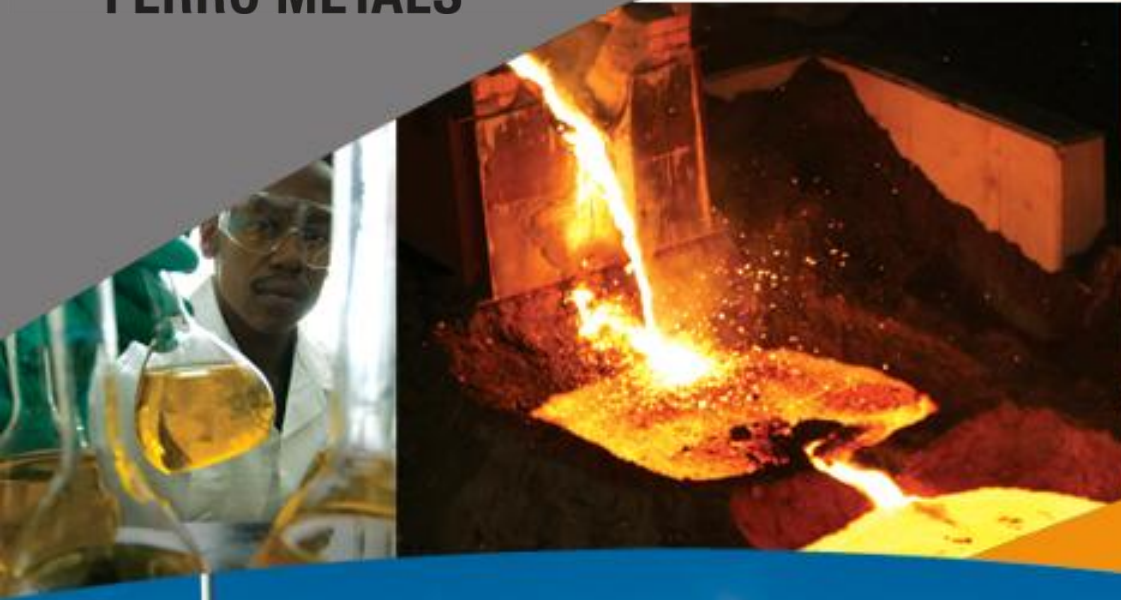




**INTERNATIONAL
FERRO METALS**

2010 HALF-YEAR RESULTS PRESENTATION



**LONDON
23-26 February 2010**



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EXECUTIVE SUMMARY



- Improving stainless steel market and FeCr demand, FeCr spot prices moving above contract prices
- Market commentators expecting an increase in FeCr prices in Q2 2010
- IFL building FeCr inventories in anticipation of FeCr price increases
- Second furnace switched on in August 2009 with both furnaces operating at Eskom constrained capacity
- Balance sheet strengthened through capital raising
- Co-generation plant on budget and on schedule to commission H2 2010
- UG2 chrome concentrate supply agreement concluded with Anglo Platinum which will significantly reduce input costs and extend Lesedi LoM
- Continued focus on cost reduction

FINANCIAL REVIEW



- Increased production and sales volumes
- Increasing FeCr prices and improving margins from previous six months
- Lower reductant prices, partially offset by higher electricity prices

CONSOLIDATED INCOME STATEMENT (R'000)	H1 2010	H2 2009	H1 2009	H2 2008	H1 2008
	six months 31 DEC 2009	six months 30 JUN 2009	six months 31 DEC 2008	six months 30 JUN 2008	six months 31 DEC 2007
<i>FeCr Production (tonnes)</i>	94,715	19,605	90,759	112,290	93,317
<i>FeCr Sales (tonnes)</i>	70,936	52,400	49,435	145,996	61,866
<i>Average R/\$ exchange rate</i>	R7.64	R9.19	R8.82	R6.96	R7.66
Total Revenue	451,917	255,517	526,057	1,551,871	367,525
Cost of goods sold	(509,055)	(412,417)	(456,560)	(841,331)	(349,595)
Gross (loss) / profit	(57,138)	(156,900)	69,497	710,540	17,930
Operating margin	-13%	-61%	13%	46%	5%
EBITDA	(102,258)	(393,637)	(2,331)	740,840	(14,113)
(Loss) / profit before tax	(144,842)	(428,969)	(26,809)	654,217	(23,858)
Taxation	39,749	87,139	30,060	(52,177)	-
Net (loss) / profit after tax	(105,093)	(341,830)	3,251	602,040	(23,858)
EPS (cents per share)	(19.08)	(66.94)	0.81	118.59	(4.54)
Weighted avg # shares ('000)	544,926	504,757	505,859	505,859	500,527
DPS (pence)	0p	0p	0p	0p	0p

FINANCIAL REVIEW (cont.)



- Net cash of R248 million
- FeCr inventory of 32,504 tonnes
- R500 million irrevocable working capital facility

CONSOLIDATED BALANCE SHEET (R'000)	H1 2010	FY 2009	H1 2009	H2 2008
	31 DEC 2009	30 JUN 2009	31 DEC 2008	30 JUN 2008
Cash and cash equivalents	395,344	340,089	703,823	972,190
Receivables	69,132	81,059	174,602	462,919
Inventories	434,619	195,820	506,736	109,752
Other current assets	71,000	6,263	12,783	13,382
Total current assets	970,095	623,231	1,397,944	1,558,243
Property, plant & equipment	1,829,698	1,798,151	1,736,467	1,672,281
Other non-current assets	149,604	103,499	27,215	25,625
Total non-current assets	1,979,302	1,901,650	1,763,682	1,697,906
Total Assets	2,949,397	2,524,881	3,161,626	3,256,149
Trade and other payables	138,344	105,995	128,858	213,149
Other current liabilities	26,849	12,414	224,945	100,852
Total current liabilities	165,193	118,409	353,803	314,001
Interest bearing loans and borrowings	265,308	64,053	85,945	92,716
Deferred tax liability	-	-	18,905	50,602
Total other non-current liabilities	21,017	13,307	22,601	27,184
Total non-current liabilities	286,325	77,360	127,451	170,502
Total liabilities	451,518	195,769	481,254	484,503
Total shareholders' equity	2,497,879	2,329,112	2,680,372	2,771,646

FINANCIAL REVIEW (cont.)



