

**ZIMBABWE PLATINUM MINES LIMITED**  
ARBN: 083 463 058

**Annual Financial Report**

**30 June 2004**

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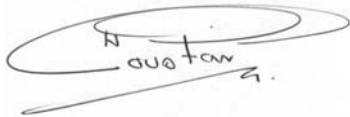
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## DIRECTORS' DECLARATION

In the opinion of the Directors of Zimbabwe Platinum Mines Limited:

1. the financial statements and notes, set out on pages 3 to 23, have been prepared in accordance with The Companies (Guernsey) Law 1994, including:
  - giving a true and fair view of the financial position of the Company and the consolidated entity as at 30 June 2004 and of their performance, as represented by the results of their operations and their cash flows, for the year ended on that date; and
  - complying with International Financial Reporting Standards; and
2. there are reasonable grounds to believe that the Company and its subsidiaries will be able to meet any obligations or liabilities to which they are or may become subject.

Signed in accordance with a resolution of the Directors:

A handwritten signature in black ink, appearing to read "M J Houston", with a large, sweeping underline.

M J Houston  
Chief Executive Officer

A handwritten signature in black ink, appearing to read "P Maseva-Shayawabaya", with a large, sweeping underline.

P Maseva-Shayawabaya  
Chief Financial Officer

Harare,  
Zimbabwe  
22 July 2004



Chartered Accountants (Zimbabwe)

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**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS**

We have audited the consolidated and company financial statements of Zimbabwe Platinum Mines Limited for the year ended 30 June 2004, set out on pages 3 to 23.

**Respective responsibilities of directors and auditors**

These financial statements are the responsibility of the company's directors. Our responsibility is to express an opinion on them based on our audit.

**Basis of opinion**

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

**Opinion**

In our opinion, the financial statements are properly drawn up in accordance with the provisions of The Companies (Guernsey) Law 1994 and in conformity with International Financial Reporting Standards promulgated by the International Accounting Standards Board, so as to give a true and fair view of the financial position of the Group and Company as at 30 June 2004 and the results of the operations and cash flows for the year then ended.

KPMG

KPMG  
Harare

22 July 2004



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a Swiss association

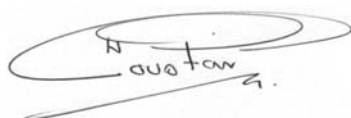
A list of the names of the partners is available for inspection at the office address

**ZIMBABWE PLATINUM MINES LIMITED**  
**INCOME STATEMENTS**  
for the year ended 30 June 2004

	Notes	Group		Company	
		Year to Jun-04 \$ 000	Year to Jun-03 \$ 000	Year to Jun-04 \$ 000	Year to Jun-03 \$ 000
Revenue	2	99 867	71 464	-	-
Cost of sales	3	( 56 955)	( 42 465)	-	-
<b>Gross profit</b>		42 912	28 999	-	-
Other income	4	892	644	7 286	4 598
Operating costs	5	( 12 419)	( 11 646)	( 1 941)	( 1 233)
<b>Profit from operations</b>		31 385	17 997	5 345	3 365
Net finance (costs)/income	6	( 1 282)	( 1 675)	99	-
<b>Profit before taxation</b>		30 103	16 322	5 444	3 365
Taxation	7	( 2 746)	( 4 577)	-	-
<b>Profit after taxation</b>		27 357	11 745	5 444	3 365
Minority interests	18	( 8 770)	( 3 844)	-	-
<b>Net profit for the year</b>		18 587	7 901	5 444	3 365
Basic earnings per share (cents)	25	20.83	8.93		
Diluted earnings per share (cents)	25	20.83	8.76		

**ZIMBABWE PLATINUM MINES LIMITED**  
**BALANCE SHEETS**  
30 June 2004

	Notes	Group		Company	
		Year to Jun-04 \$ 000	Year to Jun-03 \$ 000	Year to Jun-04 \$ 000	Year to Jun-03 \$ 000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	8	112 406	109 607	203	71
Mining interests	9	24 230	22 835	5 380	4 095
Investments	10	-	-	28 513	28 519
Long term receivables	11	-	-	28 285	25 559
<b>Total non-current assets</b>		<u>136 636</u>	<u>132 442</u>	<u>62 381</u>	<u>58 244</u>
<b>Current assets</b>					
Inventories	12	10 053	6 594	-	-
Trade debtors	13	13 716	11 740	-	-
Other receivables	14	9 476	5 087	631	31
Cash and cash equivalents	15	24 020	18 717	8 439	4 583
<b>Total current assets</b>		<u>57 265</u>	<u>42 138</u>	<u>9 070</u>	<u>4 614</u>
<b>Total assets</b>		<u><u>193 901</u></u>	<u><u>174 580</u></u>	<u><u>71 451</u></u>	<u><u>62 858</u></u>
<b>EQUITY AND LIABILITIES</b>					
<b>Capital and reserves</b>					
Issued share capital	16	9 276	8 929	9 276	8 929
Reserves	17	122 477	102 167	61 168	53 661
<b>Total capital and reserves</b>		<u>131 753</u>	<u>111 096</u>	<u>70 444</u>	<u>62 590</u>
<b>Minority interests</b>	18	<u>31 037</u>	<u>25 267</u>	<u>-</u>	<u>-</u>
<b>Non-current liabilities</b>					
Deferred taxation	19	6 950	5 144	-	-
Interest bearing loans and borrowings	20	-	8 337	-	-
Mine rehabilitation provision		600	-	-	-
<b>Total non-current liabilities</b>		<u>7 550</u>	<u>13 481</u>	<u>-</u>	<u>-</u>
<b>Current liabilities</b>					
Interest bearing loans and borrowings	20	8 320	15 802	-	-
Other payables	21	14 357	8 934	1 007	268
Taxation		884	-	-	-
<b>Total current liabilities</b>		<u>23 561</u>	<u>24 736</u>	<u>1 007</u>	<u>268</u>
<b>Total equity and liabilities</b>		<u><u>193 901</u></u>	<u><u>174 580</u></u>	<u><u>71 451</u></u>	<u><u>62 858</u></u>



