Aggressive Growth Continues

JSE Showcase 10 February 2011
Stompie Shiels – Executive Director: Business Development

We do it better

Disclaimer

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“ARM has achieved good operational results with significant volume growth and continues to control its costs. We have delivered on our 2X2010 growth strategy and are continuing with an aggressive growth strategy in our portfolio of commodities. ARM’s financial position remains robust”.

Patrice Motsepe
ARM Executive Chairman

ARM salient features

<table>
<thead>
<tr>
<th>Primary listing</th>
<th>JSE Limited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share price</td>
<td>ZAR 210.50 per share</td>
</tr>
<tr>
<td>Market capitalisation</td>
<td>ZAR 45 billion</td>
</tr>
<tr>
<td>Market capitalisation (at an exchange rate of R7.17/$)</td>
<td>US$ 6.3 billion</td>
</tr>
<tr>
<td>JSE ticker symbol</td>
<td>ARI</td>
</tr>
<tr>
<td>Average daily volume traded in preceding 12 months</td>
<td>473 815 shares per day</td>
</tr>
<tr>
<td>12 month high</td>
<td>ZAR 229.50 per share</td>
</tr>
<tr>
<td>12 month low</td>
<td>ZAR 146.25 per share</td>
</tr>
</tbody>
</table>

All share and exchange rate information as at 31 January 2011
African Rainbow Minerals

**ARM group structure**

![Diagram of ARM group structure](image)

1. **ARM Platinum**
   - 100%
   - 50% Multimark
   - 55% Two Rivers

2. **ARM Ferrous**
   - 100%
   - 50% Kuyasa
   - 50% Beaufort

3. **ARM Coal**
   - 100%
   - 50% KZN Coal
   - 50% Randgold

4. **ARM Copper**
   - 100%
   - 50% Konza

5. **ARM Exploration**
   - 100%
   - 50% Kapsen

6. **Gold Harmony**
   - 15%

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**Notes:**
1. Assets held through ARM Mining Consortium's effective interest of 41.5%, the balance held by local communities.
2. ARM’s shareholding in Two Rivers will reduce to 31% once the transfer of Gatikana assets to Randgold and Beaufort prospecting rights has been effected.
3. Plutonic Australia named 12% ownership on completion and approval of the feasibility study. The transfer of this ownership is awaiting approval from the Department of Mineral Resources. Plutonic Australia will make up to 48% on completion of a feasibility feasibility study. In the event that the JV acquires Anglo American’s 15%, Plutonic Australia has the right to acquire 48% of the acquired 15%.
4. ARM Exploration is involved in identifying and assessing exploration and mineral business opportunities in sub-Saharan Africa.

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**ARM strategy**

![Diagram of ARM strategy](image)

- Operational efficiencies
- Partnerships and acquisitions
- Aggressive growth continues in ARM's portfolio of commodities
- World-class management team
- Entrepreneurial management
- Profit focused
- Owner operator
- Armed Exploration

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**Notes:**
- ARM faces the 50th anniversary in 2012.
- Running to volatiles, growth and healthy cash flows under current flow.
**Strong focus on cost control**

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

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

**Continuing aggressive investment in growth**

**ARM's Portion**

F2005 – F2010
R13.5 bn
Growth projects completed

F2011 – F2013
R9.5 bn
Investment in growth

F2005 – F2013
R23.0 bn

**Partners' Portion**

F2005 – F2010
R10.8 bn

F2011 – F2013
R8.4 bn

F2005 – F2013
R19.2 bn

Projected total investment over 9 years in growth ±R42 bn
Delivering quality growth projects

- Large opencast mines
- Low cost operations, all below the 50th percentile of the global curve at steady state
- Long life mines, all in excess of 25 years
- Mines and plants are well advanced with ramp-up
- More than 60% of capital expenditure already spent, low capital risk
- Modern and high technology plants
- Safe mechanised mining

Aggressive growth in iron ore continues

Export iron ore sales volumes (on 100% basis – million tonnes)

The "a" included in the x-axis refers to actual and the "e" to estimated
Primary and secondary crusher on Bruce Farm

Product stockpiles & load-out station

Khumani loading facility and rail loop with wagons

Length of each train = 3 850 m
12 locomotives

Trains = 342 wagons
Capacity of train = 34 200 tonnes

Loading facility capacity = 5500 tonnes/ hour
Turn-around time = ±8 hrs

Further growth: Ore logistics

Saldanha export channel
Current capacity: 60 mtpa
Potential expansion capacity: 93 mtpa (dual product)
Aggressive growth in nickel continues

