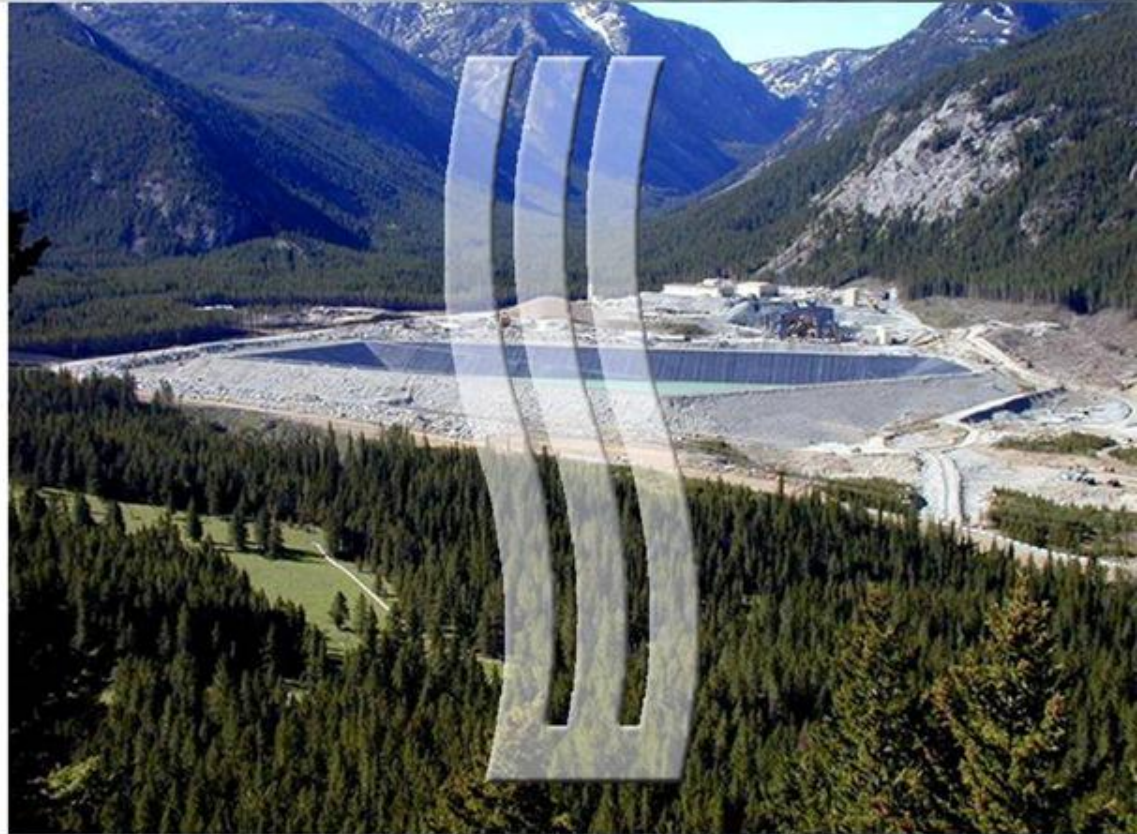


Stillwater Mining Company

Gregory A. Wing
Vice President & Chief Financial Officer
April 2011



Forward-Looking Statements

Some statements contained in this presentation are forward-looking within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, and Section 21E of the U.S. Securities Exchange Act of 1934, as amended, and, therefore, involve uncertainties or risks that could cause actual results to differ materially. Additional information regarding factors which could cause results to differ materially is found in the section entitled “Risk Factors” in the Company’s 2010 Annual Report on Form 10-K on file with the U.S. Securities and Exchange Commission.

The Company intends that the forward-looking statements contained herein be subject to the above-mentioned statutory safe harbors. Investors are cautioned not to put undue reliance on forward-looking statements. The Company disclaims any obligation to update forward-looking statements.

Overview of Discussion

- A few basics of economics
 - Supply fundamentals
 - Demand fundamentals
 - Price determination
- What is Stillwater Mining Company?
 - Operations
 - Products
 - Performance
- Characteristics of PGMs
 - What are they and what are they used for?
 - Where do they come from?
 - Balance between supply and demand
 - Where are supply and demand headed, and why?

Economics – A Few Basics



Supply Fundamentals

- Supply may come from many sources
 - Primary production
 - Recycling
 - Inventories (storage, investor holdings, unfinished products)
 - Substitution
 - Incremental production (by-products, new technologies, efficiencies, idled capacity)
- Supplies from different sources will usually have different costs
 - Capital investment (sunk costs vs. new investment)
 - Operating costs (labor, materials, utilities, services, transportation, royalties and taxes)
 - Average vs. marginal costs
 - Quality requirements and product differentiation
- Lower-cost production usually dominates higher-cost production
 - Exceptions may include co-product mixes, high cash costs to enter or exit, quality considerations, contractual commitments

Demand Fundamentals

- Demand also may come from a variety of sources
 - Final consumers
 - Intermediate production stages
 - Investor/speculative purchases
 - Inventory stocks
- Demand applications compete for a limited supplies of resources
 - Sourcing commitments and partnering arrangements
 - Substitution and efficiencies
 - Quality requirements
- Total demand and marginal demand

Price determination

- Supply and demand both respond to changes in the market price.
 - When prices rise, producers who can will tend to increase production (supply) and consumers who can will tend to reduce their purchases (demand) or substitute.
 - When prices fall, some producers will tend to curtail production and some consumers will tend to buy or step up their buying.
- Market price is normally the point where demand equals supply.
 - Price rations supply to meet demand or rations demand to meet supply
 - If demand exceeds supply, the market price normally will rise until (1) new supply appears or (2) demand goes away or (3) both.
 - If supply exceeds demand, the market price usually will fall until (1) supply is reduced or (2) demand increases or (3) both.
- The sensitivity of supply or demand to price changes is “elasticity.”
 - High demand elasticity means that a small change in price has a big effect on demand.
 - Low supply elasticity means that a large change in price has only a small effect on supply.

Stillwater – A Unique PGM Play



Snapshot of Stillwater



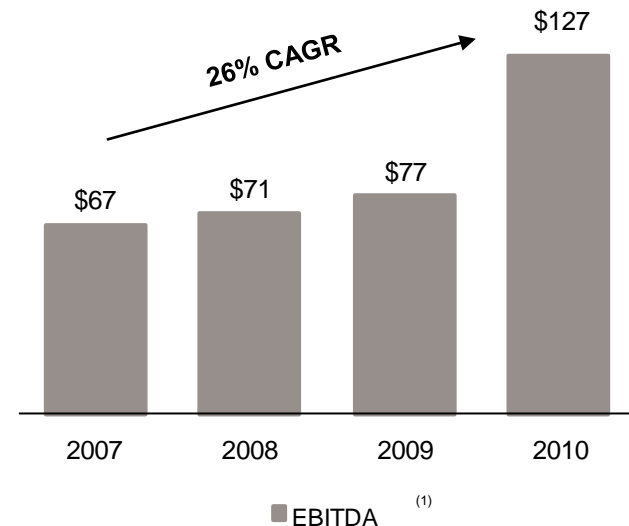
Company Overview

- Largest producer of palladium, platinum and associated metals (PGMs) in North America
 - Only PGM producer in the U.S.
- Operates two mines in J-M Reef in southern Montana
 - Stillwater: 2010 production of 352k oz
 - East Boulder: 2010 production of 133k oz
- Substantial project development opportunities being explored adjacent to existing mines
- Marathon acquisition provides advanced PGM-focused development project in Ontario, Canada
 - Adds estimated 200k oz of PGM production per year by 2014
- Integrated producer (mining, smelting, refining) with a growing recycling business

Operational Performance

(production in 000s of oz, cash costs in US\$/oz, EBITDA in millions of \$)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Palladium:	413	384	407	374
Platinum:	124	115	123	111
Total:	537	499	530	485
Cash costs:⁽¹⁾	\$330	\$405	\$360	\$397



Stillwater mines one of the highest grade PGM ore bodies in the world, with reserves of 19.9 million oz of palladium and platinum and a 40-year implied mine life⁽²⁾

