

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”)

FIRST QUARTER 2009 – OPERATIONS OVERVIEW AND PRODUCTION STATISTICS

	1Q 2008	2Q 2008	3Q 2008	4Q 2008	1Q 2009	FULL YEAR 2008
Palabora mine						
Tonnes hoisted ('000 tonnes)	2,699	3,026	3,086	3,019	2,966	11,830
Ore treated ('000 tonnes)	3,181	3,027	3,096	3,150	2,789	12,454
Average ore grade: copper (%)	0.71	0.71	0.66	0.67	0.68	0.69
Copper concentrates produced ('000 tonnes)	73.9	89.4	56.5	66.7	67.7	286.5
Average concentrate grade: copper (%)	29.9	29.2	30.3	29.6	30.5	29.7
Copper in concentrates ('000 tonnes)	22.1	26.1	17.1	19.7	20.5	85.1
Palabora smelter/refinery						
New concentrate smelted on site ('000 tonnes)	66.4	72.3	52.5	70.0	72.8	261.3
New copper anodes produced ('000 tonnes)	18.1	22.3	14.9	20.7	20.2	75.9
Refined new copper produced ('000 tonnes)	18.3	21.6	17.0	19.1	21.0	75.9
By-products:						
Magnetite concentrate ('000 tonnes)	446	475	562	469	772	1,951
Nickel contained (tonnes)	42	26	13	19.3	21.4	100
Copper sold as concentrate ('000 tonnes)	1.8	3.2	1	4.5	0	10.5
Vermiculite plant						
Vermiculite produced ('000 tonnes)	50	50	50	49	52	199

Palabora, 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 32,953 tonnes for the quarter. The production during the quarter was consistent with the previous quarter but 11% higher than the corresponding period in 2008. In total, 2,965,803 tonnes of ore were hoisted during the quarter with a copper grade of 0.68% marginally better than that of the previous quarter's grade.

Ore treated was 11% lower sequentially and 12% lower year on year mainly due to a combination of the stock build following failures of both drive motors on one of the automills and not processing marginal ore as was the case in the fourth quarter of 2008.

Copper concentrate production improved slightly by 1.5% sequentially, but 8.4% lower year on year. The drop was attributable to the halt in Palabora's marginal and oxide ore processing.

Copper in concentrate was 4% higher sequentially due to improved metal recovery rates and 7% lower year on year, in line with the relative decrease in production and increase in grade.

The new concentrate smelted improved by 4% sequentially and 9.6% higher year on year due to more focus being placed on the smelting efficiencies. The new copper anode production was impacted by plant reliability resulting in a 2.9% lower output than the previous quarter, and 11.6% higher than the corresponding period in 2008.

The refined new copper produced was 10% higher sequentially and 15% higher year on year in line with smelter output (new copper anodes produced).

The nickel plant production is steadily increasing to achieve planned levels but has been limited by the optimisation of the metallurgical balances within the Tankhouse.

Magnetite

Magnetite production for the quarter was 64.6% higher sequentially and 73% higher year on year in line with the magnetite reclaim ramp-up schedule.

Vermiculite Operations

Vermiculite production was 6% higher sequentially and 4% higher year on year and indications are that this production rate will be maintained for the remainder of the year. Improvement work was done on large grade material by increasing the size range and this was welcomed by the international market.

The above information has not been reviewed or reported on by the company's auditors.

Phalaborwa
20 April 2009

Sponsor:
Barnard Jacobs Mellet Corporate Finance (Pty) Limited