African Rainbow Minerals

"ARM achieved sales volume increases in iron ore, manganese ore, manganese alloys, PGMs, nickel, chrome concentrate and Eskom thermal coal.

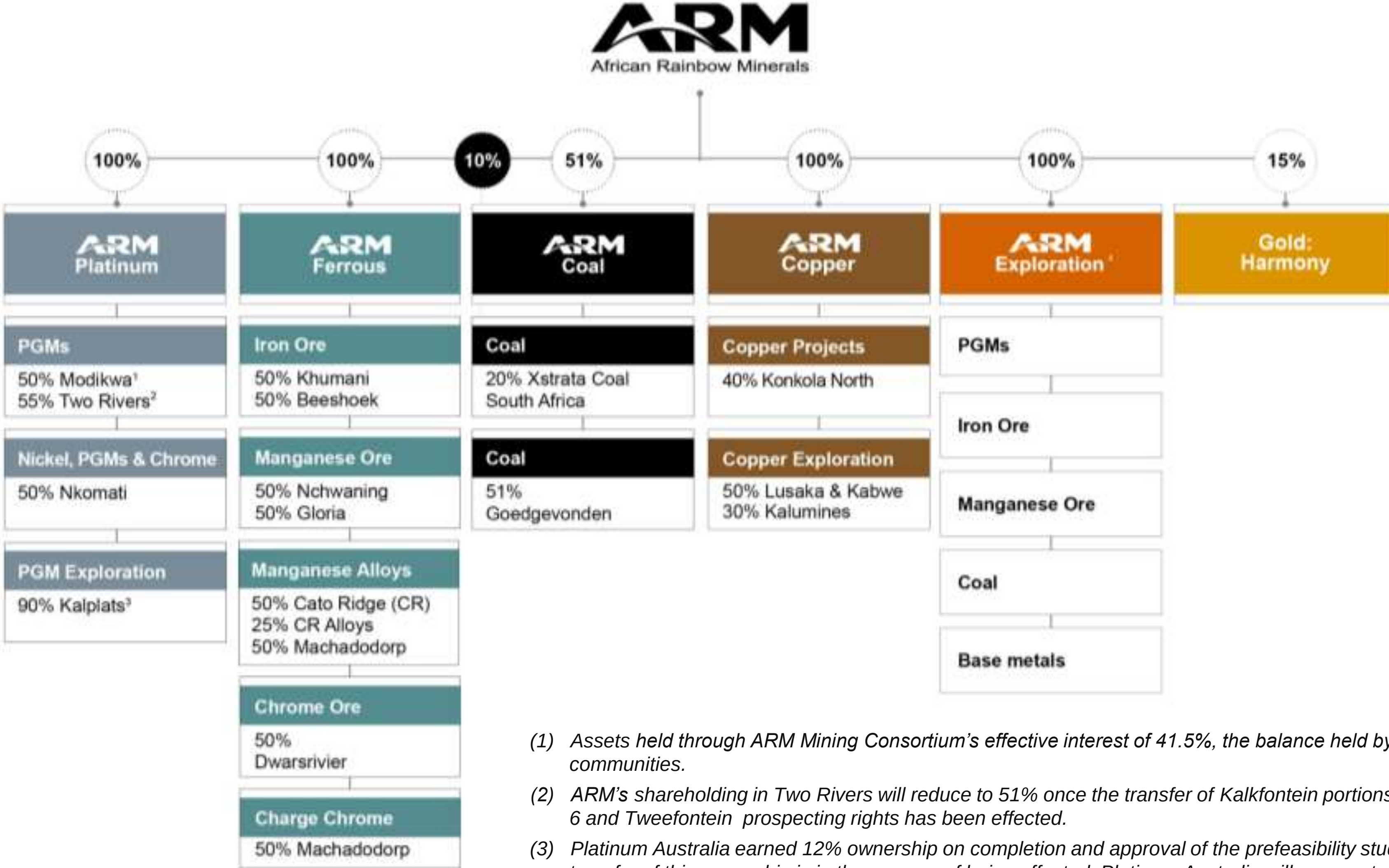
We are making substantial progress with our growth projects and are excited about Government's stated commitment to allocate huge resources to upgrade rail, port and electricity infrastructure. This will support and enhance our aggressive growth strategy."

Patrice Motsepe
ARM 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



(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) ARM Exploration is involved in identifying and assessing exploration and mineral business opportunities in sub-Saharan Africa.

Overview and strategy

Patrice Motsepe, Executive Chairman

Loading at the Khumani Iron Ore pit

African Rainbow Minerals

Salient features

Headline earnings increased 24% to R1.94 billion (1H F2011 R1.56 billion).

Headline earnings per share were 912 cents per share (1H F2011: 734 cents per share).

Cash generated from operations increased by 25% to R2.56 billion (1H F2011 R2.05 billion).

ARM African Rainbow Minerals

Salient features

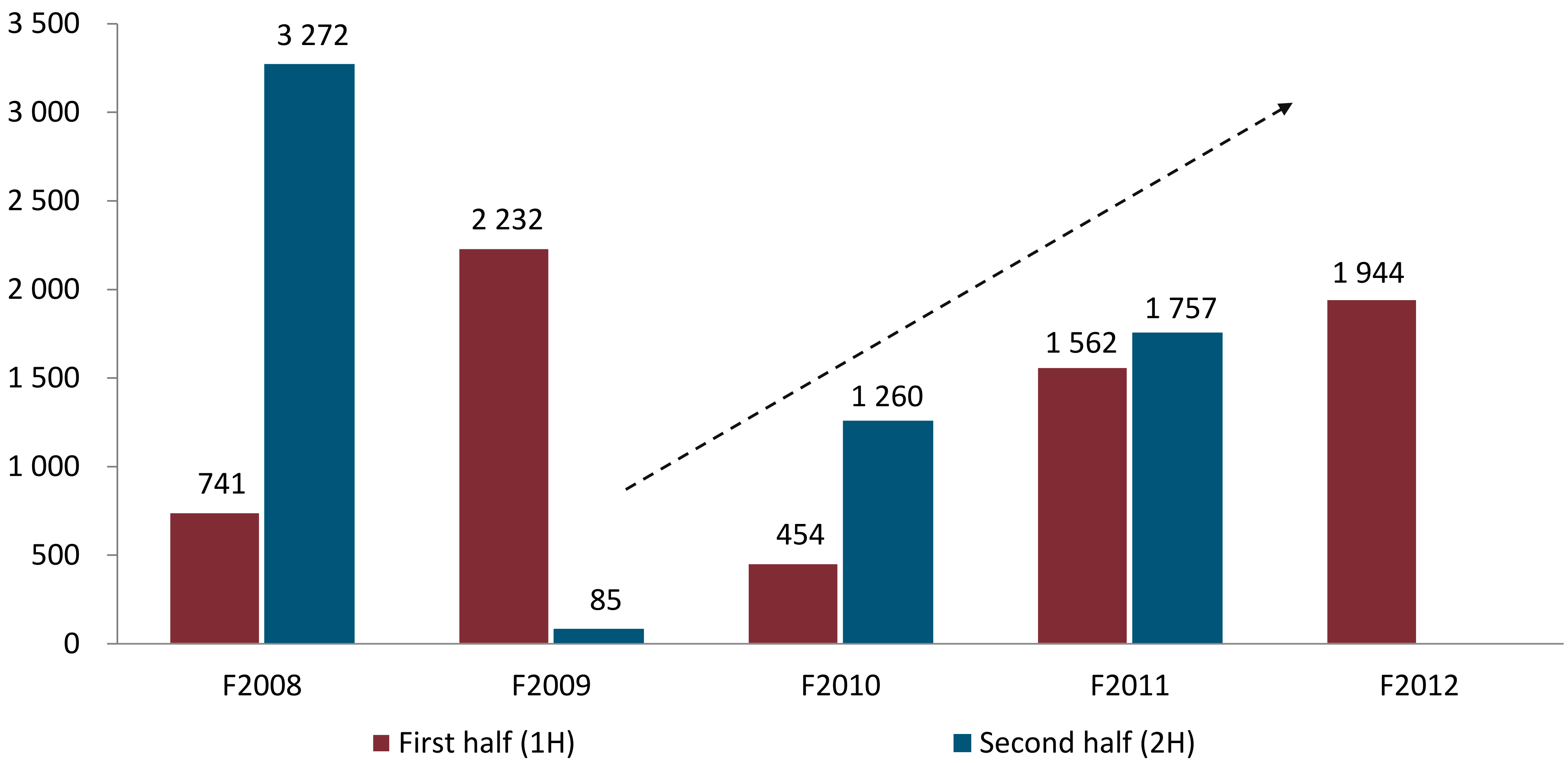
Increased sales volumes for iron ore, manganese ore, manganese alloys, PGMs, nickel, chrome concentrate and Eskom thermal coal.

Robust financial position maintained, with net cash (excluding partner loans) of R1.66 billion.

Government's commitment to substantially invest in rail, port and electricity, supports and accelerates ARM's aggressive growth strategy.

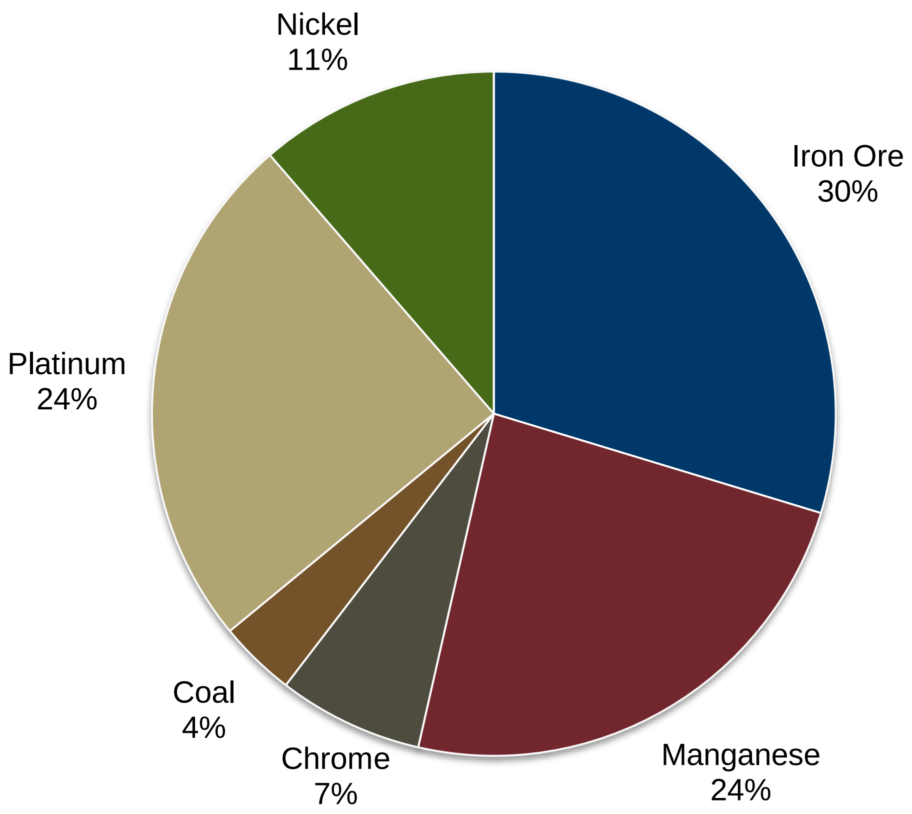
Earnings profile

Headline earnings (R million)

