"ARM significantly increased sales volumes across all its commodities except ferrochrome and Nkomati chrome ore.

We also increased headline earnings and dividends despite challenging global markets."

Patrice Motsepe
Executive Chairman

Khumani Iron Ore plant

African Rainbow Minerals

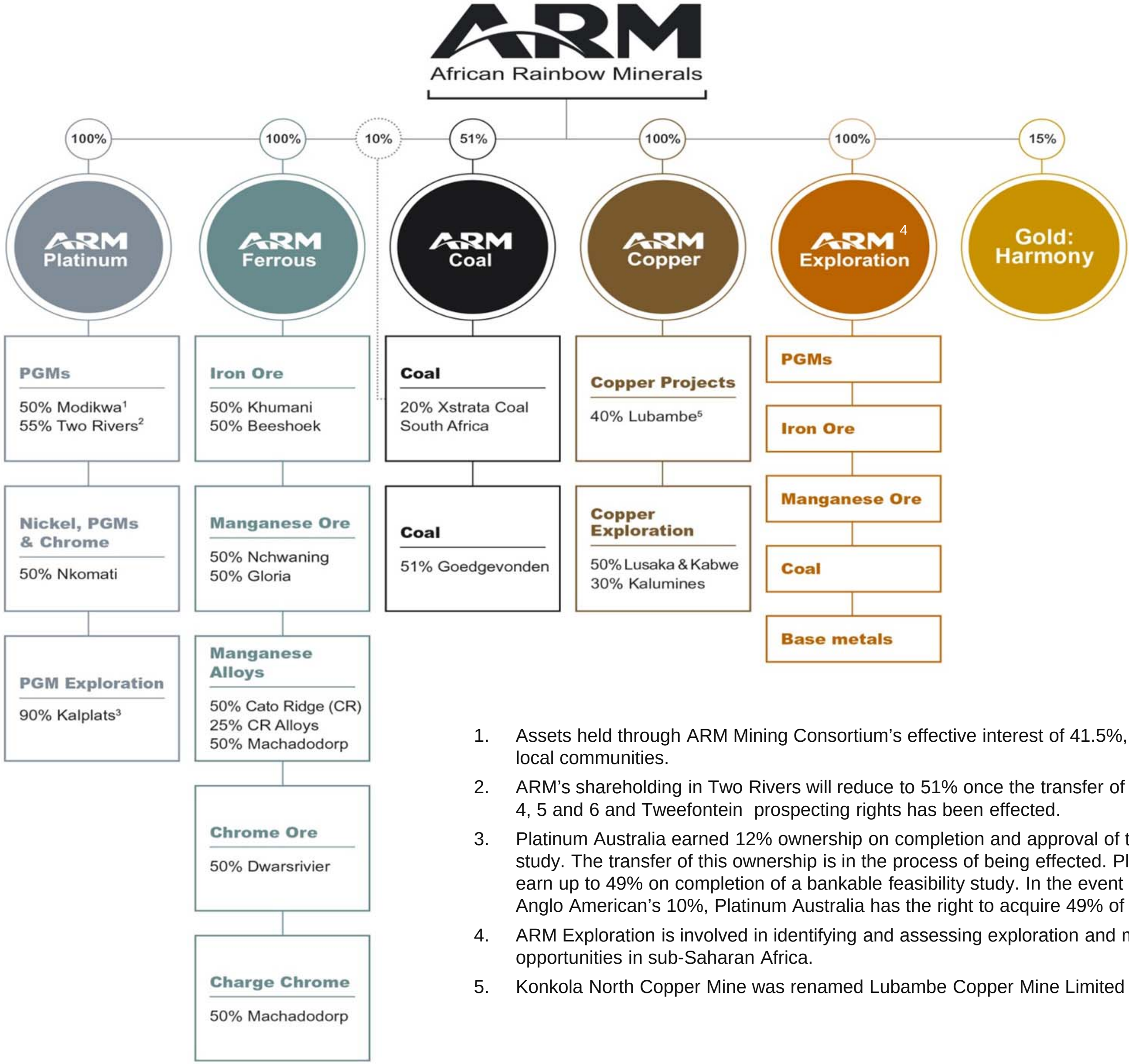
Overview and strategy

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



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.
5. Konkola North Copper Mine was renamed Lubambe Copper Mine Limited

Salient features

African Rainbow Minerals

Headline earnings increased 2% to R3.45 billion (F2011 restated: R3.37 billion) in difficult market conditions.

Headline earnings per share were 1 615 cents compared to 1 585 cents in F2011 (restated).

ARM declared an increased dividend of 475 cents per share, compared to the F2011 dividend of 450 cents per share.

Significant sales volume increases across all ARM commodities except ferrochrome and Nkomati Mine chrome ore.

Salient features

Satisfactory cost containment at Two Rivers Mine, the PCB coal operations, the manganese ore mines, the manganese alloy operations and the chrome ore mine.

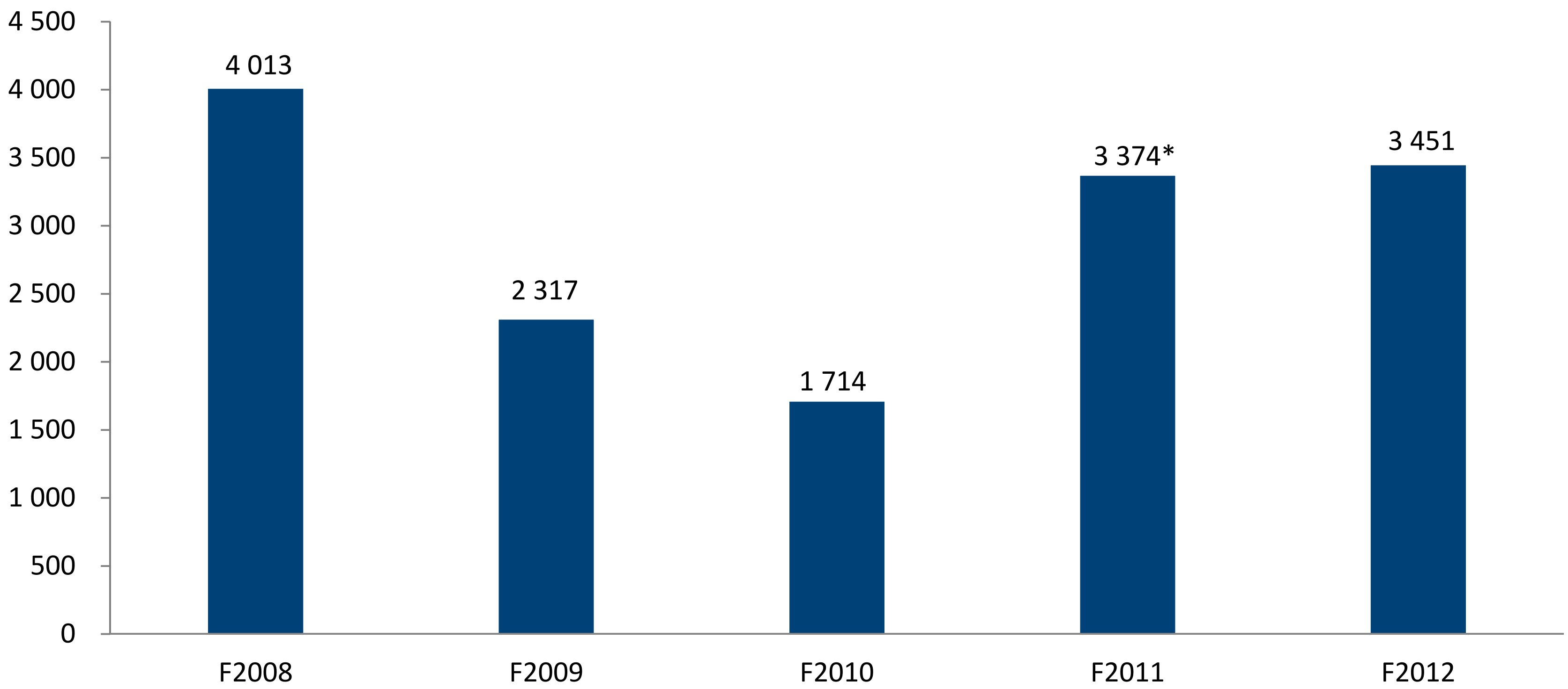
Khumani Mine is ramping up production ahead of schedule and under budget.

The Lubambe Copper project progressed ahead of schedule.

ARM maintained a robust financial position with net cash (excluding partner loans) of R2.3 billion (F2011: R 2.6 billion).

Headline earnings

Headline earnings (R million)



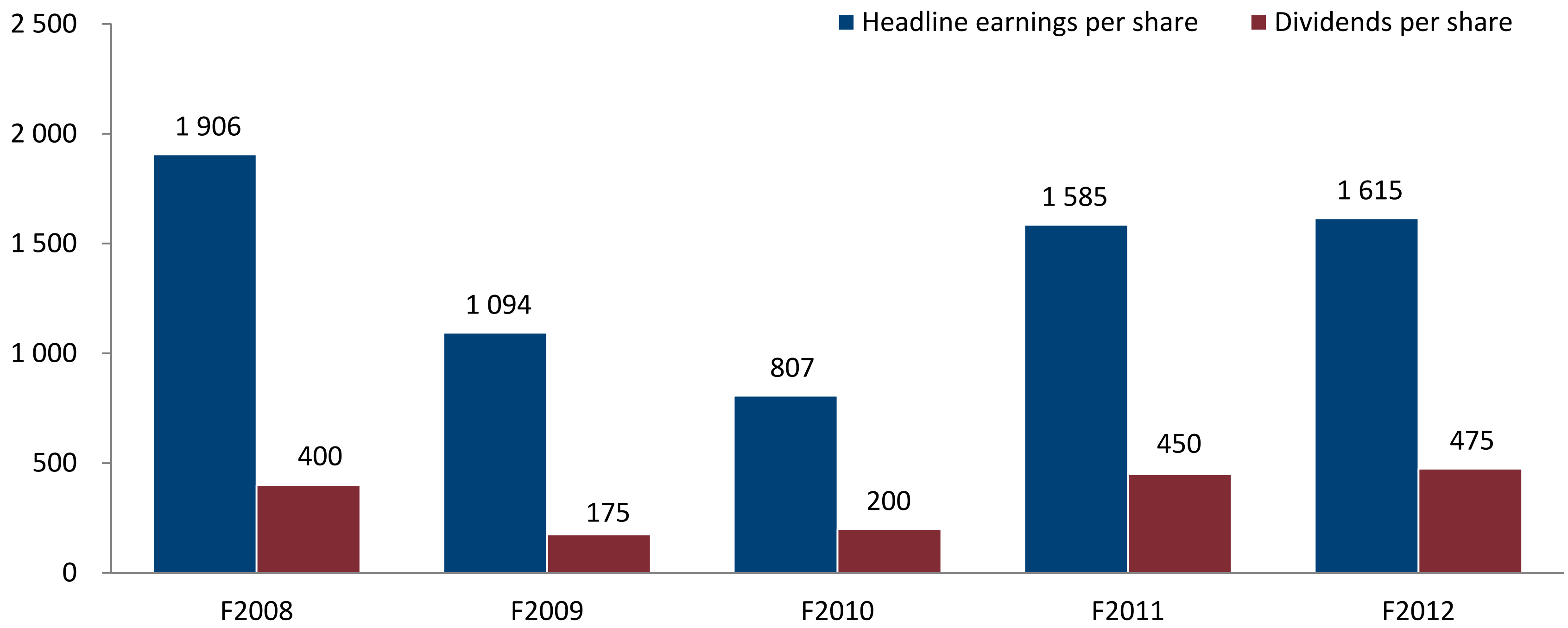
**Restated due to early adoption of IFRIC 20*

Headline earnings increased despite challenging commodity market conditions.

