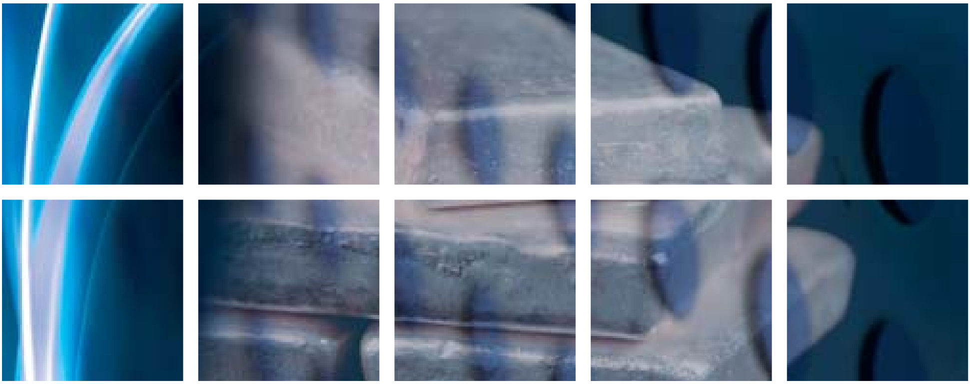
NORTHAM
PLATINUM LIMITED



Reviewed interim results and dividend declaration

for the six months ended 31 December 2010

- Zondereinde strike hits production
- Increase in concentrates purchased
- Sales revenue decline held to 7.1%
- Cash position remains healthy at R968 million

	Change %	*Six months ended 31 Dec 2010 R000	*Six months ended 31 Dec 2009 R000	**Year ended 30 Jun 2010 R000

Interim consolidated statement of comprehensive income

	Change %	*Six months ended 31 Dec 2010 R000	*Six months ended 31 Dec 2009 R000	**Year ended 30 Jun 2010 R000
Sales revenue	(7.1)	**1 614 063**	1 736 599	**3 945 083**
Cost of sales	3.0	**1 546 932**	1 502 517	**3 160 108**
operating costs	(3.3)	**1 058 466**	1 094 088	**2 230 369**
concentrates purchased	19.8	**365 148**	304 772	**735 090**
refining and other costs	(37.7)	**31 176**	50 045	**92 972**
depreciation and impairments	(7.3)	**77 407**	83 482	**167 346**
change in metal inventories		**14 735**	(29 870)	**(65 669)**
Operating profit	(71.3)	**67 131**	234 082	**784 975**
Share of earnings and distributions from associate	(72.7)	**1 415**	5 174	**12 440**
Investment revenue	(53.4)	**50 397**	108 034	**167 655**
Sundry income/(expenditure)		**11 891**	(1 831)	**9 557**
Profit before tax	(62.1)	**130 834**	345 459	**974 627**
Taxation		**54 977**	129 877	**333 601**
Profit and comprehensive income for the period attributable to shareholders	(64.8)	**75 857**	215 582	**641 026**
Reconciliation of headline earnings and per share information				
Profit and comprehensive income for the year attributable to shareholders		**75 857**	215 582	**641 026**
(Profit)/loss on sale of property, plant and equipment		**(84)**	105	**(822)**
Tax effect		**24**	(29)	**230**
Headline earnings	(64.9)	**75 797**	215 658	**640 434**
Earnings per share - cents	(64.9)	**21.0**	59.9	**177.9**
Fully diluted earnings per share - cents	(65.0)	**20.9**	59.7	**177.8**
Headline earnings per share - cents	(64.9)	**21.0**	59.9	**177.8**
Fully diluted headline earnings per share - cents	(65.1)	**20.9**	59.8	**177.7**
Dividend declared per share - cents		**5.0**	20.0	**40.0**
Weighted average number of shares in issue		**360 747 809**	360 130 630	**360 291 885**
Fully diluted number of shares in issue		**362 498 431**	360 880 248	**360 464 496**
Number of shares in issue at year end		**361 258 500**	360 394 000	**360 642 000**

	*Six months ended 31 Dec 2010 R000	*Six months ended 31 Dec 2009 R000	**Year ended 30 Jun 2010 R000

