News Release

Final Results
18 November 2008

LONMIN

Highlights

- Safety performance excellent
- Operational performance:
    - Sales in line with guidance at 726,918 ounces of Platinum
    - Positive momentum from Mining initiatives to increase efficiency, reliability and productivity
    - Recoveries improved across the Process Division
- Financial results:
    - Underlying EBIT up 21.0% to US$963 million
    - Underlying earnings per share up 18.9% to 351.9 cents
    - Gearing reduced to 12%
    - $169 million impairment of assets at Limpopo Baobab shaft
- Action plans implemented to entrench Lonmin's low cost position:
    - Eliminating non-value adding ounces
    - Maximising output from invested capital including a change of approach for mechanisation
    - Simplified organisational structure with clear accountability and management emphasis in South Africa
    - Reducing costs and managing cash
- Final dividend passed due to continuing difficult Platinum Group Metals (PGMs) and credit markets

Financial highlights – Continuing Operations Year to 30 September		**2008**	2007	variance
Revenue	US$m	**2,231**	1,941	14.9%
Underlying EBIT (i)	US$m	**963**	796	21.0%
EBIT (ii)	US$m	**764**	794	(3.8)%
Underlying profit before taxation	US$m	**997**	811	22.9%
Profit before taxation	US$m	**779**	705	10.5%
Underlying earnings per share (iii)	cents	**351.9**	295.9	18.9%
Earnings per share	cents	**291.1**	205.1	41.9%
Free cash flow per share	cents	**168.9**	248.2	(32.0)%
Net debt	US$m	**303**	375	-
Interest cover (iv)	x	**53.4**	27.4	-
Gearing (v)	%	**12**	15	-

NOTES ON HIGHLIGHTS
(i) Underlying EBIT is total operating profit adjusted for special items.
(ii) EBIT is total operating profit.
(iii) Underlying earnings per share are calculated on profit for the year excluding special items.
(iv) Interest cover is calculated as Group operating profit excluding special items divided by net interest excluding exchange.
(v) Gearing is calculated on the net borrowings attributable to the Group divided by the net borrowings attributable to the Group plus equity shareholders' funds.

Commenting, Ian Farmer, Lonmin's Chief Executive Officer said:

"Lonmin is a business with unique high quality long life assets and an excellent market position. However, over the last few years our operational performance has fallen below our expectations. Following my appointment as Chief Executive six weeks ago, I have conducted a review of our operations looking at ways to improve performance and maximise shareholder value. Today we are exercising producer discipline by announcing that we will close those portions of our operations which are uneconomic and cut back on capital expenditure. We are also changing our approach to mechanised mining and cutting costs across the business. The combination of these actions will ensure that Lonmin maintains its sound financial position and remains well placed to weather the current challenging PGM market conditions and to exploit the upturn when markets recover."

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This press release is available on www.lonmin.com. A live webcast of the final results' presentation starting at 09.00hrs (London) on 18 November 2008 can be accessed through the Lonmin website. There will also be a web question facility available during the presentation. An archived version of the presentation, together with the presentation slides, will be available on the Lonmin website.

Chief Executive's Review

Lonmin is a unique business with high quality long life assets. However, the Company has struggled with a number of challenges and has been performing below its potential. 2008 has been a difficult year with cost escalation throughout the year and challenging market conditions in the latter part of the year putting pressure on our margins and cash generation.

With this in mind, a review of our operations has been conducted, primarily focusing on improving performance, reducing costs and maximising the value of our assets. The first section of this Final Results announcement outlines the following:

- **The Past**: the internal and external issues encountered during 2008;
- **The Present**: our immediate focus areas and the action plans we are implementing to ensure Lonmin delivers consistent, low cost production;
- **The Future**: our long term potential includes a range of growth options, which can supplement our core Marikana operations.

The Past – issues impacting 2008

Although we saw encouraging signs of operational improvements towards the end of the year, overall our production and cost performance in 2008 was disappointing. This was the result of both internal and external factors.

Our Mining business has suffered from a lack of mine ore reserve development. This impacted our production during the year and will continue to do so in 2009, as we continue to accelerate ore reserve development to address this issue. In addition, our operating systems were poor, resulting in weak planning, production control and forecasting. Most importantly, productivity has been below our expectations, primarily at our mechanised shafts.

Across the Process Division, there has been a renewed focus on optimising recoveries which, in recent years, have been below historical levels. We have also struggled to release stock from the system. This has been a key factor in our missed production guidance and has adversely affected our working capital. This will be an area of focus for us in 2009.

In addition, our organisational structure has become overly complex with too many layers of management, and a poorly implemented shared services structure, which resulted in overhead duplication.

Lonmin, along with the rest of the mining industry, was impacted during the year by the electricity supply situation in South Africa, with an industry-wide shutdown in January as well as a rationing of our energy consumption to 95% of normal levels. We have been successfully managing the business at this level of energy consumption for around five months now.

Another key external factor during the year was the increased emphasis on mine safety by the government, evidenced by the growing prevalence of safety closures across the industry. We fully support this renewed focus on safety by the government and we expect this focus to be maintained in 2009. Safe working practices remain a key priority for Lonmin and we recorded another excellent safety performance in 2008.

Workforce-related issues were also prevalent throughout the industry in South Africa. There were three one day national strikes in the 2008 financial year. The shortage of skilled workers in South Africa has also been an issue, as international markets and significant national infrastructure projects attract resources.

The Present – immediate priorities and actions

We intend to take steps to entrench our low cost position.

Short term market conditions will lead to structural shifts within the Platinum industry

Cost inflation was ever present in 2008, whilst the pricing environment worsened towards the end of the financial year. PGM prices are now some way below the cash cost of production for a significant proportion of the industry and the longer this situation prevails, the more companies, including Lonmin, will need to take action to protect their financial position. We anticipate a sharp decline in investment in the industry in the short term, which could include shaft closures and moth-balling, resulting in reduction or deferment in the supply of PGMs. This increases the possibility of a rebound in pricing once sentiment and markets improve. With these structural shifts in mind, the first priority for Lonmin management has been to look for ways to improve our operational performance, with an emphasis on consistent, low cost production. We have therefore restructured key parts of the business, with a view to aggressively cutting and better managing costs, while at the same time increasing management's focus on delivery against plans.

Actions taken include the following:

- **Eliminating non value adding ounces**: we have reviewed the contribution from our underground business on a shaft-by-shaft basis and we intend to initiate consultations with our workforce and the unions in relation to the future of operations at our Limpopo property, which we believe are uneconomic. Currently production from Limpopo is included in our 2009 guidance. We have also taken the decision to suspend production from our opencast operations at Marikana with effect from the end of the 2008 calendar year;

- **Mechanisation strategy changed**: we have failed to significantly improve productivity from our two fully mechanised shafts and, given the resultant high cost of production, we have taken the decision to change our approach. We are switching to hybrid mining at Saffy shaft, where we are introducing conventional stoping methods, whilst maintaining mechanised development. This change will be completed during the course of 2009 and is likely to cause an initial, short term dip in output from this shaft. We have also concluded that K4 shaft will be developed as a hybrid mine when it comes into production in 2010. This is due to the nature of the ore body and the experience gained from our investment in mechanisation to date. Hossy shaft will continue to be run as a fully mechanised shaft as we continue to work hard to achieve satisfactory levels of productivity. We will review the performance of Hossy shaft in September 2009 if it becomes apparent that we are not able to achieve productivity of 1,500 square metres per month per suite of equipment;

- **Reducing costs, managing cash and capital rationing:** a restructuring team, led by Mian Khalil, Executive Vice President Capital Programmes, has been established to review our cost structure. We have implemented a series of initiatives to restrict spending, including a freeze on all recruitment. We have also taken the decision to halve our exploration expenditure. This spend level protects the value of our portfolio. We will continue to work with our joint venture partners and we will allocate less cost to our wholly-owned projects in the short term. In addition, we have reviewed our capital expenditure programmes throughout the business. As a result, our capital expenditure programme will be primarily focused on mine development at Marikana and obligatory spend at our Process Division. We have placed all other growth projects on a care and maintenance basis;

- **Simplified organisational structure with clear accountability:** we have simplified our organisational structure to bring greater management focus and to give the operations more ownership of the functions required to ensure effective and efficient delivery. To achieve this, we have re-allocated responsibility for the Shared Business Service functions to line managers within the Mining, Process and Finance Divisions. This will simplify our management structure and help remove any duplication. Furthermore, to enable greater accountability in each area of the business, I have appointed Mahomed Seedat as our new Chief Operating Officer with overall responsibility for the operations in South Africa, reporting to me. Chris Sheppard, Executive Vice President, Mining and Theuns de Bruyn, Executive Vice President, Process Division now report to Mahomed. Together with Mahomed, Alan Ferguson, Chief Financial Officer, and Albert Jamieson, Executive Vice President, Commercial, make up my three direct reports and divisional heads;

- **Management emphasis in South Africa**: we require greater management focus in South Africa where all our operations are located. To achieve this we are reducing the current headcount of the London office by one third and transferring certain functions to South Africa. In addition, it is crucial that, as Chief Executive Officer, I am close to our operations and I will therefore spend around half of my time in South Africa.

The Future – building a sound base for growth, supported by long term expansion options

Lonmin has excellent growth prospects at our core operations at Marikana, supplemented by a range of projects, which provide the Company with long term growth options, to be accessed at the appropriate time.

Growing production from a solid base

Our key priority at the current time is to focus on our Marikana asset base, thereby re-establishing it as a strong, well controlled platform which will leave us well positioned to exploit a rebound in the market environment.

We expect to increase our production from underground operations at Marikana in the 2009 financial year, which will compensate for the reduction in opencast production, following our decision to close those operations by the end of the 2008 calendar year. Consequently, we are targeting Platinum sales guidance for the 2009 financial year broadly in line with that achieved in the 2008 financial year. This takes into account the restructuring of our mechanised shafts and the development challenges faced by the Mining operational management team. In addition, the rebuild of the Number One furnace, initiated earlier this month, will have an impact on output during the first half of the 2009 financial year. Further ahead, we remain confident that we can achieve, and improve on, previous sales levels of over 900,000 Platinum ounces per annum.

