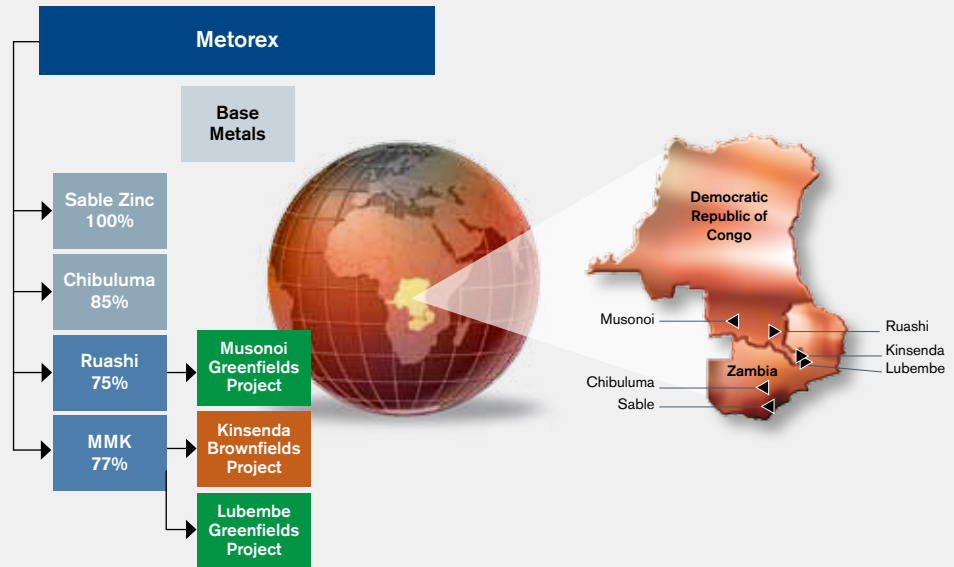




Geographical location



Our business

Metorex is an established mid-tier mining Group, uniquely positioned in the southern African base metals mining industry as a copper and cobalt producer. Listed on the JSE, the Company is well positioned for growth and driven by its vision to expand mining and exploration activities from its current portfolio of Central African Copperbelt assets. The Company is developing and managing a portfolio of quality base metal assets using modern, mechanised mining and processing technologies supported by responsible mining policies.

Our products

Metorex is focused on the base metal industry, primarily copper and cobalt production. Reflected by rising demand, copper is used as a thermal conductor, electrical conductor, building material and in metal alloys. Cobalt is used in producing superalloys, wear-resistant alloys, lithium ion batteries, chemical compounds and colouring pigments.

Highlights

- ▶ Shareholder returns*
 - » Share price increased by **75% to 524 cps**
 - » Market capitalisation increased by **136%**
- ▶ Operating results**
 - » Sustainability initiatives gaining traction
 - » Copper production up by **21%**
 - » Cobalt production up by **62%**
 - » Production costs reduced by **36%**
 - » EBITDA increased by **247%**
- ▶ Restored balance sheet*
 - » Gross debt decreased from R2,11 billion to **R853 million**
 - » Net debt reduced from R2,09 billion to **R416 million**
 - » Cash on hand of **R436 million**
- ▶ Positioned for growth*
 - » Total copper mineral resources increased by **45%**
 - » Total cobalt mineral resources increased by **219%**
 - » Robust project pipeline in the DRC
 - » Kinsenda Project feasibility study nearing completion

* For the 18-month period ended December 2010 compared to the 12-month period ended June 2009.

** For the 12 months ended December 2010 compared to the 12 months ended December 2009.

Scope of this report

This report provides an overview of Metorex's Zambian and DRC-based operations for the period ended 31 December 2010 on a Group and on a mine-by-mine basis. It details the Company's financial statements and Mineral Reserves and Mineral Resources and looks ahead to the Group's prospects for the next 12-month reporting period. Exploration projects and non-operational sites are discussed in lesser detail. The Sustainable Development section of the report covers the activities of all operational mines as well as parts of our exploration and business development activities for the period ended 31 December 2010.

