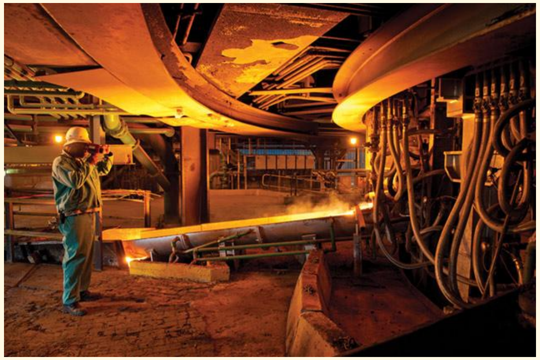
Lonmin Plc

Delivering Today
Confidence in Tomorrow



INTERIM RESULTS 2011
9 May 2011

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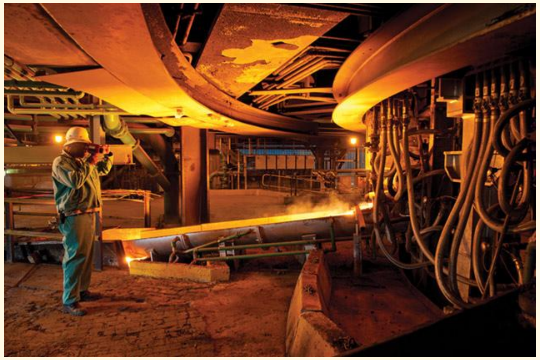
Highlights



Ian Farmer

Chief Executive Officer

Delivering Today

- **Safety remains a priority – unacceptable start to the year**
- **Platinum sales of 318,306 ounces – up 9 %**
- **Rand unit operating costs 12.8% up on H1 2010, but full year guidance maintained**
- **Solid financial performance**
  - Revenue basket at $938 million up 42% on H1 2010
  - Net operating profit of $144 million, an increase of 122 % on H1 2010
- **Considerably stronger balance sheet with net debt at $296 million**
  - Reduced by 21% since year end
- **Capital expenditure of $154 million**

Solid H1 production and financial performance

Confident in Tomorrow

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- **Continued momentum at Marikana operations**
  - Tonnes produced – at 5.9 million, up 12.7%
  - Ore reserves at 2.8 million centares, up 15.8%
  - Saleable metal in concentrate up 10.3% to 354,863 Platinum ounces
  - Underground head grade reduced to 4.56g/t from 4.74g/t due to ore mix and difficult geological conditions at K3
  - Underground concentrator recoveries improved from 84.6% to 85.6%

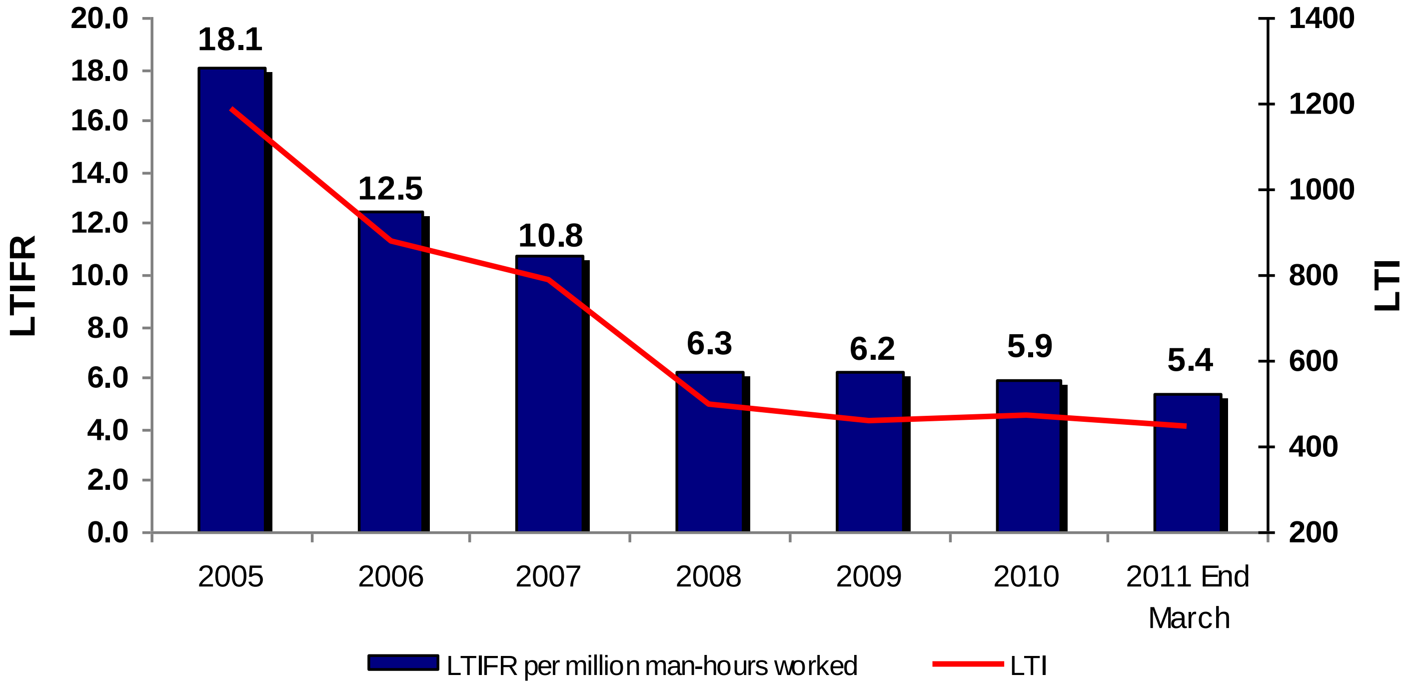
- **Number One furnace successfully re-commissioned, Number Two on target**

- **On track to meet full year sales and unit cost guidance. Capital guidance slightly up to $400 million on Rand strength**

- **New growth target at Marikana of 950,000 Platinum ounces by 2015**

Growth plan on track and sustainable for next 5 years

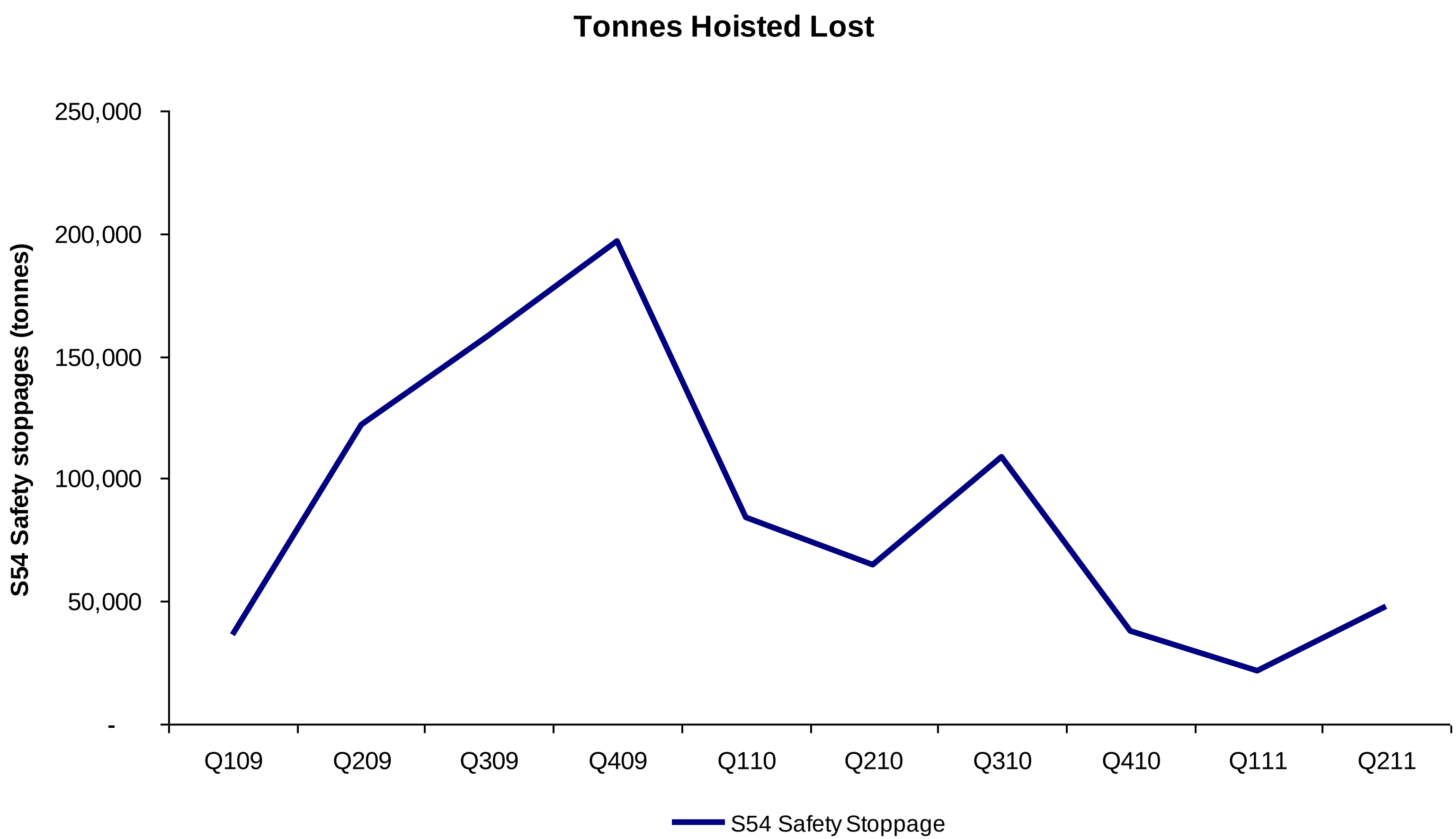
Safety Plateau, Fatalities up



Industrial Fatalities	
2005	6
2006	6
2007	3
2008	3
2009	3
2010	3
H12011	4
2011 Year to date	6