Maintaining flexibility around longer term growth

To supplement Marikana, we have a number of projects which provide us with options from which we can deliver significant medium to long term growth. However, given our focus on cash management and the current state of the credit markets, we believe it prudent to put these projects, including Akanani and Limpopo, on a care and maintenance basis for the short term.

We still firmly believe that the quality and the unique average 18 metre width of the Akanani ore body presents an outstanding opportunity for Lonmin. This is supported by findings from a scoping study carried out at Akanani during 2008, which indicated an acceptable rate of return.

During the year, we completed a pre-feasibility study at our Limpopo expansion project, which indicated the combined property supports a mine producing around 4.3 million tonnes per annum at full production. Likewise, at Pandora, we successfully completed a pre-feasibility study on a standalone project looking at the development of a 2.9 million tonnes per annum operation using a hybrid mining method. The Pandora project will continue to be progressed on a self-funded basis with our joint venture partners.

We will continue to evaluate opportunities, as they arise. This includes reviewing our strategy on Chrome, a by-product of our mining and processing of UG2 ore, where we believe there is unexploited value.

Dividend

Although we have reported significant profits for 2008, our profitability and cash flows are highly geared to PGM prices and we enter 2009 with prices of PGMs considerably below those prevailing during 2008. As a result, our profitability and cash flows will come under pressure despite the Company taking immediate measures to address its cost base.

Our balance sheet remains strong and our lines of credit are secure. Our confidence in the longer term potential of Lonmin, the quality of its assets and the excellent fundamentals of the PGM industry remains unchanged.

However, the Board has reviewed the final dividend for the 2008 financial year and, given the continuing difficulties in both the PGM and credit markets, it is right that a conservative stance is taken. In light of this and, despite our sound financial position, a decision has been taken to pass the final dividend. An interim dividend for 2008 of 59 cents per share was paid on 8 August 2008 which, with no final dividend, will become the total dividend for the year.

The Board will review this matter and will resume dividend payments as soon as conditions allow. Our policy remains that dividend distributions are based on the reported earnings for the year, but take into account the projected cash requirements of the business.

Outlook

Recent unprecedented developments in world financial and economic markets have had a substantial impact on PGM and other commodity prices and we expect these volatile conditions to continue in the short term.

However, we are confident that Lonmin, with its high quality asset base, low cost position and strong balance sheet, will be able to withstand these short term pressures. Our liquidity position is sound, our gearing is 12% and our banking relationships remain strong and secure. In addition, the action plans we are implementing will ensure the Company will be in a strong position when the PGM markets recover.

For the 2009 financial year, we are targeting Platinum sales to be broadly in line with that achieved in the 2008 financial year. We are targeting our Rand-based gross operating costs for the year to increase at a rate well below South African inflation and capital spend of $250 million for the financial year.

The long term demand fundamentals for Platinum and other PGMs remain attractive and our key priority continues to be delivering value for all our shareholders, through improving our operational performance and creating a culture of delivery.

Ian Farmer
Chief Executive Officer
18 November 2008

Market Overview

Along with other commodities, the pricing environment for PGMs has changed dramatically during the year.

In the early part of the year, Platinum pricing peaked at around US$2,200 in March 2008, mainly as a result of supply side challenges arising from the on-going power supply concerns and the growing number of industry safety stoppages, alongside a strong demand environment. However, the Platinum price declined significantly from its peak to around US$1,000 per ounce at the end of September 2008 and has since fallen to much lower levels. This steep fall was, we believe, mainly a result of the increasingly negative outlook for the automotive sector and the forced liquidation of investment holdings. Whilst we expect the pricing environment to continue to be unpredictable in the short term, we are confident that the positive balance between supply and demand in the PGM sector will return in due course.

Review of Operations

Safety

Our safety performance improved significantly in 2008, with a 42% improvement in our lost time injury frequency rate (LTIFR) to 6.27 per million man hours worked, the lowest level in the history of the Company. It should be noted however that 3% of this improvement corresponds to an adjustment of man-hours in the Mining business, to include man-hours from office personnel and some contractors which were in error not previously included in calculations.

It is with regret that we report the death of three of our employees as a result of industrial accidents during 2008.

We continue to investigate incidents rigorously through the Incident Cause Analysis Method and now include near-miss incidents. Findings from these incidents are critical to our efforts in eliminating fatalities and serious injuries and are communicated across our operations.

In order to ensure safe production at our operations, a large proportion of the safety shutdowns at our operations during the year were initiated by management as we continue our drive to Zero Harm. We remain supportive of the South African Department of Mineral and Energy's (DME) renewed stance on safety in the mining industry, which has been evidenced by an increased number of inspections and ordered shaft closures related to these inspections across the industry during the year.

Visible leadership is crucial and is a powerful aid in creating an interdependent safety culture. All managers undertake safe behaviour observations and participate with the employees in their areas in daily safety breaks.

During the year, we continued the implementation of our Laduma safety awareness campaign, based on learning map technology, across the business at Marikana. This campaign uses football to communicate and promote safe behaviours and procedures. Initial indications are that the campaign has been well received and we will continue to raise awareness and increase its visibility going forward.

Mining

At the beginning of the financial year we introduced a new senior operational management team in the Mining division under the leadership of Chris Sheppard. Chris and his team were tasked with implementing and executing improvement programmes to increase productivity and consistency of performance. These programmes are gaining traction and the key focus areas to date include the strengthening of the operational management team, an increased focus on development, the upgrading of management operating systems at shaft level, the completion of a new mining extraction strategy, an improvement in our labour management programmes and a new approach to mechanisation.

Our initial, mine-wide, Mining Extraction Strategy is now complete, including a review and analysis of various key components of the Mining business, including depth, ore type, stoping technique and processing and commercial requirements. Completion of the extraction strategy has played a significant part in our long term planning and, to this end, we completed our long term planning protocol towards the end of the financial year. We expect to complete site-specific extraction strategies by the start of the second half of the 2009 financial year.

We have committed to completing a half-level optimisation project by the middle of 2010. Blue prints for all half levels have been completed and we remain on track with this project.

We are also making progress in improving ore reserve development at our shafts, evidenced by development rates increasing 7.6% during the last quarter of the 2008 financial year, compared with the previous quarter. However, improving development is not a quick fix and it will take another 18 months before we achieve acceptable levels of immediately available ore reserves, and higher extraction rates. As at 30 September 2008, immediately available ore reserves were 11.4 months.

A key focus area in 2008 was labour management. The Mining team introduced a Zero Tolerance approach to absenteeism, which was extensively communicated throughout the business, and focused on increasing awareness that persistent absenteeism would result in dismissal. To combat the shortage of skilled workers, we implemented recruitment programmes to attract and retain the necessary skills and we were successful in reducing skilled labour turnover during the year.

Marikana Mining

Our Marikana operations mined 11.5 million tonnes of ore, a 10% decrease on the same period in 2007 with underground operations contributing 10.2 million tonnes. As previously reported, underground production was principally impacted by safety related stoppages, the Eskom four day power outage in January, our focus on accelerating ore reserve development and high levels of absenteeism particularly in the first half of the financial year.

As planned, opencast tonnages were down year on year with total tonnes mined in 2008 of 1.3 million tonnes versus 1.6 million tonnes in 2007. Given the relatively high cost of production from opencast operations, as well as the low grade of opencast ore and its dilutive effect on concentrator recoveries, we decided to suspend production from this part of the business with effect from the end of the 2008 calendar year.

Another key factor impacting production was the slower than anticipated ramp up of our mechanised shafts with our mechanised operations producing 1.2 million tonnes in the year, significantly behind our plans, but a substantial increase on the 0.6 million tonnes produced by these shafts in the prior year. The change in our approach to mechanisation will have some impact on production in the 2009 financial year, given the logistical complexities, including transferring crews and equipment between shafts, re-organising scheduling and planning and re-training managers and their teams. The transition to hybrid mining at Saffy is expected to be completed by the end of the 2009 financial year.

Despite the year on year decline in production at Marikana, we are seeing initial signs of improvement from the operation and our underground operations will continue to grow in 2009.

Costs at our conventional operations at Marikana for the 2008 financial year were R390 per tonne, compared to R430 per tonne at our opencast operations and R615 per tonne at our mechanised sections, hence the need to address our mechanised shafts and our opencast operations. Capital expenditure at our Marikana Mining division was R1,459 million, the majority of which was allocated to Hossy, Saffy and K4.

Limpopo Mining

Our Limpopo Baobab shaft produced 523,000 tonnes of ore in the year, a decline of 31% on 2007. Production continued to be constrained by a shortage of available ore caused by the IRUP occurrence and a lack of ore reserve development. Limpopo produced 22,017 saleable ounces of Platinum in concentrate for the year, a decline of 38% on 2007 due to the lower throughput from the mine and a six week shutdown of the Limpopo concentrator in 2008 to undertake repairs. Costs for the year at Limpopo Mining were R622 per tonne and capital expenditure was R217 million.

Our Limpopo Baobab shaft operations have always been high cost. In recent years the mine has not delivered and this situation cannot continue. We believe the mine is uneconomic and intend to start discussions with the workforce and unions regarding the future of the operation.

Pandora Joint Venture

Our share of mined production from the Pandora Joint Venture ground during the year was 400,000 tonnes mined, a decline of 3% from 2007. Our underground operations at Pandora produced 124,000 tonnes, a 3% decline from 2007, and our opencast Pandora operations produced 275,000 tonnes, a 4% decline from 2007. Lonmin purchases 100% of the ore from the Pandora Joint Venture and this ore contributed 48,743 saleable ounces of Platinum in concentrate and 87,871 saleable ounces of total PGMs in concentrate to our production. The Pandora Joint Venture contributed US$18.0 million of profit after tax for our account in the financial year, up 50% from the 2007 financial year.

