

Chairman's report



What a difference 18 months has made.

“Your Company has substantially restored its reputation and can now address its new growth initiatives with renewed confidence and vigour.”

Dear fellow shareholder

My last Chairman's review covering the 12-month period to 30 June 2009 reported on a Company whose very survival had been, and was, precarious, and summarised the action plans being implemented to restore your Company to health. It is now my pleasure to report on the 18-month period to 31 December 2010 and to record the dramatic progress made by your Company.

What a difference 18 months has made!

Significant features of this past period have been:

- a clear strategic focus on base metals following the sale of non-core assets;
- the restoration of the Company's balance sheet;
- the dramatic and steady improvement in all management and operational disciplines resulting in strong, sustainable and rising cash flows generated in safe working conditions;
- an improvement in the holistic operating environment of the Company, in particular its stakeholder relationships and the prices and prognosis of its output; and
- significant progress in advancing the new project pipeline.

As a consequence, your Company has substantially restored its reputation and can now address its new growth initiatives with renewed confidence and vigour.

Safety, health, environment and communities ("SHEC")

The ongoing implementation of a holistic Group SHEC strategy incorporating leading industry practice is a priority at Metorex. Your Board and management is committed to a no-compromise top-down culture of safety and health excellence. The Group had another fatality-free year.

The detailed status of SHEC matters is set out on pages 22 to 33 of this report. Shareholders will note steady progress across all areas and in particular the baseline monitoring and addressing of environmental issues at existing operations and progress towards identifying, tackling and resolving issues at legacy operations.

Corporate Social Responsibility ("CSR") is a strategic focus and priority for Metorex.

Worldwide, government, NGOs and local communities are increasingly demanding higher but variable standards of CSR performance from mining companies and international trends towards the "legalisation" of CSR in mining and the recognition of the rights of indigenous peoples and communities is strengthening. The process is complicated by poor communication and unrealistic expectations and frequently exacerbated by the dichotomy between mining operations and extreme poverty and social degradation in surrounding communities.

Metorex has recognised that CSR, correctly and effectively implemented, is a potential competitive advantage and can be economically advantageous in the medium term. Through

public-private partnership arrangements Metorex seeks to leverage its capital and services delivery capacity at affordable cost to the benefit of its surrounding communities. In particular, Metorex is investing in creating effective communication channels with these stakeholders to deliver these benefits.

Metorex's CSR activities are summarised on pages 29 to 30.

Operating and financial results

Group copper and cobalt production increased by 145% to 76 409 tons and by 488% to 5 123 tons respectively in the 18-month period to 31 December 2010 as compared to the 12-month period to 30 June 2009 and, importantly, increased in each of the five six-month periods throughout this and the prior reporting period.

Mining profit before depreciation for the 18-month period to 31 December 2010 amounted to R1,72 billion (2009 12 months: R111 million) of which R851 million represents the last six months. Adjusted headline earnings per share amounted to 59,9 cents (2009 12 months: 8,5 cents loss) of which 32,2 cents was earned in the last six months of the 18-month period.

These improved financial performances, reported in ZAR, are despite a 20% strengthening in the average Rand/US\$ exchange rate leading to lower Rand-based earnings.

With production and cost control continuing to improve, and with higher prevailing copper prices, this trend should continue into 2011.

Net Group debt at financial period-end decreased from R2,1 billion to R416 million, despite capital investment of R865 million partly incurred on advancing and retaining the new project portfolio. This was achieved from the proceeds of the sale of non-core assets, R940 million, the capital raising in March 2010 of R900 million and operational cash flows. The Group is currently forecasted to substantially be in a zero net debt position well prior to the end of 2011, before taking into account the funding of the planned new investment in the Kinsenda Mine.

Chibuluma achieved excellent performance throughout the reporting period with all planned operational metrics of "Value, Volume, Quality, Cost, Capital and Cash Flow" ("VVQ3C") being achieved or exceeded. Chibuluma's standard is to be a "Model Mine in Zambia" and this has been met.

