



ARBN: 083 463 058

Australian Stock Exchange Code **ZIM**

ZIMBABWE PLATINUM MINES LIMITED

Block B (Green)
Emerald Office Park
30 The Chase (West)
Emerald Hill
Harare, Zimbabwe
P O Box 6380, Harare

Tel: +263 4 332 590/3
Fax: +263 4 332 496

Email: info@zimplats.co.zw
Web: www.zimplats.com

8 October 2004

ASX ANNOUNCEMENT

NOTICE OF MEETING, EXPLANATORY MEMORANDUM AND ADDENDUM

Zimplats has today mailed a Notice of Meeting and an Explanatory Memorandum to Shareholders. These documents are attached to this release and relate to a General Meeting scheduled to be held on 5 November 2004.

The Explanatory Memorandum refers to 11 October 2004 as the date for the General Meeting. Regrettably, due to regulatory issues in Guernsey where Zimplats is registered, the date of the General Meeting has been changed to 5 November 2004.

An addendum to the Notice of Meeting and the Explanatory Memorandum has also been mailed to Shareholders and full details of the meeting along with cut-off dates for acceptance of Proxy Forms are contained in this addendum.

For further information contact:

Mr Greg Sebborn
Deputy Chief Executive Officer
Zimplats
Tel: +263 4 332 591
Fax: +263 4 332 496
Email: greg.sebborn@zimplats.co.zw

End



Zimbabwe Platinum Mines Limited
ARBN 083 463 058

All correspondence to:
Computershare Investor Services Pty Limited
GPO Box 7045 Sydney
New South Wales 2001 Australia
Enquiries (within Australia) 1300 855 080
(outside Australia) 61 3 9415 4000
Facsimile 61 2 8234 5050
www.computershare.com

8 October 2004

Dear Shareholder

Addendum to notice of meeting and explanatory memorandum dated 7 September 2004

Shareholders are advised that the accompanying notice of meeting and explanatory memorandum ("**Notice Document**") are amended in accordance with this letter.

Unless otherwise specified, capitalised terms in this letter have the same meaning as given to those terms in the glossary located on page 60 of the Notice Document.

New date and time for General Meeting

The date and time of the General Meeting has been moved from 10:00am South African Time (6:00pm AEST) 11 October 2004 to **10:30am South African Time (7:30pm AEST) 5 November 2004**. The location of the General Meeting remains the same.

As a consequence, the Notice Document should be read with the following amendments:

<i>Meeting Date</i>	The Meeting Date referred to on pages 3, 4, 5 and 60 of the Notice Document is amended from "11 October 2004" to "5 November 2004"
<i>The Record Date</i>	The Record Date for determining entitlements to vote at the General Meeting referred to on pages 3 and 6 of the Notice Document is amended from "10:00 am South African Time (6:00 pm AEST) on Saturday 9 October 2004" to "10:30 am South African Time (7:30 pm AEST) on Wednesday 3 November 2004"
<i>Last time for acceptance of Proxy Forms</i>	The last time for acceptance of Proxy Forms referred to on page 3 of the Notice Document is amended from "10:00 am South African Time (6:00 pm AEST) on Saturday 9 October 2004" to "10:30 am South African Time (7:30 pm AEST) on Wednesday 3 November 2004"
<i>Expected Completion of the Makwiro Transaction</i>	Expected completion of the Makwiro Transaction (assuming all conditions to the transaction, including approval of Shareholders, are satisfied) referred to on pages 3 and 15 of the Notice Document is amended from "by 11 November 2004" to "by 5 December 2004"
<i>Expected Completion of Empowerment Transaction</i>	Expected completion of the Empowerment Transaction (assuming all government approvals are obtained) referred to on page 3 of the Notice Document is amended from "by 11 January 2005" to "by 5 February 2005"

Definition of AEST

Due to the introduction of daylight saving time in Australia on 31 October 2004, the definition of AEST is amended from "Australian Eastern Standard Time GMT + 10:00" to "Australian Eastern Standard Time GMT + 11:00"

Guernsey Consent

Shareholders are advised that the completion of the Empowerment Transaction is subject to the consent of the Guernsey Financial Services Commission and the "*Consents and Approvals*" section on page 4 of the Notice Document should be read accordingly.

Yours faithfully

A handwritten signature in black ink, appearing to read 'G. Sebborn', with a stylized flourish at the end.

Greg Sebborn
Deputy Chief Executive Officer

zimplats



Zimbabwe Platinum Mines Limited

(ARBN 083 463 058; Registration Number 34014)

Notice of General Meeting and Explanatory Memorandum in relation to

**the proposed issue of 13,390,423 ordinary shares to an
Empowerment Party at \$3.47 a share ("Empowerment Transaction")**

and

**the proposed acquisition of 30 per cent of Makwiro Platinum Mines
(Private) Limited from Impala Platinum Holdings Ltd for total
consideration of US\$39.04 million ("Makwiro Transaction")**

***The Directors, having noted their interests as disclosed
in this document, unanimously recommend that you
vote in favour of these transactions***

Advisors to Zimplats

Financial Advisors

 **ROTHSCHILD**

Independent Expert

 **VENMYN**
Independence you can rely on

Solicitors

CLAYTON UTZ

**THIS DOCUMENT
CONTAINS IMPORTANT
INFORMATION AND
REQUIRES YOUR
IMMEDIATE ATTENTION.**

**IF YOU ARE IN ANY
DOUBT AS TO HOW TO
DEAL WITH THIS
DOCUMENT, YOU
SHOULD CONSULT YOUR
LEGAL, FINANCIAL OR
OTHER PROFESSIONAL
ADVISER.**

TABLE OF CONTENTS

Chairman's Letter	2
Important Dates	3
Important information for Shareholders	4
Notice of General Meeting	5
1. Empowerment Transaction - Resolution 1	7
1.1 Background	7
1.2 Details of the Empowerment Transaction	7
1.3 Effects of the Empowerment Transaction	7
1.4 Requirements for Shareholder approval	8
1.5 What happens if the Empowerment Transaction is not approved	8
1.6 Timing	8
1.7 Recommendation of the Directors	8
2. Makwiro Transaction - Resolution 2	9
2.1 Background	9
2.2 Current structure	9
2.3 Proposed structure	11
2.4 Report by the Independent Expert	13
2.5 Rights Issue	14
2.6 Requirements for Shareholder approval	14
2.7 What happens if the Makwiro Transaction is not approved	15
2.8 Timing	15
2.9 Recommendation of the Directors	15
3. Rights Issue	16
4. Additional information	16
4.1 Interests of Directors	16
4.2 Consent	16
4.3 Australian Corporations Legislation does not apply	16
5. Independent Expert's Report	17
6. Glossary	60
7. Corporate Directory	Inside back cover

CHAIRMAN'S LETTER

7 September 2004

Dear Shareholder

The following document sets out the details of:

1. the proposed issue of 13,390,423 ordinary shares to an empowerment party at \$3.47 a share, as previously advised to shareholders in September 2003 ("**Empowerment Transaction**"); and
2. the proposed acquisition of 30 per cent of Makwiro Platinum Mines (Private) Limited from Impala Platinum Holdings Ltd ("**Implats**") ("**Makwiro Transaction**").

The document also refers to a proposed rights issue that is intended to proceed following completion of the Makwiro Transaction. The purpose of the rights issue will be to facilitate the funding of the first phase of the Company's proposed expansion to exploit the ore reserves in the Ngezi area by underground mining methods.

Shareholder approval for the Empowerment Transaction is required to give the Company flexibility in the management of its capital needs once the Empowerment Transaction has been finalised, as the ASX Listing Rules contain limitations on the number of shares which the Directors may issue without shareholder approval.

The second resolution relates to approval for the Company's acquisition of the remaining 30 per cent of Makwiro from Implats (the Company's major shareholder). The acquisition will allow the Company to simplify its corporate structure and reduce costs, leaving the Company better placed to attract support from both domestic and international financiers.

A report on the Makwiro Transaction by Venmyn Rand (Pty) Limited (the "**Independent Expert**"), is set out as part of the enclosed explanatory memorandum. The Independent Expert has concluded that the Makwiro Transaction is fair and reasonable to shareholders other than Implats and its associates.

For the reasons set out, and subject to the interests disclosed, in the explanatory memorandum, your Directors unanimously recommend that you vote in favour of the resolutions. Please read this document carefully before deciding how to vote.

Yours faithfully



R G Still
Chairman

IMPORTANT DATES

Record date for determining entitlements to vote at the General Meeting

**10:00 am South African Time (6:00 pm AEST)
on Saturday 9 October 2004**

Last time for acceptance of Proxy Forms

**10:00 am South African Time (6:00 pm AEST)
on Saturday 9 October 2004**

General Meeting

11 October 2004

Expected completion of the Makwiro Transaction
(assuming all conditions to the transaction,
including approval of Shareholders, are satisfied)

by 11 November 2004

Expected completion of Empowerment Transaction
(assuming all government approvals are obtained)

by 11 January 2004

IMPORTANT INFORMATION FOR SHAREHOLDERS

What you should do

The explanatory memorandum sets out the information that the Directors consider is material to your decision as to how to vote on the resolutions to be proposed at the General Meeting.

You should read the explanatory memorandum in its entirety before deciding how you should vote on the resolutions set out in the Notice of Meeting.

ASX

A draft of this document has been provided to the ASX in accordance with ASX Listing Rule 15.1. The ASX and its respective officers and employees take no responsibility for the information contained in this document.

Company's financial advisor

Rothschild has provided the Company with commercial and financial analysis in relation to the Makwiro Transaction. Rothschild and its respective officers and employees take no responsibility for the drafting of this document.

Independent Expert

The Independent Expert has prepared the Independent Expert's Report in relation to the Makwiro Transaction contained in section 5 of this document, and takes responsibility for that report.

Forward looking statements

Certain statements in this document relate to the future. These statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such statements. Any such statements speak only as of the date of this document. The Company disclaims any obligation or undertaking to update or revise after the date of this document any such statements to reflect any change in expectations in relation thereto or any change in events, conditions or circumstances on which any such statement is based.

Voting on the resolutions

The General Meeting is scheduled for 10:00 am South African Time (6:00 pm AEST) on 11 October 2004. You are encouraged to attend and vote at the General Meeting. If you are unable to attend the General Meeting or do not wish to do so, you should complete and return the personalised Proxy Form which accompanies this document. For details on how to complete and lodge the Proxy Form, please refer to the notes on page 2 of the Proxy Form and the instructions in the Notice of Meeting.

Consents and Approvals

Shareholders are advised that, if Shareholders approve the proposed resolutions:

- (a) the completion of both the Empowerment Transaction and the Makwiro Transaction, remain subject to the approval of the Government of Zimbabwe;
- (b) Implats' role in the Makwiro Transaction remains subject to the approval of the South African Reserve Bank; and
- (c) the Rights Issue and debt facility referred to in section 3 remain subject to the consent of the Guernsey Financial Services Commission.

Glossary

Some words have defined meanings when used in this document. Those words start with a capital letter wherever they are used in this document. Their meanings are set out in the glossary in section 6 below.

Interpretation

- (a) A reference in this document to a section number is to a section of this document.
- (b) A reference in this document to "\$" or "dollar" is to Australian currency.
- (c) A reference to "US\$" refers to the currency of the United States of America. Any conversion of \$ to US\$ is conducted at an exchange rate \$1 = US\$0.70 unless stated otherwise.

NOTICE OF GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of the shareholders of the Company will be held at the Village Manor Room, Balalaika Hotel, 20 Maude Street, Sandown, Sandton, Johannesburg, South Africa on 11 October 2004 at 10:00 am South African Time (6:00 pm AEST) to consider, and if thought fit, pass the following resolutions.

Each resolution will be proposed as an ordinary resolution.

Resolutions

1. That, for the purposes of ASX Listing Rule 7.1, the Company approve the issue by the Company of 13,390,423 ordinary shares in the Company to an appropriate Empowerment Party on the terms set out in the explanatory memorandum accompanying this Notice of Meeting.
2. That:
 - (a) for the purpose of ASX Listing Rule 10.1, the Company approve the acquisition from Impala Platinum Holdings Ltd ("Implats") of 30 per cent of the issued share capital of Makwiro Platinum Mines (Private) Ltd ("Makwiro"), on the terms set out in the explanatory memorandum accompanying this Notice of Meeting; and
 - (b) for the purpose of ASX Listing Rule 10.11, the Company approve the issue of 14,873,160 ordinary shares in the Company to Implats in connection with the acquisition from Implats of 30 per cent of the issued capital in Makwiro, on the terms set out in the explanatory memorandum accompanying this Notice of Meeting.

Voting exclusion statements

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast on:

1. resolution 1, by the Empowerment Party and any of its associates; and
2. resolution 2, by Implats and any of its associates.

However, the Company need not disregard a vote on a resolution if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with a direction on the Proxy Form to vote as the proxy decides.

Explanatory memorandum

The explanatory memorandum following the Notice of Meeting sets out the reasons why the resolutions are being proposed and also explains their effect. Except as otherwise clearly stated, the explanatory memorandum has been prepared by the Company.

Proxies

A shareholder entitled to attend and vote at the above meeting is entitled to appoint a person as its proxy to attend and vote instead of the shareholder. A proxy need not be a shareholder of the Company.

Where two proxies are appointed, you may specify the number or proportion of votes that each may exercise, failing which, each may exercise half of the votes.

The instrument appointing a proxy is deemed to confer authority to demand or join in demanding a poll.

To be effective either:

1. the original proxy and the original or a certified copy of the power of attorney, if any, under which the proxy is signed must be received not less than 48 hours prior to the meeting at either:
 - (a) the registered office of the company at:
 - (i) 7 New Street, St Peter Port, Guernsey British Isles; or
 - (ii) P O Box 98, St Peter Port, Guernsey British Isles,
 - (b) the Company's share registry, Computershare Investor Services Pty Limited, located at Level 3, 60 Carrington Street, Sydney, NSW 2000; or
- 2 a facsimile of the proxy and a certified copy of the power of attorney, if any, under which the proxy is signed must be received not less than 48 hours prior to the meeting at either:
 - (a) the registered office of the company on +44 1481 711 220; or
 - (b) the Company's share registry, Computershare Investor Services Pty Limited on +61 2 8234 5050.

Shareholders should note that the Chairman intends to vote all undirected proxy votes in favour of each resolution in respect of such votes. However, if you indicate that the Chairman should be your proxy and you do not either direct your proxy how to vote or tick the box indicating that you do not wish to direct your proxy to vote, the Chairperson will not cast your vote on either resolution and your votes will not be counted in computing the required majority if a poll is called.

The Proxy Form accompanies this document.

Determination of entitlement to attend and vote

For the purposes of the meeting, shares will be taken to be held by the persons who are registered as members as at 10:00 am South African Time (6:00 pm AEST) on Saturday 9 October 2004. Accordingly, transactions registered after that time will be disregarded in determining shareholders entitled to attend and vote at the general meeting.

Corporate representatives

If a corporate representative is to attend the general meeting on behalf of a corporation, a formal notice of appointment must be brought to the meeting.

Dated 7 September 2004



Greg Sebborn
Deputy Chief Executive Officer

1. EMPOWERMENT TRANSACTION - RESOLUTION 1

1.1 Background

As part of its obligations under the Framework Agreement entered into with the Government of Zimbabwe, the Company intends to complete the Empowerment Transaction to facilitate the participation of indigenous Zimbabweans in the platinum industry in Zimbabwe. The funds raised upon completion of the Empowerment Transaction will be applied to the Expansion Programme.

Shareholders will be aware that, on 22 September 2003 the Company announced a proposed empowerment transaction with Needgate Investments (Private) Limited in order to satisfy its obligations under the Framework Agreement.

The Empowerment Transaction, as set out in section 1.2 below, is based on the negotiations that were undertaken between Needgate Investments (Private) Limited and the Company.

1.2 Details of the Empowerment Transaction

The central points of the Empowerment Transaction are:

- (a) The Company will issue 13,390,423 ordinary shares in the Company to an Empowerment Party. The number of shares to be issued represents 15 per cent of the equity securities on issue prior to the Implats' takeover offer of 30 June 2003.
- (b) Shareholders will note that on 30 August 2004 the Company announced that the Government of Zimbabwe had nominated Nkululeko Rusununguko Mining Company of Zimbabwe (NRM CZ) as the proposed Empowerment Party. The Company has since commenced discussions with NRM CZ.
- (c) The shares are to be issued at \$3.47 per share, being a 15 per cent discount to the \$4.08 Implats takeover offer. The issue price also represents a 9.4 per cent discount to \$3.83, being the weighted average price for the Company's ordinary shares for the five days prior to the September 2003 announcement. It was noted in the September 2003 announcement, that a discount to the market price was necessary to enable the placement to proceed and that it is common practice in southern Africa for empowerment placement shares to be issued at a discount.
- (d) The shares will be ordinary shares that:
 - (i) rank equally amongst themselves and the shares quoted on the ASX under the code ZIM;
 - (ii) entitle the Empowerment Party to receive such dividends as the Board may determine in proportion with its shareholding; and
 - (iii) carry a right to vote at meetings of Shareholders.

1.3 Effects of the Empowerment Transaction

The Empowerment Transaction forms an integral part of the financing for the Expansion Programme. As discussed in section 3 below, the transaction will raise \$46.5 million of the \$155.7 million required to fund the expansion. It is proposed that the Empowerment Transaction will take place after the completion of the Makwiro Transaction and the Rights Issue.

1.4 Requirements for Shareholder approval

Resolution 1 has been proposed so that Shareholders may consider and, if thought fit, formally approve, for the purpose of ASX Listing Rule 7.1, the issue by the Company of 13,390,423 ordinary shares at an issue price of \$3.47 for each share.

ASX Listing Rule 7.1 provides that, within a 12 month period, a company must not issue or agree to issue more than 15 per cent of its issued equity securities, without the approval of its shareholders (or unless one of the exceptions in ASX Listing Rule 7.2 applies). Although the share issue will not result in the Company breaching the 15 per cent limit, Shareholder approval is being sought for the Empowerment Transaction so that the Company has the capacity to issue further shares in the following 12 months.

Under ASX Listing Rule 7.3, any shares approved to be issued under ASX Listing Rule 7.1 must be issued by an entity not more than three months after the meeting to approve the issue.

1.5 What happens if the Empowerment Transaction is not approved

The Company is not required, under ASX Listing Rule 7.1, to seek Shareholder approval prior to the issue of shares described in resolution 1.

If Shareholders do not approve resolution 1, the Empowerment Transaction will still proceed. However, the Company's ability to issue further equity securities in the 12 month period subsequent to the issue will be significantly reduced.

1.6 Timing

The Company is aiming to complete the Empowerment Transaction within 3 months of the date of the General Meeting. The Company acknowledges that if the transaction is not completed within that 3 month period, Shareholder approval for the transaction will no longer be valid.

1.7 Recommendation of the Directors

The Directors, having disclosed their interests in section 4.1 of this document, unanimously recommend that you vote in favour of resolution 1 for the reasons set out in this section 1.

2. MAKWIRO TRANSACTION - RESOLUTION 2

2.1 Background

The current structure of the Company Group arose from the financing of the Ngezi/SMC Project which incorporated equity investments by Implats and debt funding from Absa Bank Limited in the Company's subsidiary company Makwiro, set up to develop the Ngezi/SMC Project.