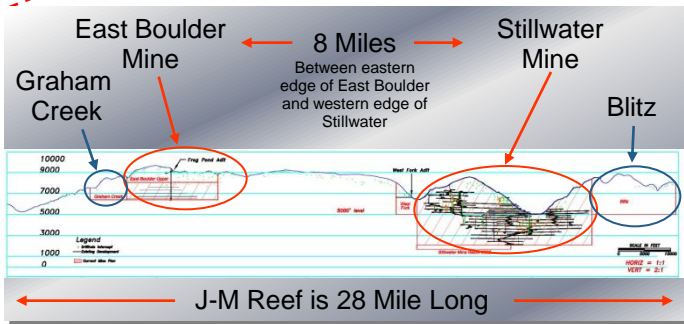
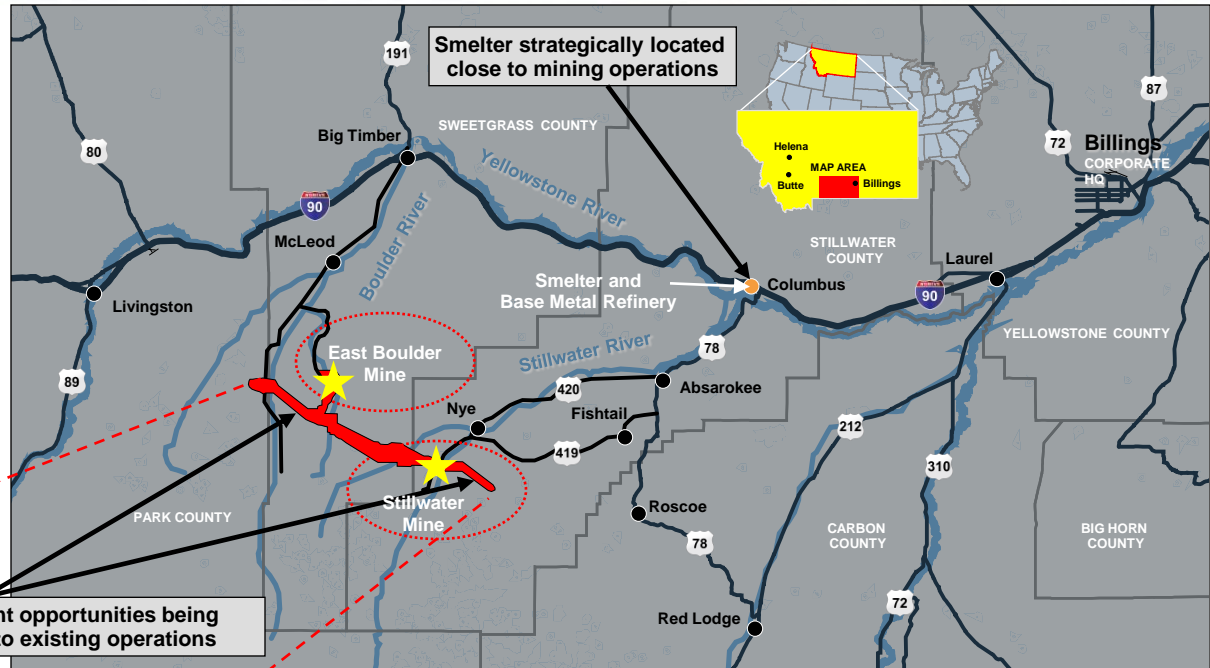
Source: Company filings and presentations.

All references to ounces are troy ounces.

(1) EBITDA and cash costs are a non-GAAP measures. Reconciliations are in the appendix.

(2) Not pro forma for Marathon transaction.

Locations of Existing Operations



Only two small portions of the J-M Reef ore body are currently mined

Key Company Highlights



Stillwater – Unique PGM Play

- Only North American PGM producer of scale
- High-grade, world-class ore body
- Strategic mid-term growth upside
- Leading, value-added recycling business
- Proven track record of successful initiatives
- Highly experienced and qualified management

2010 Company Highlights



2010 Company Developments

- The Company's share price increased by 140%, ending 2010 at \$21.50 per share.
- Engineering was completed and funding approved for two new projects in the J-M Reef adjacent to the Company's existing mines
 - The Graham Creek project will extend 8,200 feet to the west of the East Boulder Mine
 - The Blitz project will extend 20,000 feet to the east of the Stillwater Mine
- Purchased the PGM assets of Marathon PGM Corp., including a large undeveloped PGM-copper resource
 - Also acquired 15% of Marathon Gold, including a Newfoundland gold discovery
 - Agreed to acquire the Bermuda property adjacent to our new Marathon assets
- Completed a recycling plant expansion, strengthening our competitive position

Company Operating Performance



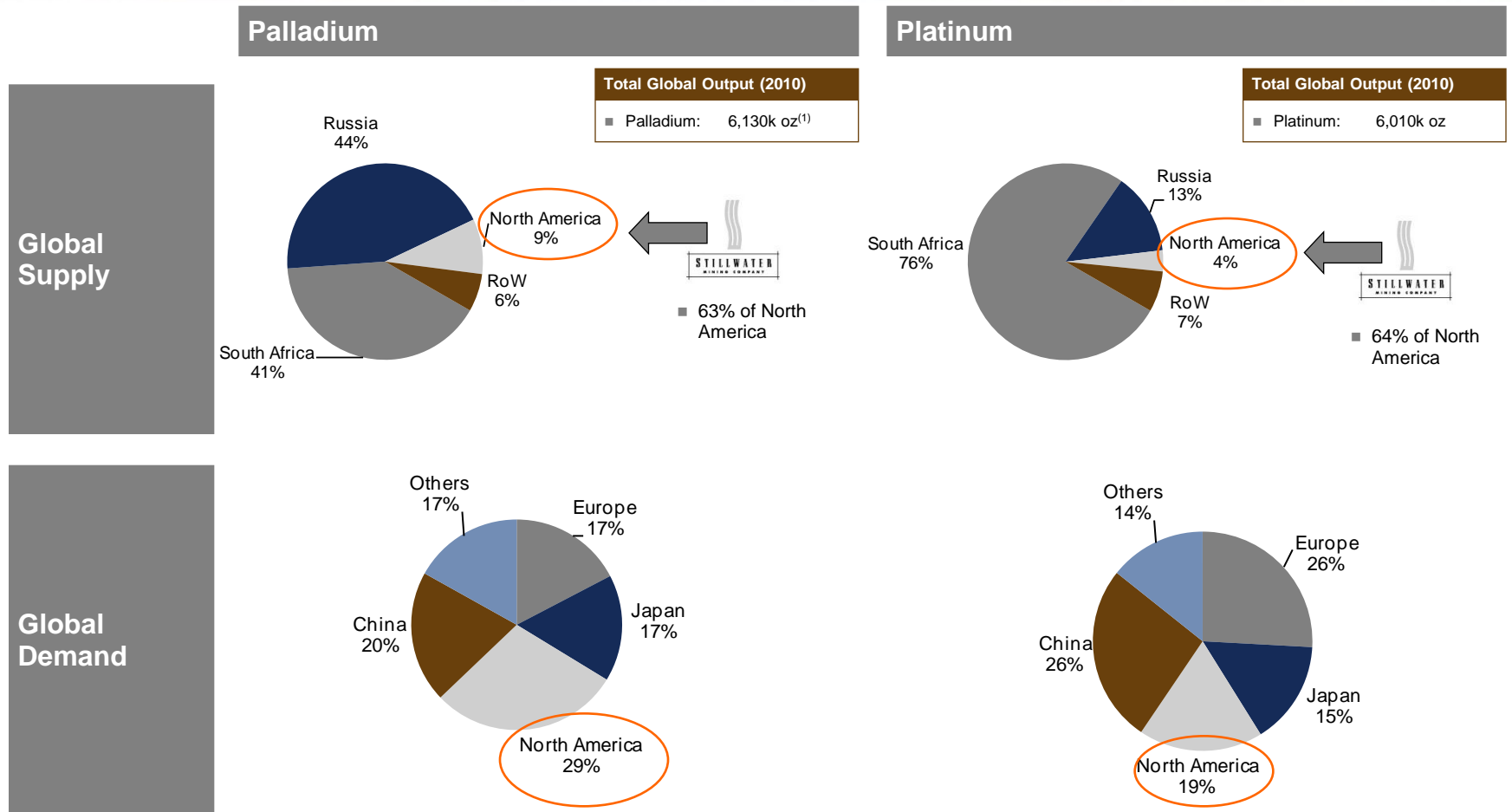
	Fiscal year ended December 31,		
	2008	2009	2010
Ounce Production	498,900	529,900	485,100
Net Income	(\$115.8) m	(\$8.7) m	\$50.4 m
Cash & Investments	\$180.8 m	\$201.2 m	\$208.4 m
Total Cash Cost/Oz.	\$405	\$360	\$397
EBITDA	\$71.3	\$76.6	\$126.8

2011 Company Guidance



	Actual 2010	Guidance 2011
Ounce Production	485,100	500,000
Capital Expenditures	\$50.3 m	\$120 m
Total Cash Cost/Oz.	\$397	\$430

Only North American PGM Producer of Scale



North America is a net importer of PGMs. Stillwater's location and scale in North America positions it extremely well to benefit from this strong local demand

Source: Company filings and Johnson Matthey.

