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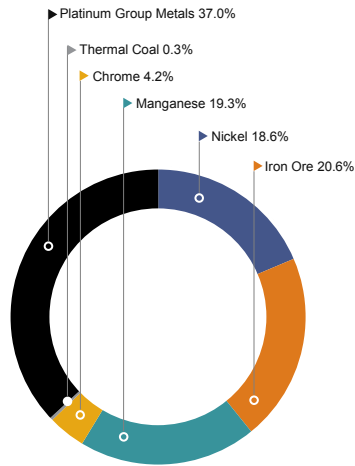
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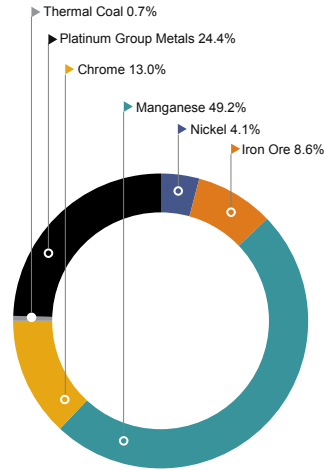
ARM Overview

Attributable EBIT split between commodities
(excluding corporate and exploration costs)

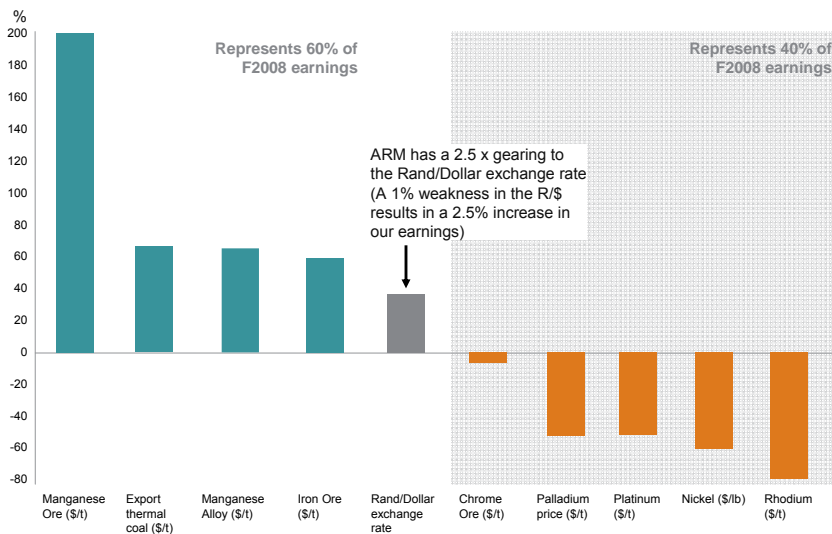
F2007



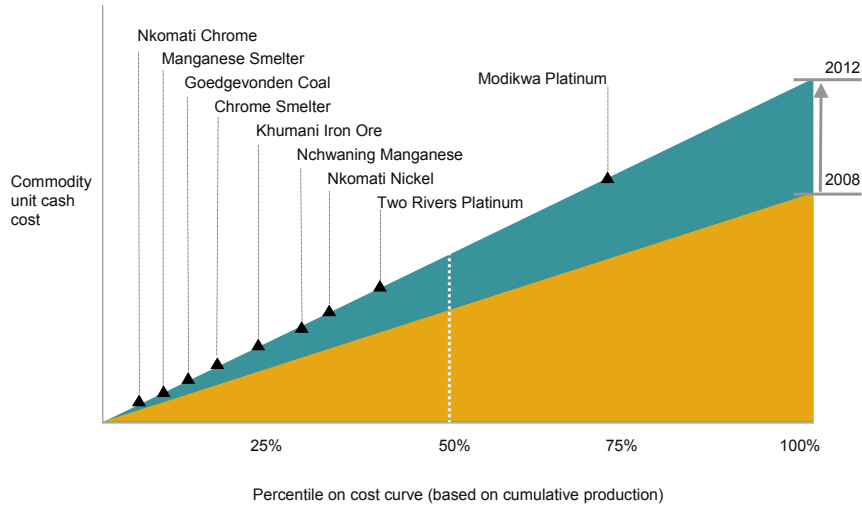
F2008



F2008 change to spot prices (at 3 November 2008)



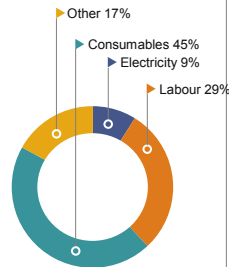
ARM target for operations on the respective global cost curves by 2012 (benchmarked at steady state)



ARM Ferrous

- Most operations at **90%** of steady-state demand
- Some offset between operations possible, ensuring limited impact on operations
- Khumani has committed supply from Eskom

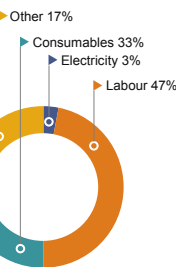
Approximate on mine and smelter cash cost split



ARM Platinum

- All operations operating at **90%** of steady-state demand
- No significant impact on operations
- Nkomati has committed supply from Eskom – but 12 to 18 months late
- Projects in ramp-up not expected to be negatively impacted due to contingency plans

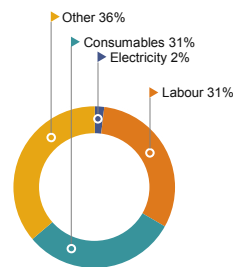
Approximate on mine cash cost split



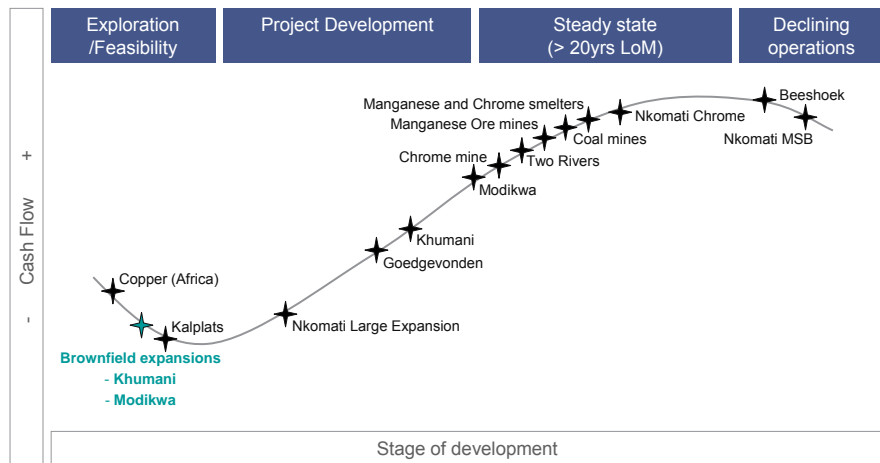
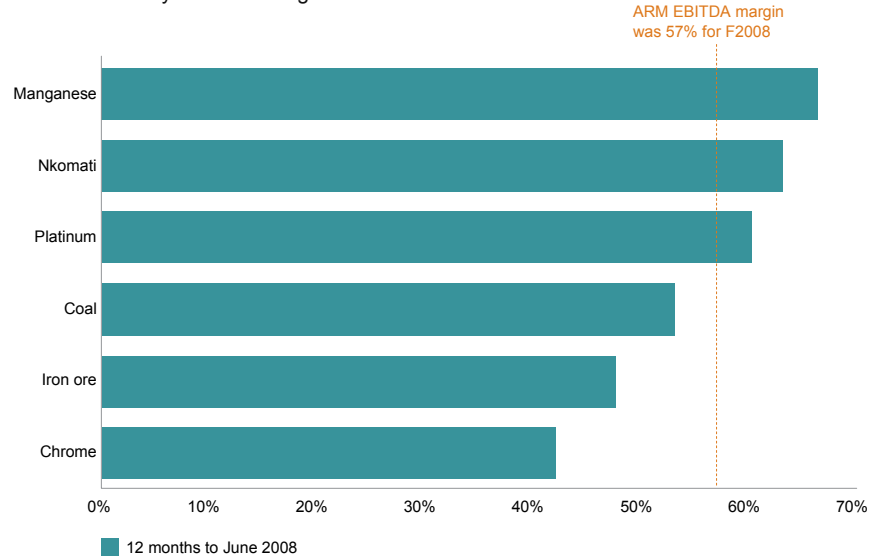
ARM Coal

