

PALABORA MINING COMPANY LIMITED
(Incorporated in the Republic of South Africa)
Registration number – 1956/002134/06
JSE Code: PAM ISIN: ZAE000005245
(“Palabora” or “the Company”)

THIRD QUARTER 2007 – OPERATIONS OVERVIEW AND PRODUCTION STATISTICS

	3Q 2006	4Q 2006	1Q 2007	2Q 2007	3Q 2007	9 MTHS 2006	9 MTHS 2007
Palabora mine							
Tonnes hoisted ('000 tonnes)	2,771	2,832	2,917	3,065	3,041	8,186	9,023
Ore treated ('000 tonnes)	2,668	2,783	2,886	3,025	3,046	7,947	8,957
Average ore grade: copper (%)	0.72	0.72	0.71	0.70	0.68	0.71	0.70
Copper concentrates produced ('000 tonnes)	53.4	61.0	82.1	56.0	48.6	147.9	186.7
Average concentrate grade: copper (%)	29.4	28.5	27.4	31.5	31.0	29.9	29.6
Copper in concentrates ('000 tonnes)	15.7	17.4	22.5	17.6	15.0	44.1	55.2
Palabora smelter/refinery							
New concentrate smelted on site ('000 tonnes)	87.7	75.5	73.6	74.2	73.9	213.0	221.7
New copper anodes produced ('000 tonnes)	22.4	22.2	21.2	22.9	24.0	56.4	68.0
Refined new copper produced ('000 tonnes)	22.9	22.1	20.8	22.9	24.0	59.1	67.7
By-products:							
Magnetite concentrate ('000 tonnes)	299	281	262	321	361	846	943
Refined nickel sulphate (tonnes)	25	32	21	164	489	88	674
Copper sold as concentrate ('000 tonnes)	-	5	9	1	-	11	10
Vermiculite plant							
Vermiculite produced ('000 tonnes)	52	50	50	50	50	148	150

Palabora Mining Company, a member of the Rio Tinto Group of Companies, situated in the Ba-Phalaborwa area of Limpopo, operates a large block cave copper mine and smelter complex.

Daily production from the underground mine averaged 33,050 tonnes for the quarter. The tonnes hoisted were 10% higher than the corresponding period in 2006 and 2% lower than the second quarter of 2007.

The tonnes hoisted for the 9 months of 2007 were 10% higher than the corresponding period in 2006. In total, 3,040,631 tonnes of ore were hoisted during the quarter with a copper grade of 0.68%, and 9, 023, 478 tonnes in the first 9 months of 2007 at an overall grade of 0.70%.

Copper concentrate production from the underground mine in the quarter was 9% lower than the corresponding quarter in 2006 and 13% lower sequentially due to an overflow to the reclaimed ponds (6,416 tonnes). The overflow concentrate is being reclaimed.

Anodes production was 7% higher than the corresponding quarter in 2006 and 4% higher sequentially. Improved first pass recovery and smelting performance contributed to the increase in new anode production.

Refined copper was 5% higher compared with the corresponding quarter in 2006 and 5% higher sequentially due to improved efficiencies and operating more sections.

Magnetite

Production for export magnetite during the quarter increased mainly due to an increase in rail wagons rolling stock and subsequent increase in logistics capacity to the port of Richards Bay.

Vermiculite Operations

Vermiculite production during the quarter was in line with that of the previous quarter but 4% below the corresponding quarter in 2006. Overall, plant recovery during the quarter was 63%. The recovery of the three coarser grades remains high and above prior recoveries. Higher recoveries on large grade resulted in a production increase of 13% compared with the third quarter in 2006.

Phalaborwa
16 October 2007

Sponsor:
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