



MVELAPHANDA RESOURCES LIMITED

INTERIM RESULTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2008



Forward looking statements

- Certain statements contained in this document including, without limitation, those concerning the economic outlook for the gold, platinum and diamond mining industries, expectations regarding commodity prices, production, cash costs and other operating results, growth prospects and outlook of Mvelaphanda Resources' operations, including the completion and commencement of commercial operations of certain of Mvelaphanda Resources' exploration and production projects, its liquidity and capital resources and expenditure, contain certain forward-looking statements regarding Mvelaphanda Resources' operations, economic performance and financial condition. Although Mvelaphanda Resources believes that the expectations and the outcome reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government action, fluctuations in commodity prices and exchange rates, and business and operational risk management.



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Six months to 31 December 2008 in review

- Financial year began well:
 - Implemented Booyendal Transaction;
 - Announced Impala expression of interest;
 - Platinum US\$2 069/oz, Gold US\$930/oz, R7.83/US\$
- Financial crisis in USA gains momentum. Initially expectations of “decoupling” of Emerging Markets from Developed Markets supported metal prices;
- As the impact of the US Financial crisis spread worldwide, expectations for global growth were reviewed and metal prices deteriorated;
- Discussions with Impala ended as a consequence of uncertain market outlook and differing perception on value.



Financial review

- Consolidating Northam in accounts for 4 months from 1 September 2008 (2 months equity accounted) – comparisons difficult;
- Booyse dal included from 20 August 2008;
- Northam cash generative and robust balance sheet;
- Gold Fields Transaction matures on 17 March 2009 – Mvela Resources will receive 50 million GFI shares worth R5.5 billion¹;
- Total debt of R4.4 billion covered by Gold Fields value of R5.6 billion and cash of R580 million;

¹ Gross market value at R110/share



Balance sheet

R'000	31 Dec 2008	31 Dec 2007	% change
Assets			
GFI-SA loan	4 617 000	4 846 000	(5)
Cash and cash equivalents	1 318 037	1 708 949	(23)
Liabilities			
Pref share funding (Booysendal)	2 346 648		N/a
Senior Bank loan (GFI-SA)	69 946	384 895	(82)
Mezzanine debt (GFI-SA)	1 959 892	1 727 108	13



Income statement

R'000	31 Dec 2008	31 Dec 2007	% change
Difference between market value and purchase consideration on Booysendal Transaction	2 691 273		N/a
Finance costs	(283 870)	(165 643)	N/a
Senior bank loan (GFI-SA)	(12 160)	(28 060)	N/a
Mezzanine Finance (GFI-SA)	(154 843)	(137 583)	N/a
Coupon on pref shares (Booysendal Transaction)	(116 867)		N/a
Impairment due to difference between book value and market value of Northam assets	(2 690 946)		N/a



Income statement (continued)

R'000	31 Dec 2008	31 Dec 2007	% change
Loss on revaluation of financial instruments	(463 000)	(427 000)	N/a
GFI-SA loan	(463 000)	(427 000)	N/a
Trans Hex forward purchased shares		(56 952)	N/a
Loss before taxation	(303 562)	(288 593)	N/a
Taxation	437 454	50 762	N/a
- Normal	(84 502)	(11 479)	N/a
- Deferred	521 956	62 241	N/a
Net profit/(loss)	133 892	(237 831)	N/a
Attributable to Mvela Resources shareholders	487 781 (353 889)	(237 831)	N/a N/a
Minority interest			
Earnings per share (cents)	228	(114)	N/a



Cash flow statement

R'000	31 Dec 2008	31 Dec 2007	% change
Cash flows from operating activities	375 421	184 924	103
Cash flows from investing activities	(2 849 040)	158 334	N/a
Cash flows from financing activities	1 872 070	137 635	N/a
Cash and cash equivalents	1 318 037	1 708 949	(23)

