African Rainbow Minerals

PROVISIONAL RESULTS

for the year ended 30 June 2007

▶ we do it better

Shareholder information

Issued share capital as at 30 June 2007	209 730
Market capitalisation as at 30 June 2007	R25.9 billion
Share price as at 30 June 2007	R123.49
Daily average volume traded	216 127
Primary listing	JSE Limited
Ticker symbol	'ARI'

Forward looking statements

Certain statements in this presentation constitute "forward looking statements" within the meaning of Section 27A of the US Securities Act of 1933 and Section 21E of the US Securities Exchange Act of 1934.

Such forward looking statements involve 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.

ARM
African Rainbow Minerals

Highlights

- Record headline earnings, increasing 161% to R1 207 million
- First dividend declared of 150 cents per share (R315 million) since 2004 merger transaction
- Record product sales achieved by Platinum Group Metals (PGMs), iron ore, manganese ore and chrome ore operations
- Nkomati Nickel Expansion to 100 000 tonnes per month (tpm) completed ahead of schedule and within budget
- Khumani Iron Ore Mine upscaled to 10 million tonnes per annum (mtpa) with construction on schedule and within budget
- Goedgevonden Coal Project release announced with 3.2 mtpa Richards Bay Coal Terminal (RBCT) allocation achieved

▶ we do it better

Commentary

The Board of Directors of ARM are delighted to announce the company's record results delivering on our stated strategies of organically and efficiently growing ARM into a globally competitive diversified mining company. Headline earnings per share have increased significantly by 158% to 580 cents per share (2006: 225 cents per share).

These provisional results for the financial year ended 30 June 2007 have been prepared in accordance with International Financial Reporting Standards (IFRS).

The 2007 financial year has been characterised by strong commodity prices, increased volumes, especially ferrous metals and PGMs, and a 12.5% weaker Rand/US Dollar exchange rate.

Contribution to headline earnings

Commodity group **R'million**	**12 months ended 30 June** **2007**	 2006	 % change
Platinum	**461**	42	998
Nkomati nickel and chrome	**337**	185	82
Ferrous metals	**665**	338	97
Coal	**1**	–	–
Exploration investment	**(126)**	(47)	(168)
Corporate: finance costs	**(81)**	(32)	(153)
Corporate: other	**(50)**	(24)	(108)
ARM headline earnings	**1 207**	462	161

Operational highlights for the year include:

- a 53% increase in attributable PGM production to 264 400 ounces;
- contribution of Two Rivers Platinum Mine to earnings;
- increase of 38% in manganese ore external sales to 2.3 million tonnes;
- a 16% increase in iron ore sales to 6.9 million tonnes; and
- chrome ore sales from Nkomati Mine's chrome project which was released in July 2006 reached 584 000 tonnes. During the last four months sales have averaged 80 000 tpm.

ARM has built strategic relationships with our partners across the divisions as indicated below:

Division	**Partner**
Platinum	Anglo Platinum and Impala Platinum
Nickel	Norilsk Nickel
Ferrous metals	Assore
Thermal coal	Xstrata

In line with the ARM strategy of increasing operational efficiencies to ensure competitiveness of its operations, management continues to focus on operational costs. Below are highlighted some below inflation cost increases (all based on nominal unit costs):

Commodity group	**Unit cost metric**	**% change (decrease)/increase (2007 vs 2006)**
Platinum	R/t (milled)	(15)
Nickel	$/lb (cash cost, net of by-products)	(100+)
Manganese ore	R/t	3
Manganese alloys	R/t	1
Charge chrome	R/t	5
Coal	R/t (on mine, saleable)	(17)

Volume increases together with ARM's organic growth projects, are in line with the company's strategy of growth to double production from 2005 levels by 2010 in key commodities with high margin operations. ARM's organic growth projects with its partners remain on schedule and within budget, having spent R2.0 billion (attributable to ARM) on capital expenditure over the period:

- Khumani Iron Ore Mine has increased to 10 mtpa, with first export sales by 2008. The rail contract has been signed with Transnet in May, exposing 600 000 tonnes of ore.
- The ARM Coal Goedgevonden Project has been released and ARM Coal has secured a 3.2 mtpa allocation at RBCT for the project.
- The Nkomati Nickel Interim Expansion Project to 100 000 tpm is completed. The Large Scale Expansion bankable feasibility study has been completed for the expansion to 20 500 tonnes nickel per annum, on average, over the life of the mine.

Net debt (excluding partner loans) has increased from R1.3 billion in 2006 to R1.9 billion in 2007, with net gearing at a reasonable level of 17%, given the achieved EBITDA (excluding exceptional items) increase of 87% to R2.9 billion. The increase in finance charges is largely due to debt incurred to finance the investment in Xstrata Coal and completion of Two Rivers Platinum Mine. The impact on earnings of additional finance costs is a reduction of 59 cents per share. The ARM EBITDA margin has expanded from 34% for the 2006 financial year to 47% for this financial year.

ARM continues to invest aggressively in building its future growth platform in Africa. As a result, ARM's exploration expenditure through TEAL has increased to R126 million. During the financial year, ARM provided a US Dollar 20 million bank guarantee to assist in securing exploration and development funding for TEAL. In support of TEAL's growth strategy over the next year, and subsequent to the financial year-end, ARM has agreed to increase this guarantee to US Dollar 50 million, subject to South African Reserve Bank approval.

Harmony

ARM's interest in the gold sector is held through a 16% stake in Harmony.

Harmony reported earnings for the year ended June 2007 of 43 cents per share (2006: loss of 269 cents per share) and an increase in cash operating profit of 75% to R2 554 million (2006: R1 459 million). Gold production for the period was 2% lower at 72 602 kilograms (2006: 74 242 kilograms), with cash costs for the period 27% higher at R112 407/kg (2006: R88 629/kg). After the year end, the Chief Executive Officer and the Chief Financial Officer resigned. Graham Biggs, previously managing director of Harmony Australasia operations has been appointed as acting CEO and Frank Abbott has been appointed as interim Financial Director. André Wilkens, the CEO of ARM, has been appointed as a non-executive director to the Harmony board. André has significant gold mining experience and was previously Chief Operating Officer of Harmony.

