FINANCIAL HIGHLIGHTS

- Headline earnings before unrealised derivative losses up 18% to R241m (R204m)
- Strong rand impacts earnings
- Revenues increased by 21% to R4 896m (R4 047)
- Net cash inflow from operations up 113% to R630m (R296m)
- Operating income decreased by 35% to R521m (R799m)
- Head office restructuring completed
- Gearing reduced to 11%
STRATEGIC HIGHLIGHTS

• Group risk profile improved
  • Avmin company borrowings eliminated
  • Chambishi, Avgold
• Record production from Assmang and Nkomati
• Target
  • Initial indications - mine is doing well
• New projects advanced
  • Two Rivers – feasibility completed
  • Target North pre-feasibility – nearing completion
  • Nkomati expansion – updating feasibility
  • AvAlloy – feasibility completed, pilot plant commissioned
• Strategic review well advanced – deadline: early 2004
MARKET ENVIRONMENT – Strong and Volatile Rand

<table>
<thead>
<tr>
<th>Jul-02</th>
<th>Sep-02</th>
<th>Nov-02</th>
<th>Jan-03</th>
<th>Mar-03</th>
<th>May-03</th>
<th>Jul-03</th>
<th>Sep-03</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>7</td>
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<td>9</td>
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<tr>
<td>11</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
HEADLINE EARNINGS BY DIVISION

Cobalt/Copper
Nickel
Precious
Ferrous metals
Corporate, exploration and other
Total 2003
Total 2002

-95
108
26
152
6
241
204

Headline earnings excluding unrealised losses on derivatives
AVMIN CORPORATE STRUCTURE

Chief Executive Officer
Jan Steenkamp

Senior Vice President Business Development
Gerhard Potgieter
AvAlloy
Namibia
DRC
Zambia
Two Rivers, 55%
Nchwaning III

Chief Financial Officer Finance/Admin
Doug Campbell

Senior Vice President Ferrous Metals
Bryan Broekman
Assmang, 50.3%

Vice President SA Operations
Arne Lewis
Avgold, 42%
Nkomati, 75%

Vice President Corporate Development
Julian Gwillim

- Head office restructured at a cost of R35m
- Annual cost savings estimated at + R30m pa
### FERROUS METALS - Financial Highlights

Earnings down on stronger rand  
Cash flow strong on improved volumes

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Turnover</strong></td>
<td>2905</td>
<td>2809</td>
</tr>
<tr>
<td><strong>Profit from operations</strong></td>
<td>389</td>
<td>758</td>
</tr>
<tr>
<td><strong>Headline earnings</strong></td>
<td>204</td>
<td>443</td>
</tr>
<tr>
<td><strong>Borrowings</strong></td>
<td>524</td>
<td>577</td>
</tr>
<tr>
<td><strong>Cash flow from operations</strong></td>
<td>378</td>
<td>163</td>
</tr>
<tr>
<td><strong>Capital expenditure</strong></td>
<td>338</td>
<td>372</td>
</tr>
</tbody>
</table>
FERROUS METALS

Record sales volumes for all products

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>'000 metric tons</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manganese ore</td>
<td>1 200</td>
<td>1 000</td>
<td>20</td>
</tr>
<tr>
<td>Iron ore</td>
<td>5 300</td>
<td>4 800</td>
<td>10</td>
</tr>
<tr>
<td>Manganese alloys</td>
<td>210</td>
<td>187</td>
<td>12</td>
</tr>
<tr>
<td>Charge chrome</td>
<td>244</td>
<td>190</td>
<td>28</td>
</tr>
</tbody>
</table>
FERROUS METALS

Manganese: Nchwaning III Shaft Complex
- Scheduled for completion May 2004
- Cost at completion R600 million
- Life in excess of 20 years
- Low cost operation

Iron ore:
- Agreement between Assmang and Kumba
  - To evaluate iron ore deposits
  - Possible exchange of deposits
- Also investigating other alternatives
# Precious Metals

For the Year Ended 30 June 2003

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Headline earnings</td>
<td>25</td>
<td>36</td>
<td>-44</td>
</tr>
<tr>
<td>Headline earnings *</td>
<td>128</td>
<td>36</td>
<td>239</td>
</tr>
<tr>
<td>Ore milled (t)</td>
<td>1 389 000</td>
<td>488 000</td>
<td>185</td>
</tr>
<tr>
<td>Gold sold (Kg)</td>
<td>11 899</td>
<td>4 179</td>
<td>185</td>
</tr>
<tr>
<td>Yield (g/t)</td>
<td>8,57</td>
<td>8,56</td>
<td></td>
</tr>
<tr>
<td>Cash cost (R/Kg)</td>
<td>56 503</td>
<td>64 277</td>
<td>-12</td>
</tr>
<tr>
<td>Cash cost (US$/oz)</td>
<td>193</td>
<td>198</td>
<td>-3</td>
</tr>
<tr>
<td>Rand/US$ exchange rate</td>
<td>9,04</td>
<td>10,15</td>
<td>-11</td>
</tr>
<tr>
<td>Capital expenditure (Rm)</td>
<td>123</td>
<td>438</td>
<td>-72</td>
</tr>
</tbody>
</table>