A refinement of our approach is required

Marikana Mining – DMR Safety Stoppages



DMR stoppages to remain a feature

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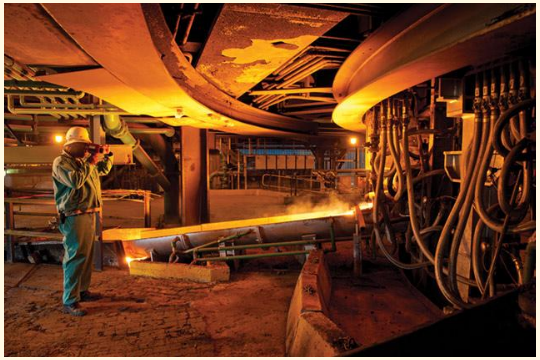
Operational Performance

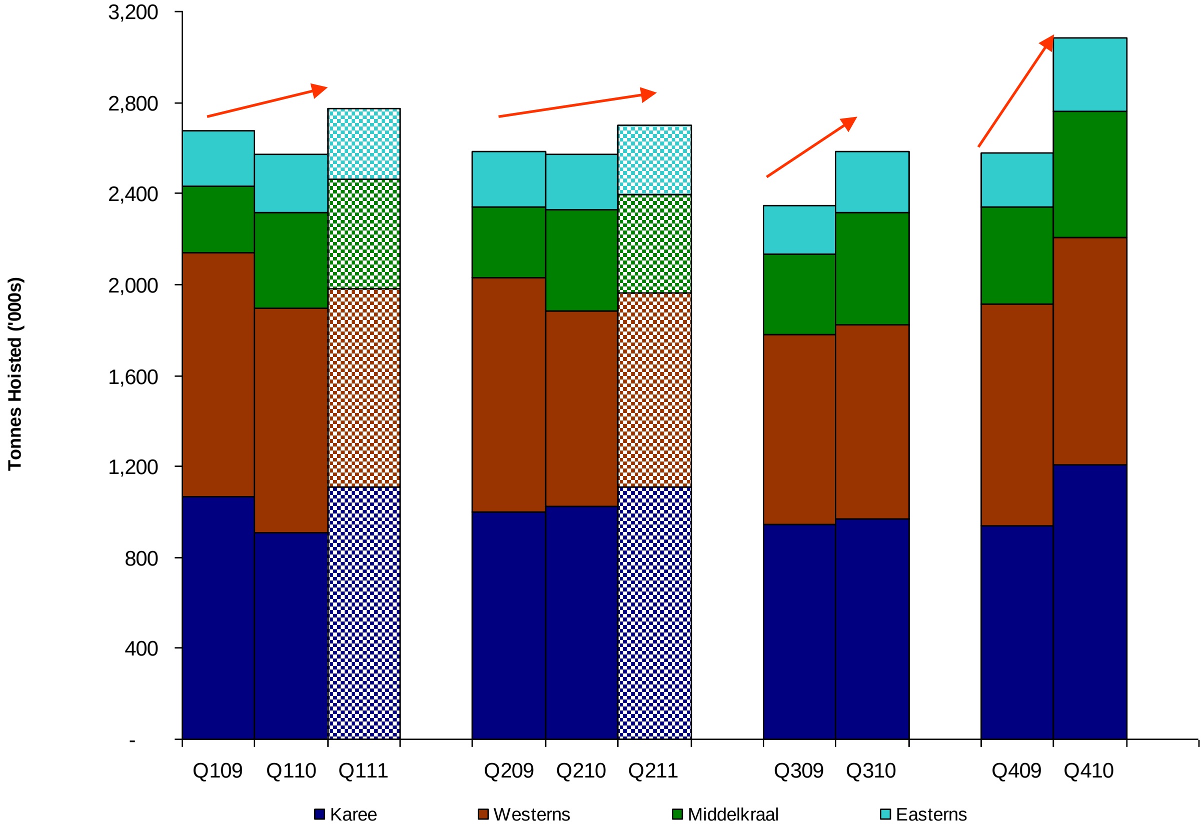


Mark Munroe

EVP Mining

Marikana Mining

Underground production overview



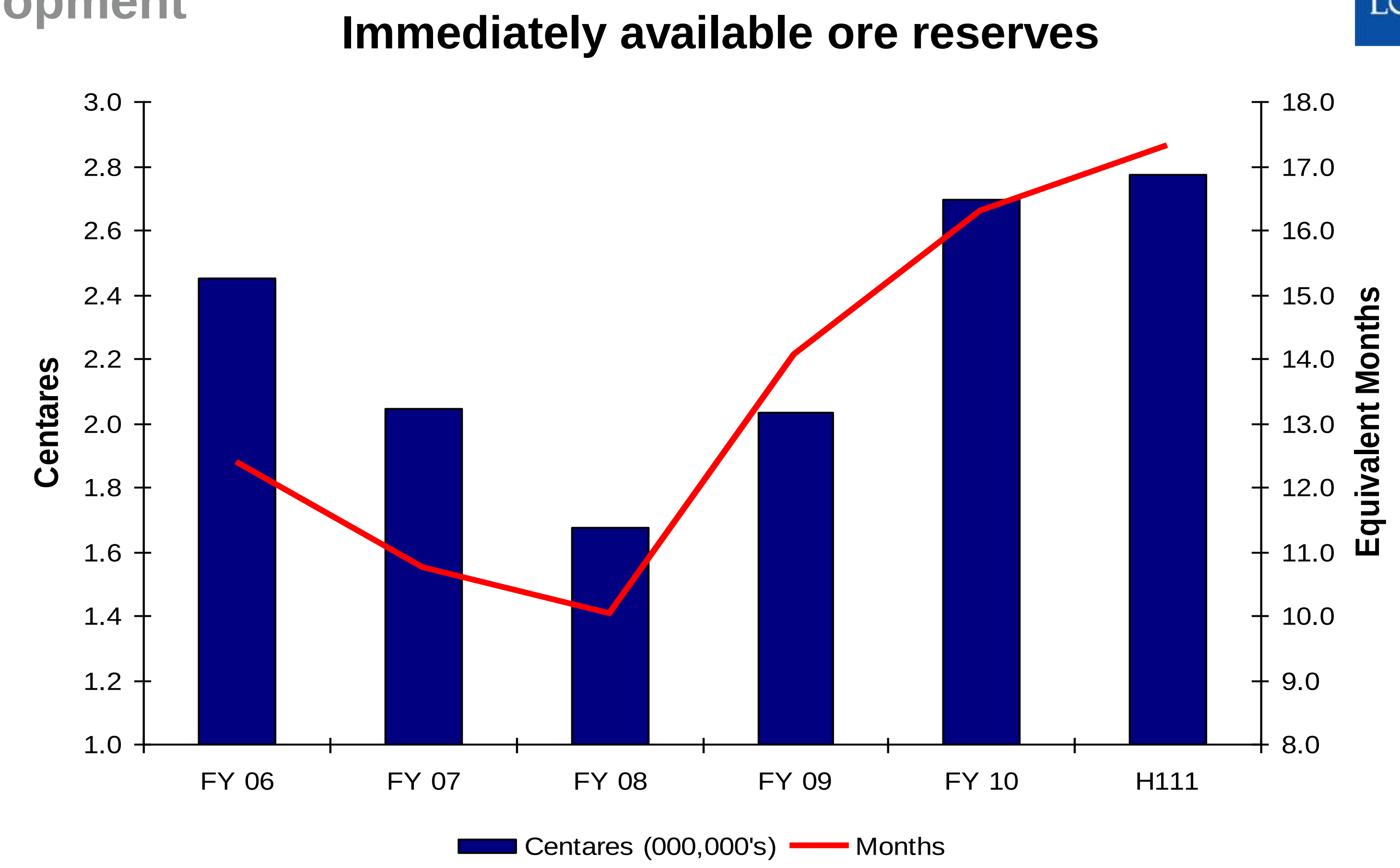
Mining Unit	Key shafts
Karee	K3, 1B/4B
Middelkraal	Hossy/ Saffy
Westerns	Rowland, Newman (2009 included W1/B3)
Easterns	E1, E2,E3,