At the Ruashi Mine, planned operational metrics improved steadily throughout the period with targeted production levels being reached during several months in the last period, except when output was negatively impacted by transformer and rectifier failures during June and November 2010. These failures were caused by power supply spikes damaging electrical equipment inadequately designed and engineered for the variable power supply operating environment.

Chairman's report

continued

Management has taken action to design and instal new circuitry equipment and back-up capacity designed to limit the adverse impact of future variable power supply.

It is gratifying to report that Ruashi's Mineral Resource Management function and associated mine planning is now operating to acceptable standards and that, despite 18 months of depletion, the new Mineral Reserve and Resource inventory has increased. In addition, the new sulphide ore project under evaluation should further extend the mine life or utilise excess processing capacity.

With the planned commissioning of the new acid plant in August 2011 and planned improvements to the cobalt drying function, Ruashi is expected to further lower its structural operating costs and improve its efficiency. Emphasis remains on improving systems, ongoing training and developing its human capital.

Strategic initiatives

My Chairman's review for the year ended June 2009 set out seven action steps, then underway, to address and complete the strategic objectives set by the Company. All of these action steps were successfully completed.

The last non-core asset disposal was that of the Consolidated Murchison division. The transaction achieving this objective was announced in September 2010 and is summarised on page 116. This process took longer than planned, but your Company participated in a responsible and constructive manner to ensure the survival of that operation, associated jobs and the effected community. Despite the anticipated strong recovery of the antimony market, Metorex is comfortable that divesting of this mining operation enhances its strategic focus.

In summary, the current strategic status of the Company is:

Focus

The exclusive focus of your Company is now base metals with particular preference initially to copper.

This focus allows Metorex to develop the depth of technical and regional operating skills which are essential as a competitive advantage and the experience and lessons learnt in establishing and operating copper mines in the Copperbelt, and especially the Democratic Republic of Congo ("DRC").

Restored balance sheet

On 29 March 2010 Metorex issued a Circular to Shareholders regarding a partial clawback and rights offer of 250 million new shares at a subscription price of R3,60 per share. This offer closed on 16 April, was oversubscribed, and the Company raised R900 million. The purpose of this equity raising was:

- to trigger the Ruashi revised debt package which facilitated the subsequent "ringfencing" of Ruashi debt and freed the Company from most of the restrictions and covenants under which it had operated;

- to provide funds to progress Metorex's promising development projects (Kinsenda, Lubembe and Musonoi/Dilala East) up the value curve;
- to give the Company the funds to progress the disposal of Consolidated Murchison; and
- to recapitalise the Metorex balance sheet.

This equity raising has achieved its stated objectives. We thank those equity subscribers for their support.

Returning the Company to growth

The Company has made considerable progress in advancing its development projects. It is particularly gratifying that the Company managed to retain and eventually acquire 100% of Copper Resources Corporation which company houses its Kinsenda and Lubembe projects. These projects, together with Dilala East, will enable Metorex to reach its objective of over 100 000 tons per annum of copper produced and represents the immediate growth targets and future.

Mindful of past experiences, Metorex executives have focused considerable effort in the professional evaluation, design and project planning for these development projects, and details of the progress made and status thereof are set out on pages 42 and 43.

A proposal to go ahead with the Kinsenda project will shortly be evaluated by the Metorex Board. The scale and funding of this high-grade new mine will be within the sensible funding capacity of the Company given its current balance sheet and cash flows generated from existing operations.

The Metorex liquidity crisis

The causes and immediate consequences of the capital cost overruns at the Ruashi project in mid-2008 and thereafter were dealt with in the 2009 Chairman's review which described remedial action taken. It is perhaps quite pertinent to reflect upon the crisis and its consequences in the light of future new projects planned by the Group.