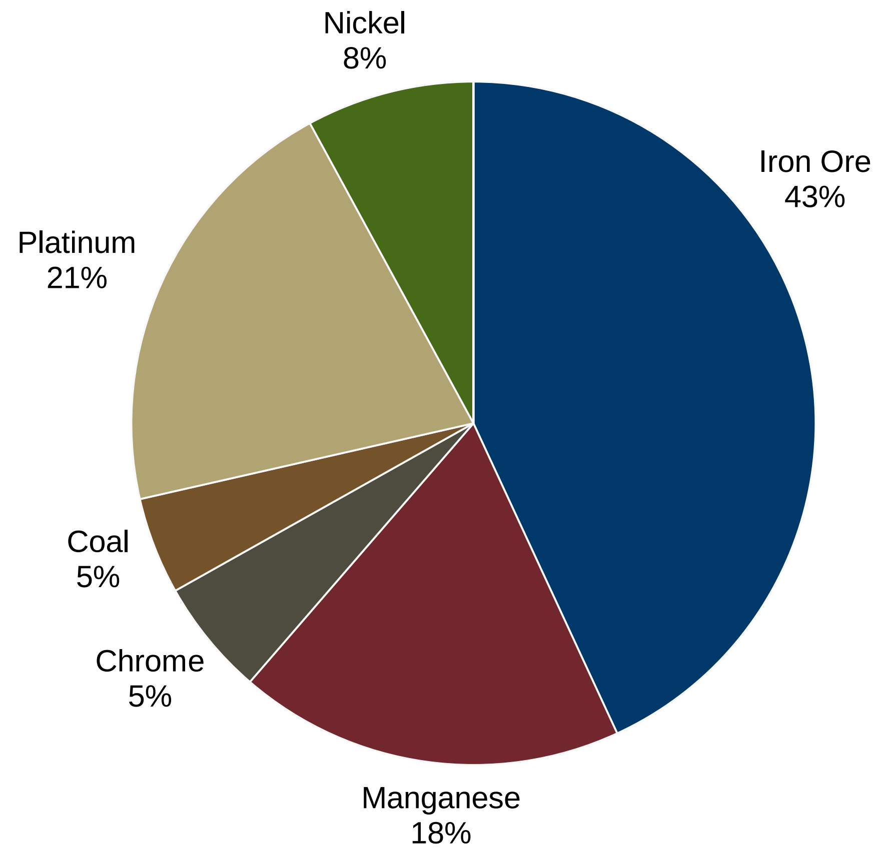


Significant increase in iron ore revenue contribution

1H F2011 Revenue

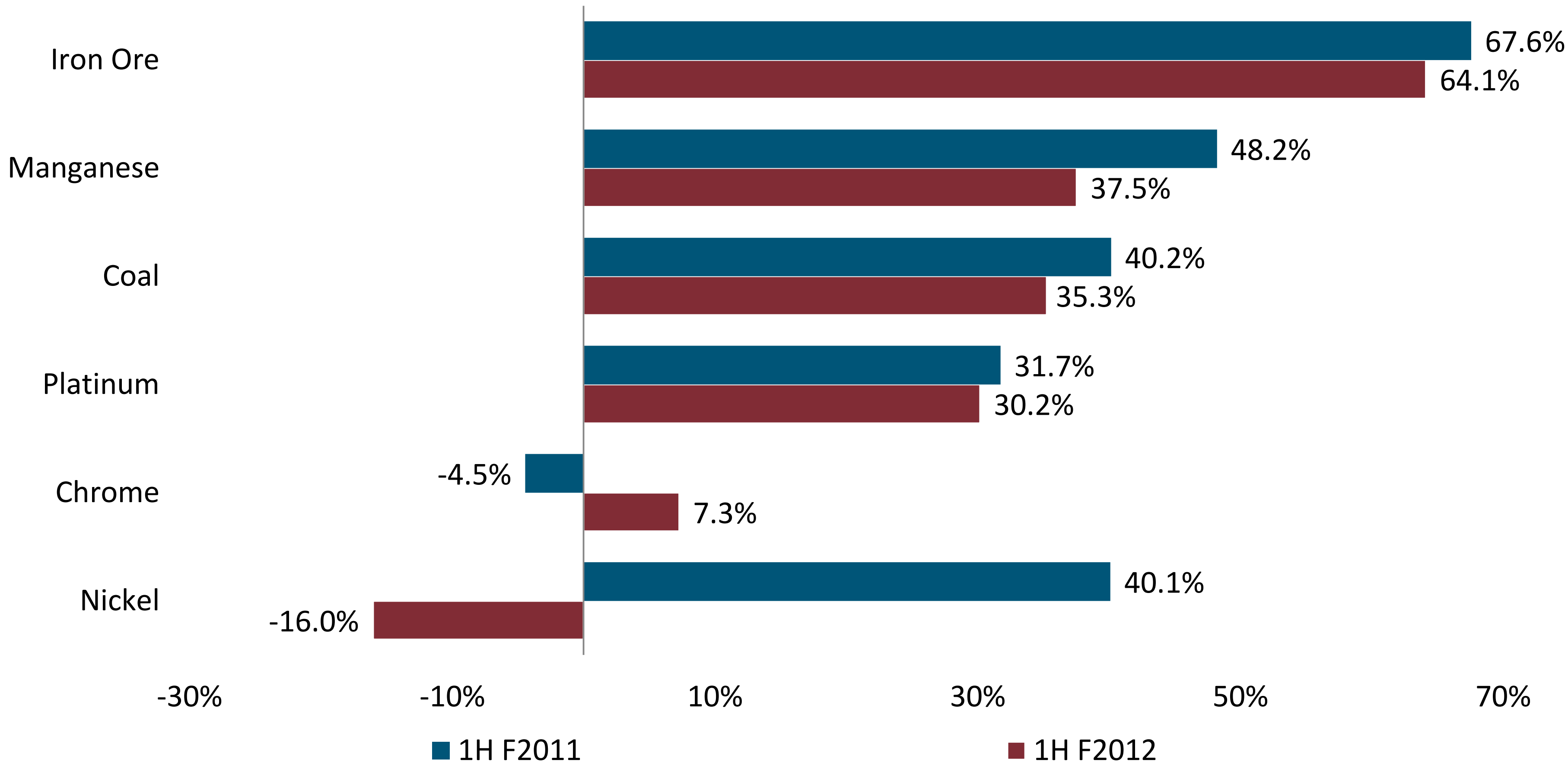


1H F2012 Revenue



EBITDA margins

The ARM average EBITDA margin decreased to 42% (1H F2011: 46%)



ARM strategy

Owner operator

Entrepreneurial management

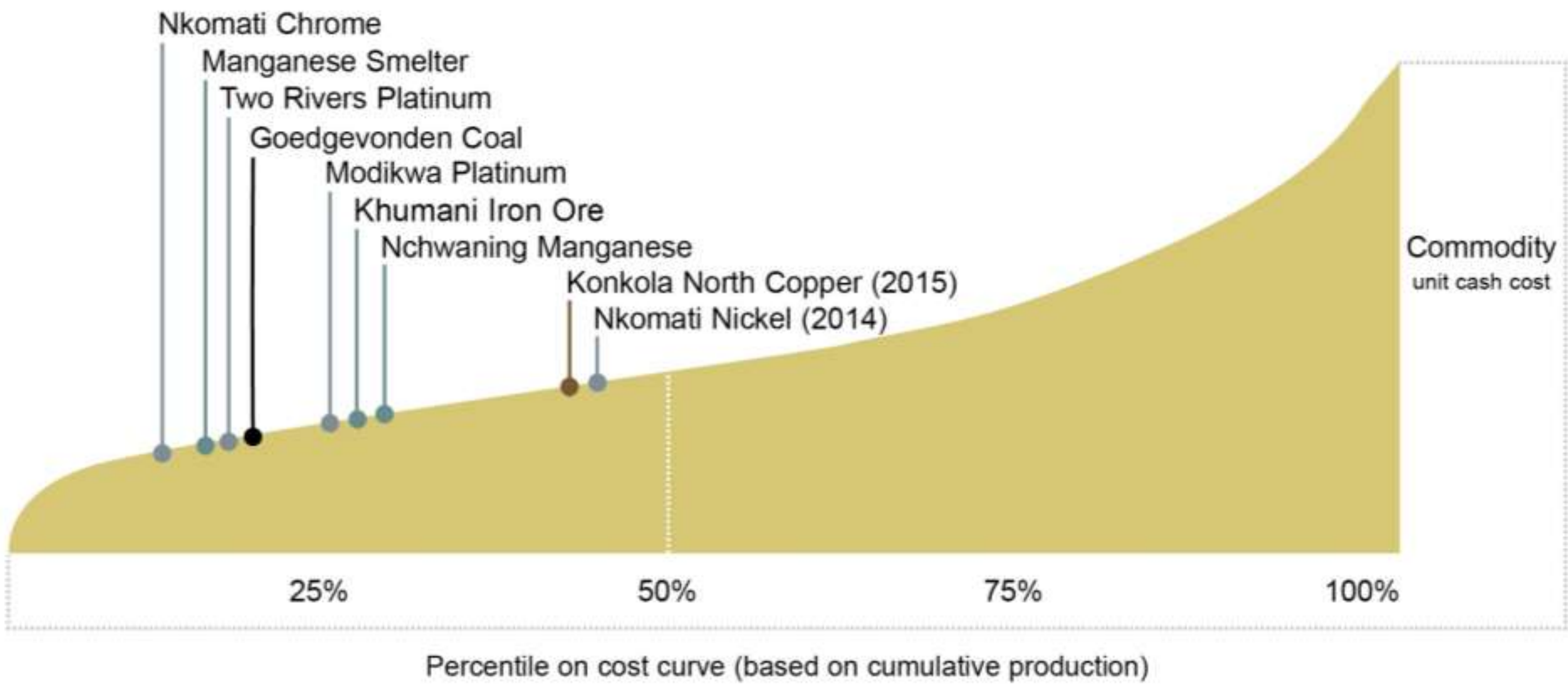
Profit focused

Partner of choice

World-class management team

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)