Dividend and earnings history

African Rainbow Minerals

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



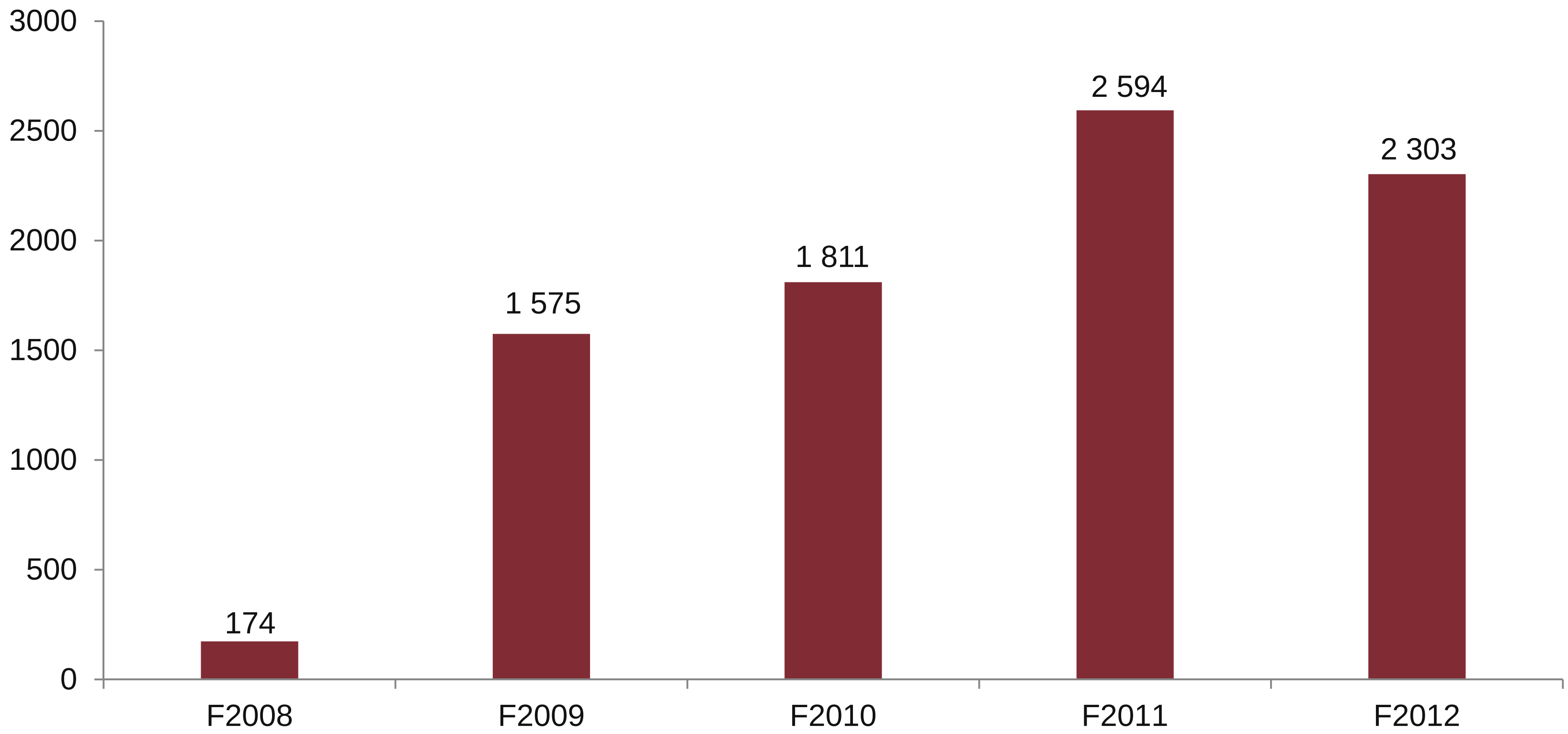
**Restated due to IFRIC 20*

Dividend cover	F2008	F2009	F2010	F2011	F2012
Dividend cover	**4.8 X**	**6.3 X**	**4.0 X**	**3.5 X**	**3.4 X**

As a globally competitive company, ARM is committed to paying dividends and funding growth.

Robust financial position

Net cash excluding partner loans (R million)

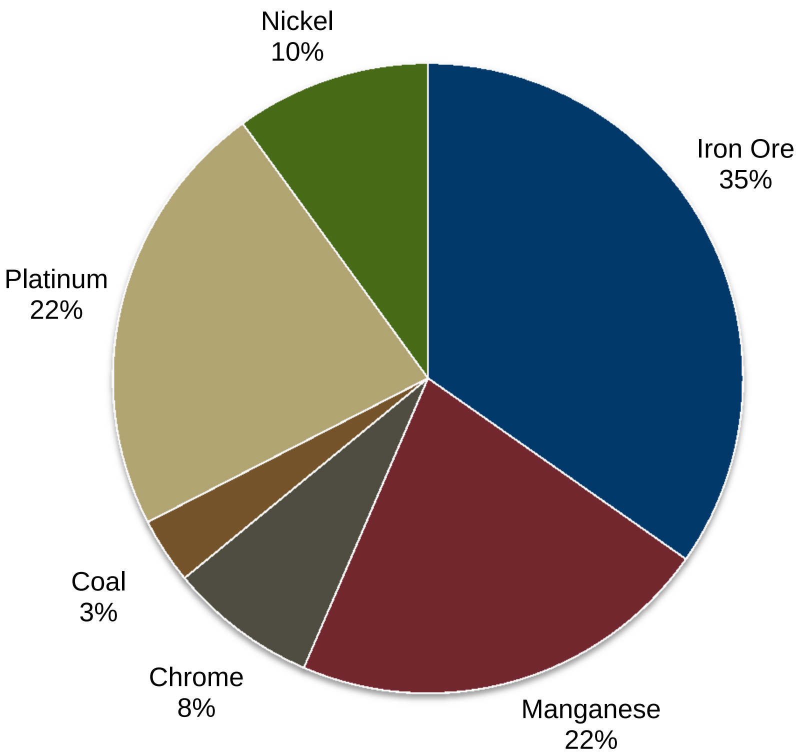


ARM is well positioned financially.

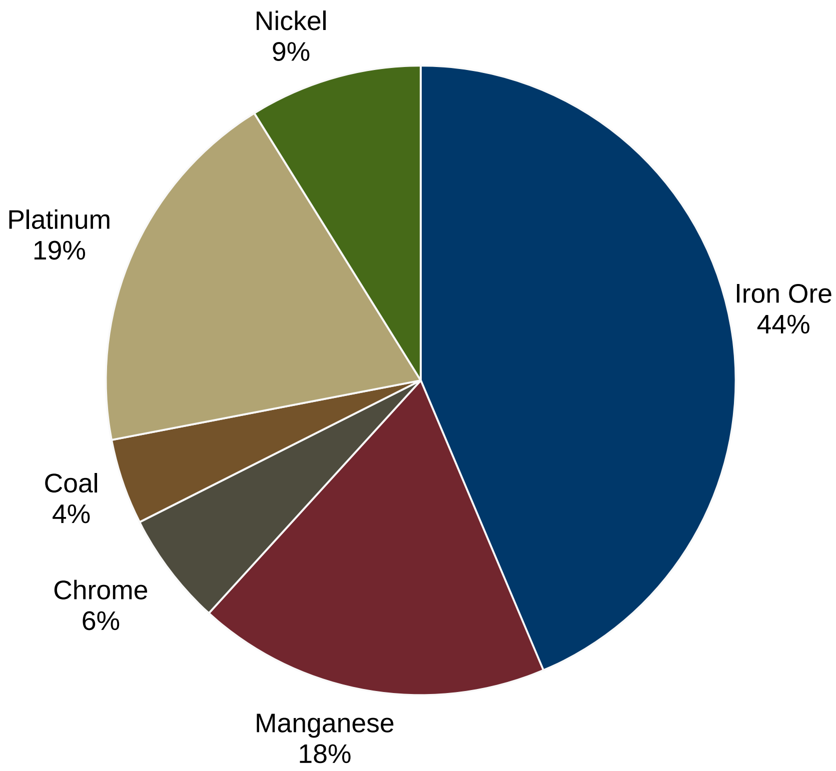
Revenue composition

ARM African Rainbow Minerals

F2011 revenue split



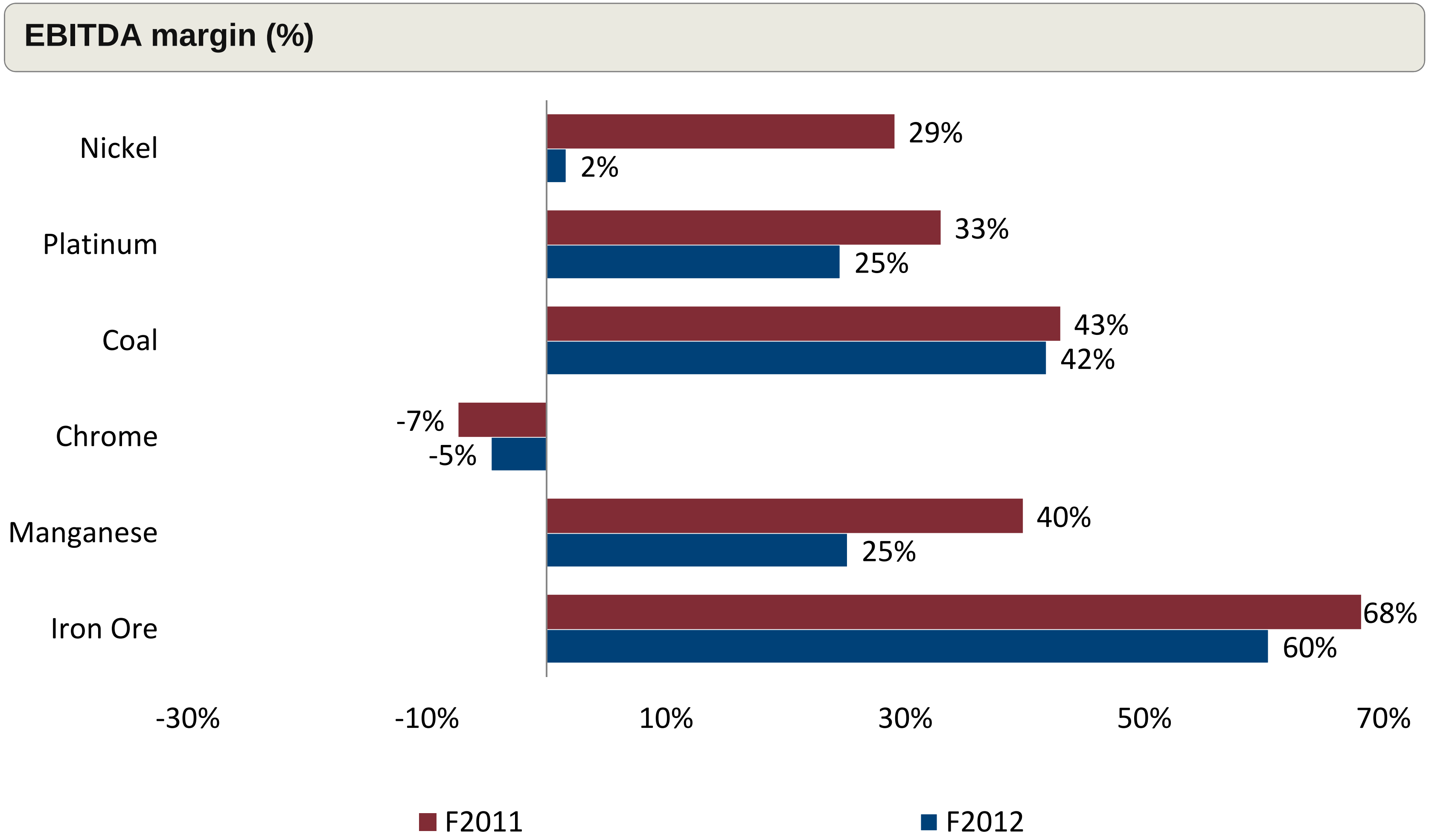
F2012 revenue split



The iron ore contribution to revenue increased as the Khumani Mine ramped up one year ahead of schedule.

EBITDA margins

African Rainbow Minerals



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 Project was successfully handed over to the mine one year ahead of schedule and well below budget.

Full production ramp-up to 6.4 mtpa was achieved at Goedgevonden Coal Mine.