The proposed simplification of the Company Group involves the purchase by the Company of Implats' 30 per cent interest in Makwiro and the merging of the management structures of the Company and Makwiro. This process will reduce administrative costs and eliminate potential cash leakages such as tax on tribute arrangements, as well as simplifying arrangements with the authorities in Zimbabwe and providing a more attractive vehicle for domestic and international lending institutions.

Rothschild has advised the Board on the value creation opportunity and on the potential corporate structures and financing alternatives for the buyout of Makwiro by the Company. The Independent Expert has prepared a report on whether the Makwiro Transaction is fair and reasonable to all Independent Shareholders and has concluded that the transaction is fair and reasonable.

2.2 Current structure

The structure of the Company Group currently involves different ownership arrangements for the group's ore resources and processing facilities. The Company's ore resources are wholly-owned by the Company while the processing facilities are owned by Makwiro (70 per cent held by the Company, 30 per cent held by Implats). Makwiro currently processes ore under tribute, and owns a number of key assets of the Company Group including the Selous Metallurgical Complex.

The Company's current group structure and current group cash flow structure are set out below in figures 1 and 2 respectively.

Figure 1: Current Group Structure

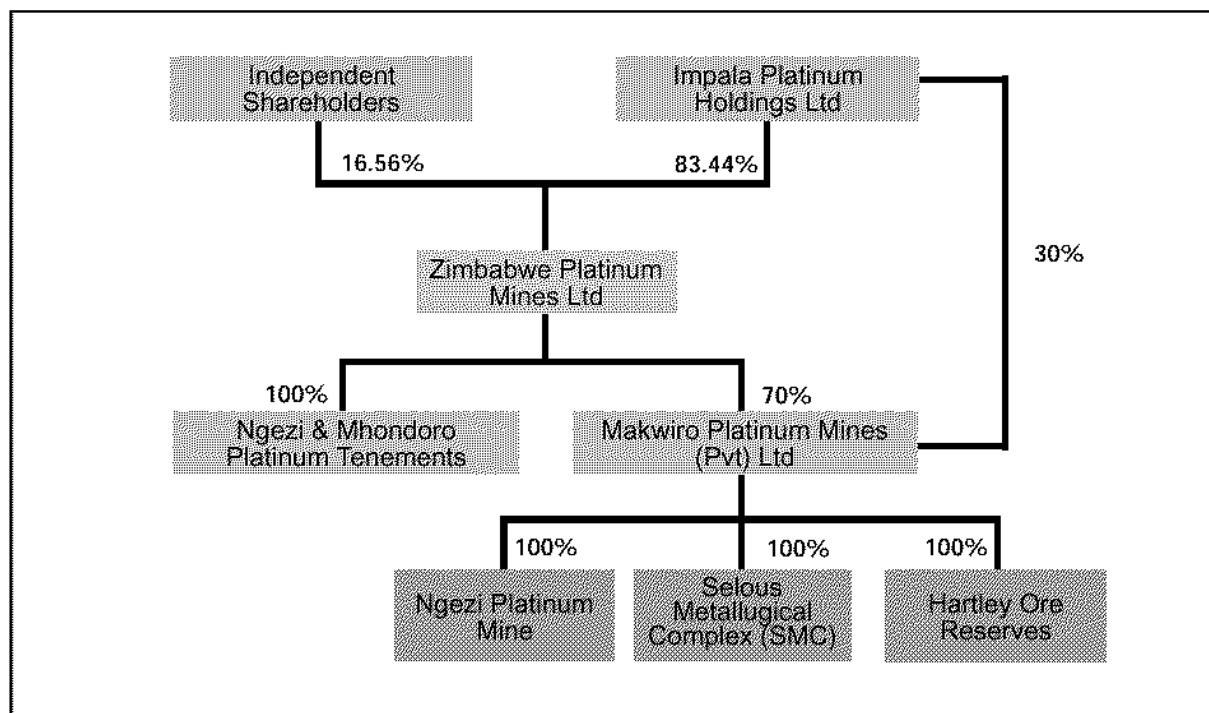
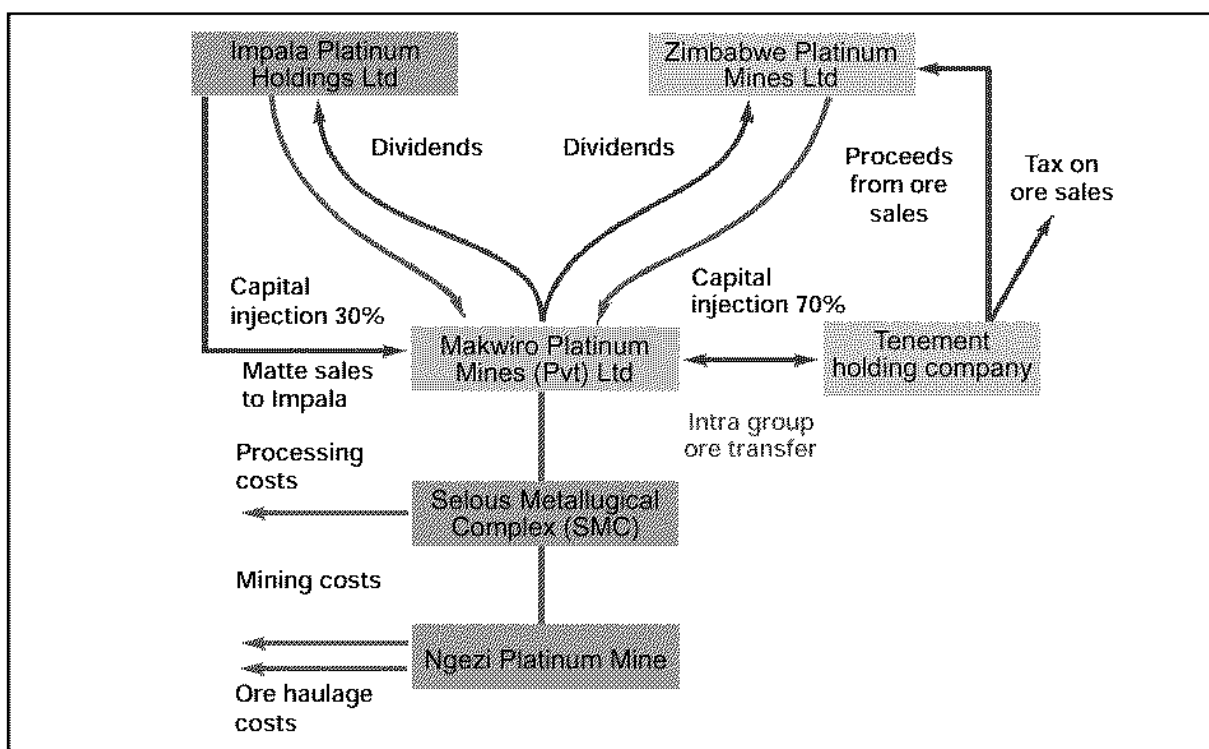


Figure 2: Current Group Cash Flow Structure



Over time, a number of disadvantages have emerged with respect to this structure:

(a) **Personnel and asset ownership**

- Key management personnel and technical expertise held within Makwiro cannot be shared easily with the rest of the Company Group (and vice versa).
- Issues may arise when pursuing new opportunities and also in relation to ownership of intellectual property (drill data base etc).

(b) **Debt capacity**

- The current structure of Makwiro has the potential to affect the debt capacity of Makwiro, a crucial aspect in the Expansion Programme. The current structure is disadvantageous in the following respects:
 - debt service is currently reliant upon the distribution of dividends from Makwiro to the Company. Under the proposed structure, the Company could service its debt through direct access to Makwiro's cash flow;
 - costs of acquiring ore must be taken into account in assessing the debt capacity of Makwiro;
 - tax leakage from the group structure is not minimised under the current arrangement;
 - ore sales contracts must be entered into prior to implementing finance; and
 - the combined effect of the current structure has the potential to make the Company/Makwiro less attractive to potential financiers.

(c) **Ore sales**

- Ore charges must be on "arms length" terms given the different shareholdings and for Zimbabwean taxation purposes.
- There exists the potential to crystallise a taxation liability as ore is held within a Zimbabwean subsidiary and will be sold to a company with different shareholders.

(d) **Capital injections**

- The Company's capital injections need to be matched with that of Implats.
- A co-ordinated approach is required.

(e) **Lack of Company control**

- Under the current structure the Company lacks full control over Makwiro and must consult the 30 per cent shareholder prior to making commercial decisions.

2.3 Proposed structure

Using the valuations of the Company and Makwiro undertaken by Rothschild, it is proposed that Implats' 30 per cent interest in Makwiro be acquired by the Company via an exchange of 14,873,160 new ordinary shares in the Company for Implats' Makwiro shares, with the issue price for each new share issued to Implats being \$3.75. This price is equal to Zimplats' 3 month Volume Weighted Average Price for the period ending 6 August 2004 (the day immediately prior to the commencement of pricing negotiations with Implats) and also corresponds to the closing price on this date. The issue of 14,873,160 new shares in the Company at \$3.75 will result in consideration of \$55.77 million (US\$39.04 million) for Implats' 30 per cent interest in Makwiro.

Upon completion of the Makwiro Transaction, Implats' shareholding in the Company will increase from approximately 83.44 per cent to 85.73 per cent.

The proposed group structure and cash flow structure are set out below in figures 3 and 4 respectively.

78
PI

Figure 3: Proposed Group Structure

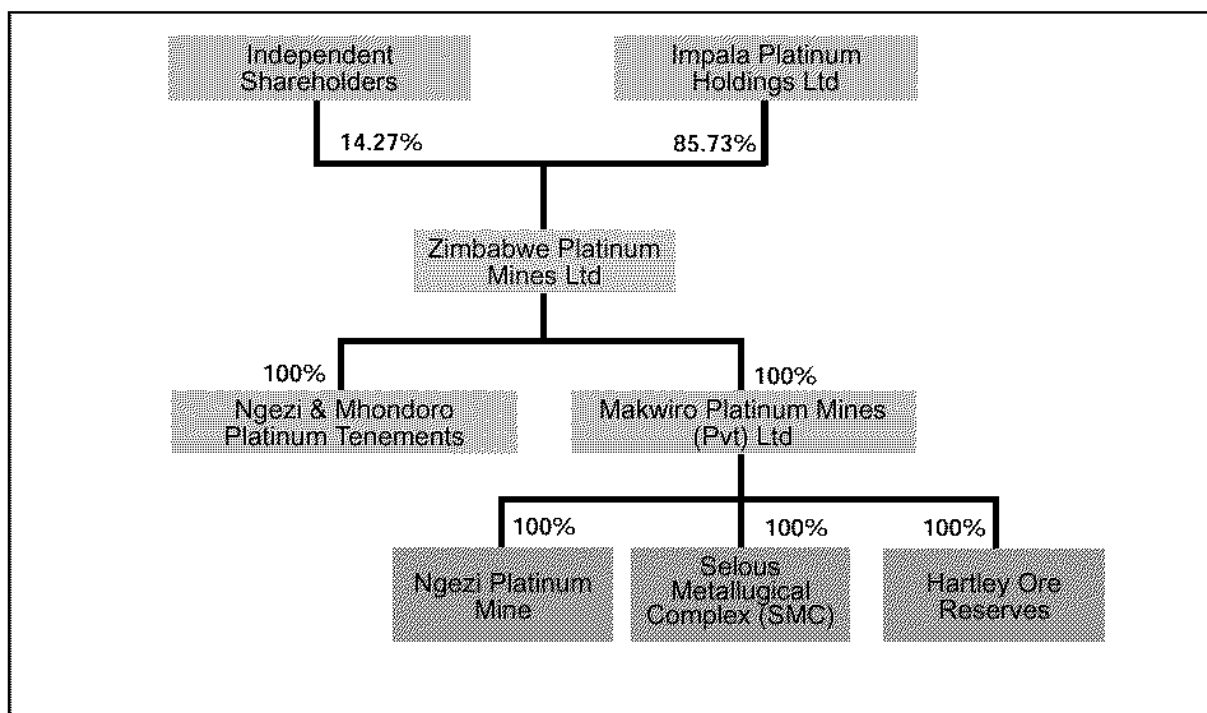
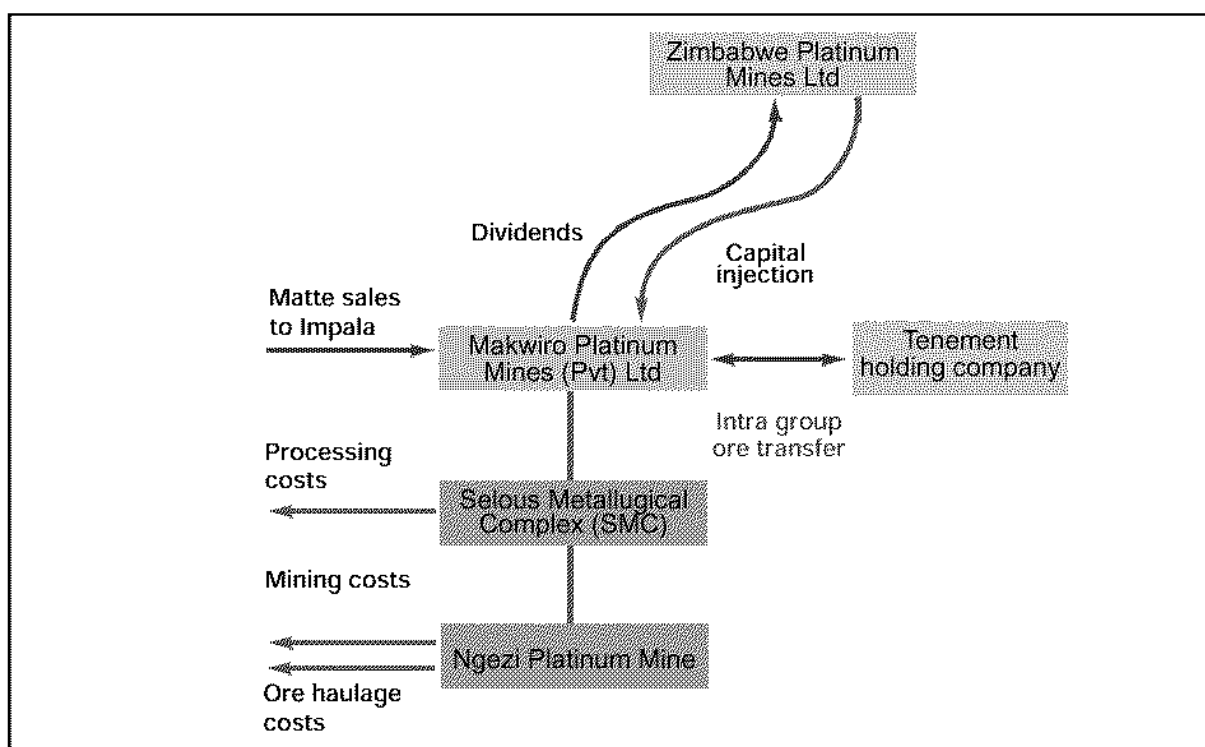


Figure 4: Proposed Group Cash Flow Structure



There are a number of advantages to the proposed group structure:

(a) Simplification of the Company and Makwiro management structure

- Management structures will be simplified through the eventual removal of a complete management layer in the Company.
- This would result in reduced overhead costs and a more streamlined and efficient management process.

(b) Elimination of potential taxation payments in Zimbabwe

- Makwiro does not have any ore reserves for the development of underground mines at Ngezi.
- The current tribute to Makwiro for the opencast mine was put in place under the Ngezi/SMC Project at a "peppercorn" rent and all future leases from the Company to Makwiro will need to be on commercial arm's length terms acceptable to Independent Shareholders.
- the Company's tenements are held in Zimbabwe registered companies which will pay full tax on the royalties received via tributes as they have virtually no expenses. Without a restructure, these subsidiaries will be paying tax whilst Makwiro enjoys tax losses.

(c) Simplified structure is more attractive to financiers

- The simplified Company Group will be more attractive to domestic and overseas lending institutions.
- The distributable cash flows of Makwiro, if fully distributed by the Company, will be available towards repaying company loans.
- With Makwiro as a 100 per cent subsidiary, the movement of surplus funds between the parent and subsidiary company can take place easily.

(d) Simplified arrangements with Zimbabwean authorities

- Currently both the Company and Makwiro deal with Zimbabwe authorities as separate entities and a unified structure would remove this duplication.

2.4 Report by the Independent Expert

This document contains a report from the Independent Expert, as to whether the Makwiro Transaction is fair and reasonable to Independent Shareholders. The Independent Expert's Report is set out in section 5 of this document.

The Independent Expert has concluded that the Makwiro Transaction is fair and reasonable to Independent Shareholders. In particular, the Independent Expert notes as follows:

- the value of the Company per share, prior to the completion of the Makwiro Transaction and the Expansion Programme, is \$3.13;
- the value of the Company per share, after the completion of the Makwiro Transaction is A\$3.22 per share;
- the valuation of the Company per share, after the completion of the Makwiro Transaction and the Expansion Programme, is \$3.79; and
- The Independent Expert also notes that the Expansion Programme and associated valuation uplift can only proceed if Implats provides the majority of the future expansion funding through the Rights Issue.

Based on the above, the Independent Expert considers that the issue of 14,873,160 Company shares at \$3.75 per share in return for Implats' 30 per cent interest in Makwiro, is fair and reasonable to Independent Shareholders.

2.5 Rights Issue

Should the Makwiro Transaction be approved by Shareholders, the Company is proposing to offer Shareholders a Rights Issue to fund the Expansion Programme. Further details on the Rights Issue are set out in section 3 below.

2.6 Requirements for Shareholder approval

Resolution 2 consists of two parts:

- (a) approval of Shareholders for the acquisition of the 30 per cent interest in Makwiro pursuant to ASX Listing Rule 10.1; and
- (b) approval of Shareholders to issue 14,873,160 new ordinary shares to Implats as the consideration for the remaining 30 per cent share in Makwiro pursuant to ASX Listing Rule 10.11.

The two parts have been combined into one resolution because the matters are interdependent.

The Company will disregard any votes cast on resolution 2 by Implats and any of its associates (except for certain votes cast as proxy).

Further details on ASX Listing Rules 10.1 and 10.11 are set out below.

(c) ASX Listing Rule 10.1

ASX Listing Rule 10.1 provides that, subject to certain exceptions, a listed company must not acquire a substantial asset from a related party without the approval of its shareholders. For these purposes:

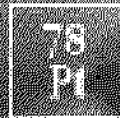
- a related party of a company includes a holding company or any substantial shareholder that, together with its associates, have a relevant interest in at least 10 per cent of the total votes attaching to the company's voting securities; and
- an asset is a substantial asset if its value, or the value of the consideration for it, is 5 per cent or more of the equity interests of the company as set out in the latest accounts of the company given to the ASX under the ASX Listing Rules.

As at the date of this document, Implats holds approximately 77.4 million shares in the Company, representing 83.44 per cent of the Company's issued capital and is therefore a related party of the Company.

The equity interests of the Company Group set out in the Company's accounts for the half year ended 30 June 2004 were approximately \$188.22 million (US\$131.75 million). The consideration that the Company has agreed to pay for the 30 per cent interest in Makwiro is \$55.77 million (US\$39.04 million), being 29.6 per cent of the Company Group's equity interests, making the 30 per cent interest in Makwiro a substantial asset.