Note: All percentages based on 2010 data.

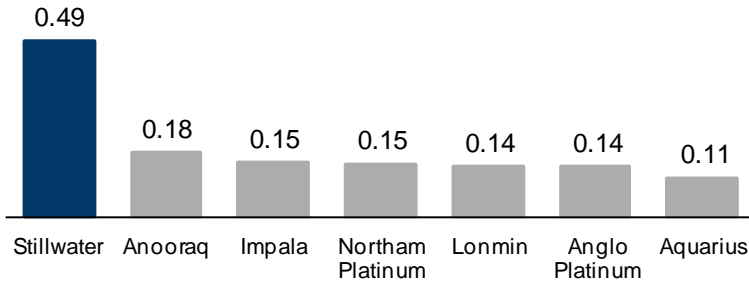
(1) Excludes ~1 million oz of supply from Russian stockpiles.

High-Grade, World-Class Ore Body

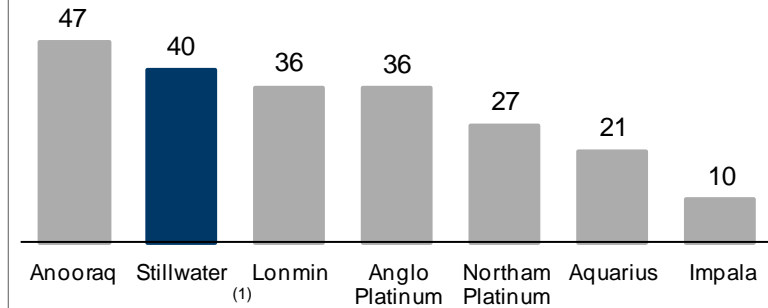


#1 in Proven and Probable Reserve Ore Grade

(Platinum, palladium, rhodium and gold grade in oz/ton)



#2 in Years of Proven and Probable Reserves



Stillwater's J-M Reef Compared to Two Other Major PGM Ore Bodies

**South Africa
(Bushveld
Complex)**

- More heavily weighted to platinum
- Persistent operational challenges

Russia

- Primary nickel mines; PGMs are by-products
- Production more dependent on price/outlook for nickel than PGM

Source: Company filings.

Note: Norilsk Nickel excluded because it is not a primary PGM producer.

(1) Stillwater years of reserves are not pro forma for the Marathon transaction.

Strategic Mid-Term Growth Upside



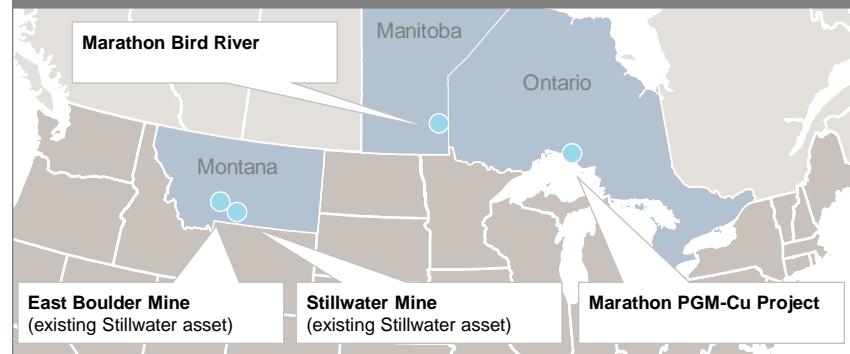
Two high-grade opportunities adjacent to existing mines with manageable capex

- Graham Creek⁽¹⁾
 - Up to 6 million additional tons of resource that could be graded at ~0.41 oz/ton
 - \$8 million of capex over the next 5 years
- Blitz⁽¹⁾
 - Up to 9.5 million additional tons of resource that could be graded at ~0.71 oz/ton
 - \$60 million of capex over next 5-6 years

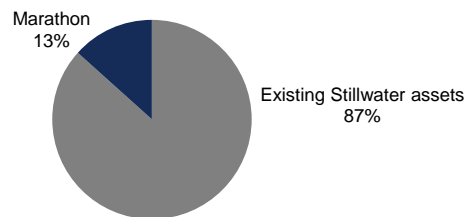
Marathon Acquisition Provides Strategically Located, Low-Cost PGM-Focused Deposits

- Diversifies asset and commodity base
- Projected to support mining of about 200,000 ounces per year of PGMs

Strategically Located Near Existing Operations



Significant Addition to Existing Reserve Base

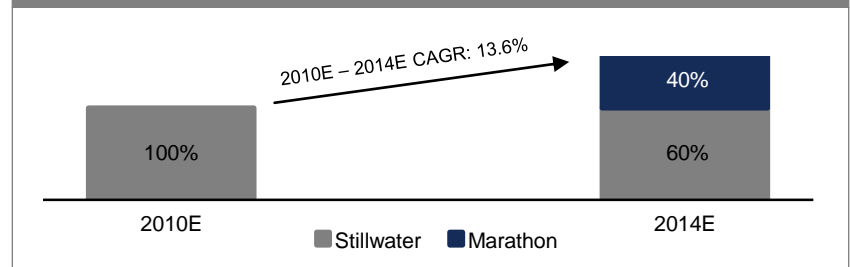


Source: Company filings and press releases.

Note: CAGR calculation assumes no change in Stillwater production over the period. Reserves not reduced by Stillwater's 2011E-2014E production.

(1) Both opportunities are subject to exploration and no resources or reserves have been identified.

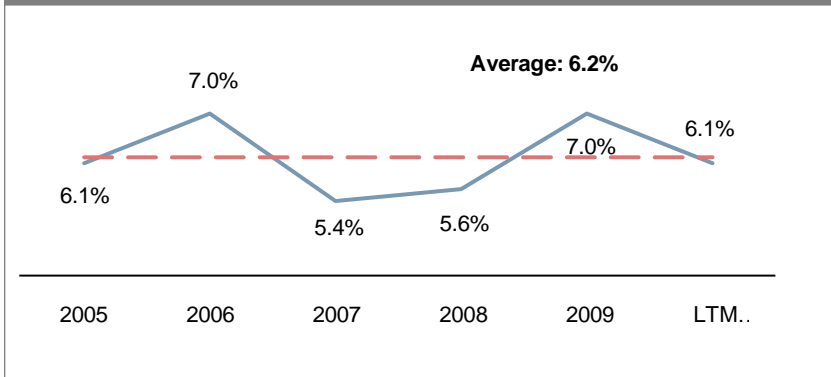
Meaningful Increase to Production in 2014



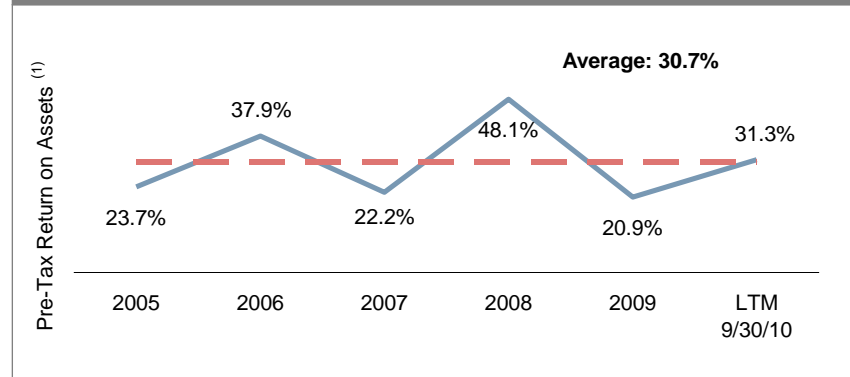
Leading, Value-Added Recycling Business



Consistent Recycling EBITDA⁽¹⁾ Margins



Low Level of Fixed Assets Enables Attractive Returns



- Leading recycler and toll processor of auto and petroleum catalysts – estimated #2 position
- Recycled volumes fully hedged on purchase, locking in margin
- Volume expected to continue growing in conjunction with PGM price expansion and auto shredding rates
- Recent investments in assets, including new x-ray assay plant, to drive efficiencies

Stable margin and high return business with strong growth trends

Source: Company filings.

