

PALLINGHURST RESOURCES LIMITED



Interim results

For the period ending 30 June 2010

22 September 2010



PALLINGHURST
RESOURCES



Introduction – Brian Gilbertson

Operational overview – Arne H. Frandsen

- Platinum Group Metals / African Queen
- Steel Feed Corporation (“SFC”)
- Fabergé
- Gemfields

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Introduction

Brian Gilbertson

The Pallinghurst vision

Four high growth investment platforms



African Queen

The African Queen strategy is to build a unique portfolio of PGM investments into a consolidated platform of low cost operations, with substantial resources, thereby creating a significant new PGM producer.



**Steel Feed Corporation
("SFC")**

The SFC strategy is to create an integrated platform to supply the essential raw materials needed for steel making (manganese, iron ore and coking coal)



Fabergé

The strategy is to re-establish Fabergé as one of the world's most exclusive and valuable luxury brands.



Gemfields

Gemfields aims to be the world's leading coloured gemstones producer, bringing ethically-produced, conflict-free gemstones of certified provenance directly from the mine to the market.

Six months to June 2010 - highlights

“A vital six month period”



African Queen

- In May 2010, Platmin completed US\$385 million capital raising during through the issue of equity and convertible notes. PRL participated in both elements.
- Significant progress on the Magazynskraal feasibility study, with 75% of the boreholes drilled.



Steel Feed Corporation

- The shareholders of Jupiter approved the Tshipi transaction.
- Tshipi's new order mining right was granted.



Fabergé

- A series of focused client events undertaken in Europe (St Moritz and Gstaad in Switzerland) and in Asia (Kuala Lumpur, Singapore, Beijing and Hong Kong).
- Further rationalisation of the remaining licences acquired from Unilever, giving Fabergé greater control over the brand.



Gemfields

- Successful auctions in Jaipur and London.
- An exceptional 6 225-carat rough emerald was discovered at Kagem on 5 February 2010.
- Global marketing and promotional campaigns including the World Land Trust's "Emeralds for Elephants" event at Selfridges, "46664" bracelets, and sponsorship of the "Retail Jeweller India Awards".

Operational overview

Arne H. Frandsen

PGMs / “African Queen”

Key developments and outlook

Platmin	<p>Developments</p> <ul style="list-style-type: none">▪ In May 2010, Platmin completed a US\$385 million capital raising to fund the build-up of mining operations at the Pilanesberg Platinum Mine (“PPM”). <p>Outlook</p> <ul style="list-style-type: none">▪ Revised mine plan for PPM, accelerating the mining of deeper, unaltered ore forecasts annualised production of 250,000 PGM ounces during 2011.
Magazynskraal	<p>Developments</p> <ul style="list-style-type: none">▪ Boynton appointed to conduct the Magazynskraal feasibility study (“FS”) .▪ Seventy of the planned 93 boreholes required for the FS have been completed. <p>Outlook</p> <ul style="list-style-type: none">▪ The Magazynskraal FS is to be completed during 2011.▪ The benefits of a potential combination with Sedibelo East are being evaluated.
Sedibelo	<p>Outlook</p> <ul style="list-style-type: none">▪ Transaction with the Bakgatla for Sedibelo in final stages of negotiation.▪ Optimal production roll-out to be evaluated.
Consolidation initiative	<ul style="list-style-type: none">▪ Evaluate the Regionally Optimised Mega Mine (“ROMM”).▪ Identify the optimal consolidation vehicle and structure.

Pilanesberg Platinum Mine



PPM's plant



Magazynskraal exploration program – onsite activities

Drilling



2D seismics



Magazynskraal exploration program – onsite activities (cont'd)

