

10 May 2010

Lonmin Plc Second Quarter 2010 Production Report

Lonmin Plc, (Lonmin or the Company), the world's third largest PGM producer, today announces its production results for the three months to 31 March 2010 (unaudited).

Our core underground Marikana mining operations produced 2.6 million tonnes during the second quarter of the 2010 financial year, essentially in line with the same period last year, whilst tonnes milled from these operations were also flat with the prior year period at 2.5 million tonnes. Conventional operations at the property produced 2.1 million tonnes during the period, a decline of 0.1 million tonnes from the prior year period, mainly due to the planned closure of two decline shafts in 2009. Production from K3 shaft during the period was in line with the second quarter of 2009, however, the shaft suffered from significant Section 54 safety stoppages during the period. The impact of Section 54 safety stoppages across the Marikana property during the quarter was around 65,000 lost tonnes, which is better than the impact in the prior year period of 122,000 lost tonnes. Production at Saffy and Hossy shafts continued to ramp up during the second quarter of 2010, increasing by 41% over the prior year period.

As highlighted in November 2009, we re-commenced production at a Merensky opencast pit at Marikana at the end of the period. Pandora underground production increased by 6% during the second quarter of 2010 from the prior year period.

Due to the planned closures of opencast operations at our Marikana property and the Pandora joint venture in 2009, total tonnes mined from our operations for the second quarter of the 2010 financial year declined 2% year-on-year to 2.6 million. Total tonnes milled were down more, at 8%, to 2.5 million tonnes, as a result of opencast stock piles being milled in the prior year period.

Platinum in concentrate from our Marikana operations was 154,578 saleable ounces during the second quarter of 2010, increasing by 2% from the prior year period. This was due to achieving better levels of grade and concentrator recoveries during the quarter compared to the prior year period. In total the concentrators produced 160,019 saleable ounces of Platinum in concentrate for the quarter, a 3% decrease from the second quarter of the prior year, due to the impact of closing the Pandora opencast operations in 2009.

Underground milled head grade was up to 4.74 grammes per tonne (5PGE+Au), from 4.69 grammes per tonne (5PGE+Au), having been sustained from the first quarter of 2010. This was a result of a number of factors including cleaner mining across the property, a better ratio of stoping to development material at Hossy and Saffy as well as a better ore mix.

Underground concentrator recoveries improved slightly to 84.7% from 84.5% in the first quarter of the 2010 financial year but were up significantly from the 81.4% achieved in the second quarter of 2009. This was as a result of the factors impacting head grade and due to continued benefits from our concentrator optimisation programme, excellent plant availability and a rigorous focus on batch milling the right ore through the right concentrators.

Refined production for the second quarter of 2010 declined by 2% to 181,135 ounces of Platinum and 344,036 ounces of total PGMs. Metal sales during the second quarter of the 2010 financial year declined by 1% to 182,878 ounces of Platinum and 353,844 ounces of PGMs.

Lonmin Plc also publishes today, in a separate announcement, its Interim Results for the half year ending 31 March 2010.

ENQUIRIES:

Investors / Analysts:

Tanya Chikanza +44 (0) 207 201 6000
Acting Head of Investor Relations

Media:

Cardew Group +44 (0) 207 930 0777
Rupert Pittman / James Milton

Financial Dynamics +27 (0) 21 487 9000
Dani Cohen / Ravin Maharaj

				3 months to 31 Mar 2010	3 months to 31 Mar 2009	
				Actual	Actual	
Tonnes mined	Marikana	Underground - total	000	2,572	2,584	
		Underground - conventional	000	2,128	2,269	
		Underground - Hossy & Saffy ¹	000	444	315	
		Opencast	000	7	13	
		Total	000	2,579	2,598	
	Pandora attributable ²	Underground	000	39	37	
		Opencast	000	-	41	
		Total	000	39	78	
	Lonmin Platinum	Underground	000	2,611	2,621	
		Opencast	000	7	55	
		Total	000	2,618	2,676	
	Tonnes milled³	Marikana	Underground	000	2,453	2,462
Opencast			000	-	78	
Total			000	2,453	2,540	
Pandora ⁴		Underground	000	78	88	
		Opencast	000	-	126	
		Total	000	78	214	
Lonmin Platinum		Underground	000	2,531	2,550	
			<i>Head grade⁵</i>	<i>g/t</i>	<i>4.74</i>	<i>4.69</i>
			<i>Recovery rate⁶</i>	<i>%</i>	<i>84.7%</i>	<i>81.4%</i>
		Opencast	000	-	205	
			<i>Head grade⁵</i>	<i>g/t</i>	<i>0.00</i>	<i>4.61</i>
			<i>Recovery rate⁶</i>	<i>%</i>	<i>0.0%</i>	<i>71.3%</i>
	Total	000	2,531	2,754		
	<i>Head grade⁵</i>	<i>g/t</i>	<i>4.74</i>	<i>4.68</i>		
	<i>Recovery rate⁶</i>	<i>%</i>	<i>84.7%</i>	<i>80.6%</i>		