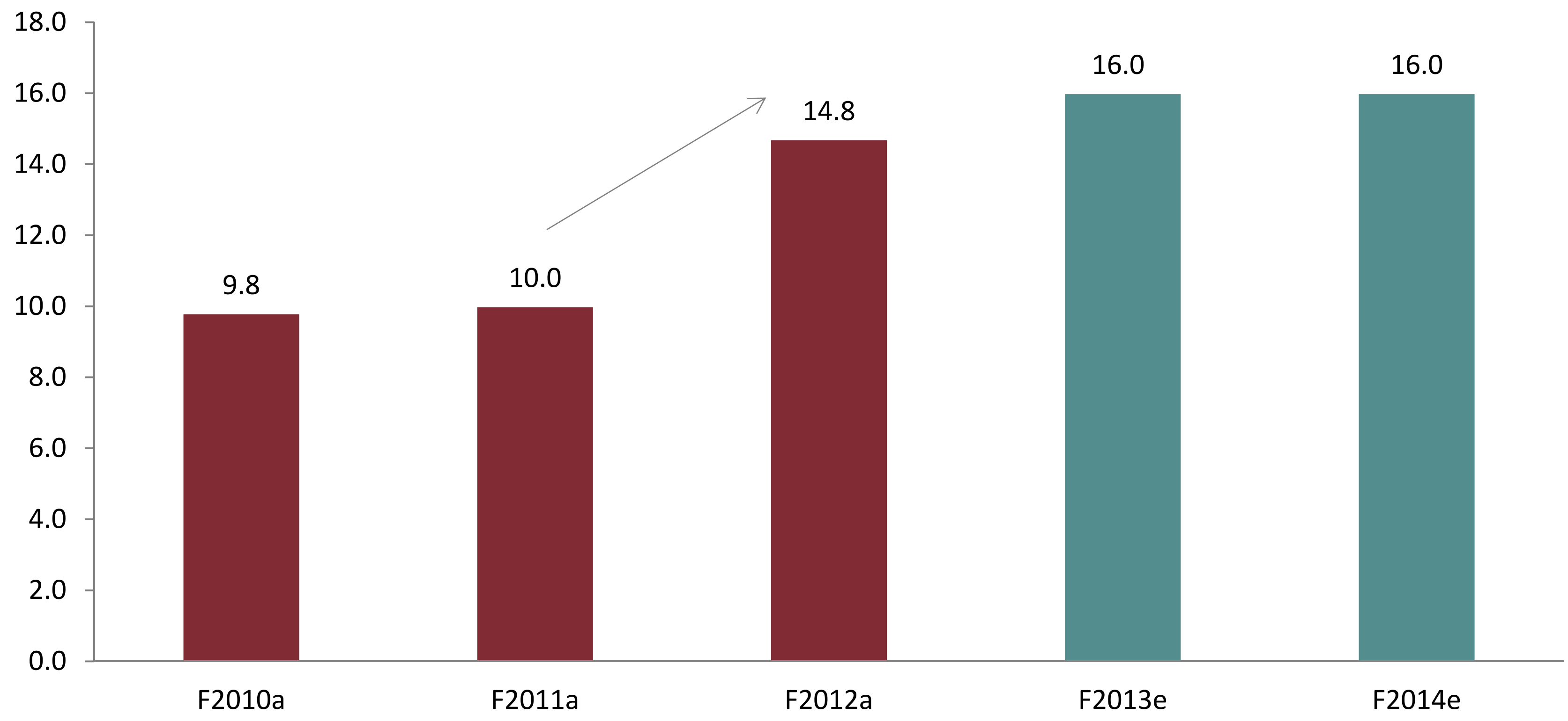
There was significant improvement in the operational performance of the Nkomati Nickel Mine in the second half of the financial year.

Konkola North Copper Project (renamed Lubambe Copper Project) is progressing on time and within budget. Plant commissioning expected by the end of the 2012 calendar year.

Growth in iron ore

ARM African Rainbow Minerals

Total iron ore sales (million tonnes)

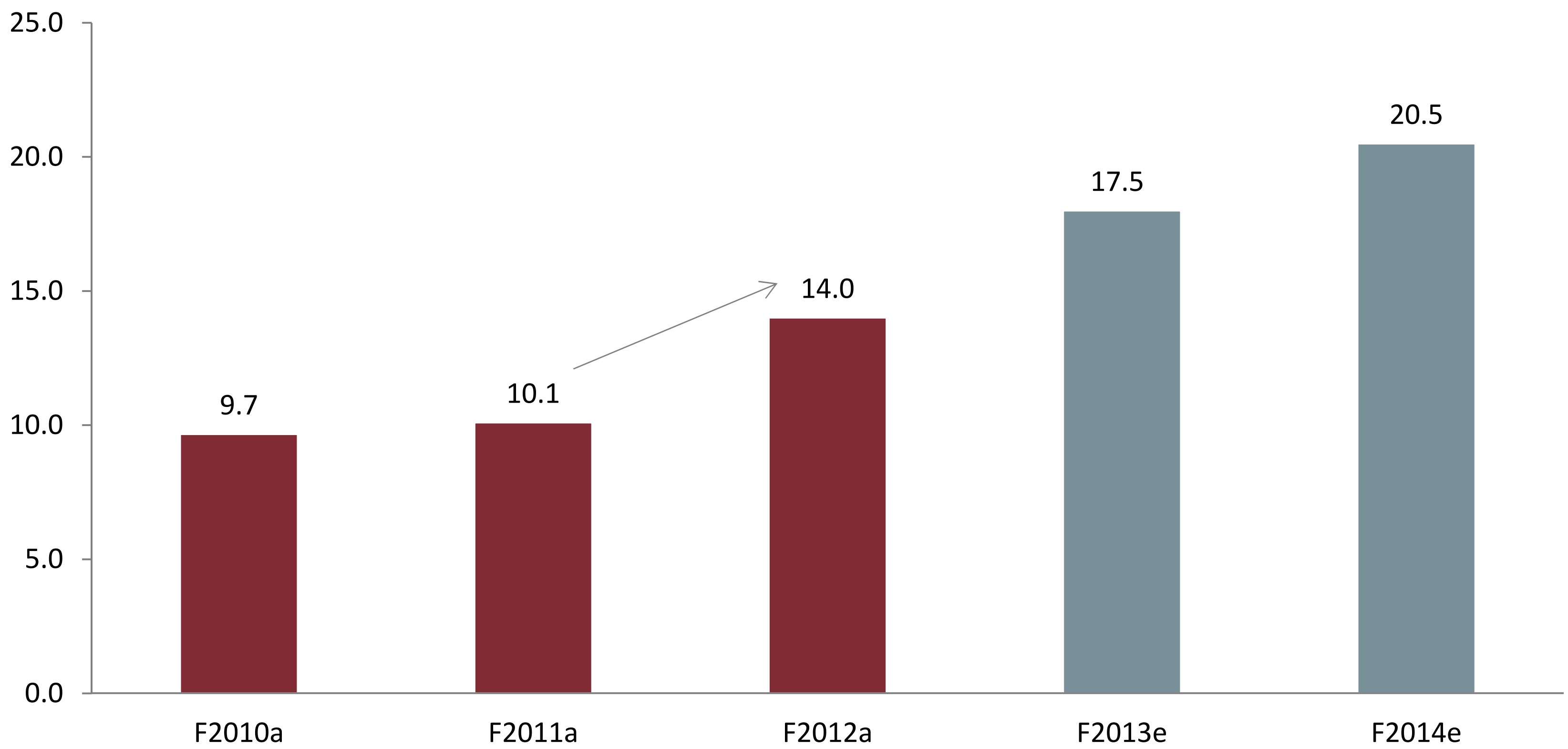


Iron ore sales increased by 48%.

Ramp up of the Khumani Mine is one year ahead of schedule and below budget.

Nkomati Nickel Mine improving

Nickel produced (thousand tonnes)

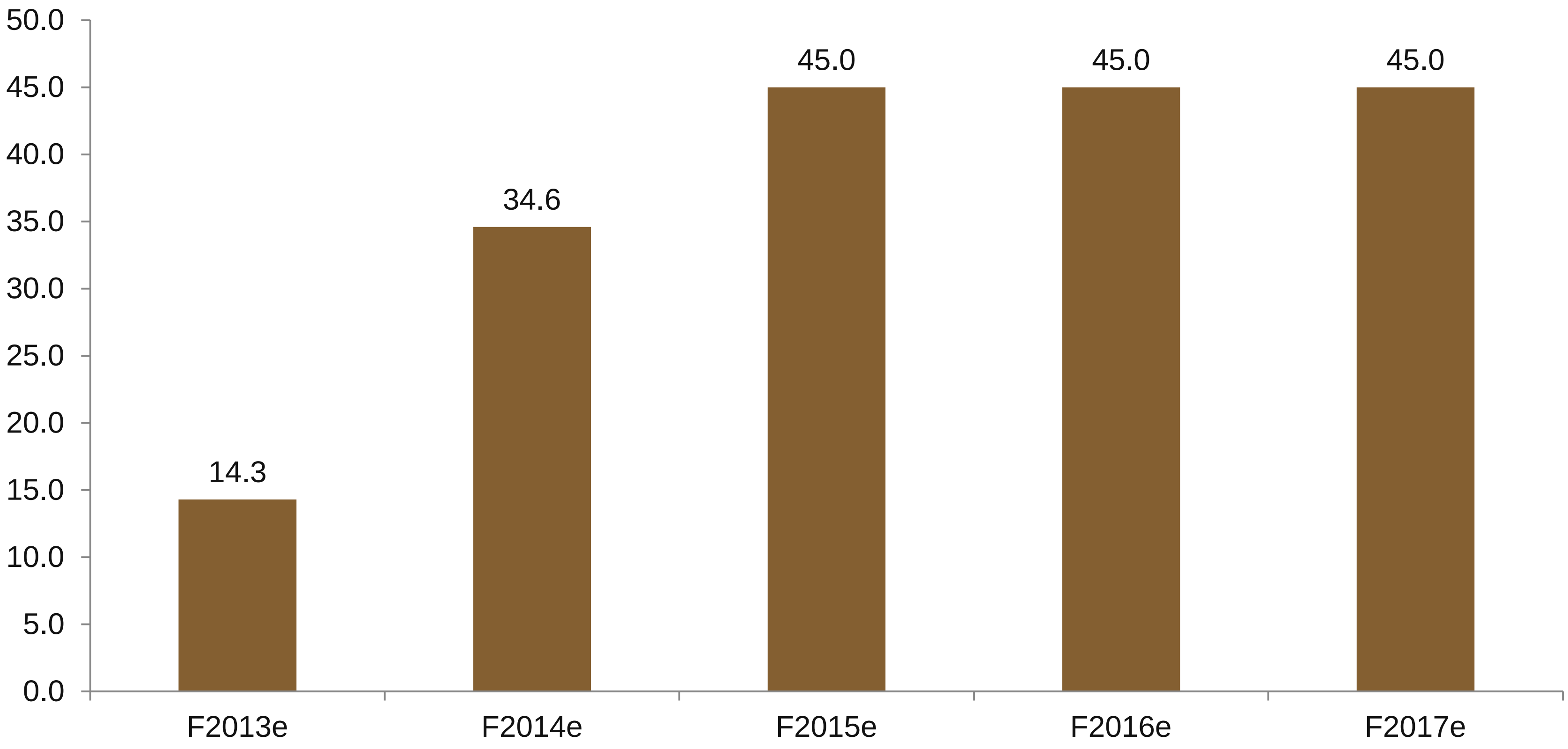


Improvement in the operational performance of Nkomati Nickel Mine.

Nickel production increased by 39%.

Lubambe Copper Project

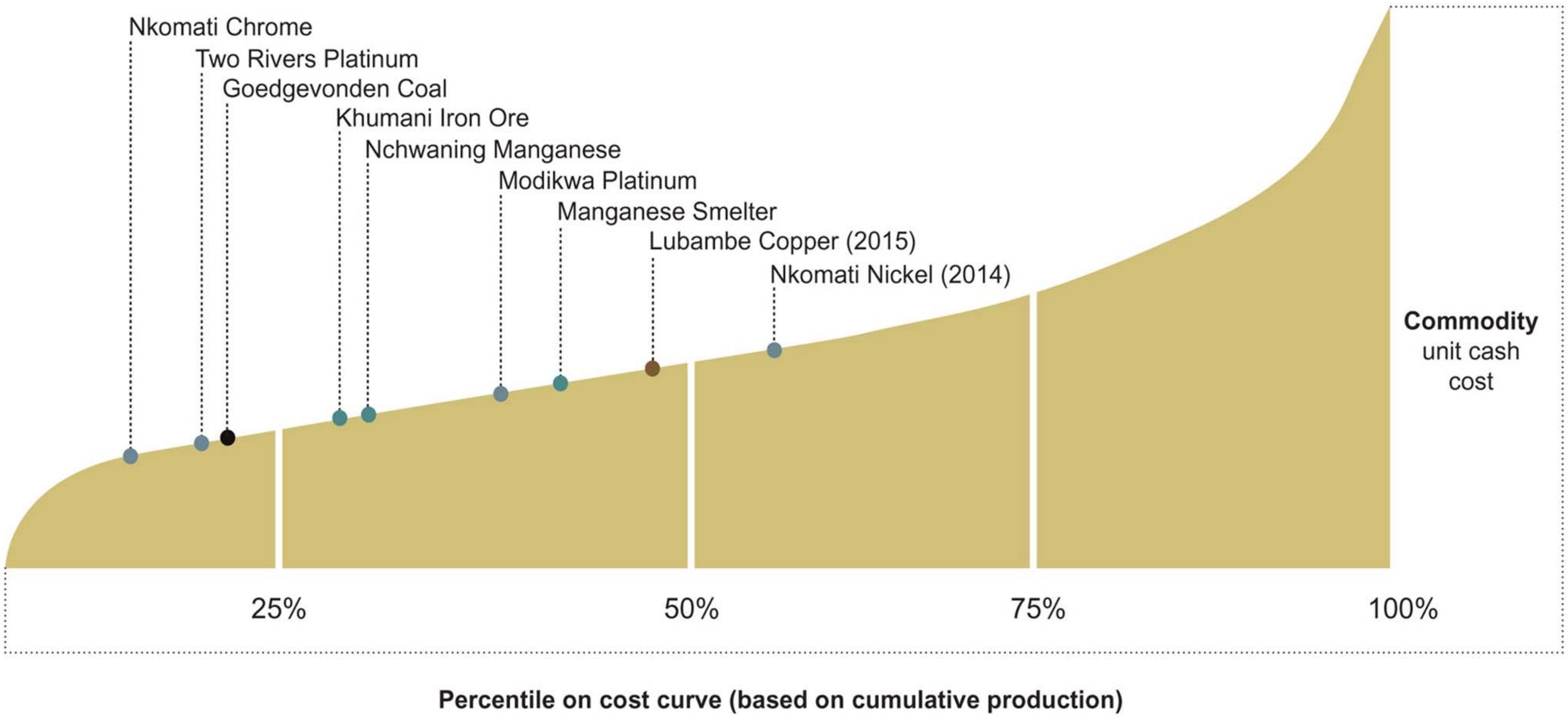
Copper produced (thousand tonnes)



The Lubambe Copper Project is currently on schedule and within budget.