Total Tonnes (million)	
FY09	10.2
FY10	10.8
H12010	5.1
H12011	5.5

Upward trend continuing

Marikana Mining

Development

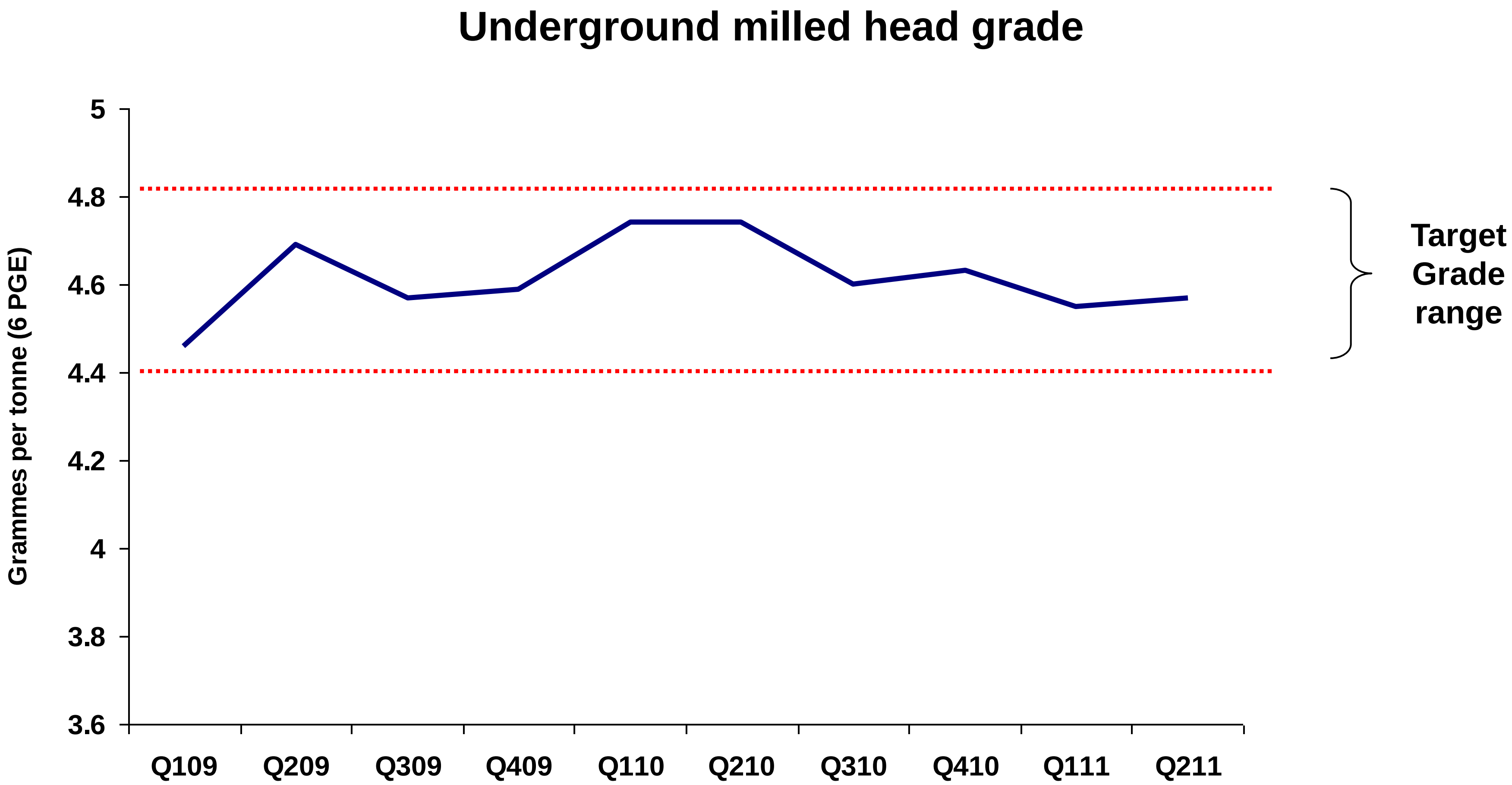


Note: In FY09, We changed our reporting methodology for ore reserve development, in line with industry best practice, to exclude partially developed ore reserves. We have reported on this more conservative basis since then. FY08 and prior years are not restated.

Excellent progress – solid platform for the future

Marikana Mining

Grade



Recent lower grades within target range

Underground Concentrator Recoveries

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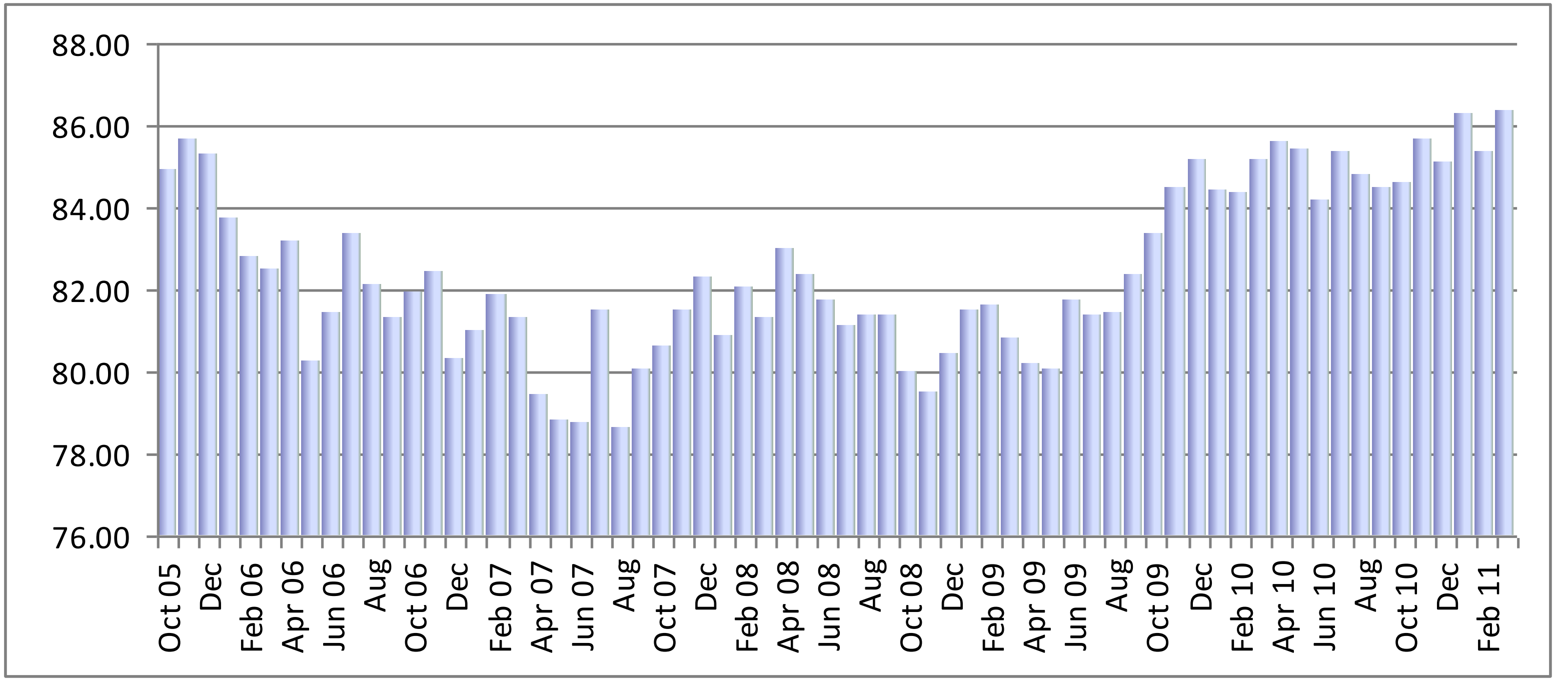

Recoveries highest since 2005

Smelting

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- **The Number One furnace**
  - Successfully re-commissioned
  - Running well and stable at 14MW
  - Recovered from disruption to production

- **Number Two furnace – on target and on budget**
  - 10MW circular pyromet furnace using plate cooler technology
  - Will provide back up capacity
  - Using existing infrastructure to mitigate costs
  - On target and on budget to be commissioned by May 2012

Experienced team with excellent knowledge of furnace technology

Transformation and the Environment

- **Completed process of refreshing the Social Labour Plan in consultation with stakeholders**
  - Alignment of SLP with revised Mining Charter
- **Stakeholder engagement an imperative for success**
- **Integrated strategies developed**
  - Human resource development
  - Housing
  - Community development
- **Environmental targets – making good progress**

A proactive approach

2011 Operational Performance – Summary

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- **Safety and Sustainability**
  - Adopting a refined approach
- **Mining Division**
  - Sustainable growth
  - Focus in second half on production momentum
- **Process Division**
  - Continued emphasis on improving efficiencies
  - Steady management of the furnace
- **Human Capital, transformation and the environment**
  - Reinforced an integrated approach

Simultaneous integrated delivery

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Financial Results

Simon Scott

Chief Financial Officer

Summary of Financial Results

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	Units	6 months to 31 March 2011	6 months to 31 March 2010	Variance Abs	%
Revenue	$m	938	661	277	42%
Underlying EBITDA	$m	208	122	86	70%
Underlying EBIT	$m	148	70	78	111%
Special costs	$m	(4)	(5)	1	20%
EBIT	$m	144	65	79	122%
Underlying EPS	Cents	45.0	22.8	22.2	97%
Basic EPS	Cents	44.5	15.5	29.0	187%

Solid financial performance

Underlying EBIT Variance Analysis

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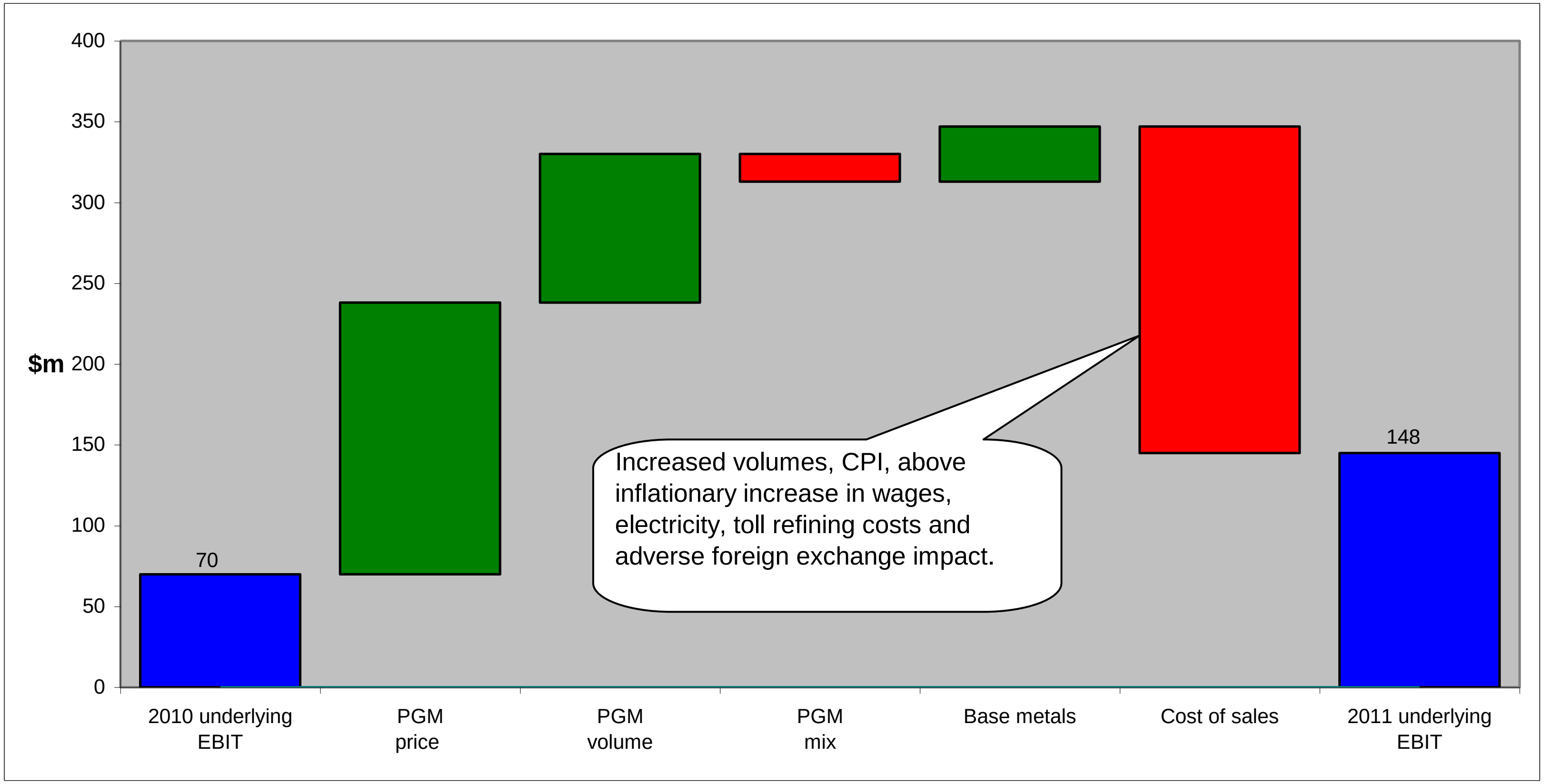