With regard to cause, the following is an extract from the 2009 Chairman's review:

"While a large portion of this capital cost overrun was the result of massive input cost increases, particularly in steel and cement, poor project management and weak engineering design and estimating also played a significant role. More importantly, weak costing, planning and reporting disciplines failed to alert your Board to the resultant funding shortfall. This exacerbated a situation which could otherwise have been addressed in a pre-emptive fashion in a more stable financial environment"

Metorex has, during the past 18 months, dramatically improved its costing, planning and reporting disciplines as well as all facets of corporate governance and oversight. In addition, its new projects are being designed and engineered to rigorous standards while project management processes have been

strengthened. I believe that Metorex's new projects will be successfully built within design parameters and am particularly confident that your management and Board will be alerted to any unforeseen problems in time to take corrective action.

It is sobering that the initial US\$120 million capital cost overrun resulted in additional estimated consequential costs to Metorex of at least a further US\$280 million, primarily from commissioning delays and engineering rebuilds, a sale of non-core assets at an inopportune time in the business cycle and in particular from the costs of ill-advised hedging contracts forced upon the Company by its lenders.

If the old adage that "what does not kill makes strong" holds any truth, then your Company has indeed emerged mercifully fast from this US\$400 million (R3,7 billion at that time) ordeal a wiser and stronger Company able to tackle the future with confidence.

The Metorex Board and corporate governance

Mr John Hopwood, a director of experience, wisdom and exemplary diligence, passed away on 19 March 2010. He is missed. To replace John, the Company was fortunate to secure the services of Ms Hester Hickey as a director and Chair of the Audit Committee. Her professional qualifications and past experience are particularly suitable to our requirements. In August 2010 the Company appointed Mr Peete Molapo as a director. Peete is an economist and central banker by background with experience and high-level contacts in southern Africa.

We believe that your Board remains well balanced in terms of skills, including mining, finance, technical and social skills, experience and background and is in accordance with the Company's evolving transformation objectives. An optimal balance of non-executive members, and indeed independent non-executive and executive members, has also been achieved and this Board and its various subcommittees are nearly King III compliant. Details of this Board's functions and the background of its members are set out in this annual report.

Operating environment

World Bank forecasts for growth in world GDP for 2011 and 2012 are 4,5% and 4,4% respectively, in particular growth in emerging economies, especially China, have driven strong growth for copper demand. Recent events in the Middle East and consequential rises in the oil price may temper these forecasts. Sluggish supply responses have led to actual and expected shortfalls leading to a positive prognosis for copper prices in the period ahead. The outlook for cobalt is both less positive and less certain.

Metorex's operating environments in both Zambia and the DRC are challenging. In Zambia, ongoing disputes over unilateral changes to the fiscal regime spoil an otherwise steady picture. In the DRC your Company has made considerable progress in developing an effective modus operandi and I am particularly

encouraged by steadily improving communications and relationships with community and regional stakeholders.

Prospects

Given steady-state production platforms at the major operations of Chibuluma and Ruashi and strong forecast copper prices, your Company views its prospects in the forthcoming period with confidence. Major value-adding initiatives will be the construction and development of the new Kinsenda Mine and further advances in the Ruashi Sulphides, Lubembe and Dilala East projects.

Recent corporate developments

Since your Company sharpened its strategic focus, divested itself of non-core assets and started to deliver positive and improving operational results, your Company has been approached on numerous occasions by parties, some highly credible, interested in acquiring the Company. Late in 2010 a highly disciplined and professional process has been implemented under a tight legal and confidentiality regime to facilitate the necessary data access to qualified and credible parties.

The process culminated in Metorex issuing a cautionary announcement on Monday, 28 March 2011 and on 8 April 2011 announcing a binding offer from Vale S.A. to acquire all of the fully diluted shares in Metorex at a price of R7,35 per share (excluding Metorex's shareholding in Sable Zinc). Details thereof will be made available by circular to shareholders who will have the opportunity to consider this offer and decide accordingly. Your Board has an unfettered fiduciary duty to consider any subsequent superior offers, subject to the payment of a break fee.