Looking forward, Harmony is focusing on a back to basics approach and has undertaken to reverse the downward trend of gold production and the unsatisfactory upward trend of operating unit costs through restructuring the company to meet new targets and performance levels. Harmony has also initiated plans to rebuild its management team and employee incentives and bonuses have been aligned to focus on the bottom line profits. Immediate targets include reducing unit operating costs materially by cutting overheads and other unnecessary expenses, and improving grades and volumes.

Planned capital expenditure is being reviewed, whilst retaining the focus on existing growth projects. Various funding options are being investigated including raising debt and disposal of certain assets. Financial information systems will be stabilised and reassessed to ensure that proper business decision making can take place.

Harmony owns excellent orebodies and has good growth projects and a high-calibre management. With a clear focus on future improvements in production and costs, management believes significant value can be unlocked in Harmony.

The ARM balance sheet at 30 June 2007 reflects a marked-to-market investment in Harmony of R6 380 million, based on Harmony's share price of R100 per share at that date. On Thursday, 30 August 2007, the Harmony share price closed at R65 per share, being 35% lower, resulting in the total investment in Harmony decreasing to R4 134 million. Changes in the value of the investment in Harmony are accounted for by ARM through the statement of changes in equity, and the investment is reflected at market value in the balance sheet.

Commentary *(continued)*

Broad-based Economic Empowerment Trust

The ARM Broad-based Economic Empowerment Trust, created in April 2005 and fully funded, has now completed a rigorous process of allocating 20.8 million shares – equivalent to 10% of ARM's issued share capital – to various trust beneficiaries. The beneficiaries include various church groups, union representatives, seven broad-based provincial upliftment trusts, several community, business and traditional leaders and a broad-based women upliftment trust.

OPERATIONAL REVIEW

ARM Ferrous

The ARM Ferrous operations comprises a 50% investment in Assmang Limited (Assmang) and consists of three divisions, namely: iron ore, manganese and chrome. Assore Limited, our partner in Assmang, owns the remaining 50%.

Assmang reported record turnover for this financial year, increasing by 41% to R6 127 million (2006: R4 358 million). Headline earnings attributable to ARM increased significantly by 97% to R665 million (2006: R338 million).

Assmang headline earnings contribution

100% basis R million	12 months ended 30 June 2007	 2006	 % change
Iron ore division	**679**	399	70
Manganese division	**576**	326	77
Chrome division	**76**	(64)	219
Total	**1 331**	661	101
Headline earnings attributable to ARM (50%)	**665**	338	97

The increase in headline earnings is primarily attributed to higher US Dollar commodity prices (for all ferrous commodities), record volumes and a 12.5% weaker Rand/US Dollar exchange rate. Sales volumes for iron ore, manganese ore and charge chrome were higher than the previous year, driven by a strong demand in the steel industry during the period under review. Charge chrome production and prices also improved, further supporting the strong performance by ARM Ferrous.

Assmang product sales

100% basis Thousand tonnes	12 months ended 30 June 2007	 2006	 % change
Iron ore	**6 855**	5 926	16
Manganese ore*	**2 327**	1 678	39
Manganese alloys*	**251**	260	(3)
Charge chrome	**232**	210	10
Chrome ore*	**172**	178	(3)

** Excluding intra-group sales*

The iron ore cost per tonne at Beeshoek and Khumani has increased by 33% due to additional higher cost contractors being employed at Beeshoek to maximise capacity. In addition, Khumani detrital ore is being transported to Beeshoek by road for processing while the Khumani plant is under construction. This interim measure has resulted in higher transport costs. As Khumani starts processing ore from the first quarter in 2008, the cost of production will reduce significantly, with projected mining costs at steady state expected to be approximately 25% lower than currently experienced.

Manganese ore and alloys, as well as charge chrome operations controlled cost increases within inflationary parameters, despite the inflation cost pressures which the resources industry is experiencing globally.

Assmang capital expenditure amounted to R2 231 million (2006: R705 million) during the period under review. Of this, R1 673 million comprising 42% of the total project capital was spent on the construction of the first phase of the new Khumani Iron Ore Mine. At Cato Ridge Works R110 million was spent on dust, fume control and upgrading furnaces.

Assmang capital expenditure

100% basis R million	12 months ended 30 June 2007	2006
Iron ore	**1 735**	346
Manganese	**297**	239
Chrome	**199**	120
Total	**2 231**	705

Construction of the 10 mtpa Khumani export Iron Ore Mine at a capital cost of R4 billion is on schedule to produce first tonnage for export in the second quarter of 2008. Total capital committed amounted to R2.4 billion, with all the critical imported capital equipment already in South Africa. The project will be funded from operating cash flows and debt facilities at the Assmang level. Further expansion of the export channel is currently being evaluated by Transnet and the iron ore producers.

ARM Platinum

ARM Platinum consists of the three operating mines.

The first is Modikwa Platinum Mine, where ARM Platinum has an effective 41.5% economic interest and the local communities effectively have a 8.5% economic interest. The remaining 50% is held by Anglo Platinum. Two Rivers Platinum Mine is the second mine and ARM owns 55%. Its partner is Impala Platinum which owns 45%. The third mine is Nkomati Mine which is a 50:50 partnership with Norilsk Nickel.

ARM Platinum's individual operations performed well in the year under review, with the continuing ramp-up at the PGM operations delivering into an exceptional PGM market, complemented by continuing strength in base metal prices, notably copper and nickel.

A highlight of the year was the successful start-up of production at Two Rivers Platinum Mine one month ahead of schedule and R187 million (12%) under budget. At Nkomati ARM has already established a good relationship with its new partner Norilsk Nickel after their acquisition of LionOre. This promises to be an excellent partnership and fits with ARM's strategy of linking with major players in the various commodities which we have in the portfolio. With the successful commissioning of the 100 000 tpm Main Mineralized Zone (MMZ) concentrator ahead of schedule, management's focus at Nkomati will be on transforming the operation to a low-grade high volume MMZ operation, through the large scale expansion project.

