Mineral reserve and resource statement

Scope of reporting

Resources and reserves reflected in this statement include those of the Zondereinde and Booysendal properties which are wholly owned by Northam or its wholly owned subsidiaries. For the first time, Northam's attributable portion of the resource and reserve estimate of the Pandora joint venture (Pandora – in which Northam holds a 7.5% stake) is included in the company's resource and reserve statement. Pandora is managed by Lonmin PLC, (Lonmin) through its subsidiary, Eastern Platinum Limited.

Significant variations year on year

- the completion of a feasible mining plan for the UG2 North module at Booysendal has permitted the inclusion of a reserve estimate for this mine
- continued prospect drilling in the deeper portions of the Zondereinde property has led to the interpretation of a higher proportion of Normal Merensky reef, which combines a thicker channel with a higher extraction percentage. This has led to an increase in the Merensky resource estimate
- the same drilling indicates a wider UG2 channel in the deeper portions of the concession, leading to a higher inferred UG2 resource tonnage
- a significant discount of ground on the east of the Zondereinde property has led to a drop in the indicated and total UG2 resource

Regulatory compliance

The mineral resource and mineral reserve estimate for the Northam group has been prepared under the guidance of the company's competent persons who are duly registered with the South African Council for Professional and Technical Surveyors (PLATO) and with the South African Council for Natural Scientific Professions (SACNASP). This ensures that the mineral resource and mineral reserve statements comply with the provisions of the South African Code for Reporting of Mineral Resources and Mineral Reserves (SAMREC 2007). The company's competent persons have taken cognisance of definitions included in the code, and the mineral resource and mineral reserve quantities reported here are considered to be fully compliant in all material respects with the requirements of the code.

Definitions of the various mineral resource and mineral reserve categories as well as the requirements for reporting of exploration results may be found at *www.saimm.co.za/codes/samrec.asp*.

Competent persons

The Zondereinde mine resource and reserve statement has been compiled by:

JC Roberts, MSc (Mining Engineering), Professional Mine Surveyor (PLATO 0187), Chief Surveyor with 20 years experience in platinum valuation.

Resource and reserve estimates for the Zondereinde mine have been reviewed by Damian Smith.

The Booysendal resource statement has been compiled by:

Damian Smith, BSc (Hons), MSc, Pr.Sci.Nat. (400323/04) 20 years' experience of mining and exploration geology, 14 of these in Bushveld-related geology.

Willem van der Schyff; BSc (Hons) geology, Pr.Sci.Nat. (400176/05). Five years' experience of mining and exploration geology, 17 years' experience in resource modelling and estimation, three of these in Bushveld-related geology.

Resource estimates for the Booysendal project have been reviewed by The Mineral Corporation as part of the Independent Competent Persons Report for the Booysendal prospect.

The resource and reserve estimates for the Pandora joint venture were prepared by a team from both Anglo Platinum Limited (Anglo Platinum) and Lonmin. Resources were signed off by Jeremy Witley (Lonmin) and Paul Stevenson (Anglo Platinum), while reserves were signed off by Jonathan Hudson (Lonmin).

Status of mineral rights

Northam currently holds old order mining rights over the Zondereinde mine. An application to convert these old order rights to new order rights in terms of the Mineral and Petroleum Resources Development Act, 2002 [Act No. 28 of 2002] (MPRDA) was

submitted in April 2006 but had not been granted by 30 June 2010.

The Booysendal prospect comprises three sub-areas; a portion comprising nine farms over which Northam holds new order mining rights, granted on 10 September 2009; two farms over which Northam holds new order prospecting rights, for which an application for new order mining rights has been submitted and is being processed; and a portion in the north of the Booysendal prospect, the Booysendal extension, which is in the process of transfer from the previous owners of this concession.

A summary of mineral rights held and managed by Northam is tabulated below:

Property	Type of right	Status
Zondereinde mine	Old order mining right	In process of conversion to new order right
Booysendal mine	New order mining right	Converted mining right
Booysendal exploration prospect	New order prospecting right	Application for new order mining right in process
Booysendal extension	New order mining right	In process of transfer from previous holder

Prospecting and mining rights are held in good order, and Northam perceives no risk to its rights to continue prospecting for and mining of minerals over any of its properties. In all cases applications cover platinum group metals and associated base metals. The five year tenure of the new order prospecting rights over farms within the Booysendal prospect expired on 2 June 2010, and thus an application for a three year extension to these rights was submitted *in lieu* of finalisation of the application for conversion to new order mining rights.

