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## REGULATORY RELEASE

22 October 2018

### Fourth Quarter and Full Year 2018 Production Report and Business Update

Lonmin Plc (“Lonmin” or “the Company”), one of the world’s largest primary platinum producers, today announces its production results for the three and twelve months to 30 September 2018, including a business update, both on an unaudited basis. Lonmin also released a separate announcement today, on a refinancing of its existing debt facilities.

#### Overview

- Regrettably we had a fatality on 30 September 2018, ending a 15 month fatality free period at Lonmin’s operations. The twelve-month rolling LTIFR to 30 September 2018 improved by 12.39% to 3.96 per million man hours.
- Unaudited net cash improved to \$114 million at 30 September 2018, up from \$103 million at 30 September 2017.
- Tonnes mined by our Generation 2 shafts for the year increased 1.6% to 7.6 million tonnes, reflecting consistent performance at our core shafts. The average shaft utilisation capacity for our Generation 2 shafts was 83%, with Saffy shaft achieving an average shaft utilisation of 92% for the year.
- Tonnes mined by our Generation 2 shafts for the fourth quarter of 2.1 million tonnes were broadly flat on Q4 2017.
- Platinum sales of 681,580 ounces for the year exceeded our guidance of between 650,000 and 680,000 Platinum ounces. Platinum sales for the fourth quarter were 217,710 ounces, broadly flat on Q4 2017. Total PGM sales for the full year were 1,323,708 ounces.
- Our unaudited average Rand full basket price (including base metals) for the quarter up 25.5% on Q4 2017 at R14,512 per PGM ounce and up 19.7% for the year, at R13,447 per PGM ounce.
- Our unaudited unit costs for Q4 2018 were R11,617 per PGM ounce (6E basis), an increase of 0.8% on Q4 2017. Unaudited unit costs for the year were R12,271 per PGM ounce, an increase of 4.9% on prior year and within our unit cost guidance of between R12,000 and R12,500 per PGM ounce.

Ben Magara, Chief Executive Officer, said: “Despite tough market conditions, except the favourable Rand, we have delivered more than we promised in all areas of our business. These pleasing results demonstrate once again that despite these uncertain times, we can dig deep and use all levers within our control to maintain our net cash position. Both the good business performance and the new funding arrangement we announced today enhance Lonmin’s short term liquidity. However, the new facility is still insufficient to avoid the announced retrenchments and shaft closures. Accordingly, the Board of Lonmin remains focused on completing the Sibanye-Stillwater all share transaction, which we firmly believe provides a sustainable solution and is in the best interest of all our stakeholders.”

			3 months to 30 Sep 2018	3 months to 30 Sep 2017	% change	12 months to 30 Sep 2018	12 months to 30 Sep 2017	% change	
<b>Tonnes Mined<sup>1</sup></b>	<b>Generation 2</b>	K3 Shaft	kt	778	852	-8.6%	2 858	2 831	1.0%
		Rowland Shaft	kt	544	520	4.6%	1 904	1 925	-1.1%
		Saffy Shaft	kt	609	604	0.9%	2 211	2 174	1.7%
		East 3 Shaft combined	kt	188	170	10.4%	654	574	13.8%
	<b>Total</b>	<b>Generation 2</b>	<b>kt</b>	<b>2 120</b>	<b>2 146</b>	<b>-1.2%</b>	<b>7 627</b>	<b>7 504</b>	<b>1.6%</b>
	<b>Generation 1</b>	<b>kt</b>	<b>625</b>	<b>650</b>	<b>-3.9%</b>	<b>2 257</b>	<b>2 600</b>	<b>-13.2%</b>	
<b>Sales refined metal</b>		Platinum	oz	217 710	218 687	-0.4%	681 580	706 030	-3.5%
		Total PGMs	oz	416 944	426 200	-2.2%	1 323 708	1 381 413	-4.2%
<b>Average Prices</b>	\$ basket incl. by-product revenue <sup>12</sup>	\$/oz	1 027	880	16.7%	1 016	844	20.4%	
	R basket incl. by-product revenue <sup>12</sup>	ZAR/oz	14 512	11 567	25.5%	13 447	11 236	19.7%	
<b>Exchange rate</b>	Average rate for period <sup>13</sup>	ZAR/\$	14.06	13.17	6.7%	13.07	13.37	-2.3%	
<b>Unit costs</b>	Unaudited cost of production per PGM ounce	ZAR/oz	11 617	11 524	-0.8%				

## Safety

Our continued collaboration with key stakeholders, including employees, the Department of Mineral Resources (“DMR”) and our majority union, the Association of Mineworkers and Construction Union (“AMCU”), continues to yield results, as we have experienced improved safety performance and decreasing Section 54 stoppages. We apply the international OHSAS 18001 Occupational Health and Safety Management Systems at all our Generation 2 shafts including Processing and Shared Services to assist our operations to manage, control and improve our health and safety risks. Our safety strategy is centred on the belief that Zero Harm is achievable and important contributions are required from all stakeholders to achieve it.

