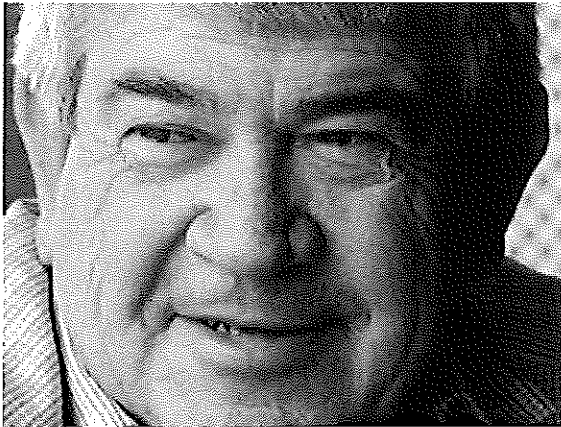


**Press Cuttings**

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**Pallinghurst Resources' profits up  
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Pallinghurst Resources chairman Brian Gilbertson. Photograph: Ayi Leshabane.

Specialist natural resources investment company Pallinghurst Resources on Monday reported diluted headline earnings per share of US 24 cents for the year ended December 2010 from 20 cents a year ago.

Its profit from operations grew to \$157.9 million from \$61.5 million, while its net profit was up 86% to \$116.0 million. The company's investment valuations increased by almost US\$200 million, net of cash additions.

Pallinghurst has four investment platforms - coloured gemstones, luxury brand Fabergé, steel feed materials and platinum group metals.

Jupiter Mines contributed a substantial portion of the gains, both as a result of the transformational acquisition of the Tshipi manganese asset in SA and strong share price performance.

Gemfields also performed strongly as a result of a series of record breaking auctions and robust production performance. Faberge built on its successful international launch in the prior year, unveiling a second high jewellery collection.

In addition, following the year end, a series of transactions have been concluded which provide the platform for the consolidation of the company's PGM investments, PPM, Sedibelo and Magazynskraal.

The company said although the recent tragic events across the globe, from earthquakes to civil unrest, have reduced growth prospects in the affected regions, the company's investments performed strongly over the past year and remain well positioned to benefit from the strategic initiatives currently underway and from any further improvements in the global environment.

Among the highlights of the past financial year were Platmin raising US\$340 million in equity to fund the completion of the build-up phase of mining operations at PPM and to participate in a consolidating industry; and the completion of the Magazynskraal feasibility study drilling programme.

Jupiter acquired the Pallinghurst Co-Investors' interests in Tshipi and Tshipi Borwa's key new order mining right was granted by the South African Department of Mineral Resources.

Three successful Gemfields' rough emerald auctions realised record revenues of US\$34.3 million and an exceptional 6,225-carat rough emerald was discovered at Kagem.

In addition Faberge undertook a series of focused client events across Europe and Asia and launched the all-white-diamond "Carnet de Bal" collection, only its second high jewellery collection since 1917.

Since the end of the year Platmin announced its agreement to the conversion of US\$135 million of convertible notes, at US\$0.84 per share and a set of transactions to effect the consolidation of the three contiguous properties of PPM, Sedibelo and Magazynskraal was announced.

The Pallinghurst Co-Investors, Platmin and the Bakgatla, jointly acquired strategically important infrastructure assets from Barrick, including essential water and electricity rights.

Jupiter concluded an AUD150 million capital raising to fund the Mount Ida and Mount Mason feasibility studies and for construction of a world class manganese mine at Tshipi Borwa; and Gemfields held a lower-quality rough emerald and beryl auction in Jaipur in March 2011, realising record revenues of US\$9.9 million, with per carat price increases of 148%.

Looking ahead, the company said metal prices performed strongly during the year, with palladium being the best performing commodity, closing at US\$802, almost double its opening price of US\$408.

"Despite certain recent events, including the tragic earthquake in Japan, global industrial demand is expected to strengthen over the coming years. In addition, escalating cash costs and missed production targets continue to affect many companies in the PGM industry. Accordingly, the Company's PGM investments are well placed to benefit from an improved environment as Platmin continues its build-up to full production capacity and as the consolidation is implemented," it said. - I-Net Bridge