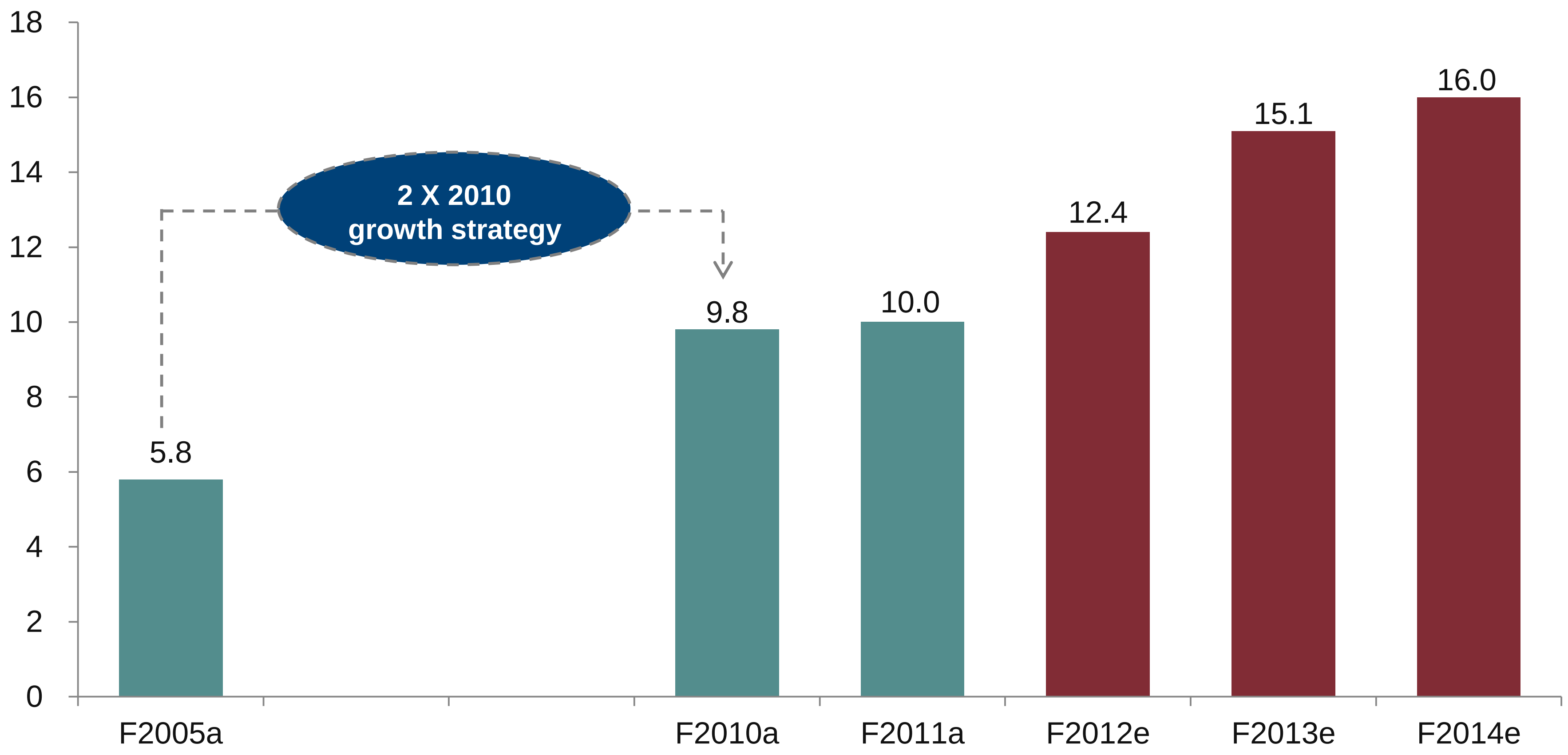


ARM growth

2005 - 2010	Volumes doubled as 2 X 2010 growth strategy successfully completed.
2011 - 2014	Aggressive growth continues with growth projects in iron ore, nickel, coal and copper.
> 2015	Increased rail, port and electricity capacity in South Africa will support and enhance ARM's aggressive growth strategy.

Iron ore growth profile

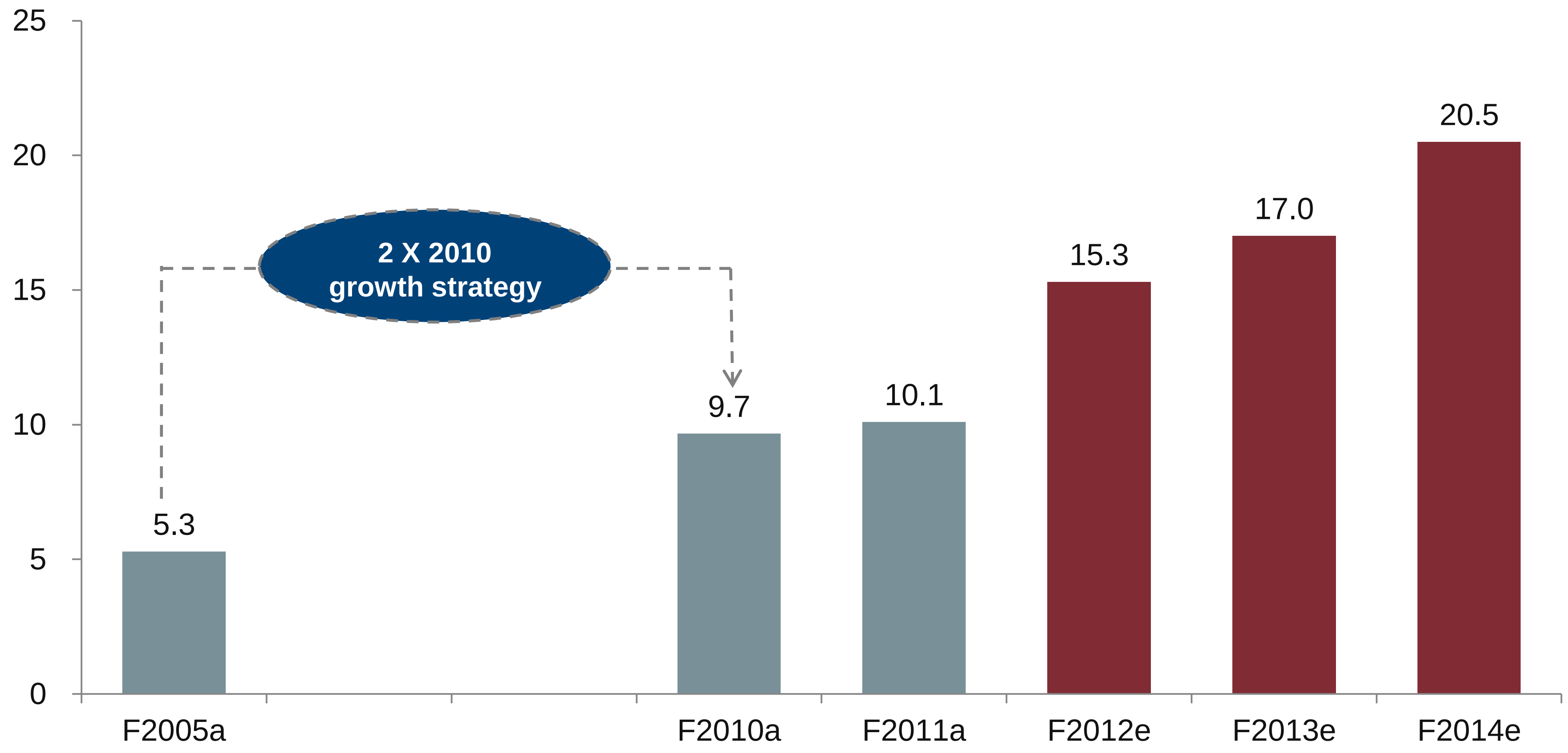
Iron ore sales volumes (on 100% basis – million tonnes)



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

Nickel growth profile

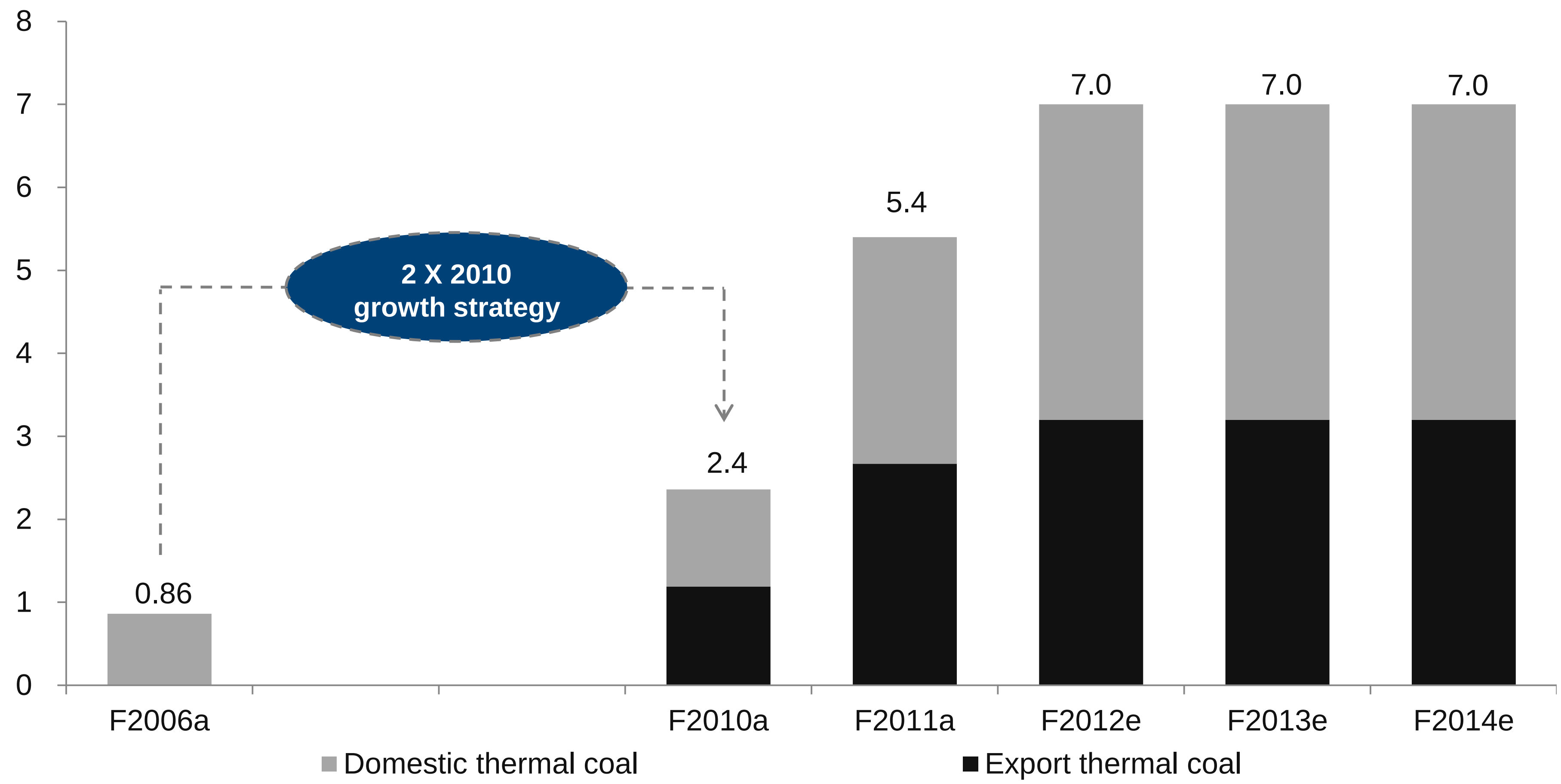
Nickel production volumes (on 100% basis – thousand tonnes)