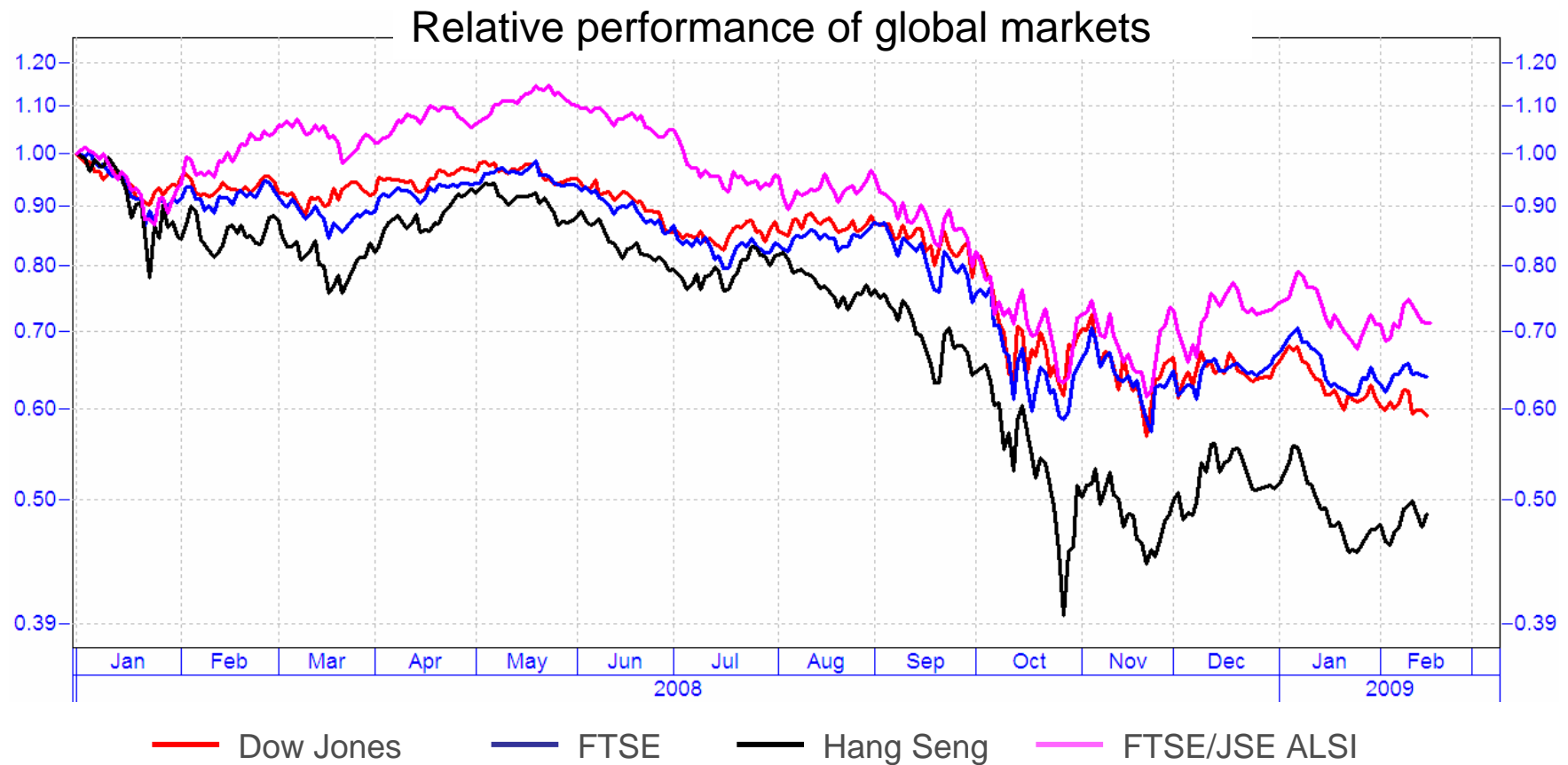


Current economic realities

- **Global growth has slowed significantly;**
- **Demand for commodities has fallen;**
- **The outlook remains uncertain – continued poor economic data against uncertain response to stimulus packages, interest rate cuts and infrastructure programmes;**
- **Lack of liquidity in debt markets globally, impacting on ability of producers to fund growth;**
- **Market is risk averse and penalising companies with geared balance sheets;**
- **Producers generally responding more rapidly than in previous down cycles, with production cuts and project deferrals.**



