African Rainbow Minerals

"ARM's significant sales volume growth reduced the impact of the fall in iron ore prices. There were huge improvements in contributions to earnings at Nkomati nickel mine and ARM Coal.

ARM continues to deliver on its iron ore, nickel and copper growth projects. The Lubambe project produced copper ahead of schedule."

Patrice Motsepe
Executive Chairman

Lubambe Copper Mine

African Rainbow Minerals

Overview and strategy

Patrice Motsepe, Executive Chairman

Disclaimer

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.

Group structure

African Rainbow Minerals

- 100% ARM Platinum
  - PGMs
    - 41.5% Modikwa [1]
    - 55% Two Rivers [2]
  - Nickel, PGMs & Chrome
    - 50% Nkomati
  - PGM Exploration
    - 90% Kalplats [3]
- 100% ARM Ferrous
  - Iron Ore
    - 50% Khumani
    - 50% Beeshoek
  - Manganese Ore
    - 50% Nchwaning
    - 50% Gloria
  - Manganese Alloys
    - 50% Cato Ridge
    - 25% Cato Ridge Alloys
    - 50% Machadodorp
  - Chrome Ore
    - 50% Dwarsrivier
  - Charge Chrome
    - 50% Machadodorp
- 10%
  - 20% Xstrata Coal South Africa
- 51% ARM Coal
  - Coal
    - 20% Xstrata Coal South Africa
  - Coal
    - 51% Goedgevonden
- 100% ARM Copper
  - Copper Projects
    - 40% Lubambe
  - Copper Exploration
    - 50% Lusaka & Kabwe
    - 30% Kalumines
- 100% ARM Exploration
  - PGMs
  - Manganese Ore
  - Coal
  - Base metals
- 15% Gold: Harmony

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 will earn up to 49% on completion of a bankable feasibility study.

Salient features

Headline earnings reduced by 30% to R1.41 billion (1H F2012 restated: R2.00 billion) primarily as a result of the fall in iron ore prices and the above inflation unit cost increases at some operations.

This reduction was partially offset by improved performances at Nkomati Nickel and ARM Coal.

Sales revenue maintained at R8.8 billion (1H F2012: R8.7 billion).

Increased sales volumes for iron ore, PGMs, nickel, Dwarsrivier chrome and thermal coal.

Salient features

African Rainbow Minerals

The Nkomati Nickel Mine improved its mining and metallurgical recoveries and has increased production of nickel by 87% and reduced unit costs by 50% to US$5.13/lb.

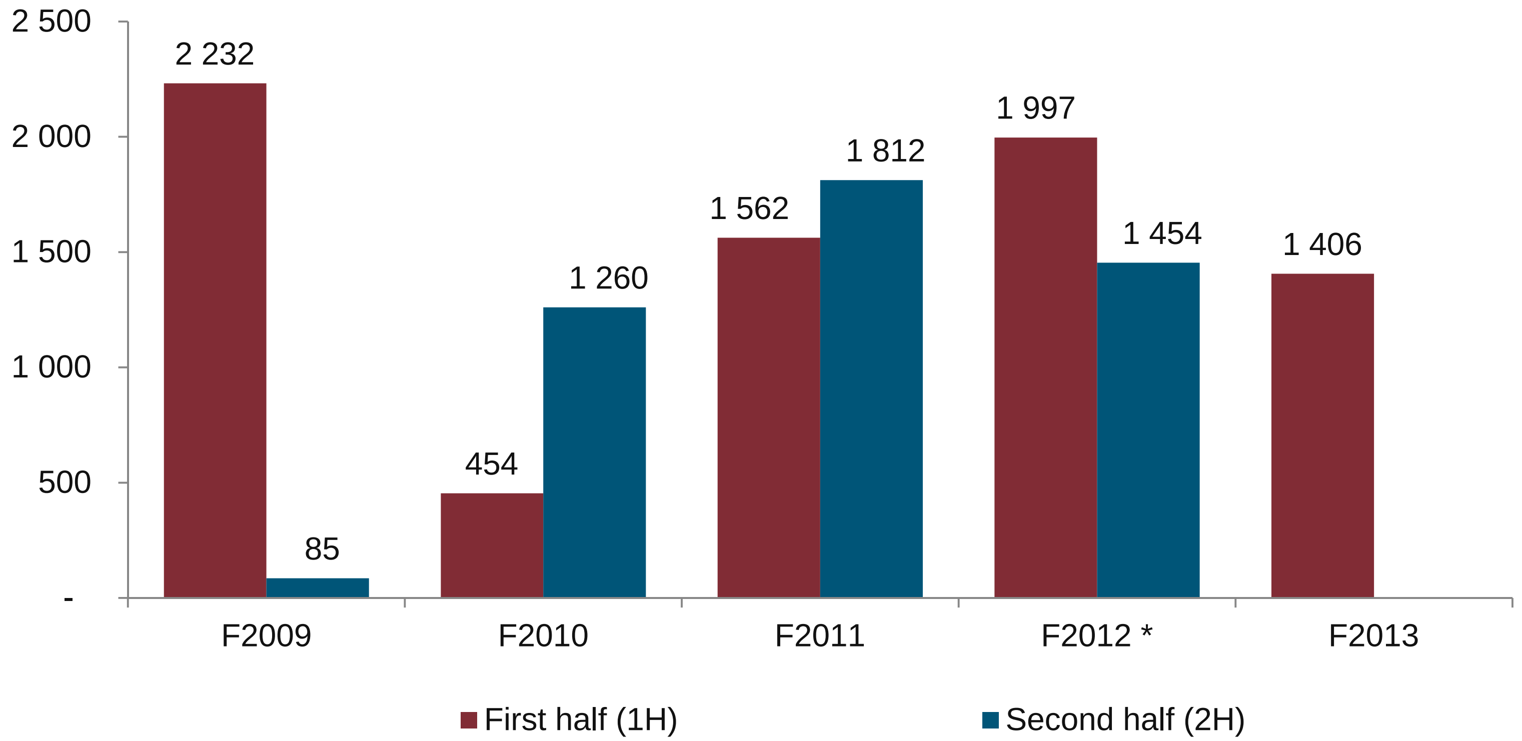
Contribution to headline earnings of R147 million (1H F2012: R75 million loss).

The concentrator plant at the Lubambe Copper Project was commissioned in October 2012, two months ahead of schedule.

Positive financial position with net cash (excluding partner loans) of R630 million (1H F2012: R1.7 billion) after capital expenditure of R2.0 billion and an increase in working capital of R1.5 billion.

Headline earnings

Headline earnings (R million)

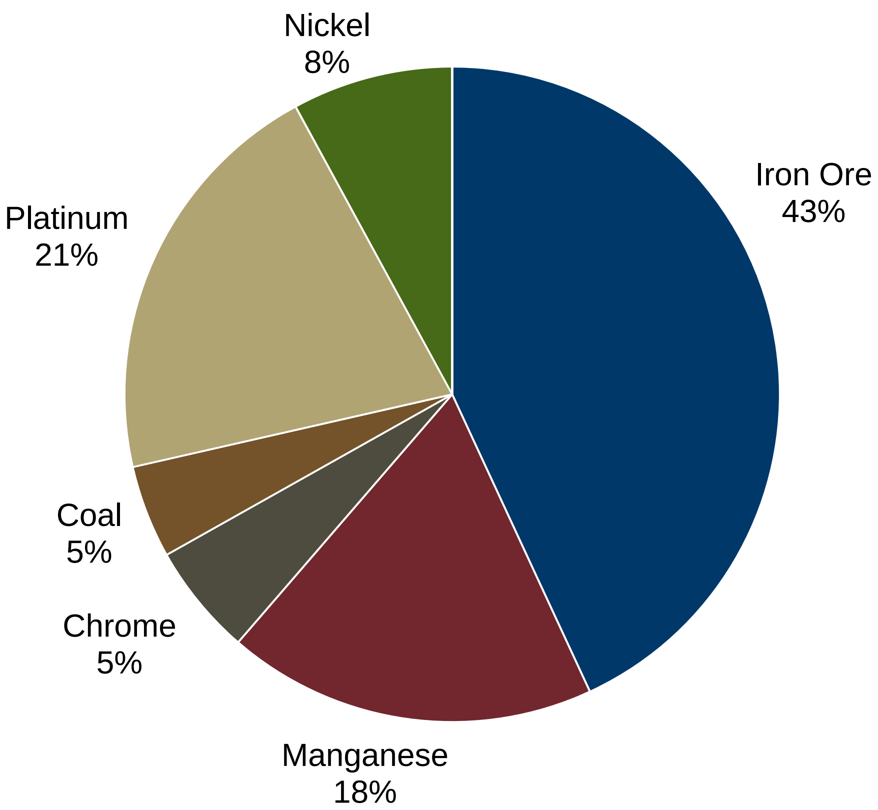


* The 1H F2012 and 2H F2012 headline earnings have been restated to take into account the early adoption of IFRIC 20.

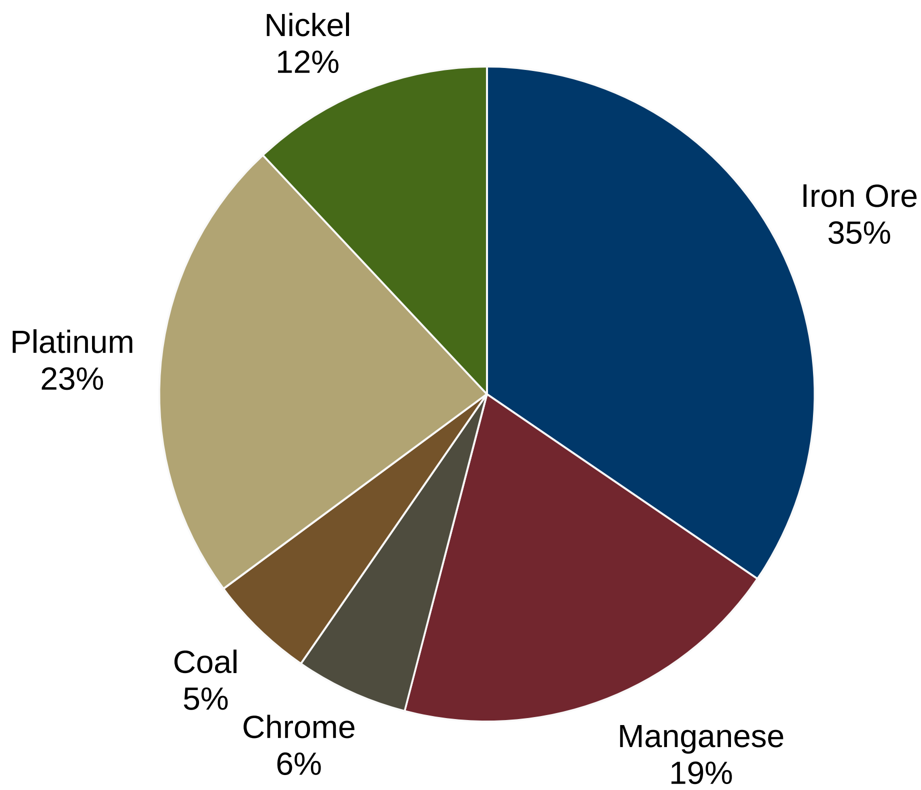
Headline earnings similar to 2H F2012 despite a substantial drop in iron ore prices