(1) Pre-tax return on assets and EBITDA are non-GAAP measures. Reconciliations are in the appendix.

Proven Track Record of Successful Initiatives



	Description	Key Takeaways
Highly Successful Cost Reduction Program	<ul style="list-style-type: none">■ Restructured operations at both mines in response to 2008 economic downturn<ul style="list-style-type: none">- Emphasized mining efficiency- Focused on cost reduction	<ul style="list-style-type: none">■ Workforce decreased 7% while production increased 6% from 2008 to 2009■ Productivity per worker⁽¹⁾ increased to 416 oz/worker in 2009 from 366 oz/worker in 2008■ Cash cost⁽²⁾ decreased to \$360/oz in 2009 from \$405/oz in 2008
Strong Commitment to Continued Mine Development Improvements	<ul style="list-style-type: none">■ Focus on rebuilding proven reserve base through ongoing development efforts■ Currently working on quick turn, low-cost development projects	<ul style="list-style-type: none">■ ~40 years of proven and probable reserves at current production rates■ Results have been achieved while capex has been reduced<ul style="list-style-type: none">- 13.1% of 2007 vs. 9.0% of 2010 revenue
Focused Palladium Marketing Efforts	<ul style="list-style-type: none">■ Sponsorship of Palladium Alliance International■ Focused effort on China	<ul style="list-style-type: none">■ Robust jewelry demand■ Broader applications

Stillwater's management team has managed successfully through the cycle

Source: Company filings and press releases.

(1) Productivity per worker is defined as total ounces produced divided by total number of employees.

(2) Cash cost is a non-GAAP measure. Reconciliation is in the appendix.

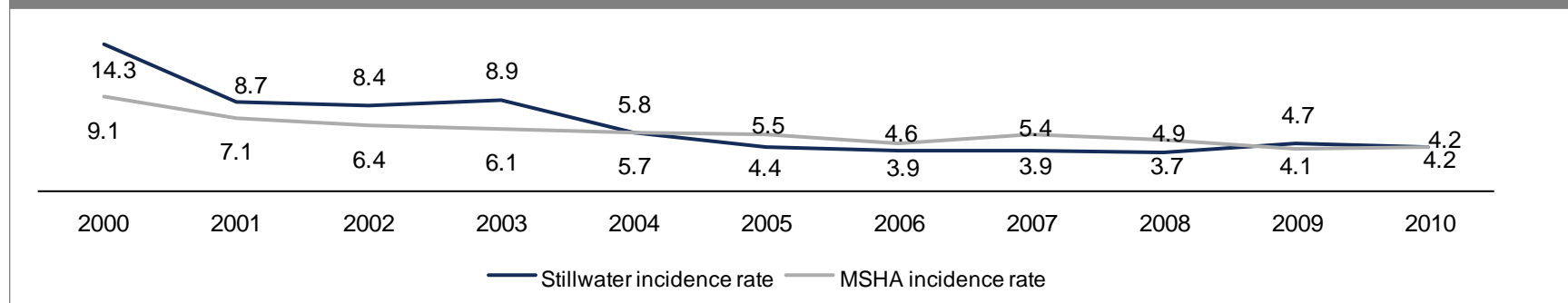
Management



Executive Management has 175+ Years of Combined Industry Experience

Name	Title	Years of Industry Experience	Years of Stillwater Experience	Companies
Francis McAllister	Chairman and Chief Executive Officer	44	10	Stillwater Mining, Asarco
Gregory Wing	Chief Financial Officer	34	6	Stillwater Mining, Black Beauty Coal, Pittsburg & Midway Coal Mining
John Stark	Executive VP & Chief Commercial Officer	31	11	Stillwater Mining, Molycorp, Western Mobile
Terrell Ackerman	VP, GM of East Boulder Operations	37	10	Stillwater Mining, BHP, Magma Copper
Kevin Shiell	VP, GM of Stillwater Mine Operations	32	11	Stillwater Mining, Dynatec, Addwest Minerals

Strong Safety Track Record – 71% Reduction Since 2000



Source: Company filings.

Note: MSHA stands for Mine Safety and Health Administration.
 Incident rate represents reportable incidents per 200,000 hours worked.
 MSHA incidence rate is through 9/30/10. 9/30/10 .
 Stillwater incidence rate is through 12/31/10.

PGM Industry Fundamentals



Compelling PGM Industry Fundamentals

- Projected market imbalance
- Surging PGM demand driven by auto market
- Global mine supply constraints
- Growing recycling supply insufficient to bridge supply deficit
- Palladium benefits from unique growth drivers

2010 Market Highlights



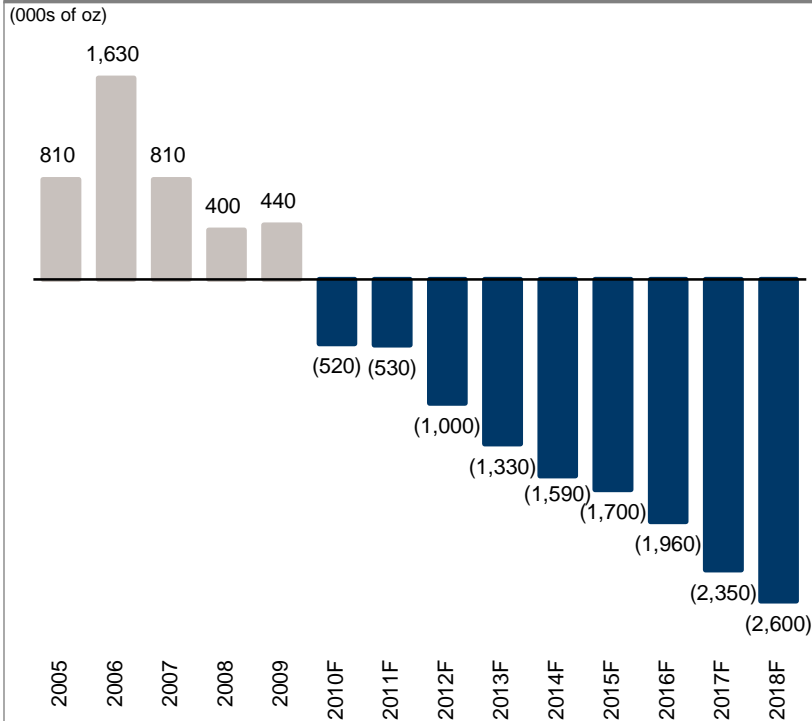
2010 Market Developments

- Market price of palladium increased by more than 100% to \$800 per ounce.
- Palladium narrowed its price gap with platinum, rising from 27% to 45% of the platinum price
- Exchange Traded Funds (ETFs) for palladium and platinum were launched into the U.S. market in January 2010
- Norilsk Nickel exited its equity position in Stillwater through a successful secondary offering into the public market, thereby doubling our public float
- The U.K. mandated a new hallmark for use on palladium jewelry
- World automotive production/demand reached a record level as developing economies surged ahead