Coreyard



Coreyard storage



Steel Feed Corporation

Steel Feed Corporation (“SFC”) - strategy

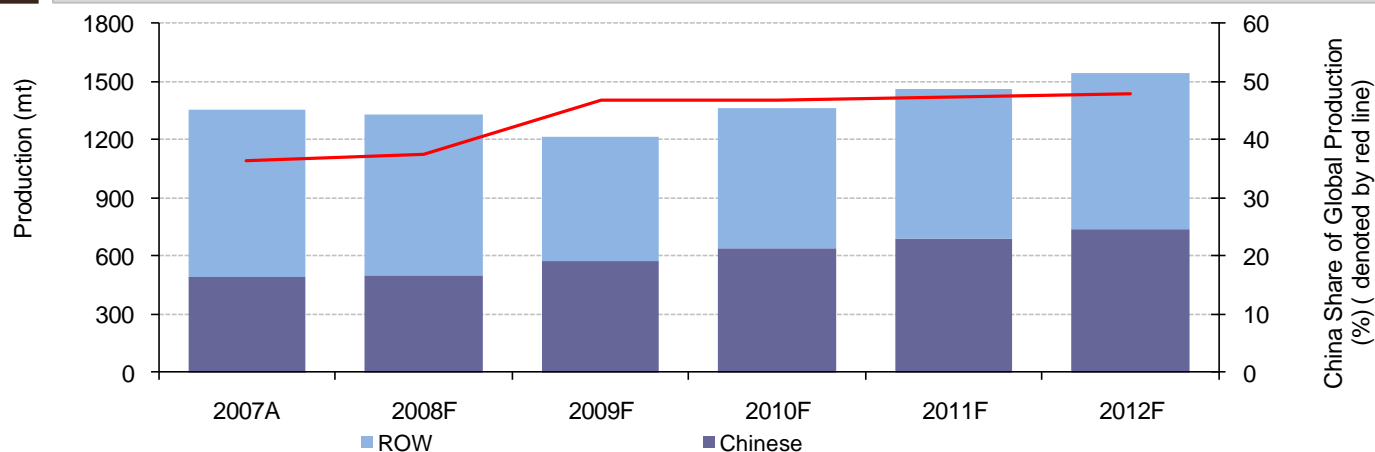
Investment proposition

The concept

- Competition for raw materials (in particular iron ore, coking coal and manganese) is intensifying as the major steel producers seek to secure their input materials through equity ownership of mining companies. The Steel Feed Corporation strategy seeks to develop a platform to supply these key raw materials to the steel industry.

Fundamental change; increasing demand for manganese from China

- China presently accounts for c.50% of the world’s steel output. China consumes 26Mtpa ⁽¹⁾ of manganese ore; 19Mtpa is locally sourced from low grade mines.
- Chinese low grade manganese ore production is being affected by:
 - Increases in the cost of electricity and coke; smelting of a lower grade ore consumes more energy than higher grades.
 - Environmental legislation enforcement is forcing small low grade smelters to shut.
- Chinese imports of manganese ore are set to increase as alloy producers switch to higher grade, imported ores.



