

REGISTERED NO: 2718766

MNG INVESTMENTS LIMITED

Annual Report
and Accounts

2004

Registered office:

4 Grosvenor Place
LONDON, SW1X 7YL



MNG INVESTMENTS LIMITED

REPORT OF THE DIRECTORS

The Directors submit herewith their Report together with the audited Accounts for the year ended 30 September 2004.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is an investment holding company. The principal subsidiaries are reflected in Note 3 of the accounts.

FINANCIAL RESULTS FOR THE YEAR

The Accounts for the year ended 30 September 2004 show a loss on ordinary activities before and after taxation of £1,463,000 (2003: £5,552,000).

The Directors do not propose the payment of a dividend for the year (2003: £Nil). The retained loss for the year amounted to £1,463,000 (2003: £5,552,000).

FIXED ASSETS

As noted in the Accounts, the net book value of the Company's fixed assets were £1,970,000 at 30 September 2004 (2003: £1,970,000).

DIRECTORATE

The present Board of the Company is set out below.

B A MILLS	(appointed 29 March 2004)
G E HASLAM	(retired 26 March 2004)
C J DAVIES	
J N ROBINSON	
R C BELLHOUSE	(appointed 1 March 2004)

Messrs Davies and Robinson served throughout the year.

DIRECTORS' INTERESTS

According to the Company's Register of Directors' Interests, the following interests have been disclosed in the share capital of LONMIN Plc:-

LONMIN PLC - Ordinary Shares

	Shares		Number of shares under option				30.09.04 Shares of US\$1 each
	Shares of US\$1 each 01.10.03	Shares of US\$1 each 30.09.04	01.10.03 Shares of US\$1 each	Granted US\$1 each	Exercised	Lapsed	
R C BELLHOUSE	500*	500	11,446*	12,790	-	-	24,236
C J DAVIES	41,324	52,528	75,334	16,433	38,194	-	53,573

* At date of appointment

The share interests of Messrs Mills and Robinson are not disclosable by this Company as they are also Directors of the Company's holding company, Lonmin Plc, and their share interests are disclosable by that company.

By Order of the Board


T C HERITAGE
FOR THE SECRETARIES
THE AFRICAN INVESTMENT TRUST, LIMITED
20 JANUARY 2005

REGISTERED OFFICE:
4 GROSVENOR PLACE
LONDON SW1X 7YL

NOTICE TO SHAREHOLDERS

Notwithstanding the existing Elective Resolution to dispense with the laying of accounts and reports before the Company in general meeting, notice is hereby given that any member of the Company may require the laying of these accounts and reports before a general meeting of the Company.

Under Section 253(2) of the Companies Act 1985 such right is exercisable by a member giving notice in writing to that effect deposited at the registered office of the Company before the end of the period of 28 days commencing with the date shown above (being the date on which the accompanying accounts and reports were sent to members).

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those financial statements, the Directors are required to:

- (i) select suitable accounting policies and then apply them consistently;
- (ii) make judgements and estimates that are reasonable and prudent;
- (iii) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- (iv) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
MNG INVESTMENTS LIMITED

We have audited the financial statements on pages 4 to 8.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the Company is not disclosed.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 30 September 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor
London

31 January 2005

MNG INVESTMENTS LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 SEPTEMBER 2004

	Notes	<u>2004</u>	<u>2003</u>
		£000	£000
OPERATING PROFIT		-	-
Amounts provided against investments	3	(1,463)	(5,552)
LOSS ON ORDINARY ACTIVITIES BEFORE AND AFTER TAXATION	2	<u>(1,463)</u>	<u>(5,552)</u>
RETAINED LOSS FOR THE FINANCIAL YEAR		<u>(1,463)</u>	<u>(5,552)</u>
DEFICIT BROUGHT FORWARD		(9,961)	(4,409)
DEFICIT CARRIED FORWARD		<u>(11,424)</u>	<u>(9,961)</u>

The attached notes on pages 6 to 8 form part of these Accounts.

The Company has made no acquisitions nor discontinued any operations within the meaning of Financial Reporting Standard 3 during 2004 and 2003.

The Company has no recognised gains or losses other than the result for the years ended 30 September 2004 and 2003. Therefore, no statement of recognised gains or losses is given.