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

Full production in coal

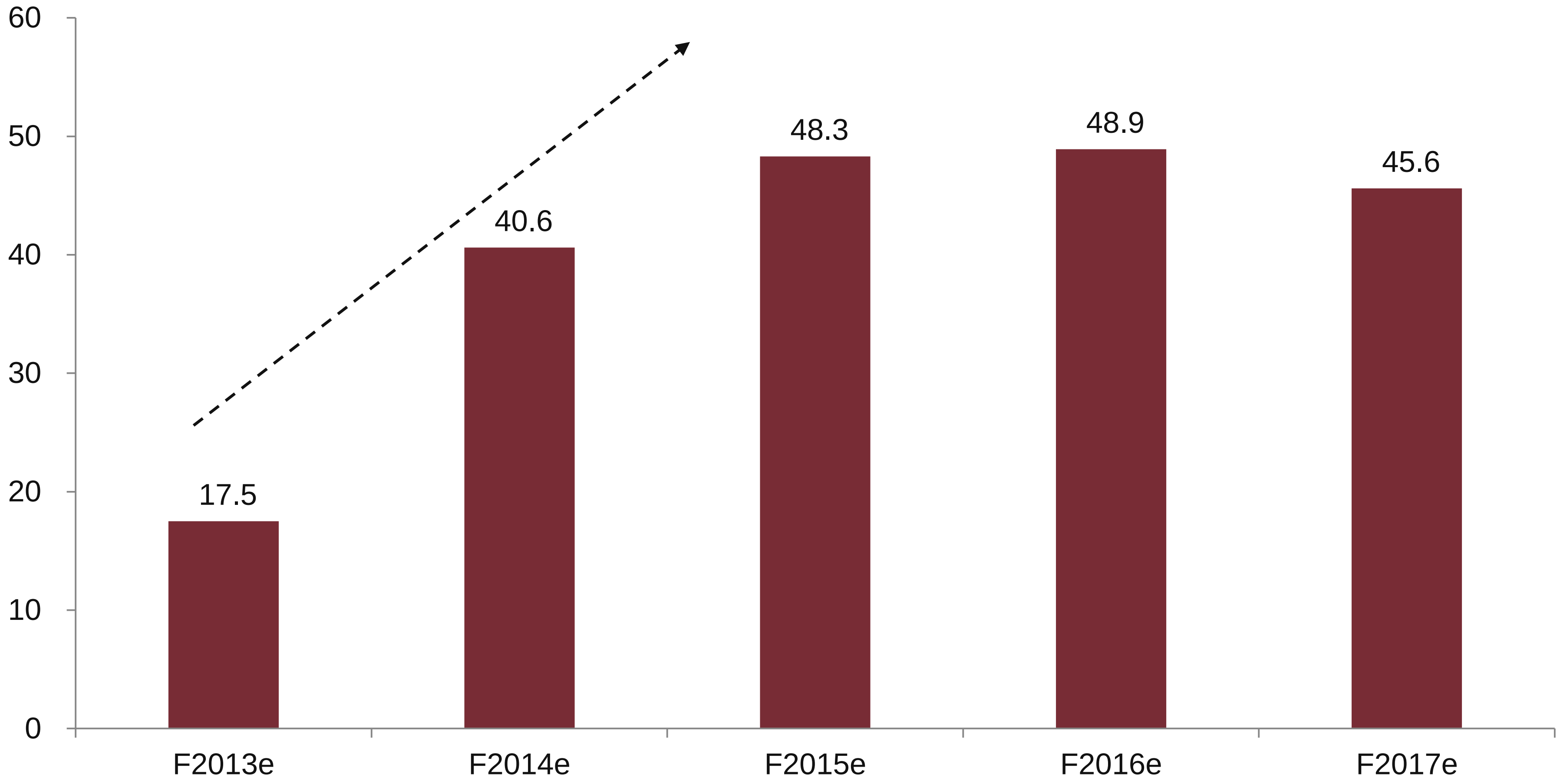
Goedgevonden thermal coal sales volumes (on 100% basis - million tonnes)



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

Aggressive growth in copper

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



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

Significant investment in growth

ARM's Capital Expenditure

F2005 – F2011
R16.9 bn
Growth projects completed

+

F2012 – F2014
R9.9 bn
Investment in growth

→

F2005 – F2014
R26.9 bn

Partners' Capital Expenditure

F2005 – F2011
R13.8 bn

+

F2012 – F2014
R8.9 bn

→

F2005 – F2014
R22.7 bn

Projected total investment over 10 years in growth **±R50 bn**

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Further growth

Potential Future Projects

- Iron ore expansion beyond 16mtpa
- Manganese ore expansion to 6mtpa
- Expansion of Modikwa Platinum Mine to 500 000 PGM ounces per annum
- Two Rivers Merensky Project
- Konkola North Area A
- Kalplats Platinum project
- Exploration with Rovuma Resources
- Thermal coal projects
- Smelter expansions

Safety and sustainability

Two fatalities occurred at the Two Rivers Platinum Mine one on 13 December 2011 and another on 21 January 2012.

A double fatality occurred at Modikwa Platinum Mine on 27 January 2012.

The ARM Board of Directors and ARM management team extends their deepest condolences to the colleagues, friends and family of the deceased.

Safety and sustainability

Modikwa Platinum Mine achieved 5 years and 8 months fatality-free at the end of December 2011, Two Rivers achieved 4 years and two months fatality-free at the end of December 2011.

Khumani Iron Ore Mine completed two million fatality-free shifts

Cato Ridge Works completed one million fatality-free shifts

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Corporate activity

The Participating Coal Business (PCB) completed the sale of the Spitzkop and Tselentis Collieries in Mpumalanga.

Zambia Consolidated Mines Investment Holdings plc (ZCCM) exercised its option for 20% participation in the Konkola North Copper Project, contributing towards funding proportionately.

African Rainbow Minerals

Outlook

Uncertainty in global markets persists driven by European sovereign debt issues, delayed recovery in the US economy and concerns about a slowdown in China.

Volatility in commodity and financial markets is expected to continue in the short-term.

We are confident about the medium-to long-term future of the minerals we mine and we continue to aggressively invest in our expansion projects

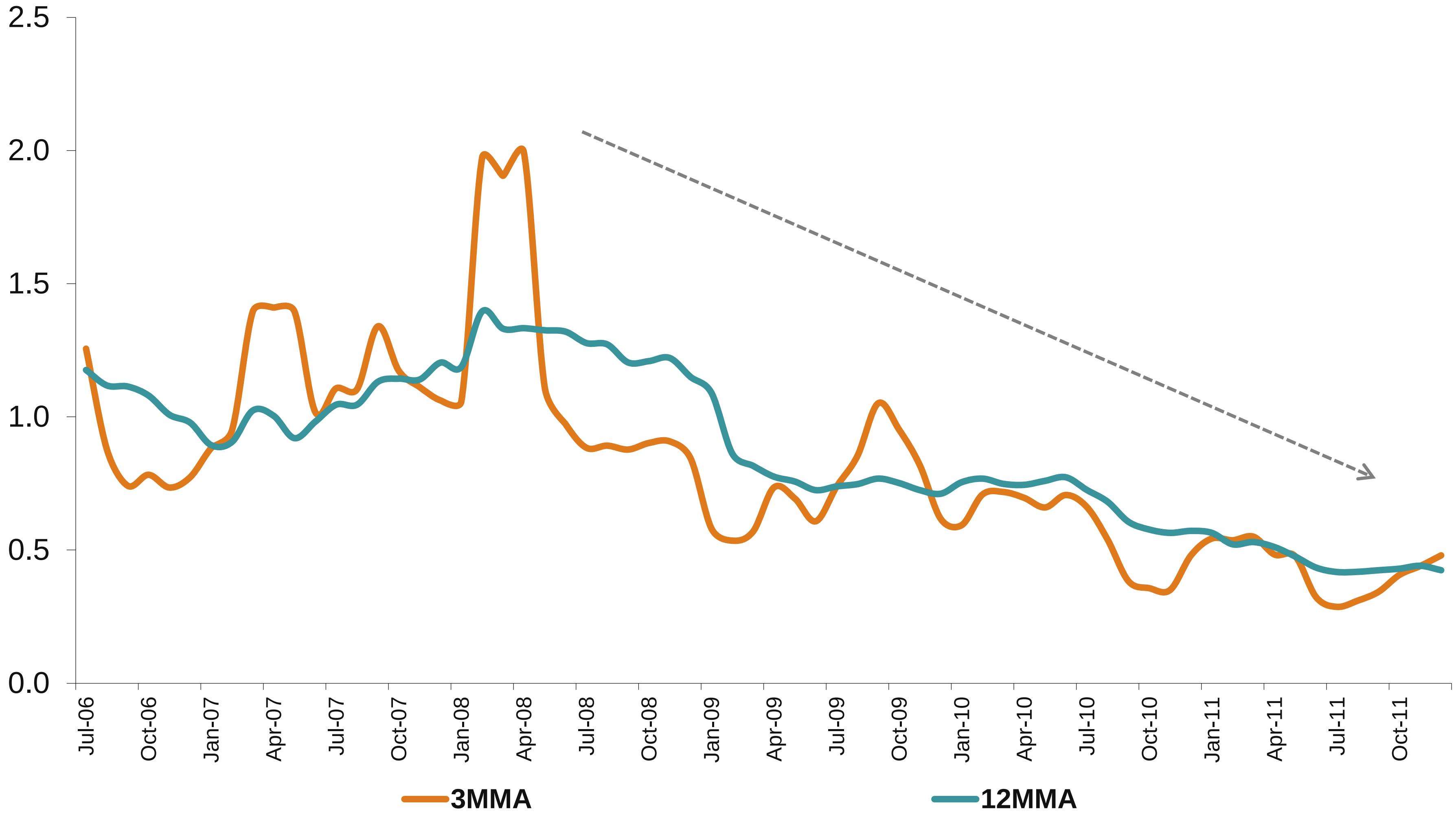
Operational review

André Wilkens, Chief Executive Officer

Transportation of mill shells for the Konkola North Copper Project

Safety

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



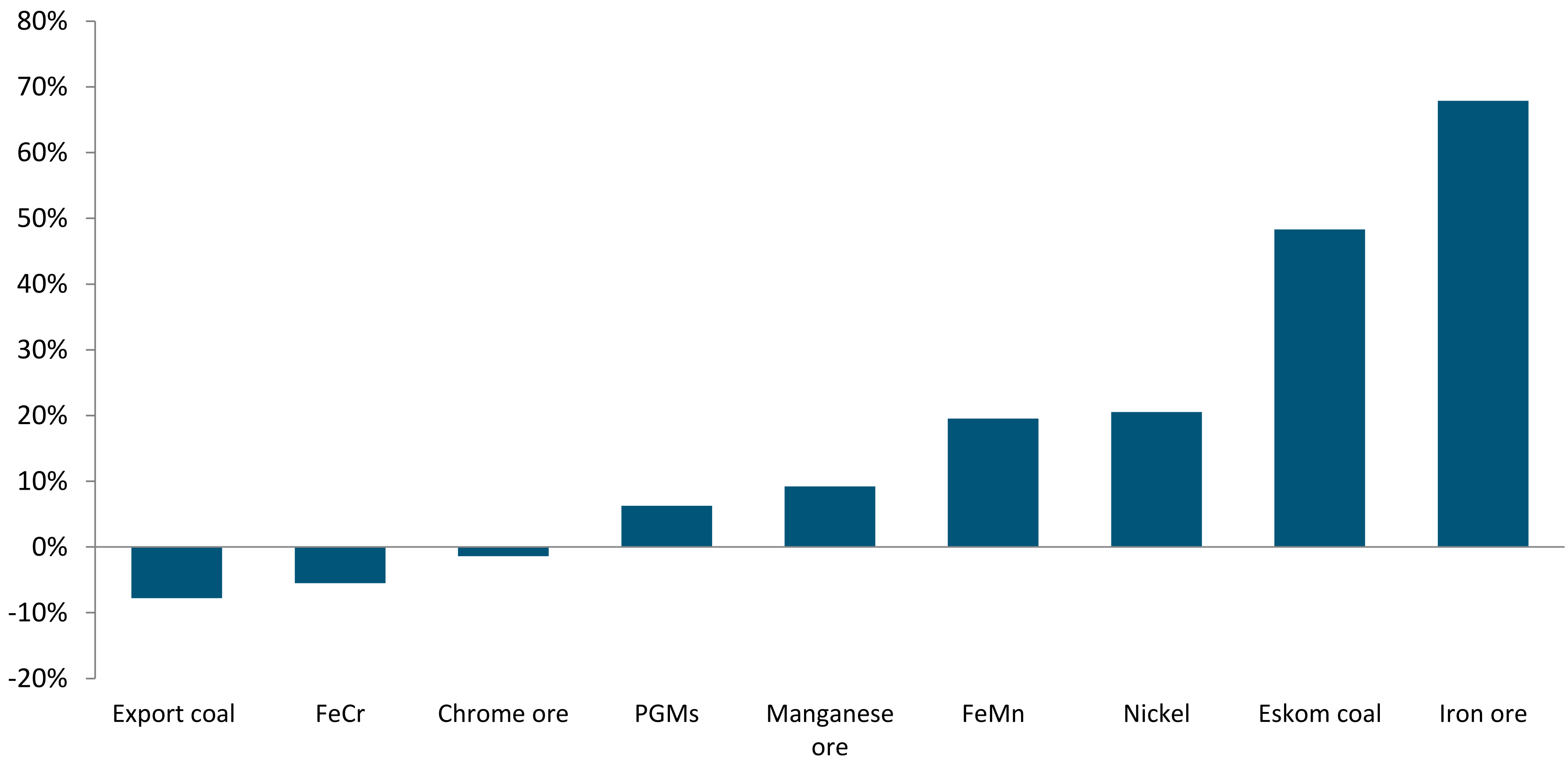
Headline earnings by division

Contribution to headline earnings

Commodity group	six months ended 31 December		
R million	2011	2010	% change
Platinum Group Metals	162	161	1
Nkomati Nickel and Chrome	(128)	134	(196)
Ferrous Metals	1 974	1 256	57
Coal	(12)	(54)	78
Copper	(30)	(64)	53
Exploration	(54)	-	
Corporate, Gold and Other	32	129	(75)
ARM Headline Earnings	1 944	1 562	24