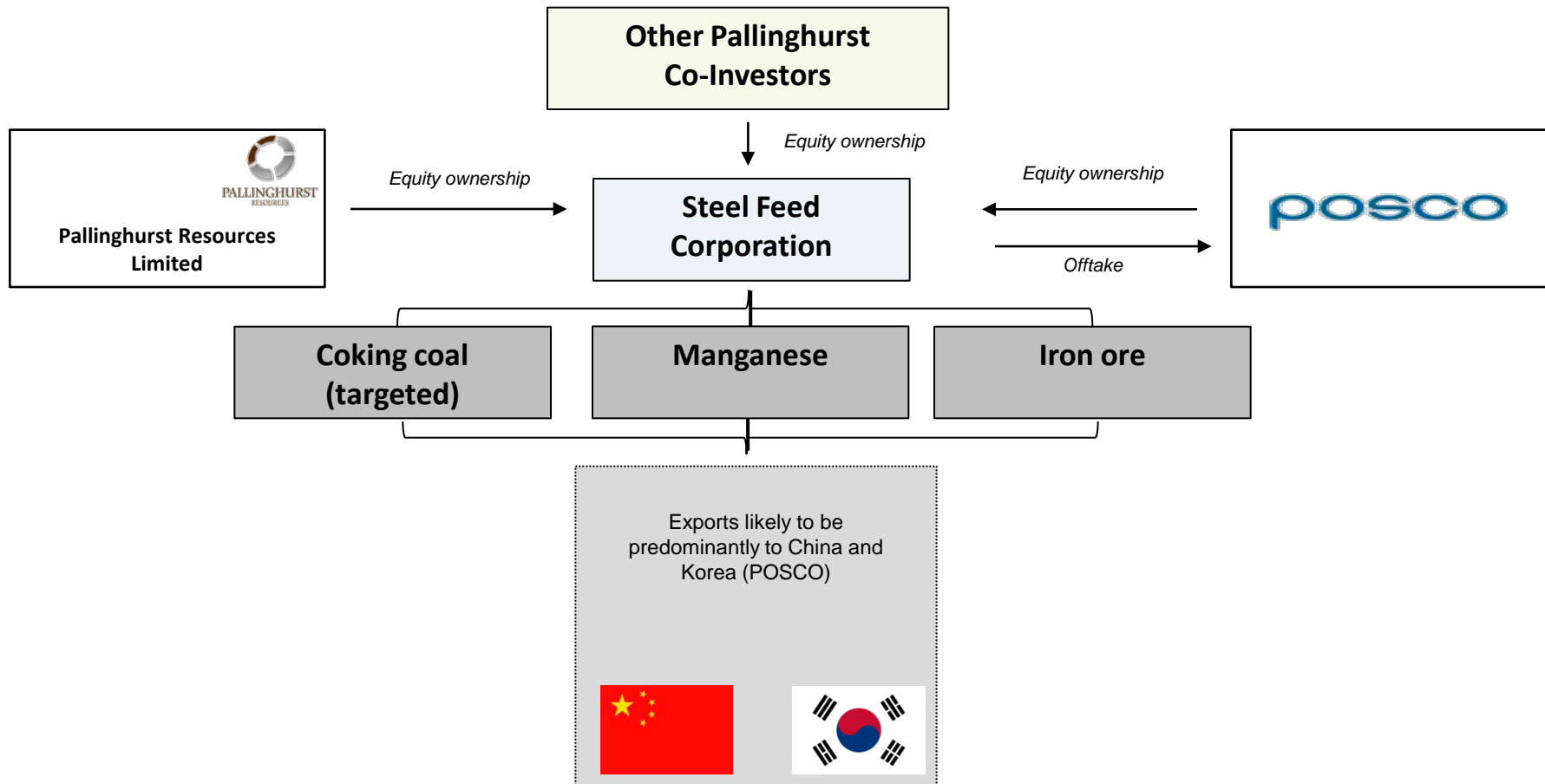
¹ Tonnes are metric tons, 'Mt' denotes million tonnes, 'Mtpa' denotes million tonnes per annum.