- All operations at **100%** as Eskom requires uninterrupted coal supply from the mines
- GGV presently installing new electrical supply

Approximate on mine cash cost split



ARM Commodity EBITDA margins



More matured portfolio with lower risk profile and stronger balance sheet

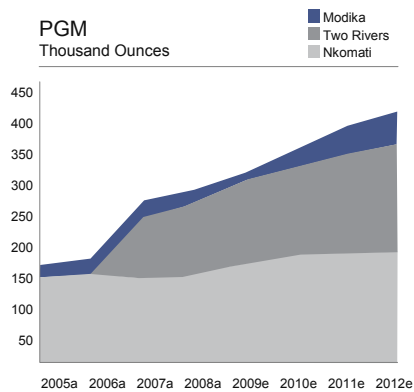
Delivering on growth plans

Operation 100% basis	ARM's % ownership	Operation stage	Units	Volumes F2008	Volumes F2007	% change	Life of mine (years)
ARM Platinum				Production	Production		
Modikwa Platinum Mine	41.5	Steady-state	PGM oz	294 721	274 174	7	30 on UG2
Two Rivers Platinum Mine	55.0	Steady-state	PGM oz	206 491	184 099	12	20
Nkomati Nickel Mine	50.0	Ramp-up	t	5 136	4 418	16	18
Nkomati Chrome Mine	50.0	Steady-state	000t	1 145	584	96	18
ARM Ferrous				Production	Production		
Nchwaning Manganese Mine	50.0	Steady-state	Mt	2.74	2.41	14	30
Gloria Manganese Mine	50.0	Steady-state	Mt	0.42	0.43	(2)	30
Dwarsrivier Chrome Mine		Approaching Steady-state	Mt	0.85	0.71	20	30
Beeshoek Iron Ore Mine	50.0	Downscaling	Mt	4.49	6.68	(33)	7
Khumani Iron Ore Mine	50.0	Development and ramp-up	Mt	1.85*	First blast in May 2007	-	30
Manganese Alloys	50/25	Steady-state	Mt	0.26	0.34	(24)	n/a
Charge Chrome	50	Steady-state	Mt	0.27	0.24	12	n/a
ARM Coal				Sales	Sales		
Participating Coal Business (PCB)							
- 55% export thermal coal	20.2	Steady-state	Mt	24.0	21.7	11	27
Goedgevonden Coal Project							
- 17% export thermal coal	26.0	Ramp-up	Mt	2.9	1.0	190	33

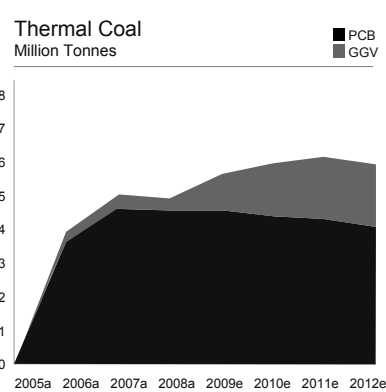
*1.2 Mt produced at Beeshoek by processing run of mine ore from Khumani

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PGM
Thousand Ounces

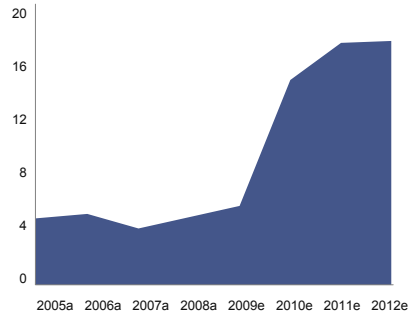


Thermal Coal
Million Tonnes

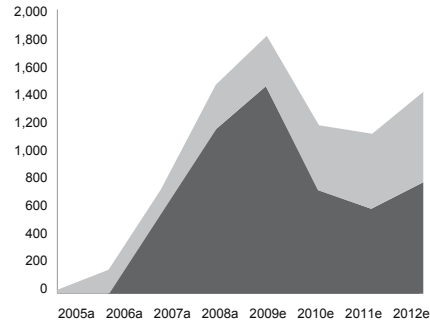


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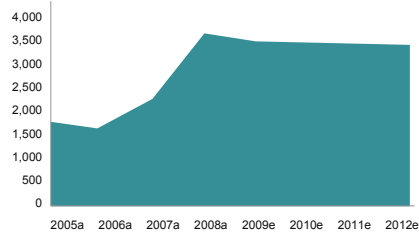
Nkomati Nickel
Thousand Tonnes