Impact on global markets

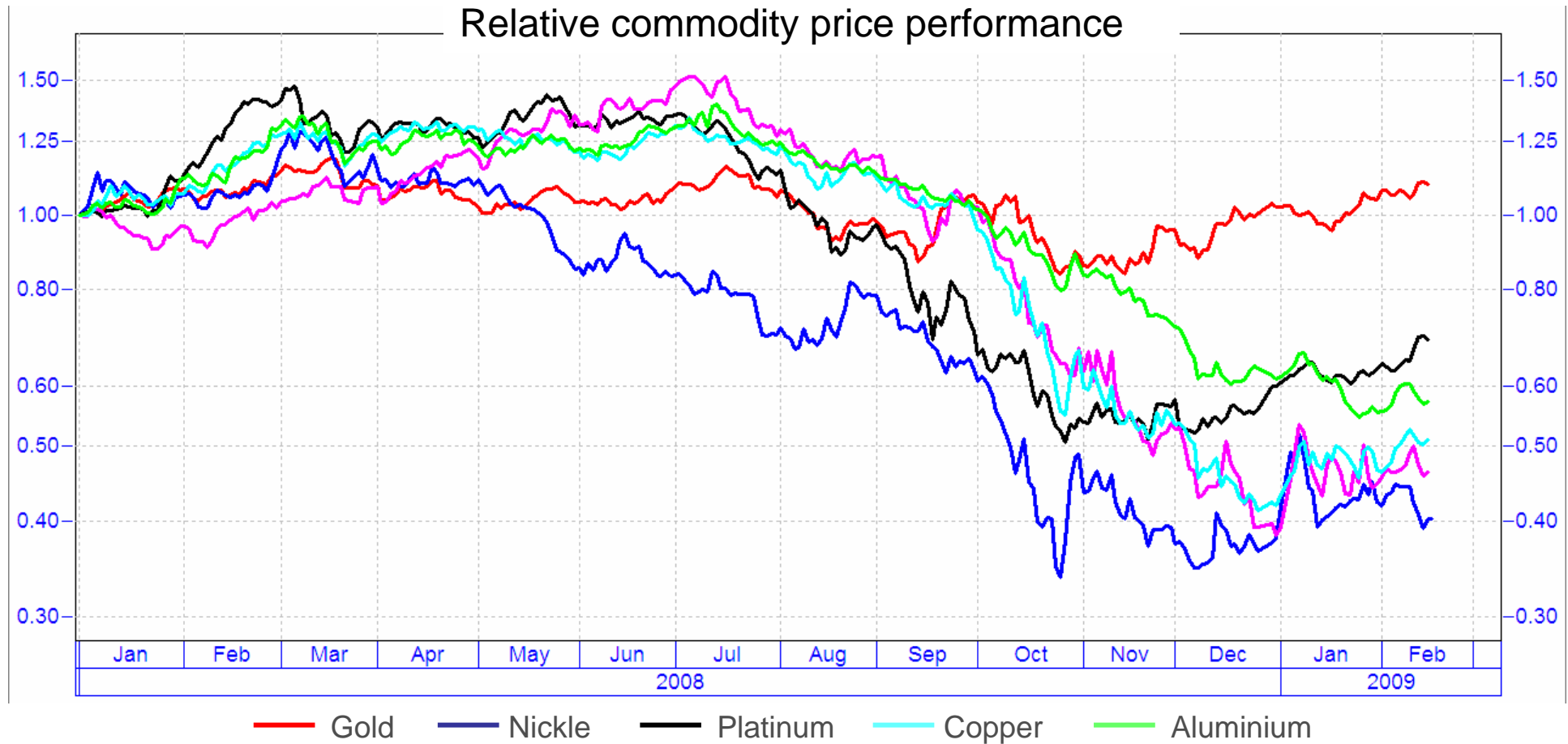


Market “fear” still very high

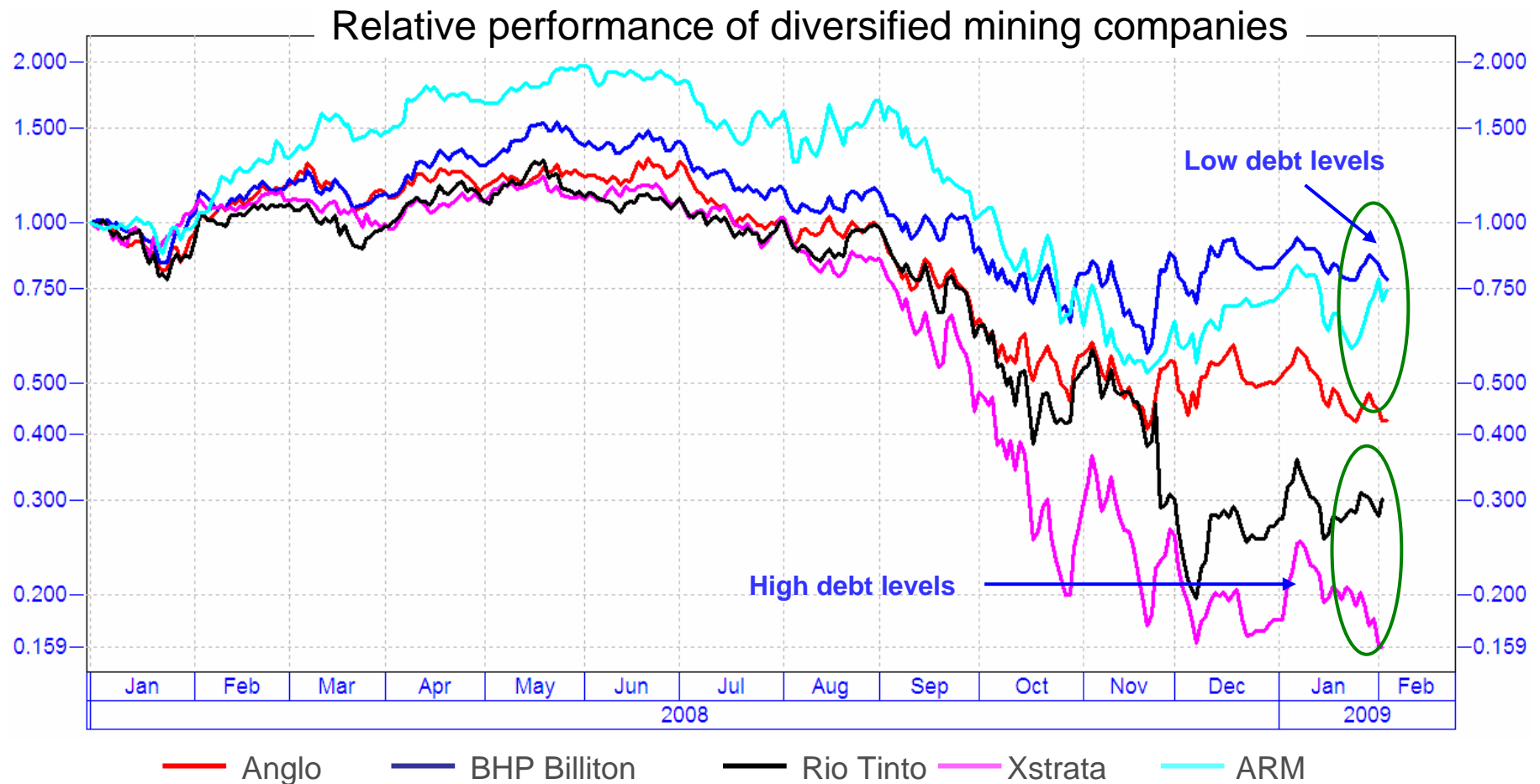
Volatility Index (US\$) (VIX)