ARM Platinum capital expenditure across all operations amounted to R1 066 million for the year as detailed below (based on 100% of all operations).

ARM Platinum capital expenditure

100% basis R million	12 months ended 30 June 2007	2006
Modikwa	**204**	128
Two Rivers	**464**	946
Nkomati	**398**	78
Total	**1 066**	1 152

Modikwa Platinum Mine

During the past year Modikwa treated 2.32 million tonnes and produced 274 174 PGM ounces (2006: 293 313 ounces PGMs) at R476 per tonne milled. A satisfactory level of development (15 months mineable ore reserves) and mining flexibility has been established due to the change in mining method, setting the platform for improved performance at Modikwa Platinum Mine.

Commentary *(continued)*

Modikwa operational statistics

100% basis		**12 months ended 30 June 2007**	2006	% change
Cash operating profits	R million	**923**	360	156
Tonnes milled	Million tonnes	**2.32**	2.51	(8)
Head grade (4E)	g/t	**4.37**	4.28	2
PGMs-in-concentrate	Ounces	**274 174**	293 313	(7)
Average basket price	R/kg	**277 701**	183 537	51
Cash cost	R/tonne	**476**	398	(20)
Cash cost	R/Pt oz	**8 917**	7 551	(18)
Cash cost	R/PGM oz	**4 037**	3 394	(19)
Capex	R million	**204**	128	(59)
Headline earnings attributable to ARM (41.5%)		**181**	42	331

The lower output is largely attributable to industrial action in the third quarter of the financial year, resulting in 24 days' production losses in January and February of this year and interrupting the steady build-up of production in the second half of the financial year. After lengthy negotiations both the NUM and UASA signed off a working conditions agreement in May and continuous operations (including Sunday work) were resumed shortly thereafter. This industrial action was effectively responsible for production shortfalls from February through to June 2007. In turn, owing to the lower output, unit cash costs were negatively affected, rising from R398 per tonne for the 2006 financial year to R476 per tonne in 2007. In spite of the production shortfalls, revenues increased by 32% year-on-year, largely a function of favourable metal prices and exchange rates.

Capital has been provided for the deepening of the North and South Shafts to sustain production at 240 000 tpm in the medium term. A scoping study has been initiated which will investigate a modular production increase. Merensky reef trial mining is scheduled to continue at 10 000 tpm in FY2008.

Two Rivers Platinum Mine

The past financial year saw the start-up of production at Two Rivers in August 2006 ahead of schedule. A total of 2.04 million tonnes were milled with a mill head grade (6E) of 4.24 g/t during the year yielding 184 099 ounces of PGM concentrate. These costs were positively impacted by the utilisation of the lower cost start-up stockpile of 1.1 million tonnes at the 2006 financial year end. By the end of June 2007 the stockpile had reduced to 162 000 tonnes of lower grade ore. Total cash costs at R392 million were well controlled in relation to production volumes and translated into cost of R192 per tonne milled. The cash cost excluding stockpiled tonnages is R306 per tonne.

Two Rivers operational statistics

100% basis		**12 months ended 30 June 2007**	2006
Cash operating profits (9 months)	R million	**945**	–
Tonnes milled	Million tonnes	**2.04**	–
Head grade (6E)	g/t	**4.24**	–
PGMs-in-concentrate	Ounces	**184 099**	–
Average basket price	R/kg	**316 260**	–
Cash cost	R/tonne	**192**	–
Cash cost	R/Pt oz	**4 458**	–
Cash cost	R/PGM oz	**2 129**	–
Capex	R million	**464**	–
Headline earnings attributable to ARM (55%)		**280**	

Production from the Main Decline is scheduled to reach 185 000 tpm by the end of the year and the new North Decline is expected to produce 40 000 tpm in the first half of calendar year 2008. The North Decline has intersected reef and is slightly ahead of schedule.

After commissioning of the concentrator plant in August 2006, the plant is operating at its design capacity of 225 000 tpm, while further optimisation at the plant could possibly see throughput increasing.

Nkomati Mine

During the 2007 financial year Nkomati processed 318 thousand tonnes of ore translating into 4 418 tonnes of nickel and 46 101 PGM ounces at a negative cash cost, after by-product credits, of US Dollar 1.10 per pound. The lower nickel production is largely due to the lower grades and the tailing off of production from the Massive Sulphide Body (MSB), which is now almost entirely mined out.

Revenues increased 57% to R1.4 billion for the year, with chrome contributing R214 million to revenues. The unit mining cost increase to R503 per tonne milled was caused by the impact of scattered mining used to extract the last remaining remnants of the MSB. The US Dollar per pound nickel cash cost produced an increased credit to $1.10/lb as the negative impact of the on mine cost increase was more than offset by strong PGM and copper prices. Stockpiles at year-end of chrome fines was 673 thousand tonnes.

Nkomati operational statistics

		12 months ended 30 June		
100% basis		**2007**	2006	% change
Cash operating profit	R million	**1 011**	547	85
Tonnes milled	Thousand	**318**	373	(15)
Head grade	% nickel	**1.57**	1.89	(17)
On-mine cash cost per tonne treated	R/tonne	**503**	392	(28)
Cash cost (net of by-products)	US$/lb	**(1.10)**	(0.36)	206
Contained metal				
Nickel	Tonnes	**4 418**	5 616	(21)
PGMs	Ounces	**46 101**	49 437	(7)
Copper	Tonnes	**2 788**	3 398	(18)
Cobalt	Tonnes	**208**	257	(19)
Chrome ore sold	Tonnes	**584 177**	–	–
Headline earnings attributable to ARM (50%)		**337**	185	82

Nkomati Nickel Large Scale Expansion Project

The Large Scale Expansion bankable feasibility report is completed and submitted for consideration to the respective shareholders' boards. The proposed expansion transforms Nkomati from a high grade – low volume MSB mine to a low grade – high volume MMZ operation. The mine is expected to mill 625 000 tpm from two separate plants. At steady state, the mine is expected to produce 20 500 tonnes of nickel and 110 000 ounces of PGMs for 20 years, with 1 million tonnes of chrome per annum for approximately four years. A more detailed announcement is expected to be released upon full approval of the project. Additional exploration work continues on ARM's prospecting rights adjacent to Nkomati Mine.