- Equity raising of R248 million to fund electricity co-generation plant
- FeCr and raw materials inventory building decreasing cash from operations by R244 million
- Capex of R61 million

CONSOLIDATED CASH FLOW STATEMENT (R'000)	H1 2010	H2 2009	H1 2009	H2 2008	H1 2008
	six months 31 DEC 2009	six months 30 JUN 2009	six months 31 DEC 2008	six months 30 JUN 2008	six months 31 DEC 2007
Net cash flows from operating activities	(273,954)	(26,776)	(321,398)	251,257	(236,234)
Net cash flows from investing activities	(112,389)	(84,525)	(76,570)	(39,701)	(3,204)
Net cash flows from financing activities	452,063	(208,971)	97,726	607,214	526,479
Net increase / (decrease) in cash held	65,720	(320,272)	(300,242)	818,770	287,041
Cash at the beginning of the financial period	340,089	703,823	972,190	43,929	43,929
Effects of exchange rate changes on cash	(10,465)	(43,462)	31,875	109,491	10,751
Cash at the end of the period	395,344	340,089	703,823	972,190	341,721

FINANCIAL REVIEW (cont.)



CAPITAL EXPENDITURE	2010H1	2010H2	FY2010
	actual	budget	
Co-generation plant	R16,000	R187,000	R203,000
Underground development	R27,000	R58,000	R85,000
Metal recovery plant	-	R15,000	R15,000
Return water project	-	R15,000	R15,000
Other	R18,000	R29,000	R47,000
Total	R'000	R61,000	R304,000
			R365,000

UG2 SUPPLY AGREEMENT

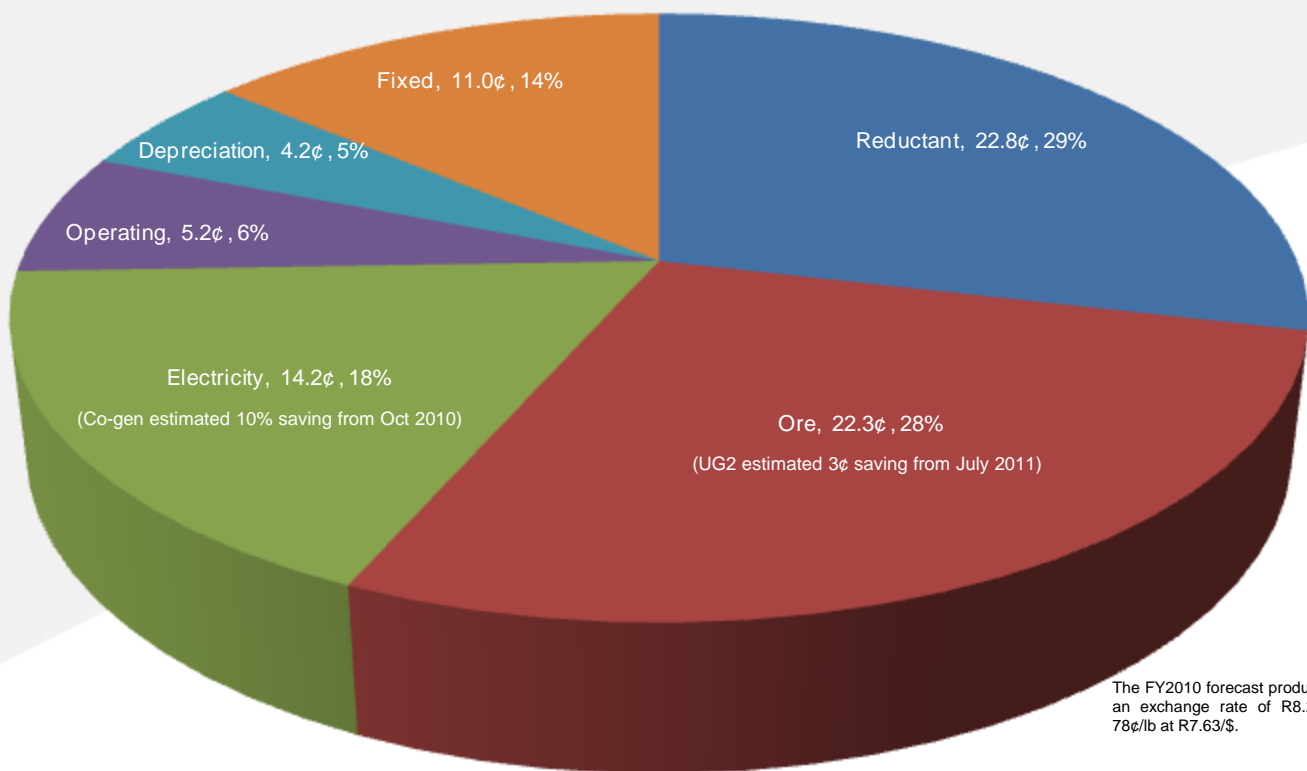


- UG2 Supply Agreement with Rustenburg Platinum Mines Limited (“RPM”) a subsidiary of Anglo Platinum Limited
- IFM to pay R150m for chrome re-treatment plant (“CRP”) to extract chrome concentrate from RPM’s UG2 concentrator tailings
- 10 Year contract from construction start date with entitlement to 15,000tpm concentrate from commissioning date (c. 30% of beneficiated ore needs)
- No cost other than the cost of transportation (50km) and regulatory charges (current transportation cost approximately R1.00/t/km = R50.00/t)
- Effective cost per tonne significantly below in-house mining cost (expected accounting cost of R93/t at CRP (R150m/(9y x 15,000tpm)), expected ore cost reduction of 3¢/lb Cr)
- Construction by independent Engineering Contractor and owned & operated by RPM
- Construction expected to start June 2010 with commissioning in July 2011
- Project to be funded using existing cash facilities