Shareholder approval is therefore required for the Makwiro Transaction under ASX Listing Rule 10.1. Under ASX Listing Rule 10.2, the notice of meeting is required to contain a report on the transaction from an independent expert stating whether the transaction is fair and reasonable to Independent Shareholders. The report from the Independent Expert is set out in section 5 of this document. The Independent Expert has concluded that the Makwiro Transaction is fair and reasonable to Independent Shareholders.

Under ASX Listing Rule 14.11, the Company is required to disregard any votes cast on the resolution under ASX Listing Rule 10.1 by Implats and any of its associates (except for certain votes cast as proxy).



(d) ASX Listing Rule 10.11

ASX Listing Rule 10.11 provides that, subject to certain exceptions, an entity must not issue or agree to issue equity securities to a related party without the approval of holders of ordinary securities. As referred to above, Implats is a related party of the Company. Shareholder approval is therefore required to the issue of shares as consideration for the acquisition under ASX Listing Rule 10.11.

Under ASX Listing Rule 14.11, the Company is required to disregard any votes cast on the resolution under ASX Listing Rule 10.11 by Implats and any of its associates (except for certain votes cast as proxy).

Under ASX Listing Rule 10.13, any shares approved to be issued under ASX Listing Rule 10.11 must be issued by an entity not more than one month after the meeting to approve the issue.

2.7 What happens if the Makwiro Transaction is not approved

If resolution 2 is not passed at the General Meeting, the Company will not complete the purchase of the interest in Makwiro and the Rights Issue will not be made to Shareholders. This in turn will significantly impact on the timing of the Expansion Programme. The sale or tribute of ore from the Company is a transaction that will require Shareholder approval (excluding related parties), and therefore there is no certainty that such approval will be granted. This situation applies for all intended future expansions of Makwiro, since all required ore is held by the Company.

2.8 Timing

If Shareholders approve the Makwiro Transaction, the Company and Implats intend to complete the transaction by 11 November 2004.

2.9 Recommendation of the Directors

The Directors, having disclosed their interests in section 4.1 of this document, unanimously recommend that you vote in favour of resolution 2 for the reasons set out in this section 2

3. RIGHTS ISSUE

As discussed in section 1.3 above, the Company needs to raise \$155.7 million to fund the Expansion Programme. The Company has \$18 million available from working capital. It is proposed that a gross amount of approximately \$74 million will be raised by a rights issue and it is proposed that the remainder be raised via a debt facility with a leading South African investment bank (the funds raised from the Empowerment Transaction will be used to repay part of this debt).

The Board is currently considering the details and structure of the Rights Issue. If resolution 2 is approved, a prospectus containing all the relevant details of the Rights Issue will be lodged with ASIC and the ASX shortly after the General Meeting and sent to those Shareholders eligible to participate in the Rights Issue. Any decision to participate in the Rights Issue must be made solely on the basis of that prospectus and Shareholders wishing to participate in the Rights Issue will need to complete the application form that will accompany the prospectus.

4. ADDITIONAL INFORMATION

4.1 Interests of Directors

David Brown, Michael Rossouw, Derek Engelbrecht and Leslie Paton are employed by Implats and their recommendations on the resolutions should be viewed accordingly.

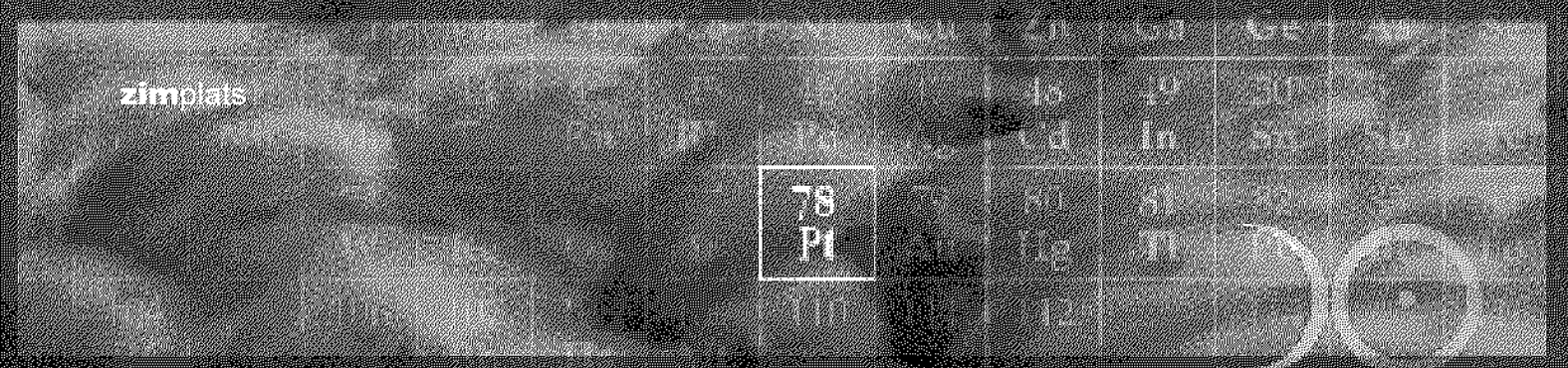
None of the other Directors have interests that they believe would affect their recommendations on the resolutions.

4.2 Consent

The Independent Expert has consented to the issue of this document together with the Independent Expert's Report and the references to the Independent Expert's Report in this document in the form and context in which they appear and has not withdrawn that consent.

4.3 Australian Corporations Legislation does not apply

As the Company is registered in Guernsey, the Australian Corporations Legislation relating to non-listed companies does not apply to the Company. The Company has however, as far as circumstances permit, complied with the Australian Corporations Legislation in relation to this document and the information contained within it.



5. INDEPENDENT EXPERT'S REPORT



First Floor, Block G
Rochester Place
173 Rivonia Road
Sandton 2146
POBox 782761
Sandton 2146
Republic of South Africa

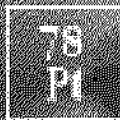
Tel: +27 11 783 9903
Fax: +27 11 783 9953
www.venmyn.com

STRICTLY CONFIDENTIAL

SUMMARY INDEPENDENT EXPERT'S REPORT
IN THE FORM OF A TECHNO-ECONOMIC VALUATION
OF THE
MAKWIRO TRANSACTION AND THE MINERAL ASSETS
OF
ZIMBABWE PLATINUM MINES LIMITED

DISCLAIMER

This draft report has been prepared for your confidential use only and is not intended for use in the public domain in its present form and content. To safeguard the integrity of the information contained herein, any reference to it, in whole or in part, requires the prior written consent of Venmyn Rand (Pty) Ltd. Should any reproduction, electronically or otherwise, be made of this document, Venmyn Rand (Pty) Ltd is indemnified against any consequence which may arise as a result thereof. While all reasonable efforts were taken by Venmyn Rand (Pty) Ltd to verify the information contained in this report, Venmyn Rand (Pty) Ltd does not accept responsibility for any inaccuracies in this regard, nor any action which might arise as a consequence.



The Directors
Zimbabwe Platinum Mines Limited
7 New Street
St. Peter Port
Guernsey
Channel Islands

**SUMMARY INDEPENDENT EXPERT'S REPORT
IN THE FORM OF A TECHNO-ECONOMIC VALUATION
OF THE
MAKWIRO TRANSACTION AND THE MINERAL ASSETS
OF
ZIMBABWE PLATINUM MINES LIMITED**

Dear Sirs

EXECUTIVE SUMMARY

Venmyn Rand (Pty) Ltd ("Venmyn") were commissioned by the Board of Zimbabwe Platinum Mines Limited ("Zimplats") to prepare a Summary Independent Techno-Economic Valuation Report on the following transaction: -

- The proposed acquisition of thirty percent (30%) of Makwiro Platinum Mines (Private) Limited ("Makwiro") from Impala Platinum Holdings Limited ("Impalats"), which will be effected through an exchange of Zimplats shares for Makwiro shares with the issue price of the Zimplats shares to Impala being set at A\$3.75 ("The Makwiro Transaction").

The purpose of this summary valuation is to consider all material issues that would influence the value of Makwiro and hence the overall value of Zimplats, before and after the Makwiro Transaction. This report also serves as a record of the proposed transaction at a specific moment in time. In doing so, it was also important to take into account practical considerations, such as the company's existing ability to finance the expansion opportunities in Zimbabwe, given the magnitude of the platinum group metal mineral resources that falls under its control. However, Venmyn has been informed of the details of the following additional corporate activities that will also influence Venmyn's ability to thoroughly apply their minds to the fairness and reasonableness of the Makwiro Transaction including the following:-

- A Rights Issue to fund the proposed Phase One Expansion of the Ngezi operations and the resultant cash flow valuation that could be expected as a consequence of the increased production profile of the company; and
- An Empowerment Transaction involving the proposed issue of 13,390,423 ordinary Zimplats shares to an Empowerment Party at a share price of A\$3.47 per share.

There are clearly a number of permutations that could arise because there are three corporate actions that may take place at different times and in sequence. For this reason, this report has assumed that the Makwiro Transaction will take place first, followed by the Rights Issue and finally the Empowerment Transaction.

There are two primary cases to consider in this report, which are the "Current Operations" before the corporate activity, and the "Expansion Operations" which will be developed after the corporate activity. We understand that, whilst the two cases are not entirely exclusive, they must be treated as such since the expansion can only proceed if the majority shareholder provides the majority of the future expansion funding through the Rights Issue.

Our valuation has assessed the current value of Zimplats at the beginning of June 2004, with its 70% holding of Makwiro, which is the effective "Before the Transaction" status. This is followed by the valuation of Zimplats "After the Transaction" which then takes into account the 100% attributable value of Makwiro, including the Phase One Expansion. This would be funded as a result of the successful conclusion of the Rights Issue along with the raising of other finance to raise an aggregate total of US\$109 million. Venmyn has based its enquiry upon the Feasibility Study which has been accepted by Zimplats as the "Ngezi Phase One Expansion Bankable Feasibility" dated April 2004.

Vennmyn has also considered the future growth of Zimplats with respect to the long-term, hypothetical modular expansions of the unexploited underground mineral resources that are held by the company in Zimbabwe.

At the outset, it must be noted that a number of material changes have taken place during the past year that have impacted on the value of Makwiro. These include, but are not limited to, the following:-

- The underground trial mine at Ngezi has successfully confirmed that underground development is feasible as a method to exploit the mineral resources of the strike extensions of Ngezi;
- Ore reserve grades have been adjusted slightly downwards as a result of practical grade control experience;
- A number of the recovery factors are also marginally lower;
- Zimbabwe has lowered the mining company tax rate from 25% to 15%, a very favourable rate with respect to the future distributable profit of the operations;
- The Bankable Feasibility has defined the parameters that will be required to develop the Phase One Expansion at Ngezi;
- Whilst the 4E metal prices have remained robust, the US dollar has weakened against many currencies and the price of oil has also risen substantially. This has meant that US dollar denominated costs have increased considerably for many operations in the platinum industry of southern Africa;
- The political climate in Zimbabwe has worsened and, albeit that the Zimplats operations and mineral assets have not been compromised, the political risk to both management and the corporate should not be underestimated;
- World markets have been dominated by low inflation and interest rates which has meant that the expected market returns have been lowered. Under these circumstances, the discount rate range considered appropriate to Zimplats is considered to have been slightly lowered with respect to a year ago; and
- The Government of Zimbabwe has issued a draft amendment to the Mines and Minerals Act, 2004 relating to the empowerment of historically disadvantaged persons in the mining industry. Although the white paper was later withdrawn, this legislation has the potential to affect the future ownership structures of mining companies in Zimbabwe, and hence any further equity transactions planned by Zimplats.

Strategically, if the Makwiro Transaction takes place, all cash flow will accrue to Zimplats which means that the sensitivity of the Zimplats valuation is highly geared to changes in the metal prices. Furthermore, the complication of transferring mineral resources from the Zimplats holding into Makwiro for exploitation is eliminated.

It must be born in mind that before the Makwiro Transaction, only 70% of the after tax cash flows flow to Zimplats and the remaining 30% to Implats, whereas after the Makwiro Transaction, 100% of the after tax cash flows are attributable to Zimplats but there are more shares in issue. Zimplats' scheme of ownership is shown in Figure 6 and can be described chronologically as follows:-

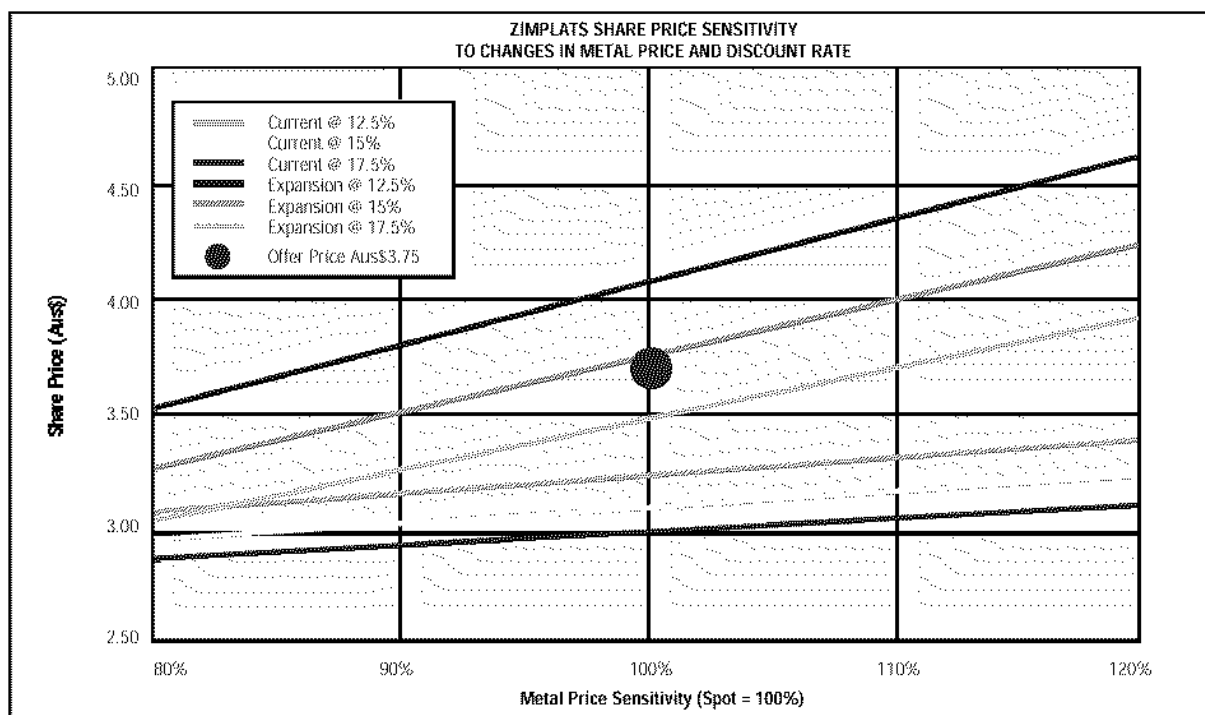
- Before the Makwiro Transaction: - 70% of the current Makwiro operations includes the open cast operation and the existing underground trial mine section; 100% of the undeveloped Zimplats ore reserves and mineral resources and the Net Asset Value (excluding operating assets).
- After the Makwiro Transaction: - 100% of the Phase One Expansion additive to the Current operations and the undeveloped ore reserves and mineral resources as above.

The valuation results are shown in Table 1 overleaf, and illustrate the effects of the Zimplats share price valuation before and after the Makwiro Transaction and assuming that, as a result, the Rights Issue takes place and the proposed Phase One Expansion proceeds.

Table 1 Venmyn Valuation Summary

	CURRENT VALUE	FUTURE VALUE	
	BEFORE THE TRANSACTION	AFTER THE MAKWIRO TRANSACTION	AFTER PHASE ONE EXPANSION
NPV of Makwiro Cash flows (US\$)	100,329,434	100,329,434	145,175,977
NAV of Makwiro Assets Not Used In Production (US\$)	16,359,652	16,359,652	16,359,652
Makwiro Additional Resources (US\$)	10,787,796	10,787,796	10,787,796
Makwiro Value (US\$)	127,476,882	127,476,882	172,323,425
Value of Implats' 30% Share in Makwiro (US\$)	38,243,064	0	0
Makwiro NPV Attributable to Zimplats (US\$)	70,230,604	100,329,434	145,175,977
Makwiro NAV Attributable to Zimplats (US\$)	11,451,757	16,359,652	16,359,652
Zimplats Additional Resources (US\$)	109,872,320	109,872,320	107,331,997
Makwiro Additional Resources Attributable to Zimplats (US\$)	7,551,457	10,787,796	10,787,796
Zimplats Value (US\$)	199,106,138	237,349,202	279,655,332
Zimplats Value (A\$)	290,379,845	346,154,194	407,854,321
Value of Implats' 30% Share in Makwiro (A\$)	55,070,013	0	0
Proposed Share Issue Price (A\$)		3.75	
Zimplats Shares Issued to Implats (Per Venmyn Valuation)		14,685,337	
Zimplats Shares Issued to Implats (Per Transaction Proposal)		14,873,160	
Issued Ordinary Shares	92,764,489	107,637,649	107,637,649
Value per share (A\$)	3.13	3.22	3.79
Discount Rate (Nominal)	15.00%		
A\$:US\$ Exchange Rate	1.44		
Zimplats Debt: Equity Ratio	30%		

Venmyn has defined their equity value range on operational parameters at a nominal discount rate of 15%. The value range has also been sensitised to changes in the metal price forecasts in addition to the discount rate. These sensitivities are shown graphically below.



Having included the Phase One expansion in the valuation of Makwiro, the sensitivity curves emphasize the value to be gained through enlarged attributable cash flows from the production of revenue ounces as opposed to the application of an in-situ value per ounce.

In order to establish the fair market value within the value range calculated above, it is important to include investor-related securities exchange considerations. These include:-

- The poor liquidity of the company's stock, given the low free float;
- The strategic value of Zimplats to Implats; and
- The historical sector discount of platinum shares to their intrinsic value of approximately 20%.

Having considered all material issues that would otherwise influence the outcome of our investigations, Venmyn has valued Implats' 30% interest in Makwiro at US\$38.24 million. This equates to A\$55.07 million using an exchange rate of US\$1=A\$1.44. As a result of this valuation, and assuming an issue price of A\$3.75 per share, Zimplats would need to issue a total of 14,685,337 ordinary Zimplats shares to Implats in consideration of Implats' 30% stake in Makwiro.

Venmyn understands that the proposed Makwiro transaction is to be conducted for consideration of US\$39.04 million, which is within 2.5% of Venmyn's valuation. We have been informed that the actual consideration for the transaction is A\$55.77 million (within 1.5% of Venmyn's valuation) and that 14,873,160 shares are to be issued to Implats. We acknowledge that Zimplats have used an exchange rate of US\$1=A\$1.42857 in conversion of the transaction consideration to A\$.

With respect to the issue price of A\$3.75 per share, Venmyn has assessed the current value of Zimplats before the Makwiro transaction at A\$3.13 per share. Venmyn's assessed value for Zimplats rises to A\$3.22 per share after the completion of the Makwiro transaction with a further uplift to A\$3.79 per share with the implementation of the Phase One Expansion. The proposed issue price of A\$3.75 per Zimplats share to Implats under the Makwiro transaction is therefore higher than Venmyn's current valuation for Zimplats.

Furthermore, it should be noted from the sensitivity graph that the gearing of the company's value to the changes in discount rate and the metal prices is enhanced after the Makwiro Transaction since 100% of the cash flow accrues to Zimplats.