Operational efficiencies

ARM achieved target of operations being below the 50th percentile on the global cost curve by 2012.



Continued growth in existing assets

ARM continues to focus on growing its existing assets

Transnet recently announced that it will spend R300 billion over the next 7 years as part of its Market Demand Strategy (MDS), in terms of which the South African rail, pipeline and port infrastructure will expand substantially.

Feasibility studies are underway to further expand iron ore and manganese ore operations to benefit from the Transnet expansion in rail and port capacity

Acquisitions

African Rainbow Minerals

Increased focus on acquisitive growth in Africa.

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

Safety and sustainability

In F2012 the ARM's Lost Time Injury Frequency Rate (LTIFR) improved from 0.43 to 0.42 per 200 000 man hours.

Despite concerted efforts to maintain the highest safety standards at all our operations regrettably, ARM lost four employees in three fatal accidents.

The ARM Board and management extend its sincerest condolences to the family, friends and colleagues of the deceased.

Outlook

Commodity markets in F2012 have been negatively affected by the global economic slowdown.

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

The long-term fundamentals of these commodities remain positive; to be driven by a recovery in the developed markets together with supply side challenges being experienced by PGM producers.

ARM will continue to focus on improving operational efficiencies.

Loading in the Nkomati Mine open pit

ARM
African Rainbow Minerals

Operational review

Mike Schmidt, Chief Executive Officer

Divisional headline earnings

Contribution to headline earnings (R million)

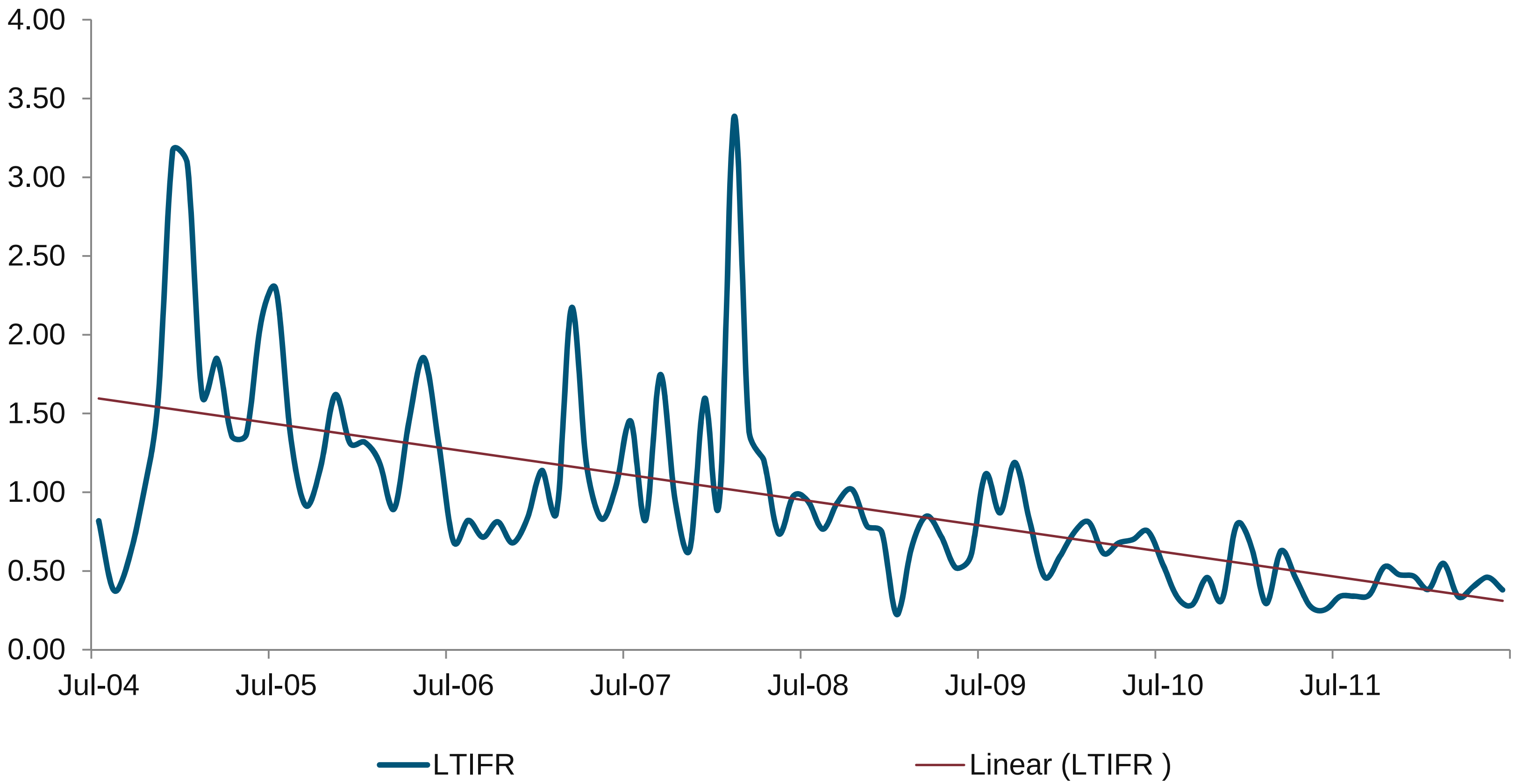
Commodity group	year ended 30 June		
	2012	**2011***	**% change**
Platinum Group Metals	**190**	350	(46)
Nkomati Nickel and Chrome	**(130)**	165	(178)
Ferrous Metals	**3 495**	2 897	21
Coal	**52**	(103)	
Copper	**(31)**	(173)	82
Exploration	**(113)**	-	
Corporate, Gold and Other	**(12)**	238	(105)
ARM Headline Earnings	**3 451**	3 374	2

** The 2011 headline earnings have been restated for the early adoption of IFRIC 20*

Significant improvement in safety record

African Rainbow Minerals

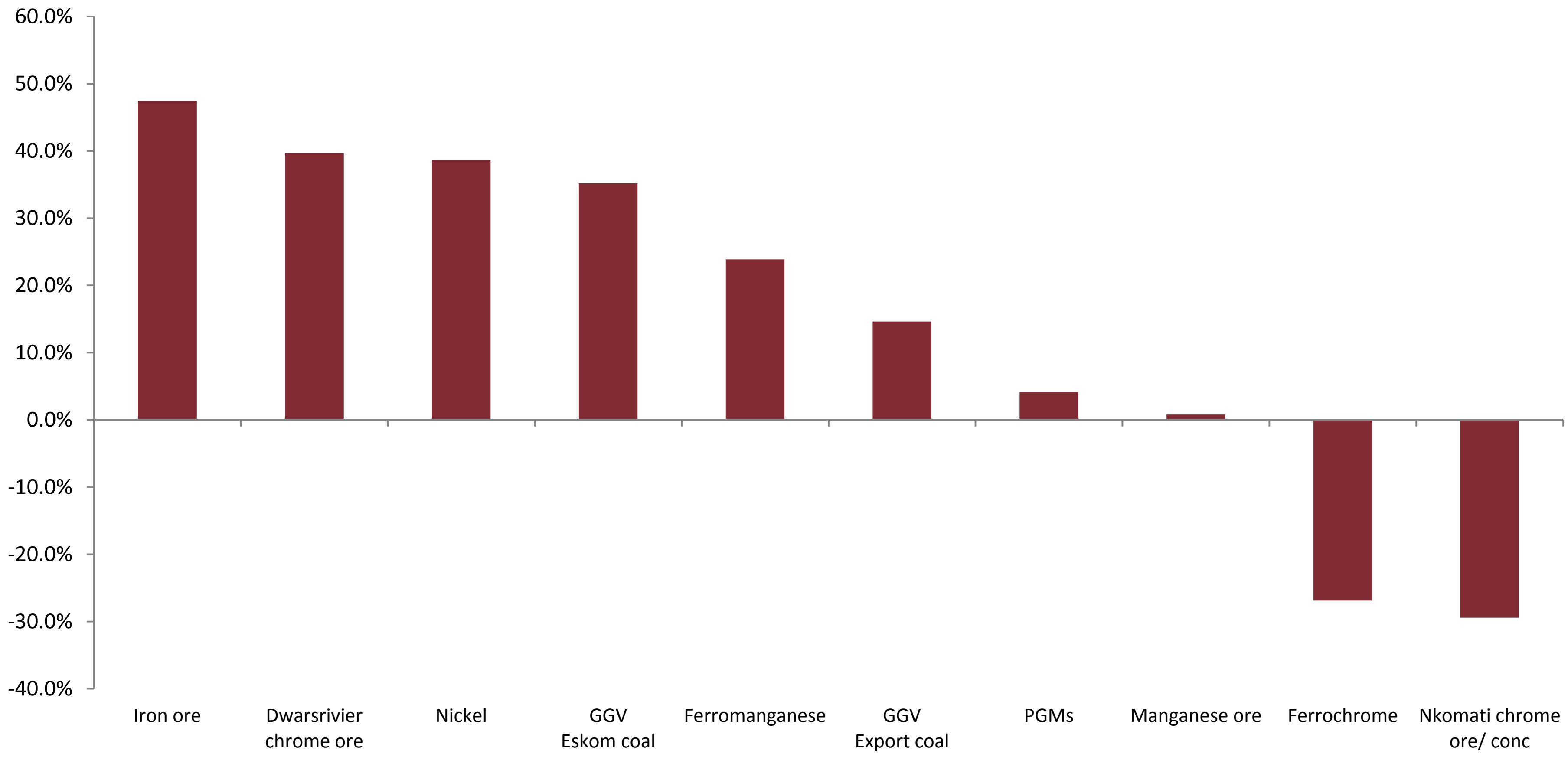
Lost Time Injury Frequency Rate (LTIFR) per 200 000 man hours worked