				3 months to 31 Mar 2010	3 months to 31 Mar 2009
				Actual	Actual
Metals in concentrate⁷	Marikana	Platinum	OZ	154,578	151,168
		Palladium	OZ	72,579	70,285
		Gold	OZ	3,129	3,444
		Rhodium	OZ	22,124	21,191
		Ruthenium	OZ	33,543	32,617
		Iridium	OZ	7,353	7,110
		Total PGMs	OZ	293,306	285,815
		Nickel ⁸	MT	615	642
		Copper ⁸	MT	377	405
	Pandora ³	Platinum	OZ	5,441	13,742
		Palladium	OZ	2,531	6,194
		Gold	OZ	37	110
		Rhodium	OZ	871	1,909
		Ruthenium	OZ	1,289	2,789
		Iridium	OZ	224	515
		Total PGMs	OZ	10,394	25,259
		Nickel ⁸	MT	8	13
		Copper ⁸	MT	5	8
	Lonmin Platinum	Platinum	OZ	160,019	164,909
		Palladium	OZ	75,110	76,479
		Gold	OZ	3,166	3,554
		Rhodium	OZ	22,995	23,100
		Ruthenium	OZ	34,832	35,406
		Iridium	OZ	7,577	7,625
		Total PGMs	OZ	303,700	311,074
		Nickel ⁸	MT	623	655
		Copper ⁸	MT	381	412

				3 months to 31 Mar 2010	3 months to 31 Mar 2009
				Actual	Actual
Metallurgy	Lonmin refined Metal Production ¹²	Platinum	OZ	180,956	184,969
		Palladium	OZ	79,325	86,637
		Gold	OZ	4,028	5,151
		Rhodium	OZ	21,381	25,939
		Ruthenium	OZ	47,117	47,614
		Iridium	OZ	10,502	9,935
		Total PGMs	OZ	343,310	360,245
		Toll refined metal production	Platinum	OZ	179
	Palladium		OZ	63	-
	Gold		OZ	-	-
	Rhodium		OZ	485	573
	Ruthenium		OZ	-	1,009
	Iridium		OZ	-	184
	Total PGMs		OZ	727	2,081
	Total refined PGMs	Platinum	OZ	181,135	185,284
		Palladium	OZ	79,388	86,637
		Gold	OZ	4,028	5,151
		Rhodium	OZ	21,866	26,512
		Ruthenium	OZ	47,117	48,623
		Iridium	OZ	10,502	10,119
		Total PGMs	OZ	344,036	362,326
	Base metals	Nickel⁹	MT	883	869
		Copper⁹	MT	526	579
Sales	Refined Metal Sales	Platinum	OZ	182,878	187,250
		Palladium	OZ	81,783	92,439
		Gold	OZ	5,393	5,940
		Rhodium	OZ	22,039	21,636
		Ruthenium	OZ	50,360	41,833
		Iridium	OZ	11,390	9,392
		Total PGMs	OZ	353,844	358,490
		Concentrate and other ¹⁰	Platinum	OZ	-
	Palladium		OZ	-	(1,822)
	Gold		OZ	-	-
	Rhodium		OZ	-	-
	Ruthenium		OZ	-	-
	Iridium		OZ	-	-
	Total PGMs		OZ	-	(3,421)
	Lonmin Platinum	Platinum	OZ	182,878	185,651
		Palladium	OZ	81,783	90,617
		Gold	OZ	5,393	5,940
		Rhodium	OZ	22,039	21,636
		Ruthenium	OZ	50,360	41,833
		Iridium	OZ	11,390	9,392
		Total PGMs	OZ	353,844	355,069
		Nickel⁹	MT	814	693
		Copper⁹	MT	523	503

			3 months to 31 Mar 2010	3 months to 31 Mar 2009
			Actual	Actual
Average prices	Platinum	\$/oz	1,535	991
	Palladium	\$/oz	432	195
	Gold	\$/oz	1,110	901
	Rhodium	\$/oz	2,467	1,099
	Ruthenium	\$/oz	173	47
	Iridium	\$/oz	447	384
	Basket price of PGMs ¹¹	\$/oz	1,103	666
	Basket price of PGMs ¹¹	R/oz	8,432	6,631
	Nickel ⁹	\$/MT	15,309	16,285
	Copper ⁹	\$/MT	6,404	6,953
Exchange Rates	Average rate for period ¹³	R/\$	7.49	9.90
	Closing rate	R/\$	7.28	9.49

Footnotes:

- 1 Hossy and Saffy are replacement/growth shafts in ramp up. Hossy is fully mechanised whilst Saffy has conventional stoping but mechanised development. In previous production reports this section showed all M&A/Hybrid mining. All comparatives have been restated.
- 2 Pandora attributable tonnes mined includes Lonmin's share (42.5%) of the total tonnes mined on the Pandora joint venture.
- 3 Tonnes milled excludes slag milling.
- 4 Lonmin purchases 100% of the ore produced by the Pandora joint venture for onward processing which is included in downstream operating statistics.
- 5 Head grade is the grammes per tonne (5PGE + Au) value contained in the tonnes milled and fed into the concentrator from the mines (excludes slag milled).
- 6 Recovery rate in the concentrators is the total content produced divided by the total content milled (excluding slag).
- 7 Metals in concentrate include metal derived from slag processing and have been calculated at industry standard downstream processing losses to present produced saleable ounces.
- 8 Corresponds to contained base metals in concentrate.
- 9 Nickel is produced and sold as nickel sulphate crystals or solution and the volumes shown correspond to contained metal. Copper is produced as refined product but typically at LME grade C.
- 10 Concentrate and others sales essentially relates to BMR concentrate and BMR/PMR residues.
- 11 Basket price of PGMs is based on the revenue generated from the actual PGMs (5PGE + Au) sold in the period.
- 12 Lonmin refined metal production and sales include an estimated 3,000 oz saleable ounces of Platinum produced from toll refining third party concentrate (Q2 2009 - nil).
- 13 Exchange rates are calculated using the market average daily closing rate over the course of the period.