Revenue composition

1H F2012 revenue split



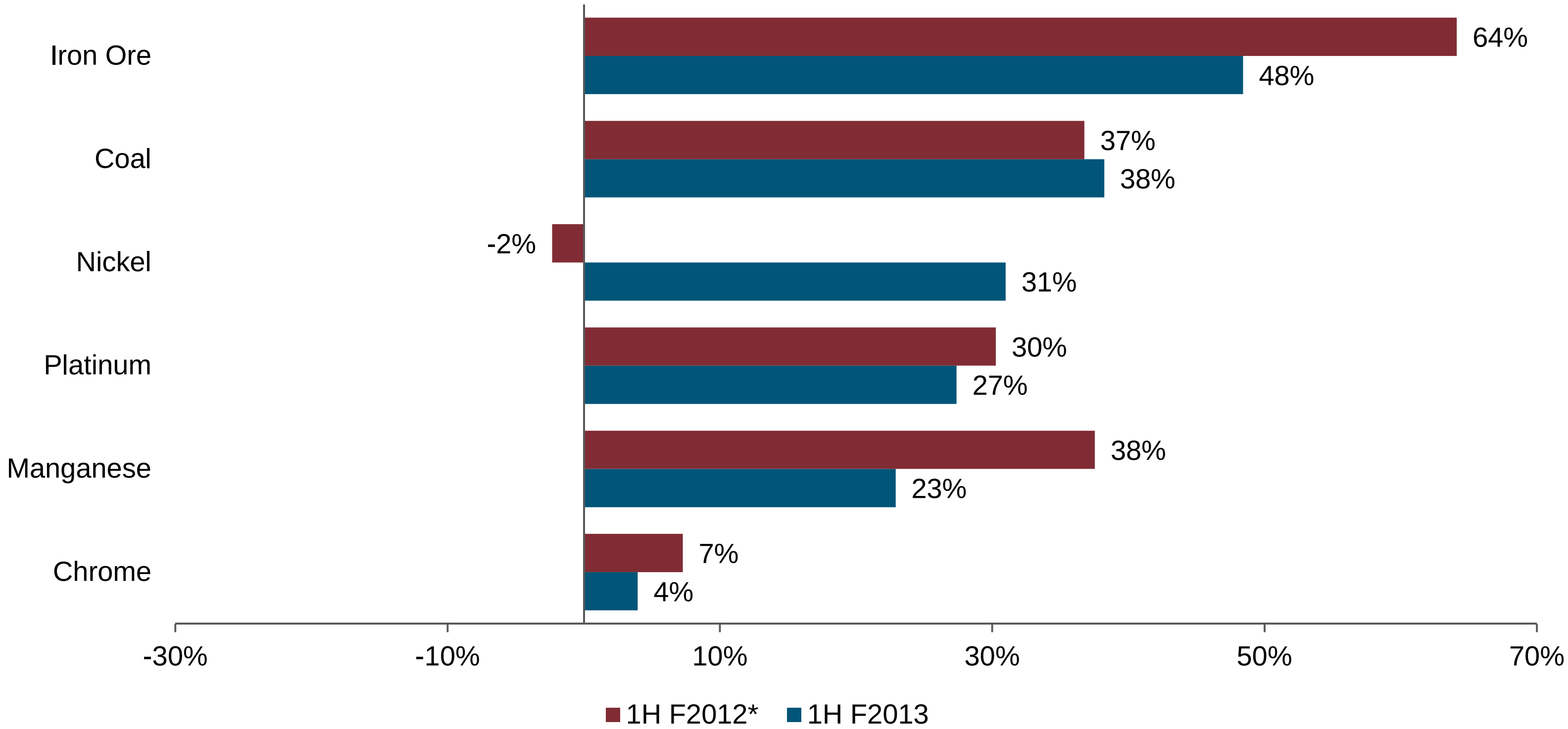
1H F2013 revenue split



Nickel and platinum's contribution increases

EBITDA margins

The ARM average EBITDA margin decreased to 32% (1H F2012: 43%)



* 1H F2012 was restated to take into account the early adoption of IFRIC 20.

ARM strategy

Owner operator

Entrepreneurial management

Profit focused

Partner of choice

Employer of choice

World-class management team

Responsible community development

Update on growth projects

The Khumani Iron Ore Expansion Mine is at full production one year ahead of schedule.

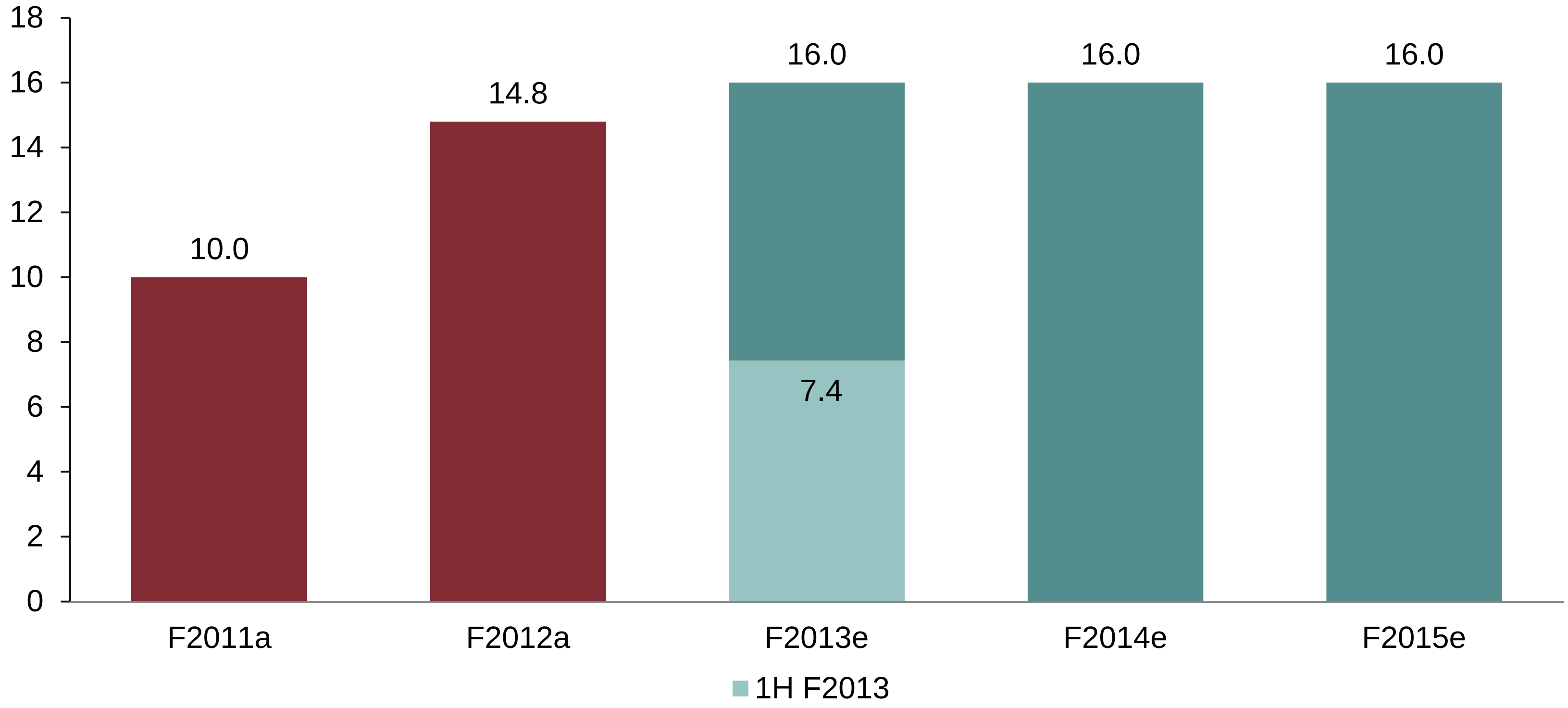
There was significant improvement in the operational performance at Nkomati Nickel Mine.

The concentrator plant at the Lubambe Copper Project was commissioned in October 2012, two months ahead of schedule.

Growth in iron ore

African Rainbow Minerals

Total iron ore sales (million tonnes)

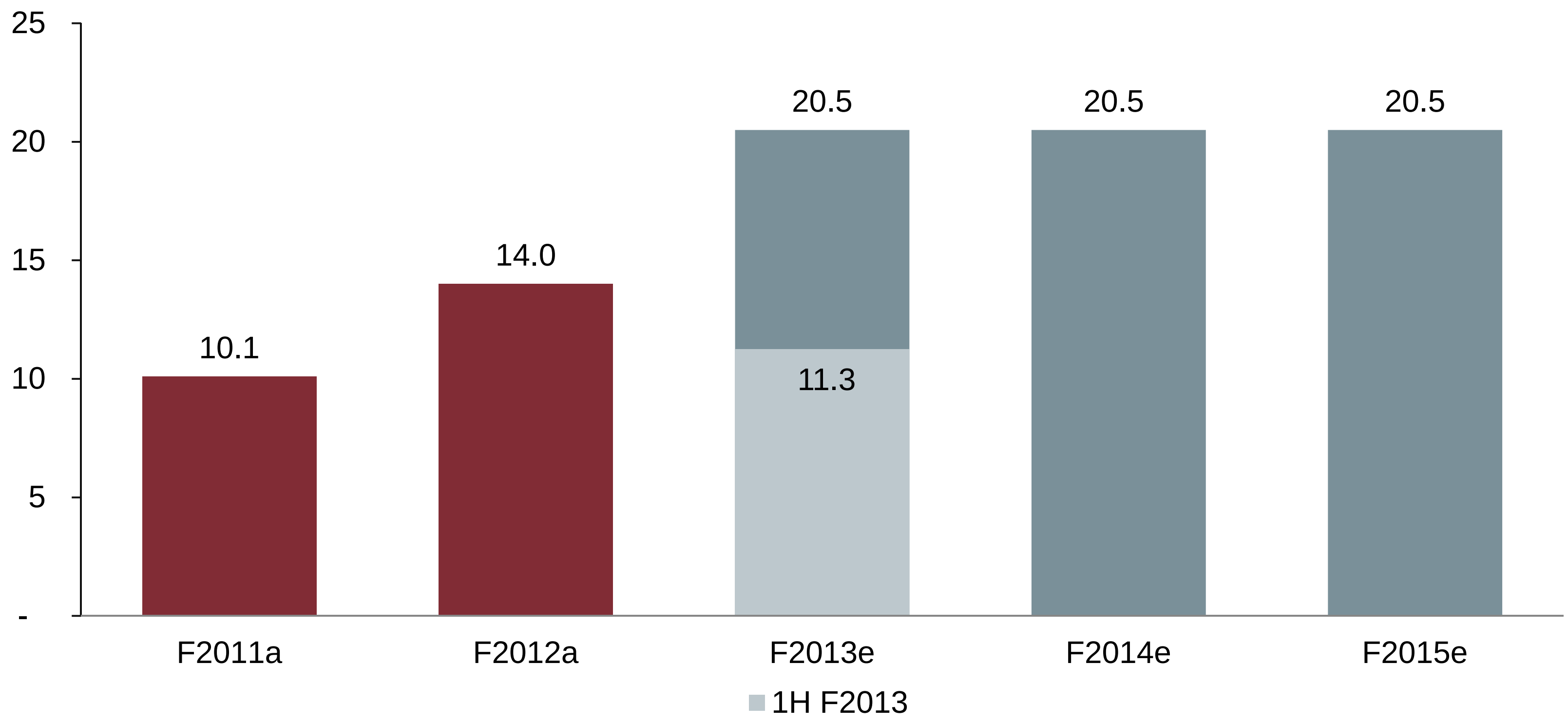


Iron ore sales volumes increased by 10%. (1H F2012 vs 1H F2013)

Additional overburden stripping to increase mining flexibility

Nkomati Nickel Mine achieves

Nickel produced (thousand tonnes)

