

Lonmin Plc (“Lonmin” or “the Company”) announces that, following extensive stakeholder consultation processes at each operation, it has reached agreements with the recognised unions regarding the retrenchment of a number of employees at its Marikana and Limpopo operations.

The agreement at Marikana allows for a reduction of up to 4,000 full time employees or contractors, 300 of which are expected to be management personnel. Following agreement at Limpopo, the Baobab shaft will be placed on care and maintenance, with around 1,500 full time employees expected to be retrenched.

The final number of personnel affected, as well as the associated expected annual cost savings and one-off costs of this down-sizing, will be confirmed once the restructuring programmes at Marikana and Limpopo are completed. Further details will be disclosed at Lonmin’s Interim Results on Monday 11 May 2009.

On 18 November 2008, Lonmin announced that it expected sales for the 2009 financial year to be broadly in line with sales in the prior year at around 725,000 Platinum ounces, including an anticipated full year’s contribution from Limpopo of approximately 25,000 Platinum ounces. Following the agreement to place Limpopo on care and maintenance, the Company re-confirms that it still expects to achieve sales of around 700,000 Platinum ounces from a full year’s production at Marikana.

Ian Farmer, Chief Executive of Lonmin, commented:

“With the current backdrop of challenging economic conditions, these agreements are an important milestone in our objective of restructuring the Company. At Marikana, we are now focused on engaging with our employees to complete the required down-sizing. At Limpopo, the Baobab shaft will be put on care and maintenance as soon as possible.

“Our dialogue with the unions has been constructive and pragmatic. We appreciate their active engagement during this difficult period. Whilst the unions have understandably executed their mandate to protect the interests of their members, they have displayed an appreciation of our efforts to ensure the long term sustainability of the Company.”

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