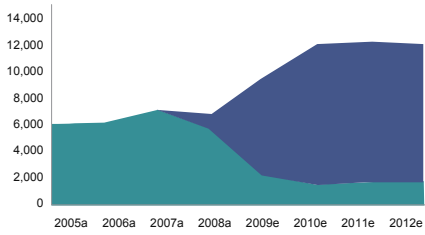
Chrome Ore
Million Tonnes



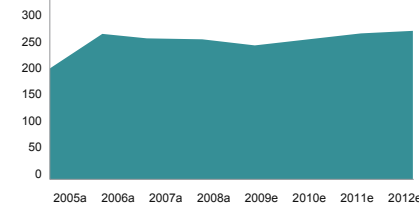
Manganese Ore
Thousand Tonnes



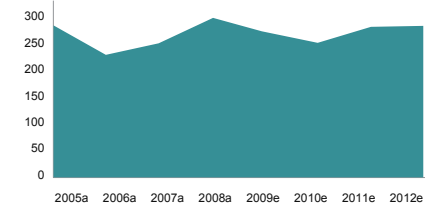
Iron Ore
Thousand Tonnes



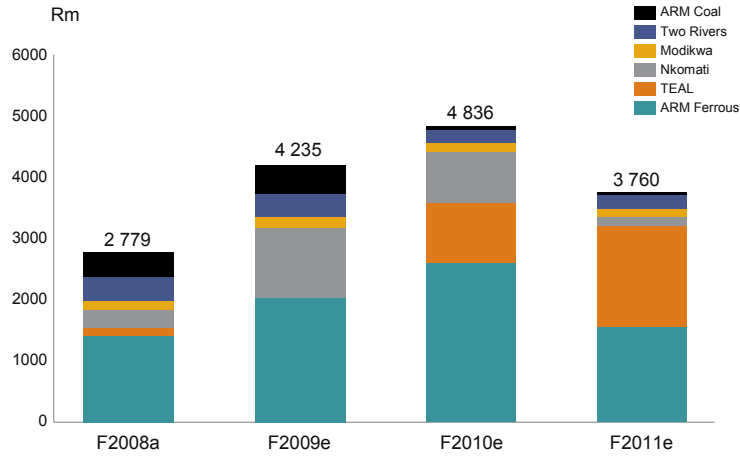
Ferro Manganese
Thousand Tonnes



Charge Chrome
Thousand Tonnes



Attributable capital expenditure by division



- Strong EBITDA of R7.2 billion generated for the 12 months under review
- All projects fully funded

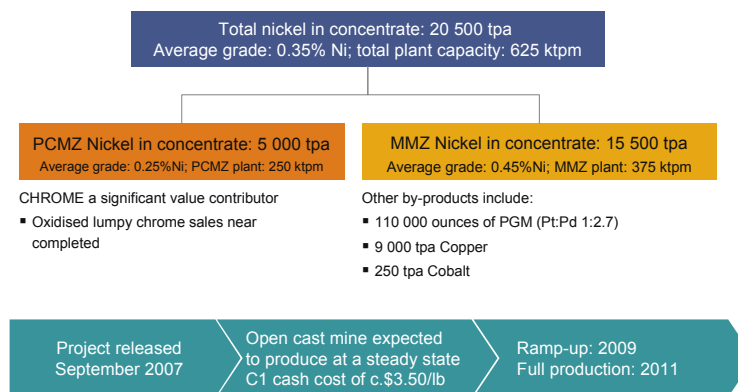
Sufficient capacity to fund growth platforms

R million	Per balance sheet	Net debt calculation	
		2008	2007
Long term interest bearing borrowings	2 254		
Short term interest bearing borrowings	1 724		
Total interest bearing borrowings	3 978	3 978	4 044
	Assmang (50%)	270	
	ARM Company*	1 286	
	Modikwa	256	
	TEAL	450	
	Two Rivers	224	
	Two Rivers (loan from Impala)	635	(625)
	ARM Coal (loan from Xstrata)	857	(501)
ARM attributable total debt		2 486	2 918
Cash and cash equivalents		(2 660)	(1 063)
Net (cash)/debt (excluding partner loans)		(174)	1 855

*Utilised primarily for investments into ARM Coal and Two Rivers

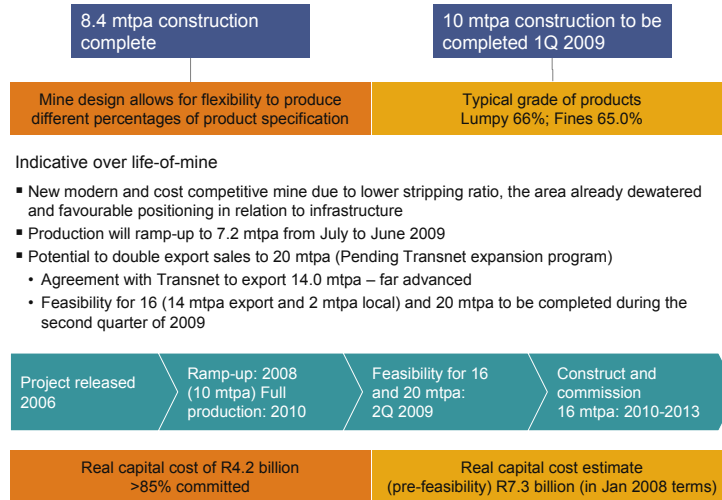
- Absolute focus on safety over the past four years – ARM has performed significantly better than the industry
- ARM's performance over past financial year has however been mixed: progress was made in certain areas, but opportunities for improvement exist in others
- Modikwa achieved 3 million consecutive fatality free shifts on 14 February 2008
- Safety, Health and Environment Department restructured, Group Safety, Health and Environment Manager appointed
- Number of ARM employees (including contractors) have increased from 13 632 to 17936 over past year

Nkomati Nickel is a 50:50 JV between ARM and Norilsk Nickel

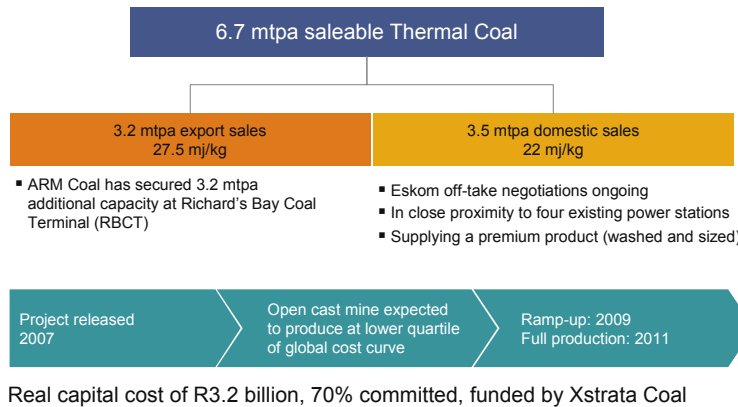


Real capital cost of R3.2 billion (in 2007 terms), >50% committed, mainly funded from Nkomati cash flows

Khumani Iron Ore Mine is 50% owned by ARM and 50% by Assore



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



F2008 objectives	F2008 performance	F2009 objectives
Modiwa		
Achieve steady-state production during F2008	Steady-state production level achieved on a monthly basis in the latter part of F2008	Achieving full year of steady state production at 330 000 PGM oz
Complete a conceptual study to increase the mine size in a modular and incremental manner	<ul style="list-style-type: none"> ▶ Conceptual study was completed ▶ South mine appears feasible, of similar size to existing operations ▶ North mine constrained by water and power shortages 	Convert conceptual study to pre-feasibility study
Two Rivers		
Achieve steady state production in 2008	Steady state production level achieved on a monthly basis	Achieve full year of steady state production at 220 000 PGM oz
Complete North Decline at a capital cost of R231 million	Construction and development scheduled to be completed in November 2008 at a final capital cost of R250 million	
Nkomati		
Commission the 100 000 tpm plant on schedule and within budget	Commissioned ahead of schedule and on budget	Achieve targeted production from 100 000 tpm plant
Produce 1 Mt of oxidized chrome ore in F2008	On target with more than 1.1 Mt produced during the year	Produce more than 1 Mt of chrome ore for F2009
Deliver the Large Scale Expansion Project on time and within budget	The Large Scale Expansion project is progressing on time and within budget	Commission the 375 000 tpm MMZ plant in Q4 2009
Complete feasibility study in 2008 to examine the viability of building an Activox refinery	Feasibility study was completed and the decision was taken that Activox is not currently viable for the Nkomati Large Scale Expansion Project	Evaluate alternative smelting and refining arrangements
Kalplats		
Complete pre-feasibility study at the beginning of the 2008 calendar year	The pre-feasibility was not completed as expected and has been combined with a feasibility study	Complete a feasibility study by the end of the 2009 calendar year