Process Division

Process Division management continued to implement a number of initiatives which have started to improve efficiencies and recoveries across the value chain. At the Smelter, a number of programmes were implemented at the Number One furnace to improve process stability and recoveries. These include the implementation of a blending strategy to ensure standardised feed to the furnace, manage temperature fluctuations and predict slag chemistry. We also have a number of programmes in place to improve concentrator recoveries, including better management and scheduling of planned maintenance, as well as the establishment of improved control systems, which will allow us to better match particular ore types to certain concentrators. Costs for the year in the Process Division were R1,447 per PGM ounce and capital expenditure was R308 million.

Concentrators

The Concentrators produced a total of 732,125 saleable ounces of Platinum in concentrate for the year down 16% on 2007 reflecting the lower levels of throughput from the mines and lower opencast grades. The improvement programmes we have introduced in the Concentrators during the year showed encouraging results with overall recoveries improving to 79.2% from 77.3% in 2007 and underground recoveries up to 81.7% versus 80.7% last year. Underground milled head grade was 4.66 grammes per tonne (5PGE+Au), 4.5% lower than the prior year partly as a result of ore mix issues including the increased percentage of lower grade development ore from the Marikana mechanised shafts.

Smelter

At the Smelter, we brought forward the planned inspection and repair of the Number One furnace to coincide with the Eskom power outage at the end of January. We successfully completed the work on the furnace and it returned to full operation on 2 March 2008. In June, the Number One furnace was powered down for seven days due to a leak in one of the copper cooling waffles on the side of the furnace, as a result of a manufacturing fault. In July, the Merensky furnace was shut down for around two months for repair, following a matte run out through one of the tappe holes. These were relatively minor incidents and the Smelter performed well during the year, with Number One furnace availability increasing to 86% in the 2008 financial year, from 61% in 2007.

We have scheduled a rebuild of the Number One furnace in November 2008. The furnace will be offline until early January 2009 as we complete a redesign of the vessel. During the rebuild we will install graphite tiles for the upper waffle coolers, a third matte tappe hole to increase tappe hole life, a redesigned refractory below the waffle coolers and split waffle coolers for external removal. The redesign will allow for hot repairs of the furnace tappe holes, with quicker repairs of the copper coolers. As a result, we expect to be able to increase the availability and reliability of the furnace, so that it can operate on a more continuous basis, with fewer planned maintenance shut downs. During the Number One furnace downtime we will be running our Merensky furnace and the Pyromet furnaces to ensure the impact is mitigated. This rebuild will however have an impact on our production during the first half of the 2009 financial year, and particularly in the first quarter of the year. Accordingly, as in 2008, production during the 2009 financial year is expected to be weighted towards the second half.

Refineries

Lonmin refined production was 699,942 ounces of Platinum, up from 695,842 ounces of Platinum in 2007. We are completing an upgrade of the Base Metal Refinery to increase throughput to 37 tonnes per day and we have completed various de-bottlenecking projects, as well as upgrading the nickel sulphate crystallisers at the plant. Final sales for the year were 726,918 ounces of Platinum and 1,401,371 ounces of total PGMs, in line with our revised guidance.

Reserves and Resources

During the year, Lonmin's entire Mineral Resources and Reserves has been thoroughly reviewed and certain areas have been re-estimated where appropriate. The major changes are as follows:

- Extensive remodelling of the Marikana Resource has been completed using methodology that allows greater sophistication in accounting for the PGE grade variations across the property. This modelling has confirmed the robustness of the UG2 Mineral Resource estimates and revealed no significant changes in the UG2 PGE grade overall. The re-modelling of the Merensky Resource has resulted in a lower overall Merensky Reef PGE grade, particularly in the known lower grade and thicker eastern areas of Marikana. It is worth noting that Lonmin does not currently mine Merensky Reef from these lower grade eastern areas but the impact has been to lower the average grade of the overall Merensky Mineral Resource. The overall Merensky Reef Mineral Reserve grade is less affected.
- As announced at the Interim Results on 8 May 2008, a review of the P2 and P1 reef type extents at Akanani resulted in a marked increase in the Indicated Resource and PGE grade in the main mineralised zone (the P2). Additional drilling allowed Lonmin to upgrade a portion of the P2 Inferred Resource to Indicated Resource whilst other areas of lower grade or less certain continuity have been removed from the classification. The exclusion of large volumes of low grade P1 mineralisation from the Mineral Resource resulted in a significant increase in overall project grade and a reduction in overall metal content.
- At Limpopo Baobab shaft, the Probable Mineral Reserve has reduced as a result of a) a more conservative view of some areas of the Merensky Reef downgrading these to Inferred Resources pending information from closer spaced drilling; and b) changes made during the year to the Life of Mine Plan taking account of a number of factors including the need for an additional ventilation shaft and refrigeration below 750 metres. The Mineral Reserves in the relatively shallow Limpopo Phase 2 Project are unchanged since 2007.

Consistent with 2007 reporting, the 2008 Lonmin Mineral Resources and Reserves include Lonmin's attributable portion only. The percentage of each of the areas attributable to Lonmin has not changed during the year. Full details of Lonmin's Mineral Resources and Mineral Reserves are included on our website – www.lonmin.com. A summary is presented in the following tables:

Mineral Resources (Total Measured, Indicated & Inferred)

Area	**30-Sep-2008**				**30-Sep-2007**			
	Mt	3PGE+Au [1]		Pt	Mt	3PGE+Au [1]		Pt
		g/t	Moz	Moz		g/t	Moz	Moz
Marikana	672.0	4.68	101.1	59.3	644.4	4.94	102.3	61.2
Limpopo [2]	138.1	4.23	18.8	9.6	146.7	4.24	20.0	10.0
Limpopo Baobab shaft	28.6	4.00	3.7	1.9	32.1	3.96	4.1	2.1
Akanani	154.4	4.42	21.9	9.3	269.7	3.46	30.0	12.5
Pandora JV [3]	55.5	4.30	7.7	4.7	56.7	4.33	7.9	4.9
Loskop JV [4]	10.1	4.04	1.3	0.8	10.1	4.04	1.3	0.8
Total	**1,058.8**	**4.54**	**154.5**	**85.6**	**1,159.7**	**4.44**	**165.6**	**91.6**

Mineral Reserves (Total Proved & Probable)

Area	30-Sep-2008				30-Sep-2007			
	Mt	3PGE+Au [1]		Pt	Mt	3PGE+Au [1]		Pt
		g/t	Moz	Moz		g/t	Moz	Moz
Marikana	332.6	4.03	43.1	25.9	331.4	4.18	44.5	26.6
Limpopo [2]	40.1	3.23	4.2	2.1	40.1	3.23	4.2	2.1
Limpopo Baobab shaft	9.4	3.16	1.0	0.5	24.2	3.32	2.6	1.3
Pandora JV [3]	0.46	4.28	0.06	0.04	0.30	4.55	0.04	0.03
Total	**382.5**	**3.93**	**48.3**	**28.5**	**396.0**	**4.03**	**51.3**	**30.0**

Notes on the Lonmin Platinum Mineral Resources and Reserves

The Lonmin Platinum Mineral Resources and Reserves information was prepared on the following basis:

1. 3PGE + Au = Pt+Pd+Rh+Au (Loskop joint venture excludes Rh due to insufficient assays).
2. Limpopo: includes Dwaalkop joint venture, in which Western Platinum Limited (82% owned by Lonmin) has an interest of 50%, but excludes Baobab shaft.
3. Pandora Joint Venture: Eastern Platinum Limited (82% owned by Lonmin) has an attributable interest of 42.5% in the Pandora Joint Venture together with Anglo Platinum, Mvelaphanda Resources and the Bapo Ba Mogale Mining Company.
4. Loskop Joint Venture: Western Platinum Limited (82% owned by Lonmin) has an attributable interest of 50% in the Loskop Joint Venture with Boynton Investments.
5. Incwala Resources owns 18% of both Western Platinum Limited and Eastern Platinum Limited and 26% of Akanani.
6. All quoted Resources and Reserves includes Lonmin's attributable portion only and the following percentages were applied to the total Mineral Resource and Reserve for each property:

Area	Marikana	Limpopo – Dwaalkop JV	Limpopo – Baobab, Doornvlei, Zebedelia	Akanani	Pandora	Loskop
Lonmin Attributable	82%	41%	82%	74%	34.85%	41%

7. All figures are reported as metric tonnes (millions), grammes per tonne, percent or troy ounces (millions).
8. Where Nickel (Ni) and Copper (Cu) grade estimates for the various Mineral Resources are considered compliant with SAMREC (2007) guidelines, they are included in the Mineral Resource statements for the individual areas. These grades are reported in percent and represent acid soluble proportions.
9. All tabulated data have been rounded to one decimal place for tonnage and content and two decimal places for grades.
10. Mineral Resources are inclusive of Mineral Reserves.
11. Mineral Resources are reported as "in situ" tonnes and grade and allow for geological losses such as faults, dykes, potholes and Iron Rich Ultramafic Pegmatite (IRUP).
12. Proved and Probable Mineral Reserves are reported as tonnes and grade expected to be delivered to the mill, are inclusive of diluting materials and allow for losses that may occur when the material is mined.
13. Mine tailings dams are excluded from the above Mineral Resource summary
14. For economic studies and the determination of pay limits, consideration was made of both short and long term revenue drivers. The following long term assumptions were used: Pt $1,500, Pd $500, Rh $3,000, Ru $450, Ir $410, Au $550 per ounce and Ni $15,400, Cu $2,860 per tonne, using an average exchange rate of $1 to R8.
15. Dilutions are quoted as waste tonnes / waste + ore tonnes in percent.
16. Unless otherwise stated, the Lonmin Mineral Resources and Reserves estimates were prepared or supervised by various persons employed by Lonmin.

Financial Review

Introduction

The financial information presented has been prepared on the same basis and using the same accounting policies as those used to prepare the financial statements for the year ended 30 September 2007.