It is worth noting that, without exception, a major attraction and source of additional value to interested parties has been the desire to acquire the services of your Company's management going forward.

Your Board shall continue to act in the very best interests of shareholders throughout this process.

Appreciation

Your Company's Board, the executive team so capably led by Terence Goodlace and all staff have put in an enormous effort to restore your Company to health and to lay a solid platform for future growth. On behalf of our shareholders my appreciation to you all.

The counsel and support of my fellow directors, past and new, during this past year is appreciated.

What a difference 18 months has made!



R G Still

26 April 2011

Chief Executive Officer's report



A focused base metals company

“Metorex has undergone a complete transformation into what it is today – a focused growing base metals Company operating on the Central African Copperbelt.”

Metorex, over the last 18 months, has undergone a complete transformation from a financially stressed diversified mining Company into what it is today – a focused growing base metals Company operating on the Central African Copperbelt. This shift emanated from a strategic study which highlighted the strong fundamentals for base metals and a need to focus Company competencies and resources to pursue operational excellence and advance the Metorex growth projects in the Democratic Republic of Congo (“DRC”). Pursuant to the new Metorex strategy, was an improved operating environment, which changed from one of rock-bottom commodity prices during the 2008 global financial crisis to, in our case, one of a robust demand for copper, constrained copper supply and subsequent buoyant copper prices.

Restoring the balance sheet

During the reporting period we announced the sale of all of the Metorex-owned Pan African Resources shares for gross proceeds of R386 million and the disposal of our entire shareholding in Vergenoeg for a cash consideration of R462 million. We were also pleased to announce that Metorex had successfully raised R900 million through the implementation of a partial clawback offer. The sale of the loss-making Consolidated Murchison was also announced during this period. These activities, together with the revised Ruashi debt package, ensured the ringfencing of the Ruashi debt, improved hedging profiles and placed the Company in a sound position to focus on its base metals growth strategy. This strategy included the production ramp-up at Ruashi and new project developments on the Central African Copperbelt.

Over the 18 months ended December 2010 the gross, and debt net of cash balances, have been reduced by 147 percent and 80 percent respectively. Gross debt has reduced from R2,1 billion (US\$274 million) at the end of June 2009 to R853 million (US\$129 million) at the end of December 2010.

Restoring reputation

At an operational level there have been major changes and save for transformer/rectifier challenges at Ruashi there were pleasing performance levels.

A major initiative aimed at modernising and improving approaches to safety, health, environment and community have met with success. Hazard identification and risk management has been elevated at all levels within the organisation. Metorex has a zero-harm focus and there have been no fatalities for over 30 months. The Group attained a lost-time injury rate of 1,0 per million man-hours worked for the six months ended 31 December 2010 as against 2,1 per million man-hours worked for the 12 months ended 30 June 2009. The implementation of the Metorex Safe Production Rules gained momentum at all operations over the reporting period. Chibuluma introduced self-contained self-rescuers for all of their underground teams and installed anti-collision avoidance systems on all underground vehicles. Great strides have been made with occupational hygiene initiatives and environmental systems and practices. A full social scan was completed for all operations to understand the impact, expectations and actions needed with the communities which surround our mines. The Group has also developed and is implementing an integrated electronic IsoMetrix risk management system.

Chief Executive Officer's report

continued

All of the operations have implemented measures aimed at debottlenecking key aspects of their businesses, thus focusing on increasing volumes mined, improving values (grades) mined, delivering quality feed to the plants and ensuring costs, capital and cash flows are optimised. Ruashi has continued with its production build-up and reached record levels of production. During the period the mine commenced with the construction and completion of the acid plant. This US\$13 million project should reduce operating costs at Ruashi by up to 5%. Ruashi also commenced a study on an improved cobalt drying circuit and it is planned to complete a feasibility study on this project in 2011. Chibuluma excelled in its performances while Sable Zinc struggled to improve output due to the lack of third-party ores which reduced its ability to maximise throughput capability.