M J Houston  
Chief Executive Officer



P Maseva-Shaywabaya  
Chief Financial Officer

**ZIMBABWE PLATINUM MINES LIMITED**  
**STATEMENTS OF CHANGES IN EQUITY**  
for the year ended 30 June 2004

	Share capital	Share premium reserve	Foreign currency translation reserve	Revaluation reserve	Accumulated profit	Total
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
<b>GROUP</b>						
<b>Balances at 30 June 2002</b>	8 836	44 853	( 15 128)	60 109	4 667	103 337
Issue of share capital	93	228	-	-	-	321
Revaluation	-	-	-	18	-	18
Foreign currency translation reserve	-	-	( 481)	-	-	( 481)
Capital reserve release through depreciation	-	-	-	( 3 865)	3 865	-
Disposal of subsidiaries	-	-	( 141)	( 361)	502	-
Net profit for the year	-	-	-	-	7 901	7 901
<b>Balances at 30 June 2003</b>	8 929	45 081	( 15 750)	55 901	16 935	111 096
Issue of share capital	347	2 063	-	-	-	2 410
Revaluation	-	-	-	( 296)	-	( 296)
Foreign currency translation reserve	-	-	( 44)	-	-	( 44)
Capital reserve release through depreciation	-	-	-	( 3 864)	3 864	-
Disposal of subsidiaries	-	-	( 41)	( 25)	66	-
Net profit for the year	-	-	-	-	18 587	18 587
<b>Balances at 30 June 2004</b>	9 276	47 144	( 15 835)	51 716	39 452	131 753
<b>COMPANY</b>						
<b>Balances at 30 June 2002</b>	8 836	44 853	-	-	5 215	58 904
Issue of share capital	93	228	-	-	-	321
Net profit for the year	-	-	-	-	3 365	3 365
<b>Balances at 30 June 2003</b>	8 929	45 081	-	-	8 580	62 590
Issue of share capital	347	2 063	-	-	-	2 410
Net profit for the year	-	-	-	-	5 444	5 444
<b>Balances at 30 June 2004</b>	9 276	47 144	-	-	14 024	70 444

**ZIMBABWE PLATINUM MINES LIMITED**  
**CASH FLOW STATEMENTS**  
for the year ended 30 June 2004

	Notes	Group		Company	
		Year to Jun-04 \$ 000	Year to Jun-03 \$ 000	Year to Jun-04 \$ 000	Year to Jun-03 \$ 000
<b>Operating activities</b>					
Cash generated from/(used in) operations	22	34 330	23 404	(4 248)	(2 086)
Interest received	6	593	803	99	-
Dividends received		-	-	7 000	4 200
Exchange gains realised	3&4	332	508	35	13
Dividend paid to minority interests	18	(3 000)	(1 800)	-	-
Interest paid	6	(1 875)	(2 478)	-	-
Withholding taxation paid	7	(56)	(93)	-	-
<b>Cash in flows from operating activities</b>		<u>30 324</u>	<u>20 344</u>	<u>2 886</u>	<u>2 127</u>
<b>Investing activities</b>					
Proceeds from sale of property, plant and equipment		22	31	17	-
Acquisition of property, plant and equipment	8	(10 240)	(2 960)	(186)	(8)
Acquisition of mining investments	9	(1 395)	(582)	(1 285)	(782)
Proceeds on disposal of subsidiaries	23	14	65	14	65
Expenditure on timber plantation assets	10	(13)	(89)	-	-
<b>Cash out flows from investing activities</b>		<u>(11 612)</u>	<u>(3 535)</u>	<u>(1 440)</u>	<u>(725)</u>
<b>Financing activities</b>					
Proceeds of share issue in Zimbabwe Platinum Mines Limited		2 410	321	2 410	321
Repayments of long term borrowings		(15 819)	(4 965)	-	-
<b>Cash (out)/in flows from financing activities</b>		<u>(13 409)</u>	<u>(4 644)</u>	<u>2 410</u>	<u>321</u>
<b>Increase in cash and cash equivalents</b>		<u>5 303</u>	<u>12 165</u>	<u>3 856</u>	<u>1 723</u>
<b>Movement in cash and cash equivalents</b>					
Cash on hand at beginning of the year		18 717	6 552	4 583	2 860
Increase in cash and cash equivalents		5 303	12 165	3 856	1 723
<b>Cash on hand at end of the year</b>	15	<u>24 020</u>	<u>18 717</u>	<u>8 439</u>	<u>4 583</u>

**ZIMBABWE PLATINUM MINES LIMITED**  
**ACCOUNTING POLICIES**  
30 June 2004

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Zimbabwe Platinum Mines Limited is a company domiciled in Guernsey, Channel Islands. The consolidated financial statements of the Group for the year ended 30 June 2004 comprise the Company and its subsidiaries (together referred to as the Group). The financial statements were authorised for issue by the Directors on 22 July 2004.

**A) STATEMENT OF COMPLIANCE**

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards promulgated by the International Accounting Standards Board (IASB). International Financial Reporting Standards (IFRS's) include standards and interpretations approved by the IASB as well as International Accounting Standards (IAS's) and SIC interpretations issued under previous constitutions.

**B) BASIS OF PREPARATION**

The financial statements are presented in United States dollars, rounded to the nearest thousand. They are prepared on the historical cost basis with the exception of certain fixed property which is shown at valuation. The accounting policies have been consistently applied by the Group and are consistent with those of the previous year.