Impact on commodity prices



Diversified mining companies

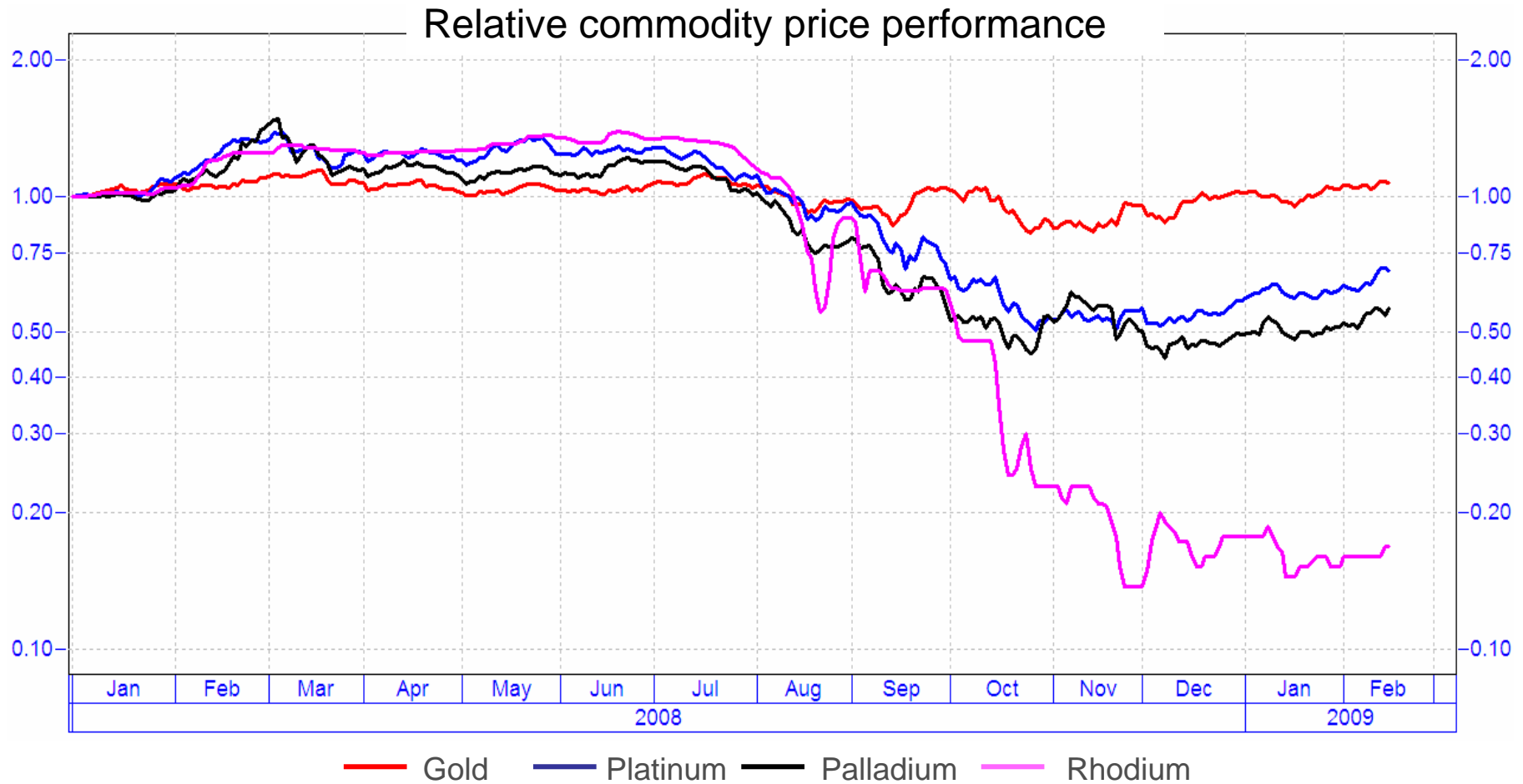


Source: INet Bridge

Low debt levels = higher market rating



Platinum sector overview



Source: INet Bridge



SA PGM sector – tough times!

- **PGM prices have pulled back significantly, squeezing operating margins;**
- **Deep level mine project funding is challenging - banks loathe to lend and equity investors have shied away;**
- **Capital and operating costs have risen sharply, adding to the financing difficulties; but**
- **Eskom capacity constraints remain – impacting on new project development and adding supply growth risks; and**
- **Recent pull back in the ratings of the listed mining shares - the sector will be looking interesting for financially secure, acquisitive companies again.**



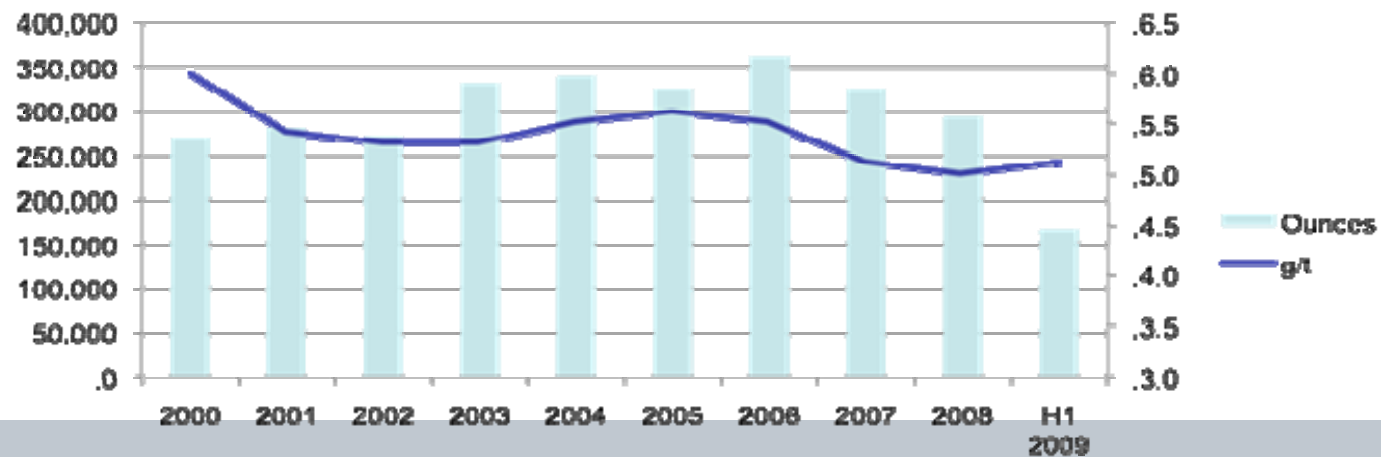
Mvela Resources - Platinum

- **Increased 62.8% shareholding in Northam following Booyendal Transaction with Anglo Platinum and Northam;**
- **Strategic alignment with Northam provides competitive advantage;**
 - Established, technically competent management and labour force with unique deep level mining experience;
 - Proven processing technology and control of the production pipeline from stope face to market – no value leakage;
- **Zondereinde mine cash generative and Booyendal offers flexible growth options;**
- **Dwaalkop JV with Lonmin.**