After taking into account the valuation issues discussed above, Venmyn considers that the proposed issue of 14,873,160 shares at a price of A\$3.75 per ordinary Zimplats share to Implats for their stake in Makwiro for a total consideration of US\$39.04 million (A\$55.77 million) to be fair and reasonable for independent shareholders.

**SUMMARY INDEPENDENT EXPERT'S REPORT
IN THE FORM OF A TECHNO-ECONOMIC VALUATION
OF THE
MAKWIRO TRANSACTION AND THE MINERAL ASSETS
OF
ZIMBABWE PLATINUM MINES LIMITED ("ZIMPLATS")**

TABLE OF CONTENTS

1	INTRODUCTION	25
2	COMPETENT PERSONS' DECLARATION	26
3	MAKWIRO EXPANSION	26
	3.1 Phase One Underground Expansion Programme	26
	3.2 Long Term Expansion Plans	27
4	METHODS OF VALUATION	27
5	VALUATION OF OPEN CAST AND UNDERGROUND OPERATIONS	27
	5.1 Cost of Equity	28
	5.2 Cost of Debt	28
	5.3 Weighted Average Cost of Capital	28
6	FORECAST ASSUMPTIONS	29
	6.1 Ore Reserves and Mineral Resources	29
	6.2 Grades and Recovery Factors	30
	6.3 Capital Costs	31
	6.4 Operating Costs	32
	6.5 Metal Price Forecasts	33
	6.6 Financial Assumptions	33
	6.7 Monetary Assumptions	33
	6.8 Taxation Rates	34
7	FINANCIAL PROJECTIONS	34
	7.1 Current Open Cast and Trial Mine Operating Profit Forecasts	34
	7.2 Expansion Open Cast and Underground Trial Mine Operating Forecasts	35
8	SOVEREIGN RISK	37
9	VALUATION RESULTS	37
	9.1 Valuation of Ore Reserves and Mineral Resources	38
	9.2 Expansion Cash Flow Analysis for Zimplats after the Collapse	39
	9.3 Net Asset Value	40
10	VALUATION SUMMARY	41
11	CONCLUSION AND RECOMMENDATION	42

LIST OF TABLES

Table 1	Venmyn Valuation Summary	21
Table 2	Proposed Phase One Expansion Schedule (Tonnes)	26
Table 3	Ore Reserves	29
Table 4	Mineral Resources	30
Table 5	Ngezi Reserve Grades (g/t)	31
Table 6	Recovery to Concentrate (%)	31
Table 7	Recovery to Matte (%)	31
Table 8	Capital Costs (US\$000)	32
Table 9	Open cast Operating Costs	32
Table 10	Underground Operating costs	32
Table 11	Metal Prices	33
Table 12	Macro-Economic Indicators	33
Table 13	Tax & Royalties	34
Table 14	Current Open Cast Operating Profit Forecasts (US\$ 000's)	35
Table 15	Current Underground Trial Mine Operating Profit Forecasts (US\$ 000's)	35
Table 16	Expansion Open Cast Operating Profit Forecasts (US\$ 000's)	36
Table 17	Expansion Underground Operating Profit Forecasts (US\$ 000's)	36
Table 18	Phase One Expansion Ore Reserve and Mineral Resource Valuation Summary	38
Table 19	Expansion Cash Flow of Zimplats (US\$ 000's)	39
Table 20	WACC Calculation	39
Table 21	Breakdown of Net Asset Value Attributable to Makwiro	40
Table 22	Calculation of Final Value (US\$)	41

LIST OF FIGURES

Figure 1	Generalised schematic of mineral projects and geology of the Great Dyke of Zimbabwe
Figure 2	Zimplats main sulphide zone (MSZ) mineral resources, planned exploration and mining licence areas as at June 2004
Figure 3	Zimplats MSZ north and Hartley mineral resources
Figure 4	Zimplats central area showing mineral resources
Figure 5	Zimplats southern area mineral resources and ore reserves relative to the Ngezi expansions
Figure 6	Corporate structure scenarios
Figure 7	Zimplats Valuation at Various Discount Rates



1 INTRODUCTION

Venmyn Rand (Pty) Ltd ("Venmyn") was requested by the Board of Zimbabwe Platinum Mines Ltd ("Zimplats") to prepare a Summary Independent Techno-Economic Valuation Report on the proposed acquisition of thirty percent (30%) of Makwiro Platinum Mines (Private) Limited ("Makwiro") from Impala Platinum Holdings Limited ("Implats"). We understand that the acquisition is to be effected through an exchange of 14,873,160 Zimplats shares for 30% of Makwiro, with the issue price of the Zimplats shares to Implats being set at A\$3.75 per share representing a consideration of A\$55.77 million (US\$39.04 million).

The primary objective of this work was to consider all material issues that would influence the value of Makwiro and hence the overall value of Zimplats before and after the proposed Makwiro Transaction. This valuation provides a basis to consider whether the issue price of the Zimplats shares is fair and reasonable to the Zimplats independent shareholders, given that Implats is a related party. Venmyn considered the other corporate actions that will take place together with the practical aspects of the company's ability to finance the expansion opportunities in Zimbabwe. The location of the Zimplats mineral tenements are shown in context with the Great Dyke of Zimbabwe in Figure 1. This is further emphasized in Figure 2 which illustrates the size of the mineral resources held under various tenement claims or mining licenses issued by the Department of Mines of Zimbabwe and maintained in good order by Zimplats' Harare office.

At present, Makwiro is the sole operating company within the Zimplats corporate structure, whereby 70% of Makwiro's value is attributable to Zimplats and the remaining 30% to Implats. In order to assess the valuation effects, Venmyn has established the current value of Zimplats at the beginning of June 2004, with its 70% holding being the effective "Before the Transaction" status. This is followed by the valuation of Zimplats "After the Transaction" which takes into account the resultant 100% attributable value of Makwiro including the Phase One Expansion. This would be funded as a result of the successful conclusion of the Rights Issue along with the raising of other finance to raise an aggregate total of US\$109 million. The hypothetical development of ten portals was previously discounted for practical purposes to two portals and the Phase One Expansion has now been constrained to only Portal 2. This is a realistically cautious approach by Zimplats management in keeping with the level of certainty over the technical, financial and political climate of Zimbabwe. The corporate structure changes are shown in figure 6.

The previous valuation work provided a range of values for both scenarios and considered an average value between the current and future value to be fair at a nominal discount rate for US dollar denominated cash flows of 17.5%.

Venmyn has based this enquiry upon the Feasibility Study which has been accepted by Zimplats as the "Ngezi Phase One Expansion Bankable Feasibility" dated April 2004. Venmyn has carried out a high level due diligence of the Phase One study and compared metal price forecasts, operating costs and production estimates to similar input parameters that were used in previous Zimplats valuations.

At the outset, it must be noted that a number of material changes have taken place during the past year that have changed the value of Makwiro. These include, but are not limited to, the following:-

- The underground trial mine at Ngezi has successfully confirmed that underground development is feasible as a method of exploiting the ore reserves of the strike extensions of Ngezi;
- The Bankable Feasibility has defined the parameters that will be required to develop the Phase One Expansion at Ngezi;
- Whilst the 4E metal prices have remained robust, the US dollar has weakened against many currencies and the price of oil has also risen. This has meant that US dollar denominated costs have increased substantially for many operations in the platinum industry of southern Africa;
- The political climate in Zimbabwe has worsened and, albeit that the Zimplats operations and mineral assets have not been compromised, the political risk to both management and the corporate should not be underestimated; and

- World markets have been dominated by low inflation and interest rates which has meant that the expected market returns have lowered. Under these circumstances, the discount rate range considered appropriate to Zimplats is considered to have been slightly lowered with respect to a year ago.

As a consequence of a combination of the above factors, the Venmyn valuation is lower than a year ago.

Mr A. N. Clay and Mr G. Stacey of Venmyn conducted a site visit to the Harare office on 9 June 2004, in order to familiarize themselves with the latest developments.

2 COMPETENT PERSONS' DECLARATION

Venmyn's consultants responsible for compiling this report have, collectively, more than twenty years experience in preparing technical advisor's reports and valuations of mining and minerals exploration companies and projects, and all are members in good standing of appropriate professional institutions.

Venmyn has contributed significantly to the preparation and publication of many of the rules that govern best practice and compliance in the minerals industry. Venmyn assists with on-going reporting of public mineral companies and endeavours to apply the highest standards of corporate governance within its practice. The company is an alliance partner to one of the big four international audit firms and is actively involved with the preparation of a valuation code for the South African minerals industry.

The signatories to this report are qualified to express their professional opinions on the above transaction. Neither Venmyn nor its staff have any interest in this transaction capable of affecting its ability to give an unbiased opinion, and will not receive any pecuniary benefits in connection with this assignment other than normal consulting fees.

3 MAKWIRO EXPANSION

3.1 Phase One Underground Expansion Programme

The Phase One Expansion programme, as defined by Zimplats management, is designed to generate an additional 1.5 million tonnes per year of ore, over and above the existing Ngezi-SMC project currently operating. This will take the combined operations from 2.0 million tonnes to a total production rate of 3.5 million tonnes per annum. The initial growth in mined tonnage, as defined in the bankable study, will be implemented over a period of two years based upon an ore reserve base which will support a mine life in excess of 10 years. Further life of mine ore reserves will be drawn from the large inventory available to the company. The production schedule shows the implementation schedule of this plan

Table 2 Proposed Phase One Expansion Schedule (Tonnes)

	2004	2005	2006	+2007
Underground Mined	273,500	866,500	984,000	984,000
Underground Milled	259,825	823,175	934,800	934,800
Open cast Waste (BCMs)	8,939,728	10,438,756	10,806,092	10,806,092
Open cast Mined and Milled	1,815,000	2,478,000	2,565,200	2,565,200
Ore Milled at SMC Concentrator	1,815,000	2,040,000	2,000,000	2,000,000
Ore Milled at Ngezi Concentrator	259,825	1,261,175	1,500,000	1,500,000



3.2 Long Term Expansion Plans

The long-term expansion plans have conceptualised the development of ten (10) modular portals and the construction of an additional smelter to supplement the SMC facility. However, as a step wise approach within the technical confidence and financial constraints of the current company, the Ngezi Phase One Expansion has modelled only Portal 2 and the building of the Ngezi concentrator. It is considered that, without the successful implementation of the Phase One expansion, the confidence levels on the input assumptions for the additional portal expansions are low and these have not been incorporated into a cash flow assessment, other than to verify their in situ value per ounce as "tail ounces".

4 METHODS OF VALUATION

In a previous report (reference number C270 dated April 2001, a copy of which can be obtained through Venmyn) Venmyn comprehensively defined the valuation methods that are appropriate for mineral assets. Whilst these are not repeated here, it should be emphasised that the summary output information is based upon the preparation of a discounted cash flow model together with a breakdown Net Asset Value ("NAV").

In order to logically present the incremental changes in value as a consequence of the proposed corporate activity, Venmyn has determined a value of the current operations of Makwiro excluding the collapse of the structure, followed by the incremental increase in value as a consequence of the collapse and the successful Rights Issue and funding to finance the Phase One expansion. A range of values have then been attributed to the balance of ore reserves and mineral resources for each case so that the sum of the parts is equal to the whole.

The speculative aspect of the other portals has not been incorporated as the definition of the capital estimates is at a low level of confidence. In a previous report, two modular expansions were incorporated but it has taken a year to prepare the Phase One Expansion Bankable document around Portal 2 only. Therefore, Venmyn has adopted a more cautious approach to the additional expansion programmes. However, value is attributed to the mineral resources not used in the production of a cash flow so all mineral assets are valued.

It is important to note that the current value attributable to Zimplats is related to the current corporate structure whereby Zimplats is the beneficial owner of the ore reserves and mineral resources which will be exploited in the proposed underground expansions at Makwiro. However, it currently owns only 70% of Makwiro which is the operating entity through which these mineral assets will be developed. After the collapse, Zimplats will be the beneficial owner of 100% of the total assets and the value effects are defined in this report as before and after the Makwiro Transaction.

5 VALUATION OF OPEN CAST AND UNDERGROUND OPERATIONS

We use the discounted cash flow ("DCF") valuation methodology to value the projects as, in our opinion, this approach yields the most accurate results by capturing the pertinent aspects of the business's investment case. Our forecasts cover the estimated life of the project and our assumptions are detailed in the relevant sections below. In previous valuations, Venmyn has included the funding requirements in the cash flow and have subsequently risk adjusted the nominal cash flows by the cost of equity calculated using the Capital Asset Pricing Model ("CAPM"). Since the funding requirements for the expansion program have been clearly defined, assuming the Makwiro Transaction and Empowerment Transaction are implemented, we have determined an unfunded cash flow model to calculate the nominal cash flows and then risk adjusted the project's value using a Weighted Average Cost of Capital ("WACC") calculation.

5.1 Cost of Equity

In order to calculate the cost of equity, we have utilised the risk free rate applicable to the United States long-term bond, given that the company's cash flows are US dollar denominated. The risk premium is generally considered to be the investors' reward for investing in an equity rather than a risk-free government bond and should ideally relate to the country in which the investor is residing, in this case Australia. Although the company's cash flows are US dollar based, its assets are domiciled in Africa and it is listed in Australia. Hence it should incorporate an emerging market risk premium. We consider 5% (previously 6%) as a fair premium.

The beta of the stock should reflect the stock price's volatility over and above other general equity investments in the country of listing. This should, therefore, be the beta of Zimplats relative to the Australian All Ordinaries Index. However, this calculation has several drawbacks. Poor liquidity and an asset base unrelated to the market in which it is listed, implies that the calculated beta is unlikely to truly represent the risk of the stock. It is also reasonable to factor a consideration of company specific issues into the beta, such as AIDS, with its resultant labour implications, and the complexity of the company's existing legal structure. We have, therefore, utilised what we consider to be the more realistic beta, being that of the Platinum Index (0.90) (previously 0.99) in South Africa to the South African All Share Index. The resulting cost of equity is 8.50% (previously 10%).

5.2 Cost of Debt

The company's cost of debt is calculated using the actual interest rate that the company has been offered to finance the expansion which is LIBOR 1.8% (previously 2.26%) plus 3% (previously 5%) per annum. Although it is anticipated that Zimplats will negotiate a rate of LIBOR plus 2%, this has yet to be confirmed. For this reason, we have applied a more conservative pre-tax interest rate of 4.8%.

5.3 Weighted Average Cost of Capital

The company's cost of equity and debt should be weighted according to the likely future capital structure as the company has a low gearing at present. The current debt: equity ratio is less than 10% but may increase to up to 30% after the Rights Issue depending on the financing of the Empowerment Transaction. Debt requirements are also likely to increase during the life of proposed projects, as shown by the cash flow forecasts. For this reason, we have applied a 30% debt: equity ratio to the June model resulting in a WACC of 15.035%, which has been rounded down to 15% for ease of presentation.

Whilst the beta used in this report considers emerging market risk, it is not possible to quantitatively define a market-related value of Zimbabwe's specific sovereign risk. Venmyn has recognised that the perception of risk is often distorted by the immediate impact that the situation has on the observer. In this case, distance from Zimbabwe lowers the influence of internal problems which should not be underestimated. The fact that the majority of the company's assets are domiciled in Zimbabwe is probably the most significant contributing factor to the historical discount of the market price to its fair value. In order to quantify this subjective risk, which is discussed in more detail later, we have reviewed various Country Risk reports and then applied what we consider to be a realistic country discount to the overall WACC.

Therefore, the expected rate of return for Zimbabwe has been maintained at 100%, implying that the risk of operating in Zimbabwe is 100% greater than that of similar operations in other regions. Once again, the final WACC, and thus the discount factor applied in our valuations, is 15.035% (rounded to 15% nominal).

6 FORECAST ASSUMPTIONS

This section is intended to present the input parameters and assumptions that have been used in the DCF model. This was generated as a basis from which to formulate the company value calculations. It should be noted that the summary information presented in this report does not meet the requirements of a comprehensive Competent Persons Report. However, previous reports that Venmyn has prepared have incorporated the necessary information that has not been duplicated in this report. The information incorporated in the company's scoping study and the trial Ngezi Phase One Expansion Bankable Feasibility Study for the potential underground expansions has been reviewed and may be considered realistically achievable. The following sections are summary tabulations of the forecast assumptions incorporated in the cash flow model.

6.1 Ore Reserves and Mineral Resources

The following ore reserves and mineral resources have been reported by the company's Competent Person and are compliant with the JORC Code of the Australasian Institute of Mining and Metallurgy ("AusIMM"). The resource statements have not been audited by Venmyn but have been accepted for the purposes of this valuation on the basis that the Competent Person has confirmed that he is fully registered with AusIMM and that the statement has been compiled in full compliance with the JORC Code.

It should be noted that the mineral resources are quoted inclusive of the ore reserves, so in any valuation calculations this should be taken into account to ensure that there is no double accounting for value.

Furthermore, Venmyn requested that the grade profiles for the northern, central and southern areas should be reflected in the calculations. Venmyn has incorporated this information into Figures 3, 4 and 5 to demonstrate the differences. Of interest is that a reliable grade profile for the central area was not available and, therefore, the level of confidence is low, albeit the Competent Person has categorised the area as an inferred resource.

Zimplats intends implementing an exploration drilling programme over the next few years that will increase the level of confidence in the mineral resource categorisation and hence the value of the defined 4E ounces. This will be necessary prior to any additional mining feasibility expansions being prepared to "Bankable" status (Figure 2).

Table 3 Ore Reserves

	TONNES (MT)	3PGE + Au (g/t)	WIDTH (m)	3PGE + Au (Moz)
Ngezi South Tribute (100% Makwiro)				
Proved	16.3	3.11	3.00	1.6
Probable	20.1	3.12	3.00	2.0
Sub-Total	36.4	3.12		3.6
Zimplats Tenements (100% Zimplats)				
Proved	28.8	3.30	2.42	3.1
Probable	275.7	3.37	2.26	29.9
Sub-Total	304.5	3.36		32.9
TOTAL RESERVES				
Total Proved Reserve	45.1	3.23		4.7
Total Probable Reserve	295.8	3.35		31.9
Total Ore reserves	340.9	3.34		36.6

Table 4 Mineral Resources

	TONNES (Mt)	3PGE + Au (g/t)	Width (m)	3PGE + Au (Moz)
Ngezi South Tribute (100% Makwiro)				
Measured	15	3.6	2.75	2
Indicated	18	3.6	2.75	2
Total	33	3.6		4
Ngezi South Tenements (100% Zimplats)				
Measured	56	3.9	2.33	7
Indicated	506	4.0	2.13	65
Inferred	236	4.1	2.13	31
Total	798	4.0		103
Sub Total Ngezi South	831	4.0		107
Hartley Platinum (100% Makwiro)				
Measured	32	5.0	1.51	5
Indicated	140	4.4	1.83	20
Inferred	16	4.7	1.20	2
Total	188	4.5		27
Zimplats North Tenements (100% Zimplats)				
Indicated	197	4.4	1.70	28
Inferred	742	4.1	1.70	98
Total	939	4.2		126
Sub Total North	1,128	4.2		153
Zimplats Central (100% Zimplats)				
Inferred	533	4.1	1.20	70
TOTAL MINERAL RESOURCES				
Total Measured Resource	103	4.2		14
Total Indicated Resources	861	4.1		114
Total Inferred Resources	1,527	4.1		202
TOTAL	2,491	4.1		330

6.2 Grades and Recovery Factors

As a result of the company's practical experience in both the Ngezi open cast mining and the trial underground mining, the optimum mining widths have been defined. The following grades have been incorporated, having taken into account the company's grade control procedures and their current operating achievements. Having reviewed other operations in Zimbabwe, there is no reason to believe that the company cannot achieve the forecast grades.