- Despite most safety indicators showing improvement, regrettably one of our colleagues was fatally injured on 30 September 2018. We extend our deepest condolences to the family and friends of our colleague and deeply regret our loss.
- Our twelve month rolling Lost Time Injury Frequency Rate (“LTIFR”) to 30 September 2018 improved by 12.39% to 3.96 per million man hours from 4.52 per million man hours in the prior year due to a 9.32% reduction in Lost Time Injuries.
- Our twelve month rolling Total Injury Frequency Rate (“TIFR”) to 30 September 2018 improved by 5.23% to 10.14 per million man hours from 10.70 in the prior year due to a 11.45% reduction in Total Injuries.
- Lonmin achieved 15 months fatality free from 29 June 2017 to 29 September 2018.
- Lonmin received the most prestigious award at the National MineSafe 2018 – Best Safety Improvement Mining Company.
- At MineSafe 2018 our K3 Shaft UG2 Section won the JT Ryan award and four other awards were received in two more categories.
- Rowland Shaft achieved 3 million Fatality Free Shifts and 4B shaft and E3 shaft are both on 1 million Fatality Free Shifts.
- Some of the noteworthy achievements by the Processing Divisions include the Assay laboratory achieving 12 years of operating without a lost-time injury and the PMR operating 12 months without any injury.
- Our safety performance is only possible through our circa 32,000 employees and contractors remaining vigilant in order to work and return home safely.

## Fourth Quarter Production Overview

### Mining Operations

Our key Generation 2 shafts production for the quarter of 2.1 million tonnes (around 77% of total mining production) was broadly flat on the 2.1 million tonnes production in Q4 2017.

#### Generation 2 shafts

- K3 shaft produced 778,000 tonnes, a decrease of 8.6% on the prior year period as expected, as the development crews which had moved to stoping in the prior year (as part of the turnaround strategy), returned to their development area.
- Saffy shaft produced 609,000 tonnes, an increase of 0.9% on the Q4 2017, demonstrating the continued steady state performance.
- Rowland shaft produced 544,000 tonnes, an increase of 4.6% on Q4 2017, as we opened new reserves, released backlog sweepings and equipped previously unavailable remnant “white” areas. This was the shaft’s best quarterly production since the fourth quarter of the 2011 financial year. Rowland’s immediately available ore reserves have improved from 11.5 months to 14.3 months.
- The combined E3 unit (E3 plus Pandora) produced 188,000 tonnes for the quarter, an increase of 10.4% on Q4 2017 on the back of safety performance and steadfast management. On completion of the Pandora acquisition in December 2017, the E3 shaft and Pandora production were combined and reclassified as a Generation 2 shaft, with comparative numbers adjusted accordingly.

#### Generation 1 shafts

In line with the Group’s rationalisation of high cost areas in an oversupplied market, production from our Generation 1 shafts (4B, Hossy, W1 and E1) at 625,000 tonnes continues to decline as planned, as we optimise our remaining ore reserves in these shafts, and was 3.9% lower than Q4 2017. The decrease is also due to E2, which produced until Q3 2017, being on care and maintenance since November 2017.

As W1 and E1 are at the end of their resource lives, mining is in remnant areas. Consequently, contractors operate these shafts and are responsible for all the costs associated with such shafts. Lonmin pays a predetermined rate per tonne of ore produced. We thus retain the flexibility to cease production if and when these shafts become unprofitable.

4B shaft produced 358,000 tonnes, an increase of 10.4% on the prior year period, as it sought to recover from worse than anticipated geological conditions and safety challenges of the previous quarter. As previously reported, following a review of 4B’s performance and reserve life, this shaft was reclassified as a Generation 1 shaft and comparative numbers adjusted accordingly.

Hossy shaft produced 178,000 tonnes, an increase of 9.7% on Q4 2017. Hossy shaft was originally scheduled to be put on care and maintenance, but it continues to demonstrate potential to contribute to the business and its performance is being reviewed on a quarterly basis. Based on this and the Immediately Available Ore reserves (“IAOR”), which stands at 6.8 months, we continue to operate Hossy.

#### Production Losses

For the fourth quarter, production lost due to Section 54 safety stoppages totalled only 1,000 tonnes, compared to 38,000 tonnes in Q4 2017, on the back of our improved ongoing focus on safety and proactive interactions with employees, organised labour, the Inspectorate of the DMR and communities.

	<b>Q4 2018</b>	<b>Q4 2017</b>
	<b>Ore tonnes</b>	<b>Ore tonnes</b>
Section 54 safety stoppages	1,000	38,000
Management Induced Safety Stoppages and other	15,000	22,000
Community disruptions and other	22,000	56,000
<b>Total tonnes lost</b>	<b>38,000</b>	<b>116,000</b>

## **Process Operations**

### ***Concentrator production - Mining***

Total tonnes milled from mining operations in the quarter were broadly flat at 2.8 million tonnes.

Total metals-in-concentrate produced of 183,948 Platinum ounces decreased by 1.5% compared to Q4 2017.