Kalplats

During the year we completed geological drilling of 26 000 metres of our planned 45 000 metres and we are on schedule to complete by the calendar year-end. We have two diamond drill rigs and a reverse circulation rig on site. The company is also involved in a pre-feasibility study and expects to complete it by beginning of calendar year 2008.

ARM Coal

ARM's effective economic interest in Xstrata Coal South Africa as at 30 June 2007 is 20.2% for an attributable thermal coal production of 4.5 mtpa.

As from 1 January 2007 Xstrata Coal South Africa owns 100% of the ATCOM & ATC Collieries, having acquired Total Coal South Africa's previously held 50% interest in December 2006. The ARM investments have also increased proportionally as a result of this transaction.

Commentary *(continued)*

Construction of the Goedgevonden Project commenced during the first quarter of 2007 and is expected to be completed at a cost of R2.9 billion. The project is expected to produce 6.7 mtpa thermal coal, of which 3.2 mtpa will be exported and the balance sold to the domestic energy generation market. Commissioning of the new mine is expected in the first half of 2009, with full production anticipated from 2011. ARM Coal's application for 3.2 million tonnes of export allocation in the RBCT phase V expansion was successful.

Cash operating profit attributable to ARM's coal investment amounted to R268 million for the financial year. The domestic prices received are lower due to a portion of dump material having been sold at R32 per tonne.

Earnings from the Coal division attributable to ARM are negatively impacted by a number of accounting issues: (i) the IFRS accounting requirement to account for imputed interest on the debt facilitation provided by Xstrata; and (ii) additional amortisation at the ARM level provided as a result of the IFRS purchase price allocation rules

ARM Coal operational statistics

		12 months ended 30 June 2007	2006*	% change
Consolidated saleable production	Million tonnes	**23.1**	17.9	29
Export thermal coal sales	Million tonnes	**13.6**	13.0	5
Domestic thermal coal sales	Million tonnes	**9.0**	6.2	45
Attributable saleable production	Million tonnes	**4.5**	3.5	29
Export thermal coal sales	Million tonnes	**3.0**	2.5	20
Domestic thermal coal sales	Million tonnes	**1.7**	1.2	42
Average received coal price				
Export (FOB)	US$/tonne	**44.5**	42.4	5
Domestic (FOR)	R/tonne	**70.0**	82.2	(15)
On mine saleable cost	R/tonne	**147.9**	178.5	17
Cash operating profit				
Consolidated	R million	**1 387**	908	53
Attributable	R million	**268**		
Headline earnings attributable to ARM		**1**	–	–

** For comparison purposes only, transaction effective 1 July 2006*

Consolidated production and sales tonnes as disclosed above relate to 100% of the Xstrata Coal South Africa operations. Attributable production and sales relate to the ARM Coal share, being 20% of Xstrata Coal South Africa and 51% of Goedgevonden, and ARM's direct 10% of Xstrata Coal South Africa.

TEAL Exploration & Mining Inc.

In the DRC, a major area of focus in the year under review was the Kalumines Copper-Cobalt Project where a rapid build up in copper mining is underway. Exploration drilling has progressed well with the objective of supporting a major mine development in that country. The smelter is in the process of being commissioned and initial opencast mining on the Lupoto deposit has commenced. The mine and smelter, will produce approximately 10 000 tpa of contained copper. Total capital expenditure for the smelter and mine is expected to be in the region of US Dollar 8 million. TEAL has also concluded an assessment study based on a larger mine; the exploration drilling results to verify and upgrade the resource will be included in this study to ascertain the eventual size of the operation.

In Zambia, at the Konkola North Copper Project, a technical study into the establishment of an operation to mine the South and East Limb area of the orebody was completed. The Konkola North Copper Project is expected to build production to 25 000 tpa of contained copper.

The Otjikoto Gold Project in Namibia has manifested in a 1.76 million ounces inferred mineral resource and the exploration programme is ongoing. A pre-feasibility study is planned for completion during the first half of calendar year 2008.

ARM is satisfied with the progress achieved by TEAL and with the potential of the above projects. ARM has assisted its subsidiary by providing a guarantee of US Dollar 20 million to support bank bridging facilities. ARM has agreed after the year end to increase the guarantee to US Dollar 50 million, subject to South African Reserve Bank approval, to ensure that bridging facilities will be in place until beyond the end of the current financial year or until long term funding is arranged. The funds are being directed mainly towards work supporting studies on TEAL's major projects thereby creating sufficient flexibility for the company to maximize value from its existing portfolio; specifically, the Konkola North copper mine and Kalumines mine and smelter copper projects, as well as the Otjikoto Gold Project. Appropriate funding to refinance the bridging facilities and fund the developmental expenditure at Konkola North, Kalumines and Otjikoto will be arranged by TEAL after the completion of the final feasibility studies.

Safety and Health

The company is proud to report that all the divisions in ARM have reported an improvement in their safety statistics for the past financial year.

It is with regret that management report the occurrence of two fatalities. On 9 February, Mr Wycliff Malusi was fatally injured as a result of a truck collision at the Khumani Iron Ore Mine. On 30 March 2007, a fatal accident occurred at Two Rivers in which Mr Michael Thosa, a rock drill operator, lost his life in a fall of ground accident. The company extends its sincere condolences to the bereaved families and friends of the deceased.

Modikwa Platinum Mine achieved two million fatality free shifts during the year which is a great achievement for a new ramp-up mine.

