Certain statements in this report constitute forward looking statements that are neither reported financial results nor other historical information, include but are not limited to statements that are predictions of or indicate future earnings, savings, synergies, events, trends, plans or objectives. Such forward looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from the future results, performance or achievements expressed or implied by such forward looking statements. Such risks, uncertainties and other important factors include among others: economic, business and political conditions in South Africa; decreases in the market price of commodities; hazards associated with underground and surface mining; labour disruptions; changes in government regulations, particularly environmental regulations; changes in exchange rates; currency devaluations; inflation and other macro-economic factors; and the impact of the AIDS crisis in South Africa. These forward looking statements speak only as of the date of publication of these pages.

The Company undertakes no obligation to update publicly or release any revisions to these forward looking statements to reflect events or circumstances after the date of publication of these pages or to reflect the occurrence of unanticipated events.
Perfect diversified commodity mix

**ARM market capitalisation:** R50 billion or $6.5 billion

**ARM share price:** R235 per share at 25 August 2008

Growing diversified commodity business

Attributable EBIT split between operations

12 months to 30 June 2007

- **Iron Ore** 20.6%
- **Manganese** 19.3%
- **Chrome** 2.6%
- **Platinum Group Metals** 37.0%
- **Thermal Coal** 0.3%

12 months to 30 June 2008

- **Iron Ore** 8.6%
- **Manganese** 49.1%
- **Chrome** 7.5%
- **Thermal Coal** 0.7%
- **Platinum Group Metals** 24.4%

* Nkomati operating profit split:
  - Nickel (86%) and Chrome (14%)

* Nkomati operating profit split:
  - Nickel (44%) and Chrome (56%)
Continuous focus on reducing costs

ARM target for operations on the respective global cost curves by 2012 (steady state)

Commodity unit cash cost

ARM Coal structure

Role of partnership:
- Access to good coal assets
- Access to coal markets
- Exposure to XCSA expertise
- Funding facilitation
- Successful black owned entity
- Access to Eskom and RBCT
- Fuels the spirit of MPRDA
- Vehicle for future growth
- Contribute and share mining skills and experience
- Building good relationships in the rest of Africa
* Operational complexes and future prospects under joint evaluation

ARM Coal EBIT profile

EBIT – attributable to ARM Coal
F2008: R329 million

<table>
<thead>
<tr>
<th>Year</th>
<th>PCB</th>
<th>GGV</th>
</tr>
</thead>
<tbody>
<tr>
<td>F2007</td>
<td>7</td>
<td>90</td>
</tr>
<tr>
<td>F2008</td>
<td>284</td>
<td>45</td>
</tr>
</tbody>
</table>
ARM Coal operational statistics

<table>
<thead>
<tr>
<th></th>
<th>F2008</th>
<th>F2007</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total production and sales</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Saleable production Mt</td>
<td>25.3</td>
<td>23.1</td>
<td>9</td>
</tr>
<tr>
<td>Export thermal coal sales Mt</td>
<td>13.7</td>
<td>13.6</td>
<td>1</td>
</tr>
<tr>
<td>Domestic thermal coal sales Mt</td>
<td>13.2</td>
<td>9.0</td>
<td>47</td>
</tr>
<tr>
<td><strong>Attributable production and sales</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Saleable production Mt</td>
<td>5.2</td>
<td>4.5</td>
<td>16</td>
</tr>
<tr>
<td>Export thermal coal sales Mt</td>
<td>2.8</td>
<td>3.0</td>
<td>-7</td>
</tr>
<tr>
<td>Domestic thermal coal sales Mt</td>
<td>2.8</td>
<td>1.7</td>
<td>65</td>
</tr>
<tr>
<td><strong>Average received coal price</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Export (FOB) US$/t</td>
<td>58.5</td>
<td>44.5</td>
<td>31</td>
</tr>
<tr>
<td>Domestic (FOR) R/t</td>
<td>104.3</td>
<td>70.0</td>
<td>49</td>
</tr>
<tr>
<td>On mine saleable cost R/t</td>
<td>148.4</td>
<td>147.9</td>
<td>-1</td>
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<tr>
<td><strong>Cash operating profit</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total R million</td>
<td>2 620</td>
<td>1 387</td>
<td>89</td>
</tr>
<tr>
<td>Attributable R million</td>
<td>540</td>
<td>268</td>
<td>101</td>
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<tr>
<td>Headline earnings attributable to ARM</td>
<td>175</td>
<td>1</td>
<td>&gt;500</td>
</tr>
</tbody>
</table>