Group operational performance for the 12-month periods ended 31 December:

	2010	2009	2008
Copper production (t)	51 569	42 484	26 736
Cobalt production (t)	3 622	2 237	388
Costs of production (US\$/t)*	2 563	4 030	3 677
EBITDA (R000)**	1 128 411	324 960	897 288

*Copper costs, net of cobalt credits.

**Excludes non-recurring items.

Growth

The Group has moved rapidly to mobilise teams for all associated activities needed to advance exploration drilling, conceptual and feasibility studies for the development projects as well as organic growth initiatives on the operating assets.

On a 100 percent basis, the Group now has a total copper resource of 4,7 million tons of copper and 330 000 tons of cobalt, and initiatives have been implemented to convert these resources to reserves.

At Ruashi, exploration activities were focused on expanding the resource base and advancing the Ruashi Sulphides project. Positive results have been forthcoming and the resource and reserve position at Ruashi has improved. Ruashi has a total resource of 1 244 000 tons of contained copper and 160 000 tons of contained cobalt and total reserves of 523 000 tons of copper and 88 000 tons of cobalt. The Ruashi Sulphides project is aimed at extending the life of Ruashi, thus establishing the optimum mining and processing methods needed to utilise Phase 1 infrastructure.

The Group has substantially completed the Kinsenda bankable feasibility study. This 14,6 million ton high-grade resource at 5,7% copper is planned to deliver 22 000 tons of copper per annum at competitive unit costs once in full production. The planned capital costs for the mine are US\$130 to US\$150 million and the 18-month project should commence in July 2011. Board approval for the project is expected by June 2011. Funding for the project should be secured through additional loans of US\$66 million and the balance of the project will be financed from Group operating cash flows.


Activities at the Lubembe project were focused on the drilling programme and scoping studies to determine the mining and processing options for the mine. A full SAMREC-compliant resource was completed and first released in July 2010. This 93 million ton resource at 2% copper provides for either a high-volume low-grade or low-volume high-grade mine. A full rescoping exercise is underway utilising the latest resource model. A pre-feasibility study will be initiated once the new scoping studies are complete.

During March 2010 we completed and announced a maiden SAMREC-compliant resource for the Dilala East deposit (Musonoi) and this project could provide further diversity and depth to the Metorex copper-cobalt asset portfolio. The 19 million ton resource at relatively high grades of 2,9% copper and 0,9% cobalt could translate into a high-value operation. Drilling continues to fully establish the resource and, once completed, we intend moving the project towards completing a bankable feasibility study. The title for this project is still with Gécamines.

An initiative to increase exploration activity in and around the Chibuluma Mine commenced in October 2010. This resource replacement programme includes extension drilling and regional geophysical surveys.

Prospects

At present, Metorex is the only South African JSE-listed mining company operating on the Central African Copperbelt and the Company is well positioned to commence the Kinsenda project in 2011. Key to our risk-based approach to growth is that we will "grow within our means" and not put our shareholders at risk. My thanks go out to the team at Metorex for their enthusiasm and drive to succeed and restore Metorex to a Company with a great reputation. In addition, I would like to thank the Metorex shareholders for their patience and support during 2009 and 2010 and we look forward to delivering additional value into the future.



T P Goodlace

26 April 2011

Directorate

Robert Still (55)

BCom (Hons), CA (SA), IMM

Chairman of the Board
Independent Non-executive Director
Member of the Remuneration Committee
Chairman of Nomination Committee

Rob started his career as a chartered accountant, becoming a partner of Ernst & Whinney before leaving in 1986 to co-found the JSE-listed exploration and mining company Rhoex Limited. Since that time Rob has been involved in both the senior and junior sectors of the mining industry worldwide and has held both executive and non-executive director positions in mining and exploration companies listed in South Africa, Australia, Canada and the UK. Rob has participated in the development of several new mining projects including Rhovan, KZN Titanium Sands, Pangea Goldfields, Southern Mining (Corridor Sands), Great Basin Gold (Burnstone), Pan African Resources and Zimbabwe Platinum Mines Limited. He is currently Chairman of Pangea Exploration, a private company active in exploration, mining project development and mining finance. Rob was appointed to the Metorex Board in February 2005 and as Deputy Chairman in November 2007. He was appointed Chairman of the Board in January 2009.