Underground milled head grade at 4.57 grammes per tonne (5PGE+Au) decreased by 3.3% when compared to the 4.72 grammes per tonne achieved in the prior year period.

Concentrator recoveries from underground mining for the quarter were 86.8% compared to 87.6% achieved in Q4 2017.

### ***Concentrator production – Bulk Tailings re-Treatment Project (“BTT”)***

The BTT project was successfully commissioned in February 2018. Total tonnes milled from the BTT project were 894,000 tonnes for the quarter, with a head grade of 1.12 grammes per tonne and a recovery rate of 23.2%, producing metals-in-concentrate of 3,633 Platinum ounces and 7,156 PGM ounces. Having reached designed throughput, we are now focusing on improving recoveries.

Concentrate purchases increased by 58% to 6,167 saleable Platinum ounces, as we sought to maximise downstream processing utilisation and reduce unit costs.

### ***Processing***

The smelters operated well and the stock that was previously locked up in the prior period has now been released.

Total saleable refined Platinum production at 217,951 ounces was 5.8% higher than Q4 2017. Total saleable PGMs produced were 423,833 ounces, an increase of 8.0% on Q4 2017.

We released 6,000 Platinum ounces from the smelter clean-up project during this period, compared to the 12,445 Platinum ounces released in Q4 2017.

### **Sales & Pricing**

Platinum sales for the quarter were 217,710 ounces, broadly flat on Q4 2017. PGM sales were 416,944 ounces, down 2.2% on Q4 2017

The US Dollar basket price (including base metal revenue) at \$1,027 per ounce during the quarter was up 16.7% on Q4 2017 while the corresponding Rand basket price (R14,512 per PGM ounce) was 25.5% higher than Q4 2017. The average Rand to US Dollar exchange rate was 6.7% weaker at 14.06 compared to 13.17 in Q4 2017.

## **Full Year Production Overview**

### **Mining Operations**

The improvement in our mining production performance and the mining rhythm established following implementation of flatter management structures and other measures to improve performance since

March 2017 has continued in the current year, with our key Generation 2 shafts producing 7.6 million tonnes (around 77% of total mining production), increasing production by 1.6%.

### Generation 2 shafts

- K3, our biggest shaft, produced 2.9 million tonnes, an increase of 1.0% on the prior year.
- Saffy shaft produced 2.2 million tonnes, an increase of 1.7% on the prior year, demonstrating the continued steady state performance.
- Rowland shaft produced 1.9 million tonnes, down 1.1% on the prior year, notwithstanding 4.6% year-on-year increase in the fourth quarter and the increase in the IAOR to 14.3 months from 11.5 months in Q3 2018, achieved by opening new reserves, releasing backlog sweepings and equipping previously unavailable remnant “white” areas.
- The combined E3 unit (E3 plus Pandora) produced 0.7 million tonnes for the year, an increase of 13.8% on the prior year, following the consolidation with E3 and the unlocking of synergies after the acquisition of 100% of Pandora.

### Generation 1 shafts

Production from our Generation 1 shafts (4B, Hossy, W1, E1 and E2) at 2.3 million tonnes was 13.2% lower than the prior year, in line with the Group’s rationalisation of these shafts. Newman shaft was placed on care and maintenance in March 2017.

### Production Losses

We are encouraged that tonnes lost due to Section 54 safety stoppages for the year were significantly lower at 20,000 tonnes compared to the prior year of 276,000 tonnes. This emphasised our improving safety performance and our continued proactive engagement with all stakeholders including employees, organised labour, the Inspectorate of the DMR and communities. The reduced operational disruptions facilitated a safe mining rhythm which is crucial for good production.

	<b>2018</b> <b>Ore tonnes</b>	<b>2017</b> <b>Ore tonnes</b>
Section 54 safety stoppages	20,000	276,000
Management induced safety stoppages and other	96,000	176,000
Community disruptions and other	54,000	143,000
<b>Total tonnes lost</b>	<b>170,000</b>	<b>595,000</b>

### Immediately Available Ore Reserves

The immediately available ore reserve position of our Generation 2 shafts at 30 September 2018 was equivalent to 21 months average production versus 20 months at 30 September 2017.

	(m <sup>2</sup> '000)		Months	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
K3	806	844	22	19
Rowland	415	309	14	12
Saffy	738	772	23	25
E3	348	345	30	29
Generation 2	2 307	2 270	21	20
Generation 1	448	700	21	17
K4	188	188		
<b>Total</b>	<b>2 943</b>	<b>3 158</b>	<b>21</b>	<b>19</b>

We have successfully increased Rowland's immediately available ore reserves to 14 months as at 30 September 2018 from 11.5 as at 30 June 2018, mainly due to the first "raise holings" in the MK2 area which have established additional mining faces.

Lonmin is progressing discussions to secure third party funding for the MK2 extension project.

The ore reserve position of the Marikana mining operations is still at a level that provides the necessary flexibility required for efficient mining (industry benchmark of around 12-15 months).