Beeshoek achieved one million fatality free shifts on 8 February 2007.

Nkomati Mine was declared the winner of the "Excellence in Safety" competition for the 2007 financial year with a 66% improvement in its LTIFR to 0.85.

Assmang and the Department of Labour are investigating possible manganism cases at Cato Ridge Works. A comprehensive improved medical surveillance and employee support programme has been introduced and developed to suit current and future needs.

Outlook

ARM's strategy of competitiveness, growth and diversification remains on track. The group owns large-scale, good quality assets which are being developed. ARM will continue to look at appropriate acquisitive value adding opportunities which are fairly priced. The group is also well positioned as partner of choice in South Africa and Africa and management is confident that we will meet our growth strategies.

Dividends

ARM continues its programme of organic growth projects and is seeing the benefits flowing through in its attributable earnings and cash flow. Although substantial capital will be expended for ongoing growth, the board believes that ARM's net debt position is at an appropriate level, as sufficient cash flow and facilities exist to fund developing projects.

Accordingly, the Board of Directors has chosen to declare a dividend of 150 cents per share (R315 million) in respect of the year ending 30 June 2007. The dividend is declared in the currency of the Republic of South Africa.

The last day to trade in ARM shares to participate in this dividend (*cum*-dividend) will be Thursday, 20 September and ARM shares will trade *ex*-dividend from Friday, 21 September 2007. The record date will be Friday, 28 September 2007 with payment of the dividend occurring on Monday, 1 October 2007.

No dematerialisation or rematerialisation of share certificates may occur between Friday, 21 September and Friday, 28 September 2007, both days inclusive.

Review by independent auditors

The provisional financial information has been reviewed by Ernst & Young Inc. whose unqualified review opinion is available for inspection at the company's registered office.

Signed on behalf of the Board:

PT Motsepe
Executive Chairman

AJ Wilkens
Chief Executive Officer

Johannesburg
3 September 2007

Balance Sheets

at 30 June 2007

	Group 2007 Rm Reviewed	Group 2006 Rm Audited
ASSETS		
Non-current assets		
Property, plant and equipment	**6 892**	4 992
Investment property	**12**	12
Intangible assets	**217**	2
Deferred tax assets	**–**	23
Investment in associates	**857**	–
Other investments	**6 391**	7 276
	14 369	12 305
Current assets		
Inventories	**853**	707
Trade and other receivables	**1 859**	1 160
Cash and cash equivalents	**1 063**	439
	3 775	2 306
Total assets	**18 144**	14 611
EQUITY AND LIABILITIES		
Capital and reserves		
Ordinary share capital	**10**	10
Share premium	**3 667**	3 557
Other reserves	**1 604**	2 307
Retained earnings	**5 597**	4 376
Shareholders' interest in capital and reserves	**10 878**	10 250
Minority interest	**340**	143
Total shareholders' interest	**11 218**	10 393
Non–current liabilities		
Long–term borrowings – interest bearing	**2 741**	1 449
Deferred tax liabilities	**1 410**	1 001
Long–term provisions	**178**	156
	4 329	2 606
Current liabilities		
Trade and other payables	**999**	627
Short–term provisions	**97**	47
Taxation	**198**	135
Overdrafts and short–term borrowings – interest bearing	**1 303**	803
	2 597	1 612
Total equity and liabilities	**18 144**	14 611

Income Statements

for the year ended 30 June 2007

	Group 2007 Rm Reviewed	Group 2006 Rm Audited
Revenue	**6 308**	4 686
Sales	**6 152**	4 622
Cost of sales	**(3 341)**	(3 304)
Gross profit	**2 811**	1 318
Other operating income	**222**	167
Other operating expenses	**(552)**	(373)
Profit from operations before exceptional items	**2 481**	1 112
Income from investments	**51**	24
Finance costs	**(370)**	(134)
Income from associate	**16**	–
Profit before taxation and exceptional items	**2 178**	1 002
Exceptional items	**14**	139
Profit before taxation	**2 192**	1 141
Taxation	**(781)**	(377)
Profit for the period	**1 411**	764
Attributable to:		
Minority interest	**191**	163
Equity holders of the parent	**1 220**	601
	1 411	764

Additional information:		
Headline earnings (R million)	**1 207**	462
Headline earnings per share (cents)	**580**	225
Basic earnings per share (cents)	**586**	293
Fully diluted basic earnings per share (cents)	**577**	291
Fully diluted headline earnings per share (cents)	**571**	223
Number of shares in issue at end of year (thousands)	**209 730**	206 367
Weighted average number of shares in issue (thousands)	**208 115**	205 072
Weighted average number of shares used in calculating fully diluted earnings per share (thousands)	**211 523**	206 780
Net asset value per share (cents)	**5 187**	4 967

Statement of Changes in Equity

for the year ended 30 June 2007

Group	Share capital and premium Rm	Revalua–tion of listed invest–ments Rm	Other* Rm	Retained earnings Rm	Share–holders of ARM Rm	Minority interest Rm	**Total Rm**
Balance at 30 June 2005 (Audited)	3 507	(821)	49	3 776	6 511	1 461	**7 972**
TEAL minorities at listing	–	–	–	–	–	83	**83**
Realignment of currency	–	–	3	–	3	–	**3**
Other	–	–	2	(1)	1	–	**1**
Revaluation of listed investment	–	3 556	–	–	3 556	–	**3 556**
Deferred tax on revaluation of listed investment	–	(516)	–	–	(516)	–	**(516)**
Transfer out of minority interest, Assmang, now accounted for as a joint venture	–	–	–	–		(1 504)	**(1 504)**
Basic earnings	–	–	–	601	601	163	**764**
Dividends paid to minorities	–	–	–	–	–	(60)	**(60)**
Share based payments			34		34		**34**
Share options exercised	60	–	–	–	60	–	**60**
Balance at 30 June 2006 (Audited)	3 567	2 219	88	4 376	10 250	143	**10 393**
Basic earnings	–	–	–	1 220	1 220	191	**1 411**
Revaluation of listed investment	–	(880)	–	–	(880)	–	**(880)**
Deferred tax on revaluation of listed investment	–	128	–	–	128	–	**128**
Realignment of currency	–	–	1	–	1	–	**1**
Share based payments	–	–	48	–	48	6	**54**
Share options exercised	110	–	–	–	110	–	**110**
Other	–	–	–	1	1	–	**1**
Balance at 30 June 2007 (Reviewed)	3 677	1 467	137	5 597	10 878	340	**11 218**