Analysis of results

Income Statement

Underlying operating profit has increased by $167 million, or 21%, to $963 million in the year to 30 September 2008. A comparison with the year to 30 September 2007 is set out below:

	$m
FY07 reported operating profit	794
FY07 special items	2
FY07 underlying operating profit	796
PGM price	500
PGM volume	(107)
PGM mix	(35)
Base metals	(68)
Cost changes (including foreign exchange impact)	(123)
FY08 underlying operating profit	963
FY08 special items	(199)
FY08 reported operating profit	764

PGM markets were strong for the first three quarters of the year and saw increasing prices supported by supply-side issues in the industry and longer term growth concerns in light of potential power constraints in South Africa. The last quarter saw significant declines in prices reflecting the sudden worldwide economic downturn and, in particular, the impact on the automotive sector. In comparison to the prior year overall the average price per PGM ounce increased 28% to $1,529 resulting in an additional $500 million of profit generated. However, the average price per PGM ounce in the month of September 2008 fell to $966, some 37% down on the average for the year and some 49% below the peak month in May when the PGM basket reached $1,907 per ounce. Conditions in the early part of FY09 have continued to deteriorate. However, we do not believe that current pricing levels reflect the longer term PGM fundamentals and expect that some supply and demand corrections will occur.

The PGM sales volume for the year at 1,401,371 ounces was 6% below the prior year resulting in an adverse operating profit impact of $107 million. The factors contributing to the weaker performance are discussed in the Review of Operations in this announcement. Rhodium as a percentage of sales fell from 7.0% to 6.7% giving rise to an adverse mix variance of $35 million. The contribution from base metals fell by $68 million with Nickel sales impacted by a 37% fall in volume and a 15% fall in price.

Cost changes (increase) / decrease:

	$m
Core productive costs	(118)
Mechanised mining	(62)
Opencast mining	(23)
Incremental stock movement	64
Safety, health, environment and community	(20)
Overheads	(13)
Foreign exchange	58
Depreciation and amortisation	(9)
	(123)

Core productive costs have increased in the year partly due to the very significant inflationary pressures in South Africa in the mining sector, particularly in respect of raw materials such as steel, chemicals, utilities and fuel. The business has also continued to experience higher levels of labour absenteeism which necessitated increased staff numbers and the additional use of contractors. The Process Division has also been undertaking a major enhancement of its plant maintenance programme which, whilst increasing costs today, will improve the reliability of our operations over time. As a result of these issues core productive costs increased by $118 million which was 15% up on the prior year.

Since 2007 we have ramped-up our mechanised operations and moved from a development to an operational phase resulting in the recognition of operating costs. The cost increase from these shafts is $62 million. Given productivity levels were low this led to an unacceptably high cost per tonne of R615. The cost of opencast operations also increased significantly due to working at deeper levels and this resulted in an additional spend of $23 million.

This level of cost increase is unsustainable in today's markets and the actions being taken to address this are set out in the Chief Executive's review in this announcement.

We recognise the vital role we have in caring for our employees both within the work environment and in the wider community and have spent an incremental $20 million in the year. Safety has remained a major area of focus and we have invested in training programmes, improved equipment and have extended our initiative to enhance our roof-bolting to help prevent fall of ground incidents.

The increase in overheads arose in two main areas. Firstly, the Group completed pre-feasibility studies on the Limpopo and Pandora expansion projects during the year and the capital projects team was expanded to ensure that we built the appropriate delivery capability for our portfolio of projects. In addition costs of shared services and other functions which support the business also increased and reflected a continuation of our efforts to improve service delivery. We completed projects in the year to optimise usage of our SAP system, to enhance significantly our metallurgical tracking systems and to improve our stock control.

Foreign exchange has been a positive factor for costs with the Rand weakening against the US dollar versus the comparative period by 4%.

The Group C1 cost before by-product credits increased by 29% to R5,408 per PGM ounce sold reflecting not only these cost increases but also lower than expected production. This compared to R5,003 at the Interims, which was 24% up on the prior period. It should be noted that stock levels at September 2007 were higher than usual and the Group benefited by selling these cheaper ounces in the year.

The main reason for the C1 cost increase has been the growth in mining cost per unit at Marikana which is up by R1,574 per PGM ounce with costs up 41% and production volume down 16%. Mechanised shafts and opencast, which represent just over 21% of total Marikana 2008 volumes, were responsible for half of this 41% cost increase. The C1 cost per ounce for mechanised was R6,493 and for opencast was R7,523 which compare to the conventional average of R3,421. Limpopo cost per ounce mined rose by 43% to R6,363 per ounce.

Whilst net special costs had a limited impact on reported operating profits in 2007 there has been a charge of $199 million in 2008. The key component of this relates to Baobab shaft at Limpopo where a reduction in mineral reserves, and the impact of the economic downturn, significantly reduced the value of the assets. The other major component related to the cost of bid defence work. The reported operating profit has therefore fallen from $794 million in the prior year to $764 million this period.

Summary of net finance income / (costs):

	FY08 $m	FY07 $m
Net bank interest and fees	(18)	(29)
Capitalised interest	23	23
Movement in fair value of embedded derivative of convertible bonds	-	(104)
Other	2	3
Net finance income / (costs)	7	(107)

Net interest charges at $18 million were $11 million below the prior period from a combination of lower average net debt and lower interest rates. Capitalised interest for the period was in line with the prior year. The convertible bonds redeemed by the company in financial year 2007 had a significant impact on finance costs with $104 million of fair value movements recognised in the year. This change is the major factor in the $114 million reported improvement in the year.

Reported profit before tax at $779 million has increased by $74 million versus 2007. This has been driven by the $30 million decline in reported operating profit, the $114 million improvement in net finance costs, a write-off on mark-to-market investments of $19 million and an increase of $9 million in the Group's share of profit from associates and joint ventures. On an underlying basis profit before tax was up $186 million, or 23%, to $997 million.

The 2008 reported tax charge at $213 million was substantially lower than the reported $297 million in 2007. However, this comparison is materially distorted by the impact of foreign currency retranslation differences which are treated as special items. On an underlying basis the tax rate remained relatively consistent at 32% (2007 – 31%).

Profit for the year attributable to equity shareholders amounted to $455 million (2007 - $314 million) and earnings per share were 291.1 cents compared with 205.1 cents in 2007. Underlying earnings per share, being earnings excluding special items, amounted to 351.9 cents (2007 – 295.9 cents), an increase of 19%.

Balance sheet

A reconciliation of the movement in equity shareholders' funds over the year to 30 September 2008 is given below.

	$m
Equity shareholders' funds as at 1 October 2007	1,968
Recognised income and expense	352
Dividends	(186)
Share scheme related and other	13
Equity shareholders' funds as at 30 September 2008	2,147

Equity shareholders' funds were $2,147 million at 30 September 2008 compared with $1,968 million at 1 October 2007, an increase of $179 million. Equity shareholder's funds in the period increased by $352 million through the recognition of attributable income, however, this was partially offset by the payment of the final dividend in respect of financial year 2007 of $94 million and the interim dividend for 2008 of $92 million.

Net debt at $303 million has decreased by $72 million in the year with a cash inflow of $70 million (as explained below).

Gearing was 12% compared with 15% at 30 September 2007 calculated on net borrowings attributable to the Group divided by those attributable net borrowings and the equity interests outstanding at the balance sheet date. This demonstrates the strength of the balance sheet and leaves us well positioned going into 2009.

Cash flow

The following table summarises the main components of the cash flow during the year:

	FY08 $m	FY07 $m
Operating profit	**764**	794
Depreciation and amortisation	**96**	87
Change in working capital	**(84)**	81
Impairment	**174**	0
Other	**(3)**	21
Cash flow from operations	**947**	983
Interest and finance costs	**(12)**	(25)
Tax	**(229)**	(266)
Trading cash flow	**706**	692
Capital expenditure	**(378)**	(276)
Proceeds from disposal of assets held for sale	**1**	5
Dividends paid to minority	**(65)**	(41)
Free cash flow	**264**	380
Disposals / (acquisitions)	**3**	(393)
Financial investments	**(17)**	(21)
Shares issued	**6**	68
Equity dividends paid	**(186)**	(171)
Cash inflow (outflow)	**70**	(137)
Opening net debt	**(375)**	(458)
Bond conversion	**-**	213
Foreign exchange	**2**	7
Closing net debt	**(303)**	(375)
Trading cash flow (cents per share)	**451.7c**	452.0c
Free cash flow (cents per share)	**168.9c**	248.2c

Cash flow generated from operations at $947 million was $36 million down compared to the prior year. This was largely due to an adverse movement of $165 million in the working capital position. The working capital position reversed in 2008 with inventories increasing by $82 million more than the prior year. After interest and finance costs of $12 million and tax payments of $229 million, trading cash flow for the 12 months amounted to $706 million against $692 million in 2007, with trading cash flow per share of 451.7 cents in 2008 against 452.0 cents in 2007.

Capital expenditure was up $102 million on the prior year at $378 million. In Mining the spend was focused on the exploration and evaluation work at Akanani, development of the mechanised operations at Hossy and Saffy, completion of sinking and equipping at K4 and investment in sub declines at Rowland and K3. In the Process Division we invested in both the Smelter and the BMR during the year.

Dividends paid to minorities in the year at $65 million were $24 million higher than the prior year reflecting a timing difference on the payment of dividends from South African subsidiaries.

As a result of the above free cash flow generated at $264 million in 2008 was $116 million adverse to the prior year with free cash flow per share falling from 248.2 cents to 168.9 cents. The equity dividend of $186 million was $15 million higher than 2007. The overall cash inflow for the year was $70 million which decreased net debt accordingly.

Dividends

As dividends are accounted for on a cash basis under IFRS the amount shown in the accounts represents the 2007 final dividend of 60.0 cents and 2008 interim dividend of 59.0 cents making a total of 119.0 cents for the year (2007 – 110.0 cents total for the year).

Financial risk management

The main financial risks faced by the Group relate to the availability of funds to meet business needs (liquidity risk); the risk of default by counterparties to financial transactions (credit risk), fluctuations in interest and foreign exchange rates and commodity prices.

Liquidity risk

The policy on overall liquidity is to ensure that the Group has sufficient funds to facilitate all on-going operations.