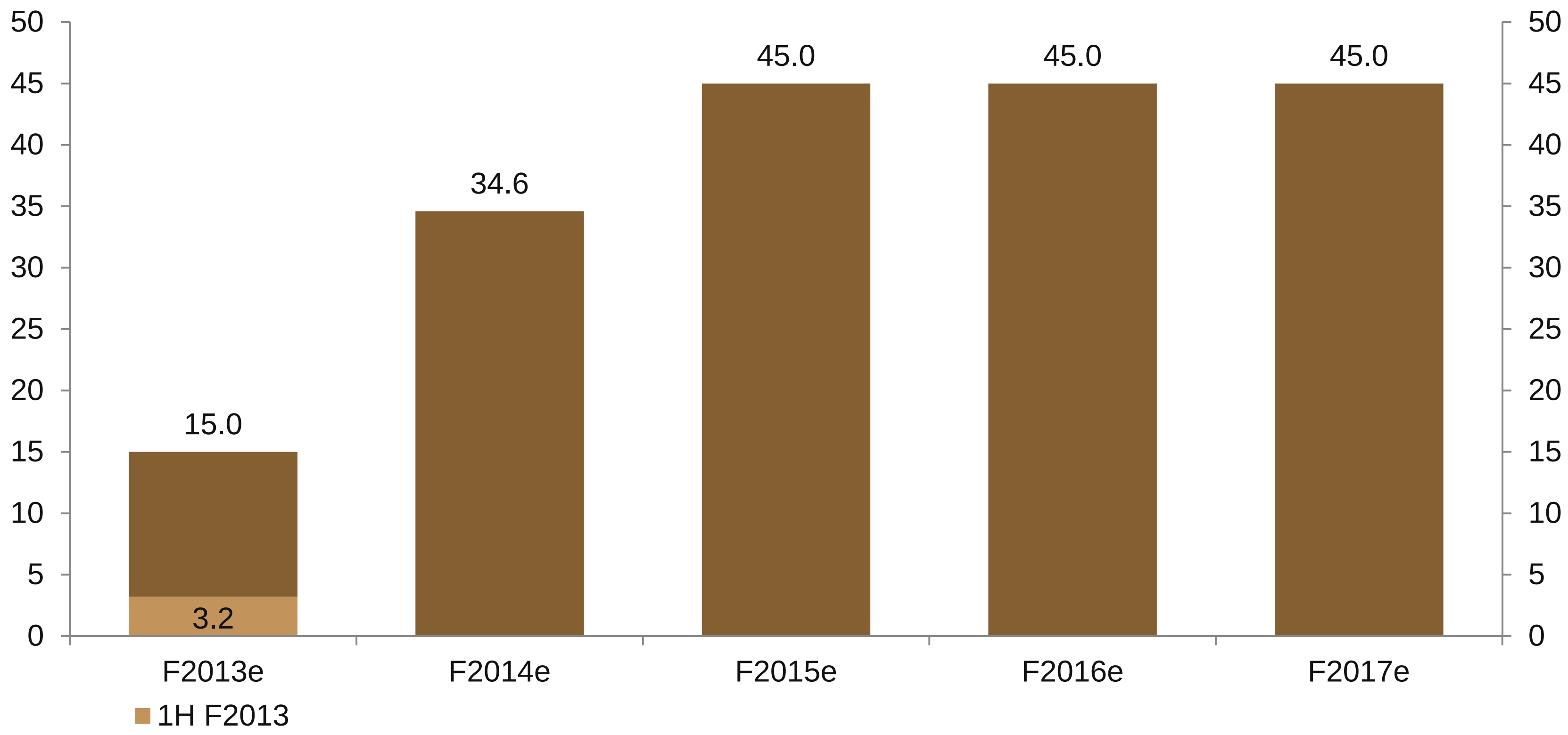


Improvement in the operational performance at Nkomati Nickel Mine.

Nickel production increased by 87% and forecast to achieve steady state this year.

Lubambe Copper Project

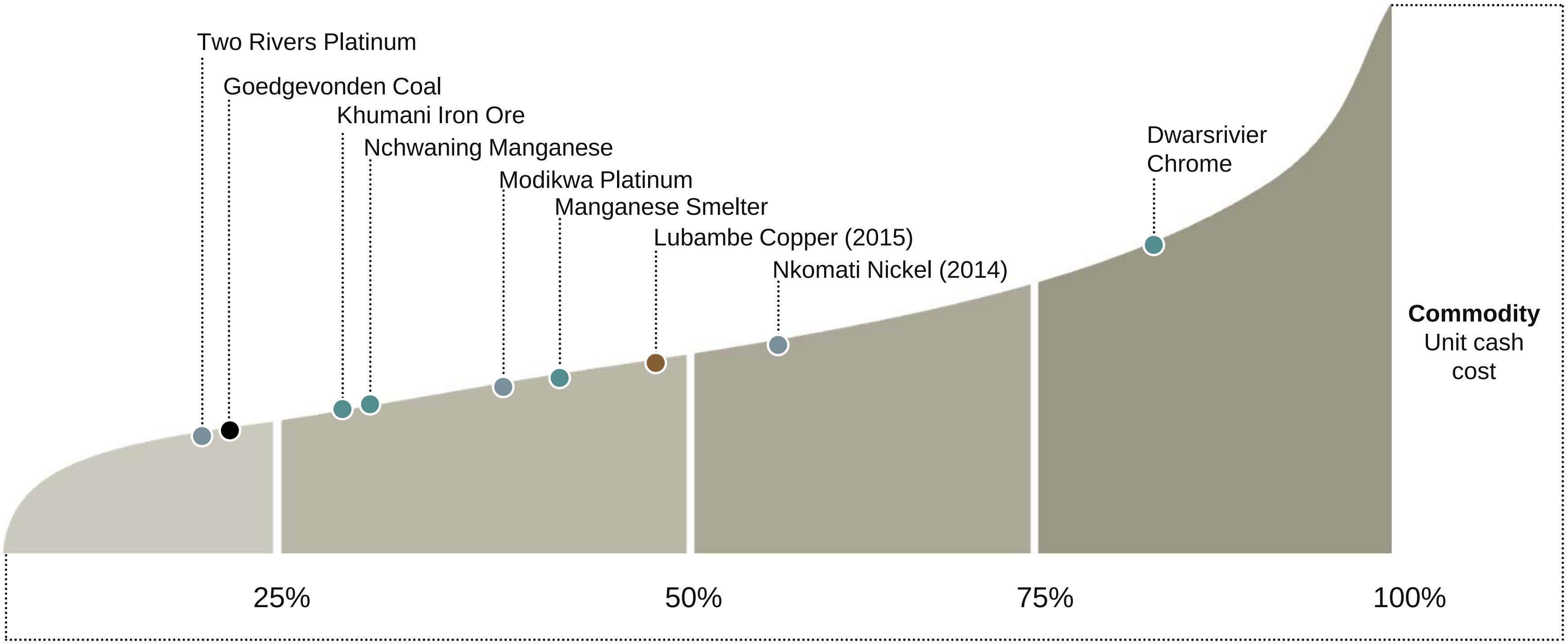
Copper produced (thousand tonnes)



The concentrator plant at the Lubambe Copper Project was commissioned in October 2012, two months ahead of schedule.

Operational efficiencies

ARM's objective is to have its operations below the 50th percentile on the global cost curve.



Percentile on cost curve (based on cumulative production)

Continued growth in existing assets

Early works capital expenditure to expand the Black Rock manganese mining operations from 3 mtpa to 4 mtpa approved.

Feasibility studies are underway to further expand ARM’s iron ore operations to benefit from Transnet’s R300 billion Market Demand Strategy (MDS), in terms of which the South African rail, pipeline and port infrastructure will expand substantially.

Mergers and Acquisitions

Continuous focus on value adding acquisitive growth.

ARM’s strong financial status, positions it favourably to pursue value adding acquisitive growth.

Safety and sustainability

ARM's Lost Time Injury Frequency Rate (LTIFR) remained steady at 0.41 per 200 000 man hours.

The ARM managed operations were fatality free for the reporting period.

Outlook

Commodity markets in China are recovering from the F2012 slowdown.

Weak demand fundamentals in the PGM, nickel and chrome markets are expected to continue in the short-term, partly due to uncertainty in the developed markets.

The long-term fundamentals of PGMs and nickel remain positive; to be driven by the expected recovery in the developed markets together with supply side challenges experienced by the South African PGM producers.

ARM will continue to focus on improving operational efficiencies and reviewing capital allocation.


PCMZ Concentrator at Nkomati Mine

African Rainbow Minerals

Operational review

Mike Schmidt, Chief Executive Officer

Divisional headline earnings

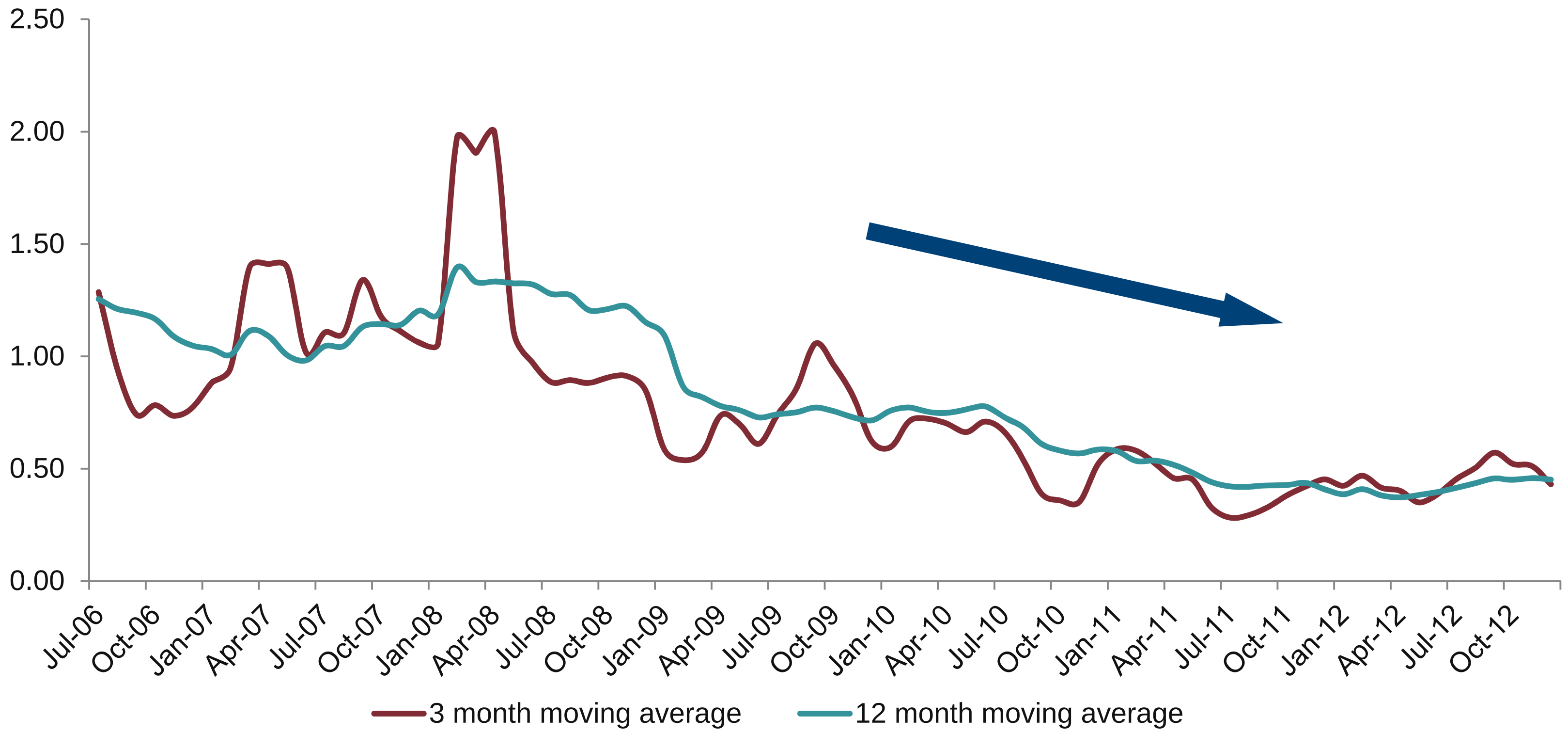
Contribution to headline earnings (R million)

Commodity group	six months ended 31 December		
	2012	2011	% change
Platinum Group Metals	**152**	162	(6)
Nkomati Nickel and Chrome	**147**	(75)*	-
Ferrous Metals	**1 061**	1 974	(46)
Coal	**105**	(12)	-
Copper	**(21)**	(30)	30
Exploration	**(36)**	(54)	33
Gold	**32**	38	(16)
Corporate and Other	**(34)**	(6)	>(100)
ARM Headline Earnings	**1 406**	**1 997***	(30)

* The 1H F2011 headline earnings have been restated for the early adoption of IFRIC 20.