Terence Goodlace (51)

NHD: Metalliferous Mining, BCom, MBA, SAIMM (member)

Chief Executive Officer
Member of the SHEC Committee

Terence was appointed Chief Executive and Director of the Board with effect from 2 March 2009. Terence was previously the Group Chief Operating Officer at Gold Fields where he worked for almost 27 years in various capacities including strategic planning, heading up the international mining portfolio, heading up the South African mining portfolio and holding various line management positions on operating mines. In addition to his role of Metorex CEO, Terence is on the board of Impala Platinum Holdings Limited and Vergenoeg Mining (Pty) Limited.

Alberto Barrenechea Guimón (67)

Non-executive Director
Member of the Remuneration Committee

Alberto Barrenechea is Chairman and CEO of the Minersa Group of companies. He also is or has been director of several mining, chemical, biotechnological, other industrial, and asset management companies in Europe, America and Africa. Alberto has 34 years of industry

experience. Alberto was appointed as a non-executive director of Metorex in May 2002.

Hester Hickey (57)

BCompt Hons, CA (SA)

Independent Non-executive Director
Chair of the Audit Committee

Hester currently acts as a consultant, as well as non-executive director, trustee and audit committee chair for various organisations, including Two Rivers Platinum, AngloGold Ashanti Pension Fund, the Sentinel Mining Industry Pension Fund, the Mine Employees Pension Fund representing the Chamber of Mines, Omnia Limited and Glenrand MIB. Her previous roles include Senior Manager: Corporate Governance at Liberty Life, General Manager: Risk Consulting at Marsh South Africa and partner at Ernst & Young. Hester has extensive experience in African mining through 10 years of experience with AngloGold Ashanti. Additionally, Hester was Chair of the South African Institute of Chartered Accountants for two years and also chaired their Audit, HR and Finance committees. She completed two terms over a period of seven years as a member of the Johannesburg Municipality audit committee. Hester joined the Metorex Board as a non-executive director and as the Chair of the Audit Committee in May 2010.

Nonkululeko ("Nkuli") Kgositsile (36)

Independent Non-executive Director
Member of the SHEC Committee

Nkuli has a background in journalism and was a founder of the Voice of Soweto Community radio station and is an entrepreneur with her own entertainment company. She brings a dynamic wealth of experience in a social and political capacity in Africa, having been educated in a number of southern African countries. Nkuli was appointed as a non-executive director of the Board of Metorex Limited in August 2009.

Victor Mabuza (40)

BCom (Acc)

Independent Non-executive Director
Chairman of the Remuneration Committee
Member of the Audit Committee

Victor is an independent corporate finance adviser. He has advised on many mining company ESOPs, including African Rainbow Minerals Limited, Anglo Platinum Limited, Gold Fields Limited and Northam Platinum, and black economic empowerment transactions



including NEF Asonge, Sasol Inzalo and Vodacom YeboYethu. Victor has held various executive, directorship and board positions in retail, corporate and investment banking and has worked for companies including Standard Bank, ABSA, Stanlib and the National Empowerment Fund. Victor joined the Board of Metorex as an independent non-executive director, and was appointed as Chairman of the Remuneration Committee in August 2009.

Peete Molapo (56)

BA (Econ), Postgraduate Dip, MA (Econ)

Independent Non-executive Director
Member of the Audit Committee

Peete has an economics and financial background, and in his long career of over 20 years in the financial sector he occupied a number of senior positions, among which can be mentioned serving as the Chief Executive Officer of the Lesotho National Development Corporation, a post he held until July 2009. Before then he was employed as the Deputy Governor of the Central Bank of Lesotho. He joined the Central Bank of Lesotho from the African Development Bank (AfDB) where he was an executive director.