## **Process Operations**

### ***Concentrator production - Mining***

Total tonnes milled from mining operations for the year at 9.8 million tonnes were broadly flat on the prior year, despite reduced output from depleting Generation 1 shafts

Total metals-in-concentrate produced at 653,969 Platinum ounces were broadly flat compared to the prior year.

Underground milled head grade at 4.57 grammes per tonne (5PGE+Au) decreased marginally by 0.9% when compared to the 4.61 grammes per tonne achieved in the prior year.

Concentrator recoveries from underground mining for the quarter increased marginally to 87.3% compared to 87.1% achieved in the prior year.

### ***Concentrator production – Bulk Tailings re-Treatment Project ("BTT")***

The BTT project was successfully commissioned in February. Total tonnes milled from the BTT project were 2.0 million tonnes for the year, with a head grade of 1.10 grammes per tonne and a recovery rate of 21.3%, producing metals-in-concentrate of 7,417 Platinum ounces and 14,584 PGM ounces.

Concentrate purchases increased by 345% to 21,678 saleable Platinum ounces, as we sought to maximise downstream processing utilisation and reduce unit costs.

## ***Processing***

Furnace Number One had an unplanned outage in December 2017 bringing forward its planned shutdown scheduled for the end of 2018. Furnace Number Two was on a planned shut-down from 3 April till 5 May 2018. During these periods the three Pyromet furnaces were in operation.

Both the main Furnaces are stable after their individual shutdowns and continue to run normally and the metal that was previously locked up has been released.

Total saleable refined Platinum production at 678,588 ounces was 1.3% lower than the prior year production. Total saleable PGMs produced were 1,318,618 ounces, broadly flat on the prior year.

The smelter clean-up project and permanent release from the smelting and refining plants continued during the current year and released a total of 6,000 ounces of Platinum during the year, less than the 31,682 ounces in the prior year as expected.

## ***Lonmin Beneficiation***

### ***• Thakadu Nickel Purification Plant***

Thakadu Battery Materials (Pvt) Ltd is in the process of constructing a R250-million nickel purification plant at Lonmin's base metal refinery. The plant will convert Lonmin's existing crude nickel sulphate into high quality battery-grade nickel sulphate, which can be sold at a premium and thus create value for both Thakadu and Lonmin. The plant is able to produce 25,000 tonnes per year of high-purity nickel

sulphate. All major equipment has been ordered and key contracts have been awarded by Thakadu. Commissioning of the plant is scheduled for 2019. The plant is expected to create over 60 permanent jobs once in operation.

- ***PMR Beneficiation – 3D Printing***

The Lonmin beneficiation strategy includes the Additive Manufacturing or 3D printing of pure platinum powder. The project was developed from concept by the Lonmin marketing and process technology teams. The platinum powder used in 3D printing has very particular specifications and the powder was developed in house by Lonmin employees. A 3D printer is housed at Lonmin's PMR and is unique in that it is the first to be used for the 3D printing of pure platinum metal. Commissioning and optimization of the 3D printer is ongoing, with assistance from members of Platform, which is a collaboration between South Africa's Central University of Technology, Northwest University of Technology, Vaal University of Technology and Lonmin. This vehicle aims to provide prototype facilities to budding entrepreneurs to produce products containing PGM's via additive manufacturing or 3D printing.

### **Sales & Pricing**

Sales for the year were 681,580 Platinum ounces (1,323,708 PGM ounces), exceeding the sales guidance of 650,000 to 680,000 Platinum ounces.

For the year, the unaudited US Dollar basket price (including base metal revenue) at \$1,016 per PGM ounce increased by 20.4% on the prior year, while the corresponding unaudited Rand basket price (R13,447 per PGM ounce) was 19.7% higher than the prior year. The unaudited average Rand to US Dollar exchange rate for the year was 2.3% stronger at 13.07 compared to 13.37 for the prior year.

### **Unit Costs (subject to audit adjustments)**

As we continue to manage our costs, unaudited unit costs for the quarter were R11,617 per PGM ounce, an increase of 0.8% on the R11,524 per PGM ounce achieved in the prior year and unaudited unit costs for the year were R12,271 per PGM ounce, an increase of 4.9% on the R11,701 per PGM ounce achieved in the prior year, and within our unit cost guidance of between R12,000 and R12,500 per PGM ounce.

### **Liquidity**

- Unaudited gross cash improved to \$264 million at 30 Sept 2018 up from \$253 million at 30 September 2017.
- Unaudited net cash improved to \$114 million (gross cash of \$264 million less the drawn term loan of \$150 million) at 30 Sept 2018, up from \$103 million (gross cash of \$253 million less the drawn term loan of \$150 million) at 30 September 2017.

### **Capital Expenditure**

We have improved our IAOR from 19 to 21 months year on year despite the unaudited Capital expenditure being limited to R967 million (\$73 million) compared with R1,336 million (\$100 million) in the prior year, and included R74 million (2017 - R370 million) for the third party funded Bulk Tailings Treatment project. This is in line with our strategy of limiting capital expenditure to levels required to satisfy regulatory and safety standards, essential sustaining capital expenditure in the continuing shafts and ensuring that IAOR positions where applicable, are maintained at an acceptable level to sustain production at our Generation 2 shafts.