PGM pricing, cost escalation and volume are the major factors

Costs and Cost per PGM Ounce

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	Units	6 months to 31 March 2011	2010
SA gross operating costs	Rbn	5.3	4.4
Exchange rate (on operating costs)	R/$	6.94	7.51
SA gross operating costs (reported)	$m	767	583
SA exchange translation impact	$m	-	48
Group cost per PGM ounce produced	R/oz	7,372	6,535

Rand strength driving higher increases in costs in Dollar terms

Cost per PGM Ounce Produced

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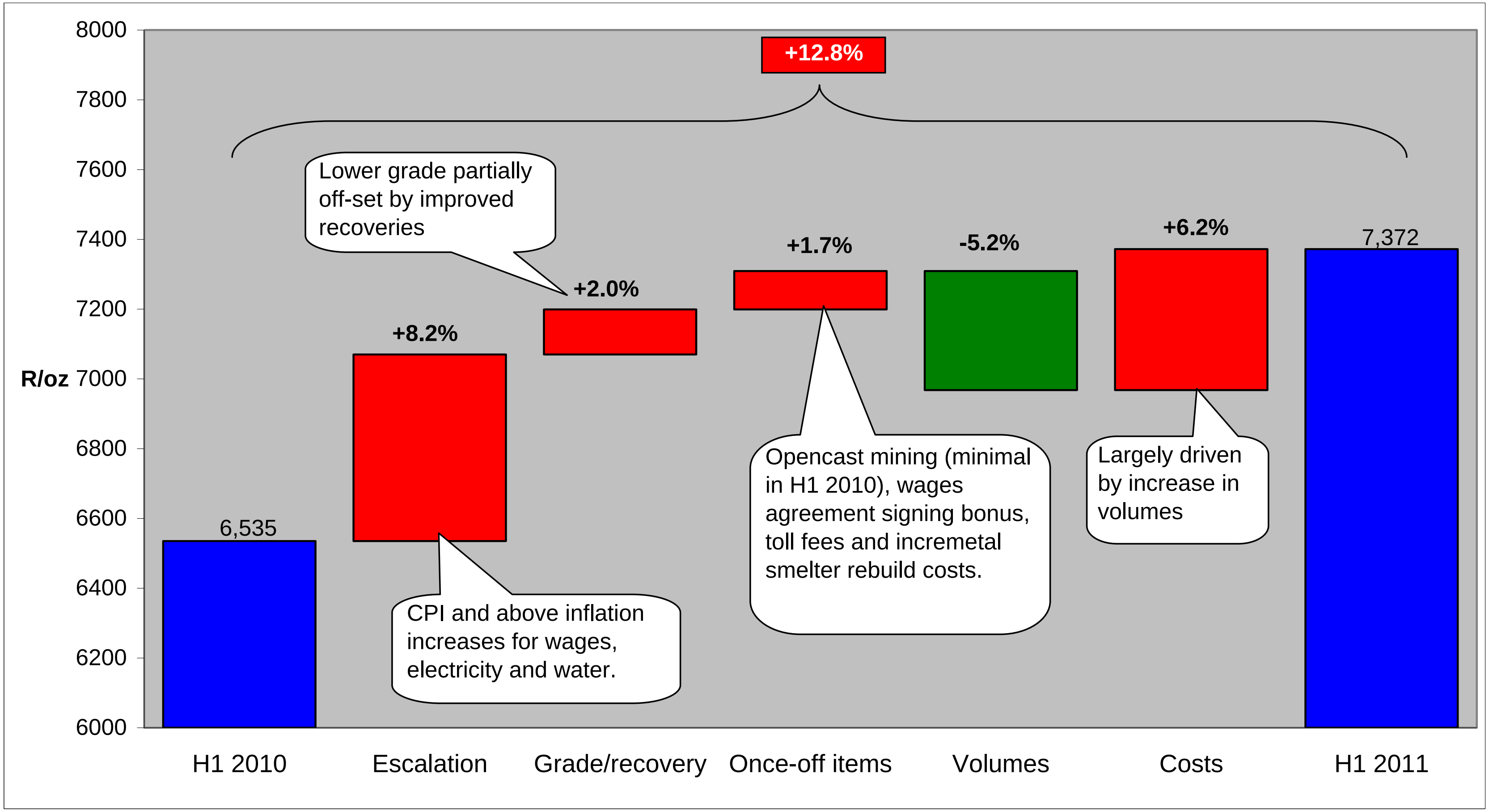

Full year guidance: c8% increase in unit costs in-line with wage increase. Lower than H1 due to higher volumes and spreading of the once-off items that impacted H1

Net Debt

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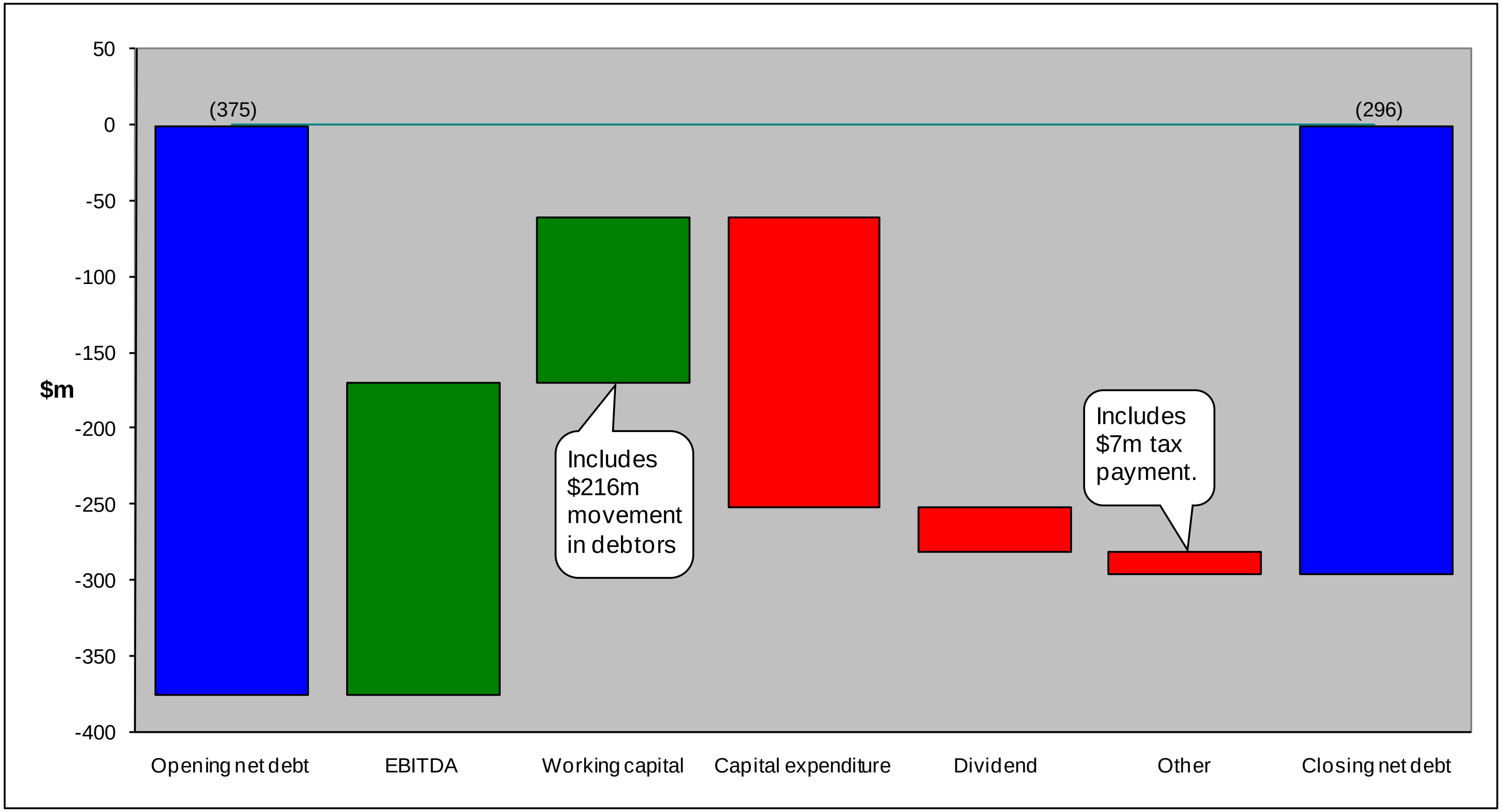

Net debt reduced by $79m

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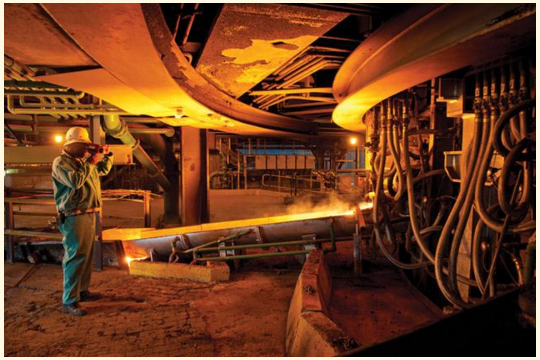
Market Outlook