Peete formerly held positions on several boards including SADC Development Finance Resource Centre (DFRC) Botswana (Chairman), Lesotho Brewing Company (Chairman), Nedbank Lesotho, Lesotho Sun International, Lesotho Milling Company, Students in Free Enterprise (SIFE – Chairman). He obtained a BA in Economics from the National University of Lesotho and holds an MA in Economics as well as a postgraduate diploma in National Accounts and Economic Statistics from the University of East Anglia, Norwich, England.

Peete has now established his own consultancy company and is currently working on a United Nations Industrial Development Organisation (UNIDO) sponsored project for developing a new Industrial Policy for Lesotho.

Peete was appointed to the Metorex Board and as a member of the Audit Committee on 20 August 2010.

Les Paton (59)

BSc (Univ of PE), BSc (Hons) Geology, BCom (Univ of SA), PrSciNat, FGSSA

Independent Non-executive Director
Chairman of the SHEC Committee
Member of the Remuneration Committee
Member of the Nomination Committee

Les recently retired as executive director of Impala Platinum Holdings Limited after 35 years of service to that group. His career incorporates spells in base metal exploration in southern Africa, as well as gold and platinum geological exploration and mining. Les is experienced in the evaluation and technical overview of projects and in project management. He joined the Metorex Board as an independent non-executive director in January 2009.

Maritz Smith (34)

BCom (Hons), CA (SA)

Chief Financial Officer

Maritz, who is a chartered accountant, joined Metorex in 2002 from Deloitte & Touche. He has overall responsibility for the Group's financial affairs and reporting. Maritz was appointed to the Metorex Board as Alternate Director in November 2007 and as Group Financial Director in January 2009.

Board committee membership

Audit Committee	SHEC Committee
H Hickey (Chair)	L Paton (Chairman)
P Molapo	N Kgositsile
V Mabuza	T Goodlace

Remuneration Committee	Nomination Committee
V Mabuza (Chairman)	R Still (Chairman)
R Still	L Paton
L Paton	
A Barrenechea	



Executive Committee



Lloyd Chester Bradford (48)

BSc (Hons) Chemical Engineering

Group Metallurgical Manager

Before joining Metorex in June 2005, Lloyd spent 19 years working for Anglovaal Mining in various operational and technical roles. He has gained experience across a wide range of metallurgy, from precious metals, base metals and industrial minerals to other products such as uranium and acid. He has spent 10 years in various capacities working on operations and also 14 years in a head office environment where he has led feasibility studies, carried out design work and provided technical consulting to operations. Current responsibilities include providing technical input into metallurgical-related projects and operations.



Darryll John Castle (42)

BSc (Eng) Civil Engineering, BCom, MBA (UCT), CFA

Chief Operating Officer

Before joining Metorex in March 2009, Darryll was executive director of Zungu Investments Company, a diversified BEE company with interests in mining, finance, media and other industrial interests. Darryll was responsible for Africa Vanguard Resources, a mining company with joint ventures with Uranium One, Harmony, Rockwell Diamonds and Gold One.

Prior to this Darryll was a fund manager and analyst with STANLIB Asset Management, one of South Africa's largest asset managers. Darryll managed several high-profile funds, and held positions on the STANLIB Executive Committee, was Head of Mining and Resources and Head of Mutual Funds.

Darryll previously worked for Billiton in the mining environment, and started his career at Transnet as a civil engineer. Darryll resigned effective 1 May 2011. Nicholas James has been appointed to this position as announced on SENS on Thursday, 14 April 2011.



Trevor John Faber (39)

BSc Engineering (Mining)

Group Mining Engineer

Trevor joined Metorex in June 2006 as Project Manager for Ruashi phase II. His early career incorporated operational and construction management experience obtained mainly in the South African platinum sector. More recently Trevor was appointed as Technical Director at Ridge Mining and was responsible for the development of its Blue Ridge Platinum Mine in Groblersdal.