	2017	2018	2018	2018
	Actual	Actual	Revised Guidance	Original Guidance
	Rm	Rm	Rm	Rm
K3	170	92	130	157
Saffy	21	25	21	29
Rowland	48	46	55	61
Rowland MK2	178	121	117	137
<b>Generation 2 shafts</b>	<b>417</b>	<b>283</b>	<b>323</b>	<b>385</b>
K4	7	-	-	2
Hossy	1	28	42	30
<b>Generation 3 &amp; 1 shafts</b>	<b>8</b>	<b>28</b>	<b>42</b>	<b>32</b>
Central & other mining	93	76	120	139
<b>Total Mining</b>	<b>518</b>	<b>388</b>	<b>485</b>	<b>556</b>
Concentrators - excl BTT	158	128	130	159
BTT	370	74	74	59
Smelting & Refining	95	206	318	324
<b>Total Process</b>	<b>623</b>	<b>391</b>	<b>522</b>	<b>542</b>
Infill apartments	151	150	161	191
Other	44	38	51	40
<b>Total</b>	<b>1 336</b>	<b>967</b>	<b>1 219</b>	<b>1 329</b>

The capital expenditure was less than our revised guidance of R1,2 billion. The main deferrals were on K3, engineering, stay in business, design studies and regulatory compliance spending on smelting and refining.

Capital invested in the period included R121 million for the Rowland MK2 project.

#### Update on disposals

- **Petrozim**

As previously announced, Lonmin entered into a conditional Sale of Shares Agreement to sell Lonmin's 50% interest in Petrozim Line (Private) Limited ("Petrozim") for a gross cash consideration of \$14,75 million to the National Oil Infrastructure Company of Zimbabwe (Private) Limited ("NOIC") (the "Transaction"). In addition, Lonmin will receive \$8 million in the form of special dividends from Petrozim. The Transaction forms part of Lonmin's ongoing programme to dispose of non-core assets. The purchase price and special dividends will be used to pay down the term loan.

- **Wallbridge Mining Toronto**



Lonmin sold its approximately 6.8% portion of the outstanding shares of Wallbridge Mining Company Limited to Eric Sprott, for a total consideration of \$4 million.

### **Update on all-share offer by Sibanye Stillwater**

The South African Competition Commission (the “Commission”) has recommended that the South African Competition Tribunal (“Tribunal”) approves the proposed acquisition of Lonmin, subject to certain conditions, which are agreeable to both Sibanye-Stillwater and the Commission.

The Tribunal hearing has been set for 12 November to 14 November 2018. Lonmin is expecting to release its financial results for the year ended 30 September 2018 towards the end of November 2018.

The remaining substantive conditions to the closure of the transaction are the approval by the South African Competition Tribunal, and the approvals of Lonmin and Sibanye-Stillwater shareholders and the courts of England and Wales.

Lonmin remains fully committed to the transaction and continues to engage constructively with Sibanye Stillwater, the Tribunal and other stakeholders with a view to obtaining clearance in South Africa.

- ENDS –

### **ENQUIRIES**

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#### **Notes to editors**

Lonmin, which is listed on both the London Stock Exchange and the Johannesburg Stock Exchange, is one of the world's largest primary producers of PGMs. These metals are essential for many industrial applications, especially catalytic converters for internal combustion engine emissions, as well as their widespread use in jewellery.

Lonmin’s operations are situated in the Bushveld Igneous Complex in South Africa, where more than 70% of known global PGM resources are located.

The Company creates value through mining, refining and marketing PGMs and has a vertically integrated operational structure - from mine to market. Underpinning the operations is the Shared Services function which provides high quality levels of support and infrastructure across the operations.