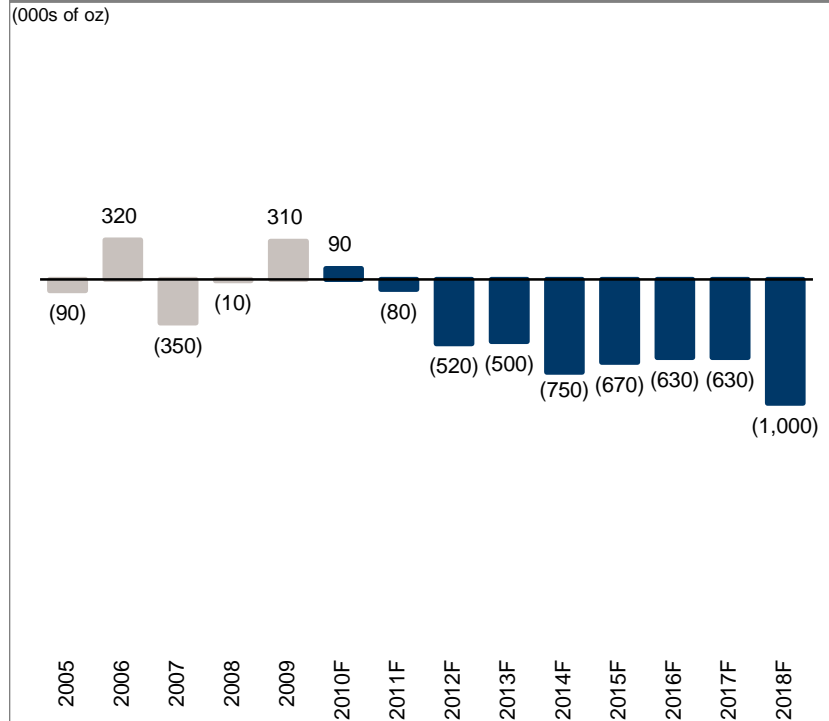
Projected Market Imbalance



Palladium Net Supply in Deficit by End of 2010



Platinum Net Supply in Deficit by End of 2011



- Overall annual PGM supply deficit is still forecasted to be **~3.6 million oz by 2018**
- This takes into account a projected 2.0 million oz increase in overall PGM supply from recycling

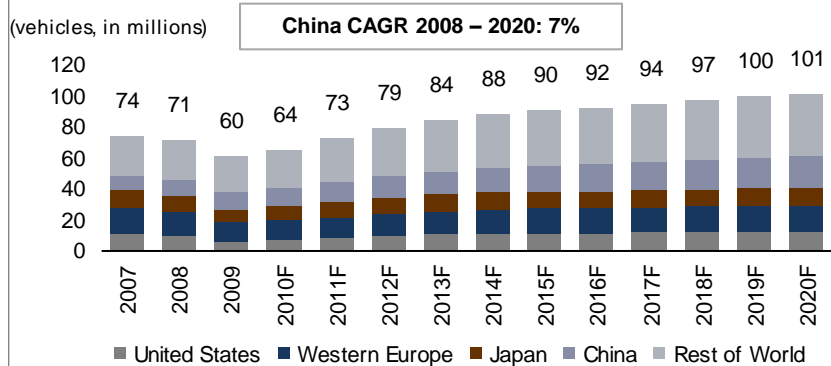
Historical surpluses are expected to disappear quickly as demand surges and supply remains constrained

Source: SFA (Oxford).
 Note: Palladium and platinum net supply is inclusive of recycling.

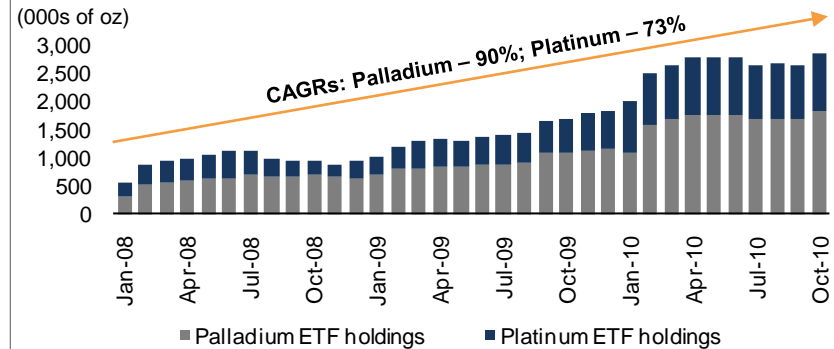
Surging PGM Demand Driven by Auto Market



Surging World Car Build Rate



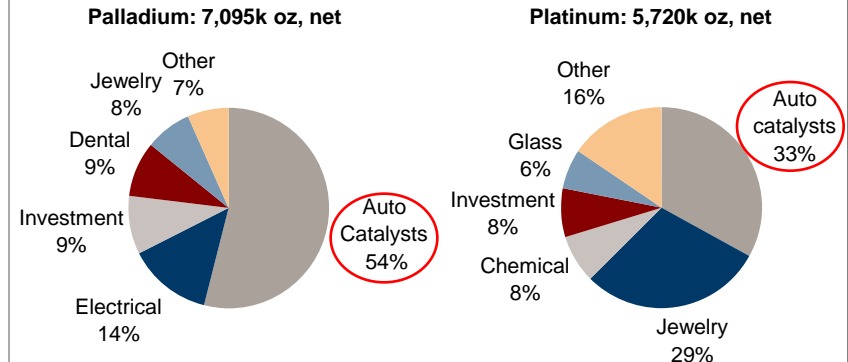
ETFs Creating Incremental Demand



Auto Catalysts Driving Accelerated Demand

- Increasing car build rates, particularly in emerging economies, e.g., China
- Vast majority of car build is projected to still be gas and diesel
- Diesel autos require heavier PGM loadings
- Emissions standards tightening globally

2010 PGM Demand by End-Market



Strong recovery in auto production driving demand for PGMs, which are a critical component of auto catalysts

Source: SFA (Oxford), Johnson Matthey, Bloomberg.
Notes: PGM demand is shown net of recycled ounces.

Global Mine Supply Constraints



PGM Supply Trends

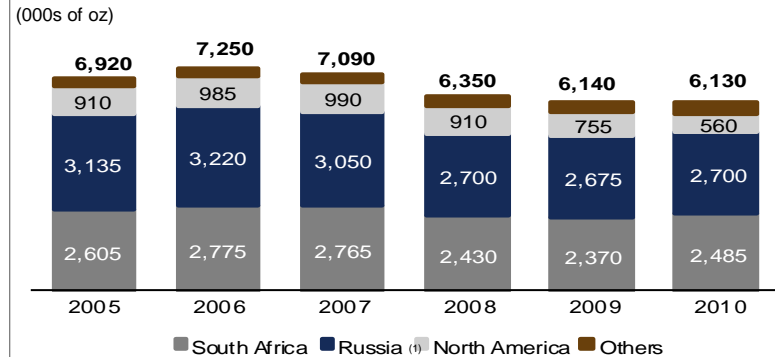
- Scarce and expensive metals with only a few known economically viable ore bodies
 - South Africa and Russia account for ~80% of global palladium and ~90% of global platinum production
 - Total PGM output in 2010 equaled only ~16% of gold and ~3% of silver production volumes
- South African production in particular remains challenged
 - Ever deeper mines, power/water limitations, safety concerns, skill shortages and strengthening currencies
 - Rising production accelerating upward shift in overall industry cost structure
- No significant near-term PGM expansions expected

We believe there are limited PGM expansions capable of meaningfully increasing primary PGM supply in the next few years

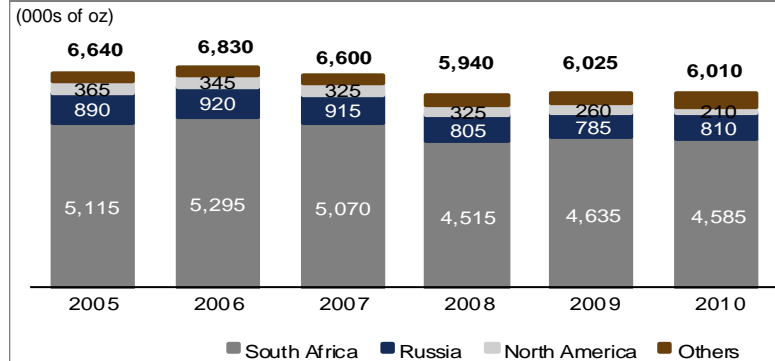
Source: Johnson Matthey.