Interim consolidated statement of cash flows

	*Six months ended 31 Dec 2010 R000	*Six months ended 31 Dec 2009 R000	**Year ended 30 Jun 2010 R000
Cash flows from operating activities	**181 530**	344 492	**862 411**
Profit before taxation	**130 834**	345 459	**974 627**
Depreciation and impairment	**77 407**	83 482	**167 346**
Change in working capital	**(68 391)**	(28 538)	**(90 675)**
Change in short-term provisions	**3 555**	6 169	**9 111**
Taxation paid	**(99 839)**	(95 613)	**(281 756)**
Decrease in investment in escrow	**91 458**	–	**–**
Other	**46 506**	33 533	**83 758**
Cash flow utilised in investing activities	**(349 062)**	(154 195)	**(395 965)**
Property, plant and equipment			
additions to maintain operations	**(125 465)**	(98 722)	**(231 481)**
additions to expand operations	**(214 544)**	(43 256)	**(145 510)**
disposal proceeds	**2 742**	2 318	**5 243**
Increase in investment in associate	**792**	8 572	**10 205**
Additions to land and township development	**(2 868)**	(10 760)	**(4 460)**
Increase in investments held by Northam Platinum Restoration Trust Fund	**(1 039)**	(1 063)	**(2 366)**
Increase in investments held by Environmental Contingency Fund	**(3 340)**	(4 004)	**(4 868)**
Increase in investments held by Toro Employee Empowerment Trust	**(5 340)**	(7 280)	**(22 728)**
Cash flows utilised in financing activities	**(51 293)**	(136 321)	**(200 640)**
Proceeds from issue of shares	**20 835**	7 754	**15 518**
Dividends paid	**(72 128)**	(144 075)	**(216 158)**
Net increase / (decrease) in cash and cash equivalents	**(218 825)**	53 976	**265 806**
Cash and cash equivalents at beginning of period	**1 186 709**	920 903	**920 903**
Cash and cash equivalents at end of period	**967 884**	974 879	**1 186 709**

	*Six months ended 31 Dec 2010 R000	*Six months ended 31 Dec 2009 R000	**Year ended 30 Jun 2010 R000

Interim consolidated statement of financial position

	*Six months ended 31 Dec 2010 R000	*Six months ended 31 Dec 2009 R000	**Year ended 30 Jun 2010 R000
Non-current assets	**8 244 778**	7 808 125	**7 971 624**
Property, plant and equipment	**2 255 554**	1 793 369	**1 938 061**
Mining properties and mineral resources	**5 665 110**	5 718 200	**5 722 659**
Interest in associate	**130 365**	126 708	**129 741**
Unlisted investments	**6**	6	**6**
Township land and development	**66 672**	70 105	**63 805**
Investments held by Northam Platinum Restoration Trust Fund	**28 298**	25 956	**27 259**
Environmental Guarantee Investment	**24 103**	19 899	**20 763**
Toro Employee Empowerment Trust	**74 670**	53 882	**69 330**
Current assets	**1 856 146**	1 745 780	**2 117 683**
Inventories	**504 657**	490 841	**521 462**
Trade and other receivables	**365 787**	207 817	**318 054**
Investment in escrow	**–**	72 243	**91 458**
Receiver of revenue	**17 818**	–	**–**
Cash and cash equivalents	**967 884**	974 879	**1 186 709**
Total assets	**10 100 924**	9 553 905	**10 089 307**
Share capital and share premium	**7 659 321**	7 630 722	**7 638 486**
Retained earnings	**1 085 591**	725 548	**1 081 862**
Equity compensation reserve	**146 116**	82 899	**112 806**
Shareholders' equity	**8 891 028**	8 439 169	**8 833 154**
Non-current liabilities	**603 027**	549 471	**581 490**
Deferred tax liability	**454 054**	438 151	**447 212**
Long term provisions	**148 973**	111 320	**134 278**
Current liabilities	**606 869**	565 265	**674 663**
Trade and other payables	**525 381**	464 908	**562 844**
Receiver of revenue	**–**	25 366	**33 886**
Short term provisions	**81 488**	74 991	**77 933**
Total equity and liabilities	**10 100 924**	9 553 905	**10 089 307**
Net asset value - cents per share	**2 461**	2 342	**2 449**

	Share Capital	Share premium	Equity compensa-tion reserve	Retained earnings	Total
	R000	R000	R000	R000	R000