Steel Feed Corporation - strategy

Investment proposition

POSCO as strategic partner

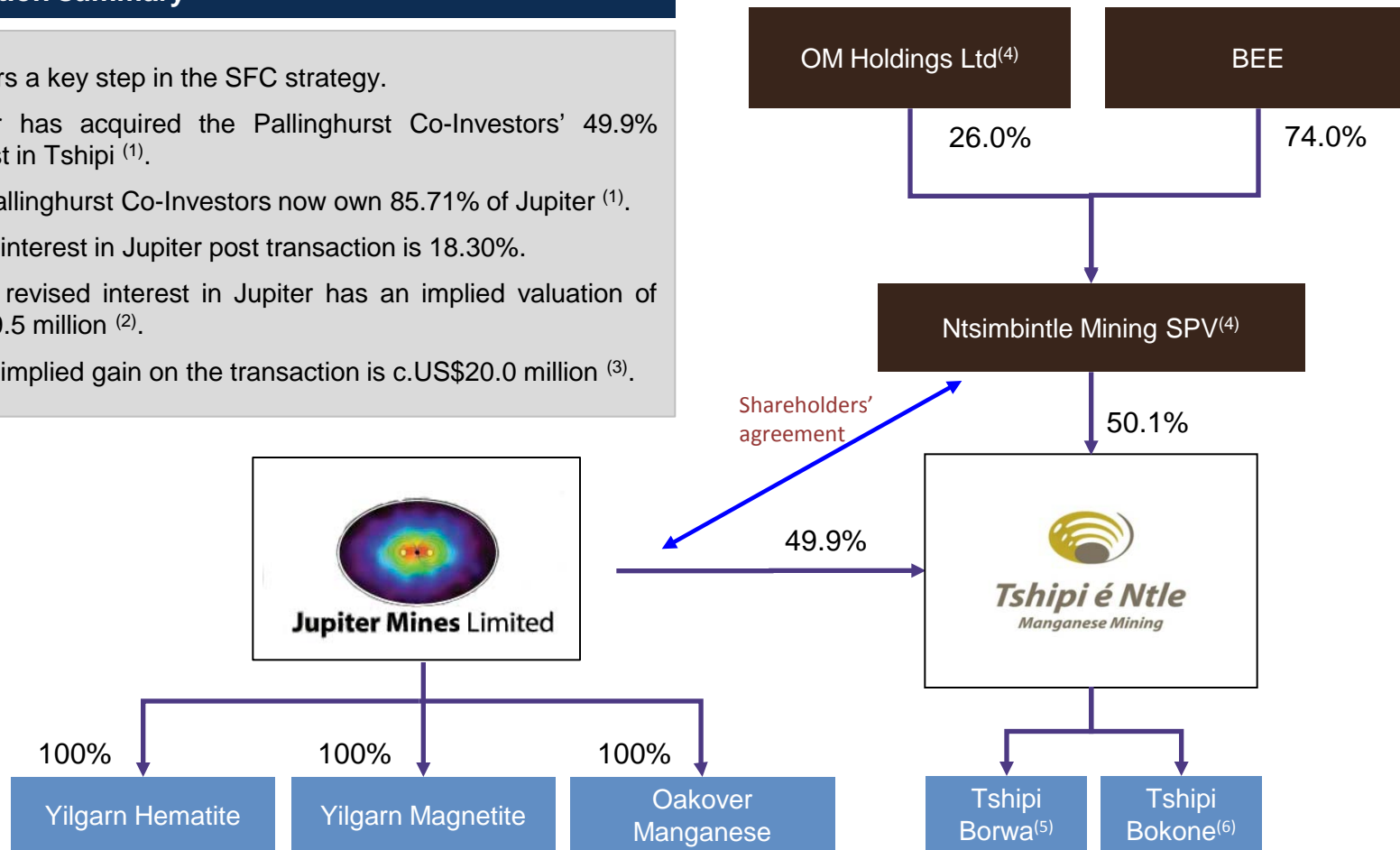
- POSCO, one of the world's largest steel producers (US\$39 billion market capitalisation), has backed the SFC strategy by investing in both Tshipi and Jupiter.



Completion of Tshipi Jupiter transaction

Transaction summary

- Delivers a key step in the SFC strategy.
- Jupiter has acquired the Pallinghurst Co-Investors' 49.9% interest in Tshipi ⁽¹⁾.
- The Pallinghurst Co-Investors now own 85.71% of Jupiter ⁽¹⁾.
- PRL's interest in Jupiter post transaction is 18.30%.
- PRL's revised interest in Jupiter has an implied valuation of US\$69.5 million ⁽²⁾.
- PRL's implied gain on the transaction is c.US\$20.0 million ⁽³⁾.



¹ Subject to certain outstanding conditions precedent.

² Valuation assuming Jupiter share price of AUD0.26 and exchange rate of AUD1=US\$0.912.

³ Post estimated transaction costs of US\$300,000.

⁴ OM Holding's investment into Ntsimbintle excludes Ntsimbintle's stake in HMM and the Gloria prospecting permit.

⁵ Tshipi Borwa is the new name of Tshipi's project in the south of the Kalahari Manganese Field ("KMF"), Borwa meaning "South" in Setswana and Sesotho.