For further information please visit our website: <http://www.lonmin.com>

				3 months to 30 Sep 2018	3 months to 30 Sep 2017	12 months to 30 Sep 2018	12 months to 30 Sep 2017
<b>Tonnes mined<sup>1</sup></b>	Marikana	K3 Shaft	kt	778	852	2 858	2 831
		Rowland Shaft	kt	544	520	1 904	1 925
		Saffy Shaft	kt	609	604	2 211	2 174
		East 3 Shaft					
		Combined <sup>2</sup>	kt	188	170	654	574
		<i>East 3 Shaft</i>	<i>kt</i>	<i>188</i>	<i>14</i>	<i>553</i>	<i>71</i>
		<i>Pandora (100%)</i>	<i>kt</i>		<i>156</i>	<i>101</i>	<i>503</i>
		<b>Generation 2</b>	<b>kt</b>	<b>2 120</b>	<b>2 146</b>	<b>7 627</b>	<b>7 504</b>
		4B Shaft	kt	358	324	1 272	1 320
		Hossy Shaft	kt	178	162	581	655
		Newman Shaft	kt				51
		W1 Shaft	kt	43	41	185	145
		East 1 Shaft	kt	46	52	187	168
		East 2 Shaft	kt		71	32	262
		<b>Generation 1</b>	<b>kt</b>	<b>625</b>	<b>650</b>	<b>2 257</b>	<b>2 600</b>
		Underground	kt	2 745	2 796	9 884	10 104
		Opencast	kt	17		93	45
<b>Lonmin (100%)</b>	<b>Total Tonnes Mined (100%)</b>	<b>kt</b>	<b>2 762</b>	<b>2 796</b>	<b>9 977</b>	<b>10 148</b>	
	% tonnes mined from UG2 reef (100%)	%	71.3%	72.5%	71.9%	73.1%	
<b>Lonmin (attributable)</b>	<b>Underground &amp; Opencast</b>	<b>kt</b>	<b>2 762</b>	<b>2 718</b>	<b>9 927</b>	<b>9 897</b>	
<b>Ounces Mined<sup>3</sup></b>	Lonmin excluding Pandora	Pt Ounces	oz	171 937	173 851	622 545	616 422
	BTT	Pt Ounces	oz	3 633	0	7 417	0
	<b>Lonmin excl Pandora incl BTT</b>	<b>Pt Ounces</b>	<b>oz</b>	<b>175 570</b>	<b>173 851</b>	<b>629 962</b>	<b>616 422</b>
	Pandora (100%)	Pt Ounces	oz		11 198	7 557	34 886
	<b>Lonmin incl Pandora &amp; BTT</b>	<b>Pt Ounces</b>	<b>oz</b>	<b>175 570</b>	<b>185 049</b>	<b>637 519</b>	<b>651 307</b>
	Lonmin excluding Pandora	PGM Ounces	oz	331 927	334 154	1 200 482	1 182 793
	BTT	PGM Ounces	oz	7 156	0	14 584	0
	<b>Lonmin excl Pandora incl BTT</b>	<b>PGM Ounces</b>	<b>oz</b>	<b>339 084</b>	<b>334 154</b>	<b>1 215 066</b>	<b>1 182 793</b>
	Pandora (100%)	PGM Ounces	oz		22 279	14 962	69 362
	<b>Lonmin incl Pandora &amp; BTT</b>	<b>PGM Ounces</b>	<b>oz</b>	<b>339 084</b>	<b>356 433</b>	<b>1 230 028</b>	<b>1 252 155</b>
<b>Tonnes milled<sup>4</sup></b>	Marikana	Underground	kt	2 752	2 605	9 663	9 486
		Opencast	kt	14	0	70	49
		<b>Total</b>	<b>kt</b>	<b>2 766</b>	<b>2 605</b>	<b>9 732</b>	<b>9 535</b>
	Pandora 100% <sup>5</sup>	Underground	kt	0	156	101	503
	Lonmin Platinum	Underground	kt	2 752	2 761	9 764	9 989
		<i>Milled head grade<sup>7</sup></i>	<i>g/t</i>	<i>4.57</i>	<i>4.72</i>	<i>4.57</i>	<i>4.61</i>
		<i>Recovery rate<sup>8</sup></i>	<i>%</i>	<i>86.8%</i>	<i>87.6%</i>	<i>87.3%</i>	<i>87.1%</i>
		Opencast	kt	14	0	70	49
		<i>Milled head grade<sup>7</sup></i>	<i>g/t</i>	<i>4.55</i>	<i>4.97</i>	<i>4.66</i>	<i>4.42</i>
		<i>Recovery rate<sup>8</sup></i>	<i>%</i>	<i>82.6%</i>	<i>67.7%</i>	<i>81.1%</i>	<i>68.3%</i>
		BTT Plant <sup>6</sup>	kt	894	0	2 038	0
		<i>Milled head grade<sup>7</sup></i>	<i>g/t</i>	<i>1.12</i>	<i>0</i>	<i>1.10</i>	<i>0</i>
		<i>Recovery rate<sup>8</sup></i>	<i>%</i>	<i>23.2%</i>	<i>0.0%</i>	<i>21.3%</i>	<i>0.0%</i>
		<b>Total</b>	<b>kt</b>	<b>3 660</b>	<b>2 761</b>	<b>11 871</b>	<b>10 039</b>
		<i>Milled head grade<sup>7</sup></i>	<i>g/t</i>	<i>3.73</i>	<i>4.72</i>	<i>3.97</i>	<i>4.61</i>
		<i>Recovery rate<sup>8</sup></i>	<i>%</i>	<i>82.1%</i>	<i>87.6%</i>	<i>84.1%</i>	<i>87.0%</i>