Interim consolidated statement of changes in equity

	Share Capital R000	Share premium R000	Equity compensation reserve R000	Retained earnings R000	Total R000
Balance at 1 July 2009	3 599	7 619 369	55 177	654 041	8 332 186
Share based payment expense			27 722		27 722
Profit and comprehensive income for the period attributable to shareholders				215 582	215 582
Dividends distributed				(144 075)	(144 075)
Issue of new shares	5	7 749			7 754
Balance at 31 December 2009	3 604	7 627 118	82 899	725 548	8 439 169
Share based payment expense			32 860		32 860
Profit and comprehensive income for the period attributable to shareholders				425 444	425 444
Transfer of equity compensation reserve to retained earnings			(2 953)	2 953	–
Dividends distributed				(72 083)	(72 083)
Issue of new shares	2	7 762			7 764
Balance at 30 June 2010	3 606	7 634 880	112 806	1 081 862	8 833 154
Share based payment expense			33 310		33 310
Profit and comprehensive income for the period attributable to shareholders				75 857	75 857
Dividends				(72 128)	(72 128)
Issue of new shares	6	20 829			20 835
Balance at 31 December 2010	3 612	7 655 709	146 116	1 085 591	8 891 028

	*Six months ended 31 Dec 2010	*Six months ended 31 Dec 2009	**Year ended 30 Jun 2010
	R000	R000	R000

Capital commitments

	*Six months ended 31 Dec 2010 R000	*Six months ended 31 Dec 2009 R000	**Year ended 30 Jun 2010 R000
Booysendal mine			
Authorised but not contracted	**2 911 587**	–	**3 597 045**
Contracted	**732 413**	–	**46 955**
	3 644 000	–	**3 644 000**
Zondereinde mine			
Authorised but not contracted	**312 843**	128 028	**330 499**
Contracted	**33 974**	29 422	**16 318**
	346 817	157 450	**346 817**

Other commitments

	*Six months ended 31 Dec 2010 R000	*Six months ended 31 Dec 2009 R000	**Year ended 30 Jun 2010 R000
Information Technology Outsource Service Provider			
Due in one year	**11 186**	10 422	**11 241**
Due in two to five years	**20 921**	22 421	**21 418**
Operating lease rentals - office equipment			
Due in one year	**1 016**	244	**214**
Due in two to five years	**8**	62	**8**
Operating lease rentals - premises			
Due in one year	**459**	680	**459**
Due in two to five years	**–**	114	**–**
Employee housing development			
Contracted	**-**	-	**2 395**
Bank guarantees issued	**115 239**	51 523	**60 547**

Note: These commitments in respect of Zondereinde mine will be financed out of operating cash flows. The Booysendal commitments will be funded from a combination of internal retentions and debt.

		Change %	*Six months ended 31 Dec 2010 R000	*Six months ended 31 Dec 2009 R000	**Year ended 30 Jun 2010 R000
Operating statistics * **					
Merensky					
Development metres		(44.7)	**2 673**	4 829	**8 864**
Square metres mined		(30.6)	**68 211**	98 348	**201 569**
Tonnes milled		(26.4)	**368 660**	500 957	**1 002 208**
Head grade (g/ton - 3 PGEs + Au)		(3.4)	**5.7**	5.9	**5.9**
Available ore reserves - months			**20**	18	**20**
UG2					
Development metres		(59.6)	**693**	1 717	**2 694**
Square metres mined		(41.0)	**52 220**	88 434	**166 129**
Tonnes milled		(43.5)	**324 800**	575 244	**1 036 017**
Head grade (g/ton - 3 PGEs + Au)		(4.3)	**4.4**	4.6	**4.5**
Available ore reserves - months			**24**	24	**24**
Combined					
Development metres		(48.6)	**3 366**	6 546	**11 558**
Square metres mined		(35.5)	**120 431**	186 782	**367 698**
Tonnes milled		(35.6)	**693 460**	1 076 201	**2 038 225**
Head grade (g/ton - 3 PGEs + Au)		(1.9)	**5.1**	5.2	**5.2**
Financial statistics * **					
Precious metals in concentrates produced †	kg	(33.0)	**3 629**	5 415	**9 999**
Precious metals in concentrates purchased †	kg	6.8	**1 082**	1 013	**2 106**
Precious metals sold †	kg	(23.7)	**4 682**	6 134	**12 313**
Average price realised †	R/kg	21.2	**308 886**	254 913	**288 255**
Operating costs †	R/kg	43.9	**313 026**	217 475	**239 769**
Cash costs †	R/kg	42.6	**279 936**	196 273	**215 900**
Precious metals in concentrates produced †	oz	(33.0)	**116 665**	174 096	**321 475**
Precious metals in concentrates purchased †	oz	6.8	**34 797**	32 569	**67 709**
Precious metals sold †	oz	(23.7)	**150 527**	197 206	**395 879**
Average price realised †	US$/oz	30.3	**1 349**	1 035	**1185**
Operating costs †	US$/oz	54.5	**1 367**	885	**983**
Cash costs †	US$/oz	54.5	**1 233**	798	**885**
Average exchange rate realised	US$1.00 = R	(7.0)	**7.12**	7.66	**7.59**
Operating cost per tonne milled	R/tonne	49.7	**1 638**	1 094	**1 176**
Cash cost per tonne milled	R/tonne	48.2	**1 464**	988	**1 059**

