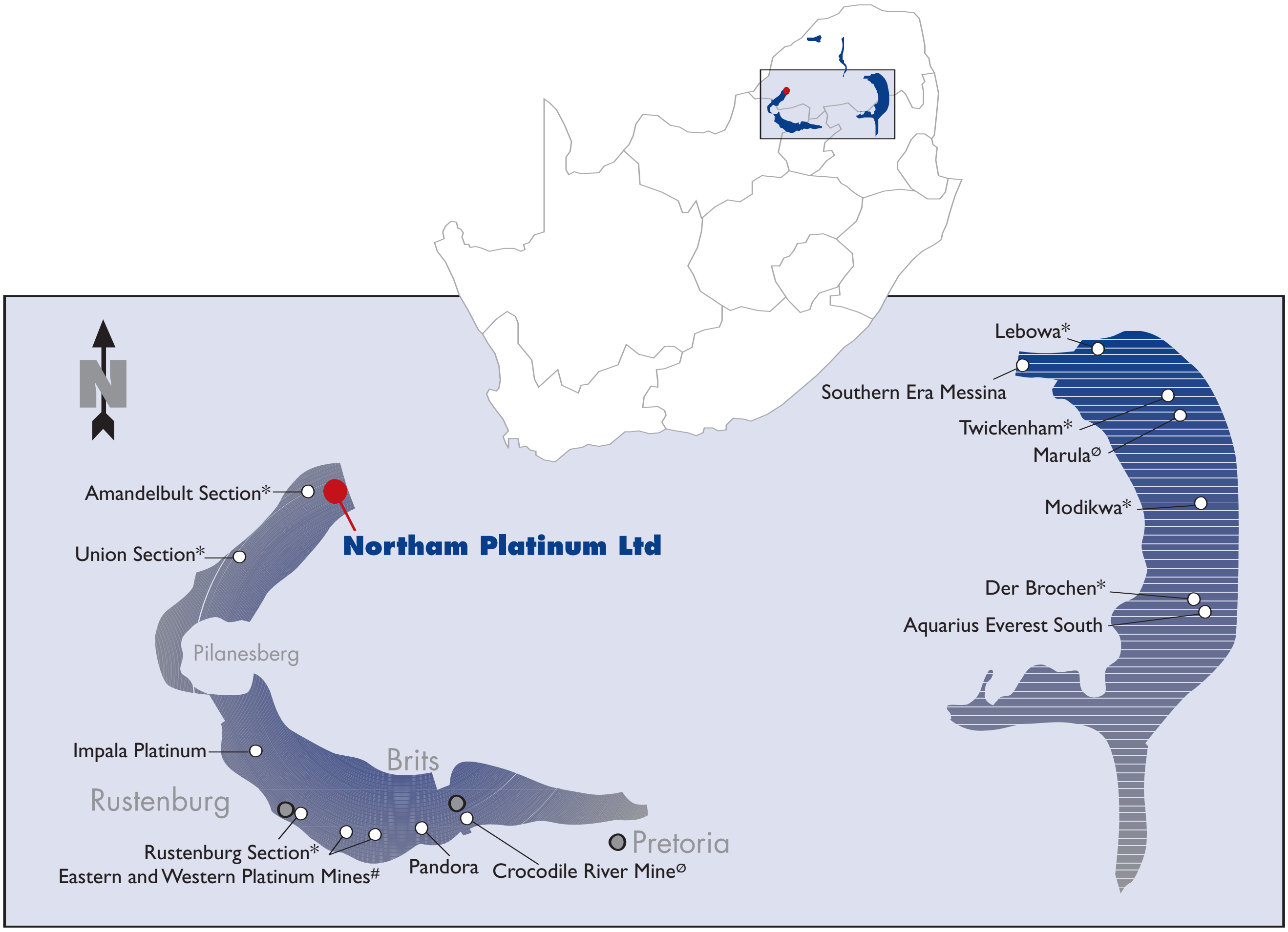

* (Anglo Platinum) # (Lonrho SA) ⌀ (Impala)

Corporate profile

Northam Platinum Limited, a broadly based black empowerment company, operates a platinum mine at the upper end of the western limb of South Africa's renowned Bushveld Complex. This complex accounts for more than 80% of the world's platinum group metals (PGM) resources.

The company's annual metal production amounts to approximately 330 000 ounces of platinum, palladium, rhodium and gold (3PGE+Au). Northam has 11.3 million ounces of reserves in a total resource of 20.3 million ounces.