**C) BASIS OF CONSOLIDATION**

**i) Subsidiaries**

Subsidiaries are those enterprises controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

**ii) Transactions eliminated on consolidation**

Intra-group balances and transactions, and any unrealised gains arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

**D) REPORTING CURRENCY**

IAS 21 (The Effects of Changes in Foreign Exchange Rates) requires companies to report in the currency of the country they are incorporated and operating in unless their functional currency, in terms of IAS 21, is not that currency.

The Group's and Company's functional currency, in terms of IAS 21, is United States dollars. There are immaterial transactions in Zimbabwe dollars, relating to the Zimbabwe subsidiary companies, which have not been inflation-adjusted before converting to United States dollars.

**E) FOREIGN CURRENCY**

**i) Foreign currency transactions**

Transactions in foreign currencies are translated to United States dollars at the foreign exchange rate ruling at the date of the transaction. Monetary and non-monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to United States dollars at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement.

**ii) Financial statements of foreign operations**

The revenues and expenses of foreign operations are translated to United States dollars at the average rates ruling during the period. Foreign exchange differences arising on translation are recognised directly in equity.

**F) PROPERTY, PLANT AND EQUIPMENT**

**i) Owned assets**

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (refer accounting policy (K)). The cost of self-constructed assets includes the cost of materials, direct labour and an appropriate proportion of production overheads.

Where items of property, plant and equipment comprise major components having different useful lives, they are accounted for as separate items of property, plant and equipment.

**F) PROPERTY, PLANT AND EQUIPMENT - continued**

**ii) Subsequent expenditure**

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately, including major inspection and overhaul costs, is capitalised. Other subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditure is recognised in the income statement as an expense when incurred.

**iii) Depreciation**

Land is not depreciated. Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of items of property, plant and equipment. The estimated useful lives are as follows:

• Buildings	20-67 years
• Roads	20 years
• Crusher station	20 years
• SMC surface plant	20 years
• Plant and equipment	10 years
• Fixtures and fittings	10 years
• Motor vehicles	5 years
• Computer equipment	3 years

**G) INTANGIBLE ASSETS**

**i) Goodwill**

Goodwill arising on an acquisition represents the excess of the cost of the acquisition over the fair value of the net identifiable assets acquired. Goodwill is stated at cost less accumulated amortisation and impairment losses (refer accounting policy (K)). In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment in the associate.

**ii) Negative goodwill**

Negative goodwill arising on an acquisition represents the excess of the fair value of the net identifiable assets acquired over the cost of acquisition.

To the extent that negative goodwill relates to an expectation of future losses and expenses that are identified in the plan of acquisition and can be measured reliably, but which have not yet been recognised, it is recognised in the income statement when the future losses and expenses are recognised. Any remaining negative goodwill, but not exceeding the fair values of the non-monetary assets acquired, is recognised in the income statement over the weighted average of the fair values of the non-monetary assets acquired.

**iii) Amortisation**

Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets.

**H) INVENTORIES**

**i) Consumable inventories**

Consumable inventories are stated at the lower of cost and net realisable value. The cost of consumable inventories includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

**ii) Ore, concentrate and matte inventories**

Platinum and palladium are considered as the main products and other platinum group and base metals produced are by-products. Ore, concentrate and matte inventories are valued at the lower of average cost of production and estimated net realisable value. The average cost of production is taken as the total costs incurred on mining, transportation of ore and processing of concentrate and matte. Net realisable value is based on the estimated value of platinum and palladium in the inventories.

**I) MINING INTERESTS**

Exploration, evaluation and development expenditure, including related administrative expenditure, is accumulated for each separate area of interest. An area of interest comprises a project area which consists of one or more related mine tenements or claims on an individual geological area.

**i) Exploration and evaluation**

Costs accumulated comprise acquisition costs, direct exploration and evaluation costs and an appropriate portion of related overhead expenditure. They do not include general overheads or administrative expenditure not specifically connected with a particular area of interest.

Revenue received from the sale or disposal of product, materials or services during the exploration and evaluation phases of operations is offset against the expenditure in respect of the area of interest or mineral resource concerned. Expenditure is carried forward in respect of those areas of interest in which the rights of tenure are current and:

**Either** the exploration and evaluation procedures are not sufficiently progressed to permit reasonable assessment of the existence or otherwise of reserves, and active and significant operations in the area of interest are continuing;

**Or** such expenditure is expected to be recouped by successful development and exploration or by its sale. This expenditure is capitalised up to commencement of operations at which time it is amortised in accordance with the policy stated in (J), amortisation of mining interests, below.

Exploration and evaluation expenditure in respect of areas which do not satisfy the above criteria, is written off as incurred or in the year in which such a decision is made.

**ii) Development expenditure**

Development expenditure incurred prior to the commencement of commercial levels of production, including borrowing costs, is carried forward to the extent to which recoupment out of revenue, following the commissioning of the mine, is reasonably assured. No amortisation is provided in respect of development properties until they are commissioned. Thereafter, such amounts are amortised in accordance with the policy stated in (J) below.

**iii) Care and maintenance**

Projects transferred to care and maintenance are carried forward to the extent to which recoupment out of future revenue following the return to production or sale of the mine is reasonably assured. Amortisation is provided in respect of properties in accordance with the policy stated in (J) below.

**iv) Deferred mine stripping expenditure**

Open-cast mine stripping expenditure is charged against revenue in the year it is incurred. Where the waste to ore ratio exceeds the estimated ratio for the life of the mine, a pro rata portion of the stripping expenditure is capitalised. The deferred stripping expenditure is amortised over the life of the mine whenever the waste to ore ratio falls below the average expected ratio for the life of the mine.

**J) AMORTISATION OF MINING INTERESTS**

Amortisation of mining interests in the production phase is provided on the production output basis so as to write off each area of interest over the assessed production life of that area. The directors regularly review the assessed production life of each area of interest and after considering the physical and economic factors relating to reserves, adjustments will be made to amortisation rates as necessary.