Table 5 Ngezi Reserve Grades (g/t)

	OPEN CAST		UNDERGROUND	
	CURRENT	PREVIOUS	CURRENT	PREVIOUS
Platinum	1.57	1.66	1.61	1.73
Palladium	1.36	1.37	1.32	1.44
Rhodium	0.15	0.14	0.13	0.15
Gold	0.20	0.24	0.23	0.23
Nickel	1,000.00	949.73	1,000.00	949.73
Copper	620.00	549.28	700.00	549.28

Table 6 Recovery to Concentrate (%)

	CURRENT	PREVIOUS
Platinum	83.3	84.7
Palladium	85.9	85.4
Rhodium	88.4	88.4
Gold	69.4	68.2
Nickel	74.1	77.4
Copper	81.3	82.7

Table 7 Recovery to Matte (%)

	CURRENT	PREVIOUS
Platinum	99.2	98.5
Palladium	99.2	98.5
Rhodium	99.2	98.5
Gold	99.2	98.5
Nickel	95.3	96.0
Copper	95.8	96.0

6.3 Capital Costs

The capital expenditure (US\$109m), as defined in the Bankable Feasibility Study, includes the mining and processing infrastructure, ancillary services at Ngezi and smelter capacity expansion at the Selous Metallurgical Complex ("SMC") when it is required.

Table 8 Capital Costs (US\$000)

	2004	2005
Portal 2	14,000.0	3,120.0
Ngezi Concentrator	44,981.9	-
Infrastructure	21,037.5	4,807.5
Concentrate Transport	1,000.0	2,650.0
SMC Smelter Upgrade	-	11,000.0
Contingency	1,000.0	1,000.0
Pre-paid but not expensed	4,403.1	-
Total	86,422.5	22,577.5

6.4 Operating Costs

The operating costs are based upon the best estimates of detailed cost accounting information and taking into account future economies of scale. Venmyn interrogated these costs with management since there are a number of material cost increases that have substantially changed over the past year. The open cast costs have been revised as shown below: -

Table 9 Open cast Operating Costs

	CURRENT	PREVIOUS
Open cast Ore Mining Cost (US\$/t Mined)	2.04	2.04
Open cast Waste Mining Cost (US\$/BCM)	4.04	4.04
Ore Transport (US\$/t Mined)	2.85	-
Processing (Milling/Flotation) Costs (US\$/t Milled)	5.02	-
Smelter Costs (US\$/t Concentrate)	66.33	66.33
Admin General (US\$/t Mined)	3.18	3.18
Matte Transport (US\$/t Matte)	80.00	80.00

The underground costs are best estimates derived from the practical experience from the trial mine section. Whilst these are considered to be materially correct, they will be subject to change as the expansion develops, particularly with respect to fuel and power input costs since these are subject to governmental influence such as official pricing and exchange control measures that are beyond the control of the company and those companies that contract to Zimplats.

Table 10 Underground Operating costs

	CURRENT	PREVIOUS
Mining Operating Costs (US\$/t Mined)	11.63	8.50
Ore Transport Costs (US\$/t Mined/km)	0.50	-
Processing (Milling/Flotation) Costs (US\$/t Mined)	6.41	4.00
Concentrate Transport (US\$/t Mined)	5.00	2.70
Smelter Costs (US\$/t Concentrate)	57.00	45.00
Admin & Overhead Operating Costs (US\$/t Mined)	0.80	3.57
Matte Transport (US\$/t Matte)	80.00	40.00

6.5 Metal Price Forecasts

There has been much debate about the appropriate metal price input for this valuation. Zimplats and Implats have a view, as do the other advisors. Venmyn maintains an in house Economic Parameters file that combines analyst and corporate projections from a number of local and international sources.

It is important to define the view and demonstrate the sensitivity of the valuation results to changes in these forecasts. In the event that the market should change, or an investor wishes to apply a different view, the valuation outputs presented here should facilitate this flexibility.

The following metal price forecasts were considered reasonable by Venmyn: -

Table 11 Metal Prices

	2004	2005	2006	2007	+2008
Platinum (US\$/oz)	800	750	710	700	600
Palladium (US\$/oz)	250	230	230	230	250
Rhodium (US\$/oz)	750	750	750	750	900
Gold (US\$/oz)	400	400	400	380	380
Nickel (US\$/t)	13,000	12,000	9,500	8,500	8,000
Copper (US\$/t)	2,204	2,000	1,900	1,900	1,900

6.6 Financial Assumptions

The financial assumptions reported below are market-related and are considered realistic:-

Table 12 Macro-Economic Indicators

	2004
US Inflation Rate (%)	2.0
LIBOR (%)	1.8

6.7 Monetary Assumptions

The platinum mining operations in Zimbabwe are given special exemption with respect to Reserve Bank rules since the company's foreign earnings are held offshore in US\$ accounts. This is a major advantage as payments and money flows are not hindered by any Reserve Bank interference, albeit that all regulatory procedures are scrupulously upheld by the company.

All cash flows are US dollar denominated and are escalated from current money using a US inflation rate in order to generate nominal cash flows. The resulting cash flow values have been converted into Australian dollars using the spot rate of Au\$1.44/US\$ (previously 1.86).

6.8 Taxation Rates

It is important to note that the change in the normal company taxation rate is substantial and has had a very favourable effect on the post-tax revenues generated by the operations. This has been taken into account in the valuation of Makwiro's current tax status, the proposed underground expansion will be considered to be an extension of the existing mining operations and future capital expenditure will be written off in the year in which it is expensed. The combined DCF is treated as a single tax entity incorporating the above assumptions.

Table 13 Tax & Royalties

	+2004	Previous
Taxation Rate (%)	15.0	25.0
Aids Levy (as % of Tax)	3.00	
All Inclusive Tax Rate (%)	15.45	
Royalties on all precious metals (%)	3.0	
Royalties on Base Metals (%)	2.5	
Assessed Loss (US\$m)	23.00	77.00

7 FINANCIAL PROJECTIONS

There are two primary cases to consider in this report and that is the "Current Operations" before the corporate activity and the "Expansion Operations" which will be developed after the corporate activity. We understand that, whilst the two cases are not entirely exclusive, they must be treated as such since the expansion can only proceed if the majority shareholder provides technical and financial support for the future expansion.

The financial projections for the two scenarios are shown below and then consolidated to generate the combined Makwiro cash flow analysis in Section 9.3.

7.1 Current Open Cast and Trial Mine Operating Profit Forecasts

The following table defines the nominal output projections for the current open cast and trial underground mine operations: -

Table 14 Current Open Cast Operating Profit Forecasts (US\$ 000's)

	2004	2005	2006	2007	2008	2009	2010
Total Waste Mined (000bcm's)	8,940	8,866	7,884	7,867	7,867	7,867	7,867
Total Ore Mined & Milled (000t)	1,815	1,800	1,772	1,772	1,772	1,772	1,772
Total Matte Produced (tonnes)	2,818	2,795	2,751	2,751	2,751	2,751	2,751
Total Metal in Matte (4E 000oz)	159	158	155	155	155	155	155
Total Revenue	90,425	85,646	80,628	80,503	76,438	77,985	79,564
US\$/oz Revenue	569	543	519	518	492	502	512
Total Operating Costs	(67,295)	(67,899)	(64,435)	(65,597)	(66,739)	(68,074)	(69,436)
US\$/oz Cost	423	430	415	422	430	438	447
EBITDA	23,130	17,747	16,193	14,906	9,699	9,911	10,127
% Margin	26%	21%	20%	19%	13%	13%	13%

Table 15 Current Underground Trial Mine Operating Profit Forecasts (US\$ 000's)

	2004	2005	2006	2007	2008	2009	2010
Total Ore Mined (000t's)	210	240	240	240	240	240	240
Total Ore Mined & Milled (000t's)	200	228	228	228	228	228	228
Total Matte Produced (tonnes)	324	371	371	371	371	371	371
Total Metal in Matte (4E 000oz)	17	20	20	20	20	20	20
Total Revenue	9,862	10,775	10,304	10,287	9,765	9,960	10,159
US\$/oz Revenue	564	539	515	515	488	498	508
Total Operating Costs	(5,476)	(6,361)	(6,468)	(6,591)	(6,701)	(6,835)	(6,971)
US\$/oz Cost	313	318	324	330	335	342	349
EBITDA	4,386	4,414	3,836	3,696	3,064	3,125	3,188
% Margin	44%	41%	37%	36%	31%	31%	31%

7.2 Expansion Open Cast and Underground Trial Mine Operating Forecasts

The following nominal output projections assume that only Portal 2 is developed in line with the Phase One Expansion Bankable Feasibility report. There is reasonable certainty surrounding the ability of the company to fund and bring this expansion into production. This scenario is considered realistically achievable. In our previous valuation, the Module 2 expansion was also brought into cash flow valuation, but, in this case, the extension of the life of mine has been used to determine the in situ value of the 4E mineral resources as tail ounces.

This has raised the value of the mineral resources in the Ngezi South area as the trial mine has raised the level of confidence on the company's ability to bring them to account by underground mining methods. The uncertainty of the grade profiles and mining methods in the northern and central areas has led us to maintain the original in situ values.

Table 16 Expansion Open Cast Operating Profit Forecasts (US\$ 000's)

	2004	2005	2006	2007	2008	2009	2010
Waste Mined (000bcm's)	8,940	10,439	10,806	10,806	10,806	10,806	10,806
Total Ore Mined & Milled (000t)	1,815	2,478	2,565	2,565	2,565	2,565	2,565
Total Matte Produced (tonnes)	2,818	3,847	3,983	3,983	3,983	3,983	3,983
Total Metal in Matte (4e 000oz)	159	217	225	225	225	225	225
Total Revenue	90,425	117,906	116,720	116,539	110,654	112,894	115,179
US\$/oz Revenue	569	543	519	518	492	502	512
Total Operating Costs	(62,385)	(80,209)	(84,700)	(86,319)	(87,799)	(89,555)	(91,347)
US\$/oz Cost	392	369	377	384	391	398	406
EBITDA	28,040	37,697	32,020	30,221	22,856	23,338	23,832
% Margin	31%	32%	27%	26%	21%	21%	21%

Table 17 Expansion Underground Operating Profit Forecasts (US\$ 000's)

	2004	2005	2006	2007	2008	2009	2010
Total Ore Mined (000t's)	2754	867	984	984	984	984	984
Total Ore Mined & Milled (000t's)	260	823	935	935	935	935	935
Total Matte Produced (tonnes)	422	1,338	1,519	1,519	1,519	1,519	1,519
Total Metal in Matte (4e 000oz)	23	72	82	82	82	82	82
Total Revenue	12,843	38,903	42,246	42,178	40,035	40,836	41,653
US\$/oz Revenue	564	539	515	515	488	498	508
Total Operating Costs	(6,055)	(19,487)	(22,488)	(22,910)	(23,279)	(23,745)	(24,220)
US\$/oz Cost	266	270	274	279	284	290	295
EBITDA	6,789	19,415	19,758	19,267	16,756	17,092	17,433
% Margin	53%	50%	47%	46%	42%	42%	42%

The impact of the above forecasts is that the expansion tonnage is more modest than had previously been suggested, albeit that the company's mineral resources are fully valued either as cash flow ounces or in situ ounces. Venmyn considers this to be reasonable given the stage of development in the company's life, albeit that Implats is a major mining company and is committed to the growth and development of the Zimplats mineral resources in Zimbabwe.

8 SOVEREIGN RISK

Venmyn has actively monitored public domain commentary on the situation in Zimbabwe, and the sovereign risk attached to Zimbabwe and its associated affect on the country's economy is the single most important factor in determining a fair value for Zimplats. If anything, the situation in Zimbabwe has worsened in the past year albeit that the security of tenure of mineral companies has not been challenged. There have, however, been a few scares during recent months.

Zimbabwe's suspension and subsequent withdrawal from the Commonwealth was a major issue in 2003. The land reform programme and the latest proposed nationalisation of "productive land" issue have led to further market suspicion over the security of tenure. This is even more reason why the Empowerment Transaction is vital to Zimplats so that all stakeholders will endeavour to prevent the destruction of shareholder value. Zimplats management is of the opinion that expropriation of their mineral assets in Zimbabwe is highly unlikely given the Zimbabwe government's expressed support for the industry. Furthermore, the profitability of the Zimplats operations is largely dependent on the existence of a secure refinery contract which is currently guaranteed through the relationship with the company's majority shareholder, Implats. The South African government's support of Implats, through its major investments in Zimplats and other Zimbabwean interests, may also be considered a further mitigating factor which would reduce the likelihood of expropriation.

Venmyn previously identified the following issues that could affect the long-term continuity of the mining and processing projects:-

- The local political instability and associated crime levels could result in a high turnover of key staff;
- Continued supply of power by the state controlled Zimbabwe Electricity Supply Association ("ZESA") appears to be in jeopardy due to the lack of foreign exchange required to pay the neighbouring countries supplying Zimbabwe;
- The power problem may be mitigated, since Zimplats has been involved in discussions with South African power utility Eskom regarding a direct power contract with this South African power supply utility. This will require a transmission facility arrangement with ZESA and will be reliant on the continued maintenance of the Zimbabwean power grid; and
- Other operational risks, which include the continued supply of fuel and capital equipment at a reasonable cost, AIDS, and the supply of food for staff that could result in higher operational costs.

Over and above these points, the Zimbabwe Reserve Bank and official exchange control processes do not facilitate a free market for currency rates and has led to a distortion of costs, to the extent that, in this case, there has been a substantial increase in the waste mining and other costs over the period of the last financial year.

These comments are made in order to ensure that the Sovereign Risk is openly presented and shareholders are adequately informed, whilst still being able to decide for themselves what is appropriate with respect to assessing the magnitude of this risk component.

9 VALUATION RESULTS

In order to determine the value effects of the before and after the Makwiro Transaction, the value of Makwiro must be assessed as a current operation, bearing in mind that before the transaction only 70% is attributable to Zimplats, albeit that future developments require the expansions to utilise mineral resources that are 100% held by Zimplats. This is why the level of confidence of the future expansion must be regarded circumspectly. Based upon all of the above assumptions, the value of Makwiro is determined and then the value uplift to all Zimplats shareholders as a consequence of the collapse is demonstrated in the combined cash flow output data shown in the sections below.

9.1 Valuation of Ore Reserves and Mineral Resources

The ore reserve and mineral resource statement presented in Section 6.1, defines the attributable 4E ounces to Zimplats and Implats before the Makwiro Transaction. The Makwiro valuation, as an operating entity, converts the Zimplats mineral resources from the Ngezi South Tribute into cash flow.

The additional mineral resources have been valued on a US dollar per ounce (3 PGE + Au) basis. Venmyn has revised the US dollar values on the basis of recent transactions and compared them with tail ounce values derived from the life of mine cash flow estimates. It has previously been noted that the value of Zimbabwean platinum mineral resources appears to be discounted by the market. However, this is also a reflection on the markets perception of the owners being able to bring these ounces into production given the prevailing circumstances.

It should be remembered that until the trial mine was recently proved to be viable, Ngezi South had to be developed as an open cast mine rather than underground. The values attributed to the Zimplats and Makwiro ore reserves and mineral resources (tail ounces) are listed in Table 18.

It must be noted that the resources quoted in Table 18 are inclusive of reserves as stated in Table 3 and Table 4. The attributable value per ounce for Zimplats' Ngezi South measured resources is US\$5/oz having taken into account the greater probability of bringing these reserves to account as part of the development associated with Portals 3, 4 and 5 immediately to the North of the Portal 2 boundary.

The existing operating structure of Zimplats is complicated since Zimplats is required to sell the necessary portion of the Ngezi underground ore reserves to Makwiro for the future expansion. Furthermore, it could be argued that prior to the collapse, if Zimplats failed to agree and sell mineral resources to Makwiro, then the Makwiro value would be diminished. For this reason, whilst the Ngezi underground ore reserves have been subdivided into five equally sized reserve blocks which would sustain additional expansion modules (Figure 5), this can be ignored as the expansion is founded on Portal 2 only as defined in the Bankable Feasibility study.

If the merits of this process are unclear, the financial effects demonstrate that, as a consequence of the collapse, 100% of future Makwiro cash flow will be attributable to Zimplats shareholders and the increased gearing to commodity prices is significant.

Table 18 Phase One Expansion Ore Reserve and Mineral Resource Valuation Summary

	TOTAL (Moz)	CONVERTED TO CASH FLOW (Moz)	RESIDUAL (Moz)	VALUE (US\$/oz)	VALUE (US\$)
IHartley Platinum (100% Makwiro)					
Measured	5.1	0.0	5.1	1.0	3,564,874
Indicated	19.7	0.0	19.7	0.5	6,884,439
Inferred	2.4	0.0	2.4	0.2	338,483
Total	27.2	0.0	27.2		10,787,796
Zimplats North Tenements (100% Zimplats)					
Indicated	27.8	0.0	27.8	0.5	13,902,464
Inferred	97.8	0.0	97.8	0.2	19,561,798
Total	125.6	0.0	125.6		33,464,262
Ngezi South Tenements (100% Zimplats)					
Measured	7.0	1.4	5.6	5.0	28,151,629
Indicated	64.9	0.0	64.9	0.5	32,455,211
Inferred	31.1	0.0	31.1	0.2	6,221,812
Total	103.0	1.4	101.6		66,828,652
Ngezi Central Tenements (100% Zimplats)					
Measured	0.0	0.0	0.0	1.0	0
Indicated	0.0	0.0	0.0	0.5	0
Inferred	70.4	0.0	70.4	0.1	7,039,084
Total	70.4				7,039,084
TOTAL MAKWIRO RESOURCE VALUE					10,787,796
TOTAL ZIMPLATS RESOURCE VALUE					107,331,997

9.2 Expansion Cash Flow Analysis for Zimplats after the Collapse

The Makwiro cash flow, which would be 100% attributable to Zimplats after the Makwiro Transaction, is shown below in nominal terms with the Phase One Expansion consolidated under Zimplats. The defined ore reserve for the Portal 2 underground development in the Phase One Expansion is only 11.2 million tonnes which generates a thirteen (13) year life for the underground section. The balance of the ore reserve is valued at an in situ US\$/oz rate. The open cast exhausts the Ngezi South ore reserve and runs for 15 years.