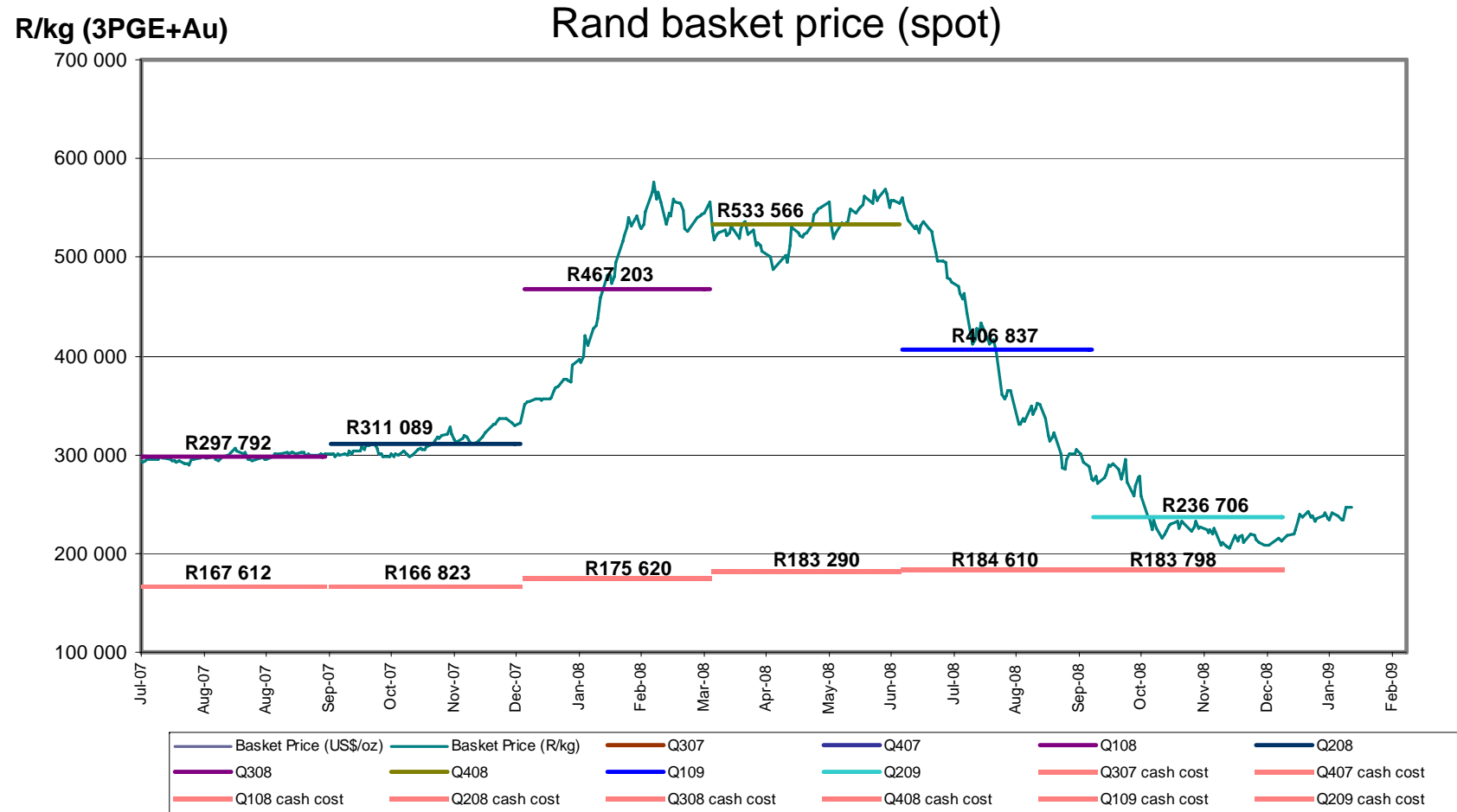


Northam strategically positioned

- Northam Zondereinde mine – reliable, consistent mid-tier producer
 - highest recovered yield in the industry
 - cost profile in the lower half of industry cost curve
- Moderate capex requirements going forward
- Cash positive in current market conditions and basket price
- Ungeared balance sheet
- Capacity to fund growth
- Metallurgical competency a competitive advantage