Significant increases in sales volumes

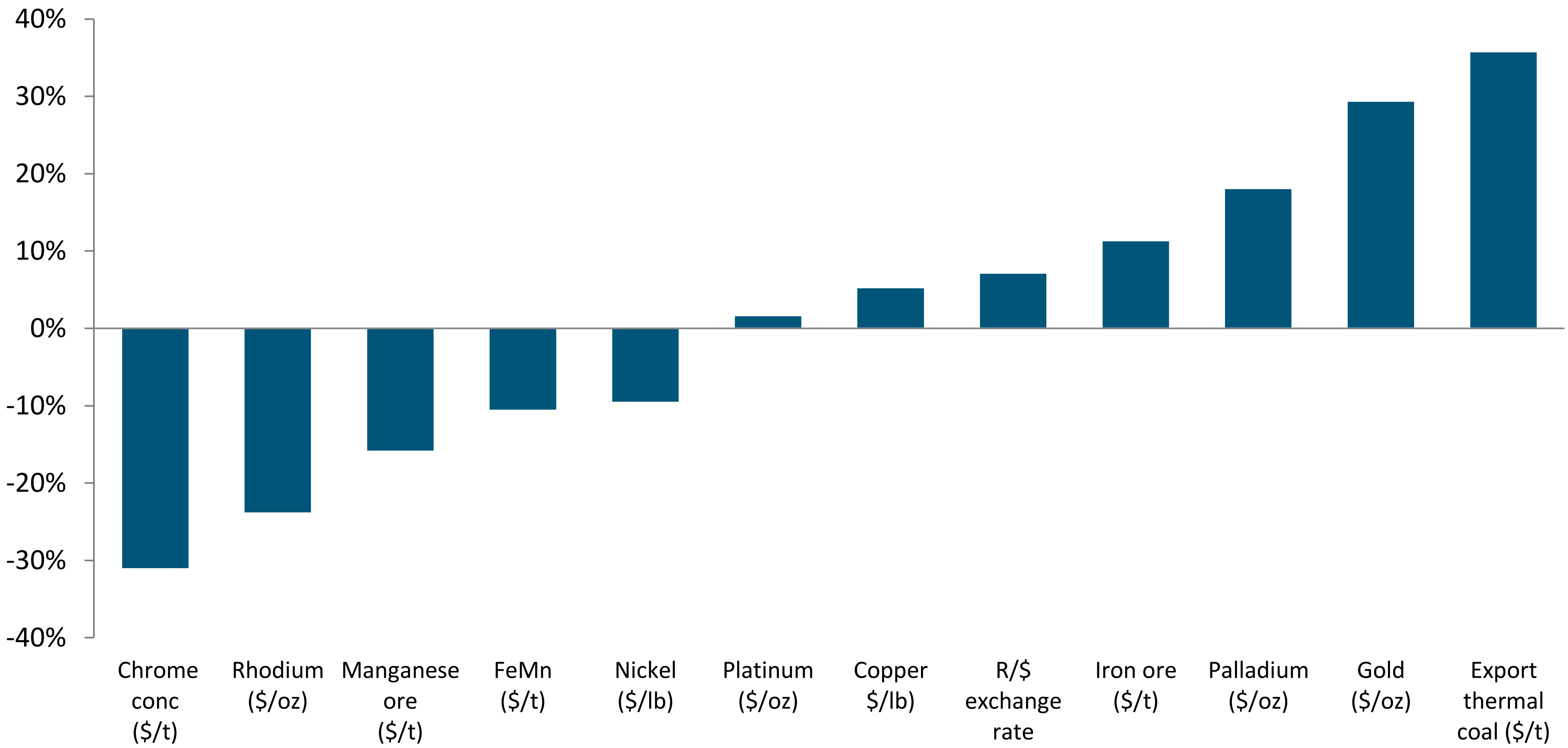
1H F2012 vs. 1H F2011 sales volumes* percentage change



** Sales volumes on 100% basis*

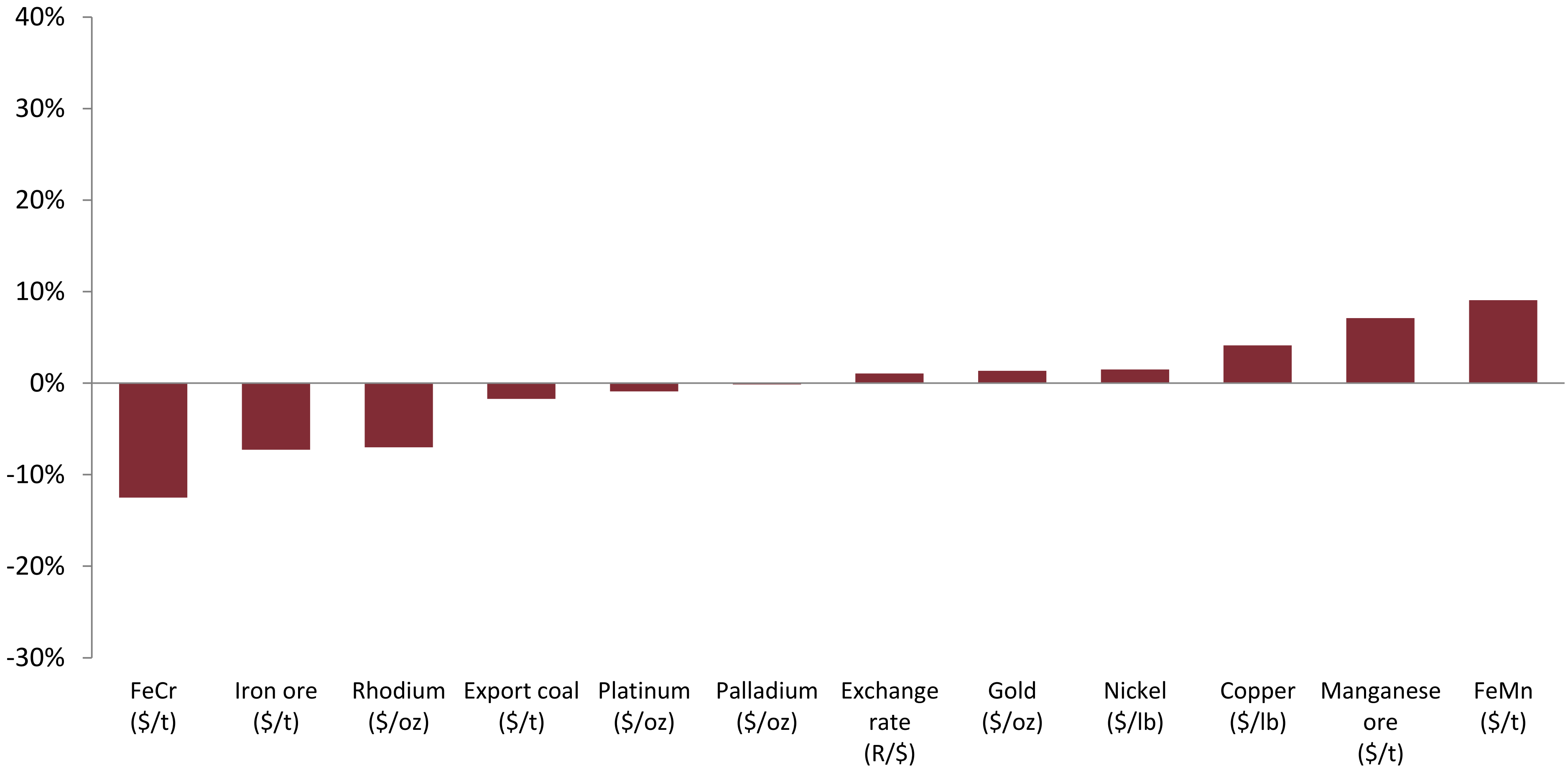
Volatility in commodity prices

1H F2012 vs. 1H F2011 average realised commodity price percentage change



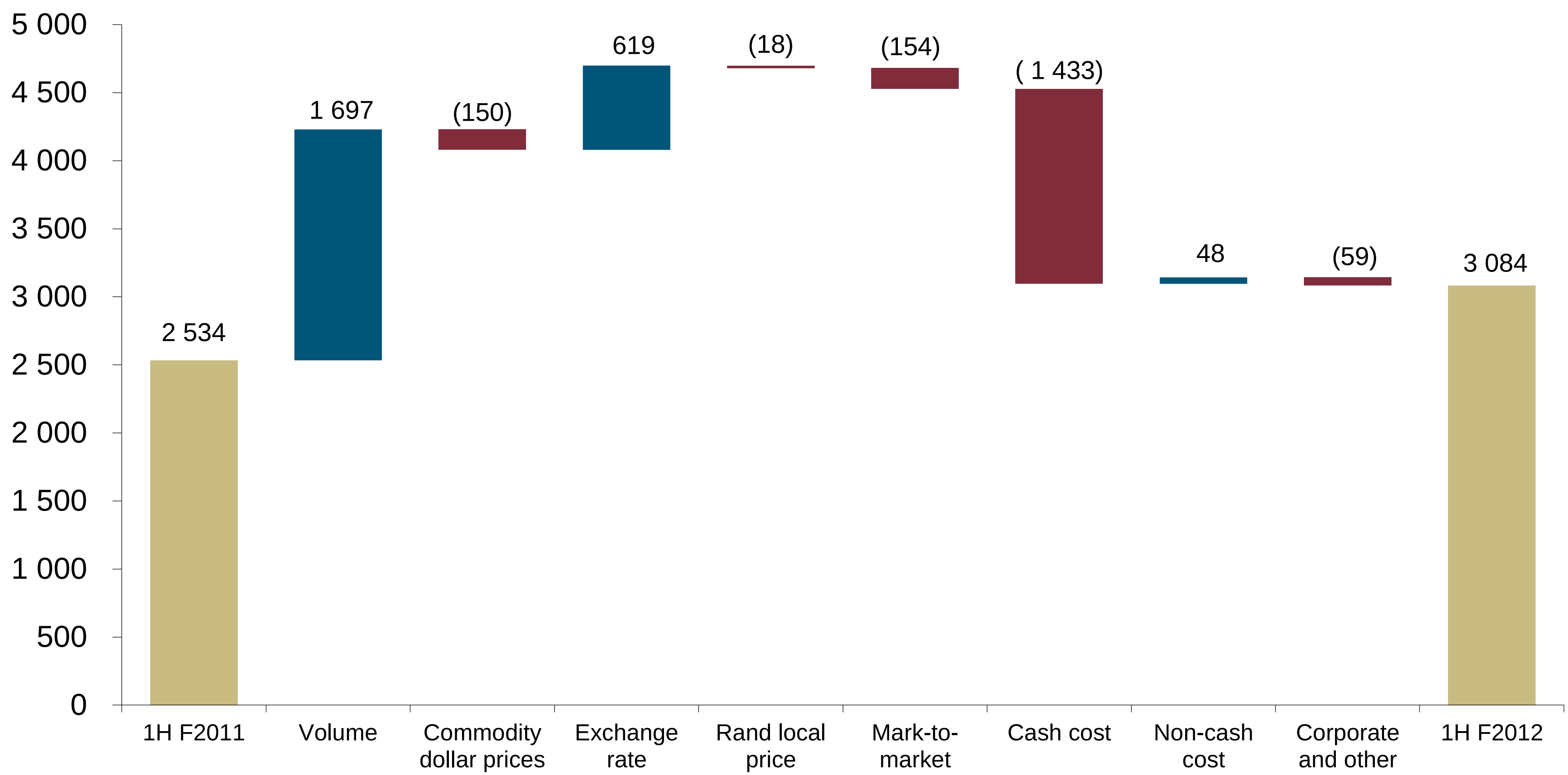
Spot commodity prices have been subdued

Spot prices (as at 14 February 2012) vs. 1H F2012 average realised prices percentage change