Nickel sales volumes (on 100% basis – thousand tonnes)

At steady state the Nkomati Nickel Mine will produce:

<table>
<thead>
<tr>
<th>Quantity</th>
<th>Material</th>
</tr>
</thead>
<tbody>
<tr>
<td>20 500 tonnes</td>
<td>Nickel</td>
</tr>
<tr>
<td>110 000 ounces</td>
<td>Platinum Group Metals</td>
</tr>
<tr>
<td>10 000 tonnes</td>
<td>Copper</td>
</tr>
<tr>
<td>1 000 tonnes</td>
<td>Cobalt</td>
</tr>
<tr>
<td>500 000 tonnes</td>
<td>Chrome concentrate</td>
</tr>
</tbody>
</table>

The "a" included in the x-axis refers to actual and the "e" to estimated.
Nkomati open pit

The final pit will be:
- 2.8 kilometres long
- 900 metres wide
- 280 metres deep

GGV thermal coal sales volumes (on 100% basis - million tonnes)

- The "a" included in the x-axis refers to actual and the "e" to estimated
Goedgevonden open pit

Goedgevonden coal handling and processing plant

Goedgevonden dragline

Coal stockpile

### Konkola North Copper Project released

<table>
<thead>
<tr>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ore resource of 300 million tonnes at 2.57% copper</td>
</tr>
<tr>
<td>2.5 million tonne milled yielding 45,000 tonnes copper per annum</td>
</tr>
<tr>
<td>Commission concentrator – December 2012, full production 2015</td>
</tr>
<tr>
<td>Life of mine – 28 years</td>
</tr>
<tr>
<td>Total capital expenditure – US$380 million in July 2010 terms</td>
</tr>
<tr>
<td>C1 cash cost – US$1.07/lb (45th percentile - 2015)</td>
</tr>
<tr>
<td>Potential to increase output to 100,000 tonnes copper per annum (area A production)</td>
</tr>
</tbody>
</table>
Aggressive growth in copper

Copper sales volumes (on 100% basis – thousand tonnes)

The "e" included in the x-axis refers to estimated.

Box cut for decline
Main plant terrace
Plant terrace
Construction work at main plant terrace
Growth projects continue

Attributable capital expenditure by division (R million)

<table>
<thead>
<tr>
<th>Year</th>
<th>ARM Copper</th>
<th>ARM Coal</th>
<th>ARM Ferrous</th>
<th>Two Rivers</th>
<th>Nkomati</th>
<th>Modikwa</th>
</tr>
</thead>
<tbody>
<tr>
<td>F2008a</td>
<td>2,779</td>
<td>3,333</td>
<td>2,738</td>
<td>3,700</td>
<td>3,800</td>
<td>2,000</td>
</tr>
<tr>
<td>F2009a</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>F2010a</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>F2011e</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>F2012e</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>F2013e</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

The "a" included in the x-axis refers to actual and the "e" to estimated.

Potential Future Projects

- Khumani expansion
- Manganese expansion
- Smelter expansions
- Thermal coal projects
- Modikwa expansion
- Kalplats Platinum
- Kalumines Copper Project
Growth supported by a robust financial position

**EBITDA excluding exceptional items**

<table>
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<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>2,014</td>
<td>1,552</td>
<td>2,887</td>
<td>7,229</td>
<td>4,484</td>
<td>3,907</td>
</tr>
</tbody>
</table>

**Cash on statement of financial position**

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</thead>
<tbody>
<tr>
<td>Value</td>
<td>288</td>
<td>439</td>
<td>1,063</td>
<td>2,689</td>
<td>3,513</td>
<td>3,039</td>
</tr>
</tbody>
</table>

**Capital expenditure**

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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>1,037</td>
<td>1,671</td>
<td>1,961</td>
<td>2,779</td>
<td>3,333</td>
<td>2,738</td>
</tr>
</tbody>
</table>

**Net cash/(net debt) excluding partner loans**

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</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>-932</td>
<td>-1,307</td>
<td>-1,855</td>
<td>174</td>
<td>1,575</td>
<td>1,811</td>
</tr>
</tbody>
</table>

Questions

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