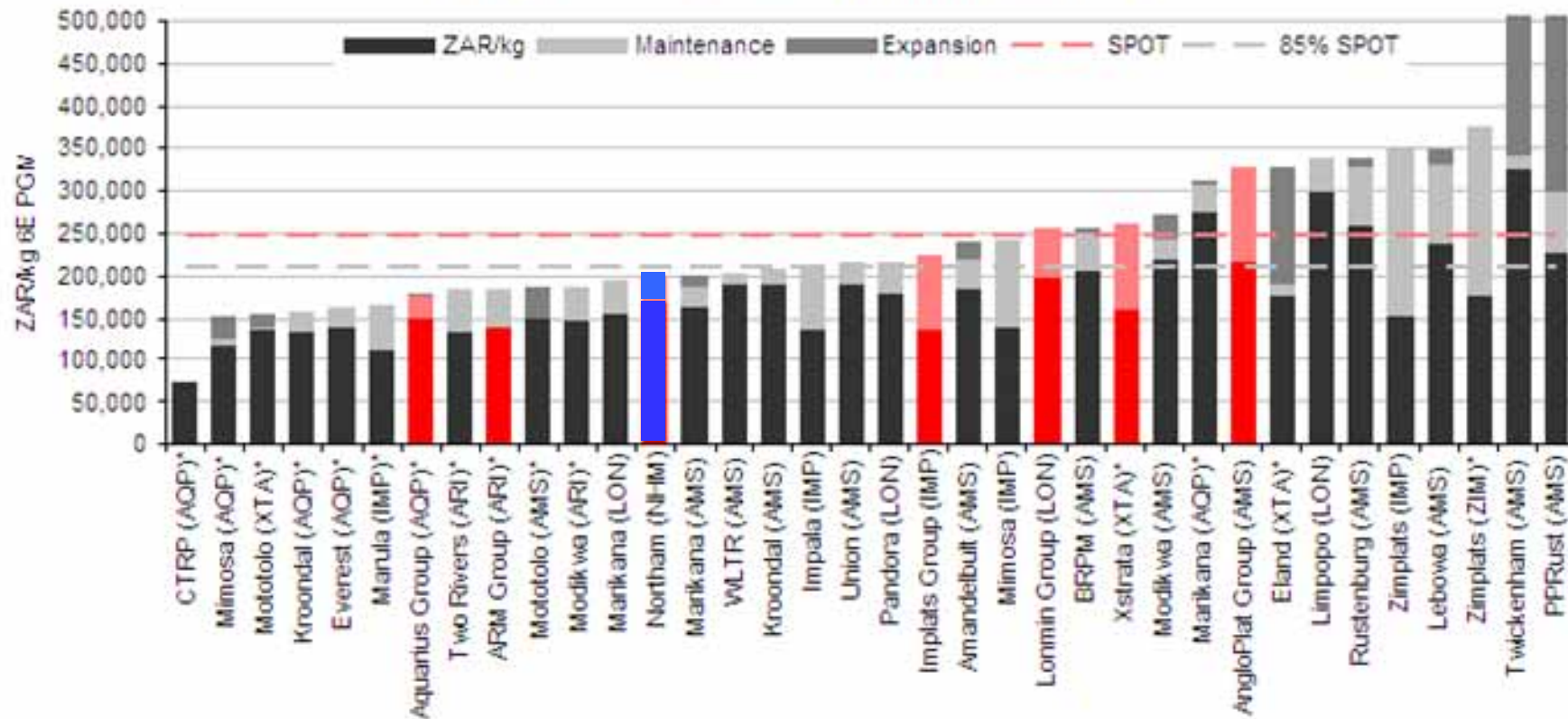


Cash positive at current prices



Platinum sector cost curve (R/kg 6E)

ZAR/kg Cash Costs & CAPEX - 6 months to June 2008



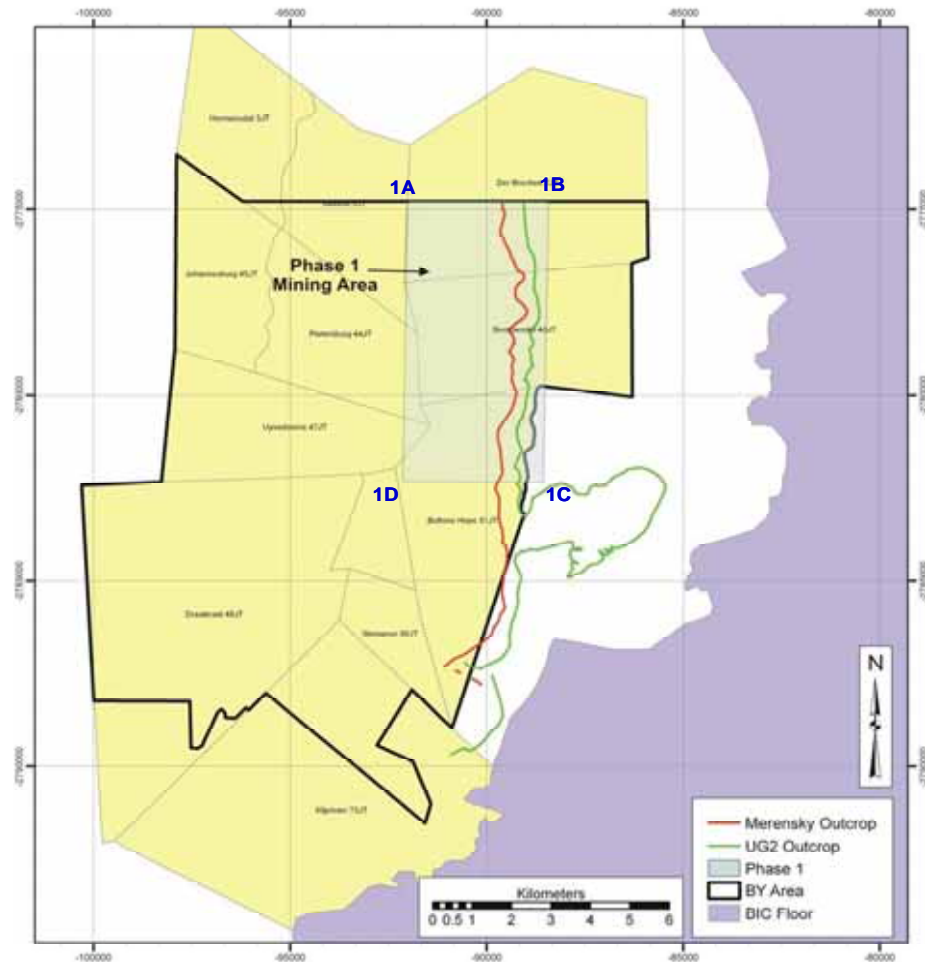
Company Reports, BJM Calculations, September 2008



Northam is cash flow positive after capex at spot prices and positioned well down cost curve

Booysendal – flexible, quality growth

- Large (103Moz), shallow resource;
- Potential for modular development;
- Scale and timing flexible – fit to prevailing conditions;
- Early production = early cashflow = partial self financing;
- Bankable feasibility on track - decision Q3 calendar 2009.