**K) IMPAIRMENT**

The carrying amounts of the Group assets, other than inventories (refer accounting policy (H)), exploration and evaluation expenditure (refer accounting policy (I) (i)) and deferred tax assets (refer accounting policy (P)), are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated. For intangible assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

**i) Calculation of recoverable amount**

The recoverable amount of other assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

**ii) Reversals of impairment**

An impairment loss in respect of goodwill is not reversed unless the loss was caused by a specific external event of an exceptional nature that is not expected to recur, and the increase in recoverable amount relates clearly to the reversal of the effect of that specific event.

In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is only reversed to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**L) EMPLOYEE BENEFITS**

**i) Defined contribution plans**

Contributions to defined contribution pension plans are recognised as an expense on the income statement as incurred.

**ii) Long term service benefits**

The Group net obligation in respect of long term service leave is the present value of expected payments to be made in respect of services provided by employees up to the reporting date.

**iii) Equity and equity-related compensation benefits**

The share option programme allows Group directors and employees to acquire shares of the Company. The option exercise price equals the market price of the underlying shares at the date of the grant and no compensation cost or obligation is recognised. When the options are exercised, equity is increased by the amount of the proceeds received.

**M) PROVISIONS**

A provision is recognised in the balance sheet when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

**N) SITE RESTORATION**

In accordance with the Group environmental policy and applicable legal requirements, a provision for site restoration in respect of contaminated land is recognised when the land is contaminated.

**i) Future restoration costs**

The net present value of future restoration cost estimates are recognised and provided for in full in the financial statements. The estimates are reviewed annually to take into account the effects of inflation and changes in the estimates are discounted using rates that reflect the time value of money.

**ii) Ongoing restoration costs**

The cost of the ongoing current programmes to prevent and control pollution is charged against income as incurred.

## ZIMBABWE PLATINUM MINES LIMITED

### ACCOUNTING POLICIES

30 June 2004

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#### O) REVENUE AND EXPENSES

##### i) Goods sold and services rendered

Revenue from the sale of product is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer. Revenue is determined at the gross invoiced price of the product.

##### ii) Interest and dividend income

Interest income is recognised in the income statement as it accrues, taking into account the effective yield on the asset. Dividend income is recognised in the income statement on the date that the dividend is declared.

##### iii) Net financing costs

Net financing costs comprise interest payable on borrowings, interest receivable on funds invested and dividend income. All interest and other costs incurred in connection with borrowings are expensed when incurred as part of net financing costs.

#### P) INCOME TAX

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes, the initial recognition of assets and liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and credits can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefits will be realised.

#### Q) FINANCIAL INSTRUMENTS

The Group's financial instruments consist primarily of cash and cash equivalents, trade and other receivables, borrowings, and trade and other payables. The Group does not hold or issue derivative financial instruments for trading purposes.

Financial instruments are recognised initially at cost. Subsequent to initial recognition these instruments are measured as set out below.

##### i) Trade and other receivables

Trade receivables are carried at anticipated realisable value taking into account metal prices at the balance sheet date. Other receivables are stated at their cost less allowances for doubtful debts.

##### ii) Cash and cash equivalents

Cash and cash equivalents comprises bank and cash balances and call deposits. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts. The carrying amounts of cash and cash equivalents approximates their fair value.

##### iii) Borrowings

Long-term borrowings are recorded at cost less payments made to reflect the value of the anticipated economic outflow of resources. Any subsequent change in value is included in the determination of net profit or loss for the period.

##### iv) Trade and other payables

Accounts payable are stated at cost adjusted for payments made to reflect the value of the anticipated economic outflow of resources.

**Q) FINANCIAL INSTRUMENTS - continued**

**v) Financial assets**

Financial assets are recognised when the Group has rights or other access to economic benefits. Such assets consist of cash, equity instruments, a contractual right to receive cash or another financial asset, or a contractual right to exchange financial instruments with another entity on potentially favourable terms.

**vi) Derivative financial instruments**

The Group does not use derivative financial instruments to manage its exposure to foreign exchange risk.

**ZIMBABWE PLATINUM MINES LIMITED**  
**NOTES ON THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2004

**1 Segment reporting**

The Group operates within the mining industry. The activities of the Group are entirely related to the development and mining of platinum group metals in Zimbabwe.

	<b>Group</b>		<b>Company</b>	
	<b>Year to Jun-04 \$ 000</b>	<b>Year to Jun-03 \$ 000</b>	<b>Year to Jun-04 \$ 000</b>	<b>Year to Jun-03 \$ 000</b>
<b>2 Revenue</b>				
Revenue comprises concentrate and matte sales to Impala Refining Services Limited	99 867	71 464	-	-
<b>3 Cost of sales</b>				
Mining	35 330	27 342	-	-
Processing	15 281	11 579	-	-
Stock movement	( 384)	( 656)	-	-
Foreign exchange gains	( 367)	( 437)	-	-
Staff costs	2 486	1 024	-	-
Depreciation of property, plant and equipment	2 722	1 980	-	-
Other	1 887	1 633	-	-
Total cost of sales	56 955	42 465	-	-
<b>4 Other income</b>				
(Loss)/profit on disposal of property, plant and equipment	( 103)	30	( 13)	-
Profit on disposal of shares	-	-	8	43
(Loss)/profit on disposal of subsidiaries (note 23)	( 4)	5	-	-
Foreign exchange (losses)/gains	( 35)	71	( 35)	13
Dividends received	-	-	7 000	4 200
Other	1 034	538	326	342
Total other income	892	644	7 286	4 598
<b>5 Operating costs</b>				
Audit fees	48	39	22	17
Depreciation of property, plant and equipment	4 567	4 426	24	16
Charge for the year	7 289	6 406	24	16
Amount allocated to cost of sales	( 2 722)	( 1 980)	-	-
Directors remuneration	467	402	343	311
Fees	60	60	60	60
Emoluments	407	342	283	251
Write down of timber plantation assets	13	89	-	-
Write down of property, plant and equipment	-	282	-	-
Staff costs	1 479	682	360	175
Other operating costs	5 845	5 726	1 192	714
Total operating costs	12 419	11 646	1 941	1 233
Average number of employees during the year	600	444	7	6