Group resources and reserves

The following tables summarise the mineral resources and reserves attributable to Northam for both the current and previous year. Notes on the reporting criteria are pertinent, together with specific notes to this section.

Breakdowns of the mineral resources and reserves into their respective confidence categories may be found in the relevant specific sections.

Mineral resource estimate (combined measured, indicated and inferred)

		as at 30 June 2010 3PGE+Au			as at 30 June 2009 3PGE+Au		
Reef	Mine	Mt	g/t	Moz	Mt	g/t	Moz
Merensky	Booysendal	255.48	4.69	38.53	255.48	4.69	38.53
	Pandora[1]	–	–	–	–	–	–
	Zondereinde	68.43	7.09	15.59	66.00	6.83	14.49
	Total	**323.91**	**5.20**	**54.13**	**321.48**	**5.13**	**53.03**
UG2	Booysendal	580.53	3.47	64.76	580.53	3.47	64.76
	Pandora[1]	11.84	4.29	1.63	11.94	4.30	1.65
	Zondereinde	62.62	5.06	10.19	66.88	5.19	11.16
	Total	**654.99**	**3.64**	**76.59**	**659.36**	**3.66**	**77.57**
Combined	Booysendal	836.01	3.84	103.30	836.01	3.84	103.30
	Pandora[1]	11.84	4.29	1.63	11.94	4.30	1.65
	Zondereinde	131.05	6.12	25.79	132.88	6.01	25.65
	Total	**978.90**	**4.15**	**130.72**	**980.83**	**4.14**	**130.60**

Mineral reserve and resource statement (continued)

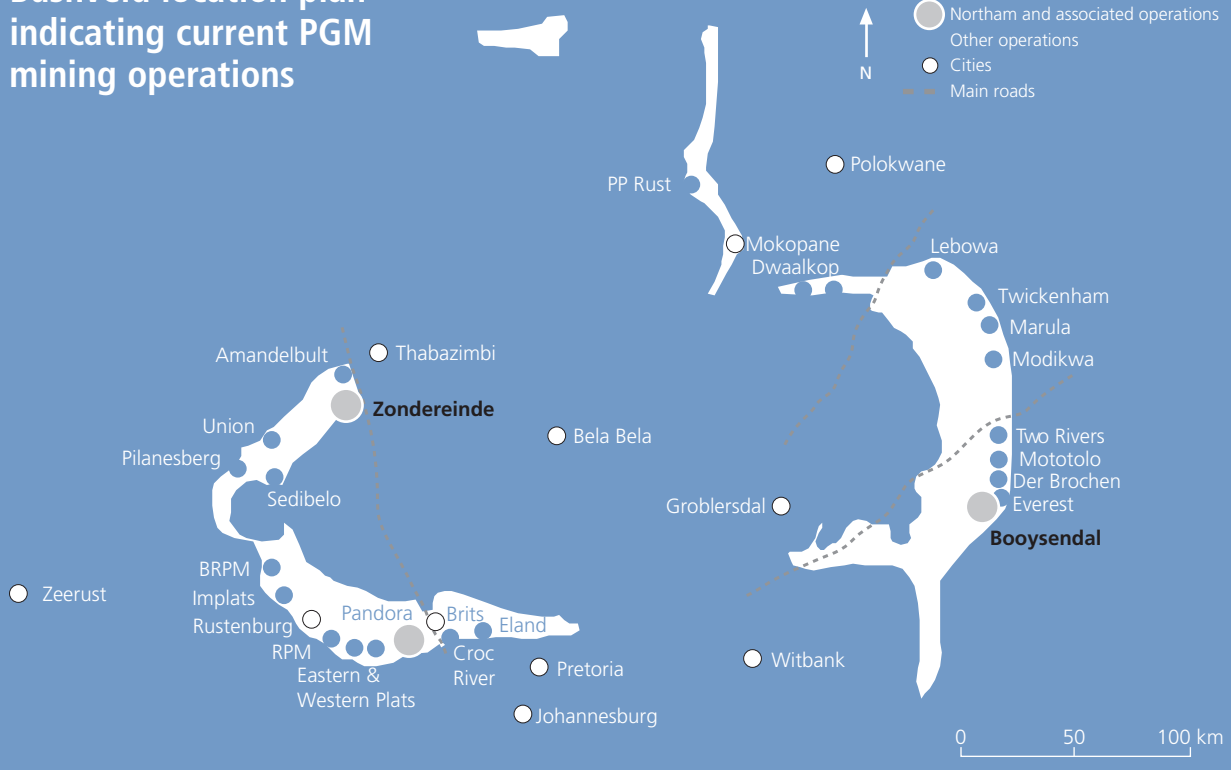
Mineral reserve estimate (combined proven and probable)