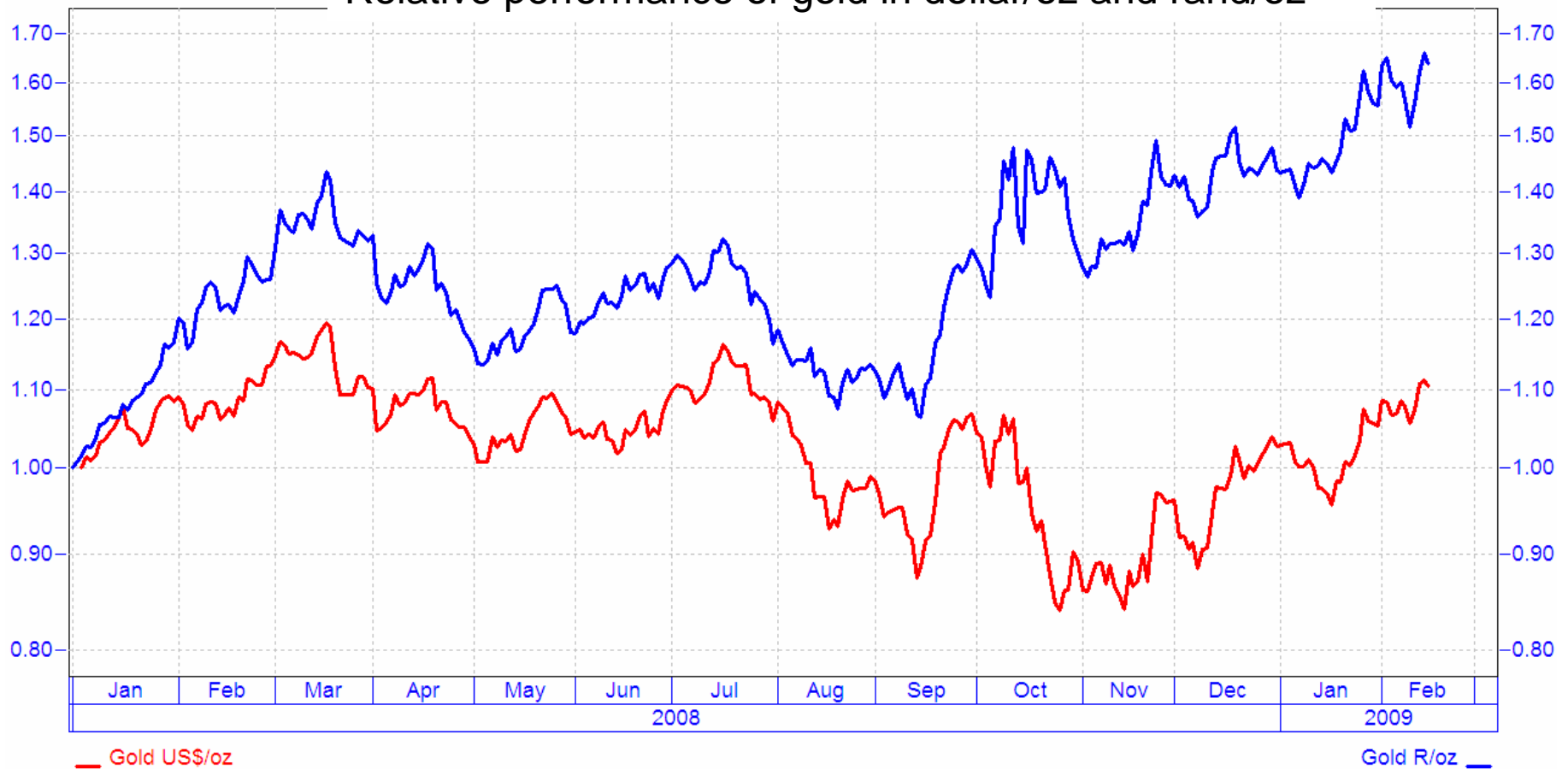
Gold

- **GFI-SA Transaction completed in March 2004 – matures on 17 March 2009 after a 5 year term;**
- **Mvela Resources will receive 50 million Gold Fields shares in March 2009 (7.1% of GFI);**
- **No restrictions on shareholding - can refinance or sell stake;**
 - Strategic rationale of holding minority share in listed gold company questionable;
 - Gross value of R5.9 billion (GFI @ R118/share) - invest where see greater value or opportunity to gain control; and
 - Could facilitate repayment of mezzanine debt or debt associated with Anglo Plat deal or provide growth options.



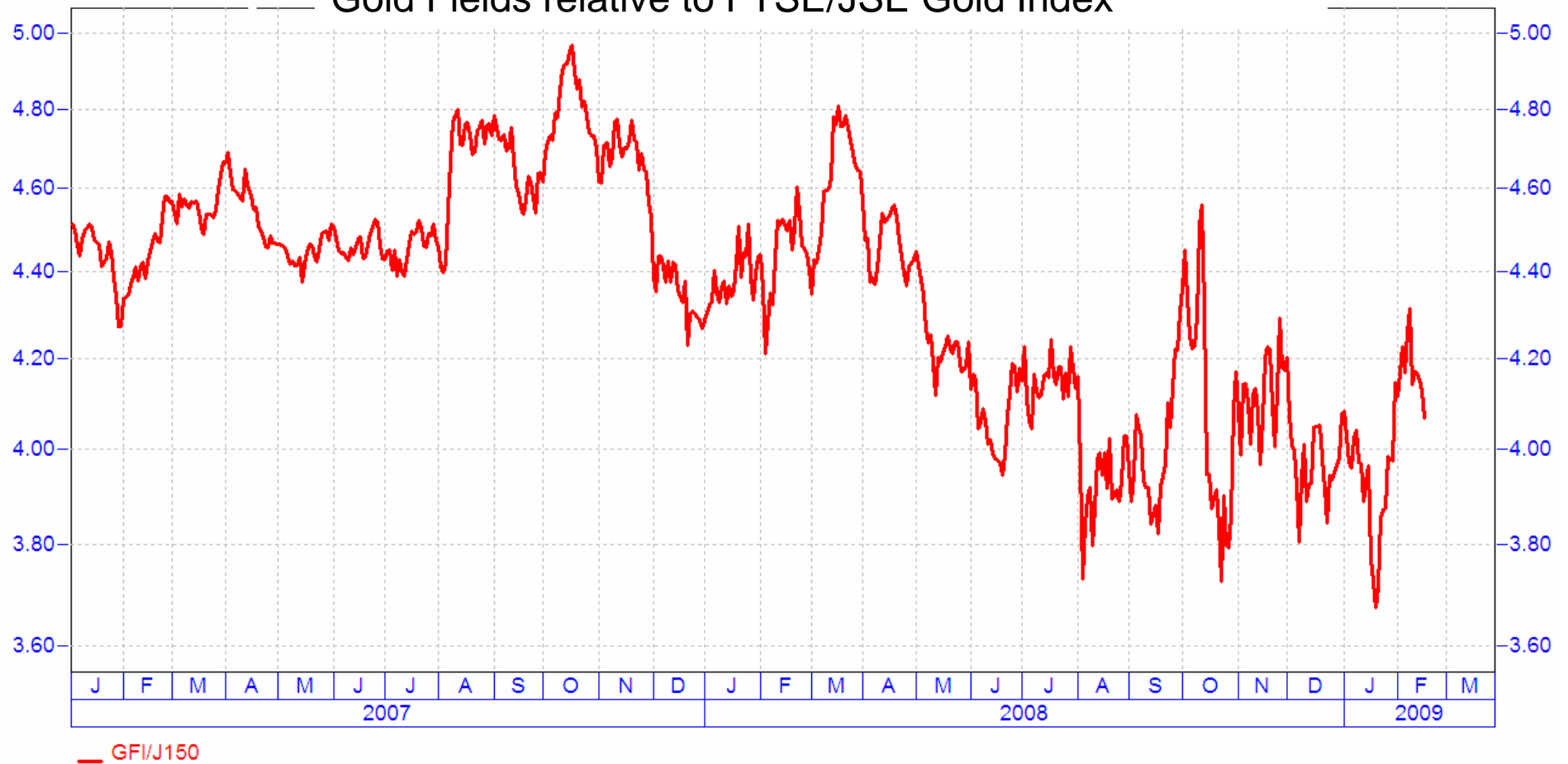
Gold in rands and dollars (rebased)