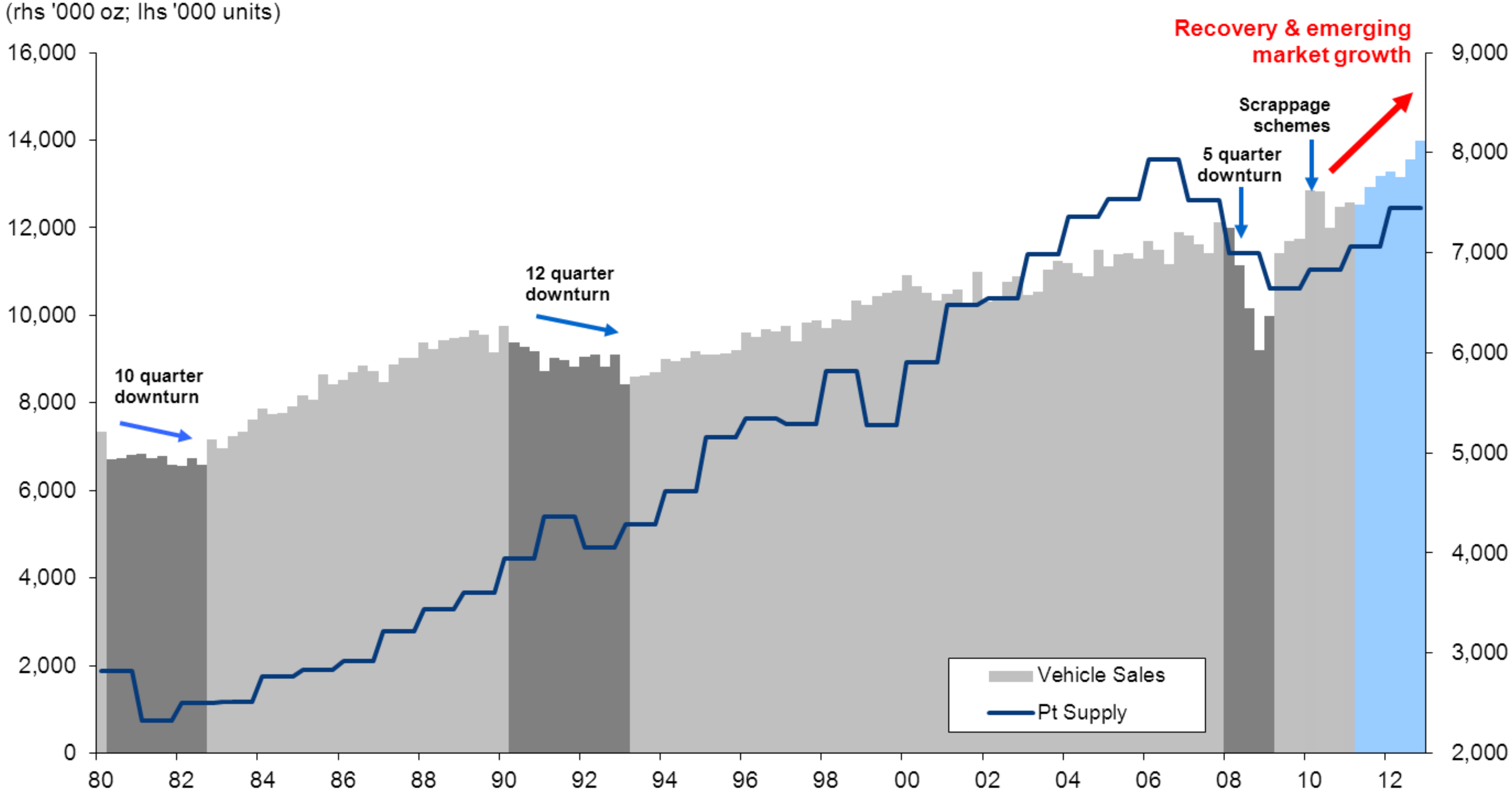


Ian Farmer

Chief Executive Officer

Automotive Demand

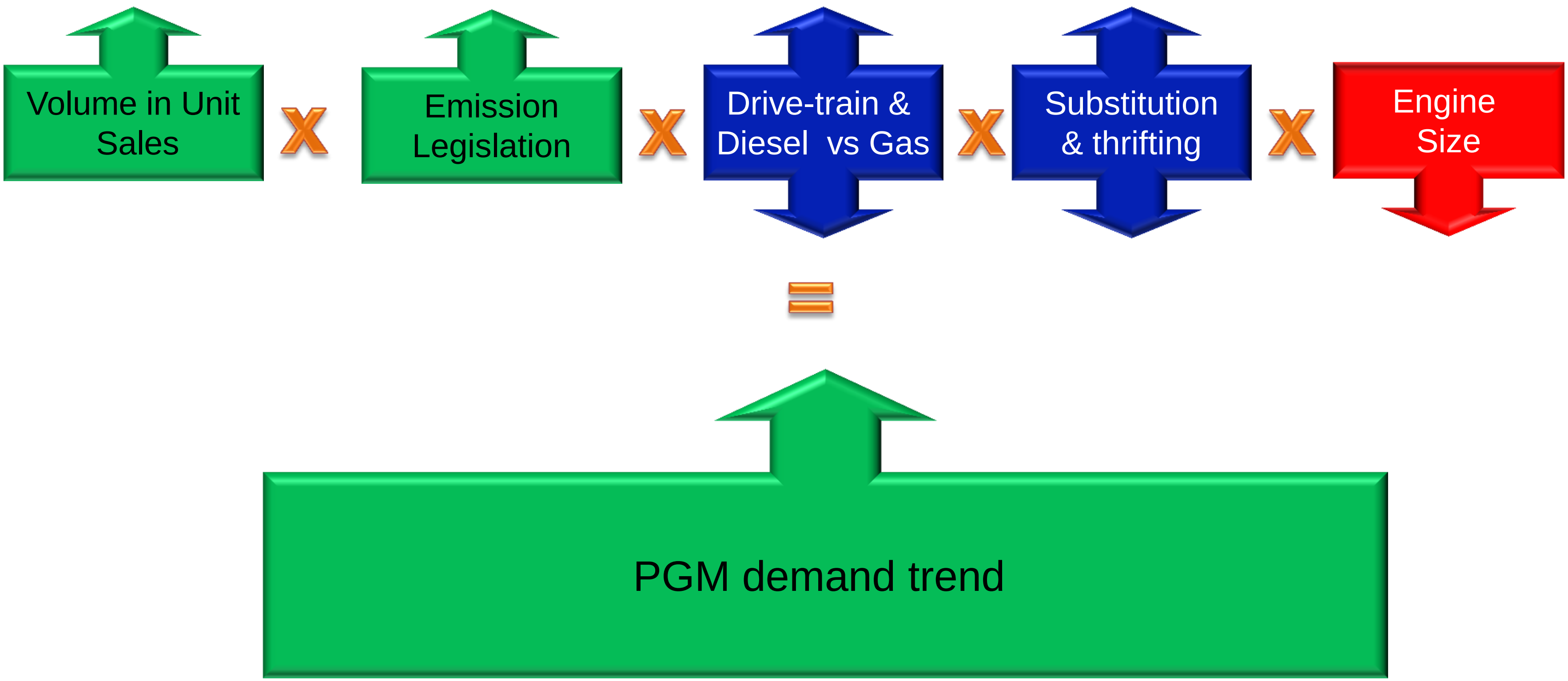
Quarterly Vehicle Sales and Platinum Supply



Source: SFA (Oxford) from Oxford Economics, ACEA, JAMA, Ward's Auto, CAAM, Bloomberg
*Include all vehicle sales in W.Europe, Japan, China and light vehicle sales in the United States

Japan crisis dampens the short term. Medium and long term robust

Impact of Auto Trends on PGM Demand



Extra >15 million passenger cars p.a. forecast by 2020 outweighs negative impacts on PGMs from powertrain developments