			<b>3 months to 30 Sep 2018</b>	<b>3 months to 30 Sep 2017</b>	<b>12 months to 30 Sep 2018</b>	<b>12 months to 30 Sep 2017</b>	
<b>Metals-in-concentrate<sup>9</sup></b>	Marikana	Platinum	oz	174 148	171 659	617 316	609 354
		Palladium	oz	81 801	79 810	288 516	282 246
		Gold	oz	3 968	4 259	14 938	15 171
		Rhodium	oz	25 515	24 229	88 806	86 254
		Ruthenium	oz	42 920	40 811	149 812	144 996
		Iridium	oz	8 948	8 611	31 139	30 303
		Total PGMs	oz	337 300	329 379	1 190 527	1 168 324
		Nickel <sup>10</sup>	MT	807	880	3 005	3 144
		Copper <sup>10</sup>	MT	510	544	1 922	1 964
	Pandora	Platinum	oz		11 198	7 557	34 886
		Palladium	oz		5 303	3 573	16 509
		Gold	oz		76	52	243
		Rhodium	oz		1 906	1 261	5 928
		Ruthenium	oz		3 133	2 105	9 750
		Iridium	oz		662	414	2 047
		Total PGMs	oz		22 279	14 962	69 362
		Nickel <sup>10</sup>	MT		18	11	65
		Copper <sup>10</sup>	MT		10	6	31
	BTT Plant <sup>6</sup>	Platinum	oz	3 633		7 417	
		Palladium	oz	1 509		3 095	
		Gold	oz	34		69	
		Rhodium	oz	521		1 051	
		Ruthenium	oz	1 201		2 441	
		Iridium	oz	259		510	
		Total PGMs	oz	7 156		14 584	
		Nickel <sup>10</sup>	MT	5		11	
		Copper <sup>10</sup>	MT	5		10	
	Concentrate purchases	Platinum	oz	6 167	3 907	21 678	4 871
		Palladium	oz	2 099	1 239	7 158	1 550
		Gold	oz	23	16	78	21
		Rhodium	oz	894	503	2 989	597
		Ruthenium	oz	1 365	772	4 581	935
		Iridium	oz	325	221	1 126	263
		Total PGMs	oz	10 874	6 658	37 610	8 237
		Nickel <sup>10</sup>	MT	8	5	25	6
		Copper <sup>10</sup>	MT	5	3	15	4
Lonmin Platinum	Platinum	oz	183 948	186 764	653 969	649 111	
	Palladium	oz	85 409	86 353	302 342	300 305	
	Gold	oz	4 025	4 351	15 137	15 435	
	Rhodium	oz	26 930	26 638	94 106	92 779	
	Ruthenium	oz	45 486	44 716	158 940	155 680	
	Iridium	oz	9 532	9 494	33 190	32 614	
	Total PGMs	oz	355 330	358 316	1 257 684	1 245 923	
	Nickel <sup>10</sup>	MT	820	903	3 052	3 215	
	Copper <sup>10</sup>	MT	520	557	1 953	1 998	

				3 months to 30 Sep 2018	3 months to 30 Sep 2017	12 months to 30 Sep 2018	12 months to 30 Sep 2017
<b>Refined Production</b>	Lonmin refined Metal Production	Platinum	oz	212 286	205 632	664 603	685 028
		Palladium	oz	96 651	94 835	309 340	316 517
		Gold	oz	5 376	5 563	17 324	18 017
		Rhodium	oz	32 326	28 108	100 136	100 677
		Ruthenium	oz	52 845	48 749	163 564	162 141
		Iridium	oz	11 578	8 914	34 634	33 654
		Total PGMs	oz	411 062	391 801	1 289 601	1 316 034
	Toll refined metal production	Platinum	oz	74	314	1 081	2 501
		Palladium	oz	18	155	389	789
		Gold	oz	1	7	18	35
		Rhodium	oz	1 590	59	1 743	310
		Ruthenium	oz	78	137	623	926
		Iridium	oz	501	36	593	207
		Total PGMs	oz	2 262	707	4 448	4 768
	Total refined PGMs	Platinum	oz	212 360	205 946	665 685	687 529
		Palladium	oz	96 670	94 990	309 729	317 306
		Gold	oz	5 377	5 570	17 342	18 052
		Rhodium	oz	33 916	28 167	101 879	100 987
		Ruthenium	oz	52 923	48 885	164 187	163 067
		Iridium	oz	12 079	8 950	35 227	33 861
		Total PGMs	oz	413 325	392 508	1 294 049	1 320 802
	BMR Concentrate Sales (Saleable Refined Production)	Platinum	oz	5 591		12 904	
		Palladium	oz	2 416		5 756	
Gold		oz	123		321		
Rhodium		oz	810		1 903		
Ruthenium		oz	1 252		3 034		
Iridium		oz	316		653		
Total PGMs		oz	10 509		24 570		
Total saleable refined PGMs <sup>11</sup>	Platinum	oz	217 951	205 946	678 558	687 529	
	Palladium	oz	99 086	94 990	315 486	317 306	
	Gold	oz	5 500	5 570	17 663	18 052	
	Rhodium	oz	34 726	28 167	103 782	100 987	
	Ruthenium	oz	54 175	48 885	167 221	163 067	
	Iridium	oz	12 396	8 950	35 879	33 861	
	Total PGMs	oz	423 833	392 508	1 318 618	1 320 802	
Base metals	Nickel <sup>12</sup>	MT	1 085	1 022	3 605	3 502	
	Copper <sup>12</sup>	MT	660	684	2 148	2 126	
<b>Sales</b>	Refined Metal Sales	Platinum	oz	212 119	218 687	668 676	706 030
		Palladium	oz	96 548	104 549	311 019	324 273
		Gold	oz	4 772	4 989	17 580	16 675
		Rhodium	oz	34 620	29 312	103 128	107 742
		Ruthenium	oz	48 868	57 981	165 250	193 479
		Iridium	oz	9 508	10 682	33 485	33 212
		Total PGMs	oz	406 435	426 200	1 299 139	1 381 413
		Nickel <sup>12</sup>	MT	1 126	1 031	3 558	3 770
		Copper <sup>12</sup>	MT	616	820	2 398	1 874
		Chrome <sup>12</sup>	MT	488 218	363 564	1 558 689	1 402 697
BMR Concentrate Sales <sup>13</sup>	Platinum	oz	5 591		12 904		
	Palladium	oz	2 416		5 756		
	Gold	oz	123		321		