Significant improvement in safety record

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



Significant sales volume increases

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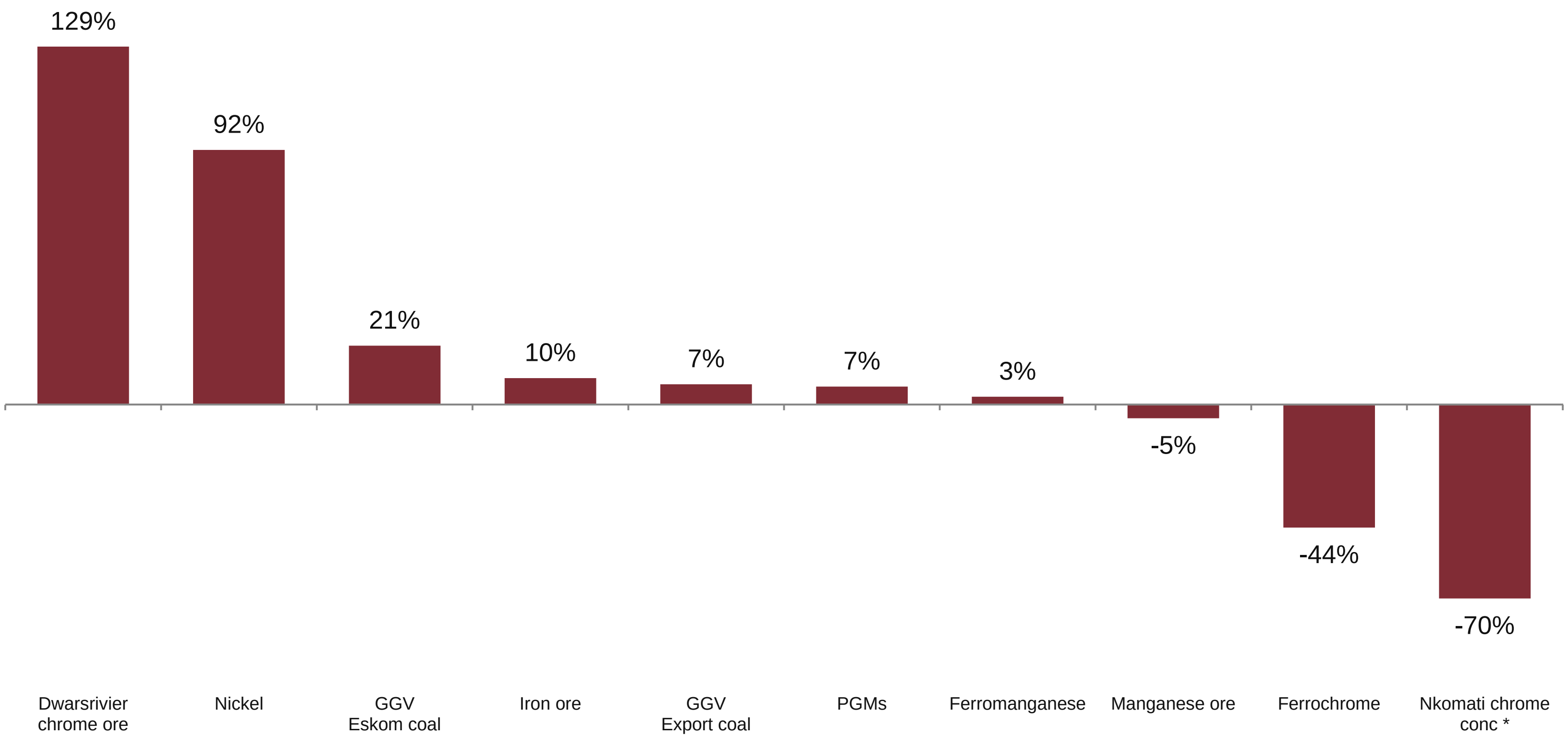
1H F2013 vs. 1H F2012 sales volumes (% change)

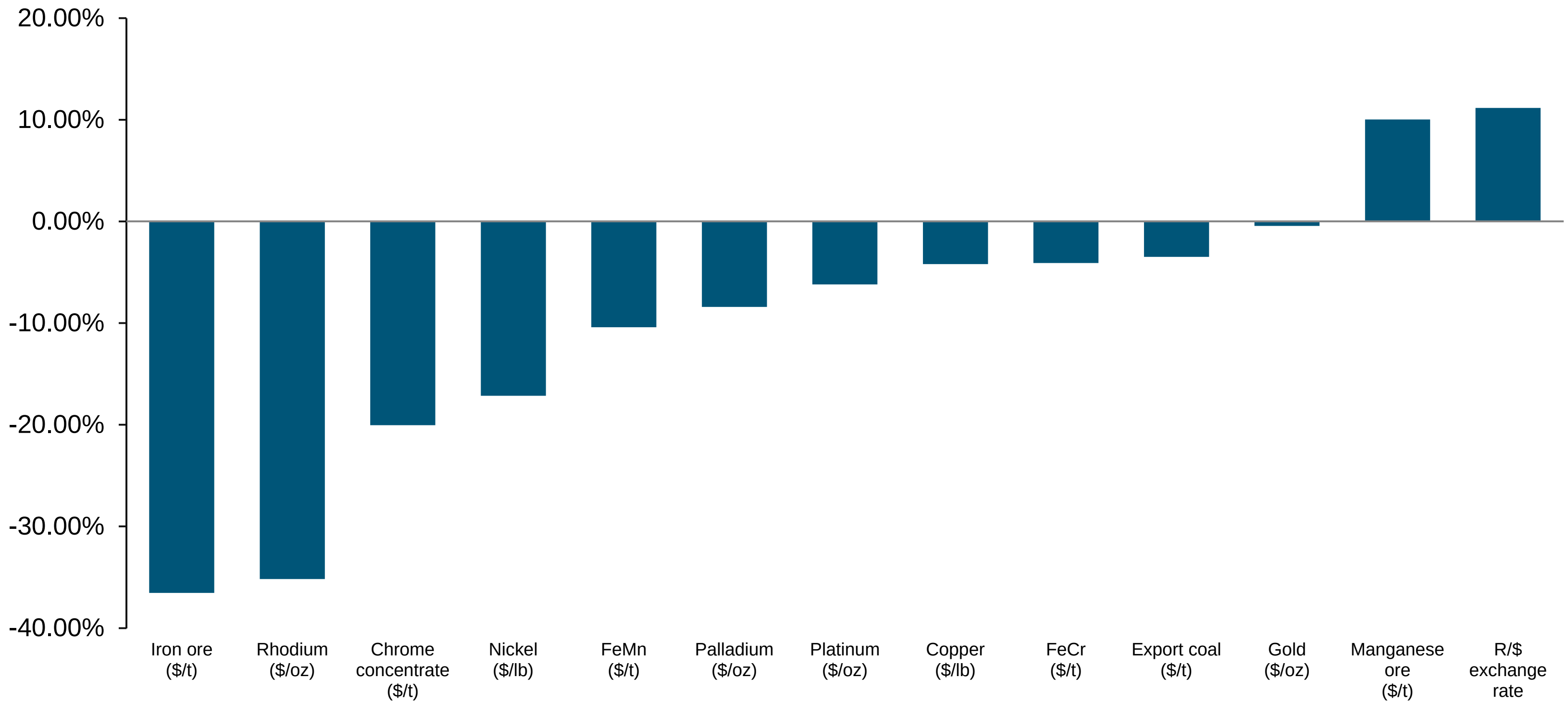


* Nkomati chrome spiral plant closed

Decrease in commodity prices

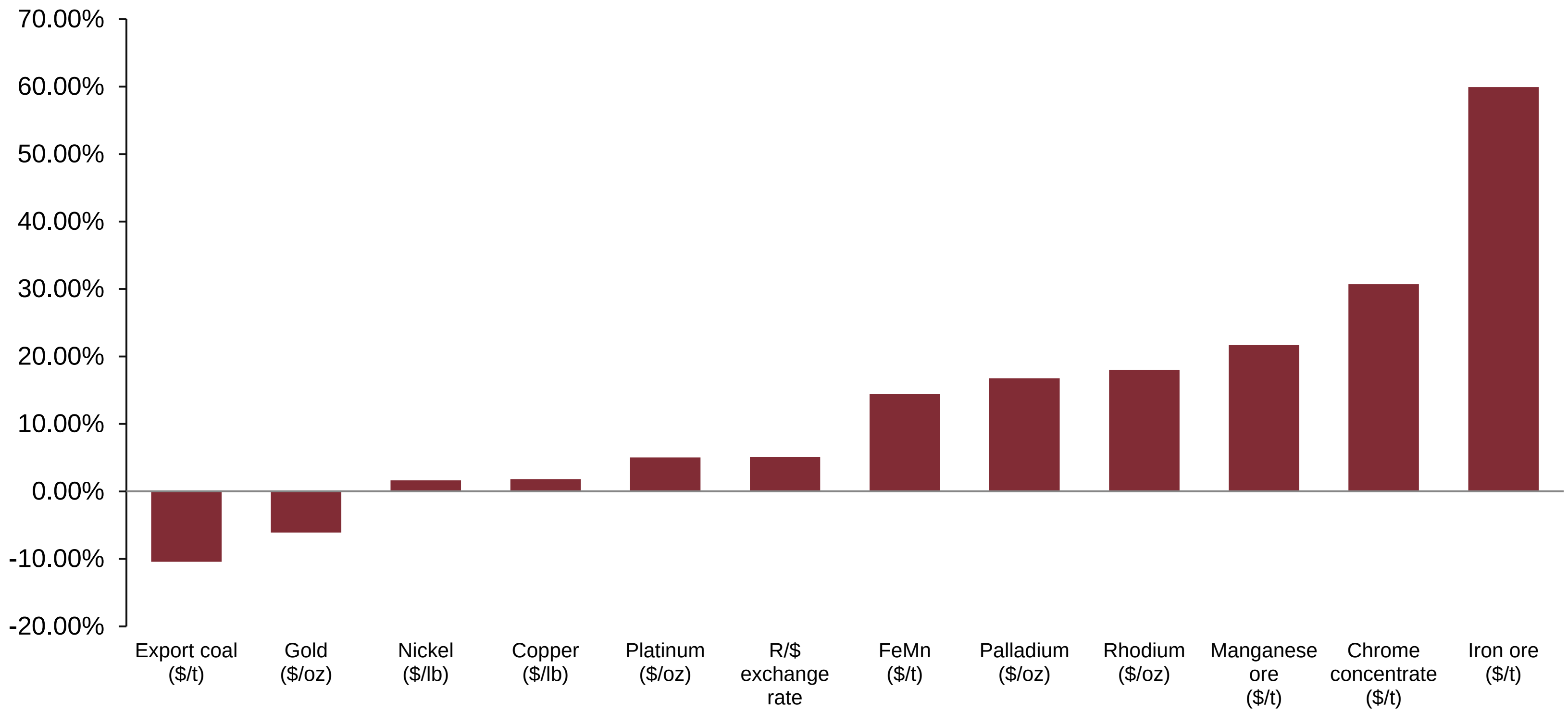
African Rainbow Minerals

1H F2013 vs. 1H F2012 realised prices (% change)