Table 19 Expansion Cash Flow of Zimplats (US\$ 000's)

	2004	2005	2006	2007	2008	2009	2010
Underground Ore Milled (000t)	260	823	935	935	935	935	935
Open Cast Ore Milled (000t)	1,815	2,478	2,565	2,565	2,565	2,565	2,565
Open Cast Revenue	90,425	117,906	116,720	116,539	110,654	112,894	115,179
Underground Revenue	12,843	38,903	42,246	42,178	40,035	40,836	41,653
Total Operating Revenue	103,268	156,809	158,966	158,717	150,690	153,730	156,832
Total Operating Costs	(65,349)	(95,005)	(102,433)	(104,482)	(106,572)	(108,703)	(110,877)
Total Operating Profit	35,344	57,894	52,570	50,278	40,363	41,196	42,047
Capex	(82,836)	(23,258)	(1,051)	(1,072)	(1,093)	(3,903)	(1,137)
Mining Tax Payable	0	0	(2,420)	(7,603)	(6,067)	(5,762)	(6,321)
Ngezi Nominal Cash Flow	(47,492)	34,636	49,100	41,605	33,203	31,531	34,589
Ngezi Real Cash Flow	(44,286)	28,086	34,621	25,509	17,702	14,619	13,944
NPV @ 15% Nominal	145,176						

Table 20 WACC Calculation

Cost of equity	
Risk free rate (US long bond)	4%
Risk premium (emerging market)	5%
Base beta	0.9
Cost of equity	8.50%
Cost of debt	
Pre tax cost of debt (Libor plus 3%)	4.8%
Tax rate	15.45%
Post tax cost of debt	4.1%
debt: equity ratio	30.0%
Sovereign Risk	100.0%
WACC	15.035%

9.3 Net Asset Value

The following NAV has been calculated from Makwiro's latest consolidated balance sheet. It is important to note that, since last year, the company has repaid interest bearing liabilities of over US\$8m, met the dividend obligation of US\$6m and reduced the short-term portion of the long-term loan by almost US\$8m. Under these circumstances, Makwiro's NAV of US\$16.36m is significantly greater than June 2003 (US\$2.25m) after incorporating all non-operating assets that are not used in the generation of cash flow. The NAV is as follows:-

Table 21 Breakdown of Net Asset Value Attributable to Makwiro

	US\$
Assets	
Property, plant and equipment	15,815,751
Non-current assets	15,815,751
Inventories	*
Accounts Receivable	*
Bank and cash	16,712,564
Current assets	23,766,162
Total Assets	32,528,315
Liabilities	
Interest bearing liabilities	
Long-term loans due to related parties	
Deferred taxation	6,729,673
Non-current liabilities	6,729,673
Accounts payable	*
Short-term portion of long-term loan	8,320,172
Income Tax	1,100,666
Intercompany payables	18,152
Current liabilities	9,438,990
Total liabilities	16,168,663
Net Asset Value	16,359,652

* reflects amounts considered incorporated into working capital.

10 VALUATION SUMMARY

The valuation summary is shown below:-

Table 22 Calculation of Final Value

	CURRENT VALUE	FUTURE VALUE	
	BEFORE THE TRANSACTION	AFTER THE MAKWIRO TRANSACTION	AFTER PHASE ONE EXPANSION
NPV of Makwiro Cash flows (US\$)	100,329,434	100,329,434	145,175,977
NAV of Makwiro Assets Not Used In Production (US\$)	16,359,652	16,359,652	16,359,652
Makwiro Additional Resources (US\$)	10,787,796	10,787,796	10,787,796
Makwiro Value (US\$)	127,476,882	127,476,882	172,323,425
Value of Implats' 30% Share in Makwiro (US\$)	38,243,064	0	0
Makwiro NPV Attributable to Zimplats (US\$)	70,230,604	100,329,434	145,175,977
Makwiro NAV Attributable to Zimplats (US\$)	11,451,757	16,359,652	16,359,652
Zimplats Additional Resources (US\$)	109,872,320	109,872,320	107,331,997
Makwiro Additional Resources Attributable to Zimplats (US\$)	7,551,457	10,787,796	10,787,796
Zimplats Value (US\$)	199,106,138	237,349,202	279,655,332
Zimplats Value (A\$)	290,379,845	346,154,194	407,854,321
Value of Implats' 30% Share in Makwiro (A\$)	55,070,013	0	0
Proposed Share Issue Price (A\$)		3.75	
Zimplats Shares Issued to Implats (Per Venmyn Valuation)		14,685,337	
Zimplats Shares Issued to Implats (Per Transaction Proposal)		14,873,160	
Issued Ordinary Shares	92,764,489	107,637,649	107,637,649
Value per share (A\$)	3.13	3.22	3.79
Discount Rate (Nominal)	15.00%		
A\$:US\$ Exchange Rate	1.44		
Zimplats Debt: Equity Ratio	30%		

It must be born in mind that before the Makwiro Transaction, only 70% of the after tax cash flows flow to Zimplats and the remaining 30% to Implats, whereas after the Makwiro Transaction, 100% of the after tax cash flows are attributable to Zimplats but there are more shares in issue. Zimplats' scheme of ownership is illustrated in Figure 6 and can be described chronologically as follows:-

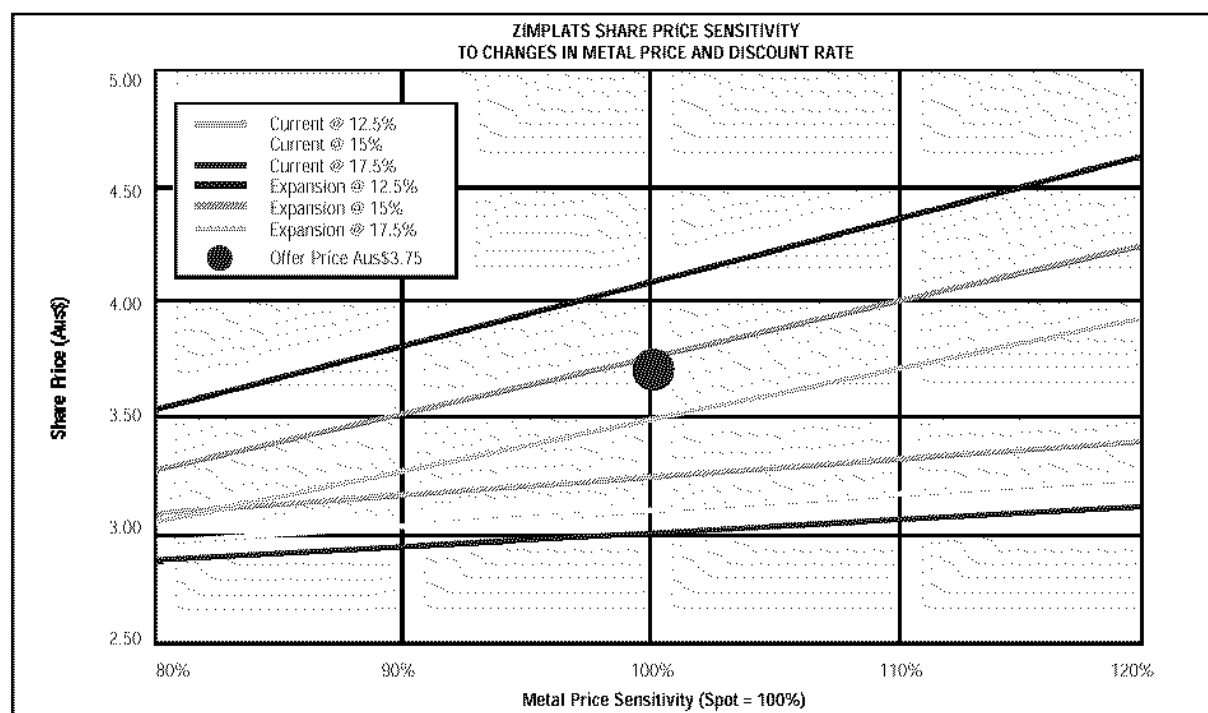
Before the Makwiro Transaction: - 70% of the current Makwiro operations includes the open cast operation and the existing underground trial mine section; 100% of the undeveloped Zimplats ore reserves and mineral resources and the Net Asset Value (excluding operating assets).

After the Makwiro Transaction: - 100% of the Phase One Expansion additive to the Current operations and the undeveloped ore reserves and mineral resources as above.

11 CONCLUSION AND RECOMMENDATION

Venmyn have defined their equity value range on operational parameters at a constant discount rate (15.00%). This operational value range has also been sensitised to changes in the discount rate. This sensitivity is shown graphically below:-

Figure 7 Zimplats Valuation at Various Discount Rates



In order to establish the fair market value within the value range calculated above, it is important to include investor related security exchange considerations. These include:-

- The poor liquidity of the company's counter given the low free float;
- The strategic value of Zimplats to Implats; and
- The historical sector discount of platinum shares to their intrinsic value (approximately 20%).

Having considered all material issues that would otherwise influence the outcome of our investigations, Venmyn has valued Implats' 30% interest in Makwiro at US\$38.24 million. This equates to A\$55.07 million using an exchange rate of US\$1=A\$1.44. As a result of this valuation, and assuming an issue price of A\$3.75 per share, Zimplats would need to issue a total of 14,685,337 ordinary Zimplats shares to Implats in consideration of Implats' 30% stake in Makwiro.

Venmyn understands that the proposed Makwiro transaction is to be conducted for consideration of US\$39.04 million, which is within 2.5% of Venmyn's valuation. We have been informed that the actual consideration for the transaction is A\$55.77 million (within 1.5% of Venmyn's valuation) and that 14,873,160 shares are to be issued to Implats. We acknowledge that Zimplats have used an exchange rate of US\$1=A\$1.42857 in conversion of the transaction consideration to A\$.

With respect to the issue price of A\$3.75 per share, Venmyn has assessed the current value of Zimplats before the Makwiro transaction at A\$3.13 per share. Venmyn's assessed value for Zimplats rises to A\$3.22 per share after the completion of the Makwiro transaction with a further uplift to A\$3.79 per share with the implementation of the Phase One Expansion. The proposed issue price of A\$3.75 per Zimplats share to Implats under the Makwiro transaction is therefore higher than Venmyn's current valuation for Zimplats.



Furthermore, it should be noted from the sensitivity graph that the gearing of the company's value to the changes in discount rate and the metal prices is enhanced after the Makwiro Transaction since 100% of the cash flow accrues to Zimplats.

After taking into account the valuation issues discussed above, Venmyn considers that the proposed issue of 14,873,160 shares at a price of A\$3.75 per ordinary Zimplats share to Implats for their stake in Makwiro for a total consideration of US\$39.04 million (A\$55.77 million) to be fair and reasonable for independent shareholders.

Yours faithfully

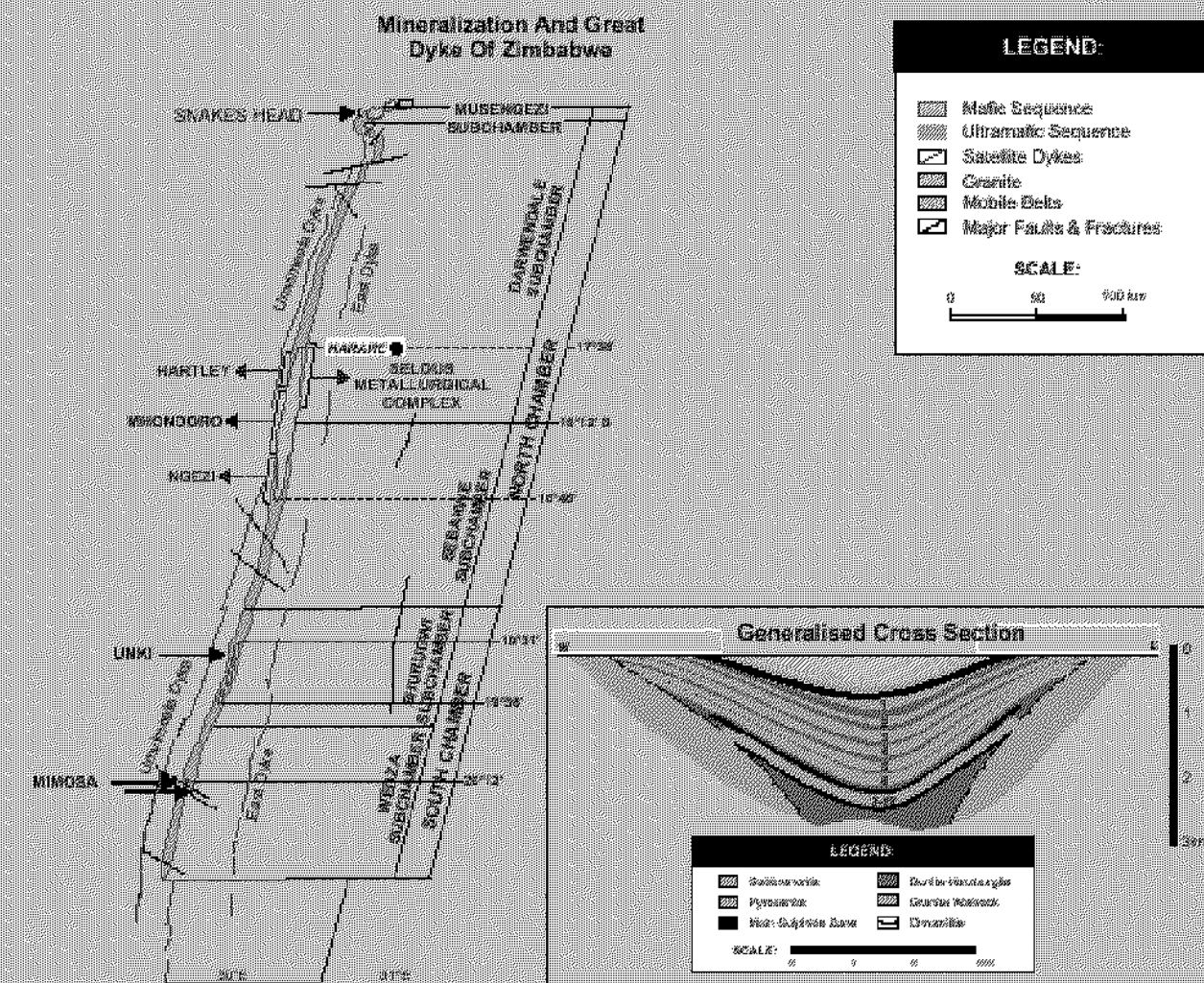
A.N. CLAY

M.Sc. (Geol.), M.Sc. (Min. Eng.), Dip. Bus. M.
FAusIMM, MSAIMM, MGSSA, Pr. Sci. Nat.
DIRECTOR

G.D. STACEY

B.Sc (Eng) Mining, MBA
MSAIMM, MAusIMM, MSACMA
ADVISOR

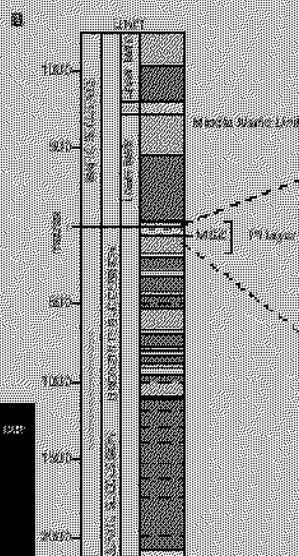
GEOLOGY AND MINING PROJECTS ON THE GREAT DYKE



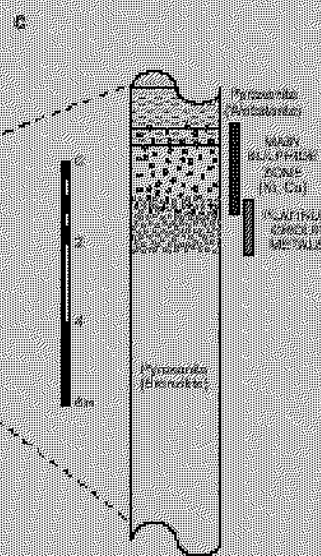
LEGEND:

- Gabbroic
- Norite
- Olivine Gabbro
- Websterite
- Bronzite
- Olivine Bronzite
- Dunite-Harzburgite
- Chromitite

General Stratigraphic Column For The Great Dyke Of Zimbabwe



Main Sulphide Zone ("MSZ") And Platinum Mineralisation

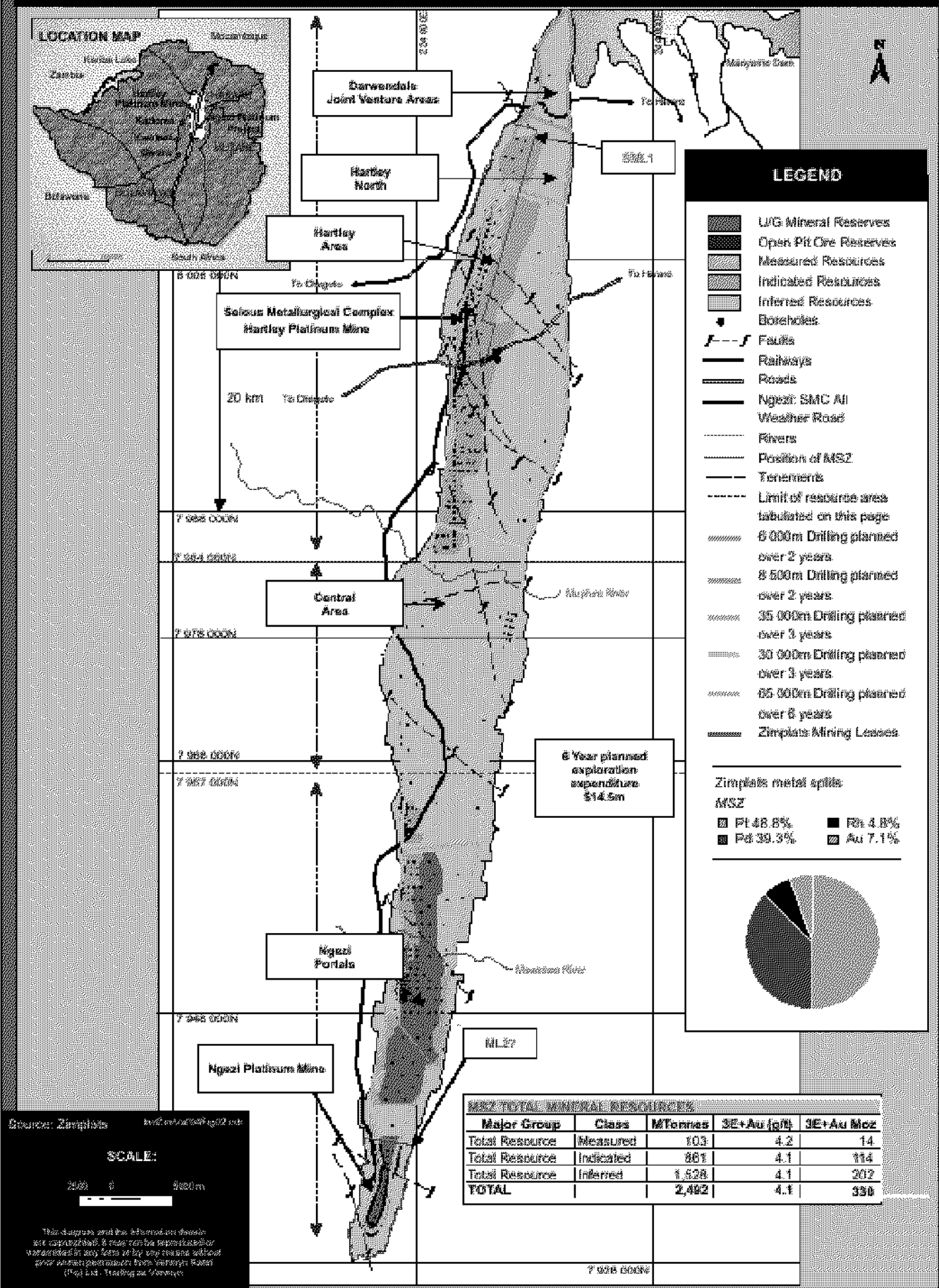


Source: Modified from the South African Journal of Geology 2001 and the Zimbabwean Geological Survey