		as at 30 June 2010 3PGE+Au			as at 30 June 2009 3PGE+Au		
Reef	Mine	Mt	g/t	Moz	Mt	g/t	Moz
Merensky	Booysendal	–	–	–	–	–	–
	Pandora[1]	–	–	–	–	–	–
	Zondereinde	19.15	5.83	3.59	19.33	5.57	3.46
	Total	**19.15**	**5.83**	**3.59**	**19.33**	**5.57**	**3.46**
UG2	Booysendal	31.05	2.99	2.99	–	–	–
	Pandora[1]	0.67	4.25	0.09	0.10	4.28	0.01
	Zondereinde	27.81	4.41	3.95	33.44	4.35	4.68
	Total	**59.53**	**3.67**	**7.02**	**33.54**	**4.35**	**4.69**
Combined	Booysendal	31.05	2.99	2.99	–	–	–
	Pandora[1]	0.67	4.25	0.09	0.10	4.28	0.01
	Zondereinde	46.96	4.99	7.53	52.77	4.80	8.14
	Total	**78.68**	**4.19**	**10.61**	**52.87**	**4.80**	**8.15**

Notes:

1. current resources and reserves of Pandora are quoted as at 30 September 2009, whilst the previous year's are at 30 September 2008

Bushveld location plan indicating current PGM mining operations



Geological setting – the Bushveld Complex

The 2 billion year old Bushveld Complex is the largest layered igneous complex in the world, and is the repository for around 85% of known global PGM resources. Extending over an area of some 67 000km^2 within the north-eastern portion of the Republic of South Africa, it contains the intrusive, mafic-ultramafic Rustenburg Layered Suite (RLS), which outcrops as three main acicular limbs, namely the western, eastern and northern limbs (see figure on page 24), and ranges in thickness from 7km to 12km.

The magmatic layering in the RLS is laterally persistent and can be correlated throughout most of the complex. Layering is generally shallow dipping towards the centre of the complex. The RLS stratigraphy is sub-divided into five zones, which are, from lowest to highest; the marginal zone, the lower zone, the critical zone (which is further subdivided into a lower and upper unit), the main zone and the upper zone.

PGM and associated base metal mineralisation is hosted in or adjacent to chromitite seams located within the critical zone of the RLS. There are two significant ore bodies from which 75% of world PGM production is derived, these being the UG2 and Merensky reefs. The vertical separation between the UG2 and Merensky reefs is variable across the Bushveld Complex, ranging from 20m to 140m on the western limb, to between 170m and 400m on the eastern limb.

Historically, PGM production was concentrated on the western limb, but in recent years the eastern limb has been the focus of new mine development.

The two wholly-owned Northam properties, Zondereinde mine and the Booysendal exploration prospect contain resources of both the UG2 and Merensky reefs.

Zondereinde mine

Zondereinde mine is situated on the northern portion of the western limb of the Bushveld Complex, approximately 30km south of the town of Thabazimbi in the Limpopo province of the Republic of South Africa.

The mining lease area covers some 7 625 hectares underlain by both the Merensky and UG2 ore bodies, which dip at approximately 20° and extend from a depth of 1 200 metres below surface (mbc) to 2 900 mbc.

