

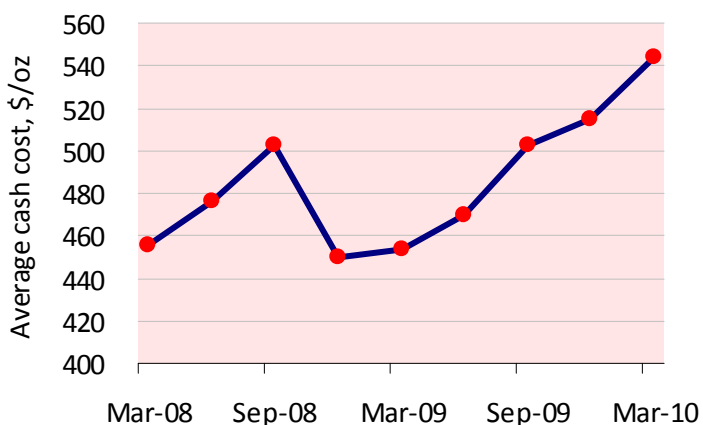


PRESS RELEASE

FOR IMMEDIATE RELEASE

1 June 2010: FORTIS BANK NEDERLAND/VM Group: Gold Mine Cost Report

Average quarterly cash costs, Q1 2008 to Q1 2010, \$/oz



Q1 10 average gold mine cash costs hit \$544/oz, up \$29/oz compared with Q4 09.

The average cash cost of gold mine production was US\$544/oz in Q1 10, the highest average cost yet in our data series, and \$29/oz higher than the previous high last quarter. Over the past 12 months global average cash costs for mining gold have risen \$91/oz, or 20%, from \$453/oz in Q1 09.

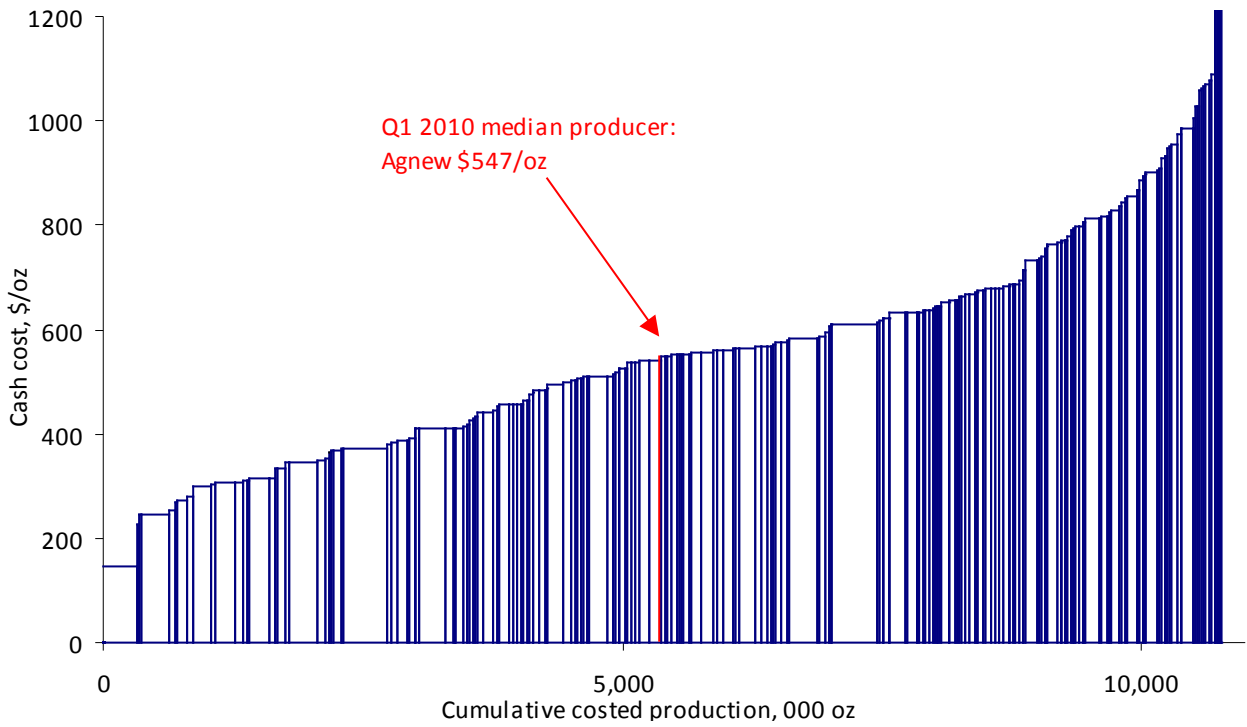
Gold miners nevertheless have benefited from an average gold price (London pm fix) of \$1,109/oz in Q1 10, some \$565/oz higher than average cash costs during this period. This spread is down however from \$585/oz in Q4 09, and is the first narrowing of this simple measure of “profitability” since Q2 09. However as the gold price is currently above \$1,200/oz this gap should widen again in Q2 10.