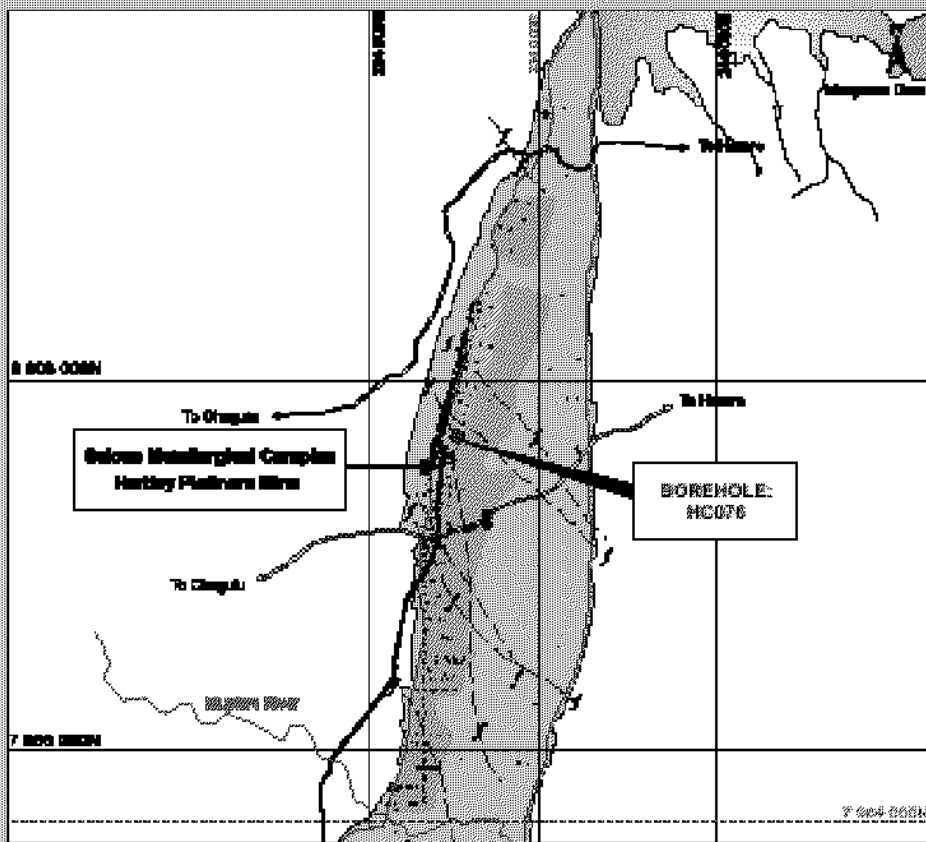
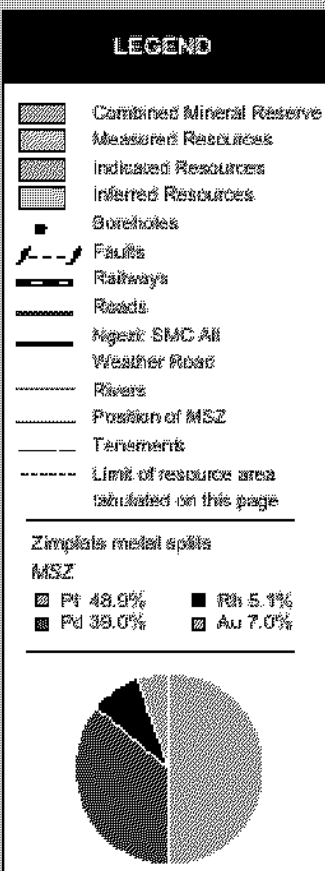
isaferman@highnet

This diagram and the information therein are copyrighted. It may not be reproduced or transmitted in any form or by any means without prior written permission from Venmyn Rand (Pty) Ltd. Trading as Venmyn.

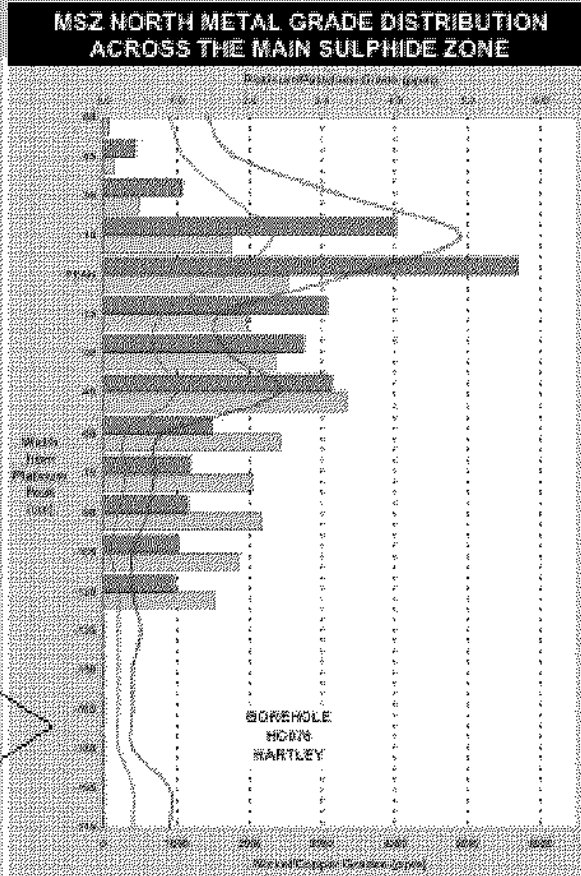
MSZ MINERAL RESOURCES AND PLANNED EXPLORATION



MSZ NORTH AND HARTLEY MINERAL RESOURCES



HARTLEY MINERAL RESOURCES					
MSZ NORTH & HARTLEY MINERAL RESOURCES (100% MAKWIND)					
Major Group	Class	MTonnes	3E+Au (g/t)	Width (m)	3E+Au Moz
Hartley	Measured	32	5.0	1.51	5
Hartley	Indicated	140	4.4	1.83	20
Hartley	Inferred	76	4.7	1.20	2
TOTAL		108	4.8		27
Zimplats N	Measured	0	0.0		0
Zimplats N	Indicated	197	4.4	1.70	28
Zimplats N	Inferred	743	4.1	1.70	98
TOTAL		939	4.2		126
Total Resource	Measured	32	5.0		5
Total Resource	Indicated	337	4.4		47
Total Resource	Inferred	758	4.1		100
TOTAL		1,128	4.2		153



Source: Zimplats IndZimplats 2004

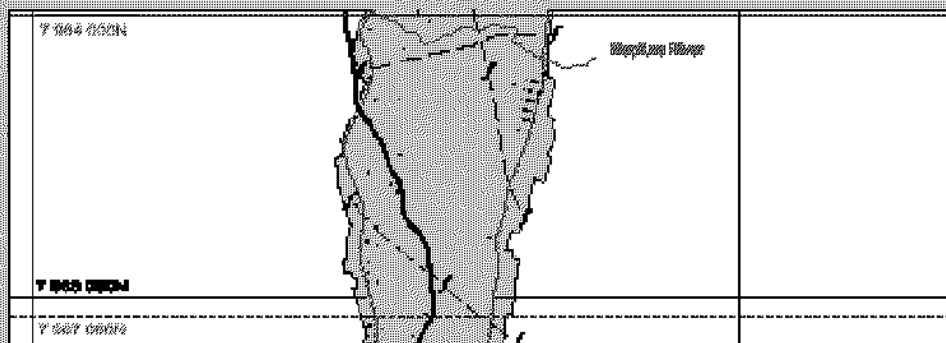
SCALE:

2500 0 5000 m



This document and the information therein are confidential. It may neither be reproduced nor used in any form or by any means without prior written permission from Venmyn Rand (Pty) Ltd. Trading as Venmyn.

MSZ CENTRAL MINERAL RESOURCES



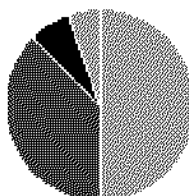
MSZ CENTRAL MINERAL RESOURCES					
Major Group	Class	MTonnes	3E+Au (g/t)	Width (m)	3E+Au Moz
Zimplats Central	Inferred	534	4.1	1.20	70

LEGEND

- Combined Mineral Reserve
- Measured Resources
- Indicated Resources
- Inferred Resources
- Boreholes
- Faults
- Railways
- Roads
- Ngazi SMC All
- Weather Road
- Rivers
- Position of MSZ
- Tenements
- Limit of resource area tabulated on this page

**Zimplats metal splits
MSZ**

- Pt 48.8%
- Rh 4.9%
- Pd 39.0%
- Au 7.3%

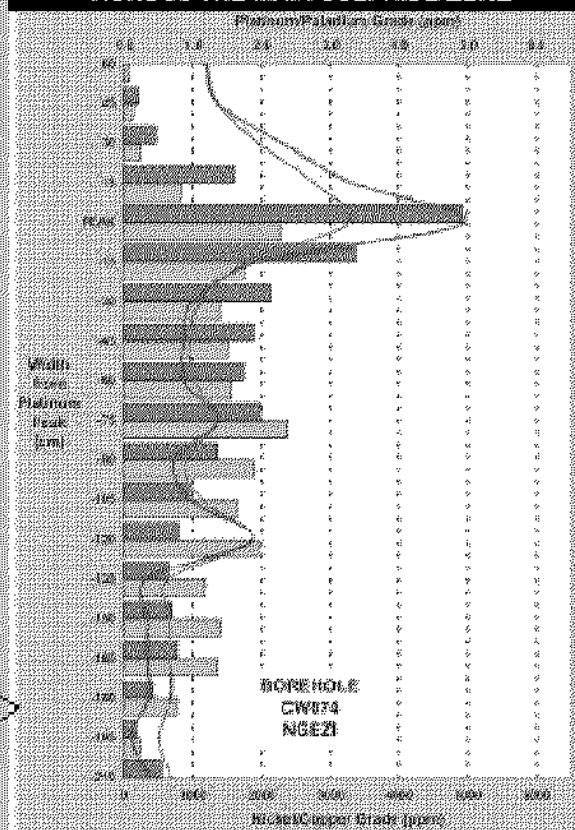


Source: Zimplats info@zimplats.co.zw

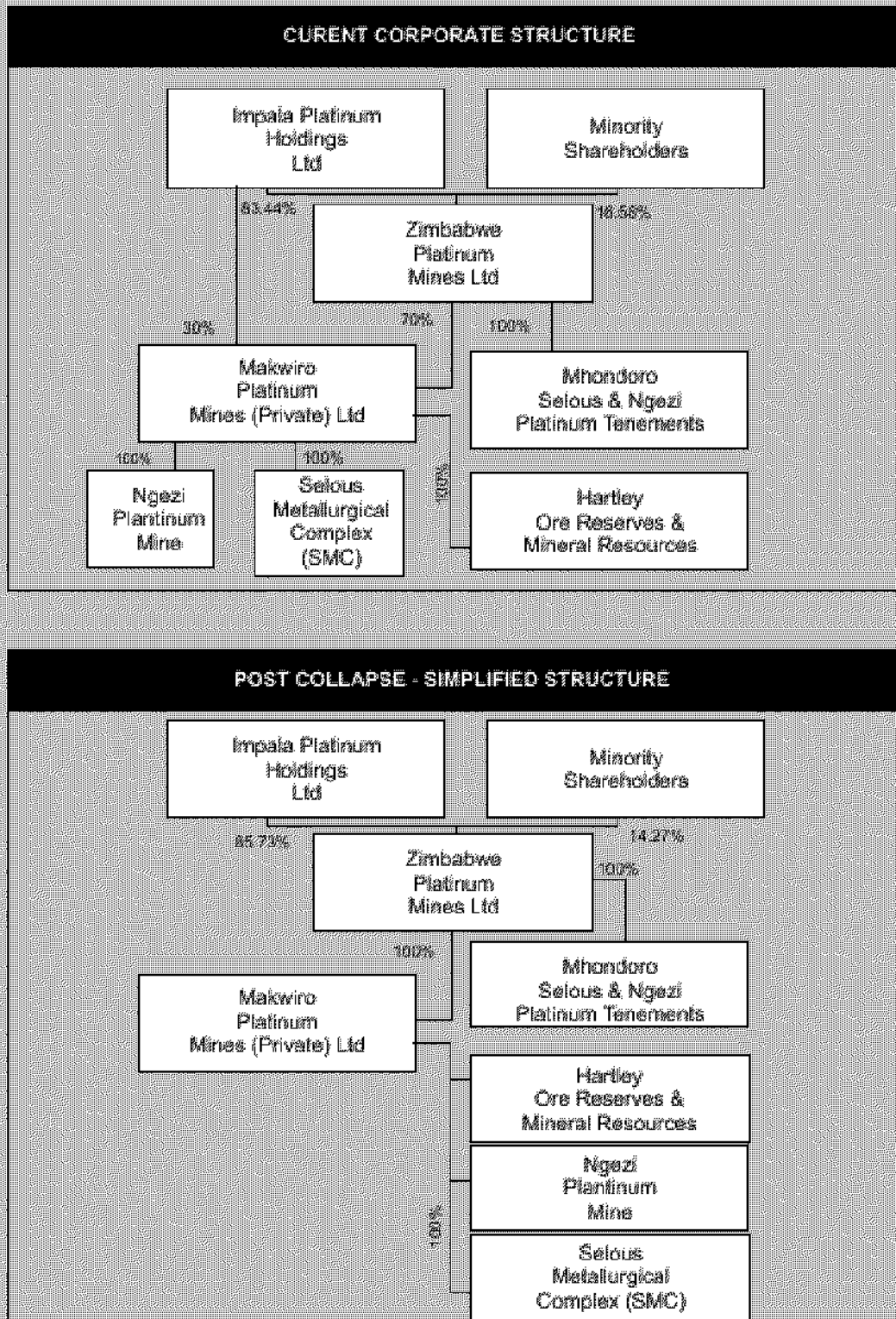
SCALE:

2500 0 5000 m

This document and the information contained herein are confidential. It may not be reproduced or used in any form or by any means without prior written permission from Zimplats Mineral (Pvt) Ltd. Trading as Zimplats.



CORPORATE STRUCTURES



Impala Platinum Holdings Ltd

This diagram and the information therein are confidential. It may contain information or information of a confidential nature. It is not to be distributed or used in any form without the prior written permission of Venmyn (Pty) Ltd. Trading as Venmyn.

REFERENCES

Makwiro Platinum Mines Limited (2004): Financial Statement for the Period Ended 22 May 2004

Venmyn Rand (Pty) Ltd (2001): Independent Expert's Report to Zimbabwe Platinum Mines Limited on the:-

- Proposed issue of new shares in Hartley Management Company Limited ("HMC") equivalent to 30% of the enlarged capital of HMC to Impala Platinum Holdings Limited; and
- Proposed loan financing by ABSA Bank Limited in compliance with the listing rules of the Australian Stock Exchange

Venmyn Rand (Pty) Ltd (2003): Summary independent expert's techno-economic valuation on the mineral assets of Zimbabwe Platinum Mines Limited

Zimbabwe Platinum Mines Limited Annual Report 2003

Zimbabwe Platinum Mines Limited (31 December 2003): Half Year Directors' Report and Financial Report

Zimbabwe Platinum Mines Limited (April 2004): Ngezi Phase One Expansion Bankable Feasibility

COMPETENT PERSONS CERTIFICATE

Proposed Position: Independent Techno-Economic Advisor
Name of Firm: Venmyn Rand (Pty) Limited
Name of Staff: Mr Andrew Clay
Profession: Geologist
Date of Birth: 16 April 1955
Years with Firm/Entity: 15 years
Nationality: British

Membership in Professional Societies:

Class	Professional Society	Year of Registration
Fellow	Geological Society of South Africa	2003
Member	American Institute of Mineral Appraisers	2002
Member	South African Institute of Mining and Metallurgy	1998
Fellow	Australasian Institute of Mining and Metallurgy	1994
Member	Geological Society of South Africa	1979
Member	Natural Scientist Institute of South Africa	1988
Member	Investment Analysts Society of South Africa	1990

Detailed Tasks Assigned:

Year	Client	Commodity	Project Description
2004	Avgold Limited	Gold	Fair & Reasonable Opinion on the Methodologies applied and Values attributed to the Mineral Assets of ET Cons
2004	Aquarius	Platinum	Update of Independent Valuation of Mimosa
2004	Mimosa Mining Company	Platinum	Mineral Resource and Ore Reserve Review
2004	Zimplats	Platinum	Zimplats Makwiro Valuation and Corporate Restructuring
2004	Assmang	Manganese	CGT Valuation
2004	Aquarius	Platinum	CGT Valuation
2004	Sishen South	Iron	CGT Valuation
2003	Unki Platinum Project	Platinum	CGT Valuation
2003	Hernic Ferrochrome (Pty) Ltd, Itochu Corporation	Chromite	Independent valuation of the Steffite Chromite Mine Joint Venture.
2003	African Diamond Holdings (Pty) Ltd	Diamonds	Independent techno-economic due diligence and valuation of African Diamond Holdings marine diamond concessions and diamond cutting operation in Walvis Bay, Namibia.
2003	Unki Platinum Project, Zimbabwe	Platinum	Techno-Economic Valuation Report & Fair & Reasonable Opinion

Year	Client	Commodity	Project Description
2003	Transvaal Ferrochrome Ltd	Ferrochrome	Independent Competent Person's Report and Valuation as a bankable Document for Australian Stock Exchange
2003	Aquarius Platinum (SA) (Pty) Ltd	Platinum	Independent Competent Person's Report and Valuation for the Everest South Project
2002	Zimbabwe Platinum Mines Ltd	Platinum	Independent valuation of Zimplats relative to the value of the Impala Platinum Ltd/Aurion Gold Ltd transaction.
2002	Mitsubishi Corporation	Ferrochrome	Expansion Report and Valuation on Hernic Ferrochrome (Pty) Ltd.
2002	Aquarius Platinum Ltd	Platinum	Acquisition Report on ZCE Platinum Ltd including the due diligence and valuation of Mimosa Mine in Zimbabwe.
2002	Freddev	Gold	Valuation of Mineral Rights & Royalties
2002	Barnex	Gold	Valuation of Mineral Rights & Royalties
2002	Western Areas	Gold	WA4 Project : Valuation of Mineral Rights & Royalty Agreement
2002	Mitsubishi	Ferrochrome	Expansion report and valuation
2002	Aquarius	Platinum	Acquisition Report
2001	Northam	Platinum	Valuation
2001	Mitsubishi Corporation	Ferrochrome	Due Diligence, Valuation and Acquisition Report
2001	Amcol due diligence	Bentonite	Independent due diligence and valuation on g&w
2001	Zimplats impala raising	Platinum	Circular to shareholders valuation report
2000	African Minerals	Varied	Independent competent person's report
2000	Barnato Exploration Limited	Varied	Competent person's report
2000	Durban Deep	Gold	Independent valuation report
2000	Iscor Limited	Varied	Independent valuation of exploration assets
1999	Harmony Gold Mining Co Ltd	Gold	Harmony / Kalgold / West Rand Cons
1999	Leighton Contractors	Tin	Pre-feasibility study Pemali Tin (Indonesia)
1999	Mitsubishi	Ferro-Chrome	Techno-economic valuation of Hernic Chrome
1998	Barnex Ltd	Wits Gold	Due diligence
1998	Camco	Diamonds	Independent Competent Person's Report and valuation
1998	Crown Mines and DRD	Wits Gold	Valuation
1998	Egyptian Government	Phosphate	Due diligence and valuation
1998	Great Fitzroy Mines	Copper	Competent Person's Report and Valuation
1998	Iscor Mining	Greenstone Gold	Due diligence and valuation
1998	JCI Ltd	Wits Gold	Competent Person's Report