Platinum Demand in HDD and Off-road

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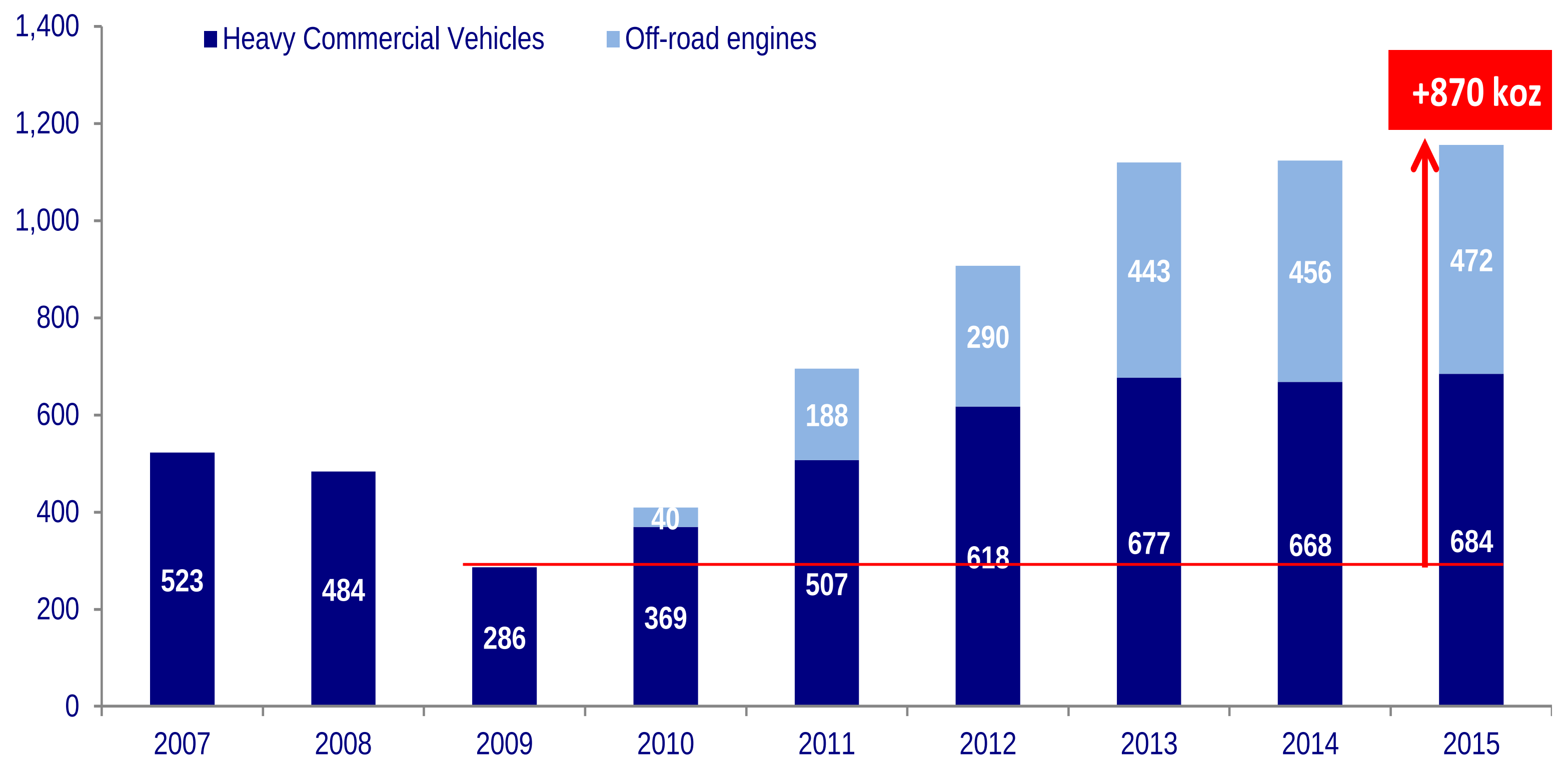
Platinum Demand in On-road Heavy Commercial and Off-road; koz



Source: SFA

Legislative requirements in Heavy Duty Diesel engines and off-road diesel remains on track

Investment Demand

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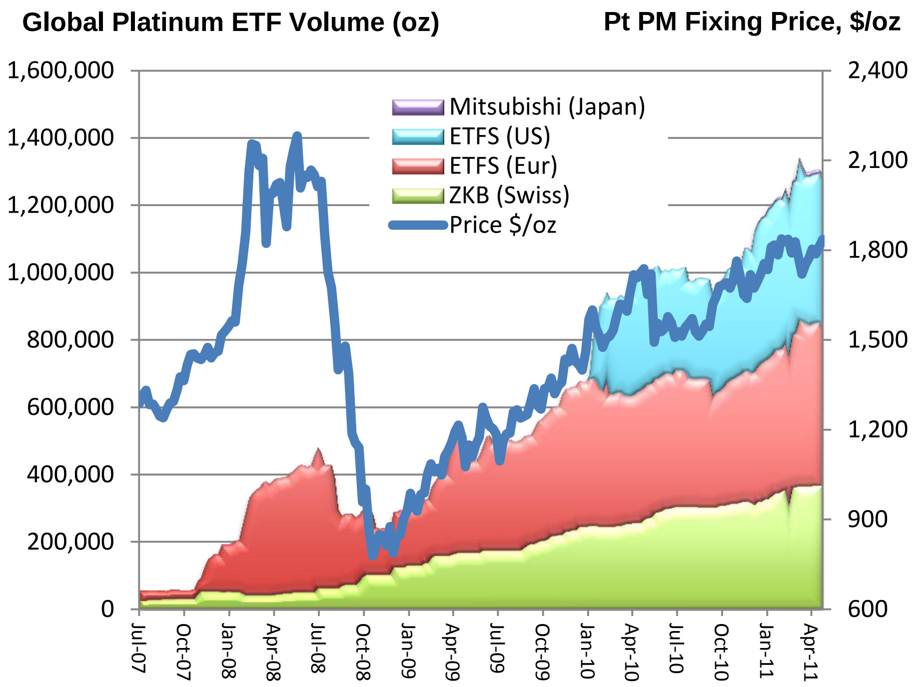

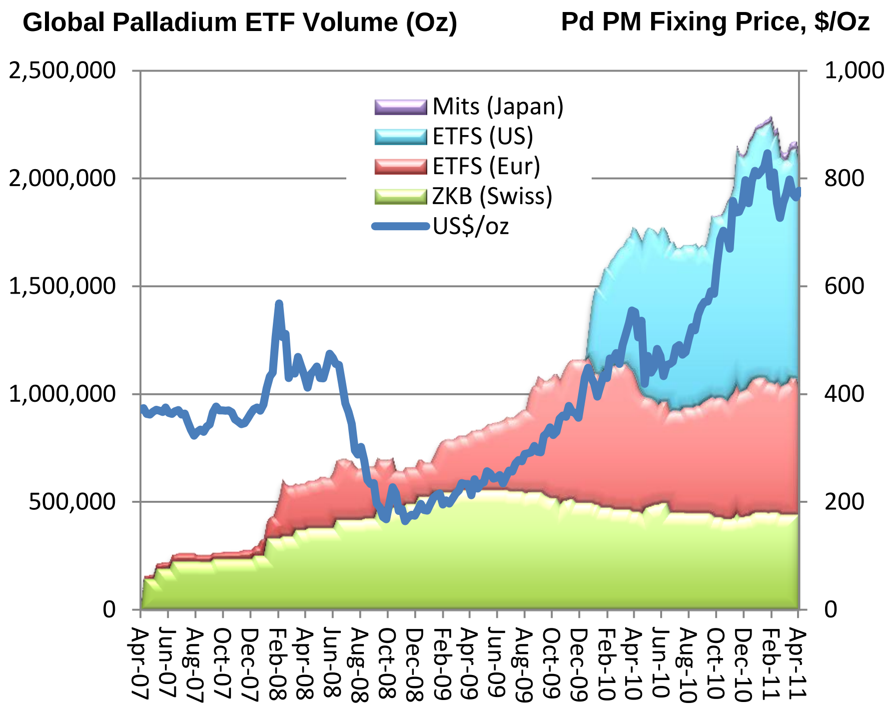

Source: ETFS

Platinum additions continue

Platinum Supply Constraints and Inducement Pricing

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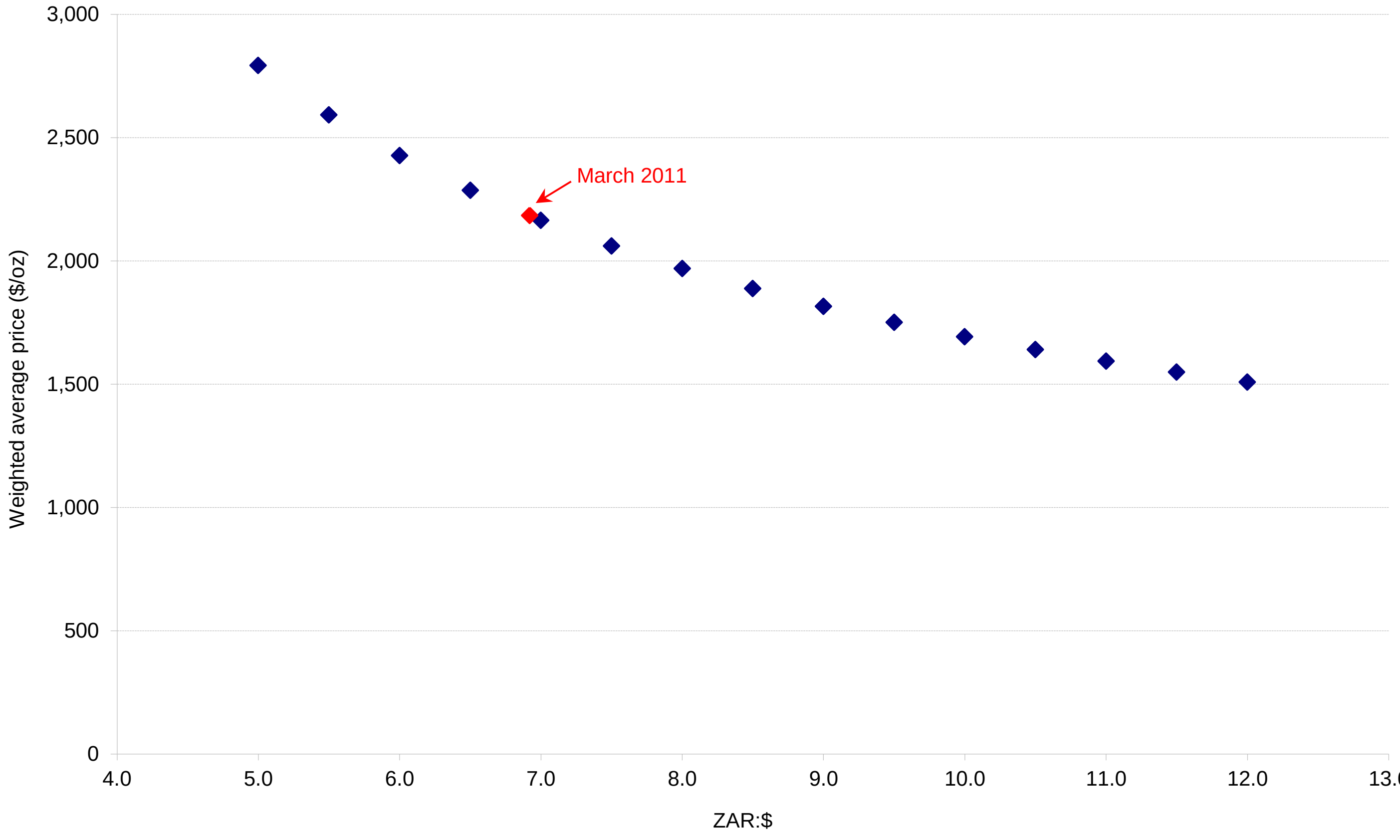
Project Incentive Pricing (real)