PRODUCTION COST



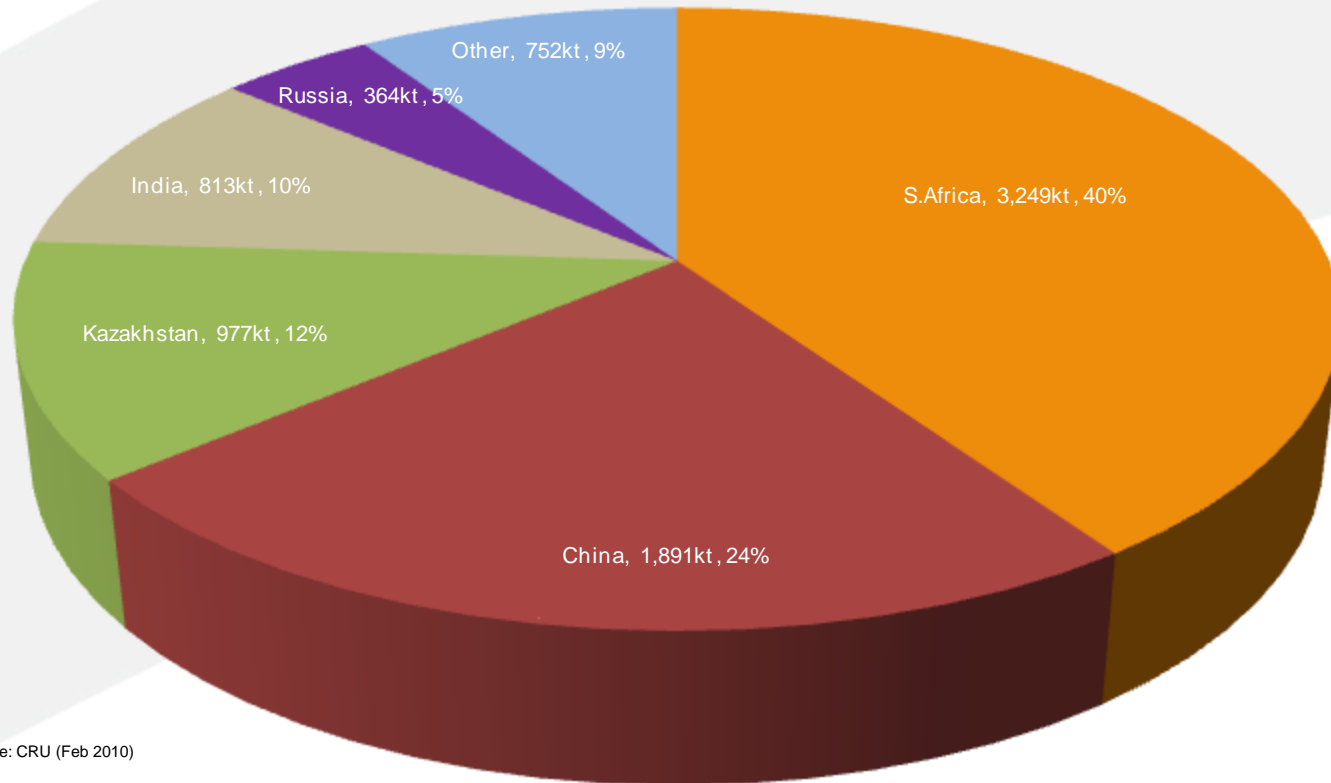
IFM FeCr Production Cost FY2010H1 (80¢/lb)
(per pound contained Cr, average R/\$=R7.63)



The FY2010 forecast production cost was 71¢/lb at an exchange rate of R8.25/\$ which equates to 78¢/lb at R7.63/\$.

PRODUCTION COST (cont.)

HC FeCr Production by Country 2010 (forecast)



Source: CRU (Feb 2010)

Kazakhstan produces 12% of world production and is the lowest cost producer
South Africa produces 40% of world production and is the 2nd lowest cost producer
IFM's production costs in bottom half of South Africa's cost curve

OPERATIONAL REVIEW (SMELTING)



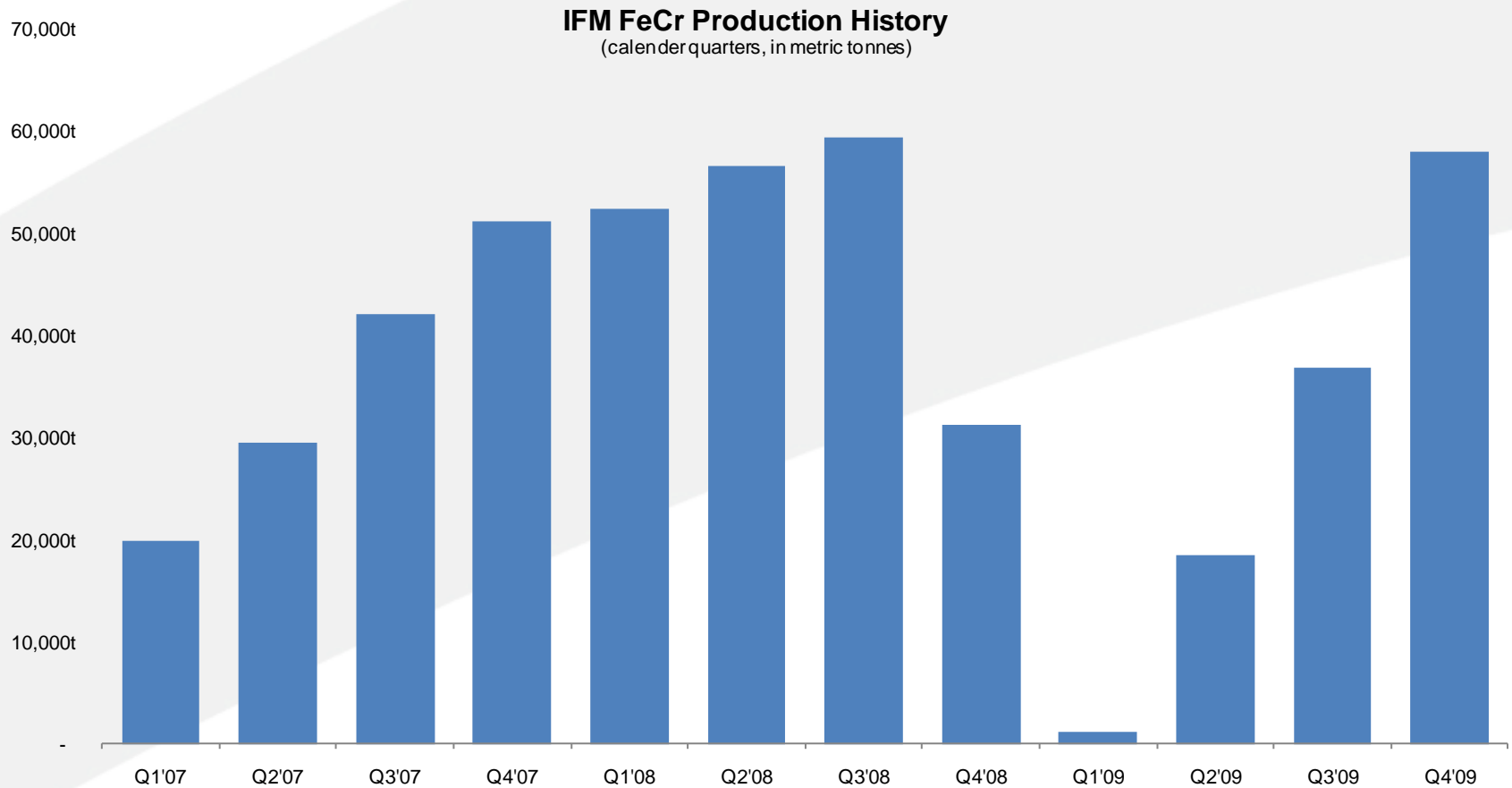
- Both furnaces shut down November 2008
- First furnace restarted April 2009
- Second furnace restarted August 2009
- Both furnaces now operating at Eskom constrained capacity
- Electricity co-generation plant to generate 11% of IFM total current electricity requirements is scheduled for commissioning H2 2010