**ZIMBABWE PLATINUM MINES LIMITED**  
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	<b>Group</b>		<b>Company</b>	
	<b>Year to Jun-04 \$ 000</b>	<b>Year to Jun-03 \$ 000</b>	<b>Year to Jun-04 \$ 000</b>	<b>Year to Jun-03 \$ 000</b>
<b>6 Net finance (costs)/income</b>				
Interest expense	( 1 875)	( 2 478)	-	-
Interest income	593	803	99	-
Net finance (costs)/income	<u>( 1 282)</u>	<u>( 1 675)</u>	<u>99</u>	<u>-</u>
<b>7 Taxation</b>				
Current income tax charge	884	-	-	-
Deferred tax charge	1 806	4 484	-	-
Withholding tax charge on interest earned	56	93	-	-
Taxation provided	<u>2 746</u>	<u>4 577</u>	<u>-</u>	<u>-</u>
Reconciliation				
Notional tax on profit for the year	7 526	4 081	-	-
Permanent differences	( 10 603)	( 1 811)	-	-
Withholding tax charge on interest earned	56	93	-	-
Assessed losses utilised	5 767	2 214	-	-
Taxation provided	<u>2 746</u>	<u>4 577</u>	<u>-</u>	<u>-</u>
Expenditure incurred to be claimed against future taxable income (refer note 19)	<u>7 866</u>	<u>6 471</u>		

8 Property, plant and equipment

	Land and buildings	Roads	SMC surface plant	Plant and equipment	Computer and office equipment	Motor vehicles	Capitalised pre-production expenditure	Deferred stripping expenditure	Mine rehabilitation	Work in progress	Total
GROUP	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
<b>Cost/Valuation</b>											
Opening balances											
1 July 2003	6 009	18 779	73 480	1 907	807	1 239	6 749	8 223	-	633	117 826
Additions	228	31	-	1 227	76	1 304	32	-	600	6 742	10 240
Revaluation a)	23	-	-	-	-	-	-	-	-	-	23
Transfers	-	-	-	( 29)	-	-	-	-	-	29	-
Foreign currency translation	( 13)	-	-	( 6)	( 11)	( 32)	-	-	-	-	( 62)
Disposals	( 37)	-	( 27)	-	( 5)	( 111)	-	-	-	-	( 180)
Balances at 30 June 2004	6 210	18 810	73 453	3 099	867	2 400	6 781	8 223	600	7 404	127 847
<b>Accumulated depreciation</b>											
Opening balances											
1 July 2003	357	1 483	4 832	73	322	287	478	387	-	-	8 219
Depreciation charge	313	992	3 864	220	233	256	401	973	37	-	7 289
Foreign currency translation	( 1)	-	-	( 1)	( 3)	( 7)	-	-	-	-	( 12)
Disposals	-	-	( 2)	-	( 4)	( 49)	-	-	-	-	( 55)
Balances at 30 June 2004	669	2 475	8 694	292	548	487	879	1 360	37	-	15 441
<b>Net book amount 2004</b>	<b>5 541</b>	<b>16 335</b>	<b>64 759</b>	<b>2 807</b>	<b>319</b>	<b>1 913</b>	<b>5 902</b>	<b>6 863</b>	<b>563</b>	<b>7 404</b>	<b>112 406</b>
<b>Net book amount 2003</b>	<b>5 652</b>	<b>17 296</b>	<b>68 648</b>	<b>1 834</b>	<b>485</b>	<b>952</b>	<b>6 271</b>	<b>7 836</b>	<b>-</b>	<b>633</b>	<b>109 607</b>

a) An independent valuation of certain subsidiary company land and buildings was carried out in June 2004 on the basis of Open Market Value. In the opinion of the directors the assets are stated at their fair value.

	Computer equipment	Furniture and office equipment	Motor vehicles	Total
COMPANY	\$ 000	\$ 000	\$ 000	\$ 000
<b>Cost</b>				
Opening balances				
1 July 2003	20	9	100	129
Additions	4	4	178	186
Disposals	( 5)	-	( 60)	( 65)
Balances at 30 June 2004	19	13	218	250
<b>Accumulated depreciation</b>				
Opening balances				
1 July 2003	12	1	45	58
Depreciation charge	3	1	20	24
Disposals	( 4)	-	( 31)	( 35)
Balances at 30 June 2004	11	2	34	47
<b>Net book amount 2004</b>	<b>8</b>	<b>11</b>	<b>184</b>	<b>203</b>
<b>Net book amount 2003</b>	<b>8</b>	<b>8</b>	<b>55</b>	<b>71</b>

**ZIMBABWE PLATINUM MINES LIMITED**  
**NOTES ON THE FINANCIAL STATEMENTS continued**  
for the year ended 30 June 2004

	<b>Group</b>		<b>Company</b>	
	<b>Year to Jun-04 \$ 000</b>	<b>Year to Jun-03 \$ 000</b>	<b>Year to Jun-04 \$ 000</b>	<b>Year to Jun-03 \$ 000</b>
<b>9 Mining interests</b>				
Interests under exploration or evaluation phase :				
Interest in Mhondoro mining claims and accumulated prospecting expenditure	3 409	3 409	-	-
Interest in Ngezi mining claims	9 854	9 854	1 323	1 323
Accumulated prospecting expenditure	7 775	6 380	4 053	2 768
Interest in Selous mining claims	3 101	3 101	-	-
Accumulated prospecting expenditure	91	91	4	4
<b>Total mining interests</b>	<u>24 230</u>	<u>22 835</u>	<u>5 380</u>	<u>4 095</u>

An independent valuation of these mining interests was completed in June 2004. The valuation is significantly higher than the values disclosed, and the directors are of the opinion that no adjustments are required in these financial statements.