* Before unrealised non-hedge derivatives

Syndicated loan book repaid in full
First full year of production from Target – satisfactory
Avgold revenue reaches R1 billion
PRECIOUS METALS - Target

- Life of mine increased to 18 years
- Learning curve over last 12 months:
  - Size of massive stopes reduced
  - Configuration of excavation roofs changed
  - Draw-points spaced further apart – stability of pillars
  - New ‘slots’ outside abutment stresses established
- Exceeding plans
PRECIOUS METALS - Northern Free State

- Exploration drilling completed
- 5.7 Moz upgraded from Inferred to Indicated resources
- Pre-feasibility study will be presented at end September 2003
  - Staged growth to access one of the world’s largest unexploited resource base
  - Funding for this option within Avgold’s capacity
PRECIOUS METALS - Two Rivers

- 60Mt UG2 Resource, 40Mt UG2 Reserve
- Grades: Resource 4.93g/t, Reserve 4.18g/t
- Production remains planned at more than 200 000oz PGMs pa
  - 110 000oz Pt, 65 000oz Pd pa
- 20 year life
  - 185 000 tons pm U/G trackless operations
  - 40 000 tons pm from open pit (2 to 3 years) / adit
- Capital expenditure in excess of R1,1bn
- R47m approved for continuation of project
  - Includes establishment of box cut, bridge and access roads, trial mining, ongoing design and project management
- Impact of Royalty Bill
  - IRR assumes BEE at 20-25% and royalty of 3%
  - Mining license issued – March 2003
## BASE METALS

Nkomati performs well:
- Exceptional operating performance
- Strong US$ nickel price

<table>
<thead>
<tr>
<th>FOR THE YEAR ENDED 30 JUNE</th>
<th>2003</th>
<th>2002</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating profit (Rm)</td>
<td>236</td>
<td>209</td>
<td>13</td>
</tr>
<tr>
<td>Operating margin (%)</td>
<td>48</td>
<td>49</td>
<td></td>
</tr>
<tr>
<td>Sales achieved</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nickel (tons)</td>
<td>4 900</td>
<td>3 900</td>
<td>26</td>
</tr>
<tr>
<td>Copper (tons)</td>
<td>3 300</td>
<td>3 000</td>
<td>10</td>
</tr>
<tr>
<td>Cobalt (tons)</td>
<td>62</td>
<td>52</td>
<td>19</td>
</tr>
<tr>
<td>PGMs (tons)</td>
<td>39 000</td>
<td>35 000</td>
<td>11</td>
</tr>
<tr>
<td>Nickel cash operating costs* (US$/lb)</td>
<td>0,67</td>
<td>0,32</td>
<td></td>
</tr>
</tbody>
</table>

* Net of by-products
BASE METALS PROJECTS

Nkomati expansion
• Various options being assessed
  • Small mine with concentrator
  • Large mine with concentrator
  • Large mine with Activox
  • Large mine with joint Activox
• Potential alliances being discussed
• Decision to expand the mine dependent on financing

AvAlloy – nickel-based superalloys project
• Pilot testing underway at secured site - Pelindaba
• Large engine manufacturer alliance secured for product offtake
• Further expansion dependent on market penetration/product quality
BASE METALS – Chambishi Sale Agreement

- US$6.5m received
- Up to $25m payable to Avmin over the next 6 years, dependent on:
  - Production volumes
  - Defined minimum cobalt prices
  - Resolution of Chambishi’s tax position
  - Not accrued
- Purchaser responsible for $25m infrastructural contingent liabilities
- Avmin has no future material liabilities or any obligations relating to Chambishi
EXPLORATION AND NEW VENTURES

- **Otjikoto**
  - Gold deposit discovered in Namibia
  - Current drilling programme to advance project to pre-feasibility stage
- **DRC**
  - Exploration drilling of near surface copper/cobalt deposits at Kasonta and Lupoto
- **Zambia**
  - Low level exploration continues on base metals projects
SAFETY, HEALTH AND ENVIRONMENT

- Sustainable development report
- Safety
  - Fatalities
  - Achievements
- Health
  - HIV/AIDS
- Environment
  - Licencing
  - Achievements
DOUG CAMPBELL  |  Chief financial officer
# INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE

<table>
<thead>
<tr>
<th></th>
<th>2003 (Rm)</th>
<th>2002 (Rm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>INCOME STATEMENT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>4 896</td>
<td>4 047</td>
</tr>
<tr>
<td>Profit before tax and exceptional items</td>
<td>424</td>
<td>694</td>
</tr>
<tr>
<td>Exceptional items</td>
<td>(388)</td>
<td>(1 084)</td>
</tr>
<tr>
<td>Earnings</td>
<td>(191)</td>
<td>(866)</td>
</tr>
<tr>
<td>Headline earnings*</td>
<td>241</td>
<td>204</td>
</tr>
<tr>
<td>Headline earnings* per share (cents)</td>
<td>215</td>
<td>184</td>
</tr>
<tr>
<td>Headline earnings</td>
<td>197</td>
<td>204</td>
</tr>
<tr>
<td>Headline earnings per share (cents)</td>
<td>176</td>
<td>184</td>
</tr>
</tbody>
</table>