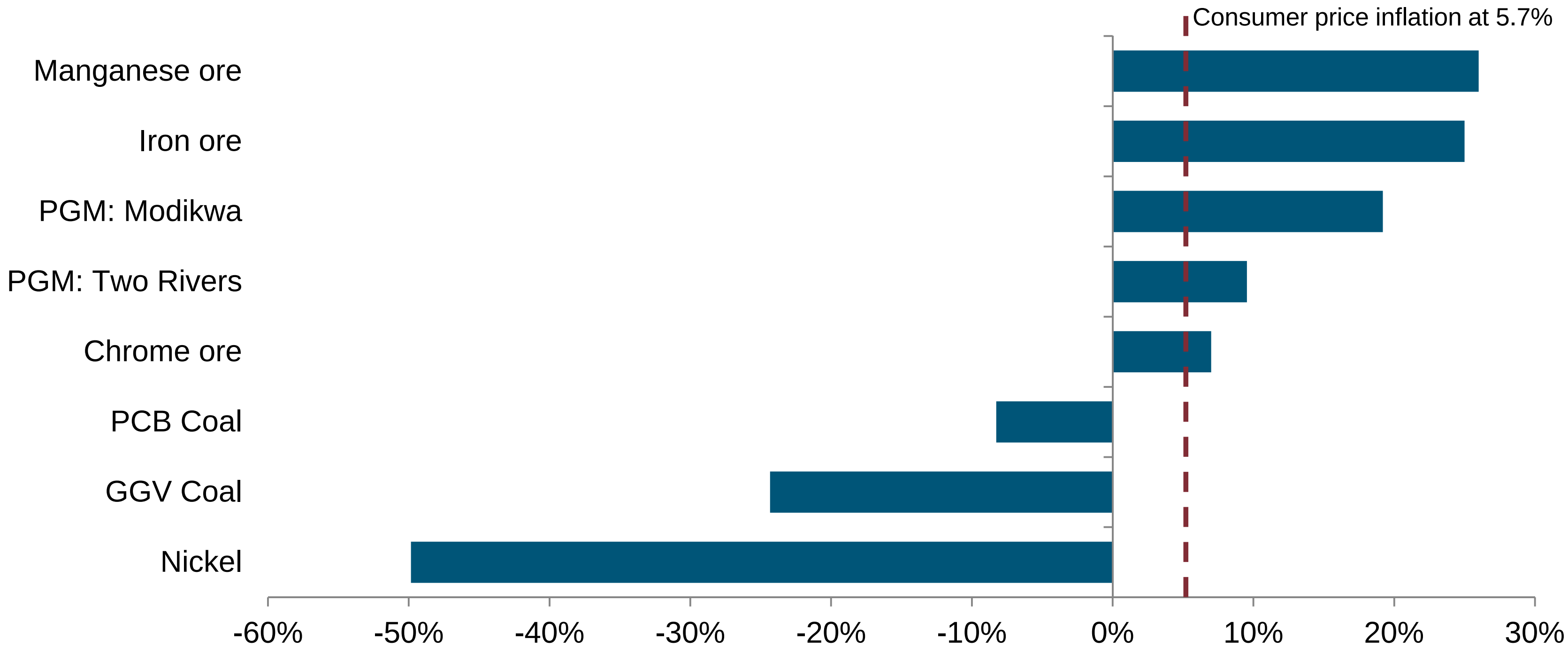
Spot prices recover

Spot prices on 21 February 2013 vs. 1H F2013 realised prices (% change)



Unit cost changes by commodity

1H F2013 vs. 1H F2012 unit production costs (% change)



The Nkomati Nickel Mine US Dollar C1 unit cash cost net of by-product credits decreased 50% due to enhanced efficiencies, grades and recoveries.

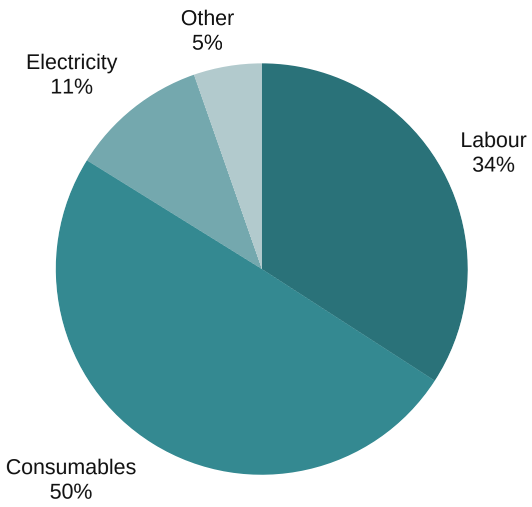
Analysis of costs

African Rainbow Minerals

ARM Ferrous

Unit costs increased mainly due to overburden waste stripping, the cessation of cost capitalisation and labour related increases.

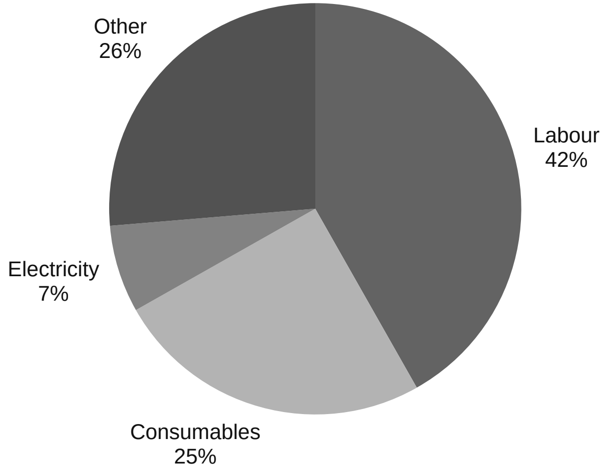
Approximate on-mine cash cost split



ARM Platinum

Modikwa experienced excessive labour cost increases and Two Rivers took over 1 660 contractor employees, previously employed by Grinaker LTA.

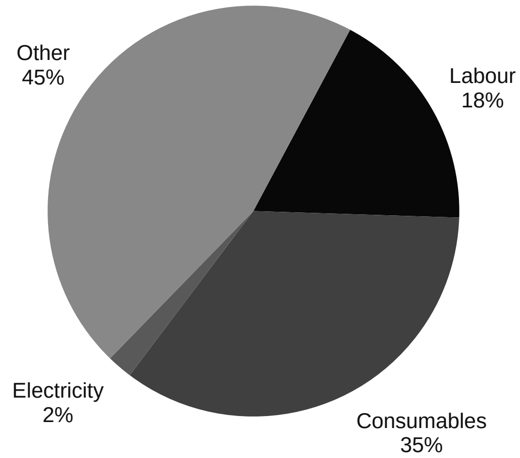
Approximate on-mine cash cost split



ARM Coal

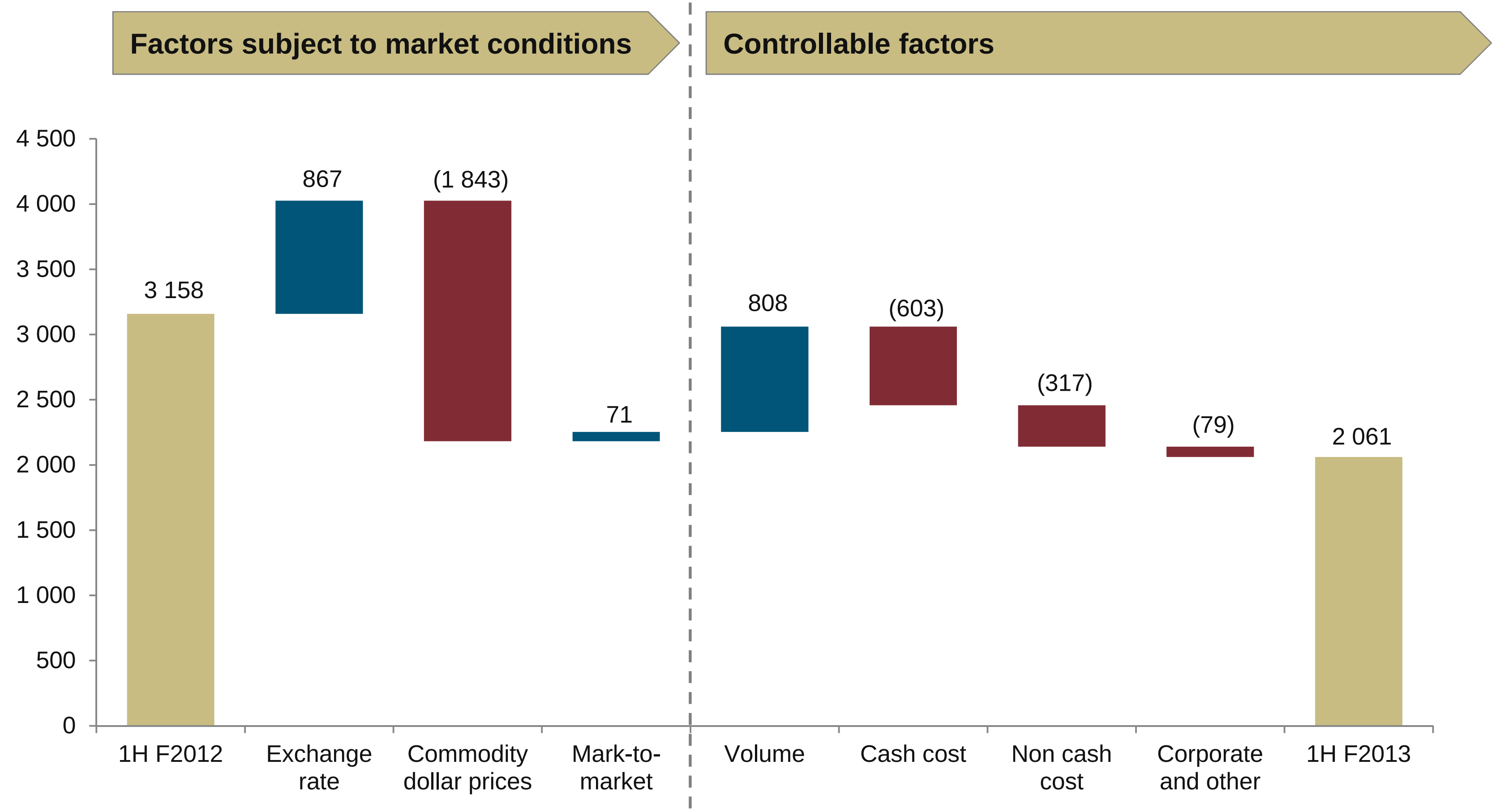
Production unit costs at GGV reduced as a result of increased saleable production volumes and a decline in the in-pit inventories