⁶ Tshipi Bokone was previously described as Tshipi North. Bokone means "North" in Setswana and Sesotho

Key developments and outlook - Tshipi

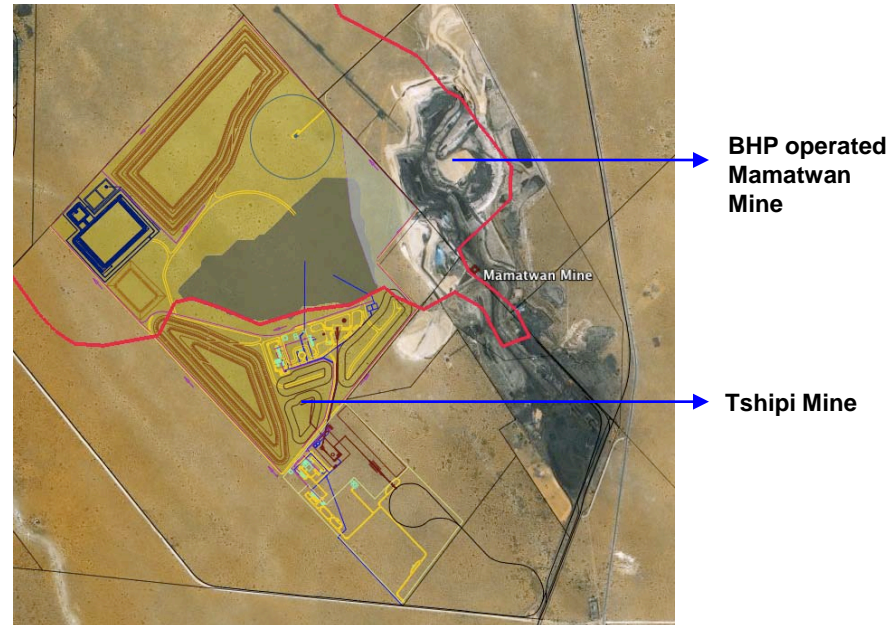
Organisation structure

Key developments

- Tshipi owns one of the largest and last open pit manganese projects within the KMF – indicated and inferred ore resources amount to 163Mt of manganese ore at a manganese grade of 37%.
- The Tshipi Borwa project is located adjacent to the open pit Mamatwan mine, majority owned by BHP Billiton. The Mamatwan mine has been a consistent manganese ore producer for over 45 years. Tshipi plans to exploit a continuation of the Mamatwan ore resources.
- Tshipi has completed extensive drilling, resource definition and a feasibility study; a new order Mining Permit has been awarded.

Outlook

- Project “go ahead” should be given in late 2010 and production should commence in late 2011 early 2012.
- Planned Tshipi production is 2.4Mt of manganese ore per annum. Mine capacity can easily be increased.
- Tshipi should have modest capex requirements (US\$200 million), with open pit mining.



Jupiter's assets in Western Australia - iron ore and manganese

Central Yilgarn hematite (iron ore)

- Jupiter aims to consolidate several undeveloped Central Yilgarn iron ore deposits.
- Rail infrastructure and spare capacity at Esperance Port exist, need upgrading.
- The consolidation would require significantly less capex (c. US\$1 billion) compared to a new greenfield operation of similar capacity elsewhere in Australia.

Mount Ida – magnetite (iron ore)

- Mount Ida being drilled with the view to establish a JORC compliant inferred magnetite resource before the end of 2010. The budget was increased to AUD3 million in August 2010, to add a second drill rig to expedite the drilling programme.
- Exploration drilling has generated a conceptual exploration target of 1.1 to 1.3 billion tonnes of magnetite at 30% to 40% Fe.
- The targeted magnetite resource base is 750Mt at 40% recovery.
- Mount Ida is showing good beneficiation potential and was described as one of the best resources of its kind in Australia by the late Geoff Wedlock ⁽¹⁾.

Oakover manganese ⁽²⁾

- Five exploration licences, 890km², in the East Pilbara, Western Australia.
- 60km north of the world-class Woodie Woodie manganese mine (Consolidated Minerals).
- First phase drill programme completed in June 2010 has intercepted significant manganese mineralisation and confirms the presence of host rocks which are similar to Woodie Woodie.
- Possible marketing synergies with Tshipi; opportunity to blend with Tshipi product due to complementary ore characteristics.

¹ Geoff Wedlock the former Chairman of Jupiter, tragically died in a plane crash in the Republic of Congo, West Africa during June 2010.