Northam mines both the Merensky and UG2 Reefs at an average depth of 1 670 metres, from a twin shaft system utilising state of the art hydropower technology. The company is actively pursuing opportunities to broaden its resource base and reduce its unit cost structure. As an independent producer of PGMs, Northam commands significant expertise in deep level mining and integrated flotation, smelting and base metal recovery and as a consequence is well placed to partner both major and junior companies in the industry.

The company is a reliable and independent supplier of metals of London and Zurich 'good delivery' quality with a geographically diversified PGM customer base; copper and nickel, the base metal by-products of PGMs, are readily transported to sales destinations within South Africa.

Northam is committed to maximising value for shareholders both by way of growing the company's share price and rewarding investors with dividends after having made provision for the company's continued sustainability.

The company's shares are listed on the JSE Securities Exchange South Africa.

Corporate governance report

The board affirms its commitment to the principles of openness, integrity and accountability and is committed to providing timeous, relevant and meaningful reporting to all stakeholders. It ensures that the company's business is conducted in accordance with high standards of corporate governance and with local and internationally accepted best corporate practice. These standards are entrenched in the company's established systems of internal control by its policies governing corporate conduct, with particular emphasis being placed on the qualitative aspects of corporate governance.

The directors endorse the Code of Corporate Practices and Conduct (the Code) set out in the second report of the King Committee on Corporate Governance (King 2) that was released in March 2002. The directors are of the view that the company now substantially complies with the provisions thereof, and will, where necessary, take appropriate steps to further enhance compliance in terms of the recommendations.

All the key principles underlying the King recommendations as contained in the Code are reflected in the company's corporate governance structures, which are reviewed from time to time to take into account organisational changes and international developments. Through this process of review the directors seek to ensure that the company's business is managed on an ethical basis in accordance with prudently determined risk parameters and in conformity with internationally accepted standards.

The directors specifically report as follows:

Board Charter

On 6 August 2003, the board adopted a board charter, which regulates how business is to be conducted by the board in accordance with the principles of good corporate governance. The charter sets out the specific responsibilities of the board members collectively, and the individual roles expected of them.

More specifically, the charter confirms the board's responsibility for the adoption of strategic plans, monitoring of operational performance and management, determination of policies and processes to ensure the integrity of the company's risk management and internal controls, as well as director selection, orientation and evaluation.

Risk management

The board is responsible for the total risk management process within the company. Management is accountable to the board and has established various systems of internal control to manage significant risks. These systems support the board in discharging its responsibility for ensuring that the range of risks associated with the company's operations are managed effectively and the interests of stakeholders safeguarded.

During the year the company developed an integrated risk management framework which identified the significant risks facing the company, as well as factors in mitigation thereof, in order to further assist the board in the discharge of its responsibilities.

While the operating risks cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethics are applied throughout the company to manage such risks.

Responsibility for annual financial statements

The directors are responsible for the preparation of the annual financial statements and related financial information that fairly present the financial position of the company and the results of its operations and cash flows.

The annual financial statements set out in this report have been prepared in accordance with International Financial Reporting Standards and South African Statements of Generally Accepted Accounting Practice. These financial statements incorporate full and responsible disclosure and are based on appropriate accounting policies that have been consistently applied, except where otherwise reported, and which are supported by reasonable and prudent estimates and judgements.

The external auditors, whose report appears on page 30, are responsible for reporting on these financial statements in conformity with statements of South African Auditing Standards and in the manner required by the Companies Act in South Africa.

Composition of the board of directors

The board comprises nine non-executive directors, details of whom appear on page 28.

Two of the directors, Messrs M E Beckett and A S Malone are independent non-executives.

Although there is currently no executive director, Mr. G T Lewis, the General Manager, fulfils the role of Chief Executive Officer. He attends all board meetings and reports directly to the board. In addition he attends all board appointed committee meetings and reports directly to such committees.

All the directors bring to the board a wide range of professional and commercial experience and independent perspectives and judgments.

Although Mr Sexwale, the chairman of the board, is not an independent non-executive director, the board is of the view that it is appropriate that he continues to chair the board, as he represents the company's major empowerment shareholder.

The board is responsible to the shareholders for setting the direction of the company through the establishment of strategic objectives and key policies. The board meets quarterly, or more frequently if circumstances so require, in order to consider issues of strategic direction, approve major capital expenditure projects, review operating performance, and consider other matters having a material effect on the company.