The company exploits both the Merensky and UG2 reefs of the upper critical zone of the Bushveld Igneous Complex. While there is lateral continuity of both reefs across the mine property, the Merensky reef displays a variety of reef types. The distribution of these is determined from a combination of ongoing prospect drilling from underground development, supplemented by reef mapping in development and stoping. In contrast to the Merensky reef, the UG2 reef displays little variation in reef attributes.

The Bushveld sequence at Zondereinde is typical of the northern portion of the western limb. The critical zone stratigraphy is telescoped and dominated by mafic lithologies. Middling between the UG2 and Merensky reefs is in the range of 20m to 40m.

Combined geological and extraction losses were discounted from the resources for both reefs. These comprised pothole and structural losses as well as other pillar losses.

Merensky reef

The Merensky reef is a zone of mineralisation which straddles the base of the Merensky Cyclic Unit. In the area of Zondereinde mine the Merensky reef consists of two sub-facies of the Zwartklip facies of the RLS, namely the normal and regional pothole sub-facies. The latter may be further subdivided into three reef types, each of which occurs at a specific stratigraphic level below that of the normal reef sub-facies, the NP2 and P2, which constitute the main sources of ore, and FWP2 which, whilst not considered a primary mining target owing to the undulating nature of this reef type, is successfully exploited in the south western quadrant of the current mining area where it displays lesser disruption.

The stoping cut on the Merensky reef is dependent upon the reef type mined, and the geozone in which it is located. In all stoping cuts, the Merensky chromitite is exposed with a minimum of 10cm of the overlying, mineralised Merensky pyroxenite as hanging wall.

The measured resource is an estimate of the *in situ* tonnage, grade and PGM ounces that have been exposed through development, and is immediately available for mining. The Merensky measured resource has marginally increased from 2.04Mt (547 000oz) in June 2009 to 2.21Mt (581 000oz) in June 2010. This is the result of an increase to the exposed Merensky resource, combined with the application of a lower resource grade in the western portions of the resource block.

Mineral reserve and resource statement (continued)

The Merensky indicated and inferred resources have increased as a result of a higher normal Merensky reef contribution, which has increased resource tonnage and extraction ratios, together with higher metal content, notably in the inferred resource area. This is due to the interpretation of a higher proportion of normal Merensky reef following prospect drilling in the deeper portions of the mining lease area.

UG2 reef

The UG2 reef at Zondereinde mine is remarkably conformable when compared with the Merensky reef. Reef disruption, in the form of potholes and reef rolls is extremely limited and localised. The reef consists of three chromitite seams separated by narrow pyroxenite partings. The lower seam, termed the main member, is generally in the order of 75cm thick, and is overlain by two leader seams, each in the order of 15cm thick. Total reef thickness, inclusive of a portion of mineralised reef footwall, is in the order of 140cm to 150cm. There is no basis for subdividing the UG2 reef into facies types.

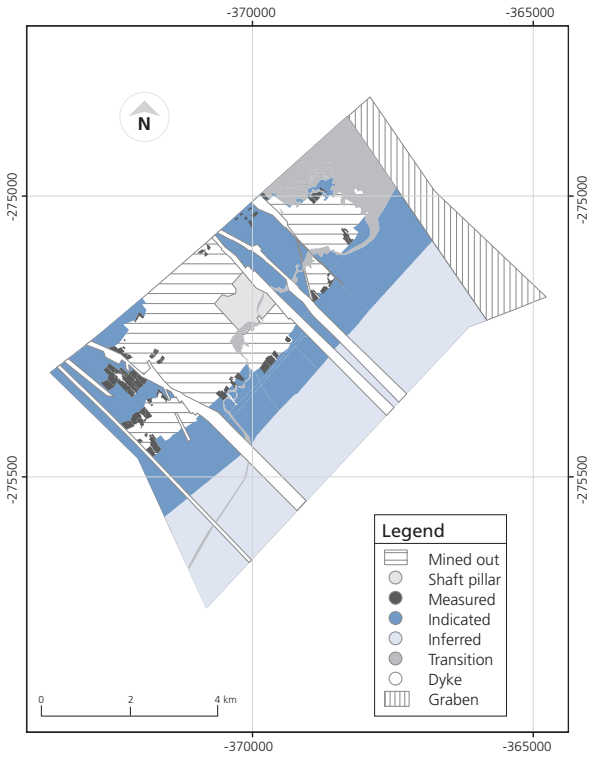
Historically, UG2 mining has been limited to de-stressed areas underlying previously mined Merensky reef. Furthermore, a full reef cut is mined, which enhances metal output, hanging wall stability and safe working practices.