F2008 objectives	F2008 performance	F2009 objectives
Khumani Iron Ore Mine and plant substantially commissioned	Khumani Mine was substantially commissioned	Complete commissioning of the 2 nd phase of the 10 Mtpa Khumani Mine
Complete pre-feasibility study for a 16 Mtpa and 20 Mtpa Khumani Mine	Pre-feasibility studies completed and start-up capital approved	Complete feasibility study. Finalise additional 4 Mtpa iron ore export contract with Transnet. Finalise life-of-mine plan for Beeshoek Iron Ore Mine, for local contract sales
Achieving planned production, costs and sales volumes	All operations except Cato Ridge Works achieved and in some cases exceeded production and sales volumes	Finalise manganese export contract beyond 2009 with Transnet
Submit mining licence conversions for manganese and chrome mines	Submitted	Finalise submissions and obtain converted mining licences Submit mining licence conversions application for Beeshoek Iron Ore Mine

F2008 objectives	F2008 performance	F2009 objectives
Participating Coal Business (PCB)		
Maintain export sales volumes	Export volumes flat	Maintain export volumes
Increase local sales volumes	Local sales increased approximately 47% per energy unit of coal sales	Maintain domestic sales but at increased prices
Commission 5 seam operation at Southstock	Commission opencast and commenced underground workings	To ramp-up underground production at Southstock 5 seam
Restructure DTJV with BECSA	Interim phase applies for 18 months from January 2008	Extract synergy from plant, machinery and infrastructure
Goedgevoonden (GGV)		
Conclude volume contract/off-take with Eskom	Commenced volume contract negotiating for 3.5 Mtpa sales to Eskom	Conclude price negotiations for Eskom volume off-take contract
Maintain export sales from current operations	Export volumes maintained	Increase export sales
Increase local sales	Above two-fold sales increase	Maintain domestic sales but at increased prices per energy unit of coal sales
Ensure GGV project remains on schedule and within budget	Project on budget and on schedule	Start CHPP and ramp-up in first half of calendar 2009

F2008 objectives	F2008 performance	F2009 objectives
Zambia		
Continue the 18,000 metre exploration drilling programme at Konkola North's Area 'A'	Nearly 80% of the programme has been completed with encouraging drill results reported. The resource was independently verified as an inferred resource estimate amounting to 219 Mt grading 2.64% copper	Complete this phase of the drilling programme in order to assess the best way forward to further verify and upgrade this large resource base
Advance the feasibility study to assess the viability of mining the South and East Limb at Konkola North	Feasibility study is being revised to include the upgraded resource base of 51Mt at 2.35% copper, as well as updated capital and operating costs	To complete the feasibility study to an acceptable level so that the TEAL Board can make a go-ahead decision on this new copper mine
DRC		
Continue the exploration drilling programme at the Lupoto Copper Project, which forms part of TEAL's Kalumines licence area	Over 31,000 metres drilled and an initial resource reported (at a 0.5% copper cut-off): <ul style="list-style-type: none"> ▶ Indicated: 15.09 @ 2.32% copper; and ▶ Inferred: 9.13 @ 2.09% copper 	Complete the current exploration drill programme and independently verify a final resource, which will be used in a feasibility study for a large new copper mining operation
Namibia		
Continue the exploration drill programme to expand the resource base at the Otjikoto Gold Project	The indicated gold resource increased to 1.05Moz of gold, grading 1.40g/t, with an additional 877 000 ounces contained in the inferred category at a grade of 1.41g/t	Exploration drilling, specifically targeting high-grade sections of the orebody, to be continued to increase and upgrade the gold resource further

Minerals resource/reserve summary

Manganese	(Measured and Indicated)			(Proved and Probable)		
	Mineral Resources			Mineral Reserves		
	Mt	Mn%	Fe%	Mt	Mn%	Fe%
Nchwaning						
No 1 Seam	137.7	44.7	8.83	115.3	44.7	8.83
No 2 Seam	185.2	42.5	15.4	-	-	-
Gloria						
No 1 Seam	52.5	38.3	5.54	40.4	38.3	5.54
No 2 Seam	29.4	29.9	10.1	-	-	-

Iron Ore	(Measured and Indicated)		(Proved and Probable)		
	Mineral Resources		Mineral Reserves		
	Mt	Fe%	Mt	Fe%	
Beeshoek					
	120.4	63.55	22.9	64.28	
Khumani					
Bruce		265.0	64.69	215.3	64.5
King		379.7	64.49	295.6	64.52

Chromite	(Measured and Indicated)		(Proved and Probable)	
	Mineral Resources		Mineral Reserves	
	Mt	Cr ₂ O ₃ %	Mt	Cr ₂ O ₃ %
Dwarsrivier	44.0	39.16	35.1	39.16
Nkomati	4.6	31.04	2.9	31.0

Rounding of figures may result in computational discrepancies

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Minerals Resource/Reserve summary

Nickel	(Measured and Indicated)		(Proved and Probable)	
	Mineral Resources		Mineral Reserves	
	Mt	Ni %	Mt	Ni%
Nkomati	236.8	0.38	164.7	0.33