(1) Russian mine supply data excludes inventory stock sales.

Palladium Mine Supply Has Declined 15% Since 2006



Platinum Mine Supply Has Declined 12% Since 2006



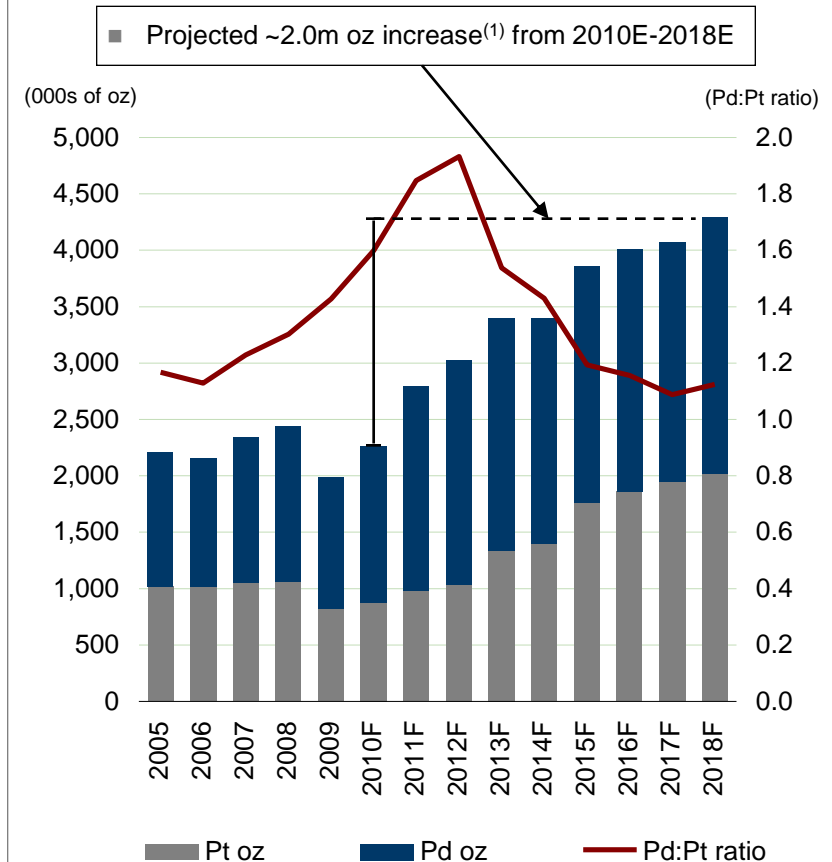
Growing Recycling Supply Insufficient to Bridge PGM Supply Deficit



Recycling Trends

- ~2.3 million oz. of PGMs currently recycled annually
 - Spent auto catalysts are the main supply of recycled PGMs
- ~50% recycle rate today; ~70% recycle rate projected longer term
 - Higher recovery rate due to increased PGM loadings in newer autos and rising PGM prices
- Even with potentially higher recycle rates:
 - Annual recycling volumes are only expected to increase 2.0 million oz by 2018; and
 - Overall annual PGM supply deficit is still forecasted to be **~3.6 million oz. by 2018 with recycling.**

Global Recycled PGM Volumes



Recycling volume increases are insufficient to bridge projected PGM market imbalance

Source: SFA (Oxford).

(1) All recycling data excludes rhodium.

Palladium Benefits From Unique Growth Drivers



STILLWATER
MINING COMPANY

Palladium Supply/Demand Drivers

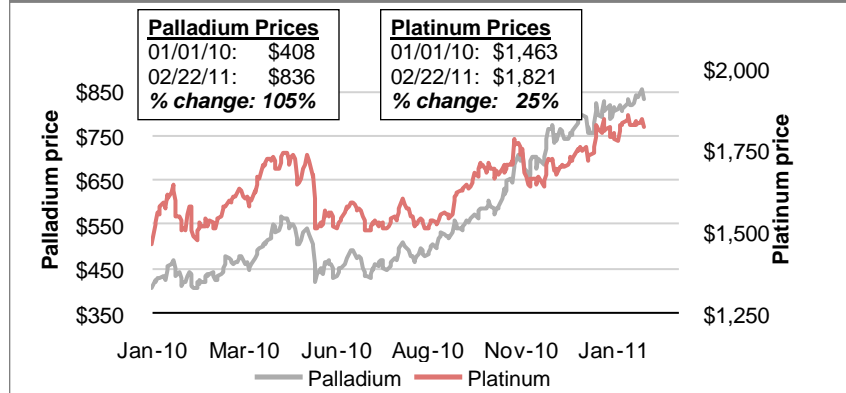
Supply

- Russian stockpile believed to be at or near depletion
 - Accounted for more than 17% of global primary palladium supply over the last 16 years
 - Over the last 20 years, more than 25% of global palladium supply consisted of liquidated inventory
- Recycling supply of platinum expected to increase in coming years
 - Platinum-heavy European diesel catalysts

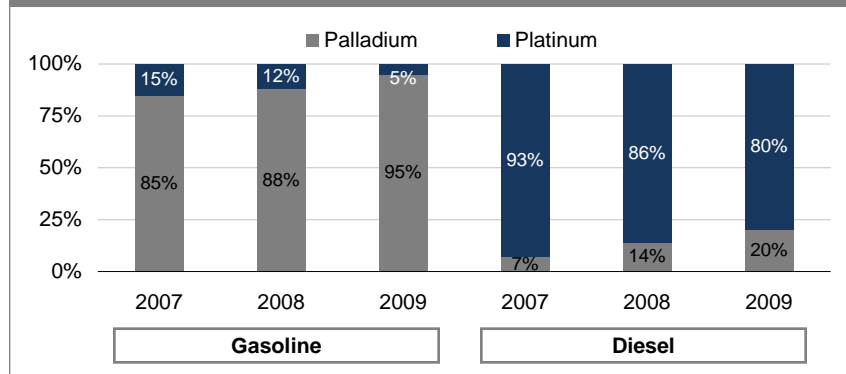
Demand

- Less costly alternative to platinum with comparable performance capabilities
- Latest technologies allow palladium to displace up to 50% of platinum loadings in diesel

Palladium Price Has Significantly Outpaced Platinum



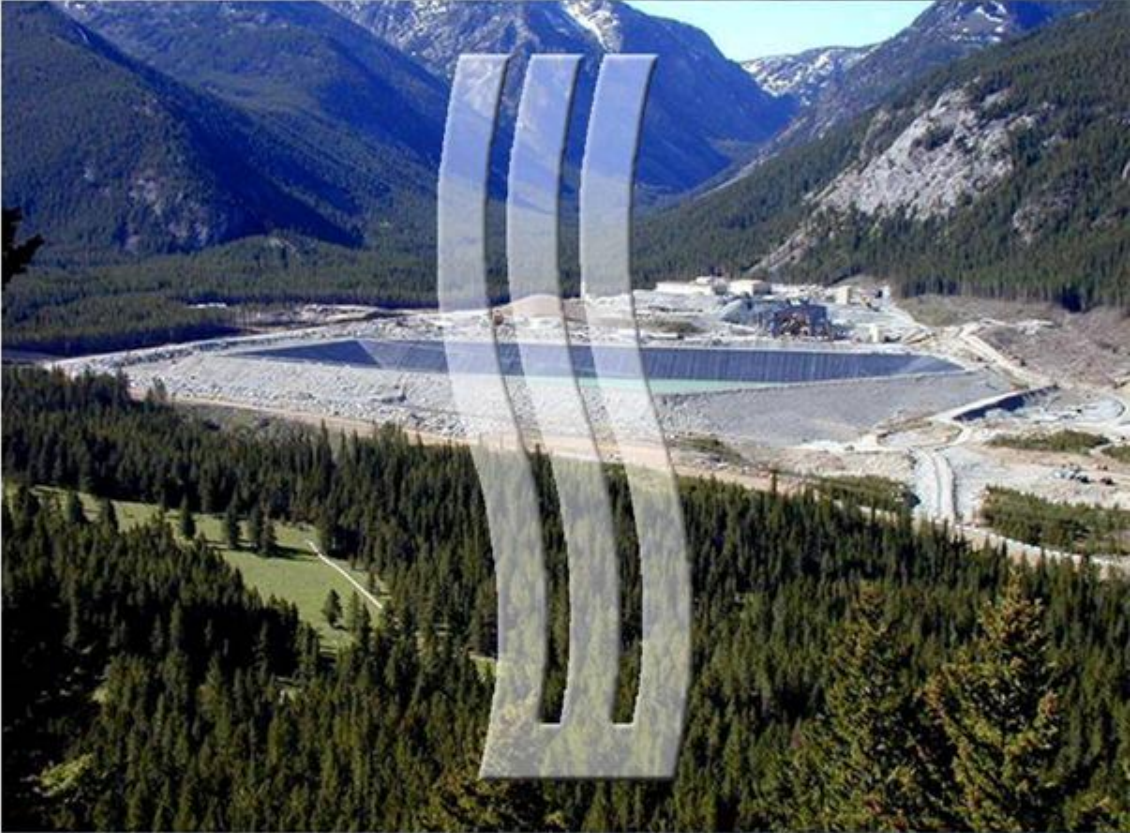
Palladium Growing as % of European Auto Catalysts