Significant sales volume increases

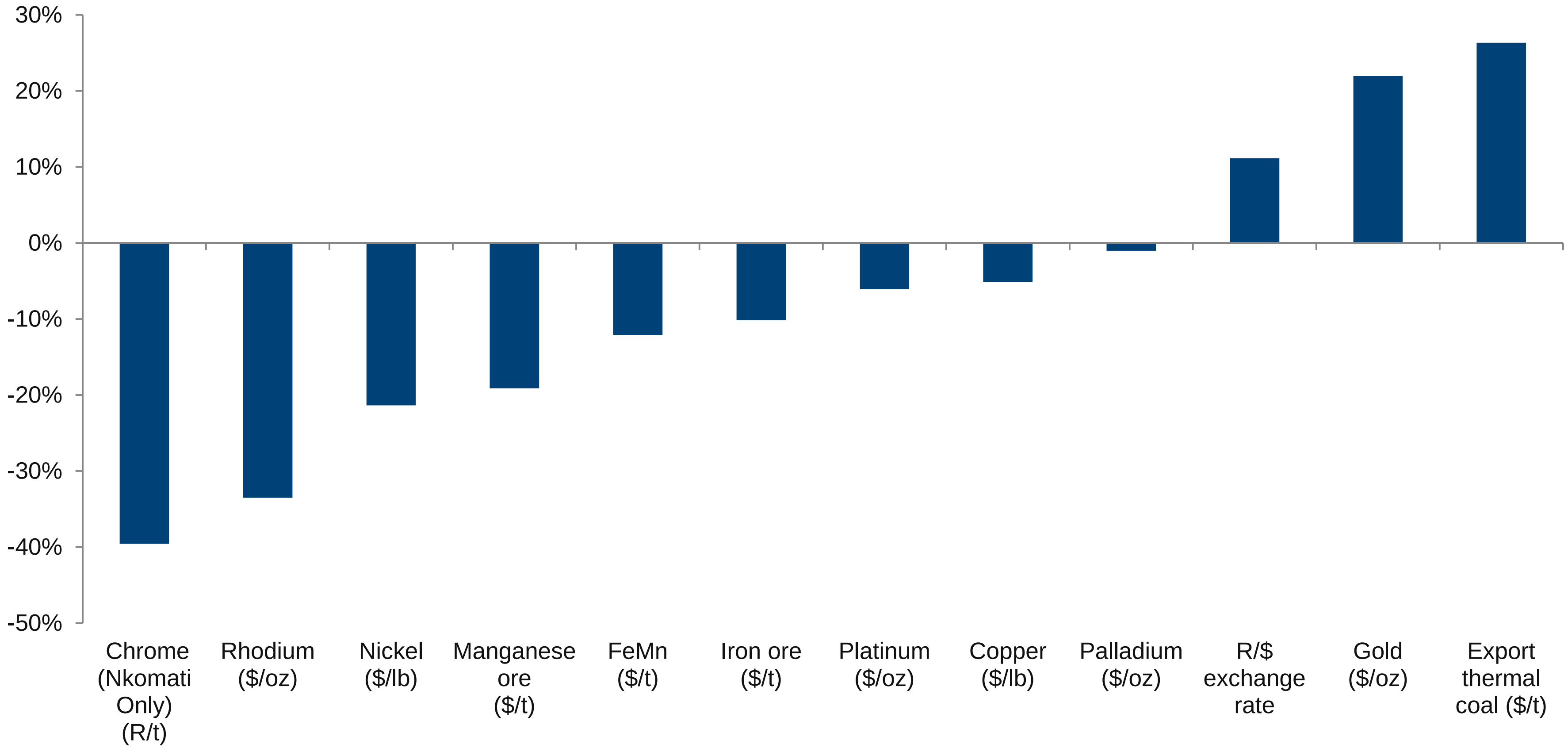
African Rainbow Minerals

F2012 vs. F2011 sales volumes (% change)



Decrease in commodity prices

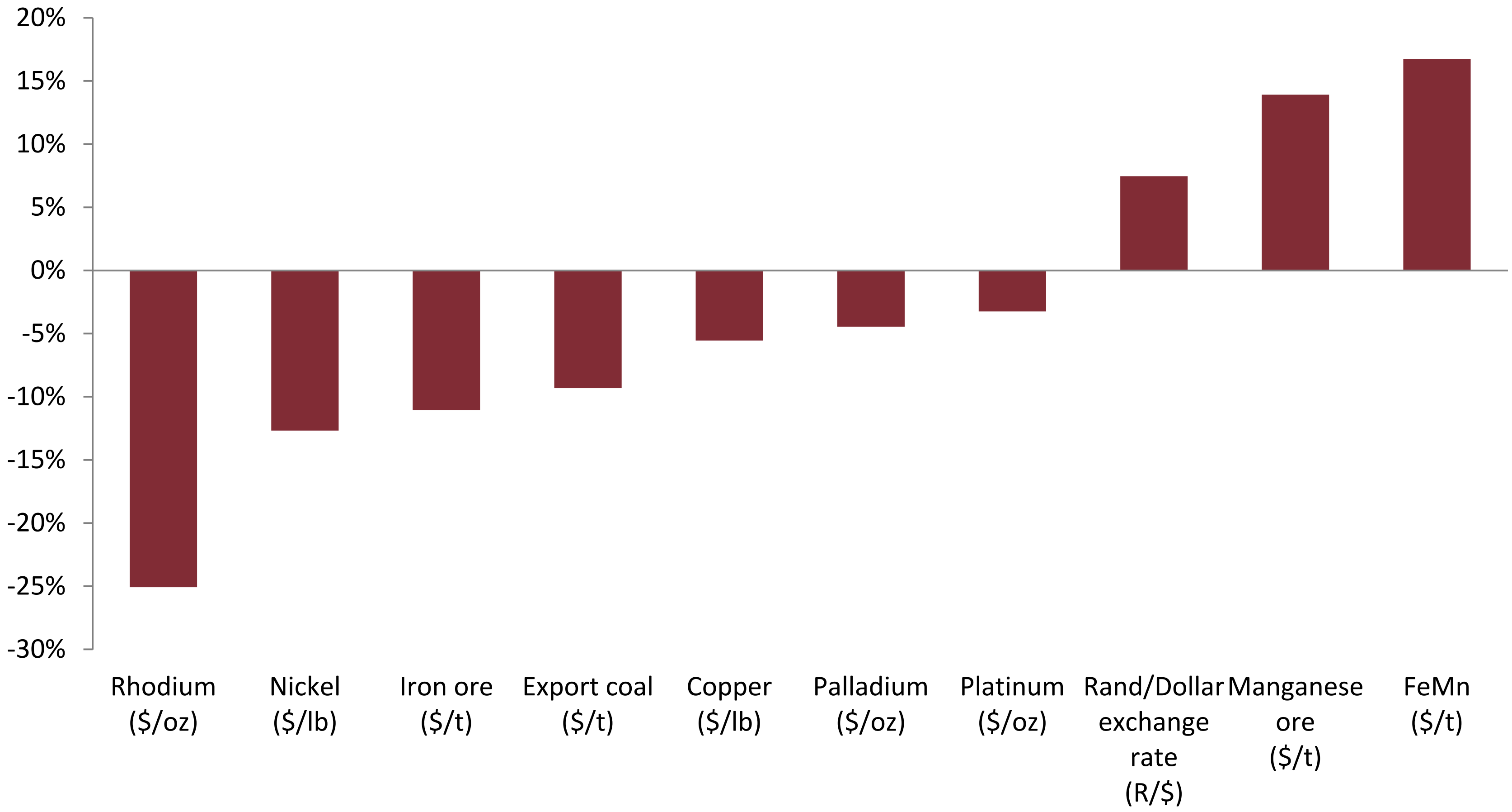
F2012 vs. F2011 realised prices (% change)



Spot prices continue to decline

African Rainbow Minerals

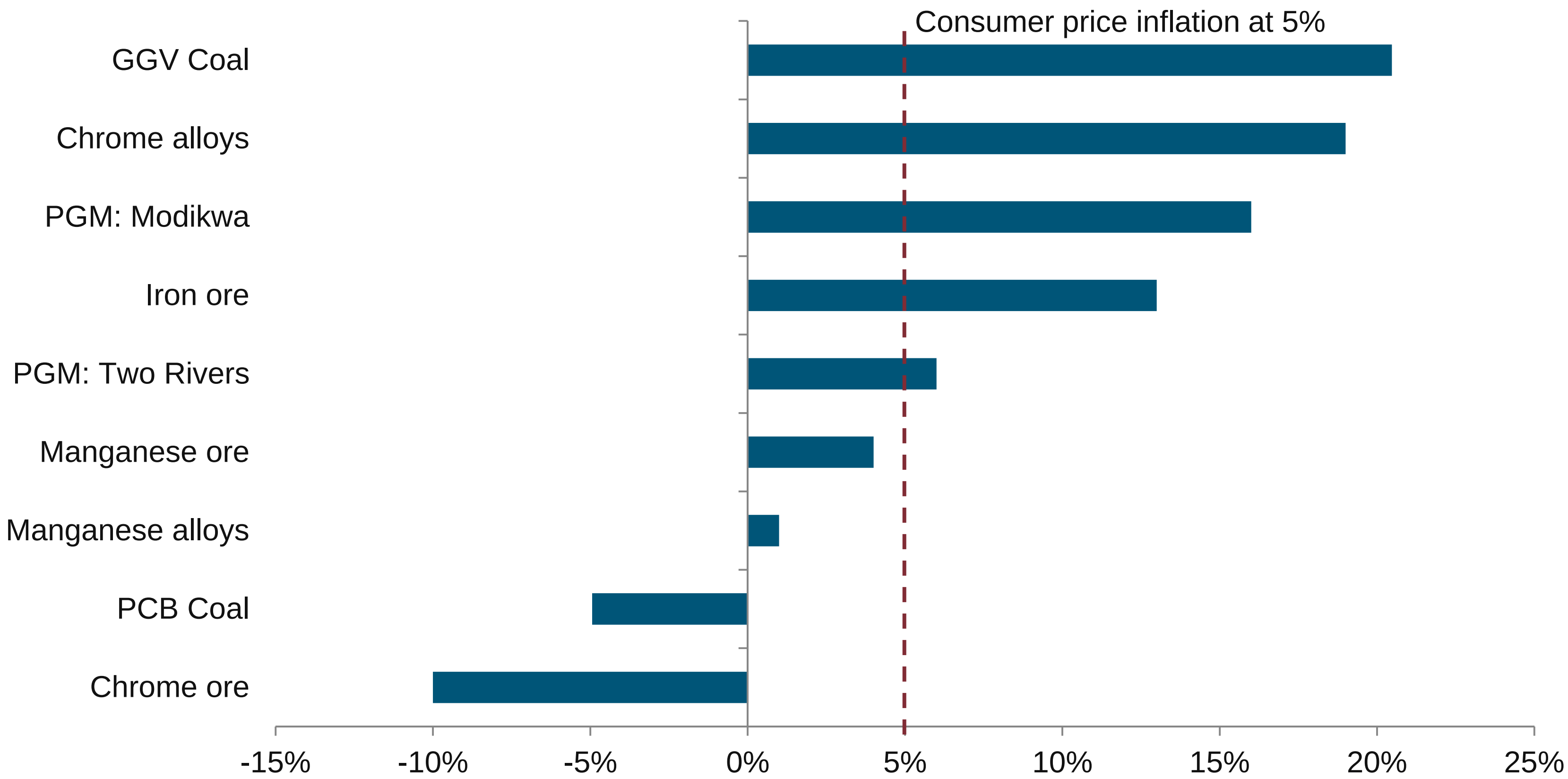
Spot prices on 24 August 2012 vs. F2012 realised prices (% change)



Unit cost changes by commodity

ARM African Rainbow Minerals

F2012 vs. F2011 unit production costs (% change)



The Nkomati Nickel Mine US Dollar C1 cash cost increased 72% owing to lower chrome prices and volumes. The Rand per tonne milled however remained constant at R272/t (F2011: R271/t)

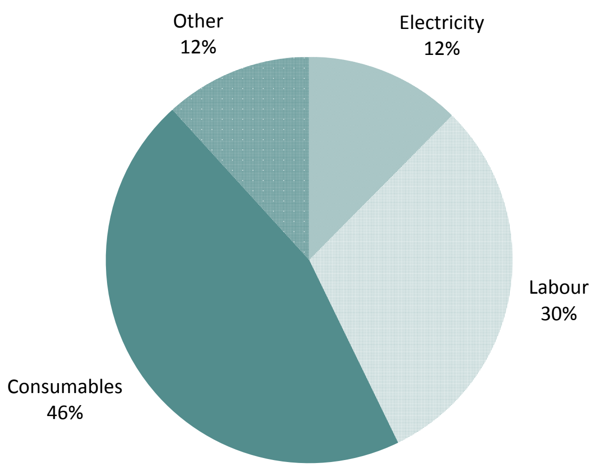
Analysis of costs

African Rainbow Minerals

ARM Ferrous

Below inflation cost increases were achieved at the manganese ore and alloy operations. Accelerated ramp-up of the Khumani Mine resulted in a 13% increase in unit production costs at Khumani. .

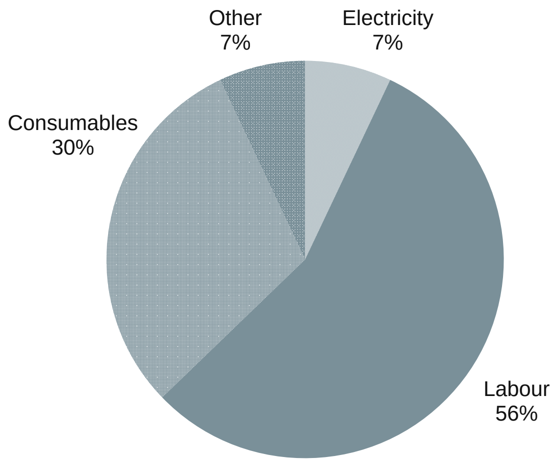
Approximate on-mine cash cost split



ARM Platinum

Nkomati costs net of by-product were negatively affected by a severe decline in chrome prices. Modikwa experienced five week long industrial action which negatively affected cost at the mine.