**10 Investments**

***Timber assets and accumulated forestry expenditure :***

Accumulated forestry expenditure	481	468	-	-
Accumulated impairment a)	( 48)	( 138)	-	-
Devaluation on translation of income statements b)	( 433)	( 330)	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

***Other investments :***

Investment in the Ngezi/SMC Project	-	-	25 730	25 730
Investment in Mhondoro Holdings Limited (UK)	-	-	2 666	2 666
Interest in property companies	-	-	7	13
Investment in Makwiro Platinum Mines (Private) Limited	-	-	110	110
	<u>-</u>	<u>-</u>	<u>28 513</u>	<u>28 519</u>
<b>Total investments</b>	<u>-</u>	<u>-</u>	<u>28 513</u>	<u>28 519</u>

a) The carrying value of the timber assets has been written off in full due to the uncertainty of the requirement to use the timber for underground mining in the near future.

b) This arises from the translation of Zimbabwe dollars to United States dollars and has effectively been written off in the foreign currency translation reserve.

**11 Long term receivables**

Loans due from subsidiaries	<u>-</u>	<u>-</u>	<u>28 285</u>	<u>25 559</u>
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These loans are unsecured, interest free and have no fixed terms of repayment.

**12 Inventories**

Ore concentrate and matte stocks	3 545	3 161	-	-
Consumables	6 508	3 433	-	-
	<u>10 053</u>	<u>6 594</u>	<u>-</u>	<u>-</u>

**13 Trade debtors**

Impala Refining Services Limited	<u>13 716</u>	<u>11 740</u>	<u>-</u>	<u>-</u>
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**ZIMBABWE PLATINUM MINES LIMITED**  
**NOTES ON THE FINANCIAL STATEMENTS continued**  
for the year ended 30 June 2004

	Group		Company	
	Year to Jun-04 \$ 000	Year to Jun-03 \$ 000	Year to Jun-04 \$ 000	Year to Jun-03 \$ 000
<b>14 Other receivables</b>				
Other trade receivables	9 476	5 087	631	31
<b>15 Cash and cash equivalents</b>				
Bank balances	22 710	14 494	7 129	360
Call deposits	1 310	4 223	1 310	4 223
	<u>24 020</u>	<u>18 717</u>	<u>8 439</u>	<u>4 583</u>
<b>16 Issued share capital</b>				
a) Authorised				
500 000 000 ordinary shares of 10 cents each	<u>50 000</u>	<u>50 000</u>	<u>50 000</u>	<u>50 000</u>
b) Issued and fully paid				
89 285 360 ordinary shares of 10 cents each	8 929	8 836	8 929	8 836
3 479 129 ordinary shares of 10 cents each	347	93	347	93
	<u>9 276</u>	<u>8 929</u>	<u>9 276</u>	<u>8 929</u>
c) The unissued shares are under the control of the directors.				
No employee share options remain to be exercised.				
<b>17 Reserves</b>				
Share premium	a) 47 144	45 081	47 144	45 081
Foreign currency translation reserve	b) ( 15 835)	( 15 750)	-	-
Asset revaluation reserve	c) 51 716	55 901	-	-
Accumulated profits	d) 39 452	16 935	14 024	8 580
	<u>122 477</u>	<u>102 167</u>	<u>61 168</u>	<u>53 661</u>

a) 86 594 482 shares were issued at a premium of 52 cents per share on 27/28 July 1998, giving rise to a share premium of \$45 029 131. On 28 July 1998, a bonus issue of 1 767 236 shares was effected utilising \$176 724 of the share premium reserve. The premium on shares issued to 30 June 2003, in terms of the employee share option scheme, was \$228 565. The premium on employee share options sold into the Impala offer was \$2 062 991.

b) This comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations that are not integral to the operations of the Group.

c) This reserve arises from the revaluation of property, plant and equipment and, in the opinion of the directors, reflects the fair value of the assets of the Group at 30 June 2004.

d) Represents accumulated profits to 30 June 2004.

**ZIMBABWE PLATINUM MINES LIMITED**  
**NOTES ON THE FINANCIAL STATEMENTS continued**  
for the year ended 30 June 2004

	<b>Group</b>		<b>Company</b>	
	<b>Year to Jun-04</b>	<b>Year to Jun-03</b>	<b>Year to Jun-04</b>	<b>Year to Jun-03</b>
	\$ 000	\$ 000	\$ 000	\$ 000
<b>18 Minority interests</b>				
At the beginning of the year	25 267	23 223	-	-
Share of net profit of subsidiaries	8 770	3 844	-	-
Dividends paid by subsidiaries	( 3 000)	( 1 800)	-	-
At the end of the year	<u>31 037</u>	<u>25 267</u>	<u>-</u>	<u>-</u>

On 3 September 2001, Impala Platinum (Zimbabwe) Pty Limited acquired a 30% interest in Makwiro Platinum Mines (Private) Limited (formerly known as Hartley Management Company (Private) Limited) for US\$30 000 000 of which US\$29 953 013 represented the premium paid on acquisition of these shares.

**19 Deferred taxation**

Recognised deferred tax assets and liabilities are attributable to the following items:

Property, plant and equipment	6 459	10 076	-	-
Prepayments	491	835	-	-
Assessable tax losses carried forward	-	( 5 767)	-	-
	<u>6 950</u>	<u>5 144</u>	<u>-</u>	<u>-</u>

The movement on the deferred taxation account is as follows:

	Opening Balance	Recognised during the year		Closing Balance
		profit	equity	
	\$ 000	\$ 000	\$ 000	\$ 000
Property, plant and equipment	10 076	( 3 617)	-	6 459
Prepayments	835	( 344)	-	491
Assessable tax losses carried forward	( 5 767)	5 767	-	-
	<u>5 144</u>	<u>1 806</u>	<u>-</u>	<u>6 950</u>

Unrecognised deferred tax assets :

Deferred tax assets have not been recognised in respect of the following items:

Deductible temporary differences	<u>7 866</u>	<u>6 471</u>	<u>-</u>	<u>-</u>
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The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items due to the uncertainty as to whether future taxable profit will be available against which the Group can utilise the benefits therefrom.