Palladium-specific supply/demand drivers suggest prices will continue to rise

Source: Bloomberg, Johnson Matthey.

Financial Overview



- Leverage increasingly liquid PGM markets
- Support target annual production of ~500,000 oz
- Sustain improved margins with continued implementation of cost reduction initiatives
- Generate strong cash flows with disciplined capital spending, while expanding reserve base
- Maintain strong balance sheet

Leverage Increasingly Liquid PGM Markets

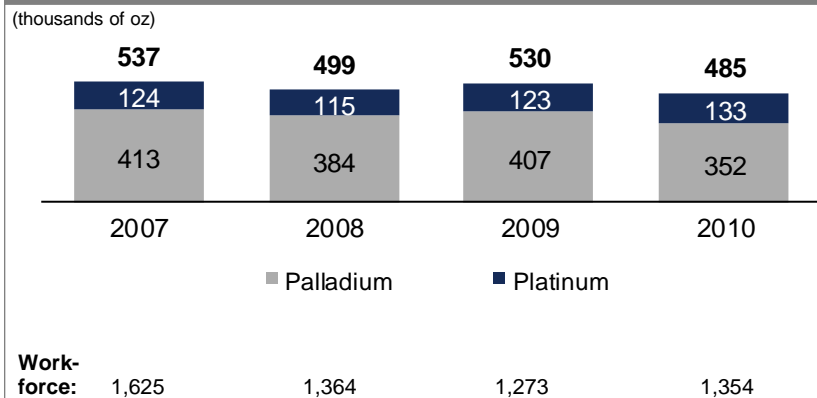


- Expiration of Ford price caps and floors
- “No hedging” strategy going forward with respect to mined production
- Spot market familiarity through recycling business
- Several potential customers looking to lock up volume at spot rates
 - New supply contracts signed with General Motors, BASF and Tiffany’s

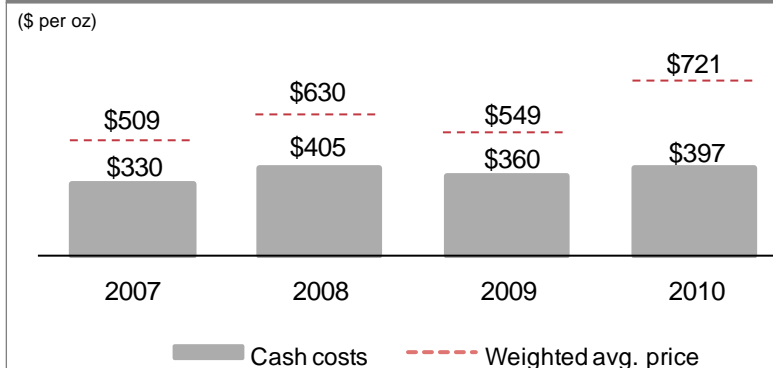
Strong Operating Performance



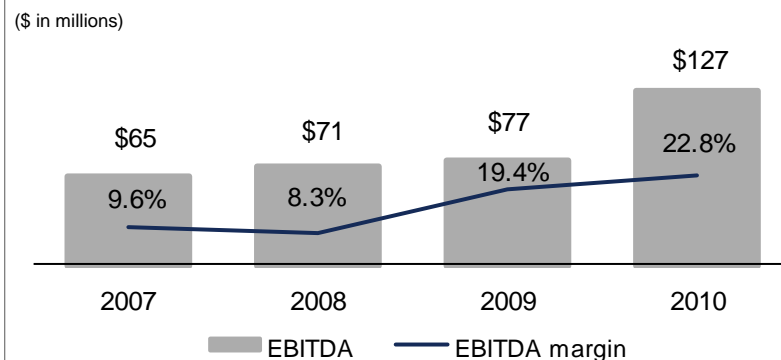
Consistent Production with Reduced Workforce



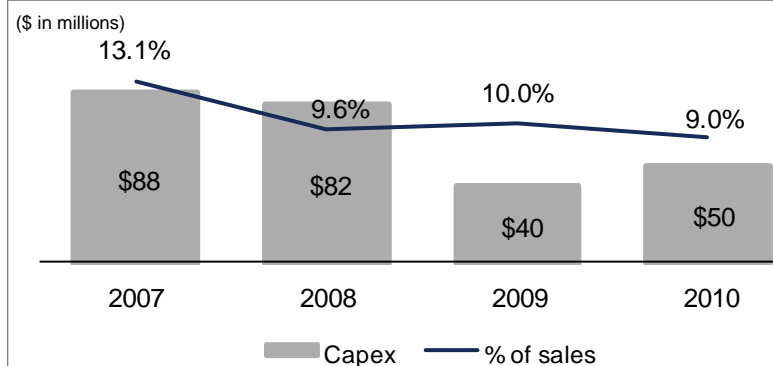
Stable Cash Costs⁽¹⁾



Significant EBITDA⁽¹⁾ Margin Expansion



Disciplined Approach to Capital Expenditures



Stillwater is extremely well-positioned to participate in the current PGM market upturn

Source: Company filings.

Note: Weighted average prices are of both palladium and platinum.

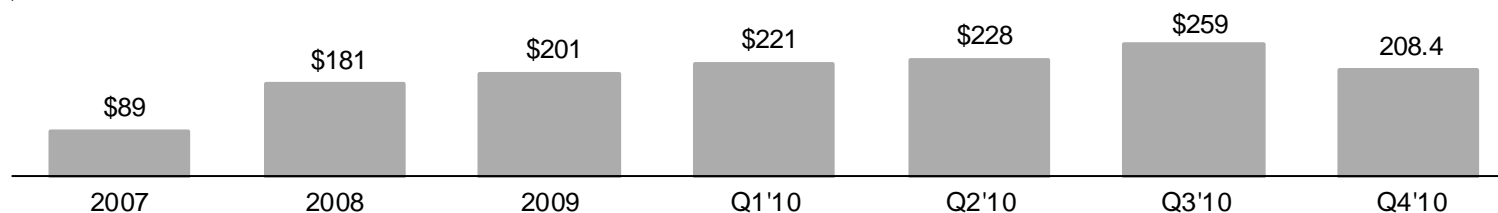
(1) Cash costs and EBITDA are non-GAAP measures. Reconciliations are in the appendix.

Maintains a Strong Balance Sheet



Consistent Build of Cash and Investments Through Economic Downturn

(\$ in millions)



Note: Q4'10 is after spending \$63.6 million of cash on the Marathon acquisition.

