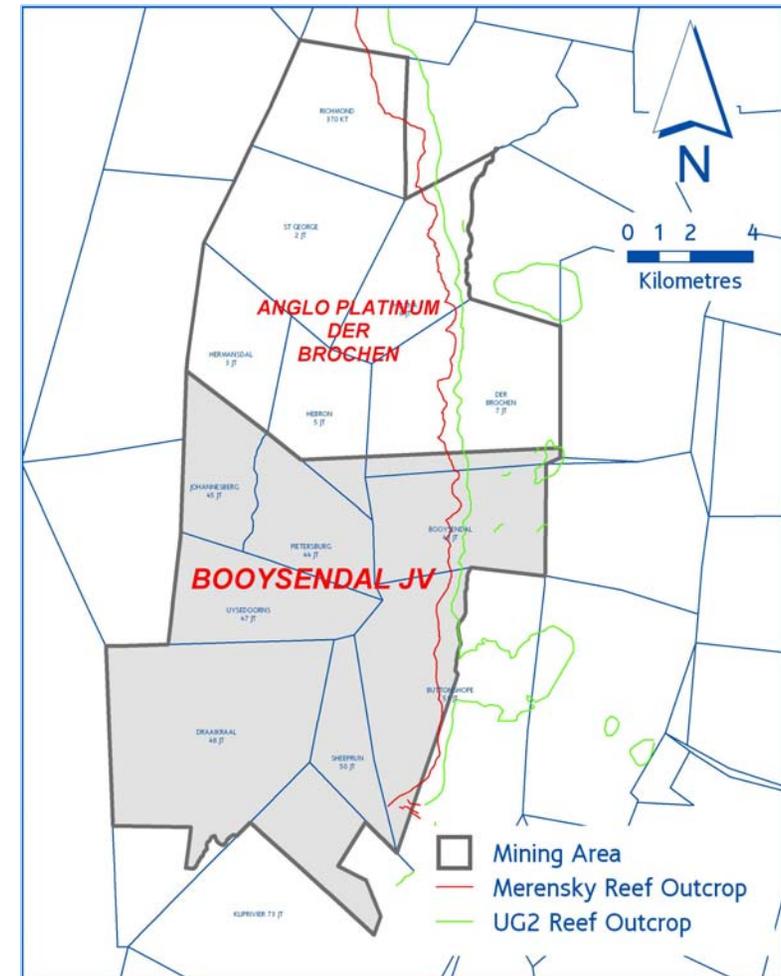


# A company changing transaction



Mvelaphanda Resources Limited

- Immediate value uplift for shareholders;
- Northam's resources increase from 17 million 4E oz to 129 million 4E oz;
- Mix of assets optimal:
  - Northam mine generating strong cash flow;
  - Growth through Booyesendal, a world class resource; and
- Booyesendal resource has Western Limb type grades - platinum to palladium ratio of 1.8:1 and access from surface.

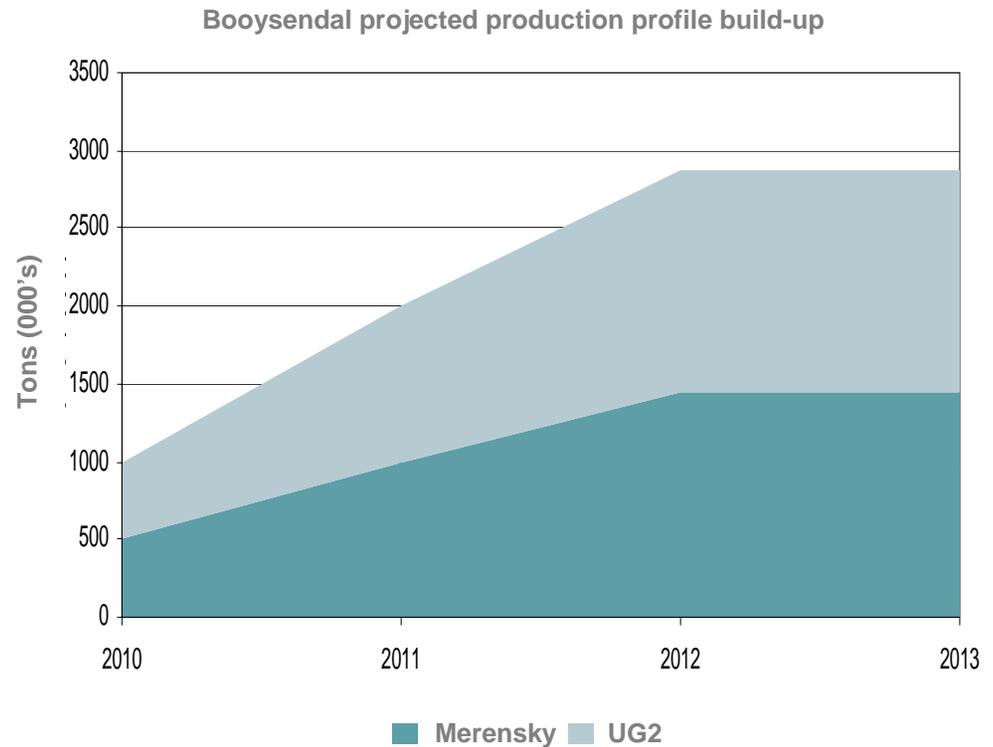


# A company changing transaction



Mvelaphanda Resources Limited

- Lowers average production costs;
- Diversifies operational risk profile;
- Established management team at Northam;
- Simplified ownership structure; and
- Control of metal from mine to market.