* Before unrealised non-hedge derivatives
## EXCEPTIONAL ITEMS

<table>
<thead>
<tr>
<th>Description</th>
<th>2003 Rm</th>
<th>2002 Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus on disposal of Iscor investment and Kumba options</td>
<td>-</td>
<td>418</td>
</tr>
<tr>
<td>Surplus on disposal of Avgold shares</td>
<td>241</td>
<td>48</td>
</tr>
<tr>
<td>Surplus on disposal – other</td>
<td>20</td>
<td>69</td>
</tr>
<tr>
<td>Loss on sale of Chambishi</td>
<td>(649)</td>
<td></td>
</tr>
<tr>
<td>Chambishi: impairment *</td>
<td>-</td>
<td>(1619)</td>
</tr>
</tbody>
</table>

(388) (1084)

* Net of foreign exchange
## CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rm</td>
<td>Rm</td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>630</td>
<td>296</td>
</tr>
<tr>
<td>Cash flow from investing activities</td>
<td>205</td>
<td>(71)</td>
</tr>
<tr>
<td>Reduction in net debt</td>
<td>1 360</td>
<td>(119)</td>
</tr>
</tbody>
</table>
BALANCE SHEET

As at 30 June 2003

**Assets**

- Non-current assets (fixed assets, trust funds, deferred taxation) **5,064**
- Current assets **1,832**
- Deposits and cash **265**

**Liabilities**

- Shareholders’ interest (minority interest: R2,451m) **4,962**
- Non-current liabilities **775**
- Current liabilities **602**
- Borrowings **822**

TOTAL **R7,161**
CORPORATE FINANCE

• Reduced risk
  • Chambishi sale
    • Development agreement
    • SADC investment constraints
    • High debt levels
    • No foreseen cash flow to Avmin
  • SARB requirements
    • No further funding
    • Inability to use rands to repay US$ debt
    • No minority interest

• Reduced debt
  • Sale of Avgold shares
  • Avgold debt refinanced
    • US$ debt eliminated at favourable exchange rates

• Net gearing 11%
RICK MENELL | Chairman
## PROJECT SCORECARD 1997 – 2003

### Bought (5) Rm

- **Fairview – Au**: 90
- **Chambishi – Co/Cu**: 350
- **Dwersrivier – Cr**: 160
- **Iscor – Fe**: 500
- **Two Rivers – PGMs**: 550

**Total**: 1,650

### Sold (10) Rm

- **Venetia – Diamonds**: 3,700
- **ETC – Au**: 270
- **Harties – Au**: 250
- **Forzando – Coal**: 240
- **Rhino – Industrial minerals**: 120
- **Lavino – Cr**: 40
- **Horizon – Cr**: 20
- **Iscor – Fe**: 900
- **Chambishi – Co/Cu**: 235
- **Avgold (18%) – Au**: 730

**Total**: 6,505

### Built (9) Rm

- **Target – Au**: 2,100
- **Chambishi – Co/Cu**: 1,800
- **Nchwaning – Mn**: 600
- **Machadodorp – FeCr**: 500
- **Nkomati – Ni**: 300
- **Dwersrivier – Cr**: 180
- **Mid South – Fe**: 180
- **Forzando – Coal**: 140
- **Iron ore beneficiation plant (Jig) – Fe**: 120

**Total**: 5,920

### Distributed to shareholders:

- R3bn (2000)
## RETURN TO SHAREHOLDERS

<table>
<thead>
<tr>
<th></th>
<th>RANDS</th>
<th>DOLLARS</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 YEARS</td>
<td>20%</td>
<td>17%</td>
</tr>
<tr>
<td>5 YEARS*</td>
<td>40%</td>
<td>31%</td>
</tr>
</tbody>
</table>

* Avmin began trading on the JSE on 7 December 1998
STRATEGIC REVIEW - Objectives

- Value driven – long-term viability
- Leading empowerment player
- Development of attractive projects
  - Nchwaning III manganese mine
  - Nkomati nickel expansion
  - Two Rivers platinum mine
  - AvAlloys
  - Northern Free State exploration
  - Otjikoto

UNLOCKING VALUE FOR ALL STAKEHOLDERS
STRATEGIC REVIEW PROGRESS

- July 2003: Strategic options developed
- August 2003: Financial adviser appointed - Deutsche Bank
- 2 September 2003: Options reviewed by Board
- Now: Further evaluation of specific option
- Early 2004: Announcement of final strategic intention
CONCLUSION

- Satisfactory performance in difficult environment
- Record production at Assmang and Nkomati
- Elimination of debt at Avmin centre
- Risk profile reduced
- Portfolio of high quality assets
- Strategic review well advanced to accelerate development of project pipeline and unlock significant value for shareholders
QUESTIONS AND ANSWERS