Source: SFA

At current FX rates inducement price is above $2,000 per ounce for greenfield projects

PGM Market Outlook

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Lonmin View

- Industrial and auto demand recovery from 2011
- Small deficit in 2011
- Supply response slow - deficits in 2012 to 14

Opportunities

- Stronger demand upswing
- Growth in diesel auto demand outside Europe
- Ever tighter emission legislation

Risks

- Euro zone deteriorates
- China slow down
- Substitution

Positive medium and long term market fundamentals

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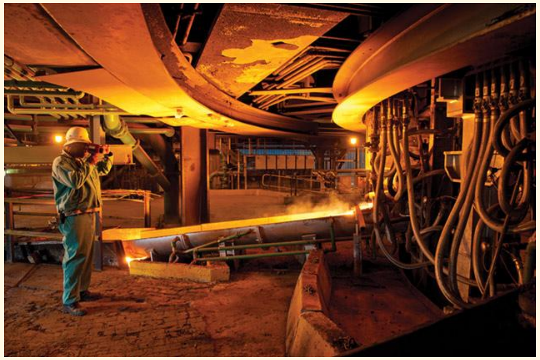
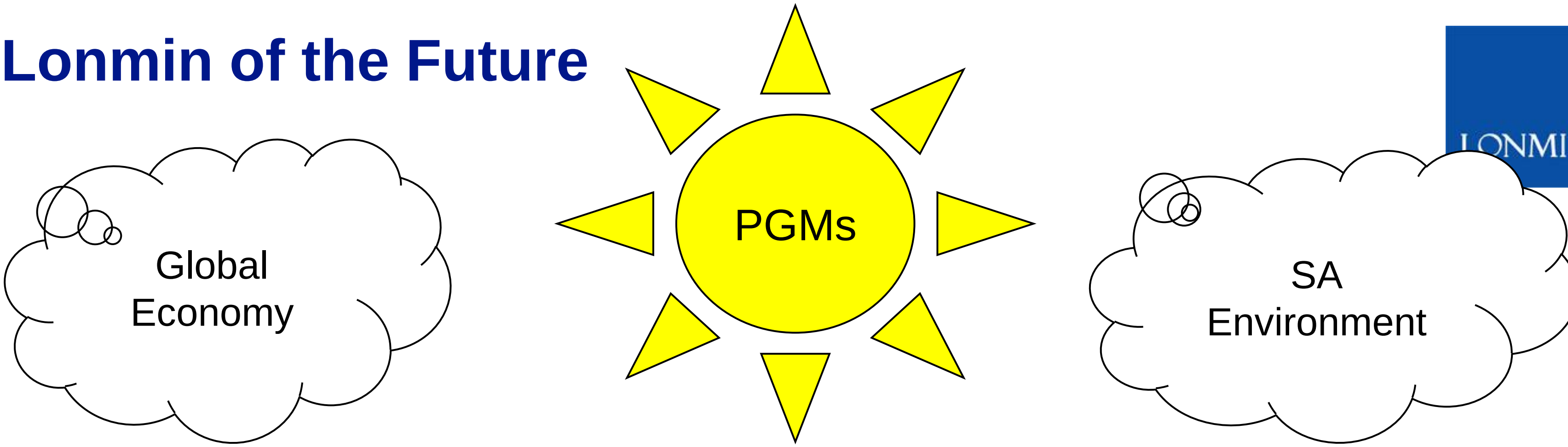
Platform for Future Growth



Ian Farmer

Chief Executive Officer

Lonmin of the Future



SCALE, GROWTH, LOW COST, BALANCE SHEET

Macro
- Markets & China
- Global Risks
- Communications
- Energy & Water

Social
- Sustainability
- Safety
- SLP / Transformation
- Culture / Values
- Employee Relations

Growth
- LTP
- Leverage Marikana
- Productivity
- HR Development
- Other assets
- B/Sheet Capacity

Costs
- Productivity
- Growth
- Systems

Focused on successful integration of initiatives

Marikana Growth Strategy

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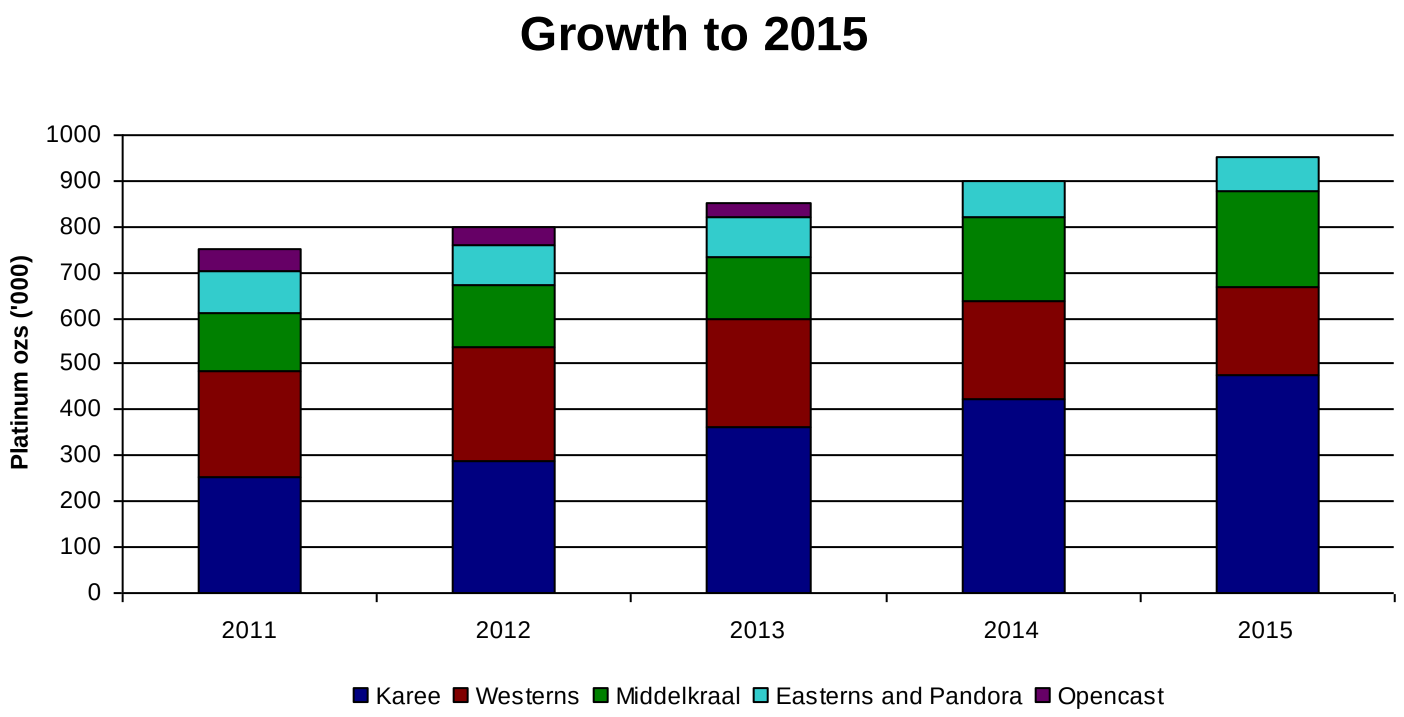
- **Demonstrated progress towards 850,000 safe Platinum ounces by 2013**
- **Enhanced Marikana long term plan to produce at levels of 950,000 Platinum ounces by 2015**
- **Leveraging use of existing Marikana assets**
  - Ramp up of new shafts
  - Use of existing metallurgical infrastructure
  - Use of existing managerial capacity
- **50,000 Platinum ounces of growth per annum for five years enabling cost containment**

Strategy to optimise the assets at Marikana

Marikana Growth Strategy



50,000 Platinum ounces per annum growth over the five years

Capital for Growth Strategy

- **Revised Capex circa $400 million per annum to 2015**
- **Major expenditure includes**
  - c.$260 million to ramp up Hossy
  - c.$240 million to ramp up Saffy
  - Enabling additional growth from K3 – c.$130 million
  - Ramping up K4 shaft – c.$280 million
  - Additional concentrator – c.$260 million
  - PMR upgrades – c.$80 million
  - Long term development of K5 – c.$100 million

Balance sheet capacity available to fund capex for growth

Conclusion and Outlook

- Safety remains a priority
- On track to achieve our 2011 guidance
- A robust company with growth, scale and a strong balance sheet
- Integrated strategy to develop attributes required for success
- Further opportunities beyond Marikana

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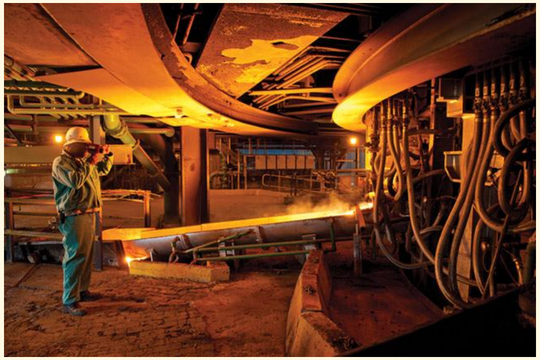
Questions



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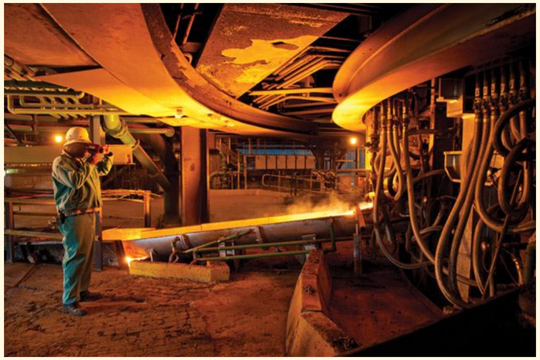
Appendices



