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

FIRST QUARTER 2010 – OPERATIONS OVERVIEW AND PRODUCTION STATISTICS

	1Q 2009	2Q 2009	3Q 2009	4Q 2009	**1Q 2010**	**FULL YEAR 2009**
Palabora mine:						
Tonnes hoisted ('000 tonnes)	2,966	3,009	2,978	2,585	**2,839**	**11,538**
Ore treated ('000 tonnes)	2,789	2,940	2,792	2,809	**2,784**	**11,330**
Average ore grade: copper (%)	0.68	0.68	0.66	0.67	**0.66**	**0.67**
Copper concentrates produced ('000 tonnes)	67.1	76.1	61.8	65.8	**61.8**	**270.8**
Average concentrate grade: copper (%)	30.5	29.9	31.1	30.5	**29.8**	**30.5**
Copper in concentrates ('000 tonnes)	20.5	22.7	19.3	20.1	**18.4**	**82.6**
Palabora smelter/refinery:						
New concentrate smelted on site ('000 tonnes)	72.8	68.0	58.5	67.3	**57.7**	**266.6**
New copper anodes produced ('000 tonnes)	20.2	18.9	12.5	14.3	**12.4**	**65.9**
Refined new copper produced ('000 tonnes)	21.0	19.5	13.8	15.1	**12.0**	**69.4**
By-products:						
Magnetite concentrate ('000 tonnes)	772	617	758.7	697.2	**754.1**	**2,845**
Nickel contained in products (tonnes)	21	33	29	11.4	**18.5**	**94.4**
Copper sold as concentrate ('000 tonnes)	0	2.1	3.9	4.5	**2.5**	**10.5**
Vermiculite plant:						
Vermiculite produced ('000 tonnes)	52	46	48.	50	**54**	**196**

Palabora, a member of the Rio Tinto Group of Companies, situated in the Ba-Phalaborwa area of Limpopo, operates a large block cave copper mine smelter complex and 241 million tonne magnetite stockpile.

Production from the underground mine averaged 31,542 tonnes on a daily basis for the quarter. Production during the quarter was 9% higher than the previous quarter and slightly lower than the corresponding period in 2009.

In total, 2,838,805 tonnes of ore was hoisted during the quarter with a copper grade of 0.66%. Average copper head grade was relatively unchanged from the last quarter but 2% lower than the corresponding period in 2009.

Ore treated was slightly lower on a sequential basis due to lower auto mill run rates as a result of a higher proportion of dolerite in the ore mined and remained in line with the corresponding period in 2009.

The Copper concentrate production was 6% lower sequentially and 8% lower than the corresponding period in 2009 due to a combination of lower mill throughput and lower head grade in reprocessed smelter secondary material.

The copper in concentrate production was 8% lower sequentially and 10% lower than the corresponding period in 2009 mainly due to a combination of lower milling rates, concentrate grade and reprocessing of lower grade smelter secondary material.

New concentrate smelted was 14% lower sequentially and 21% lower than the corresponding period in 2009 due to reverbratory furnace low feed rates as result of downtime at the furnace bath and low Wolff crane availability. Process improvement and technical consultants were engaged during the quarter to address these issues. As a result work has commenced on recovering the reverb furnace bath which is expected to result in increased throughput performance during the second quarter of 2010. In addition, the Wolff crane was removed from service to perform a refurbishment exercise and will be returned to production in April. Both of these actions are expected to improve operational performance and output during the second quarter of 2010.

Magnetite

Magnetite production was consistent with the ramp-up in processing of reclaim tonnage and placement of additional low grade magnetite in the market. Iron oxide (56%) contributed 20% of total production whilst coarse magnetite (65%) contributed 80%.

Vermiculite Operations

Vermiculite production was 8% higher sequentially due to an additional amount of stockpile material that was decontaminated to meet the upswing in market demand.

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

Phalaborwa
14 April 2010

Sponsor:
Barnard Jacobs Mellet Corporate Finance (Proprietary) Limited