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## REGULATORY RELEASE

This announcement contains inside information

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### Lonmin Undertakes Refinancing

Lonmin Plc (Lonmin) announces that it has agreed to enter into a US\$200 million metal purchase agreement with Pangaea Investments Management Limited (PIM), an associate company of Jiangxi Copper Company Limited (JCC) and a transaction agent thereof, pursuant to which the upfront payment will be amortized over three years (the Facility). The transaction is expected to close within the week. Lonmin also released a separate announcement today, on its fourth quarter and full year 2018 production report and business update.

Lonmin will settle its pre-existing term loan of US\$150 million (the Term Loan) and cancel all its other pre-existing undrawn facilities (together, the Existing Debt Facilities) with both its South African Rand and US Dollar lender groups (the Existing Lenders). The Facility will provide Lonmin with improved liquidity and removes certain restrictive current lender conditions notably the tangible net worth covenants contained in the Existing Debt Facilities which were waived by the Existing Lenders subject to the anticipated successful completion (Completion) of Sibanye-Stillwater's all share offer for Lonmin (the Offer).

As with the Existing Debt Facilities, the Facility is also secured over Lonmin's assets. The Facility requires settlement through monthly delivery of Platinum and Palladium (2E) ounces in the ratio 69:31, providing PIM with a minimum annual return on investment of 15% on the upfront payment which will be reduced by the deliveries over the term of the agreement. The Facility allows for early settlement in full after one year, at Lonmin's discretion and subject to JCC achieving a return on investment of 16%. The Facility could enhance Lonmin's cash position as it requires only partial settlement of between US\$60 million and US\$80 million upon Completion compared to the Term Loan (US\$150 million) which requires full settlement.

Following Completion, and subject to Sibanye-Stillwater becoming a co-obligor, PIM will release all security over Lonmin's assets and delivery is amended to a fixed number of 2E ounces per month, to provide PIM with a minimum return on investment of approximately 12% over the remaining period of the New Facility.

Ben Magara, Lonmin's CEO said: "We are pleased to announce an improved funding arrangement as it immediately enhances Lonmin's liquidity. Regrettably, the new facilities do not address the fundamental business challenges facing Lonmin and do not offer an opportunity 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. I would like to thank the lending groups that have supported Lonmin over the years."

Neal Froneman, Sibanye Stillwater’s CEO said: “We recognise Lonmin’s requirement to complete this financing transaction and we remain focused on completing the acquisition of Lonmin, and delivering on our strategy of creating value for all stakeholders.”

-Ends-

**ENQUIRIES**

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**FORWARD LOOKING STATEMENTS**

This announcement includes “forward-looking statements” within the meaning of the “safe harbour” provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as “target”, “will”, “forecast”, “expect”, “potential”, “intend”, “estimate”, “anticipate”, “can” and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. The forward-looking statements set out in this announcement involve a number of known and unknown risks, uncertainties and other factors, many of which are difficult to predict and generally beyond the control of Sibanye-Stillwater, that could cause Sibanye-Stillwater’s actual results and outcomes to be materially different from historical results or from any future results expressed or implied by such forward-looking statements. These forward-looking statements speak only as of the date of this announcement. Sibanye-Stillwater undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this announcement or to reflect the occurrence of unanticipated events, save as required by applicable law.

**Additional Information**

The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law. Persons who are not resident in the United Kingdom or who are subject to the laws of other jurisdictions should inform themselves of, and observe, any applicable requirements. Any failure to comply with applicable requirements may constitute a violation of the securities law of any such jurisdiction.

This announcement is not intended to, and does not, constitute or form part of any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities whether pursuant to this announcement or otherwise.

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>