Looking regionally, South African miners had the highest gold cash costs in Q1 10, with an average cash cost of \$798/oz. They also saw large increases, up \$92/oz (13%) on Q4 09 and \$343/oz (75%) from Q1 09. A substantial part of this increase, but clearly not all, is due to the stronger rand, which has risen 32% against the dollar over the past year. The lowest cost region in Q1 10 was Latin America, at just \$371/oz, and it saw costs fall \$10/oz on the previous quarter.

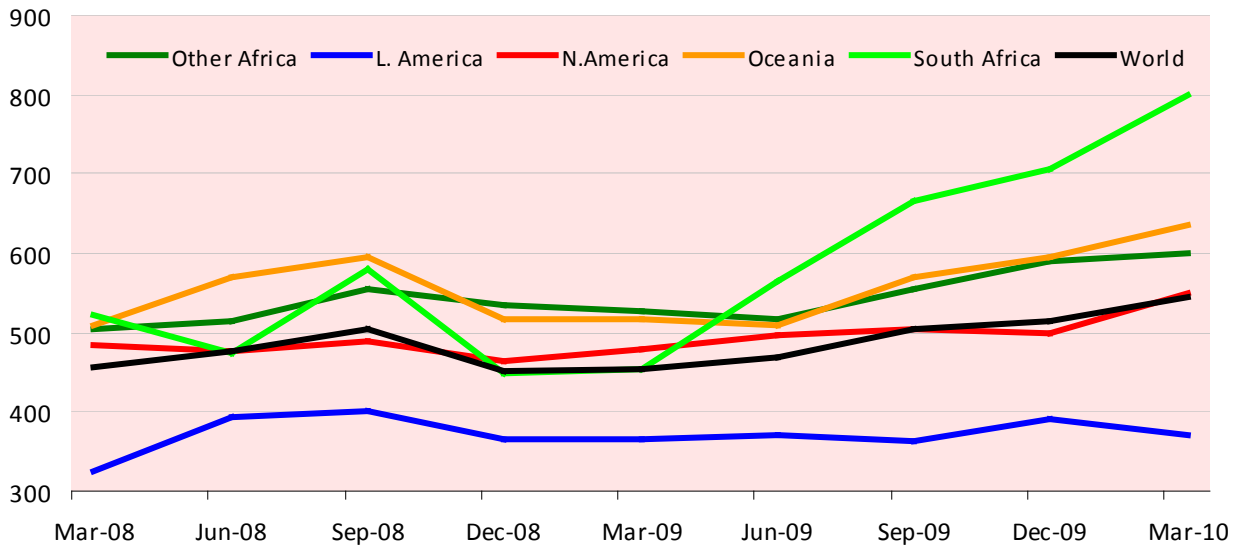
The **Gold Mine Cost Report, a collaboration between Fortis Bank Nederland/VM Group/Haliburton Mineral Services**, includes cost reporting from more than 80 gold mining companies with 226 mines in the most recent quarter. It is available open access and will be released quarterly. If you have not received a copy of this report, or should you require further details or commentary, please contact:

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Cost curve for gold mines worldwide: Q1 10



Average cash costs of gold mine production by region over time, \$/oz



Source: VM Group, Haliburton Mineral Services