OPERATIONAL REVIEW (MINING)



- Resumption of underground mining and open pit producing at 35,000tpm
- MG2 decline development completed
- Underground mining contractor to be appointed within two months, ore production to increase, per unit costs to decrease
- Earlier start up of furnaces and revision of mine plan resulted in buy-in of ore
- UG2 will bridge gap in one year's time
- Ore purchases not fully secured but confident that they will be without significant impact on overall costs

OPERATIONAL REVIEW



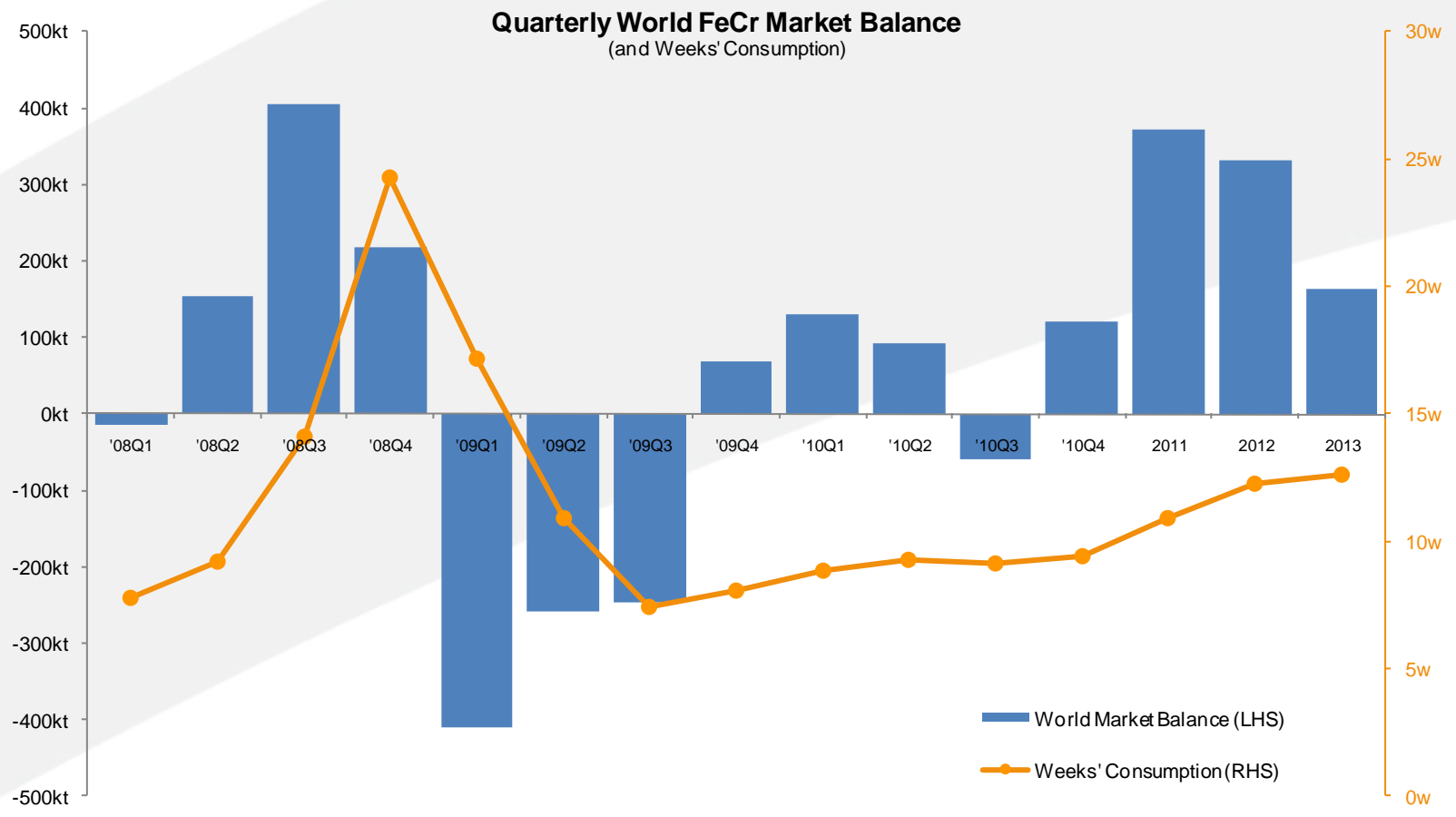
Both furnaces now operating at Eskom constrained capacity

