

Rössing Uranium Limited
28 Hidipo Hamutenya Avenue
Swakopmund, Namibia



Correspondence to:
Private Bag 5005
Swakopmund, Namibia
Telephone (+264 64) 520 302
Facsimile (+264 64) 520 315

Page 1 of 3...

Media Release

Date: 10 January 2006

FOR IMMEDIATE RELEASE

SALARY NEGOTIATIONS

The Company and the Rössing Branch of the MUN started negotiations for salary increases on 30 November last year.

Both parties negotiated in good faith and expressed the desire to conclude the salary negotiations for 2006 in the shortest possible time.

On Monday evening after salary negotiations recommenced the MUN indicated that they wanted to hand over a petition to the Mine's senior management at the main gate to the mine at 08:00 on Tuesday, 10 January 2006. As the senior management was already tied up the Manager Human Resources and Superintendent Human Resources were present to accept the petition.

The MUN demanded that the petition be handed over to the senior management and subsequently took a number of Rössing buses to travel to the company's Swakopmund office to hand over the petition.

This created safety concerns and the open pit was shut down just after nine o'clock this morning. The main production plant is currently continuing to operate and will do so as long as we are confident it is safe to do so.

Salary negotiations have not concluded and it is not normal practice to disrupt them whilst they are ongoing without either party having reached deadlock.

Issued by:

Managing Director
Michael Leech
Rössing Uranium Limited

Enquiries:

General Manager Commercial
Rehabeam Hoveka
Tel: +264 64 520 302
Fax: +264 64 520 315

Directors: C V Kauraisa (Chairman), M D Leech (Managing Director), E H T Angula, P S Chiaro, F Fredericks,
R R Hoveka, C J Kinnell, J S Kirkpatrick, J S Louw (alt. G.P. Louw), A H Mahnama (alt. A H Behzadan), V B Moll, A Mudhika,
F Nicholls, W van Rooyen

Company Secretary : G D Labuschagne

Editor notes:

Visit the Rössing website at www.rossing.com for more information about Rössing. An electronic copy of the 2004 Rössing Report to Stakeholders is also available on the website.

The mine currently employs 833 employees (of which 96% are Namibians) and around 350 contractors.

Key personnel

§ Chairman: Charles Kauraisa

§ Managing Director: Michael Leech.

Michael Leech is the first Namibian national appointed to this position.

Rössing Mine in Namibia

Rössing, a large open pit uranium mine, is situated in Namibia, south-western Africa. It lies 65 kilometres inland from the coastal town of Swakopmund in the Namib Desert. The region is characterised by sparse vegetation, rocky outcrops and gravel plains with an average rainfall of approximately 30mm per year.

Rössing is one of the largest open pit uranium mines in the world and through the production of uranium oxide (U₃O₈) serves the world energy industry.

Rössing is part of the Rio Tinto Group of Companies, which currently holds 68,6% of Rössing's equity.

Production started in 1976.

Recent milestones

§ In July 2003, 100 000 short tonnes of U₃O₈ was produced since production started in 1976.

§ In August 2003 the mark of 1 billion tonnes of rock hauled from the open pit was reached.

U₃O₈ production

2002: 2 751 tonnes

2003: 2 401 tonnes

2004: 3 582 tonnes

2005: 3 711 tonnes, the highest since 1990

As a primary producer of U₃O₈ Rössing produces about 7.7% of the world's primary production.

Rössing Uranium Limited

28 Hidipo Hamutenya Avenue
Swakopmund, Namibia



Correspondence to:

Private Bag 5005

Swakopmund, Namibia

Telephone (+264 64) 520 302

Facsimile (+264 64) 520 315

Page 3 of 3...

Markets

Current and potential customers: central Europe, North America and South East Asia and Japan.

Financial position

Despite an upward trend in U_3O_8 spot prices during 2003 and 2004, Rössing came under pressure due to the strong South African Rand (to which the Namibian Dollar is linked) against the US dollar – Rössing sells its U_3O_8 in US Dollars. The company made a loss in 2003 of about N\$140 million and N\$75 million in 2004. The outlook in 2005 has much improved with a weaker South African Rand against the US Dollar and further increases in the spot market price of uranium oxide, currently at US\$35.25 per pound.

End

Directors: C V Kauraisa (Chairman), M D Leech (Managing Director), E H T Angula, P S Chiaro, F Fredericks,
R R Hoveka, C J Kinnell, J S Kirkpatrick, J S Louw (alt. G.P. Louw), A H Mahnama (alt. A H Behzadan), V B Moll, A Mudhika,
F Nicholls, W van Rooyen

Company Secretary : G D Labuschagne