Life Cycle CO_2 emission

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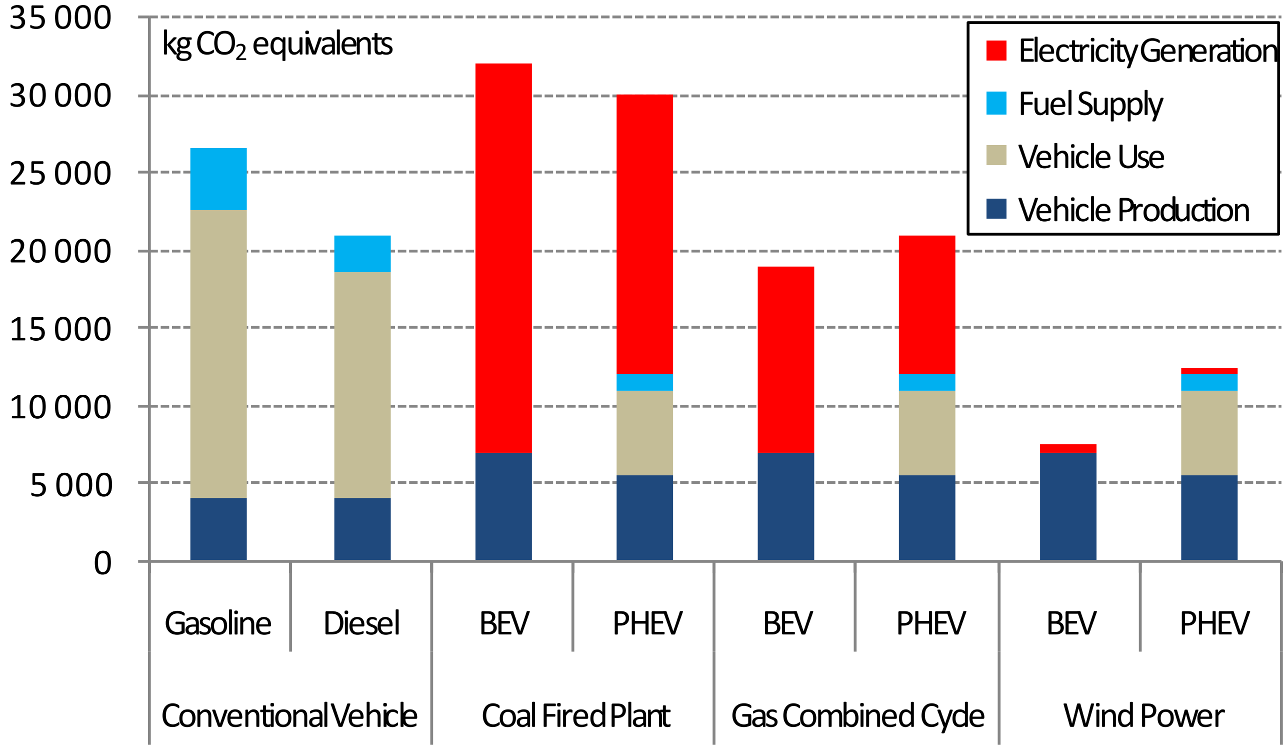
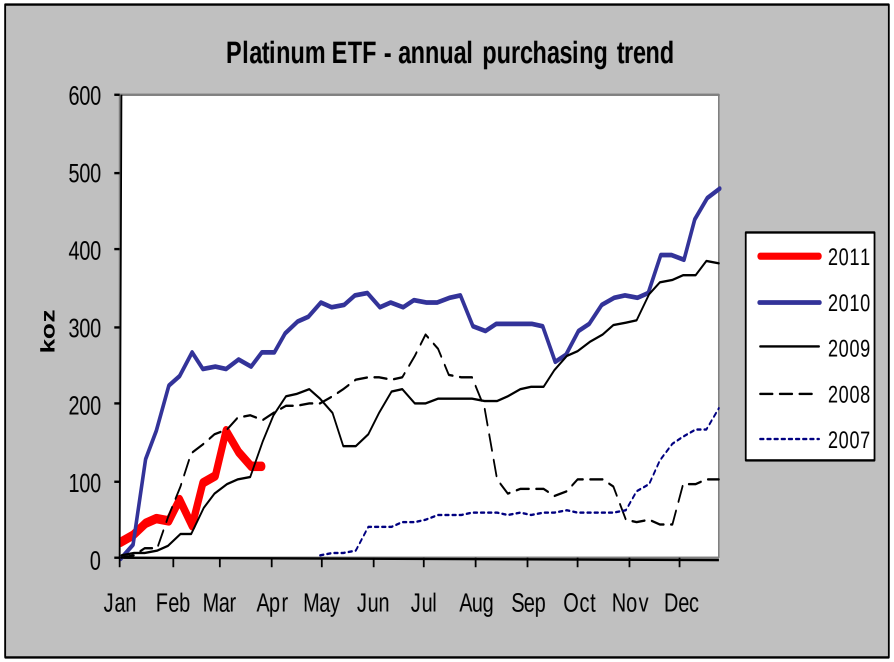


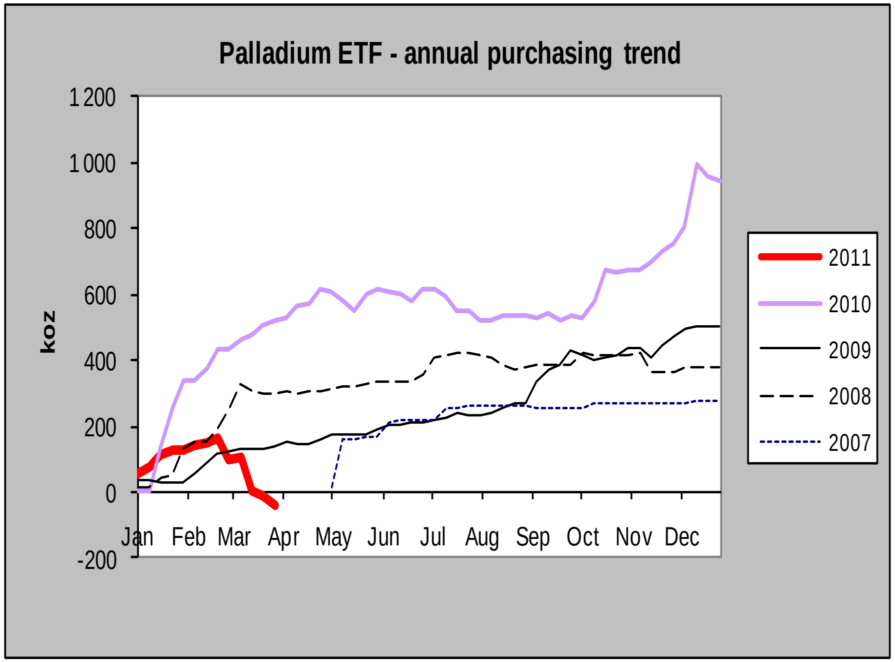
BEV: Battery Electric Vehicle. A BEV typically features a large lithium-ion battery that powers an electric motor, which drives the vehicle's wheels, and does not have an internal combustion Engine	PHEV: Plug-In Hybrid Vehicle. A PHEV is an HEV with batteries that can be recharged by plugging into an electric source. A PHEV can run on electric power only for 10-30 miles. A PHEV also includes an ICE that can drive the vehicle's wheels or charge the battery

Source: IFEU

Electric vehicle viability in emission reduction highly dependant on energy source

Investment Demand





Source: Lonmin

Platinum additions continue, despite high oil and Japan quake

Reconciling Gross Costs & Cost per PGM Ounce

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		6 months to March 2011	2010
Revenue (reported)	$m	938	661
Metal stock movement (like-for-like)	$m	(51)	(74)
Cost SA (reported)	Rm	5,323	4,377
Like-for-like FX	R/$	6.94	6.94
Costs (like-for-like SA)	$m	767	631
Costs (like-for-like rest of world)	$m	5	11
Costs (like-for-like)	$m	772	642
Exchange (total)	$m	9	(30)
Depreciation (reported)	$m	60	52
Cost of sales (reported)	$m	790	590
EBIT (underlying)	$m	148	70
Group cost per PGM ounce produced	R/oz	7,372	6,535

Cost per Ounce

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	6 months to 31 March		
	2011 Rand/oz	2010[1] Rand/oz	Variance %
Group:			
Mining - Marikana	**5,111**	4,354	(17.4)%
Concentrating - Marikana	**922**	845	(9.1)%
Process division	**920**	785	(17.2)%
Shared business services	**420**	551	23.7 %
C1 cost per PGM ounce produced	**7,372**	6,535	(12.8)%
Stock movement	**(337)**	(432)	22.1 %
C1 cost per PGM ounce sold before base metal credits	**7,036**	6,103	(15.3)%
Base metal credits	**(629)**	(373)	(68.7)%
C1 cost per PGM ounce sold after base metal credits	**6,407**	5,730	(11.8)%
Amortisation	**600**	550	(9.2)%
C2 costs per PGM ounce sold	**7,007**	6,280	(11.6)%

(1) It should be noted that with the restructuring of the business the cost allocation between business units has been changed and, therefore, whilst the total is on a like-for-like basis, individual line items are not totally comparable.

C1 Reconciliation

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			H1 2011 Act	H1 2010 Act
Total revenue	Total revenue	$m	**938**	**661**
Absorbed operating costs:				
Normal operations ("C1")	PGMs sold	koz	648	572
	Cost / ounce	R/oz	(7,036)	(6,103)
	Cost	Rm	(4,559)	(3,491)
Other operations	PGMs sold	koz	32	36
	Cost / ounce	R/oz	(8,478)	(6,860)
	Cost	Rm	(268)	(244)
Total	PGMs sold	koz	680	608
	Cost / ounce	R/oz	(7,103)	(6,148)
Absorbed operating cost (incl. stock movement)	Cost	Rm	**(4,827)**	**(3,735)**
	FX	R:$	7.07	7.70
Absorbed operating cost (incl. stock movement)	Cost	$m	**(682)**	**(485)**
Unabsorbed operating overheads (incl. FX)		$m	(49)	(49)
Operating amortisation		$m	(60)	(52)
		$m	**146**	**75**
Evaluation		$m	(1)	(1)
Exploration		$m	2	(3)
Other		$m	1	(1)
EBIT (underlying)		$m	**148**	**70**