FERROCHROME MARKET



- End consumption of stainless steel increasing in Europe and US and remains high in China
- Q1 2010 FeCr contract price set at \$1.01/lb
- Since beginning of year spot prices have moved up on back of increased demand and tighter supply and are now above contract prices
- Market commentators expecting significant increase in FeCr prices in Q2 2010
- Conversion from austenitic to ferritic stainless steel continues
- IFL building FeCr inventories in anticipation of FeCr price increases
- Broadening of customer base

FERROCHROME MARKET

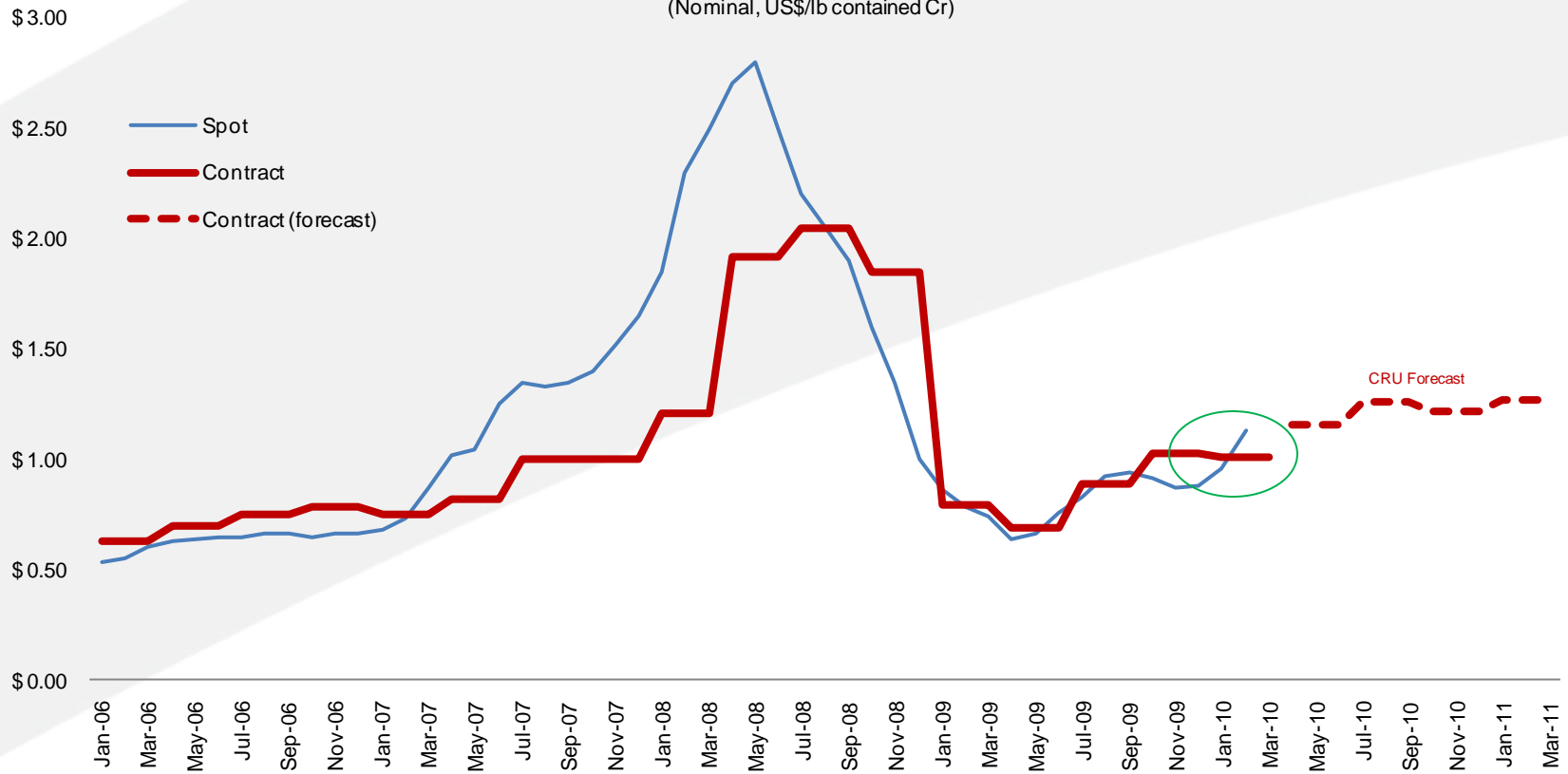


Source: CRU (Feb 2010)

FERROCHROME MARKET



European HC/Charge Chrome Prices
(Nominal, US\$/lb contained Cr)



Source: CRU (Feb 2010)

Spot prices moving above contract prices

OUTLOOK



- Inventory build up in anticipation of price increases: 33kt at Dec 2009
- New co-generation plant to restore capacity and reduce electricity costs
- Position in Chinese market has strengthened through JISCO and own marketing campaigns
- JISCO plans to double stainless steel production in 2010
- Stainless steel growth for 2010 expected at 9.7% (CRU)
- Demand for ferrochrome forecast to increase by 22% due to restocking and increased SS consumption (MBR)
- Expansion plans under review and feasibility studies underway on DC smelting and pre-reduction
- UG2 chrome concentrate to reduce input costs and extend Lesedi LoM
- Expansion constraints in SA due to Eskom to drive future FeCr supply tightness