Year	Client	Commodity	Project Description
1998	Randgold & Exploration Co Ltd	Gold	Competent Person's Report
1998	Western Areas	Wits Gold	Competent Person's Report
1997	CBR Mining	Coal	Due diligence
1997	Durban Roodepoort Deep Ltd	Wits Gold	Competent Person's Report
1997	G&W Base	Bentonite	Due diligence
1997	JCI Ltd	Wits Gold	Competent Person's Report
1997	Opaline Gold	Greenstone Gold	Competent Person's Report
1997	Penumbra	Coal	Due diligence
1997	Randgold & Exploration Co Ltd	Greenstone Gold	Competent Person's Report
1997	Rondebult Colliery	Coal	Due diligence
1996	African Mining Corporation*	Alluvial Gold	Project valuation
1996	Australian Platinum Mines NL	Platinum	Due diligence
1996	Benoni Gold Holdings Ltd	Wits Gold	Competent Person's Report
1996	Consolidated Metallurgical Industries	Ferrochrome	Competent Person's Report and valuation
1996	Durban Roodepoort Deep Ltd	Wits Gold	Competent Person's Report
1996	Harmony Gold Mining Co Ltd	Wits Gold	Competent Person's Report
1996	JCI Ltd	Wits Gold	Valuation
1996	Rand Leases Properties Ltd	Wits Gold	Competent Person's Report and valuation
1996	Randgold & Exploration Co Ltd	Wits Gold	Due diligence
1995	African Mines Limited*	Greenstone Gold	Project valuation
1995	Barney-Seidle Arbitration	Granite	Project valuation arbitration
1995	Mopet Oil*	Oil	Market analysis facilitator
1995	Randgold & Exploration Co Ltd	Wits Gold	Competent Person's Report and valuation
1995	Randgold Durban Deep	Wits Gold	Competent Person's Report and valuation
1995	Randgold Harmony Unisel Merger	Wits Gold	Competent Person's Report and valuation
1994	Aurora Exploration	Varied	Competent Person's Report and valuation
1994	Consolidated Mining Corp	Wits Gold	Due diligence and valuation
1994	CRA (Australia)	Iron Ore	Due diligence
1994	Durban Roodepoort Deep Ltd	Wits Gold	Competent Person's Report and valuation
1994	Ghana Gold Mines*	Greenstone Gold	Due diligence and valuation
1994	Gold Fields of SA Ltd	Wits Gold	Competent Person's Report and valuation
1994	Hernic Chrome	Ferro-Chrome	Valuation and Strategic Analysis

Year	Client	Commodity	Project Description
1994	Inca	Magnesium	Due diligence and valuation
1994	Mitsubishi	Ferrochrome	Due diligence and valuation
1994	Namco*	Diamonds	Competent Person's Report and valuation
1994	Randgold & Exploration Co Ltd	Wits Gold	Due diligence
1993	Atomic Energy Commission	Uranium	Strategic Analysis
1993	Eskom	Base metals	Strategic Analysis
1993	JCI	Wits Gold	Financial Planning Analysis (Rehabilitation)
1993	Lonrho	Platinum	Financial Planning Analysis (Rehabilitation)
1993	Rand Mines Properties	Varied	Mineral rights evaluation
1992	Barbrook Gold Mines	Greenstone Gold	Ore resource modeling and mine valuation
1992	Rand Merchant Bank	Copper	Ore resource modeling and project valuation
1992	Rembrandt	Platinum	Mine valuation (Northam Platinum)
1992	West Rand Cons	Wits Gold	Ore resource modeling and mine valuation
1991	Rand Merchant Bank	Wits Gold	Ore reserve evaluation (Westonaria Gold Mine)
1991	Rembrandt (Gold Fields of SA)	Varied	Due diligence, valuation and strategic analysis
1991	Standard Merchant Bank	Greenstone Gold	Due diligence and valuation (Eersteling Gold Mine)
1990	Atomic Energy Corporation	Nuclear Fuels	Strategic analysis
1990	Consolidated Mining Corp	Wits Gold	Due diligence and valuation
1990	Eskom	Copper/Zinc	Strategic Market Analysis (Toll Smelter potential)
1990	Freddies Minerals	Feldspar	Due diligence
1990	Industrial Machinery Supplies	Coal	Strategic analysis and valuation (Bricketting plant)
1990	Knights Gold Mine	Wits Gold	Competent Person's Report
1990	Rand Merchant Bank	Diamonds	Due diligence and valuation (Alluvial Mine)
1990	Rand Merchant Bank	Lead/Zinc	Due diligence and valuation (Miranda Mine)
1990	Rand Mines	Varied	Corporate Strategic Analysis
1990	Rhogold	Wits Gold	Ore resource modeling
1990	Rice Rinaldi	Coal	Due diligence and valuation
1990	Sub Nigel Gold Mine	Wits Gold	Due diligence and valuation
1990	Zaaiplaats Tin Mine	Tin	Due diligence and valuation
1989	Avontuur Diamond Mines	Diamonds	Due diligence and valuation
1989	Granite Consolidated Mining	Granite	Due diligence and valuation
1989	Osprey Gold Mine	Greenstone Gold	Due diligence and valuation
1989	Rand Leases Gold Mine	Wits Gold	Ore resource modeling
1989	Rand Merchant Bank*	Varied	Mineral portfolio analysis (Swanson Rights)
1989	Rhovan	Vanadium	Competent Person's Report and valuation
1989	Vanamin Severrin Mining	Vanadium	Due diligence and valuation
1989	Zimco	Andalusite	Competent Person's Report and valuation
1988	Mullet Slate	Slate	Due diligence and valuation
1988	Rand Merchant Bank	Wits Gold	Risk assessment analysis (Peritus Exploration)
1988	Wit Nigel Gold Mine	Wits Gold	Ore resource modelling

Key Qualifications:

Mr Clay's key areas of expertise lie in the detailed financial valuation of mineral and mining projects using discounted cash flow models. In this regard he has undertaken over 25 valuations for eight different commodities over the last four years. Details of the valuations and other assignments are tabled above. These valuations have been used in listing and merger documentation both in local and international stock exchanges and for the private use of the companies concerned.

Mr Clay was involved in the writing of the South African Code for the Reporting of Mineral Resources and Reserves (SAMREC Code) and is currently on the committee writing the South African Code for the Valuation of mineral projects (SAMVAL Code).

Education:

Degree/Diploma	Field	Institution	Year
B. Sc Hons	Geology	University College Cardiff	1976
M. Sc. Econ. Geol.	Economic Geology (awarded Corstorphine Medal for Best M.Sc. Thesis)	University of the Witwatersrand	1981
GDE	Graduate Diploma in Mining Engineering	University of the Witwatersrand	1986
M. Sc	Mining Engineering	University of the Witwatersrand	1988
Dip. Bus. M	Diploma in Business Management	Damelin College	1983
Tax Mgmt	Tax Management and Planning	University of the Witwatersrand	1988

Employment Record:

Position	Company	Job description	Duration
Director and Founding partner	Venmyn Rand (Pty) Ltd	• Mr Clay serves as the Managing Director of Venmyn and is responsible for the company's strategic process as well as finances, budgeting and operations; • Venmyn operates as a techno-economic consultancy for the resources industry on a world wide basis; • Mr Clay has been a key member of the SAMREC Working Group, responsible for compiling the SAMREC Code; • Served on the JSE/SAMREC working committee for the development of the JSE Section 12 requirements; • Serves on the Readers Panel for the JSE; • Mr Clay is director of the advisory business and provides hands-on services to all the company's major clients; • His expertise in financial valuation is particularly appropriate for ensuring market to market presentation of both the technical and financial issues of resources projects; • Course leader for the Witwatersrand University and Continuing Education programme on Compliance in the Minerals Industry; and • Mr Clay has a special interest in the proposed International Accounting Standards "IAS" Extractive Industries rules for determining NAV and NPV calculations in the minerals industry.	1997 – present
General Manager	RMB Resources Rand Merchant Bank	• Continuing business functions detailed below; • Also valuing, managing and marketing investment projects of the Resources division including deal structuring and corporate finance.	1996 – 1997

Position	Company	Job description	Duration
Executive Director and founding partner	Venmyn Rand (Pty) Ltd	• Techno-economic evaluation of a wide range of mineral resource projects using cash flow, market capitalisation, option pricing and other comparative methods.	1987 – 1996
Senior Geologist	Rand Mines Ltd	• Resident senior gold mine geologist responsible for the development and implementation of modern computerised ore reserve evaluation techniques at Harmony Gold Mine and Durban Roodepoort Deep Gold Mine. • Transferred to head office where he was responsible for all gold mine ore reserve valuation functions. This computer work involved the development and planning of very large databases for orebody modelling.	1981 – 1988
Senior Geologist	Zimro (Pty) Ltd (Industrial Minerals Division of AAC)	• Market development and application of a wide range of industrial and base minerals.	1979 – 1981
Geologist	Geological Survey of Zimbabwe	• Mapped a 100 km ² area of granite-greenstone terrain and assisted in the compilation of a Bulletin over the area. • Assisted the small mining sector with geological advice on gold, copper, gemstones and industrial minerals.	1975 – 1979

Languages:

English: Excellent
Afrikaans: Fair

Certification:

I, the undersigned, certify that to the best of my knowledge and belief, these data correctly describe me, my qualifications, and my experience.



Date: 1 September 2004

Full name of Competent Person: Andrew Neil Clay

COMPETENT PERSONS CERTIFICATE

Proposed Position: Independent Techno-economic advisor
Name of Firm: Venmyn Rand (Pty) Ltd
Name of Staff Member: Graham David Stacey
Profession: Mining Engineer
Date of Birth: 13 June 1973
Years with Firm/Entity: 1
Nationality: South African

Membership in Professional Societies:

Class	Professional Society	Year of Registration
Member	Australasian Institute of Mining and Metallurgy	2004
Member	South African Institute of Mining and Metallurgy	1992
Member	Wits University Mining Engineers Association	1995
Member	South African Colliery Managers Association	1998

Detailed Tasks Assigned:

Year	Client	Commodity	Project Description
2004	Dwyka Diamonds Limited	Diamonds	Independent techno-economic valuation of company assets with regard to finalising an acquisition.
2004	Southern Era	Diamonds	Independent valuation of 22 exploration properties and mining operations located in five African countries
2004	Kumba Coal	Coal	Capital Gains Tax Valuation on Mineral Assets
2004	Bayer Chemicals	Chromite	Capital Gains Tax Valuation on Rustenburg chrome mine
2004	Mettle Limited	Coal	Independent valuation and technical due diligence on Welgedacht Colliery
2004	Eyesizwe	Coal	Capital Gains Tax Valuation on Mineral Assets
2004	Zimbabwe Platinum Limited	Platinum	Independent techno-economic valuation of company assets with regard to finalising an acquisition and production expansion
2004	Mintek	Resource technology	Evaluation of delivery of regional technical projects
2004	Ministry of Mineral Resources and Energy of Mozambique	Coal	Proposal for the potential privatisation of the Moatize Coalfield Operations
2001	Anglo Technical Division	Platinum	Pre-feasibility study on potential UG2 and Merensky reef mines on the Eastern Limb of the Bushveld Complex.

Key Qualifications:

Mr Stacey's key areas of expertise lie in the technical elements of underground mine design and evaluation in the South African mining industry. In this regard, he has over nine years of experience with one of South Africa's largest coal mining groups, at both operational and project development levels. Details of his experience are tabulated overleaf.

His experience in the mining industry is complemented by his more recent focus on corporate finance and valuation modelling.

Education:

Degree/Diploma	Field	Institution	Year
B.Sc (Eng)	Mining	University of the Witwatersrand	1995
MBA	Business Administration, specialising in corporate finance and valuation modelling	University of the Witwatersrand	2004

Employment Record:

Position	Company	Job description	Duration
Consultant	Venmyn Rand (Pty) Ltd	Part of the consulting team, with the majority of assignments being Due Diligence and valuation exercises. Also undertaking capital gains tax, mineral rights, projects and mine valuations in the coal mining industry. Projects worked on include:- • Valuation and strategic analysis of mining companies and mineral projects using the discounted cash flow and other comparative methods; • Due diligence and independent valuation on coal assets at Welgedacht Colliery; • Valuation of various platinum mineral rights and projects.	May 2004 - Present
Underground Section Manager	Anglo Coal -Goedehoop Colliery (Witbank Coalfield)	Underground production management on both 2 and 4 seams including conventional board and pillar production, dolerite development, mechanised continuous miner production, mini-pit opencast production and new decline and underground infrastructure development. Responsibilities included:- • Personnel deployment and management; • Safety, health, and environmental systems management; • Production planning, management and quality control; • Total cost control and capital budgeting; • Equipment maintenance and condition monitoring; • Development of secondary orebody access through twin decline, including project management of ancillary infrastructure development.	December 2001 – March 2002
Assistant to project manager	Anglo Technical Division	Project technical pre-feasibility including:- • Orebody accessibility, grade and mineralization assessment; • Mine design and method evaluation, environmental impact assessment, and water balance; • Project cash flow estimation and valuation;	August - December 2001
Underground Mine Overseer	Anglo Coal – Goedehoop Colliery	Underground production management on the No. 4 seam. Management responsibilities as outlined above on a more localised basis. Further responsibilities include Mines Rescue captaincy.	August 1998 – August 2001

Position	Company	Job description	Duration
Underground Shift Overseer	Anglo Coal – Goedehoop Colliery	Production, safety and logistics management.	June 1996 – August 1998
Graduate Mining Engineer	New Vaal Colliery	- Strip mine pit design and highwall stability assessment; - Overburden stripping productivity study; - Pit rehabilitation design and implementation.	December 1995 – June 1996
Student Mining Engineer	New Denmark Colliery	- Longwall production management; - Safety and quality management; - Continuous miner chain road development supervision and application.	December 1994 – January 1995

Languages:

English: Excellent
Afrikaans: Excellent

Certification:

I, the undersigned, certify that to the best of my knowledge and belief, these data correctly describe me, my qualifications, and my experience.

G D Stacey

Date: 1 September 2004

Full name of Competent Person: Graham David Stacey

6. GLOSSARY

In this document, unless stated otherwise:

"AEST" means Australian Eastern Standard Time GMT + 10:00;

"ASIC" means the Australian Securities & Investments Commission;

"ASX" means Australian Stock Exchange Limited;

"ASX Listing Rules" means the listing rules of the ASX;

"Australian Corporations Legislation" means the Corporations Act 2001 (Commonwealth of Australia) and all related regulations, as amended from time to time;

"Board" means the board of Directors of the Company;

"Company" means Zimbabwe Platinum Mines Limited (Registration No. 34014; ARBN 083 463 058) (a company incorporated pursuant to the laws of Guernsey);

"Company Group" means the Company and its controlled entities;

"Empowerment Party" means the party, approved by the Board and the Government of Zimbabwe, that will take up the shares under the Empowerment Transaction;

"Empowerment Transaction" means the proposed issue of 13,390,423 ordinary shares to the Empowerment Party at \$3.47 a share as described in section 1 of this document;

"Expansion Programme" means the first phase of the Company's proposed expansion to exploit the ore reserves in the Ngezi area by underground mining methods;

"Directors" means the directors of the Company as at the date of this document;

"General Meeting" means the general meeting of Shareholders of the Company to be held at the Village Manor Room, Balalaika Hotel, 20 Maude Street, Sandown, Sandton, Johannesburg, South Africa on 11 October 2004 at 10:00 am South African Time;

"Framework Agreement" means the agreement between the Government of Zimbabwe and the Company, dated 20 December 2000;

"Implats" means Impala Platinum Holdings Limited (Registration No. 1957/001979/06) (a company incorporated pursuant to the laws of South Africa);

"Independent Expert" means Venmyn Rand (Pty) Limited (Registration No. 1988/004918/07) (a company incorporated pursuant to the laws of South Africa);

"Independent Expert's Report" means the report by the Independent Expert set out in section 5 of this document;

"Independent Shareholders" means Shareholders other than Implats or its associates;

"Makwiro" means Makwiro Platinum Mines (Private) Limited (a company incorporated pursuant to the laws of Zimbabwe);

"Makwiro Transaction" means the proposed acquisition by the Company of a 30 per cent interest in Makwiro from Implats, as described in section 2 of this document;

"Notice of Meeting" means the notice of meeting accompanying this document;

"Proxy Form" means the proxy form accompanying this document;

"Rights Issue" means the proposed rights issue by the Company as described in section 3 of this document;

"Rothschild" means N M Rothschild & Sons (Australia) Limited (ACN 008 458 366) (a company incorporated pursuant to the laws of Australia);

"Shareholder(s)" means a holder of the Company's ordinary shares who is entitled to vote at the General Meeting; and

"South African Time" means South African time GMT + 2:00.

7. CORPORATE DIRECTORY

Principal and Registered Office

7 New Street
St Peter Port
Guernsey GY1 4BZ
Channel Islands

PO Box 98
St Peter Port
Guernsey
Channel Islands

Tel: +44 1481 727272
Fax: +44 1481 711220
Email: info@zimplats.com

Other Offices

Australia
Level 4
20 Loftus Street
Sydney NSW 2000
Australia

PO Box R177
Royal Exchange
Sydney NSW 2000
Australia

Tel: +61 2 9252 7880
Fax: +61 2 9252 7882
Email: info@zimplats.com

Zimbabwe
Block B
Emerald Park
30 The Chase (West)
Emerald Hill
Harare
Zimbabwe

PO Box 6380
Harare
Zimbabwe

Tel: +263 4 332 590/3
Fax: +263 4 332 496/7
Email: info@zimplats.co.zw

Website

www.zimplats.com

Mine Sites

Ngezi Platinum Mine
Ward 10 & 11
Between Growth Points
Bumbe, Turf and Tyrone
Kadoma District
Zimbabwe

C/O PO Box 61
Selous
Zimbabwe

Tel: +263 628 44667
Fax: +263 628 44670

Selous Metallurgical
Complex
Makwiro Platinum Mine
Makwiro Road
Selous
Zimbabwe

PO Box 61
Selous
Zimbabwe

Tel: +263 628 44888/9
Fax: +263 628 44123
Email: info@makwiro.co.zw

Solicitors

Australia
Clayton Utz
Levels 19-35
1 O'Connell Street
Sydney NSW 2000
Australia

Channel Islands
Carey Olsen
7 New Street
St Peters Port
Guernsey GY1 4BZ
Channel Islands

Financial Advisors

N M Rothschild & Sons (Australia)
Limited
Level 16
1 O'Connell St
Sydney NSW 2000
Australia

Stock Exchange

Australian Stock Exchange
ASX Code: ZIM

Share Registry

Computershare
Investor Services Pty Limited
Level 3
60 Carrington Street
Sydney NSW 2000
Australia

Tel: +61 2 8234 5000
Australia only: 1300 855 080
Fax: +61 2 8234 5050

Independent Expert

Venmyn Rand (Pty) Limited
First Floor, Block G, Rochester Place
173 Rivonia Road
Sandton 2146
Republic of South Africa