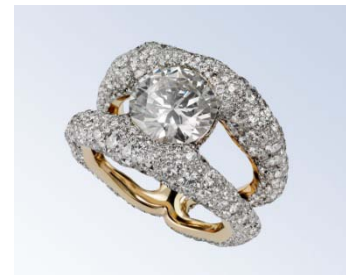
² The potential and grade of the Oakover Project is conceptual in nature; there has been insufficient drilling to date to define a Mineral Resource.

Fabergé

Fabergé - strategy

Product	<ul style="list-style-type: none">▪ Fabergé embraces the ethos and philosophy of Carl Fabergé to bring about a new era of contemporary Fabergé masterpieces.▪ Extraordinary and enduring personal possessions of distinguished design and unsurpassed quality, which will be preserved and handed to the next generation.▪ Continuation of the unique-to-Fabergé “workmaster” concept to ensure unsurpassed craftsmanship.▪ Customers are invited to commission unique and bespoke pieces in all categories.
Place	<ul style="list-style-type: none">▪ Being free of legacy infrastructure, Fabergé sells directly to its customers.▪ A pioneering “Global Flagship” at Fabergé.com provides an immediate worldwide interface with a twist: traditional, discreet VIP sales methods on a global scale without the stores!▪ Fabergé has opened a boutique salon in Geneva for discreet face-to-face sales. A physical flagship store may follow.▪ Delivery takes place wherever the customer likes.
Promotion	<ul style="list-style-type: none">▪ The direct-to-customer approach allows absolute control to build enduring relationships.▪ A strong focus on editorial and PR activities is supported by tactical advertising, sponsorship and word-of-mouth opportunities.
Price	<ul style="list-style-type: none">▪ The exclusivity and exceptional quality of Fabergé products underpins value for customers.

Fabergé has developed a pioneering direct-to-consumer distribution model. The model delivers a compelling one-on-one experience on a global scale, supported by traditional, discreet VIP sales methods.



Charmeuse White diamond ring

Highlights

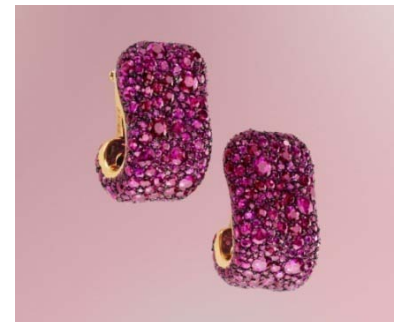
- Arguably the greatest name in luxury re-launched.
- Fabergé has now freed itself from legacy issues, licences, retail networks and related structures.
- Unrivalled heritage underpinned by active involvement and ties to the Fabergé family.
- Top end positioning via the highly acclaimed “*Les Fabuleuses*” collection.
- Ground-breaking website and global 24-7 customer coverage.
- Highly successful September 2009 launch received award-winning international coverage.
- Fabergé has led the shift back to “true, discreet luxury” with value driven by exquisite design and craftsmanship.



Ruban de la rose ring



Tatiana diamond ring



Emotion rouge earclips

Fabergé - key developments and outlook

Key developments to 30 June 2010

- Series of focused client events initiated in St Moritz and Gstaad in Switzerland.
- International events in Kuala Lumpur, Singapore, Beijing and Hong Kong completed during Q2 2010.
- Second workmaster to be announced and creations unveiled.

Key developments since 30 June 2010

- Licensing agreement held by Franklin Mint of the United States terminated. Only one licence remains.
- Significantly increased website traffic.

Loan commitment to Faberge; US\$25 million

- PRL has committed to loan Fabergé up to US\$25 million.
- Timing of drawdown is at request of Fabergé directors, between 1 October 2010 and 31 May 2011.
- Loan will accrue interest at three month US\$ LIBOR plus 4%.
- Arrangement fee of US\$375,000 accrued on first drawdown.
- Any amounts drawn down, plus accrued interest, must be repaid to PRL by 31 July 2011.

Outlook

- Diamond-based "Classics Collection" to be unveiled late 2010.



