CONFIDENT ABOUT THE FUTURE OF OUR BUSINESS
“The ARM management team continues to deliver outstanding results. We are confident about the long term future of the minerals we mine, despite current volatility and are continuing with our aggressive growth strategy.”

Patrice Motsepe
ARM Executive Chairman
Certain statements in this report constitute forward looking statements that are neither reported financial results nor other historical information. They 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 may or may not take into account and may or may not be affected by 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.
# Market statistics

<table>
<thead>
<tr>
<th>Primary listing</th>
<th>JSE Limited (ticker ARI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other listings</td>
<td>Sponsored Level 1 ADR (ticker AFRBY)</td>
</tr>
<tr>
<td>Share price</td>
<td>ZAR 182.61 per share</td>
</tr>
<tr>
<td>Market capitalisation</td>
<td>ZAR 39 billion</td>
</tr>
<tr>
<td>Market capitalisation (at an exchange rate of R7.95/US$)</td>
<td>US$ 4.9 billion</td>
</tr>
<tr>
<td>12 month average daily volume traded</td>
<td>452,767 shares per day</td>
</tr>
<tr>
<td>12 month high</td>
<td>ZAR 236.00 per share</td>
</tr>
<tr>
<td>12 month low</td>
<td>ZAR 160.01 per share</td>
</tr>
</tbody>
</table>

All information as at 18 January 2012
Group structure

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 51% once the transfer of Kalkfontein portions 4, 5 and 6 and Tweefontein prospecting rights has been effected.
3. Platinum Australia earned 12% ownership on completion and approval of the prefeasibility study. The transfer of this ownership is in the process of being effected. Platinum Australia will earn up to 49% on completion of a bankable feasibility study. In the event that the JV acquires Anglo American’s 10%, Platinum Australia has the right to acquire 49% of the acquired 10%.
4. Konka North was subject to a buy-in right of up to 20% (6% free-carried interest) by state-owned Zambia Consolidated Copper Mines Investment Holdings plc (ZCCM). ZCCM has exercised this right and the transfer of the 20% is in the process of being effected.
5. ARM Exploration is involved in identifying and assessing exploration and mineral business opportunities in sub-Saharan Africa.
6. Mwambashi prospecting licence has been relinquished and certain exploration licences have been incorporated into the Konka North mining licence.
Earnings and dividend history

Headline earnings per share and dividends per share (cents per share)

<table>
<thead>
<tr>
<th>Year</th>
<th>Headline Earnings per Share</th>
<th>Dividends per Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>F2005</td>
<td>166</td>
<td>0</td>
</tr>
<tr>
<td>F2006</td>
<td>225</td>
<td>0</td>
</tr>
<tr>
<td>F2007</td>
<td>580</td>
<td>150</td>
</tr>
<tr>
<td>F2008</td>
<td>1,906</td>
<td>400</td>
</tr>
<tr>
<td>F2009</td>
<td>1,094</td>
<td>175</td>
</tr>
<tr>
<td>F2010</td>
<td>807</td>
<td>200</td>
</tr>
<tr>
<td>F2011</td>
<td>1,559</td>
<td>450</td>
</tr>
</tbody>
</table>

Headline earnings per share

Dividends per share
Diversified portfolio dominated by iron ore

**F2010 Revenue**
- Iron Ore: 23%
- Manganese: 27%
- Chrome: 8%
- Coal: 2%
- Platinum: 29%
- Nickel: 11%

**F2011 Revenue**
- Iron Ore: 35%
- Manganese: 22%
- Chrome: 8%
- Coal: 3%
- Platinum: 22%
- Nickel: 10%
Robust financial position

Net cash/ (net debt) excluding partner loans (R million)

<table>
<thead>
<tr>
<th>Year</th>
<th>Net cash</th>
<th>Net debt</th>
</tr>
</thead>
<tbody>
<tr>
<td>F2005</td>
<td>(932)</td>
<td>(500)</td>
</tr>
<tr>
<td>F2006</td>
<td>(1,307)</td>
<td>(1,500)</td>
</tr>
<tr>
<td>F2007</td>
<td>(1,855)</td>
<td>(2,500)</td>
</tr>
<tr>
<td>F2008</td>
<td>174</td>
<td>1,575</td>
</tr>
<tr>
<td>F2009</td>
<td>1,811</td>
<td></td>
</tr>
<tr>
<td>F2010</td>
<td></td>
<td></td>
</tr>
<tr>
<td>F2011</td>
<td>2,594</td>
<td></td>
</tr>
</tbody>
</table>
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)
Strong focus on safety

Lost Time Injury Frequency Rate (LTIFR) measured per 200 000 man hours worked

3 month moving average

12 month moving average
Aggressive growth continues with growth projects in iron ore, nickel, coal and copper.