All directors are subject to retirement by rotation and re-election by shareholders at least every three years in accordance with the company's articles of association.

All directors have access to the advice and services of the company secretary and, with the prior approval of the chairman, are entitled to seek independent professional advice concerning the affairs of the company at its expense.

The board has established four standing committees, namely the Audit Committee, the Health, Safety and Environmental Committee, the Nomination Committee and the Remuneration and Employee Equity Committee, which operate within defined terms of reference laid down in writing by the board. These committees are chaired by and comprise non-executive directors.

Audit Committee

M E Beckett – Chairman
R H H van Kerckhoven
M J Willcox

The Audit Committee comprises three non-executive directors. The external and internal auditors have free access to this committee. The committee is scheduled to meet five times a year with management as well as with the internal and external auditors to review the interim and preliminary reports, the annual financial statements and accounting policies, the effectiveness of the internal audit function, management information and other systems of internal control, and to discuss the auditors' findings and recommendations.

The committee considers the use of the company's external auditors for non-audit services, where appropriate, and also approves the fees to be paid to the company's internal and external auditors.

In keeping with the recommendations of King 2, Mr M E Beckett, an independent non-executive director was appointed Chairman in the place of Mr R H H van Kerckhoven on 6 August 2003.

Internal audit function

The internal auditors provide an independent appraisal function with specific responsibility to examine and evaluate the company's systems of internal control in mitigation of identified business risks. The objective is to assist members of management in the effective discharge of their responsibilities. The scope of the internal audit function includes reviews of the reliability and integrity of financial and operating information, the systems of internal control and the means of safeguarding assets. The internal auditors report to the Audit Committee and have unrestricted access to its chairman.

The internal audit function is undertaken on commercial terms by Anglo Platinum Management Services (Proprietary) Limited.

Internal control

The directors are responsible for maintaining adequate accounting records and have general responsibility for taking reasonable steps to safeguard the assets of the company and installing systems to prevent fraud and other irregularities. To enable the directors to meet these responsibilities, management has been delegated with the responsibility of setting standards and implementing systems of internal control aimed at providing reasonable assurance as to the reliability of the annual financial statements, that assets are safeguarded and that the risk of error, fraud or loss is reduced in a cost effective manner.

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

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

Health, Safety and Environmental Committee

B R van Rooyen – Chairman
M E Beckett
D T G Emmett (Alternate: Dr J R Johnston)

The Health, Safety and Environmental Committee comprises three non-executive directors. The committee, which is scheduled to meet four times a year, is tasked with overseeing the compliance by the company with the various health, safety and environmental laws that affect the company, as well as advising the board on issues relating thereto.

Although Mr. B R van Rooyen is not an independent non-executive director, the board considers that the experience and knowledge that he brings to the committee is such that it is appropriate that he chair the committee.

Nomination Committee

T M G Sexwale – Chairman
R Havenstein
A S Malone
E Molobi

In line with the recommendations of King 2, this committee was established on 6 August 2003, and comprises four non-executive directors. The committee, which will meet at least once a year, is tasked with advising the board regarding the size, composition and effectiveness of the board and board appointed committees, as well as advising the board regarding the appointment of proposed candidates to serve on the board.

Remuneration and Employee Equity Committee

A S Malone – Chairman
R Havenstein
E Molobi
T M G Sexwale

The Remuneration and Employee Equity Committee comprises four non-executive directors and is scheduled to meet four times a year. The committee in consultation, where necessary, with management, ensures that the company's employees are fairly rewarded for their contribution to the company's performance. The company's remuneration philosophy is to ensure salaries and related benefits are competitive relative to other mining companies. Specifically, the committee, on behalf of the board, approves the employment contracts and remuneration packages of senior management, ratifies the appointment of senior management other than directors, and approves any short-term incentive schemes and bonuses, including the offer of options in terms of the rules of the Northam Share Option Scheme. In addition, the committee approves the mandate in regard to negotiations with trade unions and oversees implementation of and compliance with the requirements of the Employment Equity Act and the administration of the company's share incentive scheme.

In keeping with the recommendations of King 2, Mr A S Malone, an independent non-executive director, was appointed chairman in the place of Mr T M G Sexwale on 6 August 2003.