As part of the annual budgeting and long term planning process, the Group's cash flow forecast is reviewed and approved by the Board. The cash flow forecast is amended for any material changes identified during the year e.g. material acquisitions and disposals. Where funding requirements are identified from the cash flow forecast, appropriate measures are taken to ensure these requirements can be satisfied. Factors taken into consideration are:

- the size and nature of the requirement;
- preferred sources of finance applying key criteria of cost, commitment, availability, security/covenant conditions;
- recommended counterparties, fees and market conditions; and,
- covenants, guarantees and other financial commitments.

A range of committed facilities are currently in place both in the UK and South Africa. These are sourced from a diverse base of banking counterparties and are mostly in US Dollars.

At the 2008 year end the Group had $975 million of committed facilities in place of which $150 million matures within one year, although this facility was undrawn at the balance sheet date. Of the $975 million committed facilities in place, $529 million was drawn down at the balance sheet date, of which $229 million falls due within one to two years. The remainder falls due after more than two years. Cash held at the year end amounted to $226 million.

Credit risk

Banking Counterparties

Banking counterparty credit risk is managed by spreading financial transactions across an approved list of counterparties of high credit quality. Banking counterparties are approved by the Board.

Trade Receivables

The Group is exposed to significant trade receivable credit risk through the sale of PGM metals to a limited group of customers.

This risk is managed as follows:
- aged analysis is performed on trade receivable balances and reviewed on a monthly basis;
- credit ratings are obtained on any new customers and the credit ratings of existing customers are monitored on an ongoing basis;
- credit limits are set for customers; and,
- trigger points and escalation procedures are clearly defined.

Interest rate risk

Currently, all outstanding borrowings are in US Dollar and at floating rates of interest. Given the relatively small net debt position of the Group, this position is not considered to be high risk at this point in time. This position is kept under constant review in conjunction with the liquidity policy outlined above and the future funding requirements of the business.

Foreign currency risk

Most of the Group’s operations are based in South Africa and the majority of the revenue stream is in US Dollars. However the bulk of the Group’s operating costs and taxes are paid in South African Rand. Most of the cash received in South Africa is in US Dollars and is normally remitted to the UK on a regular basis. Most of the Group’s funding sources are in US Dollars.

The Group’s reporting currency remains the US Dollar and the share capital of the Company is based in US Dollars.

Our policy is not to hedge South African Rand/US Dollar currency exposures and therefore fluctuations in the Rand to US Dollar exchange rate can have a significant impact on the Group's results. A strengthening of the Rand against the US Dollar has an adverse effect on profits due to the majority of operating costs being paid in Rand. The approximate effect on the Group's results of a 10% movement in the Rand to US Dollar 2008 year average exchange rate would be as follows:

EBIT	±	$125m
Profit for the year	±	$74m
EPS (cents)	±	47.3c

These sensitivities are based on 2008 prices, costs and volumes and assume all other variables remain constant. They are estimated calculations only.

Commodity price risk

Our policy is not to hedge commodity price exposure on PGM's and therefore any change in prices will have a direct effect on the Group's trading results.

On base metals, which are by-products of PGM production, hedging is undertaken where the Board determines that it is in the Group's interest to hedge a proportion of future cash flows. Policy is to hedge up to a maximum of 75% of the future cash flows from the sale of Nickel and Copper looking forward over the next 12 to 24 months. The Group has undertaken a number of hedging contracts on Nickel and Copper sales using outright forward contracts. These are disclosed in note 21 to the financial statements.

The approximate effects on the Group's results of a 10% movement in the 2008 financial year average market prices for Platinum (Pt) ($1,655 per ounce) and Rhodium (Rh) ($7,614 per ounce) would be as follows:

		Pt		Rh
EBIT	±	$120m	±	$72m
Profit for the year	±	$71m	±	$42m
EPS (cents)	±	45.5c	±	27.1c

The above sensitivities are based on 2008 volumes and assume all other variables remain constant. They are estimated calculations only.

Fiscal risk

During the course of 2009, the South African Government will be introducing a new Mining Royalty. The Royalty Bill has been approved by Parliament and is awaiting final signature by the President of South Africa before it is enacted. The Royalty will be introduced with effect from 1 May 2009 and will be calculated based on a percentage of Gross Sales. The percentage is calculated using a formula depending on whether the company sells concentrate, ore or refined products. The Royalty formula is subject to a minimum royalty rate of 0.5 %, which will be applicable if the formula calculation results in a rate of less than 0.5%.

The formula for refined products is:

$$\% \text{ of Gross Sales} = \frac{\text{Adjusted EBIT}^{*}}{\text{Gross Sales} \times 12.5} \times 100$$

** Adjusted EBIT for the purpose of the Royalty calculation is statutory EBIT adjusted for, amongst other things, depreciation and a capital deduction based on Mining Tax rules.*

Alan Ferguson
Chief Financial Officer
18 November 2008

Operating Statistics – 5 Year Review

		Units	**2008**	2007	2006[1]	2005	2004
Tonnes mined							
Marikana	Underground	000	**10,226**	11,211	11,484	10,921	11,053
	Opencast	000	**1,300**	1,597	1,583	2,653	2,730
Limpopo	Underground	000	**523**	757	857	212	N/A
	Opencast	000	**-**	-	14	-	N/A
Pandora attributable[2]	Underground	000	**124**	128	100	54	7
	Opencast	000	**275**	286	176	-	-
Lonmin Platinum	Underground	000	**10,875**	12,096	12,441	11,187	11,060
	Opencast	000	**1,575**	1,883	1,772	2,653	2,730
	Total	000	**12,449**	13,979	14,213	13,840	13,790
% tonnes mined from UG2 reef		%	**73.1**	72.0	71.2	74.3	82.4
Tonnes milled[3]							
Marikana	Underground	000	**10,206**	11,216	11,502	10,975	11,103
	Opencast	000	**1,163**	1,469	1,854	2,444	3,283
Limpopo	Underground	000	**534**	781	887	214	N/A
	Opencast	000	**-**	-	14	-	N/A
Pandora[4]	Underground	000	**293**	301	236	127	18
	Opencast	000	**595**	649	394	-	-
Ore Purchases[5]	Underground	000	**-**	75	14	-	-
	Opencast	000	**30**	20	18	-	-
Lonmin Platinum	Underground	000	**11,033**	12,373	12,639	11,316	11,121
	Opencast	000	**1,788**	2,138	2,280	2,444	3,283
	Total	000	**12,821**	14,511	14,919	13,760	14,404
Milled head grade							
Marikana	Underground	g/t	**4.71**	4.98	5.00	4.98	5.00
	Opencast	g/t	**3.06**	4.11	4.25	4.88	4.86
Limpopo	Underground	g/t	**3.47**	3.50	4.09	3.84	N/A
	Opencast	g/t	**-**	-	3.29	N/A	N/A
Pandora	Underground	g/t	**5.11**	4.88	5.05	4.54	4.89
	Opencast	g/t	**5.04**	5.33	4.92	N/A	N/A
Ore Purchases	Underground	g/t	**-**	3.92	3.92	N/A	N/A
	Opencast	g/t	**2.90**	5.16	4.14	N/A	N/A
Lonmin Platinum	Underground	g/t	**4.66**	4.88	4.94	4.95	5.00
	Opencast	g/t	**3.70**	4.39	4.36	4.88	4.86
	Total	g/t	**4.52**	4.80	4.85	4.94	4.97
Metals in concentrate							
Lonmin Platinum	Platinum	oz	**732,125**	869,832	964,958	908,972	N/C
	Palladium	oz	**342,081**	404,535	447,894	397,546	N/C
	Gold	oz	**18,932**	25,030	31,973	22,269	N/C
	Rhodium	oz	**99,173**	114,601	125,379	115,436	N/C
	Ruthenium	oz	**152,772**	182,326	198,491	187,967	N/C
	Iridium	oz	**31,562**	41,157	41,284	38,465	N/C
	Total PGMs	oz	**1,376,645**	1,637,481	1,809,979	1,670,655	N/C
	Nickel[6]	MT	**3,549**	4,636	5,120	4,042	N/C
	Copper[6]	MT	**2,216**	2,814	3,104	2,498	N/C

	Units	**2008**	2007	2006[1]	2005	2004
Metallurgical production						
Lonmin refined metal production						
Platinum	oz	**699,942**	695,842	799,070	796,082	771,913
Palladium	oz	**330,209**	318,758	369,859	348,681	334,371
Gold	oz	**20,257**	20,485	20,955	17,059	13,828
Rhodium	oz	**91,063**	88,469	115,453	87,632	79,877
Ruthenium	oz	**158,424**	135,873	174,639	172,610	144,004
Iridium	oz	**31,599**	30,430	40,836	25,110	27,204
Total PGMs	oz	**1,331,493**	1,289,857	1,520,812	1,447,174	1,371,197
Toll refined metal production						
Platinum	oz	**-**	93,609	-	46,354	61,909
Palladium	oz	**-**	43,274	-	21,115	24,334
Gold	oz	**-**	-	-	731	411
Rhodium	oz	**-**	12,966	-	7,133	10,135
Ruthenium	oz	**-**	20,439	-	11,524	20,436
Iridium	oz	**-**	4,090	-	2,263	3,338
Total PGMs	oz	**-**	174,378	-	89,120	120,563
Total refined PGMs						
Platinum	oz	**699,942**	789,451	799,070	842,436	833,822
Palladium	oz	**330,209**	362,032	369,859	369,796	358,705
Gold	oz	**20,257**	20,485	20,955	17,790	14,239
Rhodium	oz	**91,063**	101,435	115,453	94,765	90,012
Ruthenium	oz	**158,424**	156,312	174,639	184,134	164,440
Iridium	oz	**31,599**	34,520	40,836	27,373	30,542
Total PGMs	oz	**1,331,493**	1,464,235	1,520,812	1,536,294	1,491,760
Base metals						
Nickel[7]	MT	**3,483**	4,522	4,342	4,187	3,098
Copper[7]	MT	**2,009**	2,466	2,452	2,547	1,965
Capital expenditure[8]	Rm	**2,816**	1,923	1,207	1,180	1,230
	$m	**378**	276	182	190	187