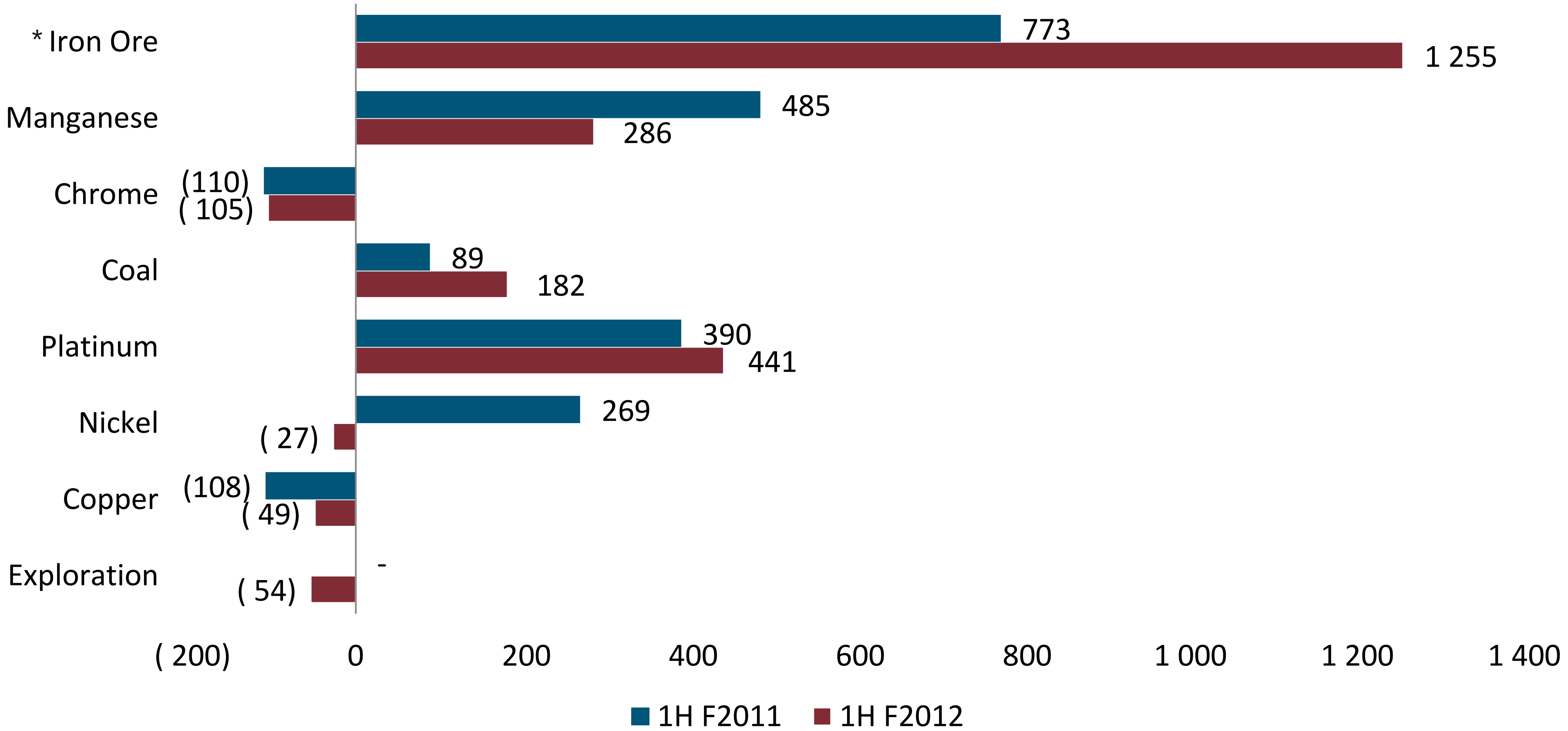
Profit variance analysis

Profit from operations before exceptional items (R million)



Cash from operations

Net cash inflow/ (outflow) from operating activities (R million attributable)



** Iron ore cash generated from operating activities excluding dividends paid to ARM*

Unit cost changes and EBITDA margins

Commodity Group	Unit cost metric	% unit cost change 1H F2012 vs. 1H F2011 (decrease)/increase	1H F2012 EBITDA margin (%)
Manganese alloys	R/tonne	(5.3)	41.0
Chrome ore	R/tonne	(2.8)	38.4
Manganese ore	R/tonne	4.4	37.3
Platinum	R/PGM ounce	7.5	30.2
Iron ore *	R/tonne	17.8	64.1
Charge chrome	R/tonne	20.8	(0.2)
Coal (GGV only) *	R/tonne (on mine saleable)	35.7	35.3
Nickel *	R/tonne	45.1	(16.0)

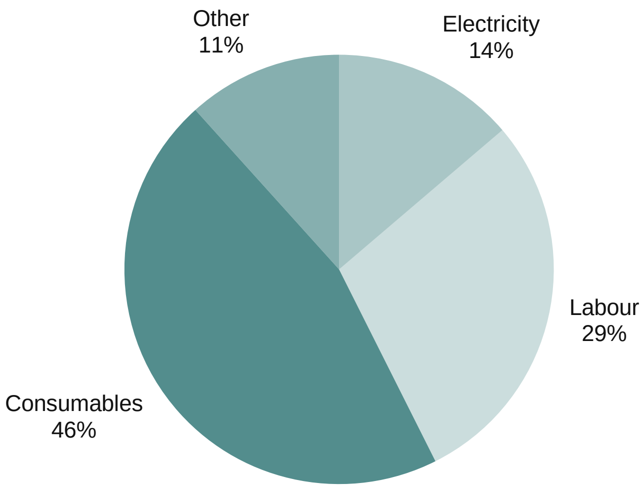
** Unit production costs have been negatively impacted by excessive waste stripping*

On-mine cash costs

ARM Ferrous

Accelerated waste stripping to open up the ore reserves at Khumani Mine contributed significantly to the 18% increase in production unit costs .

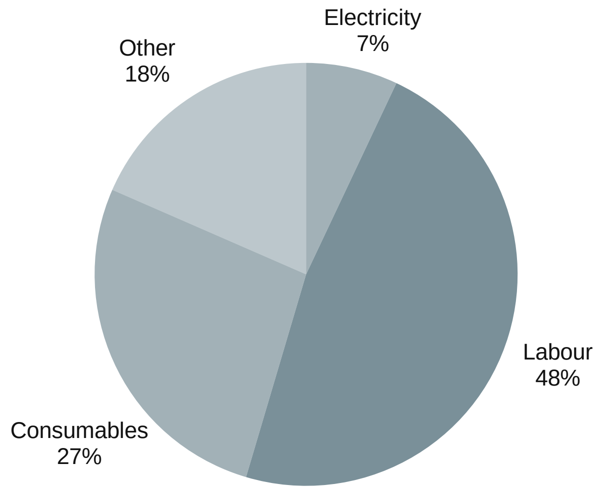
Approximate on-mine cash cost split



ARM Platinum

Nkomati Mine unit costs increased due to lower than expected mill head grade and accelerated waste stripping to improve mine flexibility

Approximate on-mine cash cost split

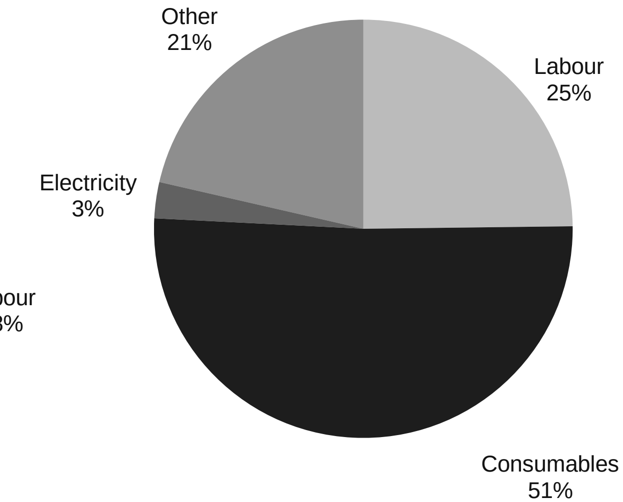


ARM Coal

Two separate industrial actions relating to wages and ESOPs negatively impacted production and costs.

GGV had no capitalisation of costs as the mine has reached steady state.

Approximate on-mine cash cost split



Aggressive growth continues

The Khumani Iron Ore Expansion Project from 10 mtpa to 16 mtpa has been handed over to the mine and is currently ramping up production well ahead of schedule.

The Nkomati Nickel Large-Scale Expansion Project is ramping up in accordance to the revised plan and showed notable improvements in plant recoveries and production during the latter part of the period under review.

