



## ANGLO PLATINUM QUARTERLY REVIEW AND PRODUCTION REPORT FOR THE PERIOD 1 JANUARY 2010 TO 31 MARCH 2010

### REVIEW OF THE QUARTER

#### SAFETY

Anglo Platinum is pleased to report good progress towards the Company's safety goal of "zero harm" during the first quarter of 2010. The lost time injury frequency rate reduced from 1.37 at the end of 2009 to 1.31 for every 200,000 hours worked at the end of the first quarter of 2010. A number of operations have achieved significant fatality and lost-time injury free milestones during the quarter.

Regrettably, there was one fatality during the quarter at Anglo Platinum's managed operations. We extend our sincere condolences to the family, friends and colleagues of the late Mr. Benedict Ranape.

#### OPERATIONS

Production of equivalent refined platinum ounces from mining and purchase of concentrate activities attributable to Anglo Platinum was 594,700 ounces in the quarter, a decrease of 18,700 or 3.0% compared with 613,400 produced in the first quarter of 2009, and 9,000 ounces or 1.5% below the fourth quarter of 2009.

Mined production from own operations was 378,200 platinum ounces, some 28,200 lower than the comparable period in 2009 which included the 31,000 equivalent refined platinum ounce reduction from the shafts placed on care and maintenance during the second and third quarters of 2009, namely, Siphumelele 1 and 2 shafts and Khuseleka 2 shaft.

Joint venture operations performed well during the period and equivalent refined platinum ounces, inclusive of both mined and purchased production from these operations, increased by 11,700 ounces when compared with the first quarter of 2009. The 2009 first quarter production results included mined production from Bokoni (14,000) and BRPM (7,200) which in the 2010 period under review are reported as purchased concentrate following the conclusion of BEE transactions at these operations in the second half of 2009.

Equivalent refined platinum purchased from third parties for the period was 24,400 ounces, some 2,100 ounces lower than the same period in 2009.

Anglo Platinum produced 446,700 refined platinum ounces for the first quarter of 2010, 10.6% higher than the same period in 2009. Anglo Platinum remains confident that it will meet its production target of 2.5m refined platinum ounces for the full year 2010. Processing

performances were in-line with expectations. The planned Polokwane smelter furnace re-build was completed successfully, earlier than planned, due to the decision taken to bring the start date forward from January 2010 to December 2009, as the January production month included the Christmas break.

In terms of productivity, the average output per operating employee per month for the first quarter of 2010 was 6.68m<sup>2</sup>. Both February and March achievements were above 7.0m<sup>2</sup> per employee. The quarter performance was 16.8% higher than the first quarter of 2009 and 3.9% higher than the fourth quarter of 2009.

Anglo Platinum has delivered two years of costs marginally above R11,000 per equivalent refined platinum ounce and is well on its way to do it for a third year. The year-to-date March 2010 cash operating costs per equivalent refined platinum ounce achieved was R11,099, in line with our target despite an increase in consumer price indices of c.6%. The cash on-mine cost per tonne milled at R436 per tonne decreased by 7.9% compared with that achieved in the first quarter of 2009.

#### **CAPITAL PROJECTS AND BALANCE SHEET**

Capital expenditure excluding interest capitalised was R1.3 billion for the quarter. The Company expects to incur around R8.0 billion of capital expenditure for the year, excluding interest capitalised.

Net debt at the end of the first quarter amounted to R8.8bn, following the cash inflow from the successfully completed rights issue which was over-subscribed by our minority shareholders by almost three times. The current debt position is higher than the previously indicated R6.8bn but is expected to decrease as working capital movements take effect. For the full year the interest charged in respect of borrowings is expected to be significantly lower than 2009. As a result, almost all of the interest on borrowings will be eligible for capitalisation.

#### **GUIDANCE FOR THE REMAINDER OF 2010**

Market indications during the first quarter of 2010 support Anglo Platinum's expectation that the platinum market in 2010 will be in deficit as a result of a moderate increase in supply but a significant recovery in demand.