The measured resource is an estimate of the *in situ* tonnage, grade and PGM ounces that have been exposed through development and which is immediately available for mining. The UG2 measured resource has decreased from 3.37Mt (562 000oz) in June 2009 to 3.08Mt (507 000oz) in June 2010. This is in line with mining depletion and planned development of the UG2 reef, together with a reduced resource grade owing to the application of a wider channel.

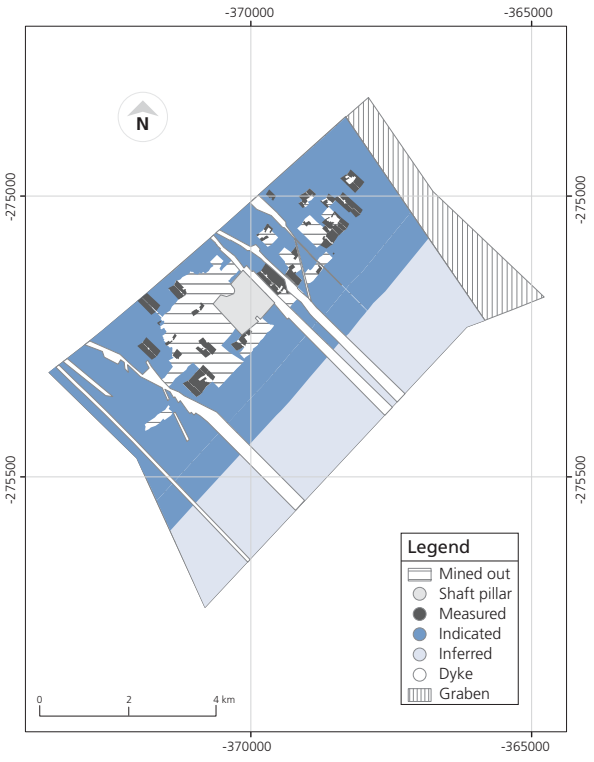
The UG2 indicated resource has significantly decreased following the removal of a portion of the eastern side of the resource block, ahead of a feasible plan to mine this area. The UG2 inferred resource has marginally increased as a result of the application of higher channel widths to the resource estimates for the deeper portions of the mining lease area.

Zondereinde resources and reserves

Merensky resource classes



UG2 resource classes



Zondereinde resource statement

	as at 30 June 2010 3PGE+Au			as at 30 June 2009 3PGE+Au		
	Mt	g/t	Moz	Mt	g/t	Moz
Merensky reef						
Measured	2.21	8.19	0.58	2.04	8.33	0.55
Indicated	25.65	7.36	6.07	25.28	7.14	5.80
Inferred	40.58	6.86	8.95	38.68	6.55	8.15
Total	**68.44**	**7.09**	**15.60**	**66.00**	**6.83**	**14.50**
UG2 reef						
Measured	3.08	5.12	0.51	3.37	5.19	0.56
Indicated	34.13	5.06	5.55	38.86	5.19	6.49
Inferred	25.41	5.06	4.13	24.65	5.19	4.11
Total	**62.62**	**5.06**	**10.19**	**66.88**	**5.19**	**11.16**
Combined reef						
Measured	5.29	6.40	1.09	5.41	6.38	1.11
Indicated	59.78	6.05	11.62	64.14	5.96	12.29
Inferred	65.99	6.17	13.08	63.33	6.02	12.26
Total	**131.06**	**6.12**	**25.79**	**132.88**	**6.01**	**25.65**