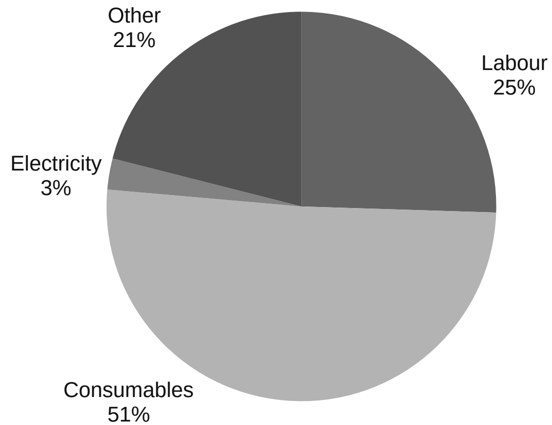
Approximate on-mine cash cost split



ARM Coal

Production costs at GGV were above inflation due to increased overburden removal. This has resulted in higher in pit inventory levels which will benefit the mine in the future

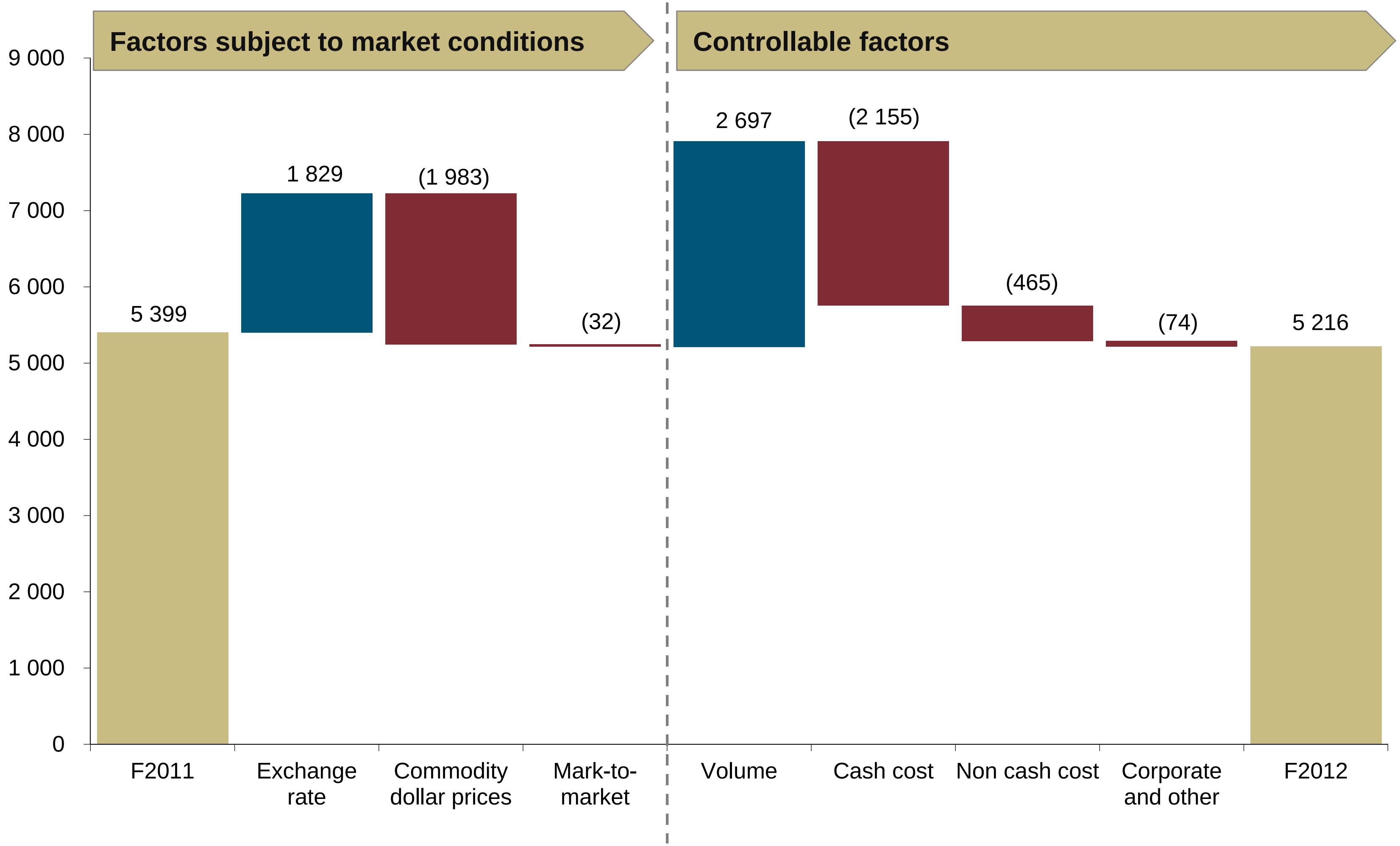
Approximate on-mine cash cost split



Profit variance analysis

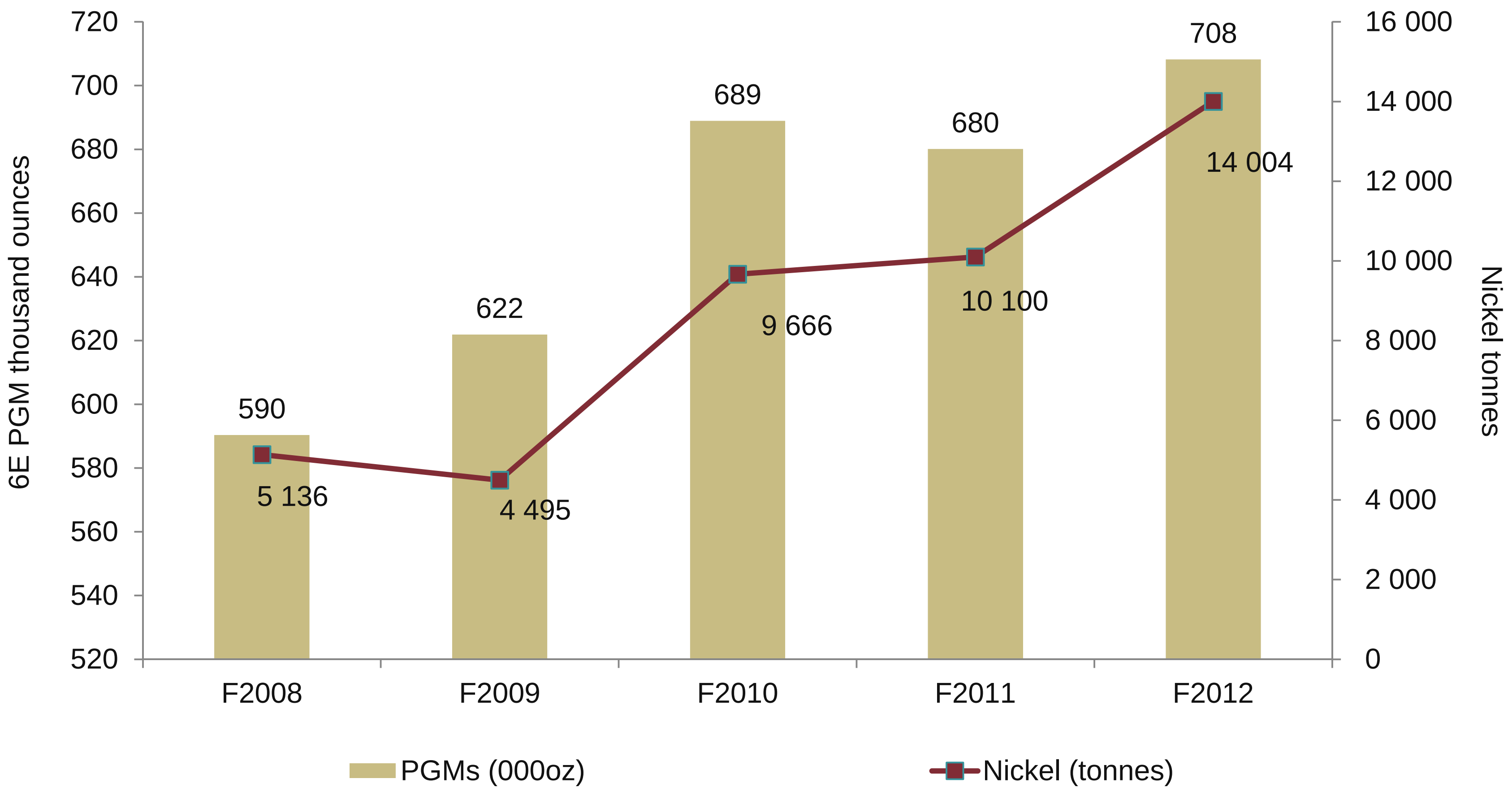
African Rainbow Minerals

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



ARM Platinum

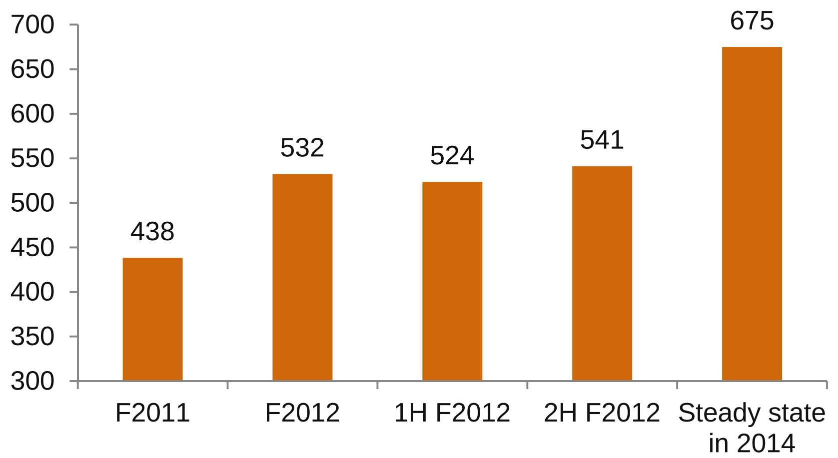
PGM and nickel production



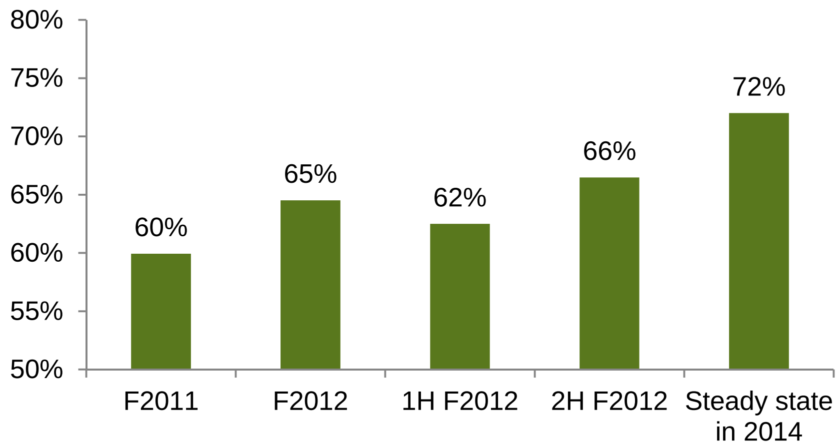
Significant improvement in Nkomati operational performance

ARM African Rainbow Minerals

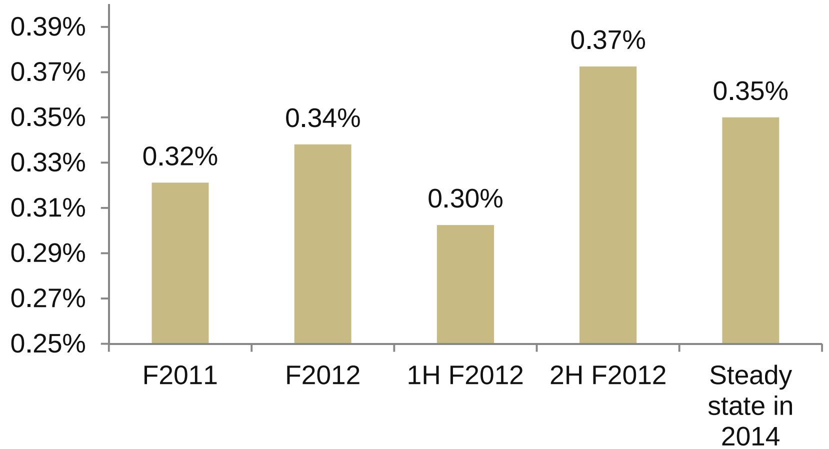
Monthly tonnes milled (thousand tonnes)