Scheherazade Necklace, sold during period



Pear Blossom Ring, sold during period

Gemfields

Industry background	<ul style="list-style-type: none">▪ The coloured gemstone industry has historically been overlooked, fragmented and undercapitalised. It is characterised by the absence of large, reliable suppliers able to consistently deliver meaningful quantities of gemstones in a professional and transparent manner.▪ Notwithstanding this, the utilisation of coloured gemstones in the jewellery and fashion sectors has increased markedly during the last decade.
Vertical integration	<ul style="list-style-type: none">▪ Gemfields' strategy is to create the leading integrated coloured gemstone producer, pursuing consolidation and vertical integration on an international scale.
Operational efficiency	<ul style="list-style-type: none">▪ Increased production at the Kagem mine through higher capital expenditure on better quality, more appropriate, high tech equipment and by the introduction of a new, more experienced management team.▪ Reducing theft.
Ethical production and marketing	<ul style="list-style-type: none">▪ A core pillar of the Gemfields' strategy is the ability to supply ethically-produced, conflict-free gemstones of certified provenance directly from the mine to the market.▪ The auction process has significantly improved the sales format; increasing the number of buyers at the rough auctions, holding these in appropriate locations, increasing pre-auction marketing and introducing direct sales of polished gems.

Gemfields - key developments and outlook

Sales

- Successful low grade rough emerald and beryl auction in Jaipur, India (11-15 March 2010).
- London auction, July 2010, of rough emeralds, realised sales of US\$7.5 million of, with per carat prices improving 83% over n November 2009.
- The next auction is scheduled to take place in Johannesburg during December 2010.
- Coloured gemstone markets remain weak, but are showing signs of recovery.

Marketing

- Initiation of co-operative global emerald marketing and promotional campaigns linked with trade and consumer education initiatives.
- Collaboration with a UK jeweller to provide "Invictus" lead actor Morgan Freeman, and producer Lori McCreary, with bespoke Nelson Mandela "46664" bracelets for the 2010 Oscars.
- New Gemfields branding and website unveiled.
- Gemfields sponsored the recent "Retail Jeweller India Awards 2010". This event has historically been sponsored by De Beers.

Dates	Location	Type	Total sales in US\$ million
Jul-09	London, England	Higher quality rough	5.9
Nov-09	Johannesburg, South Africa	Higher quality rough	5.6
Mar-10	Jaipur, India	Lower quality rough	7.2
Jul-10	London, England	Higher quality rough	7.5
Sep-10	Hong Kong	Polished stones	*

* The results of the Hong Kong auction are to be determined.



Ian Harebottle, Gemfields CEO, at the Retail Jeweller India Awards

Gemfields - key developments and outlook

“Insofu”, the 6,225- carat rough emerald

- Exceptional 6 225-carat rough emerald discovered at the Kagem mine in Zambia on 5 February 2010.
- Dubbed "Insofu" meaning "elephant" in the local Bemba language, in honour of the World Land Trust's "Elephant Corridor Project" and in consideration of the emerald's extraordinarily large size.
- In further support of this and of the London Elephant Parade, Gemfields conceived the "Emeralds for Elephants" project initiative, an auction and gala event at Selfridges department store in London on 23 June 2010. Emerald jewellery, incorporating Gemfields' emeralds, was crafted for the event by eight leading international jewellers, including Theo Fennell, Shaun Leane, James Currens and Francis Mertens.

Production

- Significant reductions in monthly operating costs have been achieved, primarily through a reduction in the stripping ratio and improved operating efficiencies.
- Cost controls remained effective during the quarter ending 31 March 2010 and Kagem achieved the lowest quarterly total operating costs since Gemfields took over management of Kagem in 2007.



The "emerald elephant".



Bespoke Nelson Mandela "46664" bracelets, as worn to the 2010 Oscars by "Invictus" lead actor Morgan Freeman, and producer Lori McCreary.

