The future looks bright

WE DO IT BETTER

JSE Showcase 14 October 2009
Corporate structure

ARM Platinum
- PGMs
  - 50% Modikwa
  - 55% Two Rivers
- Nickel, PGMs & Chrome
  - 50% Nkomati
- PGM Exploration
  - 90% Kalplats

ARM Ferrous
- Iron Ore
  - 50% Khumani
  - 50% Beeshoek
- Manganese Ore
  - 50% Nchwaning
  - 50% Gloria
- Manganese Alloys
  - 50% Cato Ridge (CR)
  - 25% CR Alloys
- Chrome Ore
  - 50% Dwarasrivier
- Charge Chrome
  - 50% Machadodorp

ARM Coal
- 20% Xstrata Coal South Africa
- 51% Goedgevonden

ARM Exploration
- Other African exploration
  - 50% Konkola North
  - 50% Mwambashi
  - 50% Lusaka & Kabwe
  - 35% Exploration areas 2&4
  - 30% Kaluminos
- Gold
  - 46% Otjikoto

Gold Harmony

Notes:
(1) Assets held through a 50% shareholding in Assmang Limited.
(2) Assets held through ARM’s 50% interest in the Vale/ARM JV.
(3) Assets held through the ARM Mining Consortium’s effective interest of 41.5%, the balance held by local communities.
(4) Platinum Australia will earn in up to 45% of ARM Platinum’s shareholding on completion of a bankable feasibility study, and owns 50% of the Kalplats Extended Area. In the event that the JV acquires Anglo American’s 10%, Platinum Australia has the right to acquire 49% of the acquired 10%.
(5) Konkola North is subject to a buy-in right up to 26% (5% carried) by state-owned ZCCM Investment Holdings plc.
(6) Primary listing on JSE.
Headline earnings over 6 years

Second half severely impacted by global economic slowdown

Basic earnings of R2 868 million for F2009
ARM strategy: Remains on track

- Operational efficiencies
- Organic growth 2 x 2010
- Acquisitions
- Africa

- Owner operator
- Profit focused
- Partner of choice
- Entrepreneurial management
- World-class management team

- Aim to be in the 50th percentile by 2012
- Growth projects on track
- Continuing to assess quality growth opportunities
- JV with Vale
Divisional EBITDA margins

- Chrome
- Iron ore
- Coal
- Platinum
- Nkomati
- Manganese
- ARM

Delivering company transforming growth projects

**Completed projects**

<table>
<thead>
<tr>
<th>Completed projects</th>
<th>&gt;R10 bn*</th>
<th>F2005 - F2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Khumani Iron Ore</td>
<td>(10 mtpa)</td>
<td></td>
</tr>
<tr>
<td>Nchwaning III Manganese</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Modikwa Platinum</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Two Rivers Platinum</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nkomati Nickel Interim Plant</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nkomati Chrome Mine</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dwarsrivier Chrome Mine</td>
<td></td>
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</tr>
</tbody>
</table>

*Total attributable capital expenditure

**Projects in progress**

<table>
<thead>
<tr>
<th>Projects in progress</th>
<th>&gt;R8 bn*</th>
<th>F2010 - F2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Khumani Iron Ore (+6 mtpa)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nkomati Nickel (20 ktpa)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GGV Thermal Coal (6.7 mtpa)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Potential future projects**

<table>
<thead>
<tr>
<th>Potential future projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Konkola North Copper</td>
</tr>
<tr>
<td>Kalplats Platinum</td>
</tr>
<tr>
<td>Modikwa Platinum expansion</td>
</tr>
<tr>
<td>Smelter expansions</td>
</tr>
</tbody>
</table>
Investing in our future

Stage of development

- Exploration to feasibility
- Project development and ramp-up
- Steady state (> 15yrs LoM)
- Declining operations

- Nickel exploration
- Other African copper projects
- Thermal coal exploration
- Modikwa pre-feasibility
- Smelter expansions (Manganese and Chrome)
- Kalplats
- Konkola North
- Manganese ore processing plant (+1.5 mtpa)
- Khumani expansion project (8 mtpa)
- Manganese and Chrome smelters
- Manganese Ore mines
- Modikwa platinum
- Two Rivers platinum
- Chrome mine
- Khumani iron ore mine
- Goedgevonden thermal coal (+6.7 mtpa)
- Nkomati Nickel large scale expansion (20 ktpa)
- Thermal Coal mines
- Beeshoek iron ore
Quality long-term growth assets under construction

Khumani Iron Ore
(10 → 16 mtpa)

- Capex committed: 95% (20%)
- Stage: Ramp-up (Building)
- Position on cost curve: 40th percentile
- Steady state: 10mtpa (+6mtpa)
- Commissioning (Calendar year): 2008 (2012)
- Full production (Financial year): 2010 (2013)
- Comment: More efficient, low unit cost

Goedgevonden Thermal Coal

- Capex committed: 90%
- Stage: Commissioning
- Position on cost curve: 25th percentile
- Steady state: 3.5mt local; 3.2mt export
- Commissioning (Calendar year): 2009
- Full production (Financial year): 2012
- Comment: Dragline opencast operation