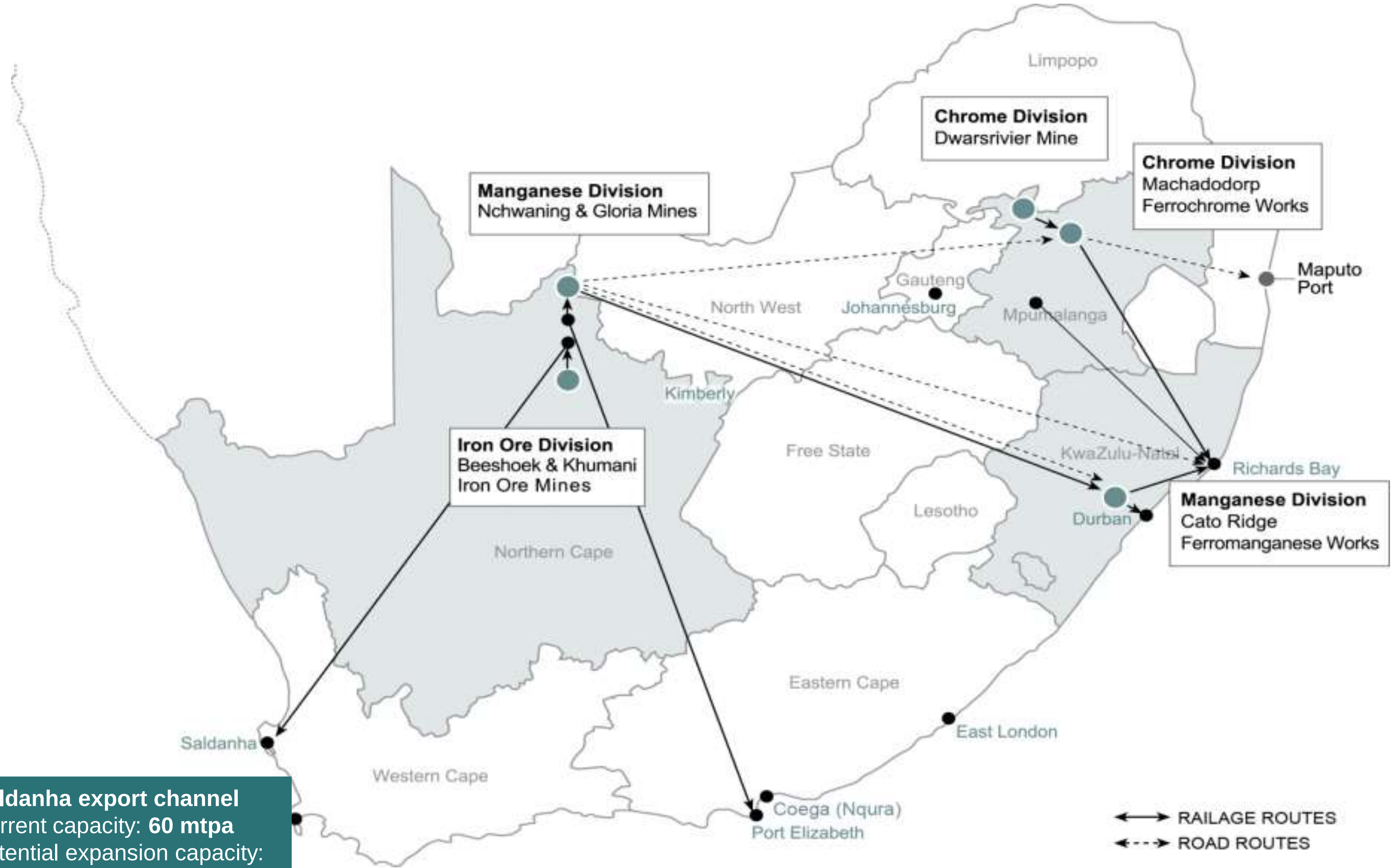
The Goedgevonden Coal Mine reached design capacity.

The Konkola North Copper Project continues to advance on schedule and within budget. Commissioning of the concentrator plant is expected in December 2012.

The Khumani Iron Ore Mine

Total project cost	R6.7 billion approved - project is currently well within budget
Capital expenditure to date	R5.2 billion
Full production	2013 financial year - project is currently ahead of schedule
Steady state	14 mtpa export iron ore; 2 mtpa local iron ore
Position on cost curve	40^{th} percentile
Comment	Growth potential on Saldanha Export Channel to more than 60 mtpa.

Logistics



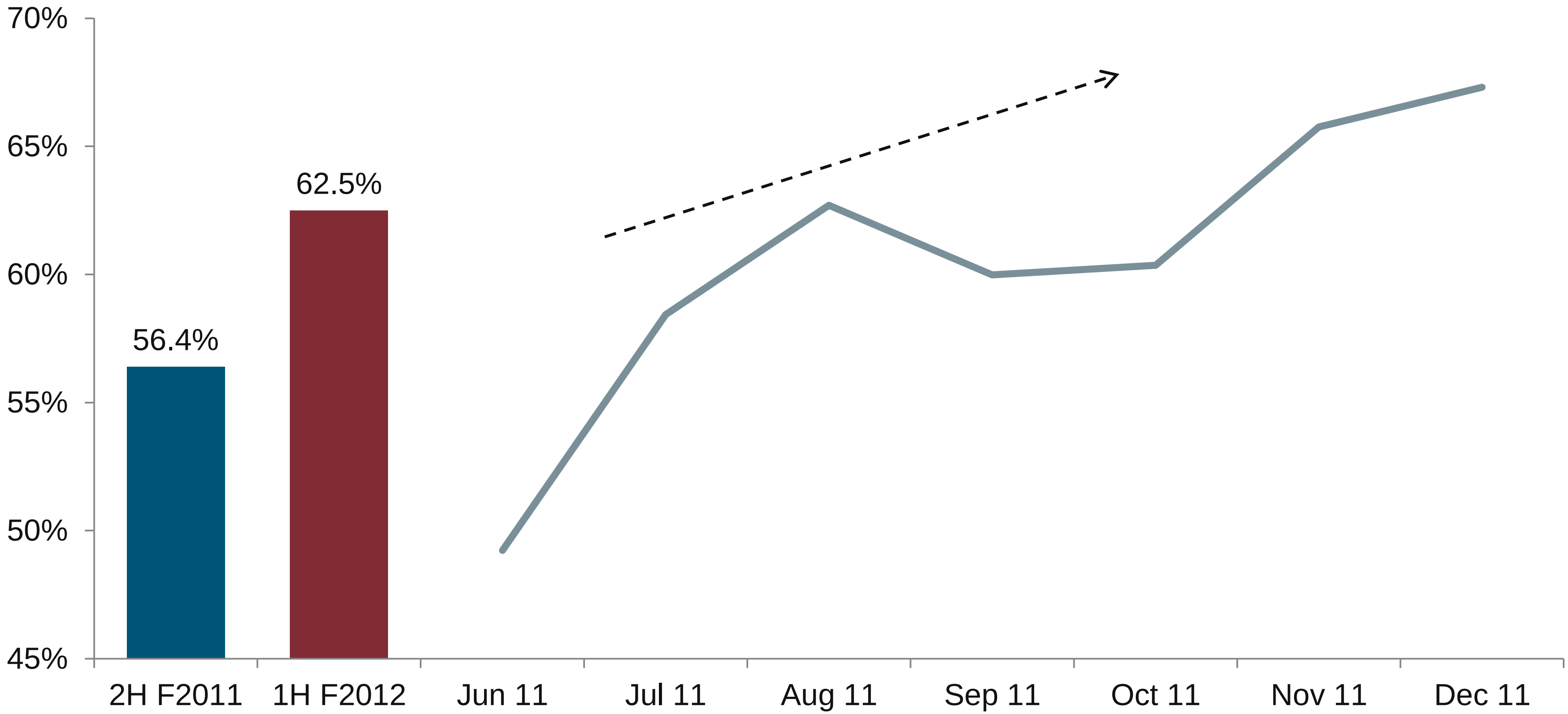
Saldanha export channel
Current capacity: **60 mtpa**
Potential expansion capacity:
80-100 mtpa

Nkomati Nickel is ramping up

Capital expenditure to date	R3.5 billion, project completed under budget by R170 million
Stage	Ramp up – head grade is currently low however plant recoveries are improving
Full production	2014 financial year
Steady state	20 500t nickel
Position on cost curve	45th percentile
Comment	C1 cash cost net of by products of $4.40/lb at steady state (2014)

Update on Nkomati ramp-up

Nkomati Nickel concentrator recoveries (%)



Steady state target recovery at 70%

Goedgevonden Coal Mine is at full production

Capital expenditure to date	Project completed, underspent by R51 million of the revised approved R3.6 billion
Full production	Achieved in the 2011 calendar year
Steady state volumes	3.2 mtpa export thermal coal; 3.8 mtpa Eskom thermal coal
Position on cost curve	25th percentile
Comment	Significant stock pile as at 31 December 2011: In-pit inventory – 2 500 kt Export – 239 kt Run of mine – 1 437 kt Eskom – 388 kt

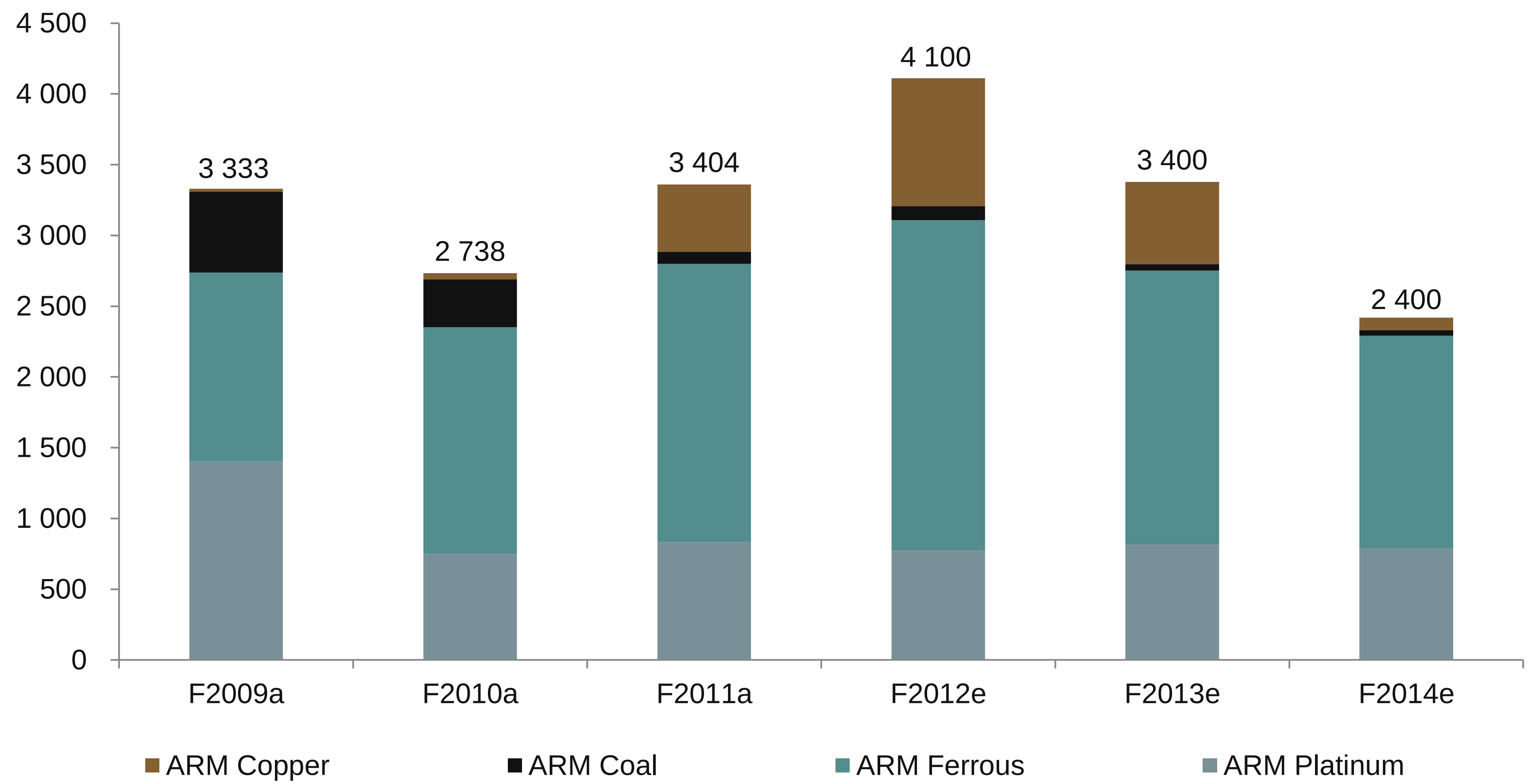
Konkola North Copper Project is progressing well

Total project cost	$399 million (in July 2010 terms) of which 87% has already been contracted for.
Plant commissioning	December 2012
Full production	45 000 tonnes copper per annum – full production expected in 2015 financial year
Position on cost curve	C1 cash cost US$1.07/t - 45th percentile at full production
Comment	Potential to increase output to 100 000 tonnes copper per annum (by including the area A expansion)