MNG INVESTMENTS LIMITED


BALANCE SHEET

30 SEPTEMBER 2004

	<u>Notes</u>	<u>2004</u> £000	<u>2003</u> £000
FIXED ASSETS			
Investments			
Shares in subsidiaries	3	<u>1,970</u>	<u>1,970</u>
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	4	<u>(13,394)</u>	<u>(11,931)</u>
NET CURRENT LIABILITIES		<u>(13,394)</u>	<u>(11,931)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(11,424)</u>	<u>(9,961)</u>
CAPITAL AND RESERVES			
Called up share capital	5	-	-
Profit and Loss account		<u>(11,424)</u>	<u>(9,961)</u>
EQUITY INTERESTS		<u>(11,424)</u>	<u>(9,961)</u>

The Accounts on pages 4 to 8 were approved by the Board of Directors on 20 JANUARY 2005
and were signed on its behalf by :-

Director



J. N. ROBINSON

MNG INVESTMENTS LIMITED

NOTES ON THE ACCOUNTS

30 SEPTEMBER 2004

1. ACCOUNTING POLICIES

ACCOUNTING CONVENTION

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

A going concern basis has been adopted despite the deficiency of net assets on the grounds that the ultimate parent company, Lonmin Plc, has undertaken to provide financial support to MNG Investments Limited to enable it to meet its liabilities as they fall due.

Under Financial Reporting Standard No.1, the Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking.

The Company is controlled by Lonmin Plc and is exempt from disclosing related party transactions with it and other Group undertakings under Financial Reporting Standard No. 8 as it is a wholly-owned subsidiary undertaking included within the consolidated financial statements which are publicly available.

INVESTMENT INCOME

Income from shares in group companies is incorporated in the Accounts as an amount receivable in the period in respect of which the dividend was declared, except where, in the opinion of the Directors the remittability of the dividend is uncertain, in which case the income is accounted for on a received basis.

GROUP ACCOUNTS

The Company is exempt from the requirement to prepare Group accounts under S228 (1) and (2) of the Companies Act 1985 being itself a wholly owned subsidiary undertaking of Lonmin Plc - a company registered in England and Wales.

DEFERRED TAXATION

FRS 19 requires deferred tax to be provided on a full provision basis. The adoption of FRS 19 has not led to the Company recording a deferred tax asset or liability in the current or prior period.

2. LOSS ON ORDINARY ACTIVITIES BEFORE AND AFTER TAXATION

No emoluments were paid to the Directors during the year (2003: £Nil).

Details of Directors share option movements are shown within the Directors Report.

MNG INVESTMENTS LIMITED

NOTES ON THE ACCOUNTS

Continued

30 SEPTEMBER 2004

3. SHARES IN SUBSIDIARIES

	<u>Cost</u>	<u>Unlisted</u> <u>Provision</u>	<u>Net</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>
At 30 September 2003	11,931	(9,961)	1,970
Additions	1,463	-	1,463
Provisions	-	(1,463)	(1,463)
At 30 September 2004	<u>13,394</u>	<u>(11,424)</u>	<u>1,970</u>

The principal subsidiary undertakings of the Company at 30 September 2004 were as follows :-

<u>Subsidiary Undertakings & Country of Incorporation</u>	<u>Class of Shares</u>	<u>% holding of issued capital</u>		<u>Principal activity</u>
		<u>Direct</u>	<u>Indirect</u>	
<u>Incorporated in Australia</u>				
Lonmin Australia Pty Ltd	Ordinary	100.0	-	Investment holding company
Platinum Australia Ltd	Ordinary	-	37.9	A platinum mining company in Australia
<u>Incorporated in Canada</u>				
Lonmin Canada Inc	Ordinary	100.0	-	Investment holding company

In the opinion of the Directors of the Company the aggregate value of the assets of the Company consisting of shares in, or amounts owing (whether on account of a loan or otherwise) from, the Company's subsidiaries is not less than the aggregate of the amounts at which those assets are stated or included in the balance sheet. The financial statements present information about the Company and not about its group.

	<u>2004</u>	<u>2003</u>
	<u>£000</u>	<u>£000</u>
<u>4. CREDITORS:</u> Amounts falling due within one year		
Amounts due to ultimate parent company	<u>13,394</u>	<u>11,931</u>

MNG INVESTMENTS LIMITED

NOTES ON THE ACCOUNTS Continued

30 SEPTEMBER 2004

5. CALLED UP SHARE CAPITAL

	<u>2004</u> <u>£000</u>	<u>2003</u> <u>£000</u>
<u>AUTHORISED</u>		
At 30 September 2004 and 2003		
1000 Ordinary Shares of £1 each	<u>1</u>	<u>1</u>

ISSUED AND FULLY PAID UP

At 30 September 2004 and 2003		
2 Ordinary Shares at £1 each	<u>-</u>	<u>-</u>

6. ULTIMATE PARENT COMPANY

The Company's ultimate parent company is Lonmin Plc, a company registered in England and Wales.

The parent undertaking of the only group of undertakings for which group accounts are drawn up, and of which the Company is a member, is Lonmin Plc.

Copies of the consolidated accounts of Lonmin Plc can be obtained from The Secretary, Lonmin Plc, 4 Grosvenor Place, London, SW1X 7YL or from the Registrar of Companies, Crown Way, Maindy Cardiff CF4 3UZ.