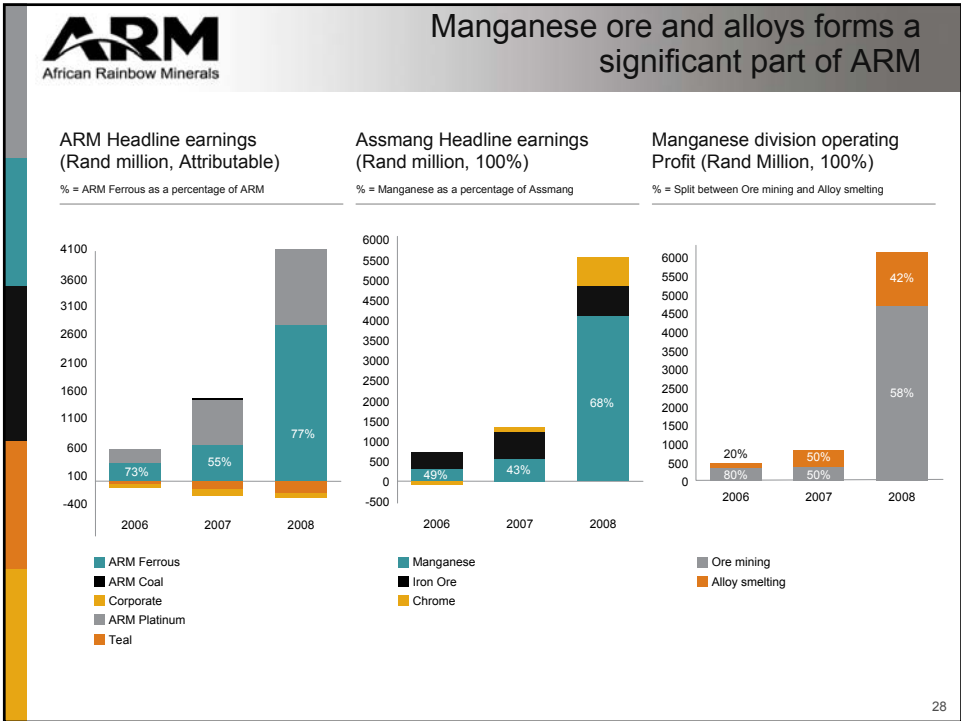
Platinum group metals	(Measured and Indicated)			(Proved and Probable)		
	Mineral Resources			Mineral Reserves		
	Mt	PGM + Au g/t	Moz	Mt	PGM + Au g/t	Moz
Two Rivers						
UG2	56.47	4.74 (6E)	8.60	39.51	4.02 (6E)	5.11 (6E)
Merensky	18.7	3.55 (6E)	2.06			
Modikwa						
UG2	115.2	5.61 (4E)	20.76	58.3	4.71 (4E)	8.84 (4E)
Merensky	65.5	2.67 (4E)	5.61			
Kalplats	7.12	1.7 (2E)				

2E=Pt+Pd
4E=Pt+Pd+Rh+Au
6E=Pt+Pd+Rh+Ir+Ru+Au

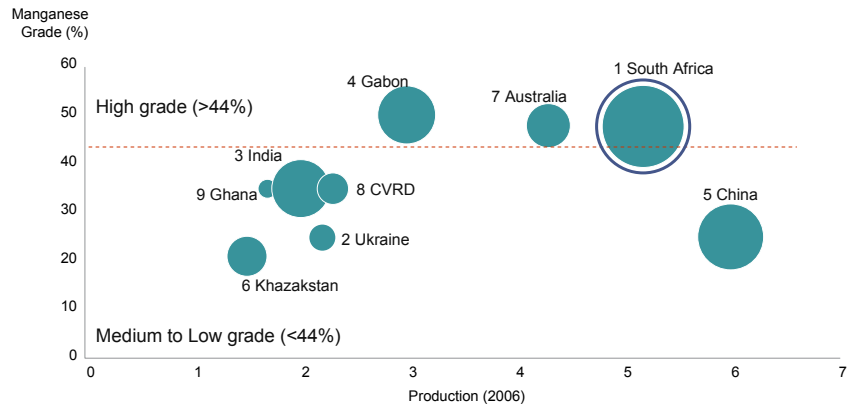
Coal	(Measured and Indicated)		(Proved and Probable)	
	Mineral Resources		Saleable	
	Mineral Reserves		Mt	Mt
Goedgevonden	570		357.4	194.1

Rounding of figures may result in computational discrepancies

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World manganese ore producing countries



Bubble size denotes contained manganese reserve base

Source: Hatch; IMNI; Assmang

ARM exposed to commodities where South Africa has top global rankings

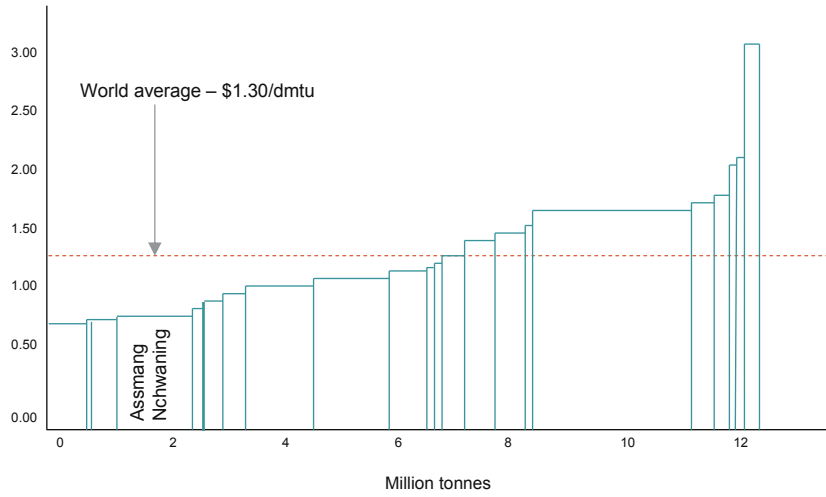
South Africa's role in world mineral reserves, production and exports (2006)

The DME's South African Mineral Industry 2006/2007 report

Commodity	Reserve Base		Production		Exports	
	%	Rank	%	Rank	%	Rank
PGMs	87.7	1	59.3	1	*	*
Manganese Ore	80.0	1	13.3	2	19.7	2
Chrome Ore	72.4	1	38.7	1	10.9	4
Gold	40.1	1	11.1	1	*	*
Nickel	8.4	5	3.1	9	*	*
Coal	6.1	8	4.5	5	8.4	4
Copper	1.4	14	0.7	16	*	*
Iron Ore	0.9	9	2.8	7	3.6	6
Ferro-Mn/Fe Si-Mn	*	*	6	4	16.4	2

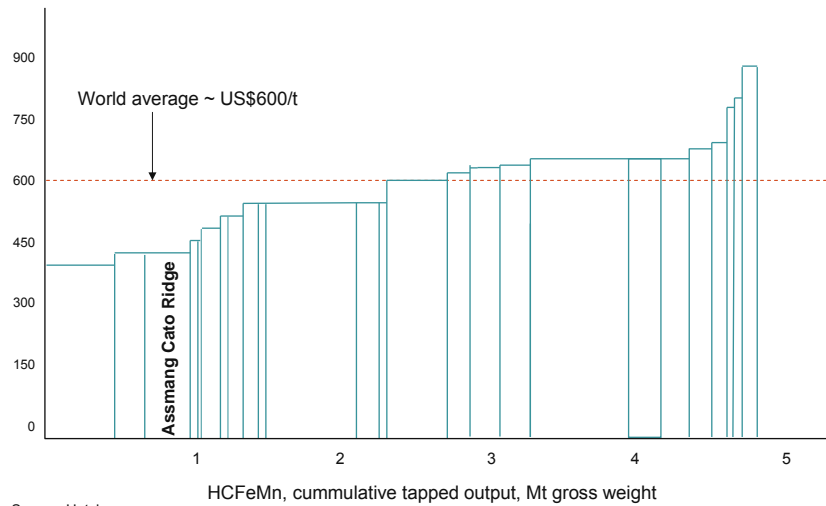
% = SA as a percentage of world
Rank = Ranked according to world