**ZIMBABWE PLATINUM MINES LIMITED**  
**NOTES ON THE FINANCIAL STATEMENTS continued**  
for the year ended 30 June 2004

	Group		Company	
	Year to Jun-04 \$ 000	Year to Jun-03 \$ 000	Year to Jun-04 \$ 000	Year to Jun-03 \$ 000
<b>20 Interest bearing loans and borrowings</b>				
Non-current liabilities				
Absa Bank Limited	a) -	8 337	-	-
Current liabilities				
Absa Bank Limited	a) 8 320	15 802	-	-
a) The loan was obtained to finance the Ngezi/SMC Project and is payable over two years which commenced in March 2003. The loan bears interest at LIBOR plus 5 per cent per annum. The average interest rate during the year to June 2004 was 6.82 per cent. The debt is secured against revenue arising from the sale of product to Impala Refining Services Limited, inter-company receivables, guarantees by Impala Platinum Holdings Limited, the company and other related parties and by pledges of shares in the following companies:				
· Makwiro Platinum Mines (Private) Limited		70%		
· Hartley Minerals Zimbabwe Pty Ltd		100%		
· Hartley Platinum Mines (Private) Limited		100%		
as well as the pledge and cession of the Special Mining Lease No.1 mining agreement and mineral rights pertaining to the Ngezi South Claims.				
<b>21 Other payables</b>				
Trade creditors	7 502	7 623	-	-
Other	6 855	1 311	1 007	268
	<u>14 357</u>	<u>8 934</u>	<u>1 007</u>	<u>268</u>
<b>22 Cash generated from/(used in) operations</b>				
Reconciliation of profit before taxation to cash generated from/(used in) operations:				
Profit before taxation	30 103	16 322	5 444	3 365
Adjustments for :	8 028	7 471	( 7 105)	( 4 240)
Depreciation of property, plant and equipment	7 289	6 406	24	16
Amortisation of timber plantation assets	13	89	-	-
Net finance costs/(income)	1 282	1 675	( 99)	-
Write down of assets	-	282	-	-
Foreign exchange gains	( 332)	( 508)	( 35)	( 13)
Loss/(profit) on disposal of subsidiaries	4	( 5)	-	-
Profit on disposal of shares	-	-	( 8)	( 43)
Dividends received	-	-	( 7 000)	( 4 200)
Foreign exchange loss on investments	( 333)	( 438)	-	-
Loss/(profit) on disposal of property, plant and equipment	105	( 30)	13	-
Changes in working capital	( 3 801)	( 389)	( 2 587)	( 1 211)
Trade and other receivables	( 6 365)	( 622)	( 3 326)	( 1 007)
Inventories	( 3 459)	( 2 045)	-	-
Trade and other payables	6 023	2 278	739	( 204)
Cash generated from/(used in) operations	<u>34 330</u>	<u>23 404</u>	<u>( 4 248)</u>	<u>( 2 086)</u>

**ZIMBABWE PLATINUM MINES LIMITED**  
**NOTES ON THE FINANCIAL STATEMENTS continued**  
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	<b>Group</b>		
	<b>Year to Jun-04 \$ 000</b>	<b>Year to Jun-03 \$ 000</b>	
<b>23 Disposal of subsidiaries</b>			
The Group disposed of two wholly owned subsidiary companies during the year. The fair value of the net assets disposed are as follows :			
	Agglethorpe Investments (Private) Limited \$ 000	Boreham Investments (Private) Limited \$ 000	Total \$ 000
Proceeds on disposal	-	18	18
Loans ceded to Zimbabwe Platinum Mines Limited	( 2)	( 2)	( 4)
Net proceeds on disposal	( 2)	16	14
Net asset value	( 10)	( 8)	( 18)
(Loss)/profit on disposal	( 12)	8	( 4)

**24 Capital commitments**

The Group has entered into contracts for the following and is committed to incur capital expenditure in respect thereof :

	Contract Length Months	\$ 000	\$ 000
Third box cut for Ngezi Platinum Mines		-	1 464
Replacement plant and equipment	12	2 444	2 420
Exploration drilling	3	5	454
Furnace transformer	6	485	1 000
Refractory lining	6	566	750
		3 500	6 088

The capital commitments will be financed from internal resources and borrowings.

**25 Earnings per share**

**Basic earnings per share**

Basic earnings per share are calculated by dividing the net profit attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the year.

Net profit attributable to ordinary shareholders in US\$000	18 587	7 901
Weighted average number of ordinary shares in 000's	89 252	88 461
Basic earnings per share US\$(cents)	20.83	8.93

**Diluted earnings per share**

No share options remain exercisable by employees. The empowerment agreement signed with the Government of Zimbabwe will result in the issue of a further 13 390 423 shares.