Mill and Float section at Konkola North Copper Project

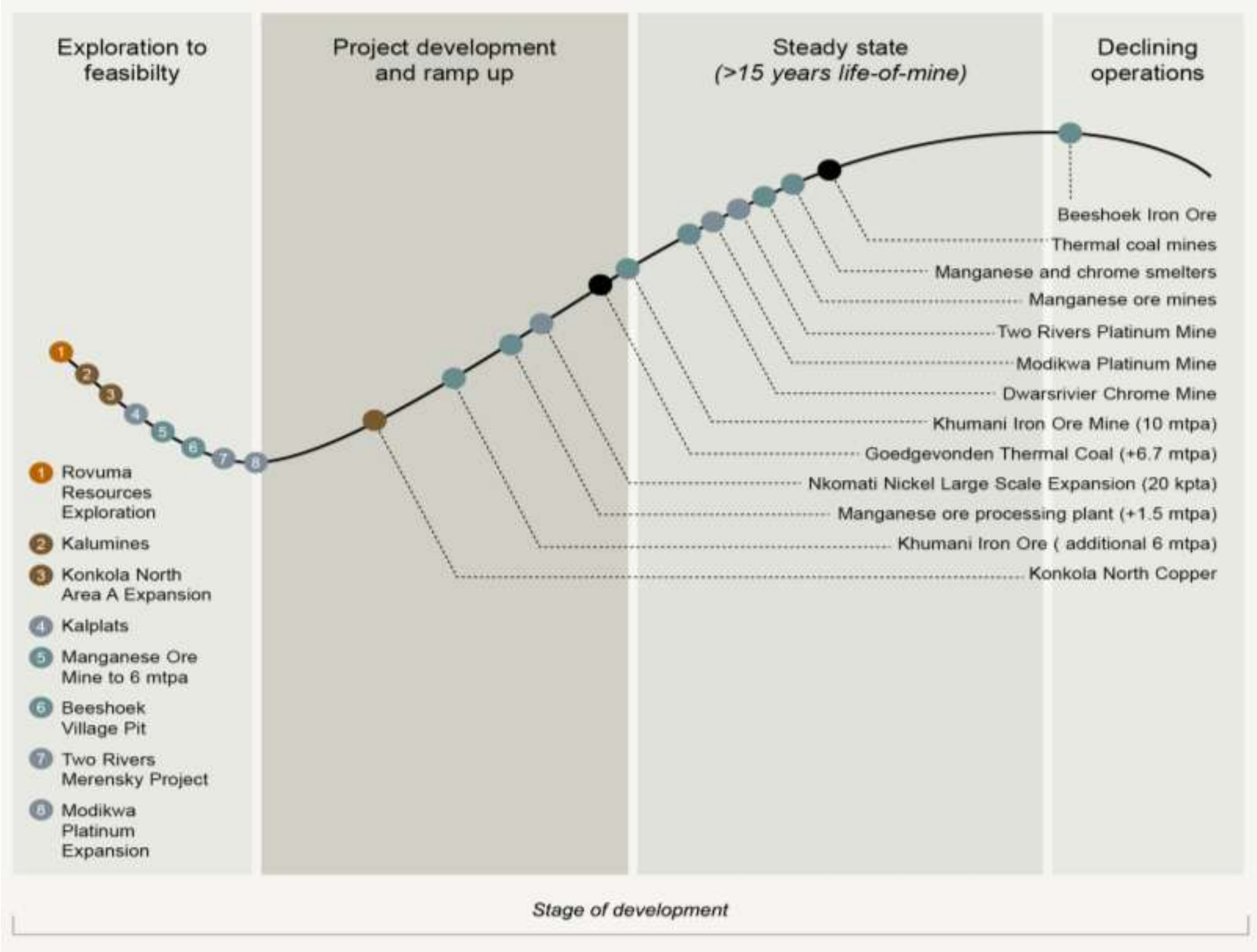
Aggressive growth continues

Attributable capital expenditure by division (R million)*



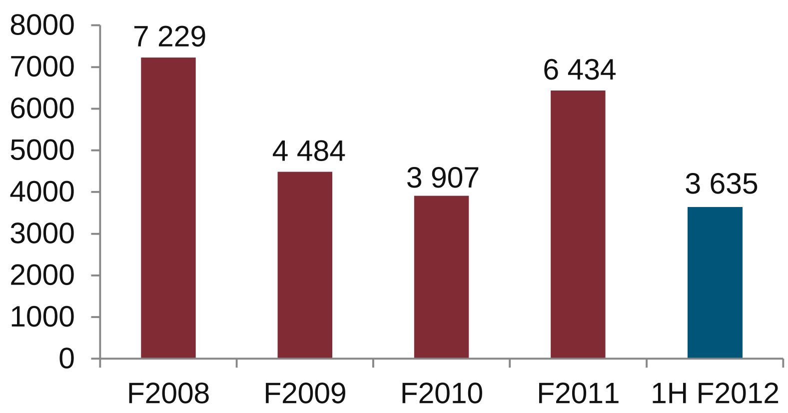
**The forecasted capital expenditure in 2013 to 2014 is an estimation based on approved projects and projects under consideration*

A robust growth pipeline

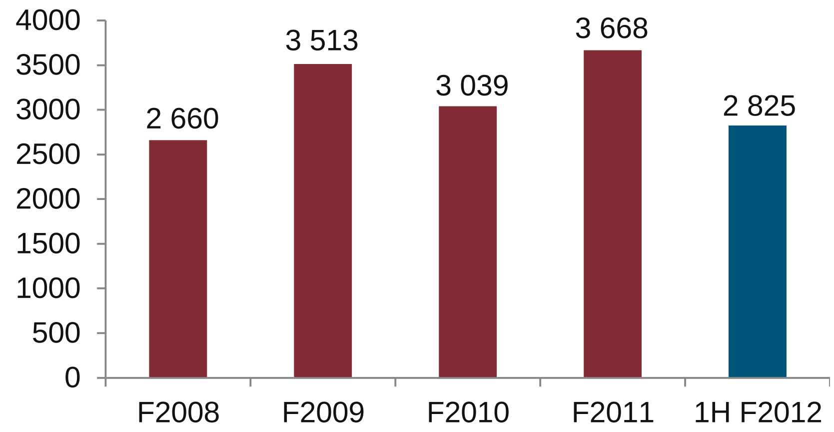


Robust financial position

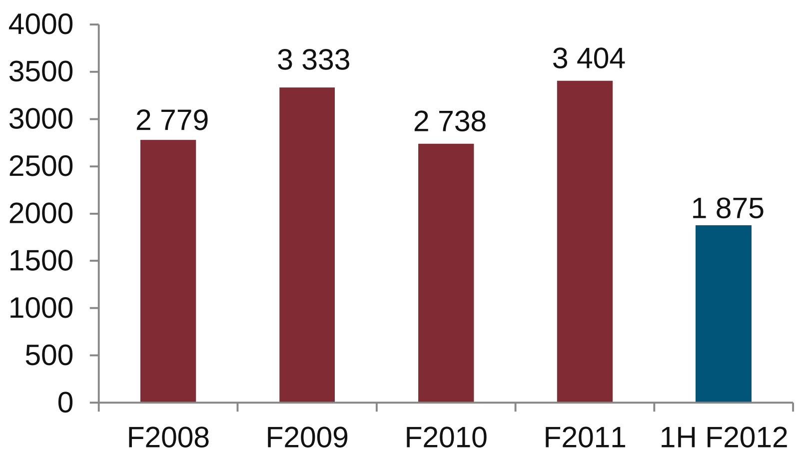
EBITDA excluding exceptional items
R million



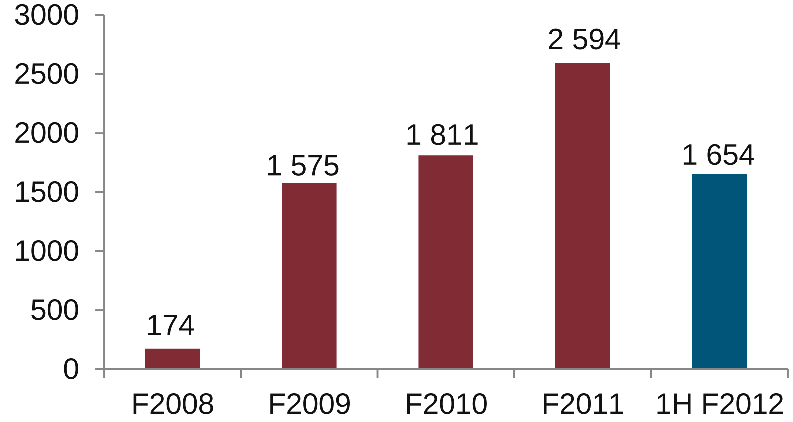
Cash on statement of financial position
R million



Capital expenditure
R million



Net cash excluding partner loans
R million



Sufficient capacity to fund growth

		Net cash/ (Net debt) calculation	
Per statement of financial position	**December 2011**		**December 2010**
Cash and cash equivalents		2 825	2 301
Long-term interest bearing borrowings	(1 835)		
Short-term interest bearing borrowings	(1 227)		
Total interest bearing borrowings	(3 062)	(3 062)	(3 397)
Assmang (50%)	-		
ARM company	(561)		
Two Rivers	(549)		
Modikwa	(1)		
Modikwa (Anglo Platinum)	(114)	114	115
Two Rivers (loan from Impala)	(50)	50	232
ARM Coal (loan from Xstrata)	(1 727)	1 727	1 847
ARM attributable total debt excluding partner loans		(1 171)	(1 203)
Net cash/ (net debt) (excluding partner loans)		**1 654**	**1 098**
Net cash/ (net debt)		(237)	(1 096)
Net gearing		**1%**	**6%**

Summarised income statement

	six months ended 31 December		
R million	**2011**	**2010**	**% change**
Sales	**8 721**	**6 714**	**30**
Profit from operations (before exceptional items)	**3 084**	**2 534**	**22**
Income from investments	**141**	**108**	**31**
Finance costs	**(93)**	**(99)**	**(6)**
(Loss)/income from associate	**(6)**	**(60)**	**(90)**
Exceptional items	**2**	**(4)**	**-**
Taxation	**(1 060)**	**(851)**	**25**
Non-controlling interest	**(85)**	**(70)**	**21**
Profit after tax and non-controlling interest	**1 983**	**1 558**	**27**
Headline earnings	**1 944**	**1 562**	**24**
Headline earnings cents per share	**912**	**734**	**24**
EBITDA	**3 635**	**3 103**	**17**

Summarised cash flow

	six months ended 31 December		
R million	**2011**	**2010**	**% change**
Cash generated from operations	**2 561**	2 049	**25**
Net finance income	**59**	31	**90**
Dividends received	**38**	32	**19**
Dividends paid	**(959)**	(425)	**126**
Tax paid	**(631)**	(486)	**30**
	1 068	1 201	**(11)**
Capital expenditure	**(1 868)**	(1 632)	**14**
Investments into Coal / RBCT	**(25)**	(307)	**(92)**
Net borrowings repaid	**(43)**	(87)	**(51)**
Other	**87**	21	**314**
Net cash decrease	**(781)**	**(804)**	**(3)**

Summarised statement of financial position

		six months ended 31 December	
R million		**2011**	**2010**
Non-current assets		**25 024**	**21 649**
Property, plant, equipment and other		**17 589**	**14 928**
Investments		**7 435**	**6 721**
Current assets		**9 266**	**7 864**
Other		**6 441**	**5 563**
Cash and equivalents		**2 825**	**2 301**
Total assets		**34 290**	**29 513**
Total Equity		**23 788**	**19 838**
Non-current liabilities:	Long-term borrowings	**1 835**	**2 627**
	Other	**4 494**	**3 880**
Current liabilities:	Short-term borrowings	**1 227**	**770**
	Other	**2 946**	**2 398**
Total equity and liabilities		**34 290**	**29 513**

African Rainbow Minerals

Questions?