Modestly Leveraged Capital Structure

(\$ in millions)

	Actual 9/30/2010	Adjustments	Pro forma for Marathon 9/30/2010	Cum. mult. LTM 9/30/10 EBITDA ⁽⁴⁾	% of total capitalization
Cash and cash equivalents ⁽¹⁾	\$259	(62)	\$197		
1.875% convertible debentures due 2028 ⁽²⁾	\$167		\$167	1.5x	23.5%
Exempt facility revenue bonds	30		30	1.8x	4.2%
Total debt	\$196		\$196	1.8x	27.6%
Net debt	(63)		(1)	NM	
Stockholders' equity	490	23	513		72.4%
Total capitalization	\$686		\$709		100.0%
LTM 9/30/10 EBITDA				\$111	

Stillwater is committed to ensuring sufficient flexibility and liquidity through its capital structure

Source: Company filings.

(1) Includes highly liquid short-term investments.

(2) Interest paid in semi-annual payments. Debentures are puttable in full or in part on March 15th of 2013, 2018 and 2023.

(3) EBITDA is a non-GAAP measure. A reconciliation is in the appendix.

Key Investment Highlights



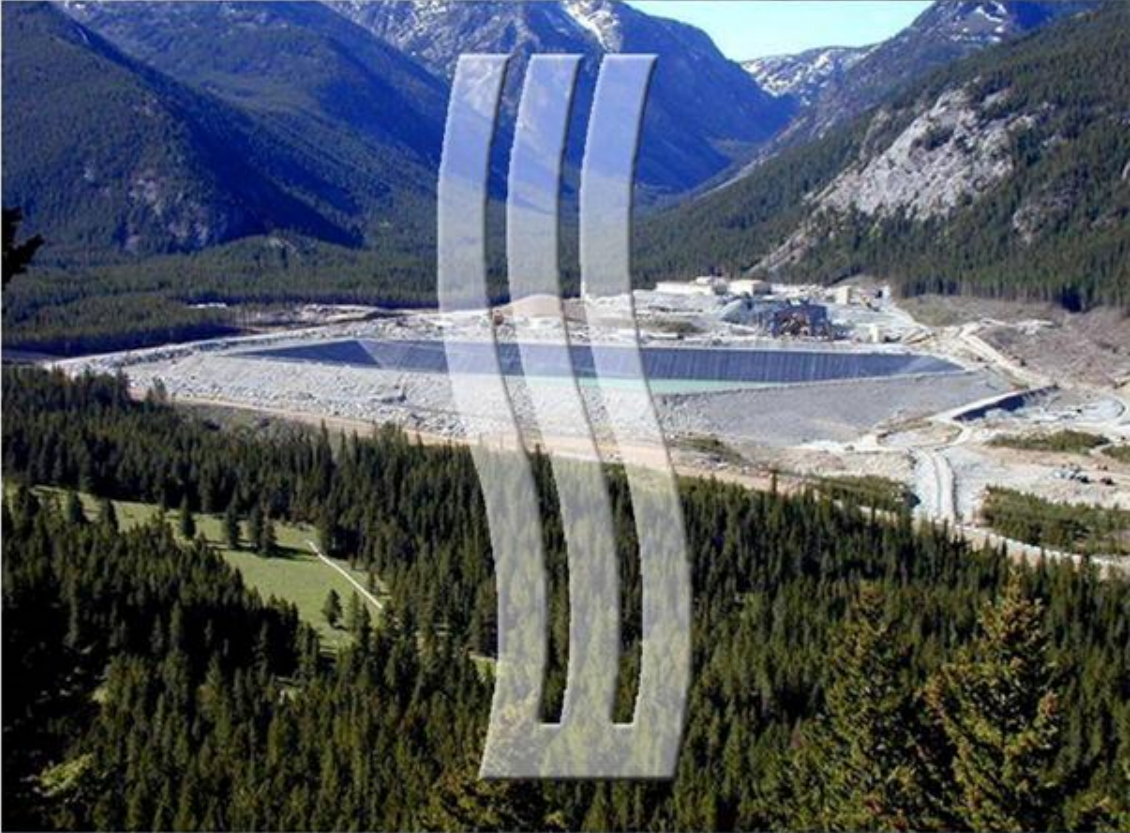
Compelling PGM Industry Fundamentals

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- Palladium benefits from unique growth drivers

Stillwater – Exceptional PGM Play

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- High-grade, world-class ore body
- Strategic mid-term growth upside
- Leading, value-added recycling business
- Proven track record of successful initiatives
- Highly experienced and qualified management

Appendix



Reserve Base Summary



(Units in thousands)

As of December 31, 2009	Stillwater Mine	East Boulder Mine	Marathon	Total
Proven ore (tons)	2,559	2,059	76,461	81,079
Probable ore (tons)	13,116	23,064	14,986	51,166
Total P&P (tons)	15,675	25,123	91,447	132,245
Average in-situ grade in oz / ton	0.630	0.400	0.031	0.500 ⁽¹⁾
Proven ore reserves (oz)	1,648	848	2,862	5,358
Probable ore reserves (oz)	8,176	9,199	280	17,655
Total P&P reserves (oz)	9,824	10,047	3,142	23,013

Source: Company filings.

- Historical drilling suggests that there may be another 115 million oz of undeveloped mineral resources controlled by Stillwater at an average in-place grade of approximately 0.47 oz per ton ⁽²⁾

(1) Not pro forma for Marathon transaction.

(2) Source: Definitive Feasibility Study, dated November 2009.

EBITDA and EBITDA Margin Reconciliation



(\$ in millions, except where specified)

	Fiscal year ended December 31,			
	2007	2008	2009	2010
Revenue	\$673.0	\$855.7	\$394.4	\$555.9
Operating income (loss)	(\$17.6)	(\$117.4)	\$4.3	\$54.7
(+) Loss on long-term investments	–	–	–	–
(+) Loss/(gain) on disposal of PP&E	(0.2)	0.2	0.7	(0.1)
(+) Impairment of PP&E	–	67.3	–	–
(+) Loss on advances on inventory purchases	–	26.0	0.5	–
(+) Loss on trade receivables	–	3.4	0.6	0.6
(+) Impairment of long-term investments	–	3.4	0.1	–
(+) Restructuring	–	5.4	–	–
Adjusted operating income (loss)	(17.8)	(11.7)	6.2	55.2
(+) Depreciation & amortization	82.5	83.0	70.4	71.6
EBITDA	\$64.7	\$71.3	\$76.6	\$126.8
<i>EBITDA margin</i>	9.6%	8.3%	19.4%	22.8%

Source: Company filings.

Recycling Return on Assets Reconciliation



(\$ in millions, except where specified)

	Fiscal year ended December 31,					
	2005	2006	2007	2008	2009	2010
Income/(loss) ⁽¹⁾	\$6.7	\$24.8	\$24.4	\$33.8	\$6.5	\$11.5
(+) Interest expense	–	–	–	0.0	–	–
(+) Interest income	(1.2)	(6.0)	(6.7)	(7.0)	(0.8)	(1.2)
Income/(loss) before interest expense/(income)	5.5	18.8	17.7	26.8	5.7	10.2
Beginning total assets	18.6	27.8	71.3	88.2	23.2	31.3
Ending total assets	27.8	71.3	88.2	23.2	31.3	51.2
Average total assets	23.2	49.6	79.8	55.7	27.3	41.3
Return on assets⁽²⁾	23.7%	37.9%	22.2%	48.1%	20.9%	24.7%

Source: Company filings.

(1) Before income taxes, induced conversion loss and impairment charges.

(2) Defined as operating income divided by average total assets.

Cash Costs Reconciliation



(\$ in millions, except where specified)

	Fiscal year ended December 31,			
	2007	2008	2009	2010
Production (000s of oz)	537	499	530	485
Total consolidated costs of revenues	\$607	\$799	\$338	\$437
(-) Profit from PGM recycling	(26)	(33)	(6)	(12)
(-) PGM recycling depreciation	(0)	(0)	(0)	(0)
(-) Cost of PGM recycling	(309)	(448)	(76)	(157)
(-) Change in product inventories	(12)	(33)	7	(3)
Total production costs	\$260	\$286	\$263	\$265
(-) D&A in inventory	(1)	1	(1)	(0)
(-) D&A	(82)	(83)	(70)	(71)
(-) Asset retirement costs	(1)	(1)	(1)	(1)
Total cash costs	\$178	\$201	\$191	\$193
Cash costs in \$ per oz	\$330	\$405	\$360	\$397

Source: Company filings.