	Units	**2008**	2007	2006[1]	2005	2004
Sales						
Refined metal sales						
Platinum	oz	**706,492**	786,552	803,471	838,859	858,211
Palladium	oz	**329,460**	362,077	373,303	364,080	366,988
Gold	oz	**20,151**	24,449	22,133	18,122	18,498
Rhodium	oz	**93,337**	102,916	116,281	93,453	103,641
Ruthenium	oz	**158,477**	162,853	179,557	183,372	192,635
Iridium	oz	**32,140**	37,858	38,092	26,676	36,390
Total PGMs	oz	**1,340,057**	1,476,705	1,532,837	1,524,562	1,576,363
Concentrate and other[9]						
Platinum	oz	**20,425**	7,032	136,183	71,396	80,032
Palladium	oz	**11,888**	3,232	61,110	37,003	36,999
Gold	oz	**117**	201	4,641	2,362	2,887
Rhodium	oz	**889**	1,008	15,965	21,552	20,312
Ruthenium	oz	**26,205**	1,942	26,137	20,517	25,814
Iridium	oz	**1,789**	64	5,291	2,548	4,163
Total PGMs	oz	**61,313**	13,479	249,327	155,377	170,207
Lonmin Platinum						
Platinum	oz	**726,918**	793,584	939,654	910,255	938,243
Palladium	oz	**341,348**	365,309	434,413	401,083	403,987
Gold	oz	**20,268**	24,650	26,774	20,484	21,385
Rhodium	oz	**94,227**	103,924	132,246	115,005	123,953
Ruthenium	oz	**184,682**	164,795	205,694	203,889	218,449
Iridium	oz	**33,929**	37,922	43,384	29,224	40,553
Total PGMs	oz	**1,401,371**	1,490,184	1,782,164	1,679,939	1,746,570
Nickel	MT	**3,338**	5,308	4,604	3,892	4,017
Copper	MT	**1,978**	2,474	2,974	2,481	2,070
Average Prices						
Platinum	$/oz	**1,655**	1,213	1,091	852	818
Palladium	$/oz	**372**	339	300	185	228
Gold	$/oz	**867**	647	571	425	402
Rhodium	$/oz	**7,614**	5,757	3,971	1,684	762
Ruthenium	$/oz	**340**	404	134	66	46
Iridium	$/oz	**414**	402	233	153	132
Basket price of PGMs	$/oz	**1,529**	1,196	972	668	590
Nickel	$/MT	**22,556**	26,461	17,975	12,527	11,444
Copper	$/MT	**7,212**	6,971	7,882	3,168	2,261

	Units	**2008**	2007	2006[1]	2005	2004
Cost per PGM ounce sold						
Group:						
Mining – Marikana	R/oz	**3,880**	2,306	1,700	1,606	1,422
Mining – Limpopo	R/oz	**6,363**	4,463	3,740	3,587	-
Mining (weighted average)	R/oz	**3,979**	2,430	1,827	1,636	1,422
Concentrating – Marikana	R/oz	**724**	470	330	283	274
Concentrating – Limpopo	R/oz	**1,743**	1,506	847	814	-
Concentrating (weighted average)	R/oz	**761**	526	361	291	274
Process division	R/oz	**686**	600	406	269	242
Shared business services	R/oz	**845**	612	463	345	316
Stock movement	R/oz	**(863)**	28	(9)	14	165
C1 cost per PGM ounce sold before base metal credits	R/oz	**5,408**	4,196	3,048	2,555	2,419
Base metal credits	R/oz	**(482)**	(762)	(400)	(242)	(233)
C1 cost per PGM ounce sold after base metal credits	R/oz	**4,926**	3,434	2,648	2,313	2,186
Amortisation	R/oz	**420**	360	272	252	232
Other EBIT items	R/oz	**-**	-	-	(28)	-
C2 costs per PGM ounce sold	R/oz	**5,346**	3,794	2,920	2,537	2,418
Pandora Mining cost:						
C1 Pandora mining cost (in joint venture)	R/oz	**3,223**	2,453	1,795	N/C	N/C
Pandora JV cost/ounce to Lonmin (adjusting Lonmin share of profit)	R/oz	**6,200**	4,225	3,110	N/C	N/C
Exchange Rates						
Average rate for period[10]						
	R/$	**7.45**	7.14	6.63	6.28	6.60
	£/$	**0.51**	0.51	0.55	0.54	0.56
Closing rate						
	R/$	**8.27**	6.83	7.77	6.36	6.48
	£/$	**0.56**	0.50	0.53	0.57	0.55

Footnotes:

1. 2006 comprised an additional 7 days mining performance for WPL and EPL arising on the change of basis to report on a calendar month. The data has been restated to remove these extra days and restate on a like for like basis.
2. Pandora attributable tonnes mined includes Lonmin's share (42.5%) of the total tonnes mined on the Pandora joint venture. Prior years have been restated.
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. Relates to the tonnes milled and derived metal in concentrate from third-party ore purchases.
6. Corresponds to contained base metals in concentrate.
7. 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.
8. Capital expenditure is the aggregate of the purchase of property, plant and equipment and intangible assets as shown in the consolidated cash flow statement.
9. Concentrate and other sales have been adjusted to a saleable ounces basis using standard industry recovery rates. Prior years have been restated. During the fourth quarter of 2008 financial year, 25,000 oz of refined Ruthenium and 1,500 oz of refined iridium were bought and sold to meet contractual commitments. The metallurgy section of the above table excludes these transactions as they relate to third party mined and processed metals but they are included in the sales section.
10. Exchange rates are based on the weighted average rates applicable over the course of the year on revenue between Rand and US$.

N/A Not applicable

N/C Not calculated

Consolidated income statement
for the year ended 30 September

Continuing operations	Note	2008 Underlying [i] $m	Special items (note 3) $m	2008 Total $m	2007 Underlying [i] $m	Special items (note 3) $m	2007 Total $m
Revenue	2	**2,231**	**-**	**2,231**	1,941	-	1,941
EBITDA [ii]		**1,059**	**(25)**	**1,034**	883	(2)	881
Depreciation, amortisation and impairment		**(96)**	**(174)**	**(270)**	(87)	-	(87)
Operating profit / (loss) [iii]		**963**	**(199)**	**764**	796	(2)	794
Impairment of available for sale financial assets		**-**	**(19)**	**(19)**	-	-	-
Finance income	4	**13**	**-**	**13**	25	-	25
Finance expenses	4	**(6)**	**-**	**(6)**	(28)	(104)	(132)
Share of profit of associate and joint venture		**27**	**-**	**27**	18	-	18
Profit / (loss) before taxation		**997**	**(218)**	**779**	811	(106)	705
Income tax expense [iv]	5	**(322)**	**109**	**(213)**	(255)	(42)	(297)
Profit / (loss) for the year		**675**	**(109)**	**566**	556	(148)	408
Attributable to:							
- Equity shareholders of Lonmin Plc		**550**	**(95)**	**455**	453	(139)	314
- Minority interest		**125**	**(14)**	**111**	103	(9)	94
Earnings per share	6	**351.9c**		**291.1c**	295.9c		205.1c
Diluted earnings per share [v]	6	**350.7c**		**290.2c**	293.4c		203.3c
Dividends paid per share	7			**119.0c**			110.0c

Consolidated statement of recognised income and expense
for the year ended 30 September

	Note	2008 Total $m	2007 Total $m
Profit for the year		**566**	408
Change in fair value of available for sale financial assets		**(127)**	111
Net changes in fair value of cash flow hedges		**16**	(8)
Losses / (gains) on settled cash flow hedges released to the income statement		**(4)**	20
Foreign exchange on retranslation of associate		**5**	-
Deferred tax on items taken directly to the statement of recognised income and expense		**16**	(32)
Actuarial losses on post retirement benefit plan		**-**	(11)
Total recognised income for the year		**472**	488
Attributable to:			
- Equity shareholders of Lonmin Plc	9	**352**	392
- Minority interest	9	**120**	96
	9	**472**	488

Footnotes:

i Underlying earnings are calculated on profit for the period excluding pension scheme payments relating to scheme settlements, profit on disposal of subsidiaries, revaluations and impairment of assets, takeover bid defence costs, foreign exchange on tax balances and effects of changes in corporate tax rates. For the prior period, special items also included profit on the sale of Marikana houses, pension scheme net refunds relating to scheme settlements and movements in the fair value of the embedded derivative associated with the convertible bonds as disclosed in note 3 to the accounts.

ii EBITDA is operating profit before depreciation, amortisation and impairment.

iii Operating profit is defined as revenue less operating expenses before impairment of available for sale financial assets, net finance costs and share of profit of associate and joint venture.

iv The income tax expense substantially relates to overseas taxation and includes exchange gains of $88 million (2007 - exchange losses of $51 million) as disclosed in note 5.

v In the prior period the calculation of diluted EPS included consideration of the movement in fair value of the embedded derivative within the convertible bonds subject to the limitation under IAS 33 - Earnings Per Share, that this cannot thereby create a figure exceeding basic EPS.