Average recoveries (%)



Average milling grade (% nickel content)

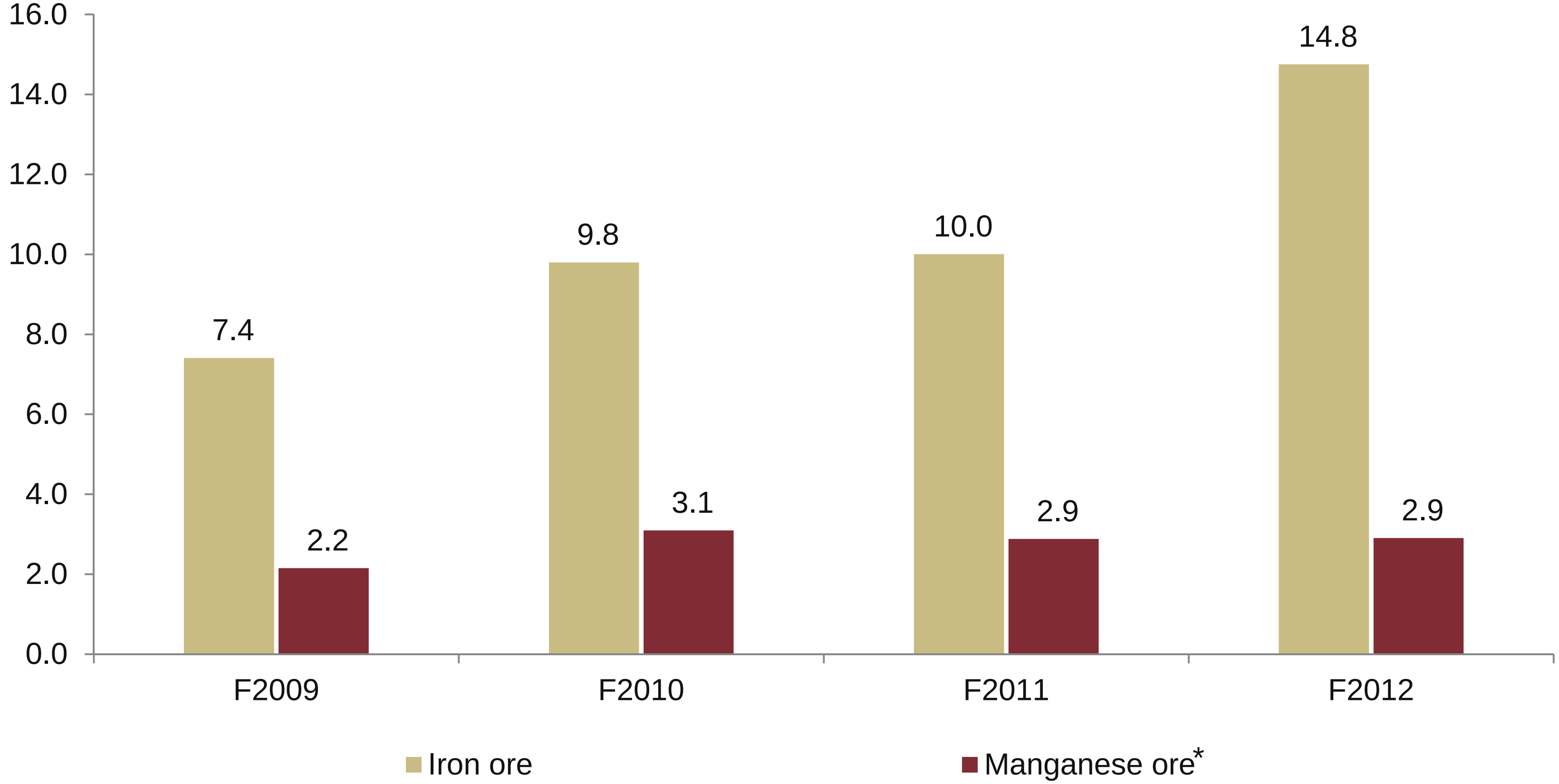


$/lb Nickel produced	**F2011**	**F2012**	**Steady state in 2014**
On mine operating costs	10.31	9.17	8.15
Off-mine operating cost	3.18	2.90	3.50
PGM, copper and cobalt by-product credits	(4.51)	(3.42)	(3.20)
Chrome by-product credit	(3.99)	(0.06)	(2.45)
C1 cash cost net of by products	**4.99**	**8.58**	**6.00**

ARM Ferrous

ARM African Rainbow Minerals

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



** Manganese ore sales exclude intragroup sales*

ARM Coal

The Goedgevonden Mine reached design capacity in 2H F2012.

Capital expenditure of R8.2 billion was approved for the Tweefontein Optimisation Project (TOP). The project is expected to be completed in F2016

PCB concluded the sale of the Mpumalanga assets.

ARM Copper

The Lubambe Copper Project is progressing on schedule with commissioning of the concentrator plant expected in October 2012.

94% of the approved project capital expenditure budget of $410 million (in July 2010 terms) has been committed.

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

ARM Copper: Growth in Area A

African Rainbow Minerals

Approximately 24 164 metres were drilled in 12 month period with five machines.

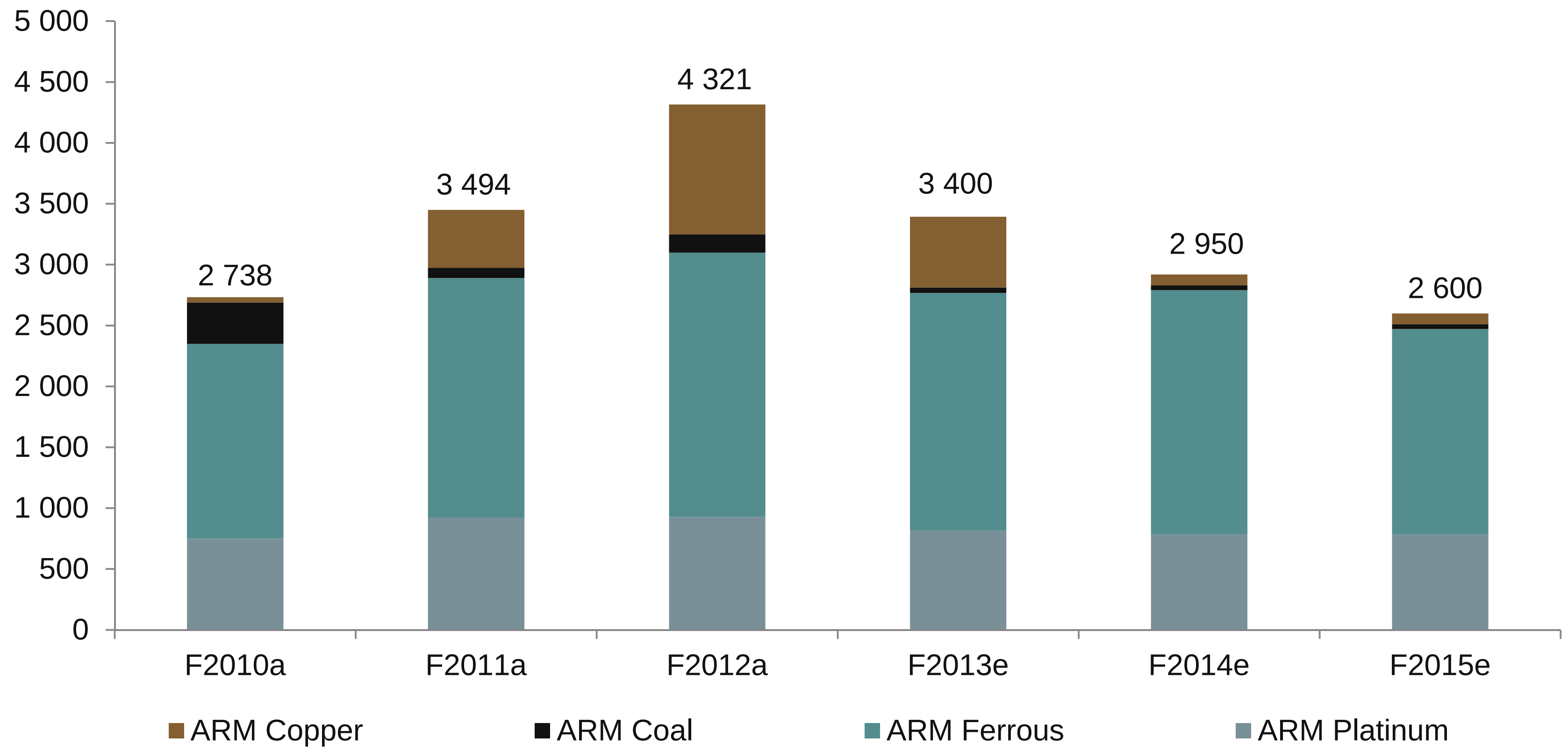
Initial drilling results indicate an average reef width of approximately 11 metres at 2.47% Total Copper at an average depth of 1 100 metres.

We expect to have sufficient hole density by June 2013 to issue a mineral resource statement.

The feasibility study has commenced and is expected to be completed by December 2013.

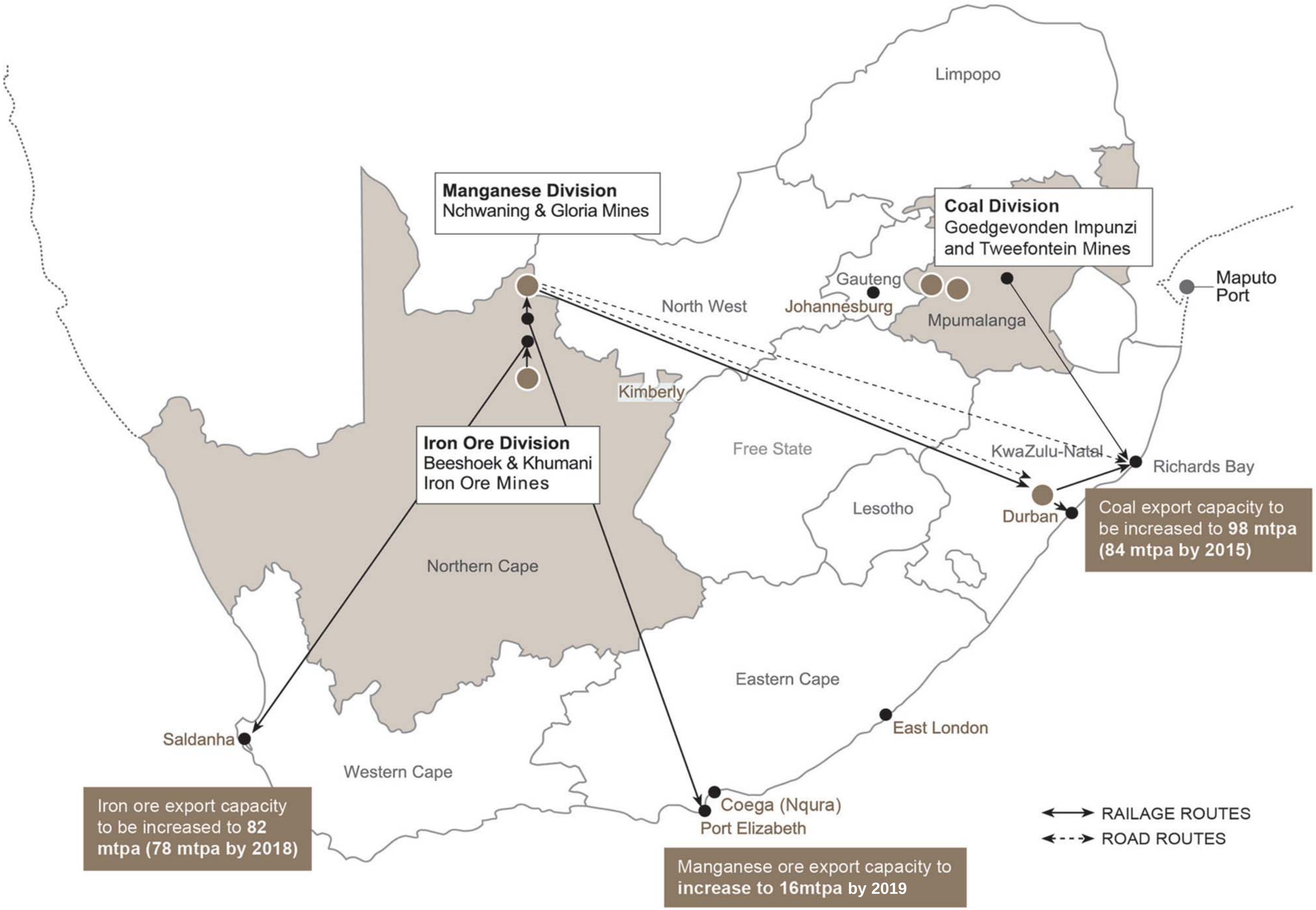
Capital expenditure

Capital expenditure (R million)*



**The forecasted capital expenditure in 2014 to 2015 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: Area A
- Smelter conversions
- Exploration with Rovuma Resources
- Thermal coal projects

ARM Exploration

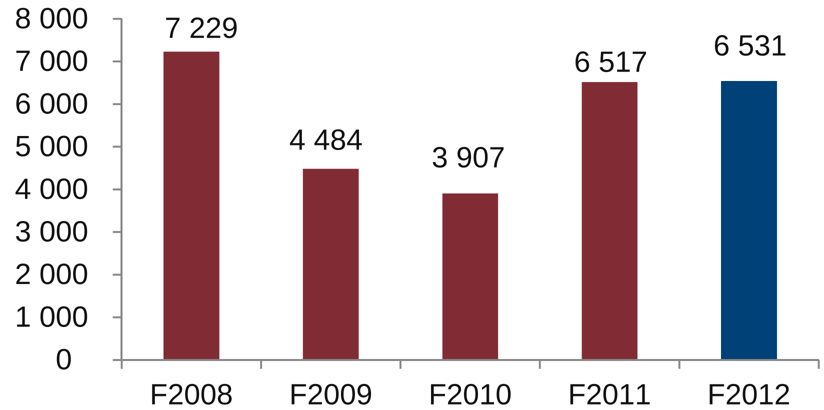
ARM signed an agreement in July 2011 with a Mozambican exploration company Rovuma Resources to explore for PGM, nickel, copper and other base metals.