Zondereinde reserve estimate

	as at 30 June 2010 3PGE+Au			as at 30 June 2009 3PGE+Au		
	Mt	g/t	Moz	Mt	g/t	Moz
Merensky reef						
Proven	2.60	5.94	0.50	2.43	5.92	0.46
Probable	16.56	5.81	3.09	16.90	5.52	3.00
Total	**19.16**	**5.83**	**3.59**	**19.33**	**5.57**	**3.46**
UG2 reef						
Proven	3.08	4.46	0.44	3.40	4.35	0.48
Probable	24.73	4.41	3.50	30.04	4.35	4.20
Total	**27.81**	**4.41**	**3.94**	**33.44**	**4.35**	**4.68**
Combined reef						
Proven	5.68	5.14	0.94	5.83	5.00	0.94
Probable	41.29	4.97	6.59	46.94	4.77	7.20
Total	**46.97**	**4.99**	**7.53**	**52.77**	**4.80**	**8.14**

Mineral reserve and resource statement (continued)

Booysendal prospect

Description

The Booysendal concession is located in the southern compartment of the eastern limb of the Bushveld Complex, approximately 35km from the town of Mashishing (formerly Lydenburg), straddling the border of Limpopo and Mpumalanga provinces in the Republic of South Africa.

The mining lease area hosts both the UG2 and Merensky ore bodies, which outcrop over a strike length of 14.5km and dip at approximately 10° within the area.

A study to determine the feasibility of mining UG2 and Merensky reefs within the northernmost 8km of Booysendal strike, over a dip extent from outcrop of approximately 2km, was completed in September 2009. Early earthworks for infrastructural development to support a UG2 mine in the northernmost 4km of strike commenced in May 2010. A mineral reserve estimate is presented for this mining module only.

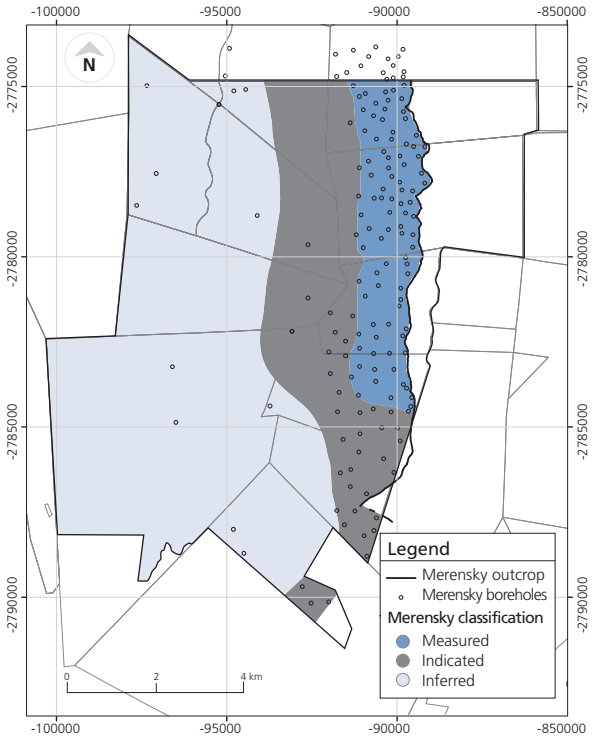
The Bushveld sequence at Booysendal is similar to that found across the eastern limb. The critical zone stratigraphy is fully developed and middling between the UG2 and Merensky reefs is in the order of 175m in the northern portion of Booysendal. The sequence is, however subject to thinning in the southern portion, which is linked to the Bushveld rocks abutting basement highs. The impact of this 'abutment' is further manifested in disruption to surface morphology and internal structure of the two reefs. This has led to the characterisation of three geozones within the Booysendal concession, these being the normal, slump and abutment geozones. Despite this progressive disruption to the south, the continuity of the reef surfaces is robust across the property.

The internal structure of the UG2 reef is similar to that found on the Bushveld western limb, whilst the Merensky reef is typical of the northern portion of the Bushveld eastern limb.