Approximate on-mine cash cost split



Profit variance analysis

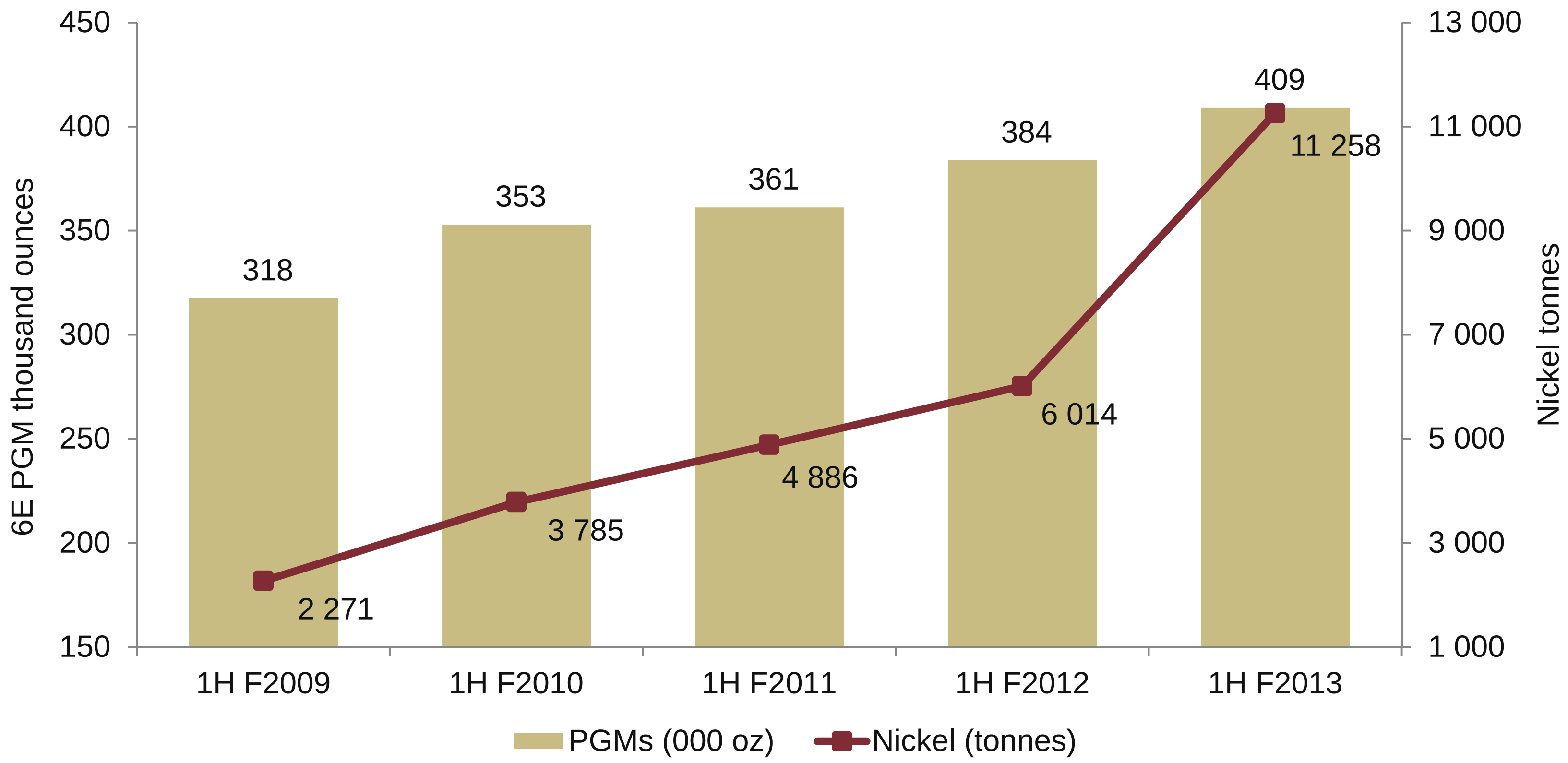
Unaudited profit variance analysis – Profit from operations before exceptional items (R million)



ARM Platinum growth

ARM African Rainbow Minerals

PGM and nickel production



Significant improvement in Nkomati operational performance

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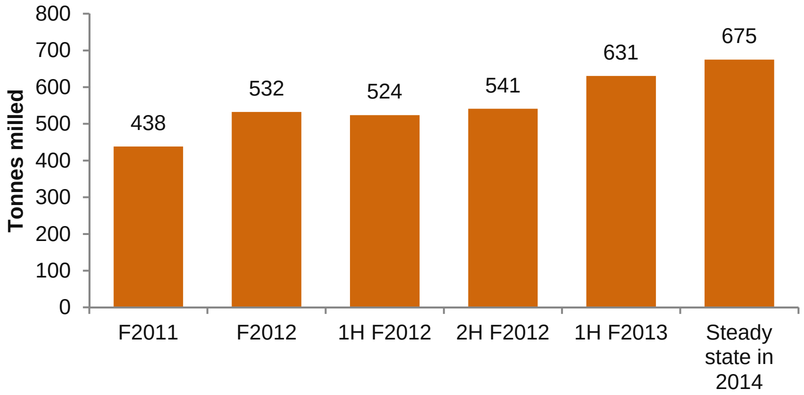
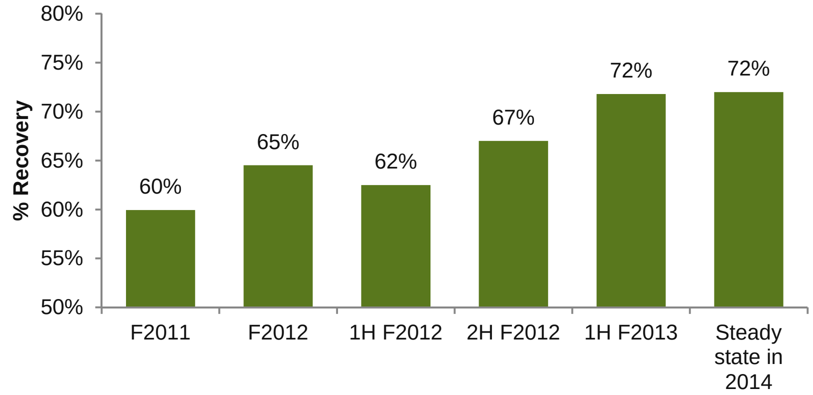
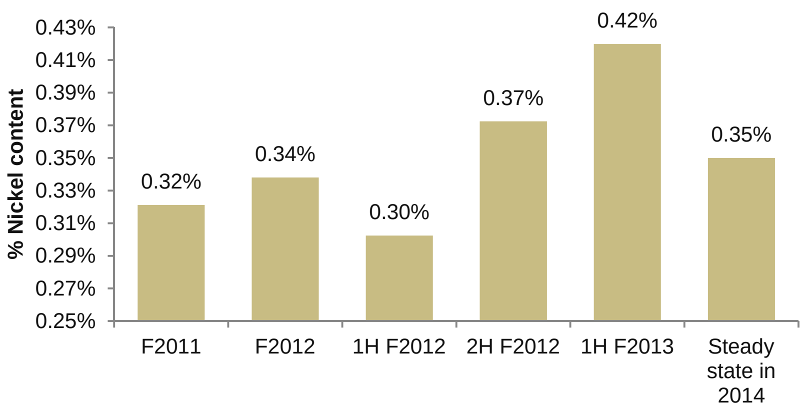
Monthly tonnes milled (thousand tonnes)



Average recoveries (%)



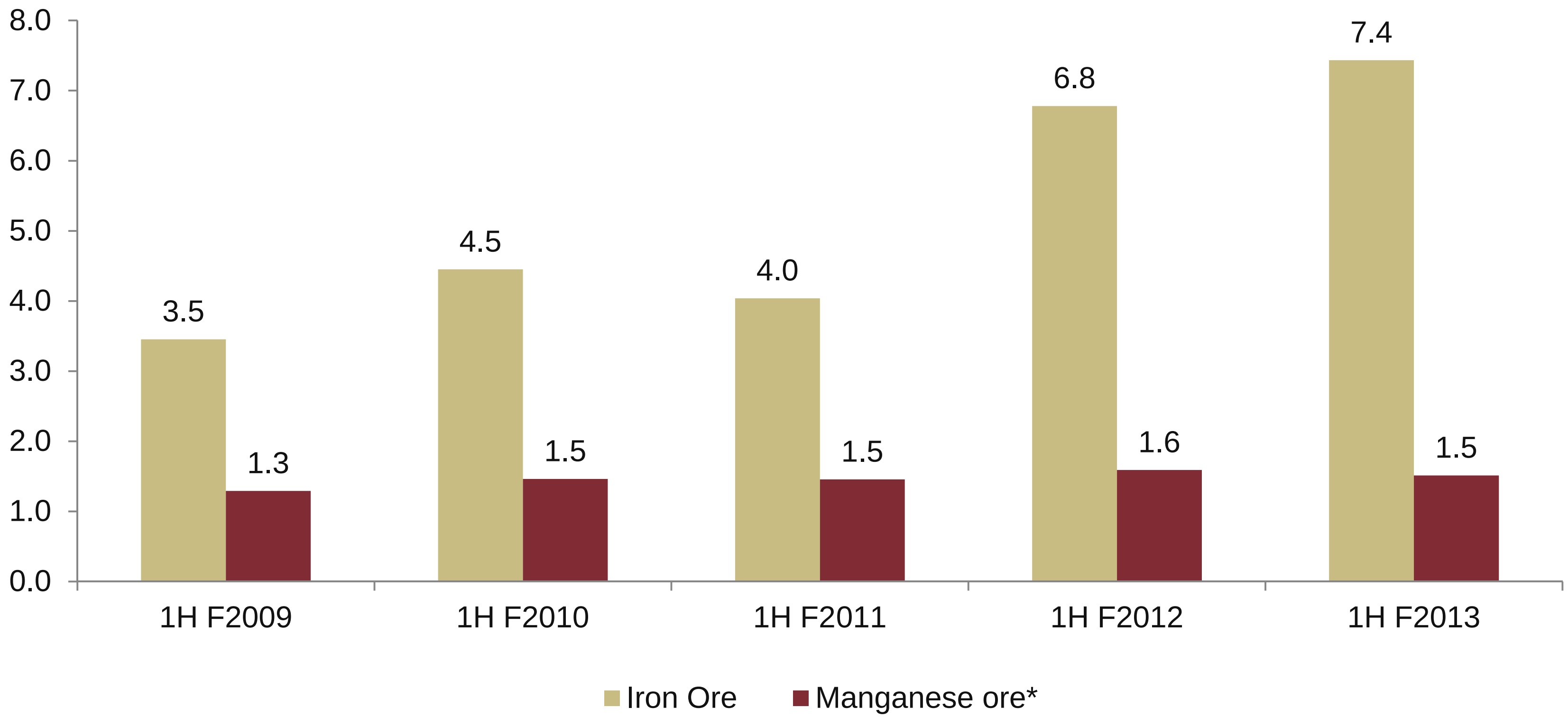
Average milling grade (% nickel content)



$/lb Nickel produced	**1H F2012**	**1H F2013**	**Steady state in 2014**
On mine operating costs	**10.65**	6.08	8.15
Off-mine operating cost	**3.17**	2.35	3.50
PGM, copper and cobalt by-product credits	**(3.31)**	(3.04)	(3.20)
Chrome by-product credit	**(0.28)**	(0.26)	(2.45)
C1 cash cost net of by products	**10.24**	**5.13**	**6.00**

ARM Ferrous

Iron ore and manganese ore* sales volumes (million tonnes)



** Manganese ore sales exclude intragroup sales*

ARM Coal

African Rainbow Minerals

The Goedgevonden Mine produced 4.41 million tonnes saleable in 1H F2013 (1H F2012: 2.8 million tonnes).

47% committed to date on the R8.2 billion Tweefontein Optimisation Project (TOP).

The Project is expected to be completed in F2016.