Consolidated balance sheet
as at 30 September

	Note	**2008 $m**	2007 $m
Non-current assets			
Goodwill		**113**	186
Intangible assets		**949**	936
Property, plant and equipment		**1,893**	1,673
Investment in associate and joint venture		**163**	131
Available for sale financial assets		**96**	226
Other receivables		**19**	22
		3,233	3,174
Current assets			
Inventories		**319**	186
Trade and other receivables		**326**	338
Assets held for sale		**6**	7
Tax recoverable		**5**	3
Derivative financial instruments		**20**	8
Cash and cash equivalents	8	**226**	222
		902	764
Current liabilities			
Overdraft	8	**-**	(1)
Trade and other payables		**(346)**	(286)
Interest bearing loans and borrowings	8	**-**	(237)
Tax payable		**(55)**	(40)
		(401)	(564)
Net current assets		**501**	200
Non-current liabilities			
Employee benefits		**(21)**	(24)
Interest bearing loans and borrowings	8	**(529)**	(359)
Deferred tax liabilities		**(540)**	(585)
Provisions		**(50)**	(46)
		(1,140)	(1,014)
Net assets		**2,594**	2,360
Capital and reserves			
Share capital	9	**156**	156
Share premium	9	**305**	299
Other reserves	9	**100**	96
Retained earnings	9	**1,586**	1,417
Attributable to equity shareholders of Lonmin Plc	9	**2,147**	1,968
Attributable to minority interest	9	**447**	392
Total equity	9	**2,594**	2,360

Consolidated cash flow statement
for the year ended 30 September

	Note	**2008 $m**	2007 $m
Profit for the year		**566**	408
Taxation	5	**213**	297
Share of profit after tax of associate and joint venture		**(27)**	(18)
Finance income	4	**(13)**	(25)
Finance expenses	4	**6**	132
Impairment of available for sale financial assets	3	**19**	-
Depreciation and amortisation		**96**	87
Other impairment	3	**174**	-
Change in inventories		**(133)**	(51)
Change in trade and other receivables		**12**	58
Change in trade and other payables		**37**	70
Change in provisions		**-**	4
Profit on sale of assets held for sale		**-**	(1)
Profit on sale of subsidiary		**(2)**	-
Share-based payments		**6**	24
Other non cash charges		**(7)**	(2)
Cash flow from operations		**947**	983
Interest received		**11**	16
Interest paid		**(23)**	(41)
Tax paid		**(229)**	(266)
Cash flow from operating activities		**706**	692
Cash flow from investing activities			
Acquisition of subsidiaries (net of cash acquired)		**-**	(393)
Proceeds from disposal of subsidiaries		**3**	-
Purchase of intangible assets		**(24)**	(6)
Purchase of property, plant and equipment		**(354)**	(270)
Proceeds from disposal of available for sale financial assets		**-**	51
Purchase of available for sale financial assets		**(17)**	(72)
Proceeds from disposal of assets held for sale		**1**	5
Cash used in investing activities		**(391)**	(685)
Cash flow from financing activities			
Equity dividends paid to Lonmin shareholders	9	**(186)**	(171)
Dividends paid to minority	9	**(65)**	(41)
Proceeds from current borrowings	8	**-**	237
Repayment of current borrowings	8	**(237)**	-
Proceeds from non-current borrowings	8	**170**	71
Issue of ordinary share capital	9	**6**	68
Cash used in financing activities		**(312)**	164
Increase in cash and cash equivalents		**3**	171
Opening cash and cash equivalents	8	**221**	43
Effect of exchange rate changes	8	**2**	7
Closing cash and cash equivalents	8	**226**	221

1. Basis of preparation

The financial information presented has been prepared on the basis of International Financial Reporting Standards (IFRSs) as adopted by the EU.

2. Segmental analysis

The Group's primary operating segment is the mining of platinum group metals. The majority of the Group's operations are based in South Africa.

	2008			
	Platinum	**Corporate [ii]**	**Exploration**	**Total**
Analysis by business group	**$m**	**$m**	**$m**	**$m**
Revenue – external sales	**2,231**	**-**	**-**	**2,231**
Operating profit	**892**	**(101)**	**(27)**	**764**
Segment total assets	**3,369**	**25**	**741**	**4,135**
Segment total liabilities	**(1,100)**	**(267)**	**(174)**	**(1,541)**
Capital expenditure [i]	**389**	**-**	**36**	**425**
Depreciation and amortisation	**96**	**-**	**-**	**96**
Share of profit of associate and joint venture	**27**	**-**	**-**	**27**
Share of net assets of associate and joint venture	**163**	**-**	**-**	**163**

	2007			
	Platinum	Corporate [ii]	Exploration	Total
Analysis by business group	$m	$m	$m	$m
Revenue – external sales	1,941	-	-	1,941
Operating profit	880	(63)	(23)	794
Segment total assets	3,211	41	686	3,938
Segment total liabilities	(1,066)	(339)	(173)	(1,578)
Capital expenditure [i]	353	-	19	372
Depreciation and amortisation	87	-	-	87
Share of profit of associate and joint venture	18	-	-	18
Share of net assets of associate and joint venture	131	-	-	131

	2008			
	South Africa	**UK**	**Other**	**Total**
Analysis by geographical location	**$m**	**$m**	**$m**	**$m**
Revenue – external sales	**2,231**	**-**	**-**	**2,231**
Segment total assets	**4,091**	**10**	**34**	**4,135**
Capital expenditure [i]	**425**	**-**	**-**	**425**

	2007			
	South Africa	UK	Other	Total
Analysis by geographical location	$m	$m	$m	$m
Revenue – external sales	1,941	-	-	1,941
Segment total assets	3,867	41	30	3,938
Capital expenditure [i]	372	-	-	372

Footnotes:

i Capital expenditure includes additions to property, plant and equipment (including capitalised interest), intangible assets and goodwill in accordance with IAS 14 - Segment reporting.

ii The corporate segment consists of the London head office and the Johannesburg office (including marketing and the capital programme group).

Revenue by destination is analysed by geographical area below:

	2008	2007
	$m	$m
The Americas	**580**	419
Asia	**798**	705
Europe	**349**	314
South Africa	**496**	482
Zimbabwe	**8**	21
	2,231	1,941

3. Special Items

'Special items' are those items of financial performance that the Group believes should be separately disclosed on the face of the income statement to assist in the understanding of the financial performance achieved by the Group and for consistency with prior years.

	2008 $m	2007 $m
Operating profit:	**(199)**	(2)
- Sale of houses [i]	**-**	1
- Sale of subsidiary [ii]	**2**	-
- Pensions [iii]	**(9)**	2
- Defence costs [iv]	**(18)**	-
- Impairment [v]	**(174)**	(5)
Impairment of available for sale financial assets [vi]	**(19)**	-
Finance costs:		
- Movement in fair value of embedded derivative [vii]	**-**	(104)
Loss on special items before taxation	**(218)**	(106)
Taxation related to special items (note 5)	**109**	(42)
Special loss before minority interest	**(109)**	(148)
Minority interest	**14**	9
Special loss for the year attributable to equity shareholders of Lonmin Plc	**(95)**	(139)

Footnotes:

i The Company is selling houses to employees to encourage home-ownership. Any profits or losses from such sales are not deemed to represent underlying earnings.

ii During the period, the Group disposed of a subsidiary, Southern Era Mining Exploration South Africa (Pty) Limited, for consideration of $3 million resulting in a profit before tax of $2 million.

iii During 2008 the Group settled the Lonmin Superannuation Scheme (LSS) and incurred a $9 million charge. No further expense relating to the LSS is expected in future periods. In 2007 the Group finalised the winding up of the SUITS pension scheme which was settled in 2004. During the prior year a $1 million provision was made for the purchase of additional benefits for members of the scheme which was offset by a $3 million refund on final settlement.

iv In 2008 the Group incurred $18 million of defence costs relating to a takeover bid that occurred.

v Impairment charges primarily comprised the write down of property, plant and equipment of $89 million for the Baobab shaft at Limpopo together with $73 million of smelting synergies recognised as goodwill at acquisition and $7 million relating to the remaining carrying value of the Messina concentrate off-take contract. This impairment has arisen as a result of reduced reserves and weaker short-term pricing now anticipated. In 2008 the presentation of the income statement has been presented to incorporate these charges within depreciation, amortisation and impairment. In the prior year the Group carried out a review of non-mining investments resulting in a $5 million impairment charge to the income statement. This charge was not separated out in line with the 2008 presentation of the income statement on the grounds of materiality.

vi Certain available for sale financial assets have been marked to market and have fallen below original acquisition costs resulting in $19 million of impairment charges being taken to the income statement.

vii In the prior period convertible bonds existed that contained an embedded derivative which, because of the cash settlement option, was held at fair value with movements in fair value taken to the income statement. Fluctuations of fair value were mainly due to share price and as they were not considered underlying they were reported as special. The convertible bonds were fully redeemed during the 2007 fiscal year with the movement in fair value from the previous year end to the date of redemption being reported as special.

4. Net finance costs

	2008 $m	2007 $m
Finance income:	**13**	25
Interest receivable	**5**	16
Expected return on defined benefit pension scheme assets	**-**	8
Movement in fair value of other receivables	**1**	1
Other interest receivable	**7**	-
Finance expenses:	**(6)**	(28)
On bank loans and overdrafts	**(22)**	(40)
Bank fees	**(1)**	(5)
Capitalised interest	**23**	23
Discounting on provisions	**(4)**	(3)
Unwind of discounting on convertible bonds	**-**	(3)
Exchange differences on other receivables	**(4)**	-
Exchange differences on net debt	**2**	7
Pension scheme interest payable	**-**	(7)
Special items:	**-**	(104)
Movement in fair values of derivative financial instruments (note 3)	**-**	(104)
Total finance expenses	**(6)**	(132)
Net finance income / (expense)	**7**	(107)

Interest expenses incurred have been capitalised on a Group basis to the extent that there is an appropriate qualifying asset.

The weighted average interest rate used by the Group for capitalisation is 4.7% (2007 – 6.0%).

5. Taxation

	2008 $m	2007 $m
United Kingdom:		
Current tax expense at 28% (2007 – 30%)	**126**	42
Less amount of the benefit arising from double tax relief available	**(126)**	(42)
Total UK tax expense	**-**	-
Overseas:		
Current tax expense at 28% (2007 – 29%)	**261**	200
Corporate tax expense	**224**	186
Tax on dividends remitted	**37**	14
Deferred tax expense:	**61**	55
Origination and reversal of temporary differences	**49**	55
Tax on dividends remitted	**12**	-
Special items – UK and overseas:	**(109)**	42
Utilisation of losses from prior years to offset deferred tax liability [i]	**(2)**	(9)
Exchange on current taxation [ii]	**(19)**	10
Exchange on deferred taxation[ii]	**(69)**	41
Change in tax rate [iii]	**(19)**	-
Actual tax charge	**213**	297
Tax charge excluding special items	**322**	255
Effective tax rate	**27%**	42%
Effective tax rate excluding special items	**32%**	31%

A reconciliation of the standard tax charge to the tax charge was as follows:

	2008	2008 $m	2007	2007 $m
Tax charge at standard tax rate	**28%**	**218**	29%	204
Overseas taxes on dividends remitted by subsidiary companies	**5%**	**37**	2%	14
Overseas taxes on dividends unremitted by subsidiary companies	**2%**	**12**	-	-
Special items as defined above	**(14%)**	**(109)**	6%	42
Tax effect of impairment relating to Baobab shaft	**6%**	**49**	-	-
Tax effect of impairment of available for sale financial assets	**-**	**5**	-	-
Tax effect of movements in the fair values of financial instruments	**-**	**-**	4%	31
Tax effect of other timing differences	**-**	**1**	1%	6
Actual tax charge	**27%**	**213**	42%	297

The Group's primary operations are based in South Africa. Therefore, the relevant standard tax rate for the Group was the South African statutory tax rate of 28% (2007 - 29%). The secondary tax rate on dividends remitted by South African companies was 10.0% (2007 - 12.5%).