Mn ore cash cost curve, FOB port basis, 2006
US\$/dmu



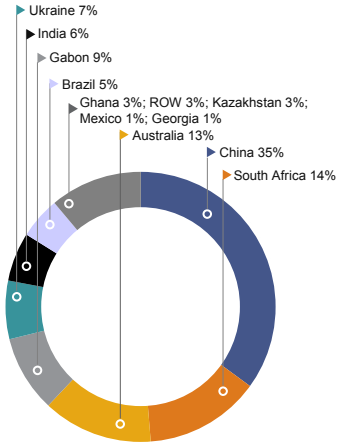
Source: Hatch

High Carbon Ferro Manganese cash cost curve
(captive ore transfer price, FOB port basis), 2006
US\$/t

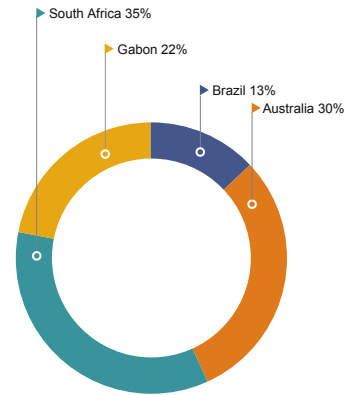


Source: Hatch

Mn Ore Production 2007
(gross tonnes)

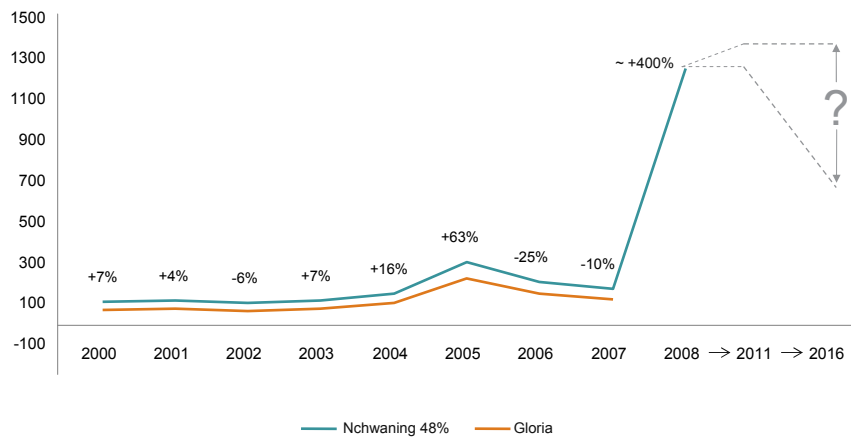


High Grade Mn Ore Production 2007
(gross tonnes)



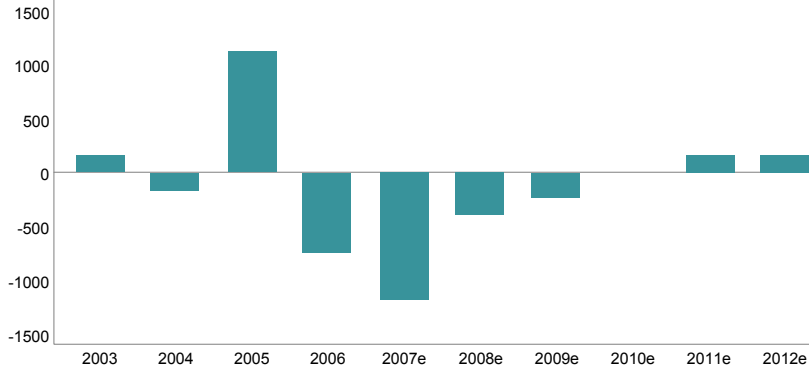
Source: CRU, IMnI, Hatch

Manganese Ore pricing - US cents per Mn unit, fiscal year



Source: Assmang

World Manganese Ore market balance
(Contained Mn, Thousand tonnes)



Source: CRU Jan 2007

Scope for change in manganese ore contained output over the next ten years

	Country	Output, Kt ¹	Potential for change
Potential for expansion	Australia	2 050	Current expansions (BHPB, OMH) plus exploration potential.
	Gabon	1 500	Large, high-grade undeveloped resources but remote location.
	South Africa	2 400	Greatest potential. Kalahari hosts world's largest Mn resources
	Ukraine	650	Large resources but low-grade ore. Tavrichesky may re-open
Stable output	Georgia	100	Low-cost mines but low-grade ore
	Ghana	600	Already operating at capacity. Limited resources
	India	800	Domestic oriented output
	Kazakhstan	200	High-cost mines, low-grade ore and remote location
	Others	50	No other countries host significant Mn resources
	Probable declines	Brazil	600
China		3 050	Long-term decline. Resources near exhaustion within 20 years
Total		12 000	Compared to ~30 million required over 20 years

Data: Hatch Beddows. Note 1. Mn contained

Increased consolidation in the market means more disciplined marketing

- Ukrainian, Georgian and Eastern European capacity now under Ukrainian ownership, particularly in Europe (Privat)
- Similar to Iron Ore producers

Backward integration of steelmakers into manganese

- Arcelor Mittal purchased the OFZ smelter in Slovakia and became partners in the Kalagadi mine and smelter project in South Africa

Reducing grades, particularly in China

- Grades fallen from around 26% to 19% Mn

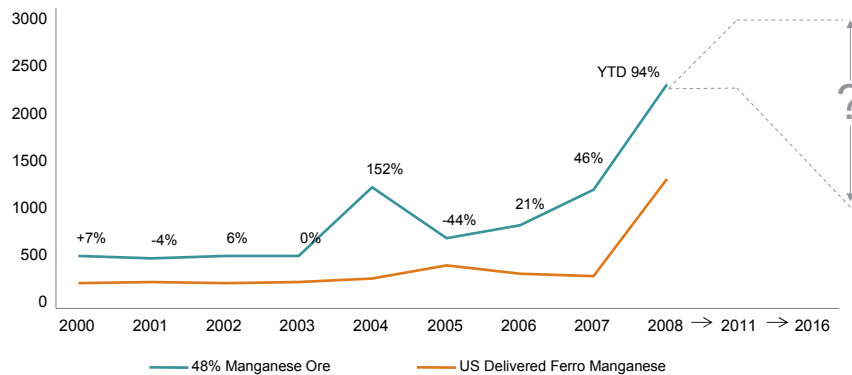
Rail and port bottlenecks continue – expansion slow and expensive

- Especially true for high grade producers
- South African export capacity expansion potential still being finalised
 - Accommodation of new BEE entrants

Production cost and capital pressures continue

- Labour ; Electricity ; Explosives ; Steel ; Tyres

Ferro Manganese Prices, Calendar year averages, US Delivered, \$/t



Source: Assmang

Increased raw material shortages

- Manganese ore – increased consolidation and control, amid a reducing resource
- Reductant - Coking Coal + 300%
- Labour – Specialised skills base
- Electricity