Platinum demand remained firm as vehicle production increases surpassed the encouraging increase in vehicle sales. The consequent restocking of autocatalyst metal inventory levels; metal inventory increases in industrial applications; and firm investment demand drove the platinum price above Anglo Platinum's average forecast for 2010 of \$1,500 per ounce.

Jewellery demand might well be lower in 2010 as inventory levels in the supply chain appear to be adequate, but overall demand for platinum is expected to increase significantly due to substantial industrial and autocatalyst restocking.

Anglo Platinum's 2010 target for refined platinum production remains 2.5m ounces. Anglo Platinum is well positioned to supply additional ounces of platinum to the market, if required, to meet demand.

#### QUARTERLY PRODUCTION STATISTICS

	Quarter ended			% Change		
	March 2010	March 2009	December 2009	March Q10 vs March Q09	March Q10 vs December Q09	
<b>Production statistics</b>						
Tonnes mined - opencast <sup>∞</sup>	000	18,334	12,860	11,585	42.6%	58.3%
Tonnes broken - underground mines	000	6,934	7,718	6,954	-10.2%	-0.3%
Tonnes milled	000	10,434	10,429	10,513	0.0%	-0.8%
Merensky / UG2 / Platreef ratio	per 1 Merensky tonne	1: 3.5: 1.7	1: 3.0: 1.3	1: 3.4: 1.7		
4E Built-up head grade	g/tonne milled	3.08	3.52	3.19	-12.5%	-3.4%
Mines		3.35	3.83	3.50	-12.5%	-4.3%
Western Limb Tailings Retreatment		1.16	1.11	1.05	4.5%	10.5%
<b>Equivalent refined platinum production *</b>						
Mined	000 oz	463.0	513.2	473.5	-9.8%	-2.2%
Purchased		135.0	109.9	136.8	22.8%	-1.3%
Sold		-3.3	-9.7	-6.4	-66.0%	-48.4%
<b>Attributable to Anglo Platinum</b>		<b>594.7</b>	<b>613.4</b>	<b>603.9</b>	<b>-3.0%</b>	<b>-1.5%</b>
<b>Total refined production</b>						
Platinum	000 oz	446.7	404.0	766.0	10.6%	-41.7%
Palladium	000 oz	247.0	235.1	426.3	5.1%	-42.1%
Rhodium	000 oz	61.6	73.8	93.8	-16.5%	-34.3%
Gold	000 oz	17.4	20.8	21.1	-16.3%	-17.5%
PGMs	000 oz	869.4	839.2	1,446.9	3.6%	-39.9%
Nickel	000 tonnes	4.4	3.3	5.3	33.3%	-17.0%
Copper	000 tonnes	2.6	2.0	3.3	30.0%	-21.2%
<b>Refined platinum production</b>	000 oz	<b>446.8</b>	<b>404.0</b>	<b>766.1</b>	<b>10.6%</b>	<b>-41.7%</b>
<b>Platinum pipeline movement</b>	000 oz	<b>147.9</b>	<b>209.4</b>	<b>(162.2)</b>		
<b>Employees (Managed operations: end of period)</b>						
Own enrolled employees		48,240	51,132	48,141	-5.7%	0.2%
Contractor employees		9,745	17,447	10,179	-44.1%	-4.3%
<b>Total employees for managed operations</b>		<b>57,985</b>	<b>68,579</b>	<b>58,320</b>	<b>-15.4%</b>	<b>-0.6%</b>
m <sup>2</sup> per total operating employee		6.68	5.72	6.43	16.8%	3.9%
<b>100% of Joint Venture operations excluding Bokoni: end of period</b>						
JV Own employees		8,270	8,174	8,313	1.2%	-0.5%
JV Contractor employees		14,129	16,352	14,138	-13.6%	-0.1%
<b>Total JV employees</b>		<b>22,399</b>	<b>24,526</b>	<b>22,451</b>	<b>-8.7%</b>	<b>-0.2%</b>

<sup>∞</sup> Includes Mogalakwena, Kroondal and Marikana opencast operations

\* Mines production converted to equivalent refined production using Anglo Platinum's standard smelting and refining recoveries

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