			<b>3 months to 30 Sep 2018</b>	<b>3 months to 30 Sep 2017</b>	<b>12 months to 30 Sep 2018</b>	<b>12 months to 30 Sep 2017</b>	
	BMR Concentrate Sales <sup>13</sup>	Rhodium	oz	810		1 903	
		Ruthenium	oz	1 252		3 034	
		Iridium	oz	316		653	
		Total PGMs	oz	10 509		24 570	
	Lonmin Platinum	Platinum	oz	217 710	218 687	681 580	706 030
		Palladium	oz	98 965	104 549	316 775	324 273
		Gold	oz	4 895	4 989	17 901	16 675
		Rhodium	oz	35 430	29 312	105 031	107 742
		Ruthenium	oz	50 120	57 981	168 284	193 479
		Iridium	oz	9 824	10 682	34 137	33 212
		Total PGMs	oz	416 944	426 200	1 323 708	1 381 413
	Base metals	Nickel <sup>12</sup>	MT	1 126	1 031	3 558	3 770
		Copper <sup>12</sup>	MT	616	820	2 398	1 874
		Chrome <sup>12</sup>	MT	488 218	363 564	1 558 689	1 402 697
	<b>Average prices</b>	Platinum	\$/oz	810	954	890	953
Palladium		\$/oz	965	902	986	808	
Gold		\$/oz	1 198	1 286	1 272	1 244	
Rhodium		\$/oz	2 376	1 063	1 988	915	
\$ basket excl. by-product revenue <sup>14</sup>		\$/oz	932	832	926	790	
\$ basket incl. by-product revenue <sup>15</sup>		\$/oz	1 027	880	1 016	844	
R basket excl. by-product revenue <sup>14</sup>		R/oz	13 191	10 966	12 245	10 526	
R basket incl. by-product revenue <sup>15</sup>		R/oz	14 512	11 567	13 447	11 236	
Nickel <sup>12</sup>	\$/MT	11 300	8 289	10 875	8 274		
Copper <sup>12</sup>	\$/MT	5 385	6 487	6 208	5 661		
<b>Unit Costs</b>	Cost of Production per PGM ounce	R/oz	11 617	11 524	12 271	11 701	
<b>Exchange Rates</b>	Average rate for period <sup>16</sup>	R/\$	14.06	13.17	13.07	13.37	
	Closing rate	R/\$	14.14	13.55	14.14	13.55	

#### Notes

- 1 Reporting of shafts are in line with our operating strategy for Generation 1 and Generation 2 shafts.
- 2 E3 Shaft and Pandora underground tonnes mined are reported as E3 Shaft Combined since 1 December 2017 when Lonmin required 100% of Pandora.
- 3 Ounces mined have been calculated at achieved concentrator recoveries and with Lonmin standard downstream processing recoveries to present produced saleable ounces.
- 4 Tonnes milled exclude slag milling.
- 5 As from 1 December 2017 Lonmin owns 100% of Pandora joint venture and there will be no ore purchases thereafter.
- 6 The BTT (Bulk Tailings Treatment) project was commissioned in February 2018.
- 7 Head Grade is the grammes per tonne (SPGE + Au) value contained in the tonnes milled and fed into the concentrator from the mines (excludes slag milled).
- 8 Recovery rate in the concentrators is the total content produced divided by the total content milled (excluding slag).
- 9 Metals-in-concentrate are calculated at Lonmin standard downstream processing recoveries to present produced saleable ounces.
- 10 Corresponds to contained base metals in concentrate.
- 11 Saleable refined production includes production associated with BMR concentrate sales.

- 12 Nickel is produced and sold as nickel sulphate crystals or solution and the volumes shown correspond to contained metal. Copper is produced as refined product but typically at LME grade C. Chrome is produced in the form of chromite concentrate and volumes shown are in the form of chromite.
- 13 Includes saleable refined production associated with BMR concentrate sales.
- 14 Basket price of PGMs is based on the revenue generated in Rand and Dollar from the actual PGMs (5PGE + Au) sold in the period based on the appropriate Rand/Dollar exchange rate applicable for each sale transaction.
- 15 As per note 14 but including revenue from base metals.
- 16 Exchange rates are calculated using the market average daily closing rate over the course of the period.