Electricity shortages resulting in increased costs and volatile production

- South African power shortages expected to persist
- Chinese power disruptions

Environmental and safety regulations are becoming more stringent

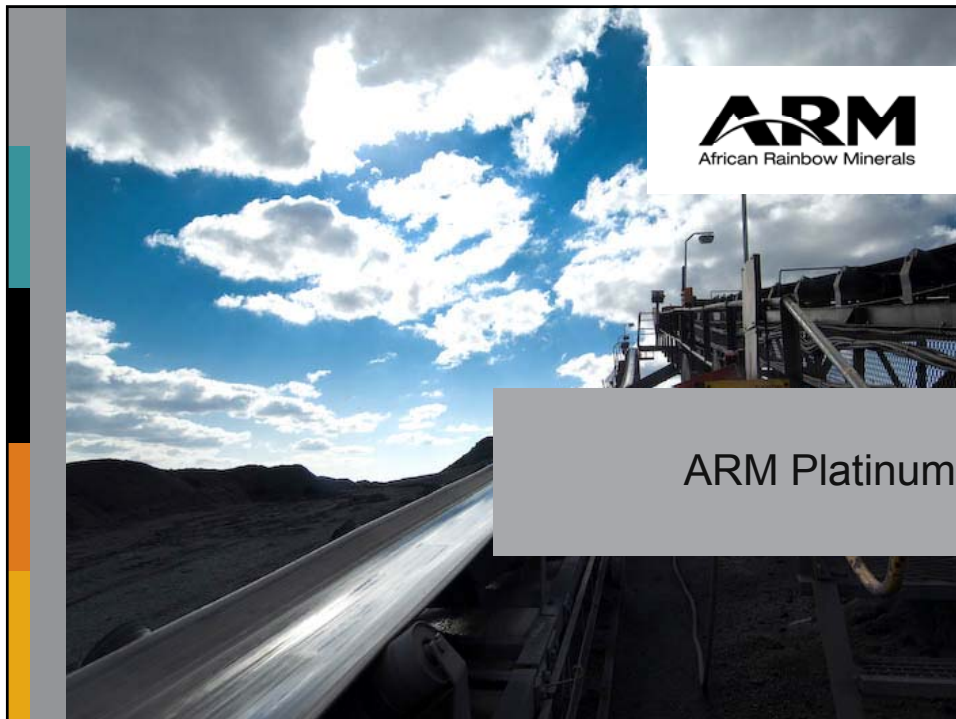
- Closure of inefficient operations
- Production disruptions/reductions due to increased regulatory interventions

Government imposed price interventions in China

- Minimum quota based pricing
- Export taxes
- Anti-dumping restrictions

Improvement
in technology

Future expansion significantly more expensive



Platinum: supply versus demand analysis

	2007a	2008e	2009e	2010e	2011e	2012e	2013e	2014e	2015e	2016e
Platinum Price (US\$ per oz)	1 331	1 675	1 550	1 625	1 650	1 575	1 500	1 450	1 520	1 566
Supply										
South Africa	5 035	5 000	5 250	5 500	5 775	6 064	6 367	6 685	7 020	7 371
Russia	910	920	918	946	974	1 006	1 033	1 064	1 096	1 129
North America	325	345	346	355	365	375	385	396	407	418
Others	280	294	309	324	340	357	375	394	414	434
<i>Total Producer Supply</i>	<i>6 550</i>	<i>6 559</i>	<i>6 823</i>	<i>7 125</i>	<i>7 454</i>	<i>7 799</i>	<i>8 161</i>	<i>8 540</i>	<i>8 936</i>	<i>9 362</i>
Recycling	890	897	959	1 019	1 041	1 072	1 107	1 140	1 173	1 209
Total Supply	7 440	7 456	7 781	8 144	8 496	8 872	9 268	9 680	10 110	10 561
Demand										
Autocatalyst Gross	4 225	4 310	4 554	4 803	4 947	5 096	5 248	5 406	5 568	5 735
Autocatalyst Recovery	(890)	(897)	(959)	(1 019)	(1 041)	(1 072)	(1 107)	(1 140)	(1 173)	(1 209)
Autocatalyst Net	3 335	3 413	3 595	3 784	3 906	4 024	4 141	4 266	4 395	4 526
Jewellery	1 585	1 307	1 356	1 408	1 462	1 518	1 577	1 638	1 702	1 769
Chemical	390	401	413	424	437	450	463	476	491	505
Electrical	425	446	468	491	516	543	570	600	632	665
Fuell Cells										
Glass	430	448	467	486	507	528	551	574	599	624
Investment	170									
Invest Large Japan										
Petroleum	205	207	209	210	212	214	216	219	219	221
Other	490	514	539	566	593	622	653	685	719	754
Total Demand	7 030	6 787	7 046	7 370	7 633	7 898	8 171	8 457	8 756	9 066
Suplus / (Deficit)	(480)	(228)	(224)	(244)	(178)	(99)	(10)	83	180	286

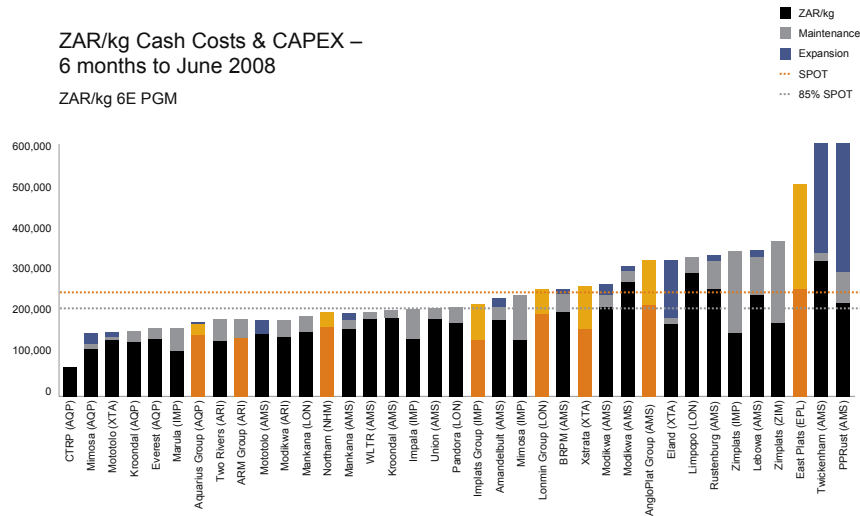
Source: Macquarie Research, September 2008

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Platinum industry cost curve