Impact of Eskom 10% electricity cuts

- Limited impact from load shedding on all coal operations of XCSA, however infrastructure related power disruptions more significant
- Industry awaits clarification of Eskom’s proposed power conservation programme (PCP) and implementation for Q4’08 inclusive of regulatory process (Nersa), power allocations and tariff structure
- However measures in place to reduce consumption include:
  - Stoppage of less efficient plants (Phoenix plant)
  - On-mine power saving strategies and energy efficiency programmes
  - Introduction of diesel generators
  - Diesel instead of electric shovels chosen at GGV
- Increase in Eskom coal supply year on year, especially from GGV
Goedgevonden Coal Project

Goedgevonden Coal Project (GGV) is 51% owned by ARM Coal and 49% owned by Xstrata

6.7 mtpa saleable thermal coal

- 3.2 mtpa export sales
  - 27.5 mj/kg
- 3.5 mtpa domestic sales
  - 22 mj/kg

- ARM Coal has secured 3.2 mtpa additional capacity at Richard’s Bay Coal Terminal (RBCT)
- Eskom off-take negotiations ongoing
- In close proximity to 4 power stations
- Supplying a premium product (washed and sized)

Project released 2007
Open cast mine expected to produce lower quartile of global cost curve
Ramp-up: 2009
Full production: 2011

Capital cost of R3.2 billion, 70% committed, funded by Xstrata Coal
Goedgevonden orebody

- Multi Seam and Multi-product
  - Three different seams namely: 2 Seam, 4 Seam and 5 Seam
  - Eskom washed product of 22MJ/kg
  - Export 6,000 kcal/kg (27.5 MJ/kg) product
  - 5 Seam for local ferrochrome/alloys market
- Average strip ratio of 2.2 bcm/tonnes
- Mineable reserves of 357 Mt ROM, life of mine is 33 years
- Product yield of 55% (12 Mt ROM and 6.7 Mt salable product)
Project update

- 5 km of provincial road diversion
- 14 km of stream diversion (initial 7 km, and further 7 km over LOM)
- Construction of 10 km of rail link from GGV to Saaiwater siding to link into Transnet’s Richards Bay dedicated coal line
- 2 x 1000 tph primary DMS multi-product coal processing plant
- Stacker and tunnel reclaim system with rapid loading rail terminal
- Mine residue facility
- Pit development, using draglines and diesel truck / shovels
- General mine infrastructure (offices, workshops, etc.)
- Eskom dispatch options (rail / road and conveyor)
Project key milestones

- Road diversion
  - East Portion in May 2008
  - West Portion in Aug 2008
- Bridges
  - Rail over Rail in July 2008
  - Rail over Road in July 2008
  - Road over Rail in July 2008
  - Rail over Stream in July 2008
- River Diversion (Northern Portion) in August 2008
- Commissioning of mining equipment fleet in August 2008

Construction site
Conclusion

• ARM Coal has established a track record of operational performance and project delivery
• Addition of coal into the portfolio has added value to ARM
• Partnership with Xstrata has been very rewarding
• ARM Coal’s BEE credentials facilitated the license conversion at GGV and Zaaiwater and 3.2 million tonne RBCT Phase V allocation
• Goedgevonden Coal Project is well in track for delivery on time and on budget
• Current Xstrata prospecting licenses are being reviewed for further ARM Coal growth opportunities

Thank you