PCB and GGV achieved unit cost decreases of 8% and 24% respectively.

ARM Copper

ARM African Rainbow Minerals

The concentrator plant at the Lubambe Copper Project was commissioned in October 2012, two months ahead of schedule.

Capital expenditure of $410 million (in July 2010 terms) is within budget.

Unit costs at steady state are expected to be $1.45/lb in July 2015 terms.

ARM Copper: Extension Area growth

Approximately 10 535 metres were drilled during the reporting period with six drill rigs.

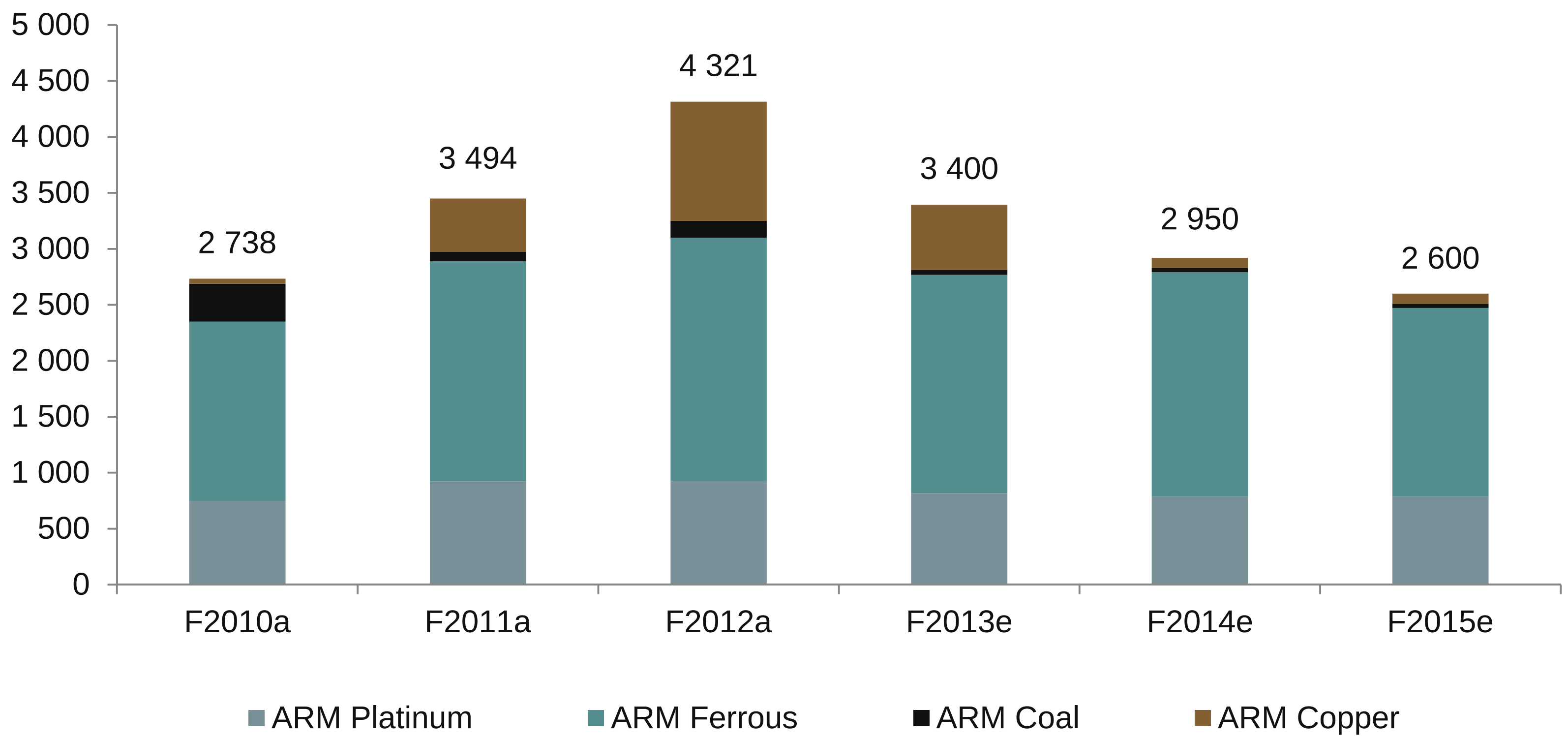
AMEC initial ore resources statement of 105 million tonnes at 3.66% total copper in-situ with an average reef width of 11.25 metres.

Indicated resources 73 million tonnes at 3.60% total copper.
Inferred resources 32 million tonnes at 3.79% total copper.

The feasibility study for the extension area has commenced and is expected to be completed by March 2014.

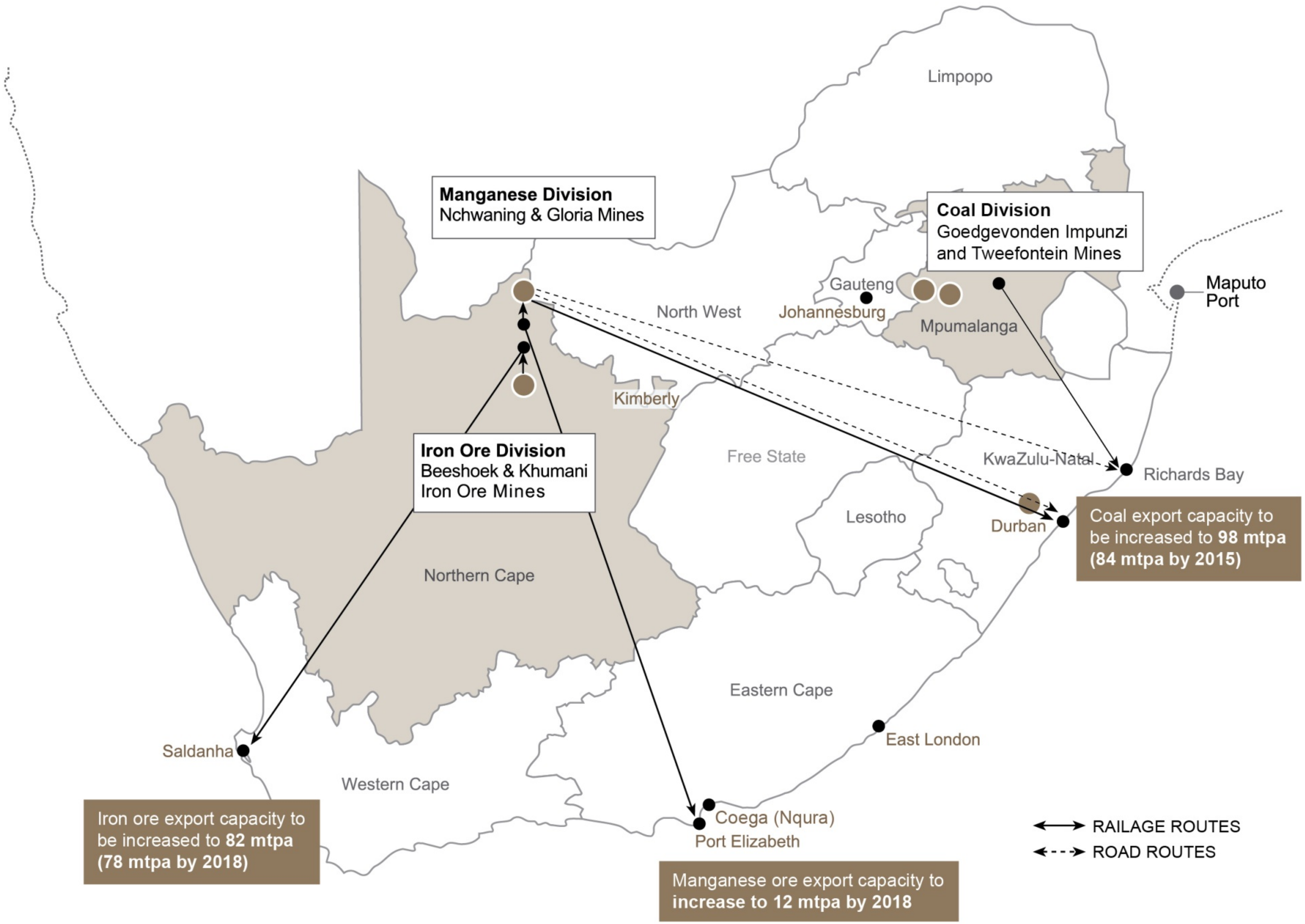
Capital expenditure

Capital expenditure (R million)*



**The forecasted capital expenditure in F2014 and F2015 is an estimation based on approved projects and projects under consideration*

Transnet's Market Demand Strategy



Potential future projects

African Rainbow Minerals

- Iron ore expansion beyond 16 mtpa
- Manganese ore expansion to 5 mtpa
- Expansion of Modikwa Platinum Mine
- Lubambe Copper Extension
- Exploration with Rovuma Resources
- Thermal coal projects

ARM Exploration

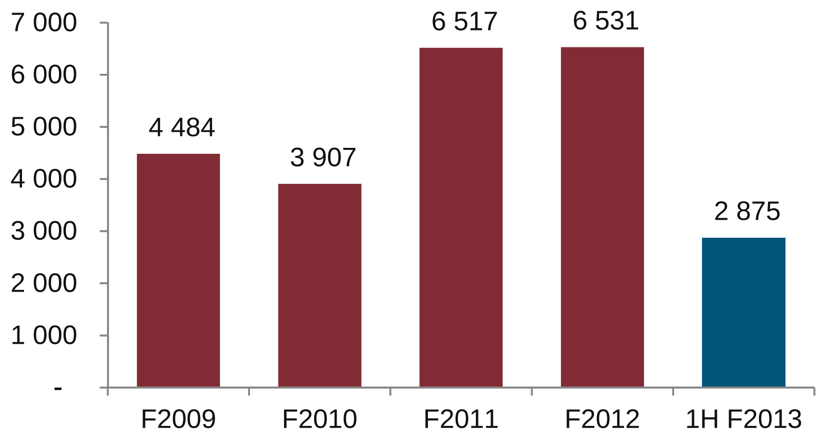
ARM signed an agreement in July 2011 with Rovuma Resources which is a Mozambican exploration company, to explore for PGM, nickel, copper and other base metals.

Rovuma Resources has been exploring in Mozambique since 2007.

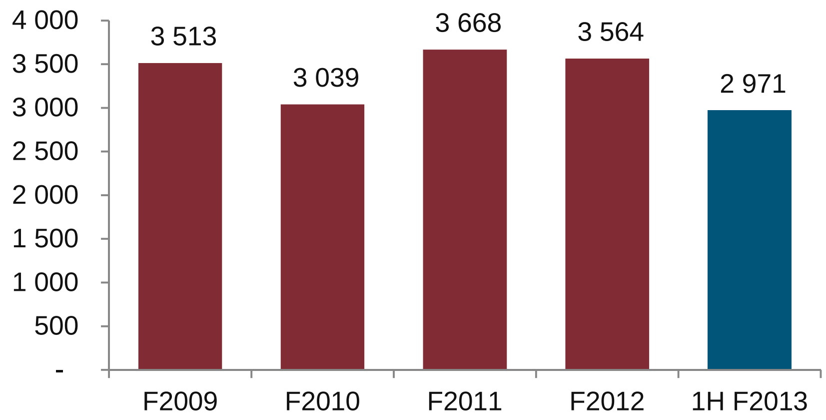
ARM agreed to continue with the second year of exploration (commencing April 2012) and to fund exploration at a cost of $7 million per year. Drilling has commenced and base metal intersections have been made.