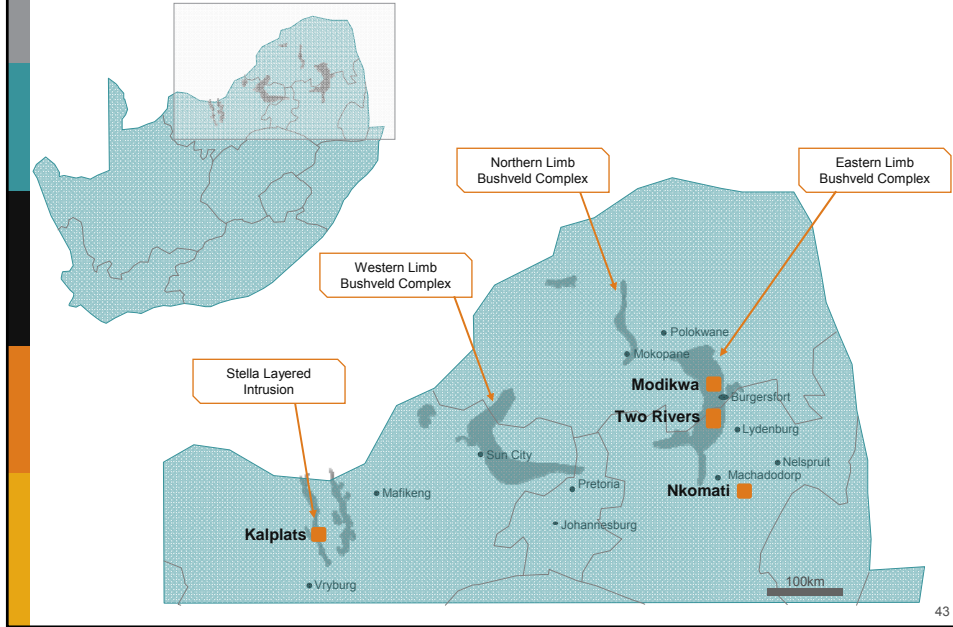
ZAR/kg Cash Costs & CAPEX –
6 months to June 2008

ZAR/kg 6E PGM



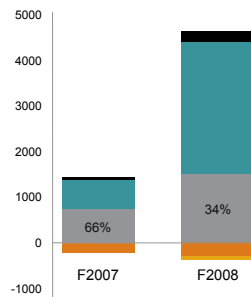
Company Reports, BMJ Calculations, September 2008

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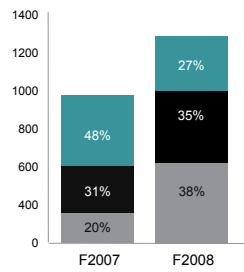
ARM Headline earnings (Rand million, Attributable)

% = ARM Ferrous as a percentage of ARM



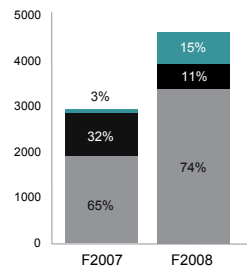
ARM Platinum Headline earnings (Rand million, 100%)

% = as percentage of ARM Platinum



ARM Platinum Cash Operating Profit (Rand million, 100%)

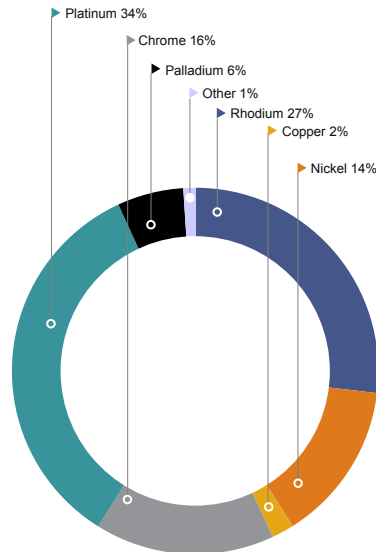
% = as percentage of ARM Platinum



ARM Platinum
ARM Coal
Corporate
ARM Ferrous
Teal

Nkomati
Two Rivers
Modikwa

Chrome
Nickel
PGMs



Modikwa		12 months ended 30 June		
100% Basis		2008	2007	% change
Tonnes milled	Mt	2.46	2.32	6
Cash cost	R/tonne	538	476	(13)
PGMs in concentrate (4E)	Ounces	294 721	274 174	7
Cash operating margin	%	58	47	24

Two Rivers		12 months ended 30 June		
100% Basis		2008	2007	% change
Tonnes milled	Mt	2.37	2.04	16
Cash cost	R/tonne	340	246	(38)
PGMs in concentrate (6E)	Ounces	206 491	184 099	12
Cash operating margin	%	63	69	(9)

Nkomati		12 months ended 30 June		
100% Basis		2008	2007	% change
Tonnes milled	Thousand	1 070	318	237
Nickel on-mine cash cost per tonne milled	R/tonne	339	503	33
Contained Nickel	Tonnes	5 136	4 418	16
Chrome ore sold	Tonnes	1 145 894	584 177	96
Cash operating margin	%	60	71	(16)

Cash Operating Margin

Exchange Rate (R / \$)	8.50	9.50	10.50
Modikwa	16%	25%	32%
Two Rivers	34%	40%	46%
Nkomati	24%	33%	39%

Commodity Prices

Platinum	\$ / oz	1 050
Palladium	\$ / oz	200
Rhodium	\$ / oz	4 000
Nickel	\$ / t	12 000
Chrome	\$ / t	200

Supply

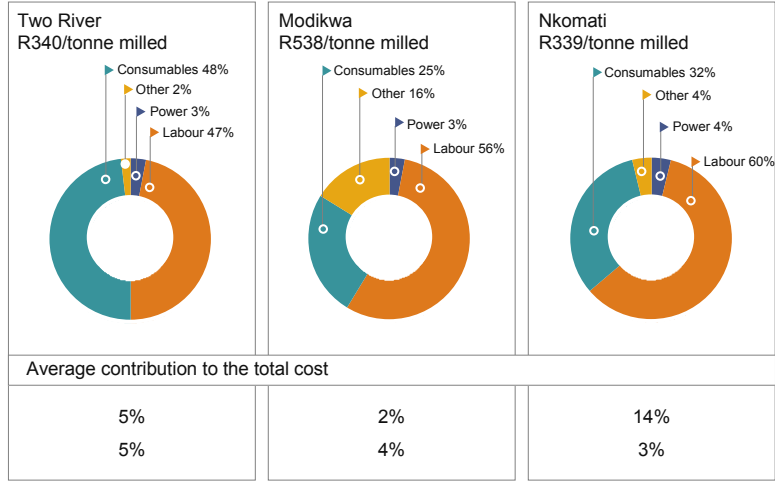
- Banks appetite for risk is very low
- Venture capital will be expensive
- New entrants, long lead times and most operations will be relatively deep (barrier to entry)
- Power shortage – prohibitive costs of diesel generation

Demand

- Euro V emissions limits (September 2009 – diesel oxidation catalyst loadings)
- Euro VI emission standard - more stringent emission legislation on diesel particulate emissions (DPF)
- Computer hard disks
- LCD glass monitoring
- Fuel cells for fuel cell powered cars

Conclusion

- Substantial shortage of PGMs over the next 5 years



Questions

www.arm.co.za