## Unipalm

- 15% interest in Afripalm Resources; and
- Over 30,000 broad-based HDSA beneficiaries, 11% of whom are women.

## Women

- 10% of Afripalm Resources allocated to women's trusts of which the majority has been allocated to Malibongwe Women Development Organisation, a non-profit organisation benefiting in excess of 10,000 women; and
- Afripalm 2 holds options over 10 million Mvela Resources ordinary shares and includes over 5,000 women.

# Broad-based participation



Mvelaphanda Resources Limited

## Communities

- 10% of Afripalm Resources will be allocated to a community trust; and
- Beneficiaries will be communities associated with Northam and Booyseendal, strategic partners and broader communities in labour sending areas.

## Employees

- 10% of Afripalm Resources will be allocated to employees; and
- Northam plans to implement an incentive programme for its employees that are predominantly HDSAs.

# NORMAN MBAZIMA

*Acting Joint CEO – Anglo Platinum*



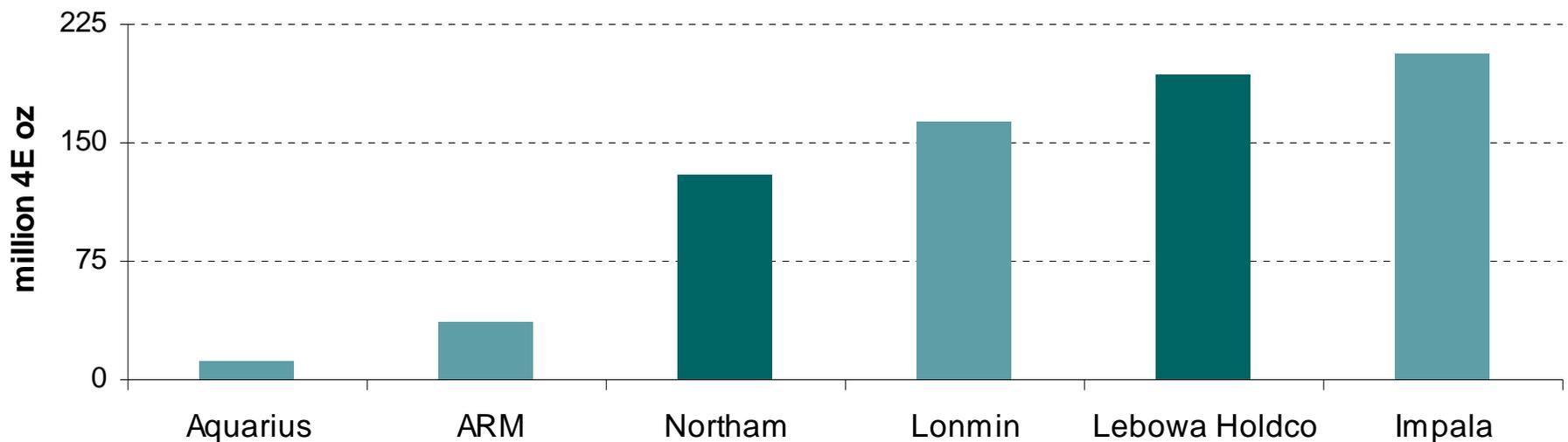
- Anglo Platinum recognises the importance of its employees – their meaningful participation in the Transactions is vital;
- A sustainable employee participation vehicle that will provide benefits over the long-term;
- Will comprise up to 1.5% of Anglo Platinum’s issued share capital (c. R3.3 billion);
- The largest employee empowerment initiative by value to date in the South African mining sector;
- For the benefit of all staff that do not participate in any other share scheme; and
- To benefit more than 43,000 Anglo Platinum employees.

# The changing PGM landscape



- Anooraq (through Lebowa Holdco) and Mvela Resources (through Northam) to control the 3<sup>rd</sup> and 5<sup>th</sup> largest PGM resource bases in South Africa

## South African attributable reserves & resources (post the transactions)\*



\* Source: Company Annual Reports

**Controlling the 3<sup>rd</sup> and 5<sup>th</sup> largest PGM resource bases in South Africa**

- Conclusion of binding transaction agreements;
- The main conditions precedent to finalising the Transactions include:
  - completion of confirmatory due diligence;
  - raising relevant financing;
  - approval by relevant regulatory authorities and other third parties; and
  - approval, where required, by shareholders;
- The Mvela Resources Transaction is expected to be completed by the end of 2007; and
- The Anooraq Transaction is envisaged to be completed by mid 2008.

- Creation of two HDSA managed and controlled PGM producers;
- Truly broad-based empowerment:
  - Communities;
  - Women;
  - Employees;
- Largest employee share ownership initiative by value in the South African mining sector to date; and
- In excess of R35 billion under direct HDSA control as a result of today's transactions.



# Meaningful and sustainable empowerment in the platinum industry