** Other reserves consist of insurance contingency R8 million (2006: R8 million; 2005: R6 million), general reserve of R32 million (2006: R32 million; 2005: R 32 million), share based payments R93 million (2006: R45 million; 2005: R11 million); foreign currency translation reserve R4 million (2006: R3 million; 2005: R Nil).*

Cash Flow Statements

for the year ended 30 June 2007

	Group 2007 Rm Reviewed	Group 2006 Rm Audited
CASH FLOW FROM OPERATING ACTIVITIES		
Cash receipts from customers	**5 672**	4 856
Cash paid to suppliers and employees	**(3 135)**	(3 613)
Cash generated from operations	**2 537**	1 243
Interest received	**49**	24
Interest paid	**(295)**	(137)
Dividends received	**–**	1
Dividends paid to minorities	**–**	(60)
Taxation paid	**(317)**	(384)
Net cash inflow from operating activities	**1 974**	687
CASH FLOW FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment to maintain operations	**(913)**	(636)
Additions to property, plant and equipment to expand operations	**(946)**	(859)
Proceeds on disposal of property, plant and equipment	**7**	45
Investment in associate	**(841)**	–
Proceeds on disposal of investments	**2**	–
Net cash effects of disposal of 0.35 per cent of Assmang	**–**	18
Investment acquired	**–**	(12)
Net cash outflow from investing activities	**(2 691)**	(1 444)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds on exercise of share options	**110**	60
Funding received from minority shareholders at TEAL Listing	**–**	226
Long–term borrowings raised	**1 453**	881
Long–term borrowings repaid	**(73)**	(183)
Increase/(decrease) in short–term borrowings	**72**	(91)
Net cash inflow from financing activities	**1 562**	893
Net increase in cash and cash equivalents	**845**	136
Cash and cash equivalents at beginning of year	**193**	47
Foreign currency translation on cash balance	**1**	10
Cash and cash equivalents at end of year	**1 039**	193
Cash generated from operations per share (cents)	**1 219**	606

Notes to the Financial Statements

for the year ended 30 June 2007

1 Basis of preparation

The consolidated provisional results have been prepared on a historical cost convention, as modified by the revaluation of available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments) at fair value through the income statement or the statement of changes in equity.

This provisional financial information has been prepared using accounting policies that comply with International Financial Reporting Standards, and comply with the disclosure requirements of IAS 34: Interim Financial Reporting.

The financial information for the year ended 30 June 2007 has been prepared adopting the same accounting policies used in the most recent annual financial statements, except for the change in accounting policy below and the adoption of various new and revised IFRS standards.

2 Change in accounting policies

IFRS 6: Exploration for and evaluation of a mineral resource – Effective 1 July 2006
Management has revised their policy in accordance with the guidelines of IFRS 6 establishing more stringent rules for the capitalisation of exploration costs. In accordance with the transitional provisions of IFRS 6 the standard has been applied retrospectively. No prior year impact results from the changed policy.

IFRIC 4: Determining whether an arrangement contains a lease. – Effective 1 July 2006
IFRIC 4 provides guidance for determining whether an arrangement, that does not take the legal form of a lease but conveys a right to use an asset is, or contains, a lease that should be accounted for in accordance with IAS 17: Leases.

For the 2007 financial year the application of this new interpretation has resulted in the recognition of a financial lease liability and a related asset amounting to R52 million.

There have been a number of other new and revised accounting standards adopted by ARM but this had no impact on the financial statements.

3 SEGMENTAL INFORMATION

Primary segmental information

Business segments

For management purposes, the Group is organised into five major operating divisions. These are ARM Platinum (which includes platinum and nickel), ARM Ferrous, ARM Coal, ARM Exploration and Gold.

Platinum comprises Two Rivers as a 55 percent subsidiary and Modikwa where ARM holds an effective 41.5 percent interest in the Modikwa mine.

Nickel comprises Nkomati nickel mine as a 50 percent joint venture for both its nickel and chrome operations.

ARM Ferrous comprises Assmang as a subsidiary up to 28 February 2006 and as a 50 per cent joint venture proportionately consolidated thereafter. Assmang comprises all iron ore, manganese,ferro manganese, ferro chrome and chrome ore operations.

ARM Coal, a 51 percent joint venture, consists of a 20 percent participating investment in the existing coal operations of Xstrata Coal and a 51 percent joint venture interest in the Goedgevonden mine. In addition ARM has a direct 10 percent participating investment in the existing coal operations of Xstrata Coal.

ARM exploration comprises TEAL as a 64.9 percent subsidiary.

The gold segment comprises Harmony as an investment.

The group's products predominantly reflect the risks and rewards of trading and the operating divisions are therefore identified as the primary reporting segments.