** Reviewed   ** Audited   ***Not reviewed or audited   † (3PGE+Au)*

Financial results

Results for the first half of F2011 were overwhelmingly impacted by the effects of a protracted six-week strike, the associated slow production build-up post the strike and work stoppages on account of safety-related incidents at the company's Zondereinde mine. In total 31% of available production days were lost.

The overall effect on production was a drop of 33% to 116 665oz (3 629kg) (3PGE+Au). A total of 34 797oz (1 082kg) of concentrate purchases helped to mitigate the decline in sales ounces from 197 206oz in H1 2010 to 150 527oz for the current period. With the lower output Northam was unable to take advantage of the effects of the higher average basket price. The average exchange rate in the reporting period was R7.12/US dollar (H1 F2010: R7.66/US dollar). The net effect was a 7.1% decline in sales revenues to R1 614 million.

Although the cost performance at Zondereinde was disappointing, the effect was also skewed by the significantly lower output. This was reflected in both operating and cash costs, in rand terms rising by 43.9% and 42.6% respectively to 313 026/kg and R279 936/kg. In spite of the lower production volumes, the cost of sales was 3% higher, due mainly to the 19.8% increase in the cost of concentrates purchased. Given the significant drop in production volumes, the mere 3.3% decline in total operating costs reflects the relatively high contribution of fixed costs to total mining operating costs that continue to be affected by inflationary pressures.

The share of profits from Northam's 7.5% interest in the Pandora joint venture amounted to R1.4 million, while investment income declined by 53.4% to R50.4 million owing primarily to the redemption and payment of the investment held in escrow to Anglo Platinum as well as to lower interest rates. The increase in sundry revenue reflects the increase in treatment charges credited to sundry revenue in respect of higher concentrate purchases compared to the previous period. The taxation charge was lower in line with the decrease in profit before tax. The profit and comprehensive income attributable to shareholders of R75.9 million for the reporting period is down 64.8% relative to the comparative reporting period.

Cash flow from operations was 47.3% lower compared to the previous period, in line with the decline in Northam's profitability, the lower interest earned and the increase in working capital, mainly attributable to trade and other receivables.

Investing cash outflows are higher at R349.1 million in the reporting period owing primarily to capital expenditure of R214.5 million associated with the construction of the Booysendal mine, whilst financing cash outflows are much lower, in line with the reduction in the dividend paid in the previous period.

The net result of these cash flows is a cash balance of R967.9 million at 31 December 2010, some R218.8 million lower than the balance at the beginning of the period.

Reflecting the company's need to conserve cash, the board has declared a reduced dividend of 5 cents per share (H1 F2010: 20 cps) for the period under review.

Zondereinde mine

Safety and health

The aforementioned disruptions to operations impacted the Zondereinde mine's safety performance, where a higher injury rate was recorded during the period under review. It is hoped that a more acute focus on safety-related issues by all role players, along with the resumption of a more disciplined approach to all aspects of the working environment, will help to arrest this trend.

The thoughts of the board and management go to the loved ones of Mr Antonio Bila who died in a tramming accident on 9 January 2011. Mr Bila, a Mozambican national, was 56 years old.

Operating performance

The aforementioned strike and the slow build-up to normal production levels, along with safety stoppages, severely impacted the Zondereinde mine's operating performance during the period under review.

Metals in concentrate produced, which included 13 535oz (421kg) from secondary material, was 33% lower at 116 665oz (3 629kg) whilst metal in concentrate purchased was up 6.8% to 34 797oz (1 082kg). Sales volumes decreased by a smaller margin of 23.7% to 150 527oz (4 682kg) as a result of a drawdown in inventory.