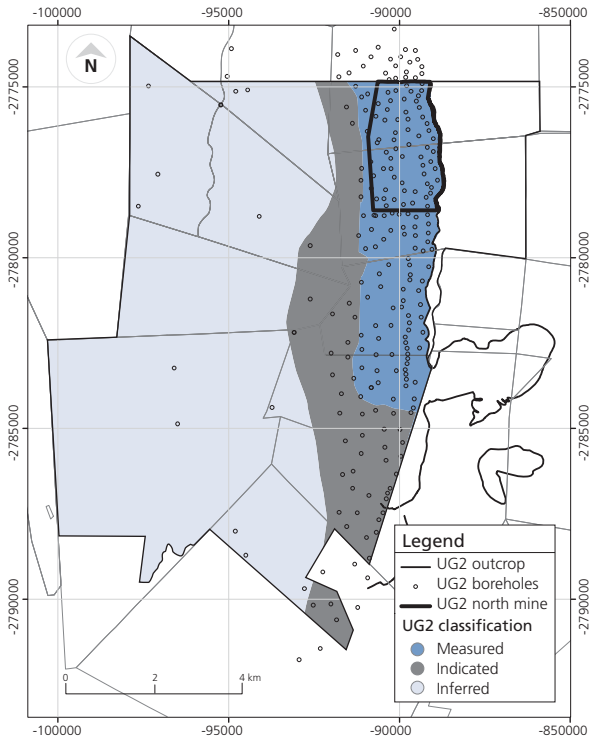
The Merensky reef is the upper mineralised portion of the Merensky pyroxenite, generally extending over 110cm. The Merensky reef is immediately overlain by a sequence of competent norites.

Booysendal resources and reserves

Merensky resource classes



UG2 resource classes



The UG2 reef consists of an upper leader chromitite and a lower main chromitite with a combined thickness of some 140cm. These seams are generally juxtaposed or merged, but can display variable internal silicate partings.

Exploration data that has informed this estimate included over 35 000 assay samples derived from 248 boreholes. 90% of drilling was conducted within 2.5km down-dip of outcrop, and drill hole spacing in this near outcrop area ranges from 150m to 400m.

Resources were estimated over the reef channels. For the UG2 reef, the reef channel extends from the top of the leader chromitite to the base of the main chromitite seam. For the Merensky reef, the reef channel extends from the top of the Merensky pyroxenite to a sample grade cut-off of 1g/t, with a minimum mining channel width of 80cm applied.

Geological losses were discounted from the resources for both reefs. These comprised pothole and structural losses, which amounted to 24% and 23% respectively, as well as losses related to a 30m thick surface oxidized zone. A channel cut-off 3PGE+Au grade of 2.5g/t was applied to estimated blocks, whilst a pay limit percentage loss, set at the same cut-off grade value, was applied to non-estimated areas.

Resource categorisation was based upon a combination of quantitative geostatistical parameters, together with a qualitative appreciation of orebody continuity informed by the resource database together with data from surrounding properties.

Booysendal resource estimate

	as at 30 June 2010 3PGE+Au			as at 30 June 2009 3PGE+Au		
	Mt	g/t	Moz	Mt	g/t	Moz
Merensky reef						
Measured	37.15	5.08	6.06	37.15	5.08	6.06
Indicated	62.26	4.84	9.70	62.26	4.84	9.70
Inferred	156.07	4.54	22.78	156.07	4.54	22.78
Total	**255.48**	**4.69**	**38.53**	**255.48**	**4.69**	**38.53**
UG2 reef						
Measured	109.96	3.92	13.84	109.96	3.92	13.84
Indicated	99.11	4.01	12.78	99.11	4.01	12.78
Inferred	371.46	3.19	38.14	371.46	3.19	38.14
Total	**580.53**	**3.47**	**64.76**	**580.53**	**3.47**	**64.76**
Combined reef						
Measured	147.12	4.21	19.91	147.12	4.21	19.91
Indicated	161.37	4.33	22.47	161.37	4.33	22.47
Inferred	527.52	3.59	60.92	527.52	3.59	60.92
Total	**836.01**	**3.84**	**103.30**	**836.01**	**3.84**	**103.30**

Mineral reserve and resource statement (continued)