Reviewed	ARM Platinum Platinum Rm	ARM Platinum Nickel Rm	ARM Ferrous Rm	ARM Coal Rm	ARM Exploration Rm	Corporate and other companies Rm	Gold Rm	**Total Rm**
3.1 Year to 30 June 2007								
Sales								
External sales	2 352	702	3 064	34	–	–	–	**6 152**
Cost of sales	(1 083)	(209)	(2 021)	(28)	–	–	–	**(3 341)**
Other operating income per income statement	1	14	78	–	1	128	–	**222**
Other operating expenses per income statement	(12)	(36)	(133)	–	(198)	(173)	–	**(552)**
Segment result	1 258	471	988	6	(197)	(45)	–	**2 481**
Income from investments	17	3	6	–	4	21	–	**51**
Finance cost	(255)	–	(8)	(26)	–	(81)	–	**(370)**
Income from associate	–	–	–	16	–	–	–	**16**
Exceptional items	–	–	–	–	–	14	–	**14**
Taxation	(300)	(137)	(320)	5	(1)	(28)	–	**(781)**
Minority interest	(259)	–	–	–	68	–	–	**(191)**
Contribution to basic earnings	461	337	666	1	(126)	(119)	–	**1 220**
Contribution to headline earnings	461	337	665	1	(126)	(131)	–	**1 207**
Other information								
Segment assets	5 314	584	3 842	1 519	97	408	6 380	**18 144**
Segment liabilities	2 194	64	849	519	97	1 595	–	**5 318**
Unallocated liabilities (tax and deferred tax)								**1 608**
Consolidated total liabilities								**6 926**
Cash in/(out) flow from operating activities	770	568	979	(11)	(169)	(163)	–	**1 974**
Cash in/(out) flow from investing activities	(521)	(199)	(1 030)	(892)	(51)	2	–	**(2 691)**
Cash in/(out) flow from financing activities	212	–	244	71	66	969	–	**1 562**
Capital expenditure	566	199	1 070	74	51	1	–	**1 961**
Amortisation and depreciation	165	35	203	1	1	1	–	**406**
EBITDA (before exceptional items)	1 423	506	1 191	23	(196)	(44)	–	**2 903**

Notes to the Financial Statements *(continued)*

for the year ended 30 June 2007

SEGMENTAL INFORMATION (continued)
Primary segmental information

Audited	ARM Platinum Platinum Rm	ARM Platinum Nickel Rm	ARM Ferrous Rm	ARM Coal Rm	ARM Exploration Rm	Corporate and other companies Rm	Gold Rm	**Total Rm**
3.2 Year to 30 June 2006								
Sales								
External sales	767	444	3 411	–	–	–	–	**4 622**
Cost of sales	(608)	(191)	(2 505)	–	–	–	–	**(3 304)**
Other operating income	–	25	78	–	2	62	–	**167**
Other operating expenses	(6)	(16)	(179)	–	(74)	(98)	–	**(373)**
Segment result	153	262	805	–	(72)	(36)	–	**1 112**
Income from investments	4	1	4	–	4	11	–	**24**
Finance cost	(87)	–	(15)	–	–	(32)	–	**(134)**
Exceptional items	–	–	–	–	–	139	–	**139**
Taxation	(20)	(78)	(277)	–	–	(2)	–	**(377)**
Minority interest	(8)	–	(176)	–	21	–	–	**(163)**
Contribution to basic earnings	42	185	341	–	(47)	80	–	**601**
Contribution to headline earnings	42	185	338	–	(47)	(56)	–	**462**
Other information								
Segment assets	3 710	396	2 731	–	195	296	7 261	**14 589**
Deferred tax	–	–	–	–	–	22	–	**22**
Consolidated total assets	3 710	396	2 731	–	195	318	7 261	**14 611**
Segment liabilities	1 810	29	367	–	18	858	–	**3 082**
Unallocated liabilities (tax and deferred tax)								**1 136**
Consolidated total liabilities								**4 218**
Cash in/(out) flow from operating activities	(45)	224	723	–	(44)	(171)	–	**687**
Cash in/(out) flow from investing activities	(878)	(41)	(526)	–	(2)	3	–	**(1 444)**
Cash in/(out) flow from financing activities	507	–	(117)	–	226	277	–	**893**
Capital expenditure	1 064	50	554	–	2	1	–	**1 671**
Amortisation and depreciation	121	31	288	–	–	–	–	**440**
EBITDA (before exceptional items)	274	293	1 093	–	(72)	(36)	–	**1 552**

SEGMENTAL INFORMATION (continued)
Primary segmental information
The ARM Platinum segment is analysed further into Two Rivers Platinum (Pty) Limited and ARM Platinum (Pty) Limited that includes Modikwa platinum mine.

	ARM Platinum		
Reviewed	Two Rivers Rm	Modikwa Rm	**Total Rm**
3.3 Year to 30 June 2007			
Sales			
External sales	1 337	1 015	**2 352**
Cost of sales	(451)	(632)	**(1 083)**
Other operating income per income statement	1	–	**1**
Other operating expenses per income statement	(3)	(9)	**(12)**
Segment result	884	374	**1 258**
Income from investments	9	8	**17**
Finance cost	(186)*	(69)	**(255)**
Taxation	(205)	(95)	**(300)**
Minority interest	(222)	(37)	**(259)**
Contribution to basic earnings	280	181	**461**
Contribution to headline earnings	280	181	**461**
Other information			
Segment assets	3 026	2 288	**5 314**
Consolidated total assets	3 026	2 288	**5 314**
Segment liabilities	1 714	484	**2 198**
Unallocated liabilities (tax and deferred tax)			**321**
Consolidated total liabilities			**2 519**
Cash in/(out) flow from operating activities	409	361	**770**
Cash in/(out) flow from investing activities	(419)	(102)	**(521)**
Cash in/(out) flow from financing activities	369	(157)	**212**
Capital expenditure	464	102	**566**
Amortisation and depreciation	75	90	**165**
EBITDA (before exceptional items)	959	464	**1 423**

** Includes interest of R128 million on shareholders' loans.*

Notes to the Financial Statements *(continued)*

for the year ended 30 June 2007

SEGMENTAL INFORMATION (continued)