Relative performance of gold in dollar/oz and rand/oz



Gold Fields relative FTSE/JSE Gold Index

Gold Fields relative to FTSE/JSE Gold Index



— GFI/J150



Mvela Resources Add-up value*

Asset	Shares in issue (m) ¹	Shares owned (m)	% owned	Share price (R)	Value (Rm)	Value per share (R)
Gold Fields Ltd	703	50.00	7.1%	118.05	5,903	27.46
Northam Total	360	225.84	62.8%	22.20	5,014	23.32
Trans Hex Total	106	21.53	20.3%	1.70	37	0.17
Total listed assets					10,953	50.95
Net unlisted assets ²					200	0.93
Mezzanine Debt ³	275	90	33%		(2,100)	(9.77)
Northam Pref	106	22	21%		(2,347)	(10.92)
Total Debt					(4,447)	(20.69)
Cash and cash equivalents ⁴					673	3.13
TOTAL NAV					7,379	34.33
MVL share price						23.10
Premium/(discount) to NAV						(32.7%)

1. Fully diluted
2. Nominal value of R200m assigned to Dwaalkop project and diamond exploration assets
3. Approximate accrued value on 17 March 2009
4. Includes R86m dividend from Northam.

* Closing prices on 17 February 2009



Mvela Resources strategic issues

New economic realities provided opportunities

- Debt on balance sheets is viewed as risky and carries a large discount in the market;
- The outlook for gold in 2009 remains positive for gold and Gold Fields in particular
- The long term outlook for the PGM market is dependent on global growth – we expect 2009/2010 to be challenging, but the fundamentals in the long term remain sound.



Mvela Resources strategic assessment

Mvela Resources strategic issues – unlocking discount:

- Holding company status with multiple entry points to underlying assets;
- Mvela Resources “pyramid structure” – JSE requires a solution to be presented by August 2009;
- Debt negatively viewed by market;
- Perceived risk of servicing long term debt through future dividends from Northam;

Northam trading at discount to peers:

- Single mine status and perceived “high cost” and risk;
- Highly geared to PGM basket price – current market outlook muted;
- Market concern about Mvela Resources debt and perceived dependence on Northam dividends to service debt; and
- Market concern about ability to fund Booyendal project.



Mvela Resources strategic process

Step 1: Redeem mezzanine finance due on 17 March 2009 but secure maximum return on Gold Fields investment.

- Refinancing of R2.1 billion mezzanine debt underway;
- Outlook for gold extremely good for year ahead due to ongoing global economic crisis;
- Gold Fields operations normalizing in March 2009 quarter;
- Future disposal of Gold Fields shares over longer period in more positive market environment.

Benefit

- Removal of perceived overhang on Gold Fields shares - market expects disposal on 17 March 2009;
- Enable slower disposal to capitalize on positive outlook for gold.



Mvela Resources strategic process

Step 2: Repay all debt

- Total debt R4.3 billion.

Benefit

- Mining companies with little/no debt enjoy higher relative ratings;
- Reduce Mvela Resources' dependence on Northam dividends – lower risk;
- Strong message that Booyendal can be financed by Northam as no “forced dividend” for Mvela Resources;
- Both Northam and Mvela Resources should re-rate.



Mvela Resources strategic options

Step 3: Strategic options assuming excess cash

- Apply to growth opportunities that may exist in the current market;
- Recapitalise Northam through a rights issue to all shareholders which will ensure financing and optimal development of the Booyendal project;
- Acquire Northam shares, which we believe to be undervalued, in the market.

Benefit

- Cash dividend will attract withholdings tax;
- Efficient use of relative gold premium in areas where longer term relative value.



Mvela Resources likely strategy

Step 4: Mvela Resources recapitalises Northam, unbundles all its Northam shares and collapses structure:

- Addresses pyramid structure;
- Unlocks trading discount;
- Avoids cash dividend tax on shareholders – tax efficient.

Benefit

- No dividend tax avoided due to unbundling of shares;
- Unlock discount to NAV;
- Pyramid structure collapsed – satisfies JSE; and
- Not in breach of Anglo Plat Agreements, MPRDA or Mining Charter.



Thank you

Q & A

