

ASX ANNOUNCEMENT 27 AUGUST 2012

OPTION ISSUE

LONRHO MINING LIMITED (ASX: LOM) (Company) wishes to advise that following shareholder approval at the annual general meeting held 31 July 2012, the Company has issued 25,000,000 listed \$0.02 options, expiring 2 December 2013 (\$0.02 Options) and 25,000,000 unlisted \$0.03 options, expiring 2 December 2014 (\$0.03 Options).

The remainder of the terms of the \$0.02 Options and \$0.03 Options were included in the notice of annual general meeting dated 26 June 2012.

Cleansing Statement

Pursuant to Section 708A(5)(e) of the Corporations Act;

- (a) The \$0.02 Options were issued without disclosure under Part 6D.2 of the Act.
- (b) This notice is being given under paragraph 5(e) of section 708A of the Act.
- (c) As at the date of this notice, the Company has complied with the provisions of the Chapter 2M of the Act (as they apply to the Company), and section 674 of the Act.
- (d) As at the date of this notice, there is no excluded information with respect to the Company for the purposes of sections 708A(7) and (8) of the Act.

The Appendix 3B's reflecting the revised capital structure following the issue of the options have been released with this announcement.

For further information, please contact;

MARK CLEMENTS

COMPANY SECRETARY

Tel +61-8 9489 9200

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003

Nam	ne of entity LONRHO MINING LIMITE	D
ABN	44 111 501 663	
Pa	(the entity) give ASX the following informated 1 - All issues nust complete the relevant sections (attach sheets if	
1	⁺ Class of ⁺ securities issued or to be issued	Listed Options
2	Number of *securities issued or to be issued (if known) or maximum number which may be issued	25,000,000
3	Principal terms of the *securities (eg, if options, exercise price and expiry date; if partly paid *securities, the amount outstanding and due dates for payment; if *convertible securities, the conversion price and dates for conversion).	Listed options exercisable at \$0.02 expiring 2 December 2013 (LOMOA)
4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Not at the date of allotment – shares issued upon exercise of options will rank equally with all others issued fully paid ordinary shares of the Company

⁺ See chapter 19 for defined terms.

5	Issue price or consideration	NIL	
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Issue of Director Opticat annual general mee	ons following shareholder approval ting held 31 July 2012
7	Dates of entering *securities into uncertificated holdings or despatch of certificates	23 August 2012	
		Number	+Class
8	Number and ⁺ class of all ⁺ securities quoted on ASX (<i>including</i> the securities in clause 2 if applicable)	2,547,463,070	Ordinary (LOM)
	securities in clause 2 if applicable)	1,598,731,535	Options exercisable at \$0.02 expiring 2 December 2013 (LOMOA)
		Number	+Class
9	Number and ⁺ class of all ⁺ securities not quoted on ASX (<i>including</i> the securities in clause 2 if applicable)	19,750,000	Unlisted options expiring 30 September 2012 exercisable at \$0.50 each (LOMAI)
		30,000,000	Unlisted options expiring 1 August 2013 exercisable at \$0.02 (LOMAK)
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	
Par	et 2 - Bonus issue or pro	o rata issue	
11	Is security holder approval required?		
12	Is the issue renounceable or non-renounceable?		
13	Ratio in which the *securities will be offered		
14	⁺ Class of ⁺ securities to which the offer relates		
15	⁺ Record date to determine entitlements		
1.	WY 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?		
17	Policy for deciding entitlements in relation to fractions		

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⁺ See chapter 19 for defined terms.

18	Names of countries in which the entity has *security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements a re to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of *security holders	
25	If the issue is contingent on +security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do *security holders sell their entitlements <i>in full</i> through a broker?	
31	How do +security holders sell part	
	of their entitlements through a	

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	broker and accept for the balance?	
32	How do *security holders dispose of their entitlements (except by sale through a broker)?	
33	⁺ Despatch date	
	et 3 - Quotation of securities med only complete this section if you are applying for Type of securities (tick one)	
(a)	Securities described in Part 1	
(b)		crowed period, partly paid securities that become fully paid, employee urities issued on expiry or conversion of convertible securities
Entit	ties that have ticked box 34(a)	
	tional securities forming a new class of	securities
	o indicate you are providing the information of	securities
docume		
35	1 1	ities, the names of the 20 largest holders of the er and percentage of additional *securities held by
36	If the +securities are +equity sec +securities setting out the number of 1 - 1,000 1,001 - 5,000 5,001 - 10,000 10,001 - 100,000 100,001 and over	nrities, a distribution schedule of the additional holders in the categories
37	A copy of any trust deed for the add	tional *securities
Entit	ties that have ticked box 34(b)	
38	Number of securities for which ⁺ quotation is sought	
39	Class of *securities for which quotation is sought	

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40	respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: the date from which they do the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)	
42	Number and ⁺ class of all ⁺ securities quoted on ASX (<i>including</i> the securities in clause 38)	

Quotation agreement

- ⁺Quotation of our additional ⁺securities is in ASX's absolute discretion. ASX may quote the ⁺securities on any conditions it decides.
- We warrant the following to ASX.
 - The issue of the ⁺securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those ⁺securities should not be granted ⁺quotation.
 - An offer of the *securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

 Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any ⁺securities to be quoted and that no-one has any right to return any ⁺securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the ⁺securities be quoted.
 - We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the ⁺securities to be quoted, it has been provided at the time that we request that the ⁺securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the ⁺securities to be quoted under section 1019B of the Corporations Act at the time that we request that the ⁺securities be quoted.
- We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before ⁺quotation of the ⁺securities begins.

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We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Mark Clements Company Secretary 27 August 2012

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Rule 2.7, 3.10.3, 3.10.4, 3.10.5

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ABN	44 111 501 663	
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You m	nust complete the relevant sections (attach sheets if	there is not enough space).
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	All other securities Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities that have ticked box 34(a) cional securities forming a new class of securities
	indicate you are providing the information or
35	If the *securities are *equity securities, the names of the 20 largest holders of the additional *securities, and the number and percentage of additional *securities held by those holders
36	If the *securities are *equity securities, a distribution schedule of the additional *securities setting out the number of holders in the categories 1 - 1,000 1,001 - 5,000 5,001 - 10,000 10,001 - 100,000 100,001 and over
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