Audited	ARM Platinum Two Rivers Rm	 Modikwa Rm	 **Total** **Rm**
Primary segmental information			
3.4 Year to 30 June 2006			
Sales			
External sales	–	767	**767**
Cost of sales	–	(608)	**(608)**
Other operating income	–	–	**–**
Other operating expenses	–	(6)	**(6)**
Segment result	–	153	**153**
Income from investments	2	2	**4**
Finance cost	(2)	(85)	**(87)**
Exceptional items	–	–	**–**
Taxation	–	(20)	**(20)**
Minority interest	–	(8)	**(8)**
Contribution to basic earnings	–	42	**42**
Contribution to headline earnings	–	42	**42**
Other information			
Segment assets	1 638	2 072	**3 710**
Consolidated total assets	1 638	2 072	**3 710**
Segment liabilities	1 180	630	**1 810**
Unallocated liabilities (tax and deferred tax)			**30**
Consolidated total liabilities			**1 840**
Cash in/(out) flow from operating activities	(83)	38	**(45)**
Cash in/(out) flow from investing activities	(772)	(106)	**(878)**
Cash in/(out) flow from financing activities	631	(124)	**507**
Capital expenditure	957	107	**1 064**
Amortisation and depreciation	13	108	**121**
EBITDA (before exceptional items)	13	261	**274**

SEGMENTAL INFORMATION (continued)
Additional information

Pro forma analysis of the Ferrous segment on a 100 percent basis

Reviewed	Iron ore division Rm	Manganese division Rm	Chrome division Rm	**Total Rm**
3.5 Year to 30 June 2007				
Sales	2 163	2 691	1 273	**6 127**
Other operating income	30	99	51	**180**
Other operating expense	64	123	102	**289**
Operating profit	962	895	119	**1 976**
Contribution to earnings	679	579	74	**1 332**
Contribution to headline earnings	679	576	76	**1 331**
Other information				
Consolidated total assets	3 275	2 842	1 680	**7 797**
Consolidated total liabilities	1 464	255	1 162	**2 881**
Capital expenditure	1 735	297	199	**2 231**
Amortisation and depreciation	160	150	95	**405**
Cash in/(out) flow from operating activities	994	451	284	**1 729**
Cash in/(out) flow from investing activities	(1 709)	(297)	(145)	**(2 151)**
Cash in/(out) flow from financing activities	626	–	(138)	**488**
EBITDA (before exceptional items)	1 122	1 045	214	**2 381**
Year to 30 June 2006 (Audited)				
Sales	1 411	2 008	939	**4 358**
Other operating income	46	134	35	**215**
Other operating expense	44	125	109	**278**
Operating profit	554	511	(32)	**1 033**
Contribution to earnings	399	327	(59)	**667**
Contribution to headline earnings	399	326	(64)	**661**
Other information				
Consolidated total assets	1 410	2 413	1 662	**5 485**
Consolidated total liabilities	278	162	1 231	**1 671**
Capital expenditure	346	239	120	**705**
Amortisation and depreciation	121	127	112	**360**
Cash in/(out) flow from operating activities	526	124	89	**739**
Cash in/(out) flow from investing activities	(338)	(236)	(86)	**(660)**
Cash in/(out) flow from financing activities	(27)	(24)	(22)	**(73)**
EBITDA (before exceptional items)	675	638	80	**1 393**

Notes to the Financial Statements *(continued)*

for the year ended 30 June 2007

		Group 2007 Rm Reviewed	Group 2006 Rm Audited
4	**EXCEPTIONAL ITEMS**		
	Profit on dilution in TEAL	–	132
	Profit on disposal of 0.35 percent of Assmang (subsidiary to joint venture)	–	25
	Impairment of property, plant and equipment	–	(10)
	Loss on disposal of 50 percent of Nkomati	–	(6)
	Settlement of Chambishi disposal	14	–
	Other	–	(2)
	Exceptional items per income statement	14	139
	Taxation	(2)	(3)
	Profit on disposal of property, plant and equipment	1	3
	Net exceptional items	13	139
5	**HEADLINE EARNINGS**		
	Basic earnings per income statement	1 220	601
	– Profit on dilution in TEAL	–	(132)
	– Impairment of property, plant and equipment	–	10
	– Profit on disposal of 0.35 percent in Assmang (subsidiary to joint venture)	–	(25)
	– (Profit)/loss on disposal of property, plant and equipment	(1)	(3)
	– Loss on disposal of 50 percent in Nkomati	–	6
	– Settlement of Chambishi disposal	(14)	–
	– Other	–	2
		1 205	459
	– Taxation	2	3
	Headline earnings	1 207	462
6	**BORROWINGS**		
	Long-term borrowings are held as follows:		
	– African Rainbow Minerals Limited	1 253	65
	– Assmang Limited	19	4
	– ARM Mining Consortium Limited (Modikwa)	236	351
	– Two Rivers Platinum (Proprietary) Limited – Bank loans	732	523
	– Impala Platinum	–	506
	– ARM Coal (Proprietary) Limited – Xstrata	501	–
		2 741	1 449
	Overdrafts and short-term borrowings are held as follows:		
	– African Rainbow Minerals Limited	20	549
	– Assmang Limited	303	46
	– ARM Mining Consortium Limited (Modikwa)	116	186
	– TEAL Exploration and Mining Inc.	71	–
	– Two Rivers Platinum (Proprietary) Limited – Bank loans	168	22
	– Impala Platinum	625	–
		1 303	803
	Total borrowings	4 044	2 252

		Group 2007 Rm Reviewed	Group 2006 Rm Audited
7	**COMMITMENTS AND CONTINGENT LIABILITIES**		
	Commitments in respect of future capital expenditure, which will be funded from operating cash flows and by utilising available borrowing resources, are summarised below:		
	Commitments		
	Commitments in respect of capital expenditure:		
	Approved by directors		
	– contracted for	**2 290**	673
	– not contracted for	**831**	1 641
	Total commitments	**3 121**	2 314

8 CONTINGENT LIABILITIES

There have been no significant changes in the contingent liabilities of the group as disclosed in the 30 June 2006 annual report.

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AJ Wilkens (Chief Executive Officer)
F Abbott
Dr MMM Bakane-Tuoane**
JA Chissano (Mozambican)**
WM Gule
MW King**
AK Maditsi**
KS Mashalane
JR McAlpine**
PC Rörich
Dr RV Simelane**
MV Sisulu**
JC Steenkamp
ZB Swanepoel*

*Non-executive
**Independent non-executive

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