The combined tonnage milled from both the Merensky and UG2 reefs was 35.6% lower at 693 460 tonnes and the combined average head grade also declined marginally to 5.1g/t reflecting the difficult production period. Consequently, the poor production performance resulted in the unit cash costs increasing by 42.6% to R279 936/kg compared to R196 273/kg in the previous reporting period.

The development on level 14 and 15 continues as planned and the deepening project is on track and within budget.

A total of R125.5 million was spent on capital expenditure during the period. This is lower than anticipated, owing once again to the work stoppages. Capital expenditure is expected to amount to R238.0 million for the 2011 financial year.

Metallurgical operations

The permanent repairs carried out to the electrostatic precipitator which was damaged in May 2010 were satisfactorily completed in October 2010.

All the metallurgical processing facilities operated satisfactorily during the period under review.

Township land and development

Subsequent to the year end, and after delays owing to infrastructural shortcomings, management is pleased to announce that 32 housing units in the company's housing development were sold to employees in terms of the group's strategy of assisting its employees acquire affordable housing.

Booysendal project

Activities planned for the early works programme, namely detailed engineering, procurement of long lead items, construction of the on-reef boxcut, off-site establishment of employee recruitment and training facilities, safe access roads and temporary power and water supplies have been largely completed as planned. Capital expenditure incurred on the project to date is R378.0 million, including R214.5 million spent in the current year. Anticipated capital expenditure for the 2011 financial year is expected to be R747.0 million which will be funded from internal resources.

The main mining contractor has been appointed and bulk earthworks for surface infrastructure have commenced. All mining licences and environmental permits with the exception of the water use licence have been received.

Acquisition of Mvelaphanda Resources Limited (Mvela Resources)

In an announcement dated 8 February 2011, shareholders were advised of the proposed unbundling by Mvela Resources of its current shareholding in Northam, and the subsequent proposed acquisition by Northam of the entire issued share capital of Mvela Resources by means of a scheme of arrangement in terms of section 311 of the Companies Act. In terms of the proposed transaction, Northam will issue approximately 20.9 million shares to acquire Mvela Resources. Upon implementation of the scheme of arrangement, the principal assets of Mvela Resources will comprise cash of R650 million, together with a 50% interest in the Dwaalkop PGM joint venture, a 51% initial participatory interest in a joint venture exploration project, known as Kokerboom and a 20.3% interest in listed diamond miner, Trans Hex Limited.

Funding options

Peak funding for the Booysendal project is anticipated in 2012. Management is in the process of finalising funding for the project. The aforementioned amount of R650 million will be used as part of the cash component of the funding mix. Shareholders will be informed of further developments in this regard in due course.

ADR programme

The company is in the process of launching a sponsored level 1 American Depositary Receipt (ADR) facility. This is expected to be declared effective by the final quarter of the 2011 financial year. The shares will trade on the over the counter (OTC) market in the United States.

Auditors' review report

The interim financial results of the group have been reviewed by Ernst & Young Inc., the group's auditors. A copy of their unmodified review report is available for inspection at the company's registered office.

Accounting policies – basis of preparation

The interim financial statements have been prepared on the historical cost basis, except for financial instruments that are stated at fair value, in accordance with IAS 34 – Interim Financial Reporting. The Consolidated Group Financial Statements for the half year ended 31 December 2010 have been prepared in accordance with International Financial Reporting Standards of the International Accounting Standards Board as well as AC 500 Standards, as issued by the Accounting Practises Board or its successor, and incorporate the accounting policies which are consistent with those adopted in the financial year ended 30 June 2010, with the exception of the adoption of the following amendments, standards or interpretations with effect from 1 July 2010:

Standard	Subject
IFRS 1	First-time adoption of International Financial reporting Standards - Additional exceptions for first time adoption (Amendment)
IFRS 2	Share-based payments – Group Cash Settled Share-based Payment Arrangements (Amendment)
IFRS 3	Transition Requirements for Contingent Consideration from a Business Combination that Occurred before the Effective Date of the Revised IFRS (Amendment)
IFRS 3	Measurement of Non-controlling Interests (Amendment)
IFRS 3	Un-replaced and Voluntarily Replaced Share-based Payment Awards (Amendment)
IFRS 5	Disclosures of Non-current Assets (or Disposal Groups) Held for Sale and Discontinued Operations (Amendment)
IFRS 8	Disclosure of Information about Segment Assets (Amendment)
IAS 1	Current/non-current classification of convertible instruments (Amendment)
IAS 7	Classification of Expenditures on Unrecognised Assets (Amendment)
IAS 17	Classification of Leases of Land and Buildings (Amendment)
IAS 27	Transition Requirements for Amendments made as a Result of IAS 27 Consolidated and Separate Financial Statements (Amendment)
IAS 32	Financial Instruments Presentation - Classification of rights issues (Amendment)
IAS 36	Unit of Accounting for Goodwill Impairment Test (Amendment)
IAS 39	Assessment of loan repayment penalties as embedded derivatives (Amendment)
IAS 39	Scope Exemption for Business Combination Contract (Amendment)
IAS 39	Cash Flow Hedge Accounting (Amendment)
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