APPENDICES

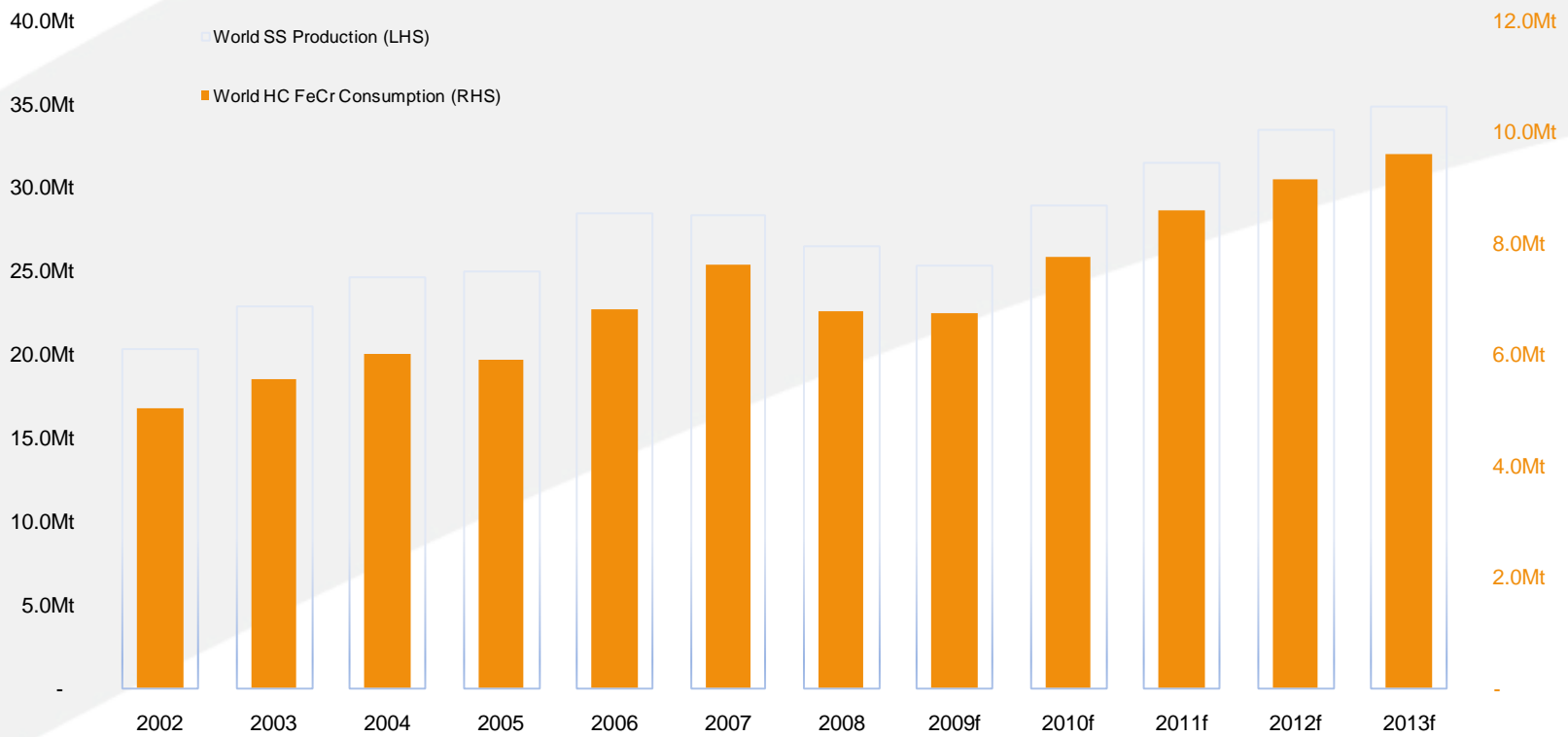


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SS PRODUCTION & FECR CONSUMPTION



World SS Production & HC FeCr Consumption
(Actual & Forecast)