Nkomati Nickel Large Scale Expansion

- Capex committed: 75%
- Stage: 375ktpm plant commissioning
- Position on cost curve: 40th percentile
- Steady state: 20 500t nickel
- Commissioning (Calendar year): 2009
- Full production (Financial year): 2012
- Comment: C1 cash cost net of by-products of $3.50/lb

Dragline opencast operation
Continuous focus on cost reduction

**ARM target for operations on the respective global cost curve by 2012**

(ARM estimate, benchmarked at steady state/normalised production volumes)

- Nkomati Chrome
- Manganese Smelter
- Goedgevonden Coal
- Khumani Iron Ore
- Nchwaning Manganese
- Two Rivers Platinum
- Nkomati Nickel
- Modikwa Platinum

**Percentile on cost curve (based on cumulative production)**

- 25%
- 50%
- 75%
- 100%

Commodity unit cash cost
Mining costs

**ARM Ferrous**
- Increasing volumes with restructuring implemented

**ARM Platinum**
- Cost control and plant optimisation with restructuring implemented

**ARM Coal**
- Export volumes increasing and shift to lower cost open cast mining

Approximate on mine and smelter cash cost split

- **Consumables**: 46%
- **Labour**: 27%
- **Electricity**: 8%
- **Other**: 19%

Approximate on mine cash cost split

- **Consumables**: 29%
- **Labour**: 45%
- **Electricity**: 4%
- **Other**: 22%

Approximate on mine cash cost split

- **Consumables**: 32%
- **Labour**: 29%
- **Electricity**: 2%
- **Other**: 37%

All F2009 figures attributable
Correct timing of investment through the cycle

Potential opportunities with distressed assets - Pricing expectations remain high

Owner operator – target is for 50% + ownership

Targets need to be benchmarked against ARM’s organic growth plans

Cash flows from potential acquisitions a key consideration

Fit within the ARM quality portfolio and strategic objectives - Low unit cost and long life assets

Remember “We do it better”
Growth projects continue

<table>
<thead>
<tr>
<th>Division</th>
<th>F2008a</th>
<th>F2009a</th>
<th>F2010e</th>
<th>F2011e</th>
<th>F2012e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Modikwa</td>
<td>2,779</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nkomati</td>
<td></td>
<td>3,333</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Two Rivers</td>
<td></td>
<td></td>
<td>2,873</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ARM Ferrous</td>
<td></td>
<td></td>
<td></td>
<td>3,550</td>
<td></td>
</tr>
<tr>
<td>ARM Coal</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2,360</td>
</tr>
<tr>
<td>ARM Exploration</td>
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</tbody>
</table>

F2005 – F2009: R>10bn
F2010 – F2012: R>8bn
Balance Sheet strength continues

**EBITDA excluding exceptional items**

<table>
<thead>
<tr>
<th>Year</th>
<th>R million</th>
</tr>
</thead>
<tbody>
<tr>
<td>F2005</td>
<td>2,014</td>
</tr>
<tr>
<td>F2006</td>
<td>1,156</td>
</tr>
<tr>
<td>F2007</td>
<td>2,887</td>
</tr>
<tr>
<td>F2008</td>
<td>7,229</td>
</tr>
<tr>
<td>F2009</td>
<td>4,484</td>
</tr>
</tbody>
</table>

**Cash on Balance Sheet**

<table>
<thead>
<tr>
<th>Year</th>
<th>R million</th>
</tr>
</thead>
<tbody>
<tr>
<td>F2005</td>
<td>7,229</td>
</tr>
<tr>
<td>F2006</td>
<td>7,000</td>
</tr>
<tr>
<td>F2007</td>
<td>8,000</td>
</tr>
<tr>
<td>F2008</td>
<td>3,513</td>
</tr>
<tr>
<td>F2009</td>
<td>3,500</td>
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</tbody>
</table>

**Capital expenditure**

<table>
<thead>
<tr>
<th>Year</th>
<th>R million</th>
</tr>
</thead>
<tbody>
<tr>
<td>F2005</td>
<td>961</td>
</tr>
<tr>
<td>F2006</td>
<td>1,307</td>
</tr>
<tr>
<td>F2007</td>
<td>1,855</td>
</tr>
<tr>
<td>F2008</td>
<td>1,037</td>
</tr>
<tr>
<td>F2009</td>
<td>1,671</td>
</tr>
</tbody>
</table>

**Net debt/(cash) and interest cover**

<table>
<thead>
<tr>
<th>Year</th>
<th>R million</th>
</tr>
</thead>
<tbody>
<tr>
<td>F2005</td>
<td>(1,575)</td>
</tr>
<tr>
<td>F2006</td>
<td>(174)</td>
</tr>
<tr>
<td>F2007</td>
<td>0</td>
</tr>
<tr>
<td>F2008</td>
<td>500</td>
</tr>
<tr>
<td>F2009</td>
<td>1,000</td>
</tr>
</tbody>
</table>

**Interest cover (x)**

- Net debt (excl partner loans) (R million) - lhs
- Interest cover (x) - rhs
Questions