Communication

The company has a policy of communicating openly and regularly with its shareowners, employees and other stakeholders. Communications with shareowners exceed the statutory requirements and include press releases, briefings and a website. Communications with employees and other stakeholders are in the form of an in-house news publication and regular briefings.

Directorate and senior management

Directors

Michael Edward Beckett (67) *(British) BSc, FIMM*
Independent non-executive director.
Joined the board in 1999.
Chairman of Ashanti Goldfields plc, Clarkson plc and Oxus Gold plc. Director of Orica Pty and Queens Moat House plc.

Dorian Theodore Gerald Emmett (51) *BSc (Elec Eng) Wits, MBL (cum laude)*
Non-executive director.
Joined the board in 2001.
Chief operating officer, Anglo Platinum.

Ralph Havenstein (47) *MSc (Chemical Engineering)*
Non-executive director.
Joined the board in 2003.
Chief executive officer, Anglo Platinum.

Anthony Simon Malone (59) *BSc, MBL*
Independent non-executive director.
Joined the board in 1999.
Executive chairman of Metorex Limited.

Eric Molobi (58) *BA*
Non-executive director.
Joined the board in 2000.
Executive Chairman of Kagiso Trust Investment Company (Proprietary) Limited. Director of Imperial Bank Limited, Imperial Holdings Limited, Mvelaphanda Resources Limited, Rembrandt Group Limited and a number of other companies. A member of the Council of the University of Stellenbosch.

Tokyo Mosima Gabriel Sexwale (50) *Cert Bus Studies (Univ Botswana, Lesotho and Swaziland)*
Non-executive director.
Joined the board in 2000 and appointed chairman later that year.
Chairman of Mvelaphanda Resources Limited and Trans Hex Group Limited and a director of ABSA Group Limited and Gold Fields Limited. Trustee of the Nelson Mandela Foundation, Business Trust and serves as Honorary Consul General of Finland.

Roeland Herman Hendrik van Kerckhoven (51) *(Belgian) BCom, MBL*
Non-executive director.
Joined the board in 2000.
Executive director: finance and corporate development, Anglo Platinum.

Bernard Renier van Rooyen (69) *BA LLB*
Non-executive director.
Joined the board in 1999.
Deputy Chairman of Trans Hex Group Limited and director of Banro Corporation, Gold Fields Limited, Mvelaphanda Resources Limited, Rand Water and The Cementation Company (Africa) Limited.

Mark John Willcox (33) *BA, LLB, Post Grad Dip Tax*
Non-executive director. Joined the board in 2000.
Director of Mvelaphanda Resources Limited and Trans Hex Group Limited.

Senior Management

Glyn Lewis (46) *BSc (Mining Engineering), MBA*
General manager. Joined Northam in 2001.
Appointed general manager in 2002.

Peter Badenhorst (48) *NHD (Mining)*
Manager – production. Joined Northam in 1993.
Appointed manager – production in 1999.

Mario Gericke (36) *BSc (Mining Engineering)*
Manager – production. Joined Northam in 1994.
Appointed in current position in 2002.

Tinus Fourie (46) *BCom*
Manager – financial services.
Appointed to the company as manager – financial services in 2001.

Rob Kendall (48) *Pr Eng*
Manager – engineering services. Joined Northam in 1990. Appointed in current position in 2001.

Danie Minnaar (47) *Pr Eng, B Eng (Metallurgy), BCom*
Manager – metallurgical operations.
Joined Northam in current position in 2001.

Rene Rautenbach (46) *NHD (Mining)*
Manager – projects. Joined the company in 2001.
Appointed in current position in 2002.

Richard Viring (49) *BSc (Hons), Pr Sci Nat, GDE*
Manager – mineral resources.
Joined the company in 1994 and was appointed manager – mineral resources in 2000.

Derek Wolstenholme (53) *CA (SA)*
Corporate finance manager.
Appointed to the company as corporate finance manager in 1999.

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Forward-looking statements
Certain forward looking statements are contained in this report which may include, without limitation, expectations regarding platinum group metal prices, estimates of platinum group metal production, operating expenditure, capital expenditure and projections regarding the completion of capital projects as well as the financial position of the company.

Although Northam believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be accurate.

Accordingly, results could differ materially from those projected as a result of, among other factors, changes in economic and market conditions, changes in the regulatory environment and other business and operational risks.

Grateful acknowledgement to Johnson Matthey and PGI for certain photographs in this report. Produced by Russell and Associates