Financial overview

Investment Valuations at 30 June 2010

Portfolio of investments	Effective interest	Cost	Fair value at 30 June 2010	Share of net assets	Valuation methodology
	%	US\$	US\$	%	
<u>Quoted investments</u>					
Platmin Limited	8.80%	43,831,554	60,119,056	18.77%	Listed share price: CAD1.10 per share
Jupiter Mines Limited	25.12%	12,654,148	16,888,204	5.27%	Listed share price: AUD0.210 per share
Gemfields plc	33.15%	<u>55,198,324</u>	<u>7,286,064</u>	<u>2.27%</u>	Listed share price: £0.045 per share
		111,684,026	84,293,324	26.31%	
<u>Unquoted investments</u>					
Fabergé Limited	48.88%	60,603,247	86,633,377	27.04%	Price of recent investment: Capital raising (September 2009)
Tshipi é Ntle – equity	9.98%	2,000,000	29,940,000	9.35%	Price of recent investment: Posco transaction (July 2009)
Richtrau No. 123 Ltd (Magazynskraal)	6.19%	36,621,344	36,621,344	11.43%	Cost
Moepi Group (Boynton)	2.33%	13,373,315	10,029,986	3.13%	Cost less 25% impairment
<u>Loans and convertible note</u>					
Tshipi é Ntle – loan receivable	n/a	1,752,852	1,804,839	0.56%	Capital plus accumulated interest
Platmin Limited – loan receivable	n/a	25,845,409	27,349,541	8.54%	Capital plus accumulated interest
Platmin Limited – convertible notes	n/a	<u>9,135,601</u>	<u>9,998,932</u>	<u>3.12%</u>	Fair value
		149,331,768	202,378,019	63.17%	
Other net assets (includes US\$31m cash)			33,680,558	10.51%	
Net Asset Value (NAV)			320,351,901	100.00%	

NAV per share at 30 June 2010

NAV per share	NAV per share at 31 December 2009 (IFRS compliant)	NAV per share at 30 June 2010 (IFRS compliant)	NAV per share at 30 June 2010 including the impact of the Tshipi Jupiter transaction (non-IFRS compliant) ⁽¹⁾
Net assets	US\$321,680,833	US\$320,351,901	US\$345,973,894
Number of shares in issue	475,803,860	475,803,860	475,803,860
NAV per ordinary share (US\$)	US\$0.676	US\$0.673	US\$0.727
NAV per ordinary share (ZAR)	ZAR5.015	ZAR5.136	ZAR5.546
% increase in ZAR terms⁽²⁾	-	2.41%	10.60%

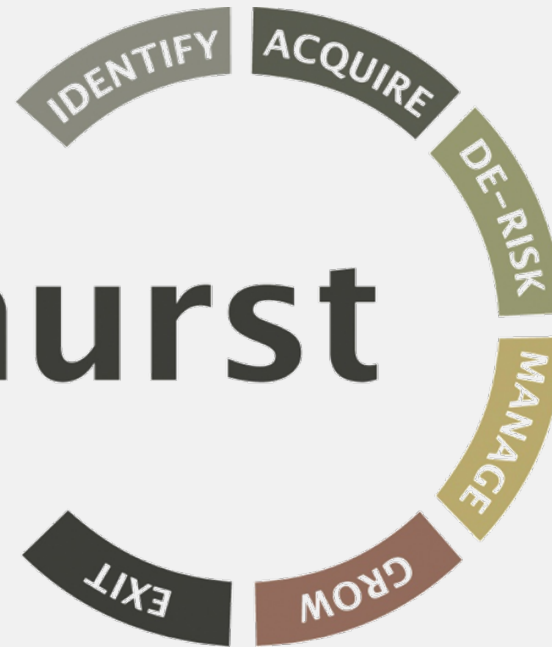
¹ The Tshipi Jupiter transaction is the issue of new Jupiter shares in consideration for PRL's equity interest in Tshipi. The impact of the Tshipi Jupiter transaction on NAV solely shows the direct financial effects of the Jupiter transaction, based on the Jupiter share price and foreign exchange rate at 20 September 2010. The impact of transaction costs is excluded.

² Percentage increase calculated on the increase in ZAR NAV value per share compared to at 31 December 2009.

Questions?

Pallinghurst

RESOURCES LIMITED



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Sophisticated shareholders and prospective shareholders means sophisticated or professional shareholders who can afford to take a higher degree of risk, which may include the risk of the loss of their entire investment, and who have extensive knowledge and experience in financial and business matters and are capable of evaluating the merits and risks associated with an equity investment in Pallinghurst Resources Limited.