Booysendal reserve estimate

	as at 30 June 2010 3PGE+Au			as at 30 June 2009 3PGE+Au		
	Mt	g/t	Moz	Mt	g/t	Moz
Merensky reef						
Proven	–	–	–	–	–	–
Probable	–	–	–	–	–	–
Total	–	–	–	–	–	–
UG2 reef						
Proven	31.05	2.99	2.99	–	–	–
Probable	–	–	–	–	–	–
Total	**31.05**	**2.99**	**2.99**	–	–	–
Combined reef						
Proven	31.05	2.99	2.99	–	–	–
Probable	–	–	–	–	–	–
Total	**31.05**	**2.99**	**2.99**	–	–	–

Pandora resource estimate

	as at 30 September 2009 3PGE+Au			as at 30 September 2008 3PGE+Au		
	Mt	g/t	Moz	Mt	g/t	Moz
Merensky reef						
Measured	–	–	–	–	–	–
Indicated	–	–	–	–	–	–
Inferred	–	–	–	–	–	–
Total	–	–	–	–	–	–
UG2 reef						
Measured	0.99	4.85	0.15	1.05	4.84	0.16
Indicated	3.42	4.51	0.50	3.44	4.51	0.50
Inferred	7.42	4.12	0.98	7.45	4.12	0.99
Total	**11.84**	**4.29**	**1.63**	**11.94**	**4.30**	**1.65**
Combined reef						
Measured	0.99	4.85	0.15	1.05	4.84	0.16
Indicated	3.42	4.51	0.50	3.44	4.51	0.50
Inferred	7.42	4.12	0.98	7.45	4.12	0.99
Total	**11.84**	**4.29**	**1.63**	**11.94**	**4.30**	**1.65**

Pandora reserve estimate

	as at 30 June 2009 3PGE+Au			as at 30 June 2008 3PGE+Au		
	Mt	g/t	Moz	Mt	g/t	Moz
Merensky reef						
Proven	–	–	–	–	–	–
Probable	–	–	–	–	–	–
Total	–	–	–	–	–	–
UG2 reef						
Proven	0.06	4.48	0.01	0.10	4.28	0.01
Probable	0.60	4.23	0.08	–	–	–
Total	**0.66**	**4.25**	**0.09**	**0.10**	**4.28**	**0.01**
Combined reef						
Proven	0.06	4.48	0.01	0.10	4.28	0.01
Probable	0.60	4.23	0.08	–	–	–
Total	**0.66**	**4.25**	**0.09**	**0.10**	**4.28**	**0.01**

Notes on reporting criteria

- Mineral resource tonnages and grades are *in situ* estimates reported inclusive of internal waste dilution, but exclusive of external waste dilution
- PGE grade is expressed as corrected 3PGE+Au (combined platinum, palladium, rhodium and gold) grade
- Structural losses, due to faults, dykes and joints, include the volumes of expected bracket pillars required to be placed on such features
- Kriging parameters are applied to discrete mining areas in order to estimate tonnage and metal content
- Kriging parameters are derived from the interrogation of an extensive sampling database
- Rounding off of numbers in the tables may result in minor computational discrepancies; where this occurs it is deemed to be insignificant
- The most reasonable mining width is assumed based on practical mining conditions. PGE grade, as well as specific gravity are calculated for these widths
- Total mineral resources and reserves attributable to Northam Platinum Limited are listed in the summary tables
- Mineral resources for Pandora reflect Northam Platinum Limited's 7.5% attributable interest, are quoted as at the end of September 2009 and 2008 and are provided by Lonmin
- Measured and indicated mineral resources are reported separately and include those mineral resources modified to produce proven and probable mineral reserves
- Whilst mineral resources are quoted as *in situ* resources, all reserves provided by Northam are quoted at run-of-mine (ROM) grades and tonnages as delivered to the concentrator plants on site and are therefore fully diluted
- Mineral reserves for Zondereinde mine are quoted to 15 level
- Mineral reserves for Booysendal relate to the first planned mining module, the UG2 North mine
- Mineral reserves for Pandora are provided by Lonmin and reflect Lonmin's reserve modifying factors
- All references to tonnage are to the metric unit
- All references to ounces are troy with a conversion factor of 31.10348 used to convert from metric grams to ounces