Weighted average number of ordinary shares in issue	89 252	88 461
Adjustments for exercisable share options	-	1 740
Weighted average number of diluted ordinary shares	89 252	90 201
Diluted earnings per share US\$(cents)	20.83	8.76

**ZIMBABWE PLATINUM MINES LIMITED**  
**NOTES ON THE FINANCIAL STATEMENTS continued**  
for the year ended 30 June 2004

		<b>Group</b>	
		<b>Year to Jun-04</b>	<b>Year to Jun-03</b>
		\$ 000	\$ 000
<b>26 Pension obligations</b>			
	Mining Industry Pension Fund		
	Pensions for certain employess are provided for through the Mining Industry Pension Fund in Zimbabwe. This is a defined contribution retirement fund. Contributions to the fund are 5% of pensionable remuneration. The Group's contributions for the year amounted to :	57	34
	 National Social Security Scheme		
	This scheme was promulgated under the National Social Security Authority Act 1989. Contributions by all Zimbabwe employees are 3% of pensionable remuneration up to a maximum of ZW\$1 440 per employee. The Group's contributions for the year amounted to :	2	1
		<u>59</u>	<u>35</u>
<b>27 Employee benefits</b>			
	<b>Equity compensation benefits</b>		
	Options outstanding at the beginning of the year	3 529 000	3 191 000
	Add: Options granted during the year to:		
	· Directors	-	275 000
	· Employees	-	1 160 000
	Less: Options exercised during the year	(3 529 000)	( 924 000)
	Options forfeited during the year	-	( 173 000)
	Options outstanding at the end of the year	<u>-</u>	<u>3 529 000</u>

All employee share options were sold into the Impala offer prior to 31 August 2003.

**ZIMBABWE PLATINUM MINES LIMITED**  
**NOTES ON THE FINANCIAL STATEMENTS continued**  
for the year ended 30 June 2004

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**28 Related parties**

**28.1 Related party relationships**

**a) Controlling entities**

The immediate holding company is Impala Platinum (Zimbabwe) (Proprietary) Limited (incorporated in South Africa) which directly holds a 48.63% equity interest in Zimbabwe Platinum Mines Limited (Guernsey). The ultimate holding company is Impala Platinum Holdings Limited (incorporated in South Africa) which directly holds 100% equity interest in Impala Platinum (Zimbabwe) (Proprietary) Limited.

**b) Directors**

The directors named in the directors' report held office as directors of the company during the years ended 30 June 2004 and 2003 except for Messrs P B Breese, D G Engelbrecht and M A Roussouw who were appointed on 4 December 2003, and Messrs M J Houston and P Maseva-Shaywabaya who were appointed on 1 April 2004 following the resignation of R A Pitchford on 31 March 2004. Mr P B Breese resigned as a director on 30 June 2004.

**28.2 Related party transactions**

**a) Revenue**

Sales of matte and concentrate are made to Impala Refining Services Limited. All transactions are done at arms length.

**b) Transactions with directors and executive officers**

In addition to their salaries, the Group also provides non cash benefits to directors and executive officers.

**28.3 Balances**

The Group had outstanding balances as at 30 June 2004 with one of its shareholders (refer note 13).

**29 Group enterprises**

**Significant subsidiaries**

	<b>Country of incorporation</b>	<b>Ownership interest</b>	
		<b>2004</b>	<b>2003</b>
Zimbabwe Platinum Mines Limited	United Kingdom	100	100
Zimplats Limited	United Kingdom	100	100
Hartley Platinum Mines Limited	United Kingdom	100	100
Mhondoro Holdings Limited	United Kingdom	100	100
Zimbabwe Platinum (Private) Limited	Zimbabwe	100	100
Ngezi Platinum Limited	Zimbabwe	100	100
Acroyd Investments (Private) Limited	Zimbabwe	100	100
Agglethorpe Investments (Private) Limited (refer note 23)	Zimbabwe	-	100
Boreham Investments (Private) Limited (refer note 23)	Zimbabwe	-	100
Zimplats Timber Holdings (Private) Limited	Zimbabwe	100	100
Makwiro Platinum Mines (Private) Limited	Zimbabwe	70	70
Selous Platinum (Private) Limited	Zimbabwe	100	100
Mhondoro Mining Company Limited	Zimbabwe	100	100
Mhondoro Platinum Holdings Limited	Zimbabwe	100	100

**ZIMBABWE PLATINUM MINES LIMITED**  
**NOTES ON THE FINANCIAL STATEMENTS continued**  
for the year ended 30 June 2004

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**30 Risk management**

The Group operates in an environment which is subject to both world market prices and exchange rate fluctuations. Exposure to credit, market and currency risk arises in the normal course of the Group's business. Group policy adopts a non-speculative approach to manage risk while maximising profits.

**a) Credit risk**

Financial assets which potentially subject the Group to concentrations of credit risk, consist principally of cash equivalents and trade receivables. The Group's cash equivalents are placed with high credit quality institutions. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

**b) Market risk**

The principle amounts of monetary financial assets and liabilities are fixed and not subject to market related value adjustments.

**c) Currency risk**

The Group is exposed to foreign currency risk in entering contracts of supply in currencies other than the United States dollar. The Group does not use forward exchange contracts to hedge its foreign currency risk.

	Group		Company	
	2004	2003	2004	2003
	\$ 000	\$ 000	\$ 000	\$ 000
<b>31 Contingent liabilities</b>				
Guarantees	1	2	-	-
Legal claims	-	-	-	-
	<u>1</u>	<u>2</u>	<u>-</u>	<u>-</u>

Guarantees are in respect of lease and power obligations.

**32 Post balance sheet event**

The current structure of the Group 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 Platinum Mines (Private) Limited (30% held by Impala Platinum Holdings Limited).

In order to simplify the Group structure, it is proposed that Zimbabwe Platinum Mines Limited will purchase the Impala Platinum Holdings Limited 30% interest in Makwiro. This transaction, if approved by shareholders, will result in the issue of new Zimbabwe Platinum Mines Limited shares to Impala Platinum Holdings Limited as consideration for this purchase. Independent financial advice has been obtained from N M Rothschild & Sons (Australia) Limited for this proposed transaction.

At the date of preparation of this report, the proposal has not been put before shareholders, but a shareholders meeting to consider approval of the transaction will be convened as soon as possible.

**33 Exchange rate**

The exchange rate used in the financial statements to translate the Zimbabwe subsidiaries to United States dollars is US\$1 to ZW\$5 319 (2003: US\$1 to ZW\$1 350).