Trevor's role on Exco is twofold. He is responsible for advancing the Group's growth projects along the value curve as well as for general oversight of all technical issues related to mine design, layout, scheduling and implementation.



Charles Denby Stockton Needham (57)

Corporate Affairs

Charles joined Metorex in 1983. His specific expertise lies in the field of financing, financial reporting, management reporting, hedging and corporate affairs, as well as in-depth knowledge of and experience in the Metorex Group operations. Charles is active in the interface between corporate and operational management.



Colleen Ann Parkins (43)

BSc (UCT), BSc (Hons) (UCT), MSc (Zoology) (UCT), MSc (Quantitative Resource Ecology) (UCT), MBA (Wits), PrSciNat

Group Environmental Consultant

Colleen has 16 years of experience in mining environmental management including specialist studies assessing the impact of marine mining on the environment, Environmental Management Co-ordinator at Namdeb Diamond Corporation in Namibia, Manager – Environmental Services for De Beers Consolidated Mines and Environmental Consultant at Metago Environmental Engineers. Colleen joined Metorex in 2009 as its Environmental Consultant.



Timothy Paul Williams (44)

BSc (Hons) Geology (Wits), GDE (Wits), PrSciNat, SAIMM (Fellow)

Group Mineral Resources Manager

Tim joined Metorex in January 2007 and assumed responsibility for Group Mineral Resources Management in May 2009. Tim is a geologist with 20 years of experience in exploration, resource estimation and mining geology in gold and base metals through West, Central and East Africa. He worked for Anglo American Corporation in the Exploration and Acquisitions Division for 10 years before transferring to Zambia as part of the Anglo privatisation team in 2000, where he assumed the role of Mineral Resources Manager for Konkola Copper Mines in 2002. He left KCM in 2005 and was appointed General Manager: Zambia for TEAL Mining and Exploration where he was responsible for exploration and development projects on the Zambian Copperbelt.

Biographical details of Terence Goodlace (Chief Executive Officer) and Maritz Smith (Chief Financial Officer), who complete the Executive Committee, appear under Directorate on pages 12 and 13 respectively.

Statistical information

Commodity production statistics

Commodity	Unit	18 months December	12 months June		
		2010	2009	2008	2007
Copper	(t)	76 409	31 207	25 350	17 131
Cobalt	(t)	5 123	871	565	132

Commodity sales statistics

Commodity	Unit	18 months December	12 months June		
		2010	2009	2008	2007
Copper	(t)	76 497	31 846	23 291	17 107
Cobalt	(t)	5 191	578	386	129

Average commodity prices received

Commodity	Unit	18 months December	12 months June		
		2010	2009	2008	2007
Copper	(US\$/t)	6 239	4 464	7 277	7 066
Cobalt (70% of LMB)	(US\$/t)	26 366	30 856	39 672	24 244
Cobalt (70% of LMB)	(US\$/lb)	12	14	18	11
Exchange rate (average)	(R/US\$)	7,42	9,3	7,30	7,20
Exchange rate (close)	(R/US\$)	6,60	7,72	7,80	7,03

Capital expenditure summary

Company	Description	18 months December 2010 (R000)	12 months June 2009 (R000)
		Ruashi Mining sprl	Capital work in progress
	Plant and equipment	83 876	13 363
	Other	45 917	66 961
	Borrowing costs and losses	–	136 408
Chibuluma Mines plc	Plant, equipment and development	231 998	121 065
Copper Resources Corporation	Holding costs	128 972	92 580
	Kinsenda feasibility study	26 578	–
	Lubembe feasibility study	12 853	–
	Plant, equipment, development and other	42 167	290 488
Sable Kabwe Limited	Plant, equipment and development	505	2 803
Metorex Limited	Furniture and office equipment	4 673	282
O'Okiep Copper Company	Other	771	–
Total capital expenditure for the period (excluding mineral rights from acquisitions)		864 734	1 393 454