Through the annual improvements project, changes have been made to various standards, without the standards being issued as 'Revised'.

The adoption of these amendments, standards and interpretations resulted in changes in the way in which the interim financial results statements are presented as well as additional disclosures in the annual financial statements.

Related parties

The group, in the ordinary course of business, enters into various sale, purchase and lease transactions with a large number of entities, some of whom are related parties. All transactions are concluded on an arm's length basis.

Segmental reporting

The group distinguishes between two segments, the Zondereinde mine and the Booysendal mine. Capital expenditure to the value of R214.5 million has been incurred for the Booysendal project in this period. Interest to the value of R12.5 million has been earned in respect of the investment in escrow. The remainder of the transactions are for the Zondereinde mine.

Total assets in respect of the Booysendal mine amount to R6 954 million, which have been allocated to property, plant and equipment, mining properties and mineral reserves of Booysendal. All other assets relate to the Zondereinde mine.

Going concern

All mining entities have a finite life that depends on geological and technical factors as well as other economic factors such as commodity prices, exchange rates etc. Taking into account the outlook for these factors as well as the group's present financial resources, the directors believe that the group is a going concern. The group's interim results have accordingly been prepared on this basis.

Subsequent events

No material changes have taken place in the affairs of the group between the end of the half-year and the date of this report except for Northam's proposed acquisition of the entire issued share capital of Mvela Resources by way of a scheme of arrangement following the unbundling of Mvela Resources.

*Prospects****

Maintaining the 1:1 ratio of Merensky reef to UG2 reef is expected to continue to be a challenge at the Zondereinde mine. Given the stoppages and the restrictions associated with ore reserve availability, production for the full year is anticipated to be significantly lower than what was achieved in F2010.

Associated with the anticipated lower volumes, production costs will be difficult to contain. Even at normalized levels, operating costs are expected to increase at a higher rate than inflation, given the restrictions associated with accessing available resources and the effects of higher wage demands and other input costs generally in the mining industry, such as power, chemicals and steel. These costs and the expected lower production in F2011 will negatively impact unit costs in the second half of the financial year.

Group earnings will be largely determined by these costs and by the average rand basket price received in F2011. This is currently at a higher level than the average price realised of R308 886/kg during this reporting period.

Directorate and company secretary

Shareholders were advised of the appointment of Mr D L Swanepoel as company secretary with effect from 22 November 2010.

Dividend

Dividend number 24 of 5 cents per share has been declared in South African currency, in respect of the half year ended 31 December 2010. In compliance with the requirements of Strate the following dates are applicable:

Last day to trade *"cum div"*	Thursday, 17 March 2011
Trading will commence *"ex div"*	Friday, 18 March 2011
Record date	Friday, 25 March 2011
Payment date	Monday, 28 March 2011

No share certificates may be de-materialised or re-materialised between Friday, 18 March 2011 and Friday, 25 March 2011, both days inclusive.

On behalf of the board

P L Zim
Chairman

G T Lewis
Chief executive officer

Johannesburg
23 February 2011

Directors
P L Zim (Chairman), (Alternate: A K Gupta),
G T Lewis (Chief executive officer) (British),
A Z Khumalo (Financial director), M E Beckett (British),
C K Chabedi, Ms N J Dlamini (Dr), R Havenstein,
Ms E T Kgosi, A R Martin, B R van Rooyen,
M S M M Xayiya, (Alternate: M J Willcox)

Company secretary:
D L Swanepoel

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These results are available on the Northam website at www.northam.co.za

(Incorporated in the Republic of South Africa) (Registration number 1977/003282/06)
Share code: NHM ISIN: ZAE 000030912 ("Northam Platinum" or "the company")

Russell and Associates (4376/11)