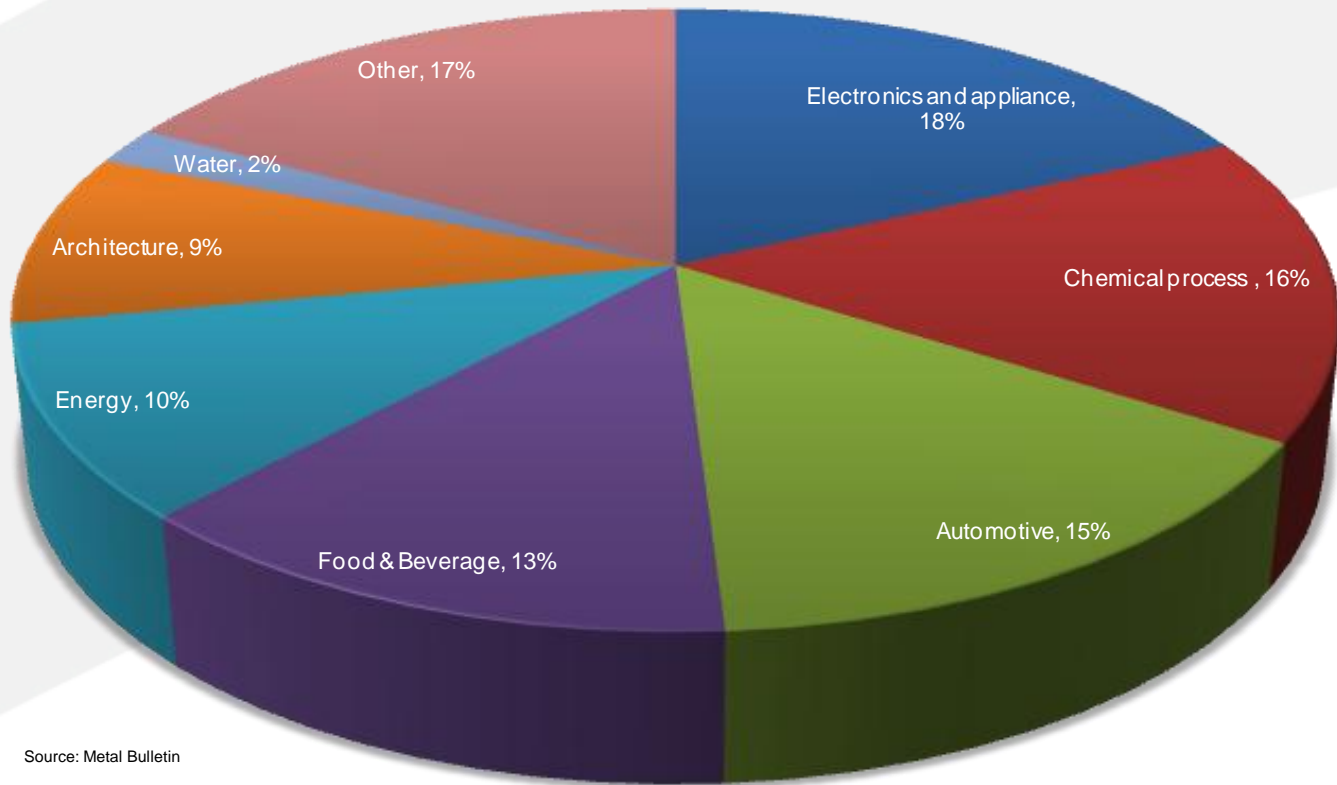


Source: CRU (Feb 2010)

CRU forecasts record Stainless Steel production in 2010

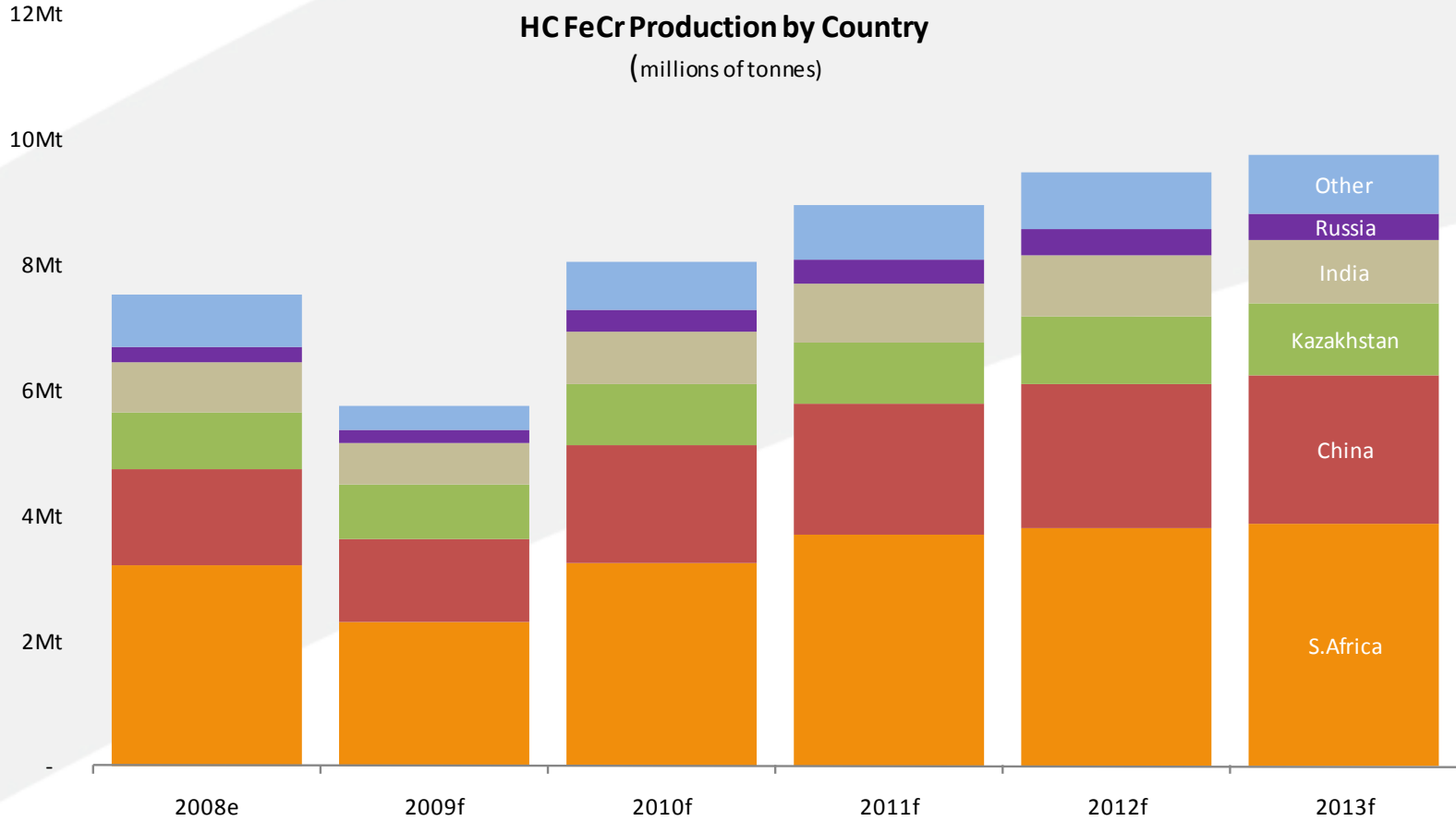
SS CONSUMPTION BY SECTOR

Stainless Steel Consumption by Sector (2007)
(91% of Cr Ore consumed in Stainless Steel)