Volumes doubled as 2 X 2010 growth strategy successfully completed.

Increased rail, port and electricity capacity in South Africa will allow ARM to grow even further.
Iron ore sales volumes (on 100% basis – million tonnes)

The “a” included in the x-axis refers to actual and the “e” to estimated.
Loading in the Khumani pit
Khumani Iron Ore plant
Loaded wagons at the Khumani Mine
Saldanha export channel
Current capacity: 60 mtpa
Potential expansion capacity: 93 mtpa (dual product)
Aggressive growth in nickel

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

The “a” included in the x-axis refers to actual and the “e” to estimated
Commodities produced, per annum, at steady state:

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nickel</td>
<td>20,500 tonnes</td>
</tr>
<tr>
<td>Platinum Group Metals</td>
<td>110,000 ounces</td>
</tr>
<tr>
<td>Copper</td>
<td>10,000 tonnes</td>
</tr>
<tr>
<td>Cobalt</td>
<td>1,000 tonnes</td>
</tr>
<tr>
<td>Chrome concentrate</td>
<td>500,000 tonnes</td>
</tr>
</tbody>
</table>
Nkomati Nickel Mine overview
Loading in the Nkomati pit
Aggressive growth in coal

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

The “a” included in the x-axis refers to actual and the “e” to estimated.
GGV Coal Handling Processing Plant (CHPP)
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.

Limited financial risk on the projects with most of capital already spent.
Aggressive growth in copper

Konkola North copper sales volumes (on 100% basis – thousand tonnes)

- F2013e: 17.5 thousand tonnes
- F2014e: 40.6 thousand tonnes
- F2015e: 48.3 thousand tonnes
- F2016e: 48.9 thousand tonnes
- F2017e: 45.6 thousand tonnes
Development of twin decline
Construction of lamp room and stores
Underground blast preparation
Vertical shaft being refurbished
## Conversion of ferrochrome furnaces

No. 5 Furnace successfully converted from a ferrochrome furnace to ferromanganese.

Conversion of two additional furnaces to be completed by end 2012 financial year.

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ferromanganese</strong>&lt;br&gt;Production (in tonnes)</td>
<td>291 000</td>
<td>450 000</td>
</tr>
<tr>
<td><strong>Ferrochrome</strong>&lt;br&gt;Production (in tonnes)</td>
<td>237 000</td>
<td>100 000</td>
</tr>
</tbody>
</table>
ARM’s Capital Expenditure

F2005 – F2011
R16.9 bn
Growth projects completed

F2012 – F2014
R10.1 bn
Investment in growth

F2005 – F2014
R27.0 bn

Partners’ Capital Expenditure

F2005 – F2011
R13.8 bn

F2012 – F2014
R9.1 bn

F2005 – F2014
R22.9 bn

Projected total investment over 10 years in growth ±R50 bn
Growth projects continue

*The forecasted capital expenditure in 2013 to 2014 is an estimation based on approved projects and projects under consideration*
## Potential Future Projects

- Iron ore expansion beyond 16mtpa
- Manganese ore expansion to 6mtpa
- Smelter expansions
- Doubling of Modikwa Platinum Mine
- Two Rivers Merensky Project
- Kalplats Platinum project
- Konkola North Area A
- Kalumines Copper Project
- Exploration with Rovuma Resources
- Thermal coal projects
Strong financial position

### EBITDA excluding exceptional items

- **F2005**: R 2,014
- **F2006**: R 1,552
- **F2007**: R 2,887
- **F2008**: R 7,229
- **F2009**: R 4,484
- **F2010**: R 3,907
- **F2011**: R 6,434

### Cash on statement of financial position

- **F2005**: R 288
- **F2006**: R 439
- **F2007**: R 1,063
- **F2008**: R 2,660
- **F2009**: R 3,513
- **F2010**: R 3,039
- **F2011**: R 3,668

### Capital expenditure

- **F2005**: R 1,037
- **F2006**: R 1,671
- **F2007**: R 1,961
- **F2008**: R 2,779
- **F2009**: R 3,333
- **F2010**: R 2,738
- **F2011**: R 3,404

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

- **F2005**: (R 932)
- **F2006**: (R 1,307)
- **F2007**: (R 1,855)
- **F2008**: R 174
- **F2009**: R 1,575
- **F2010**: R 1,811
- **F2011**: R 2,594
ARM has delivered significant growth in the preceding five years.

Aggressive growth continues. ARM plans to spend R10 billion (on an attributable basis) on capital expenditure over the next three years.

Future growth is supported by a strong financial position that will allow ARM to fund its growth.

We are confident about long-term future of the commodities we mine.
Questions