Contents

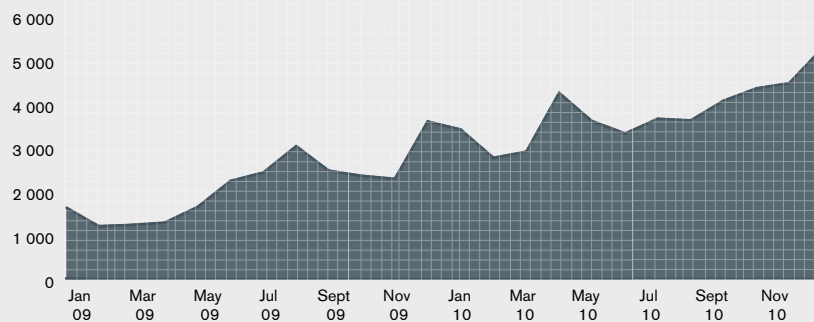
IFC	Overview
IFC	Geographical location
IFC	Our business
IFC	Our products
1	Highlights
2	Financial summary
4	Management review
4	Chairman's report
8	Chief Executive Officer's report
12	Directorate
14	Executive Committee
15	Statistical information
16	Risk management
22	Sustainable development report
34	Operational review
44	Mineral Resources and Ore Reserves
58	Corporate governance
67	Annual financial statements
134	Supplementary information
137	Glossary of terms, abbreviations and units
140	Shareholders' information
140	Notice of the annual general meeting
143	Form of proxy
IBC	Corporate information

Financial summary

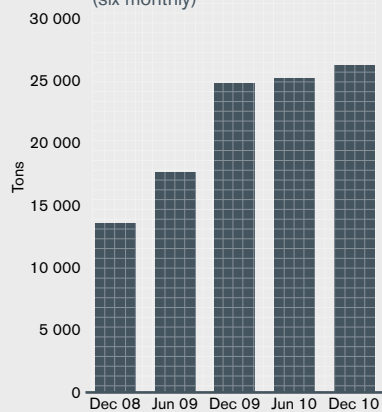
Performance		18 months December 2010	12 months June*	12 months June*	12 months June	12 months June
		2009	2008	2007	2006	2006
Gross revenue	R000	4 555 921	937 084	1 614 789	1 703 757	1 013 328
Gross revenue	US\$000	614 006	103 775	221 204	236 633	158 333
Mining profit before depreciation	R000	1 716 328	111 256	799 245	598 026	272 135
Mining profit before depreciation	US\$000	231 311	12 321	109 486	83 059	42 521
Mining profit margin	%	38	12	50	35	25
EPS	(cents)	96,3	(272,4)	159,4	183,5	54,3
HEPS	(cents)	55,1	23,9	131,7	110,5	47,7
Adjusted HEPS	(cents)	59,9	(8,5)	–	–	–
Market capitalisation	R000	5 251 858	2 227 614	8 856 460	8 048 840	3 237 093
Shares in issue	'000	1 002 263	742 538	369 173	324 550	289 026
Weighted average number of shares	'000	868 982	553 349	347 797	302 810	286 147
Share price	(cents)	524	300	2 399	2 480	1 120
ZAR/US\$ rate – average	(R/US\$)	7,42	9,03	7,30	7,20	6,40
ZAR/US\$ rate – closing	(R/US\$)	6,60	7,72	7,83	7,00	7,20

* Re-presented for assets held-for-sale.

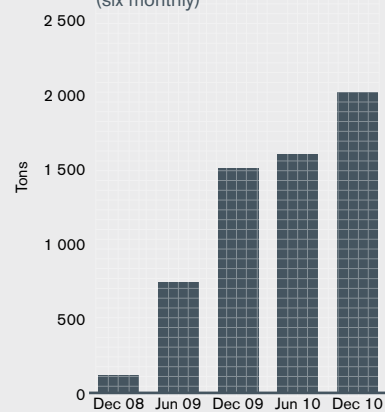
Market capitalisation (Rm)

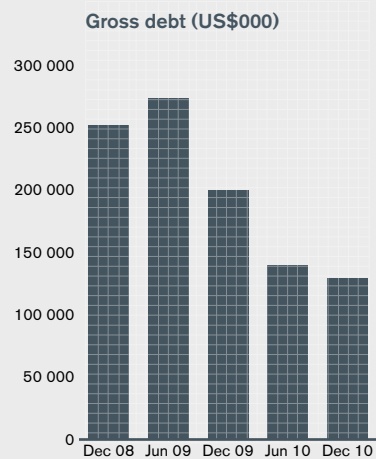
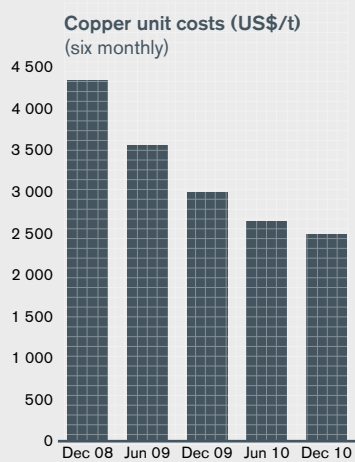


Copper production
(six monthly)



Cobalt production
(six monthly)





Shareholders' analysis: Geographic breakdown