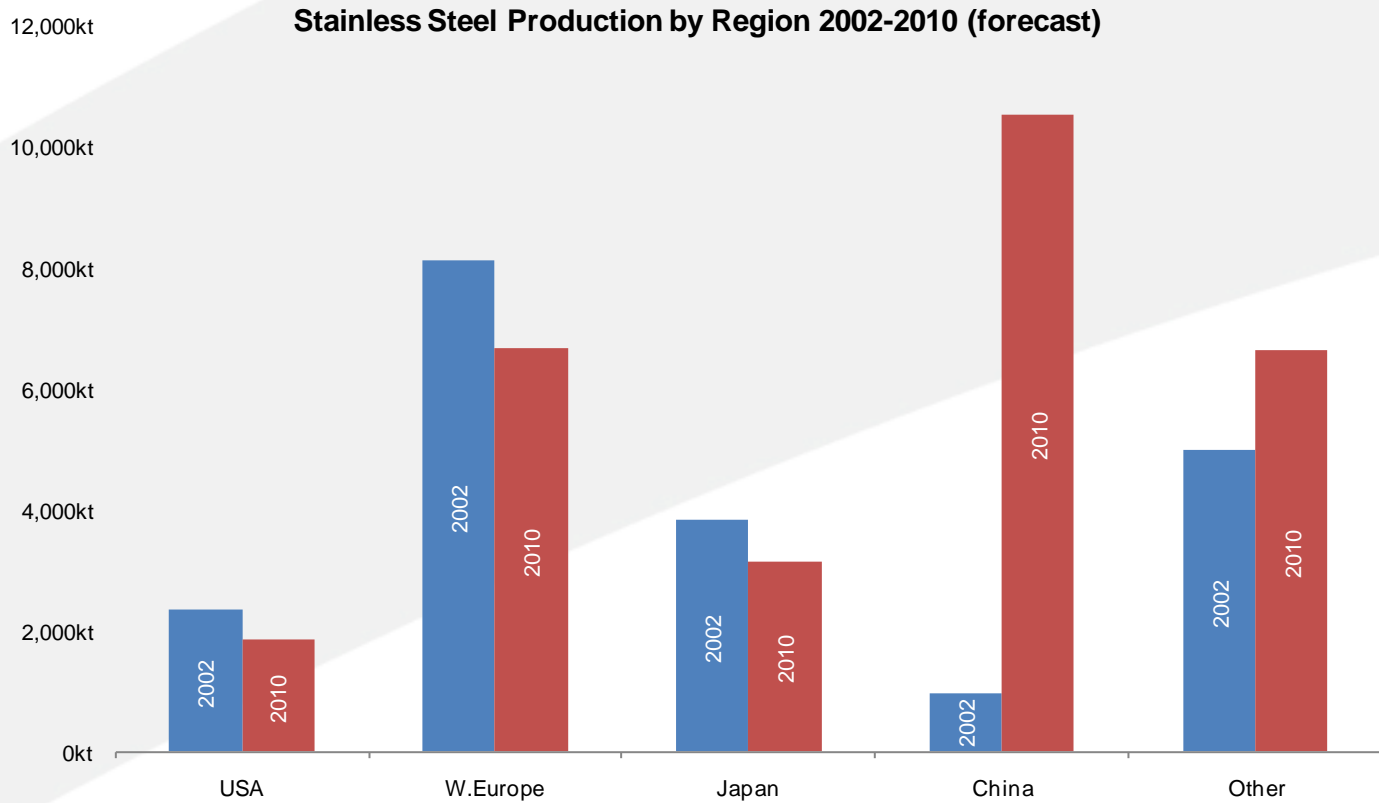
Source: Metal Bulletin

FEER PRODUCTION BY COUNTRY



Source: CRU (Feb 2010)

SS PRODUCTION BY REGION



Source: CRU (Feb 2010)

WORLD CHROMITE RESERVES



Country	Chromite Ore Reserve			Chromite Ore Output 2007		
	Mt	%	Rank	Mt	%	Rank
South Africa	5,500	72.4%	1	9.6	43.4%	1
Zimbabwe	930	12.2%	2	0.5	2.3%	8
Kazakhstan	320	4.2%	4	3.8	17.2%	2
Finland	120	1.6%	5	0.6	2.7%	6
India	67	0.9%	6	2.8	12.7%	3
Turkey	20	0.3%	7	1.5	6.8%	5
Brazil	17	0.2%	8	0.6	2.7%	7
Others	626	8.2%	3	2.7	12.2%	4
Total	7,600	100.0%		22.1	100.0%	

Source: Heinz Parizer

IFM RESERVES & RESOURCES



MINERAL RESERVES	Lesedi	Sky Chrome	Total
	kt	kt	kt
PROVED			
MG1	3,840	64	3,904
MG2	6,808	130	6,938
PROBABLE			
MG1	826	21,074	21,900
MG2	2,129	20,488	22,617
PROVED & PROBABLE RESERVES	13,603	41,756	55,359

MINERAL RESOURCES	Lesedi	Sky Chrome	Total
	kt	kt	kt
MEASURED			
MG1	6,130	1,022	7,152
MG2	7,615	1,325	8,940
MG3	4,982	-	4,982
INDICATED			
MG1	1,938	28,535	30,473
MG2	2,060	47,719	49,779
MG3	1,227	-	1,227
MEASURED & INDICATED RESOURCES	23,952	78,601	102,553
INFERRED			
MG1	2,730	6,435	9,166
MG2	2,848	9,622	12,470
MG3	1,894	-	1,894
INFERRED RESOURCES	7,472	16,057	23,530
TOTAL RESOURCES	31,424	94,658	126,083

ELECTRICITY CO-GENERATION



Clean Development Mechanism (CDM) compliant

- Waste gas to electricity
- Expected to generate c.13.7 MW (11% of IFM's current overall electricity requirements)

Qualifies for Carbon Emissions Reductions (Carbon Credits)

- Project Identification Note registered with DME
- Expected to displace c.144,000 tonnes of CO₂ equivalent
- Possible annual carbon income of approximately EUR1.4 million at current CER pricing

Cost Reductions

- Expected to reduce electricity cost by c. 10%
- Cash operating cost c. R14/MWh after CER revenue (R151/MWh before CER revenue)

Increased Production Capacity

- Restores FeCr production capacity back to 267ktpa (currently Eskom-constrained to 240ktpa)
- Eskom constraints expected to continue beyond 2012

Proven Technology

- Manufactured by General Electric Jenbacher
- Expected commissioning 2010H2

BLACK ECONOMIC EMPOWERMENT



- Proposed BEE transaction submitted to the Department of Minerals and Energy (DME) in April 2009
- Transaction effective 2 months after DME conversion of old order to new order mining rights (conversion expected in 2010)
- Transaction brings immediate 26% BEE compliance as per DME requirement
- In line with SA Government need for Broad-Based BEE (employees, entrepreneur and communities)
- Sustainable - BEE shareholders are not financially encumbered
- Reduced dilution - business is sold at fair value
- Optimal BEE points
- Flexibility in financing structure (preference share/debenture mix)