Footnotes:

i The Group holds a number of available for sale financial assets which are marked to market. In the prior year the value of these investments increased significantly resulting in the recognition of unrealised gains through the statement of recognised income and expense. This resulted in the recognition of an associated deferred tax liability except to the extent that there were available losses which, in the opinion of the Directors, could be utilised to offset against such gains. In the current year most of the investment decreased in value resulting in the unwind of the associated deferred tax balances. Losses below initial carrying value have not created deferred tax assets because future profits arising in relevant statutory entities are not considered sufficiently certain.

ii Overseas tax charges are predominantly calculated based on Rand financial statements. As the Group's functional currency is US Dollar this leads to a variety of foreign exchange impacts being the retranslation of current and deferred tax balances and monetary assets, as well as other translation differences. The Rand denominated deferred tax balance in US Dollars at 30 September 2008 is $373 million (30 September 2007 - $391 million).

iii The corporation tax rate changed to 28% for the current financial year (2007 - 29%). This resulted in a net release of deferred tax liabilities of $19 million. This tax saving has been reported as special.

6. Earnings per share

Earnings per share have been calculated on the profit attributable to equity shareholders amounting to $455 million (2007 - $314 million) using a weighted average number of 156,311,052 ordinary shares in issue (2007 - 153,097,437 ordinary shares).

Diluted earnings per share is based on the weighted average number of ordinary shares in issue adjusted by dilutive outstanding share options and shares issuable. In the prior year shares issuable on conversion of the convertible bonds were anti-dilutive and so were excluded from diluted earnings per share in accordance with IAS 33 - Earnings Per Share.

	2008			2007		
	Profit for the year $m	**Number of shares**	**Per share amount cents**	Profit for the year $m	Number of shares	Per share amount cents
Basic EPS	**455**	**156,311,052**	**291.1**	314	153,097,437	205.1
Share option schemes	**-**	**496,389**	**(0.9)**	-	1,324,642	(1.8)
Diluted EPS	**455**	**156,807,441**	**290.2**	314	154,422,079	203.3

	2008			2007		
	Profit for the year $m	**Number of shares**	**Per share amount cents**	Profit for the year $m	Number of shares	Per share amount cents
Underlying EPS	**550**	**156,311,052**	**351.9**	453	153,097,437	295.9
Share option schemes	**-**	**496,389**	**(1.2)**	-	1,324,642	(2.5)
Diluted underlying EPS	**550**	**156,807,441**	**350.7**	453	154,422,079	293.4

Underlying earnings per share has been presented as the Directors consider it important to present the underlying results of the business. Underlying earnings per share is based on the profit attributable to equity shareholders adjusted to exclude special items (as defined in note 3) as follows:

	2008			2007		
	Profit for the year $m	**Number of shares**	**Per share amount cents**	Profit for the year $m	Number of shares	Per share amount cents
Basic EPS	**455**	**156,311,052**	**291.1**	314	153,097,437	205.1
Special items (note 3)	**95**	**-**	**60.8**	139	-	90.8
Underlying EPS	**550**	**156,311,052**	**351.9**	453	153,097,437	295.9

Headline earnings and the resultant headline earnings per share are specific disclosures defined and required by the Johannesburg Stock Exchange. These are calculated as follows:

	Year ended 30 September 2008 $m	Year ended 30 September 2007 $m
Earnings attributed to ordinary shareholders (IAS 33 earnings)	**455**	314
Less profit on sale of subsidiary (note 3)	**(2)**	-
Less profit on sale of available for sale financial assets	**-**	(2)
Add back impairment of assets (note 3)	**193**	5
Tax related to the above items	**1**	(1)
Headline earnings	**647**	316

	2008			2007		
	Profit for the year $m	**Number of shares**	**Per share amount cents**	Profit for the year $m	Number of shares	Per share amount cents
Headline EPS	**647**	**156,311,052**	**413.9**	316	153,097,437	206.4
Diluted EPS	**-**	**496,389**	**(1.3)**	-	1,324,642	(1.8)
Diluted Headline EPS	**647**	**156,807,441**	**412.6**	316	154,422,079	204.6

7. Dividends

	2008		2007	
	$m	**Cents per share**	$m	Cents per share
Prior year final dividend, paid in the year	**94**	**60.0**	85	55.0
Interim dividend, paid in the year	**92**	**59.0**	86	55.0
Total dividend paid in the year	**186**	**119.0**	171	110.0

Interim dividend, paid in the year		**59.0**		55.0
Proposed final dividend for the year		**0.0**		60.0
Total dividend in respect of the year		**59.0**		115.0

8. Net debt as defined by the Group

	As at 1 October 2007 $m	**Subsidiary acquired $m**	**Cash flow $m**	**Foreign exchange and non-cash movements $m**	**As at 30 September 2008 $m**
Cash and cash equivalents	**222**	**-**	**2**	**2**	**226**
Overdrafts	**(1)**	**-**	**1**	**-**	**-**
	221	**-**	**3**	**2**	**226**
Current borrowings	**(237)**	**-**	**237**	**-**	**-**
Non-current borrowings	**(359)**	**-**	**(170)**	**-**	**(529)**
Net debt as defined by the Group	**(375)**	**-**	**70**	**2**	**(303)**

	As at 1 October 2006 $m	Subsidiary acquired $m	Cash flow $m	Foreign exchange and non-cash movements $m	As at 30 September 2007 $m
Cash and cash equivalents	61	20	134	7	222
Overdrafts	(18)	-	17	-	(1)
	43	20	151	7	221
Current borrowings	-	-	(237)	-	(237)
Non-current borrowings	(288)	-	(71)	-	(359)
Convertible bonds	(213)	-	-	213	-
Net debt as defined by the Group	(458)	20	(157)	220	(375)

Net debt as defined by the Group comprises cash and cash equivalents, bank overdrafts repayable on demand, interest bearing loans and borrowings and convertible bonds grossed up for capitalised fees.

On 15 November 2006 Lonmin Plc gave notice to force redemption of all outstanding convertible bonds at their principal amount. This led to the issuance of 10,576,900 shares and a reduction in net debt as defined by the Group of $213 million.

9. Total Equity

	Equity shareholders' funds						
	Called up share capital $m	Share premium account $m	Other reserves $m	Retained earnings $m	Total $m	Minority interests $m	Total equity $m
At 1 October 2007	**156**	**299**	**96**	**1,417**	**1,968**	**392**	**2,360**
Total recognised income and expense	**-**	**-**	**4**	**348**	**352**	**120**	**472**
Dividends	**-**	**-**	**-**	**(186)**	**(186)**	**(65)**	**(251)**
Share-based payments	**-**	**-**	**-**	**7**	**7**	**-**	**7**
Shares issued on exercise of share options [i]	**-**	**6**	**-**	**-**	**6**	**-**	**6**
At 30 September 2008	**156**	**305**	**100**	**1,586**	**2,147**	**447**	**2,594**
At 1 October 2006	143	26	84	836	1,089	223	1,312
Total recognised income and expense	-	-	12	380	392	96	488
Dividends	-	-	-	(171)	(171)	(41)	(212)
Conversion of the convertible bonds [ii]	11	205	-	-	216	-	216
Embedded derivative movement [iii]	-	-	-	371	371	-	371
Deferred tax on share-based payments	-	-	-	(3)	(3)	(1)	(4)
Other	-	-	-	4	4	2	6
Shares issued on exercise of share options [i]	1	32	-	-	33	-	33
Shares issued under the IFC option agreement [iv]	1	36	-	-	37	-	37
Minority interest arising on business acquisition	-	-	-	-	-	113	113
At 30 September 2007	156	299	96	1,417	1,968	392	2,360

Footnotes:

i During the year 231,338 share options were exercised (2007 - 1,876,433) on which $6 million of cash was received (2007 - $33 million).

ii In November 2006 the Company issued notice regarding the redemption of all outstanding convertible bonds. Conversion of the convertible bonds resulted in the issuance of 10,576,900 shares with an associated nominal share capital of $11 million and the recognition of $205 million share premium.

iii As explained in note 3, the convertible bonds contained an embedded derivative, movements in the fair value of which were recognised through the income statement. On conversion of the convertible bonds the embedded derivative was extinguished with all cumulative prior movements in fair value which had been taken through the income statement reversing in equity.

iv During the prior year 586,730 share options were exercised under the International Finance Corporation option agreement. As the shares were issued at a discount only $35 million of cash was received.

Other reserves represent the capital redemption reserve of $88 million (2007 - $88 million) and a $12 million hedging reserve asset net of deferred tax (2007 - $8 million asset).

Minority interests represent an 18% shareholding in Eastern Platinum Limited, Western Platinum Limited and Messina Limited throughout 2008 and 2007 and, from 1 February 2007, a 26% shareholding in Akanani Mining (Pty) Limited.

10. Statutory Disclosure

The financial information set out above does not constitute the Company's statutory accounts for the years ended 30 September 2008 and 2007 but is derived from those accounts. Statutory accounts for 2007 have been delivered to the registrar of companies, and those for 2008 will be delivered in due course. The auditors have reported on those accounts; their report was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under Section 237 (2) or (3) of the Companies Act 1985.