Financial position

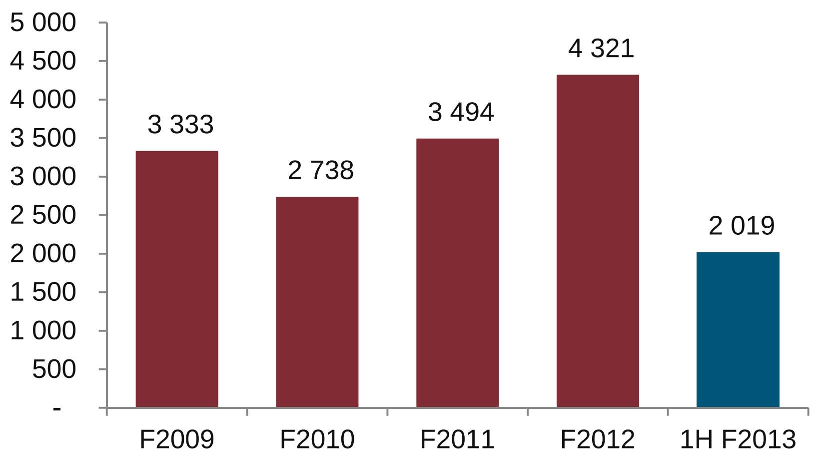
EBITDA excluding exceptional items
R million



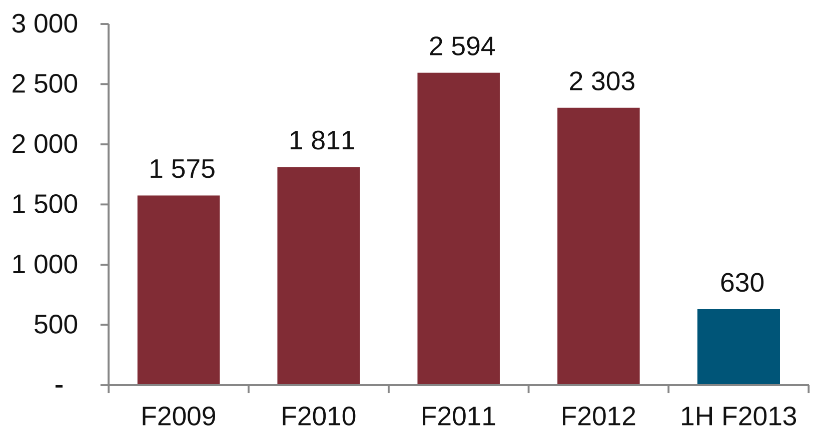
Cash on statement of financial position
R million



Capital expenditure
R million



Net cash excluding partner loans
R million



Questions?

We do it better

African Rainbow Minerals

Appendix

We do it better

Net cash / (net debt) position

	six months ended 31 December		change
R million	**2012**	**2011**	
Cash and cash equivalents	**2 971**	2 825	146
Long term interest borrowings	**(3 370)**	(1 835)	(1 535)
Short term interest borrowings	**(1 011)**	(1 227)	216
Total interest bearing borrowings	**(4 381)**	(3 062)	(1 319)
Net cash including partner loans	**(1 410)**	(237)	(1 173)
Partner loans:			
Modikwa loan from Anglo Platinum	**114**	114	-
Two Rivers loan from Impala	**48**	48	-
ARM Coal loan from Xstrata	**1 575**	1 727	(152)
Vale / ARM Joint Venture from ZCCM-IH	**303**	16	287
Net cash excluding partner loans	**630**	1 668	(1 038)

Income statement

	six months ended 31 December		
R million	**2012**	**2011***	% change
Sales	**8 845**	8 721	1
Profit from operations (before exceptional items)	**2 061**	3 158	(35)
Income from investments	**123**	141	(13)
Finance costs	**(108)**	(93)	(16)
Income / (loss) from associate	**42**	(6)	-
Exceptional items	**-**	2	-
Taxation	**(628)**	(1 081)	42
Non-controlling interest	**(84)**	(85)	1
Profit after tax and non-controlling interest	**1 406**	2 036	(31)
Headline earnings	**1 406**	1 997	(30)
Headline earnings cents per share	**654**	937	(30)
EBITDA	**2 875**	3 731	(23)

* 1H F2012 was restated to take into account the early adoption of IFRIC 20.

Cash flow statement

	six months ended 31 December		
R million	**2012**	**2011***	**change**
Cash generated from operations	**1 665**	2 673	(1 008)
Net finance income	**35**	59	(23)
Dividends received	**32**	38	(6)
Dividends paid	**(1 021)**	(959)	(63)
Tax paid	**(350)**	(631)	281
	361	1 180	(819)
Maintenance capital expenditure	**(778)**	(419)	(359)
Expansionary capital expenditure	**(1 272)**	(1 561)	289
Other	**(66)**	(25)	(41)
	(2 116)	(2 005)	(111)
Net borrowings raised/ (repaid)	**934**	(43)	977
Other	**74**	87	(13)
	1 008	44	964
Net cash movement	**(747)**	(781)	34

* 1H F2012 was restated to take into account the early adoption of IFRIC 20.

Statement of financial position

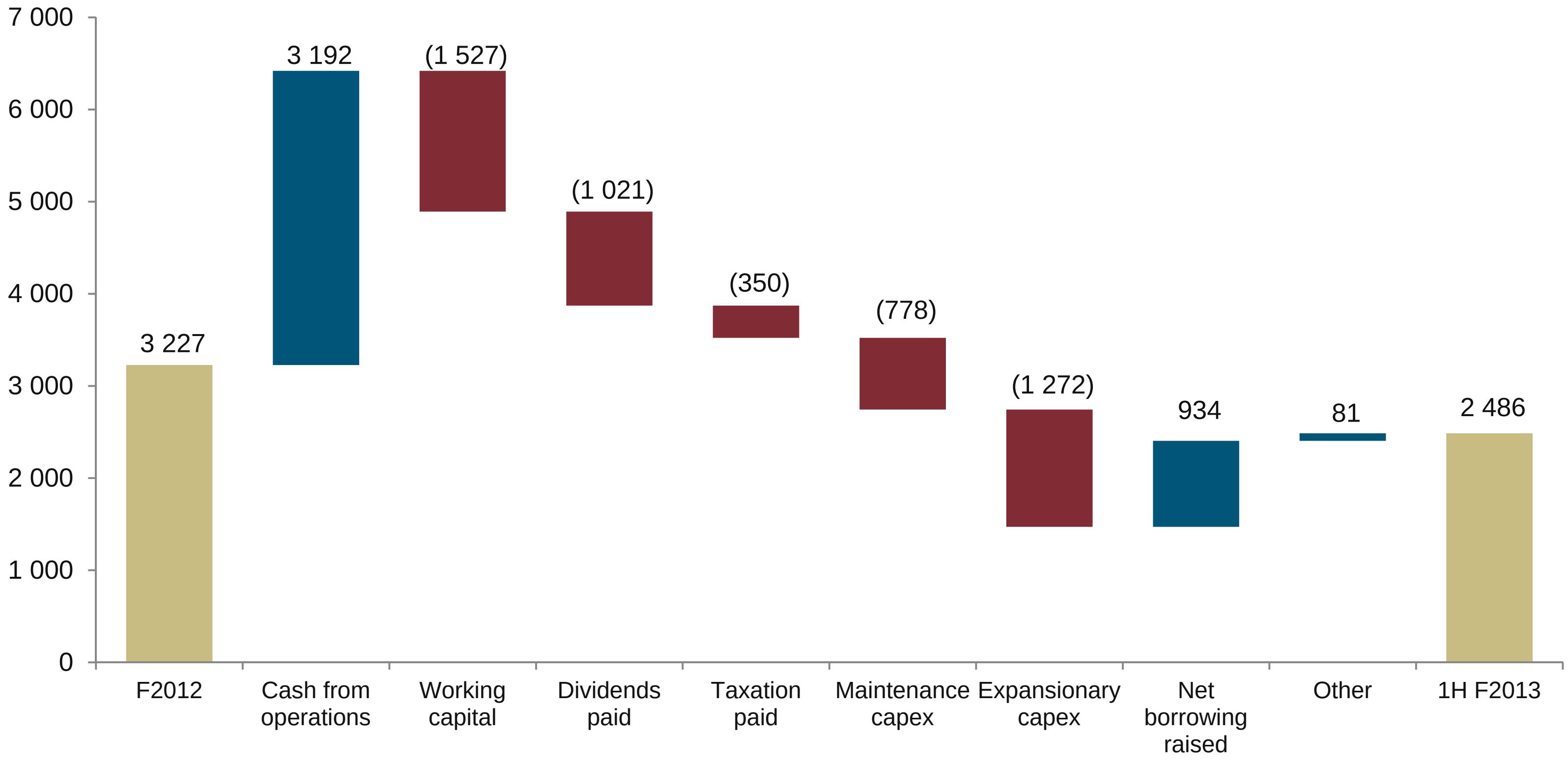
		six months ended 31 December	
R million		**2012**	**2011**
Non-current assets		**26 946**	25 198
Property, plant, equipment and other		**20 684**	17 763
Investments		**6 262**	7 435
Other		**-**	-
Current assets		**10 163**	9 243
Cash and equivalents		**2 971**	2 825
Other		**7 192**	6 418
Total assets		**37 109**	34 441
Total Equity		**24 901**	23 896
Non-current liabilities:	Long-term borrowings	**3 370**	1 835
	Other	**4 957**	4 537
Current liabilities:	Short-term borrowings	**1 011**	1 227
	Other	**2 870**	2 946
Total equity and liabilities		**37 109**	34 441

* 1H F2012 was restated to take into account the early adoption of IFRIC 20.

Cash flow statement

African Rainbow Minerals

Cash flow statement analysis – cash and cash equivalents (R million)



Operational summary

				1H F2013	1H F2012	% change
ARM Platinum (100% basis)	Modikwa	PGMs in concentrate	Ounces, 6E	**176 701**	176 490	-
		Cash cost	R/kg, 6E	**187 418**	157 246	19
		Cash operating margin	%	**20**	28	
	Two Rivers	PGMs in concentrate	Ounces, 6E	**179 513**	163 177	10
		Cash cost	R/kg, 6E	**164 629**	152 200	8
		Cash operating margin	%	**34**	35	
	Nkomati	Contained nickel	Tonnes	**11 258**	6 014	87
		Chrome ore / concentrate sold	kt	**76**	315	(76)
		C1 cash cost net of by-products	US$/lb.	**5.13**	10.24	(50)
		Cash operating margin	%	**33**	(15)	
ARM Ferrous (100% basis)	Iron ore	Sales tonnes	Mt	**7 433**	6 781	10
		Change in costs compared to comparable period	%	**25.0**	17.8	
		EBITDA margin	%	**48.0**	64.1	
	Manganese ore	Sales tonnes (excl intra-group sales)	Mt	**1 513**	1 590	(5)
		Change in costs compared to comparable period	%	**26**	4.4	
		EBITDA margin	%	**26**	37.3	
	Manganese alloy	Sales tonnes (excl intra-group sales)	kt	**107**	104	3
		Change in costs compared to comparable period	%	**-**	(5.3)	
		EBITDA margin	%	**12**	41.0	
	Charge chrome	Sales tonnes	kt	**112**	86	30
		Change in costs compared to comparable period	%	**-**	20.8	
		EBITDA margin	%	**5**	(0.2)	
	Chrome ore	Sales tonnes	kt	**483**	211	129
		Change in costs compared to comparable period	%	**7**	(2.8)	
		EBITDA margin	%	**6**	38.4	
ARM Coal	GGV	Total saleable production	Mt	**4.41**	2.80	58
		On mine saleable cost	R/tonne	**158**	209	(24)
	PCB	Total saleable production	Mt	**6.65**	6.38	4
		On mine saleable cost	R/tonne	**302**	329	(8)