Rovuma Resources had been exploring in Mozambique since 2007.

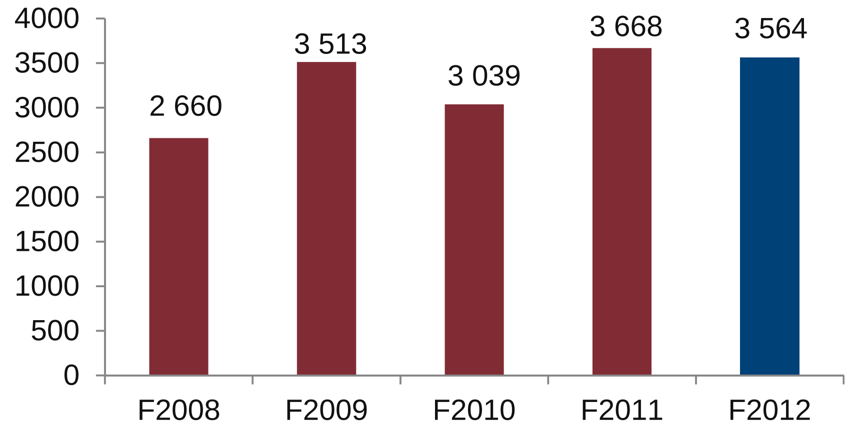
ARM has agreed to continue with the second year of exploration (commencing April 2012) and to fund exploration at a cost of $7 million per year. Drilling has commenced and base metal intersections have been achieved.

Financial position

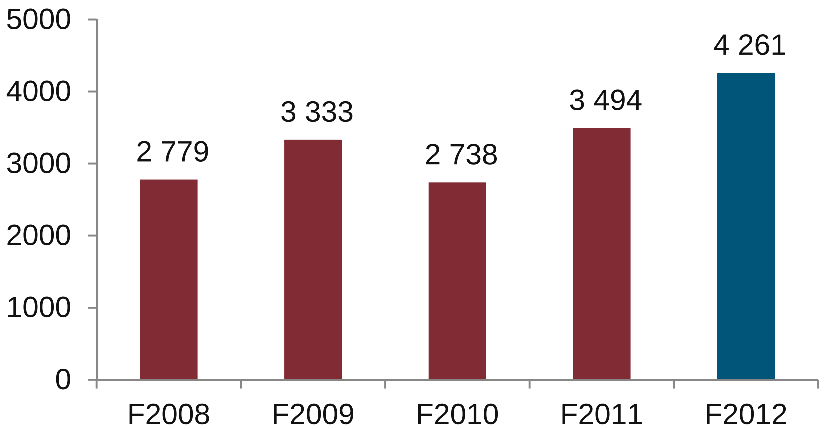
EBITDA excluding exceptional items
R million



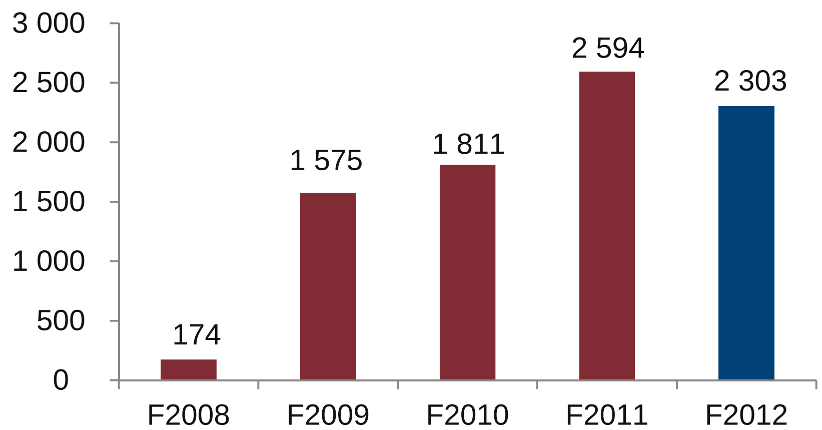
Cash on statement of financial position
R million



Capital expenditure
R million

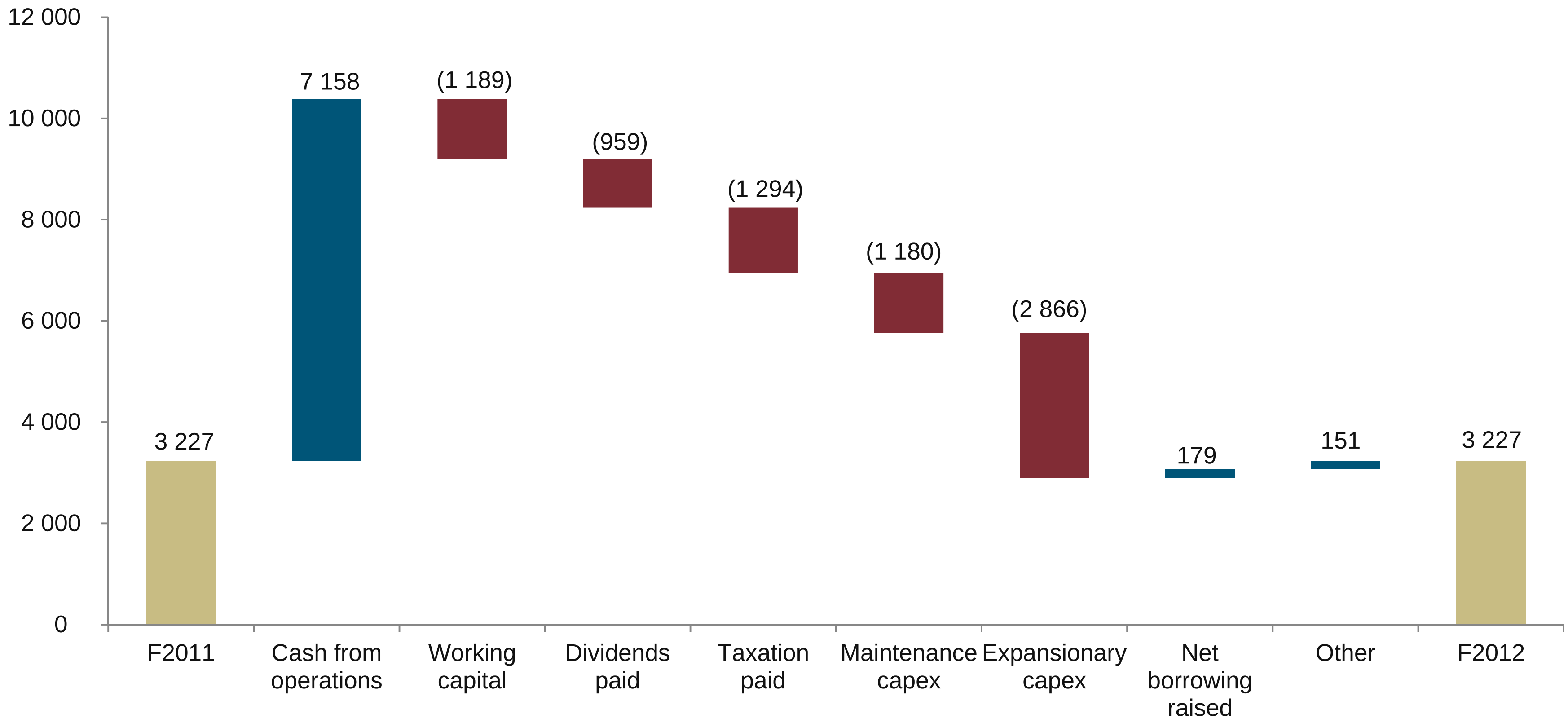


Net cash excluding partner loans
R million



Cash flow statement

Cash statement reconciliation – cash and cash equivalents (R million)



ARM financed its capital expenditure, working capital requirements and dividends from internally generated cash flows.

Net cash/ (net debt) position

African Rainbow Minerals

	year ended 30 June		
R million	**2012**	**2011**	**change**
Cash and cash equivalents	**3 564**	3 668	(104)
Long term interest borrowings	**(2 216)**	(2 337)	121
Short term interest borrowings	**(1 021)**	(732)	(289)
Total interest bearing borrowings	**(3 237)**	(3 069)	(168)
Net cash including partner loans	**327**	599	(272)
Partner loans:	**1 976**	1 995	
Modikwa loan from Anglo Platinum	**114**	114	
Two Rivers loan from Impala	**50**	73	
ARM Coal loan from Xstrata	**1 617**	1 808	
Vale/ ARM Joint Venture from Vale and ZCCM	**195**	-	
Net cash excluding partner loans	**2 303**	2 594	(291)

Income statement

ARM African Rainbow Minerals

	year ended 30 June		
R million	**2012**	**2011***	**% change**
Sales	**17 530**	14 893	**18**
Profit from operations (before exceptional items)	**5 216**	5 399	**(3)**
Income from investments	**279**	216	**29**
Finance costs	**(232)**	(216)	**(7)**
Income/ (loss) from associate	**11**	(135)	
Exceptional items	**(70)**	(11)	
Taxation	**(1 633)**	(1 693)	**4**
Non-controlling interest	**(133)**	(194)	**31**
Profit after tax and non-controlling interest	**3 438**	3 366	**2**
Headline earnings	**3 451**	3 374	**2**
Headline earnings cents per share	**1 615**	1 585	**2**
EBITDA	**6 531**	6 517	

** Restated for the early adoption of IFRIC 20*

Cash flow statement

ARM African Rainbow Minerals

	year ended 30 June		
R million	**2012**	**2011**	**change**
Cash generated from operations	**5 969**	5 988	(19)
Net finance income	**108**	64	44
Dividends received	**64**	33	31
Dividends paid	**(959)**	(426)	(533)
Tax paid	**(1 294)**	(1 240)	(54)
	3 888	4 419	(531)
Maintenance capital expenditure	**(1 180)**	(797)	(383)
Expansionary capital expenditure	**(2 866)**	(2 241)	(625)
Other	**(31)**	(344)	313
	(4 077)	(3 382)	(695)
Net borrowings raised/ (repaid)	**129**	(625)	754
Other	**50**	37	13
	179	(588)	767
Net cash movement	**(10)**	449	(459)

Statement of financial position

ARM African Rainbow Minerals

		year ended 30 June	
R million		**2012**	**2011**
Non-current assets		**25 662**	23 375
Property, plant, equipment and other		**18 910**	15 798
Investments		**6 313**	7 129
Other		**439**	448
Current assets		**9 654**	9 011
Cash and equivalents		**3 564**	3 668
Other		**6 090**	5 343
Total assets		**35 316**	32 386
Total Equity		**24 405**	22 170
Non-current liabilities:	Long-term borrowings	**2 216**	2 337
	Other	**4 669**	4 142
Current liabilities:	Short-term borrowings	**1 021**	732
	Other	**3 005**	3 005
Total equity and liabilities		**35 316**	32 386