3. Overview of SA PGM operations

Robert van Niekerk
EVP Southern Africa region

SA PGM Investor Day
7 June 2018
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Forward looking statements

This presentation contains forward-looking statements within the meaning of the “safe harbour” provisions of the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements, including, among others, those relating to Sibanye Gold Limited’s trading as Sibanye-Stillwater’s ("Sibanye-Stillwater") financial positions, business strategies, plans and objectives of management for future operations, are necessarily estimates reflecting the best judgment of the senior management and directors of Sibanye-Stillwater and Lonmin.

All statements other than statements of historical facts included in this presentation may be forward-looking statements. Forward-looking statements also often use words such as “will”, “forecast”, “potential”, “estimate”, “expect” and words of similar meaning. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances and should be considered in light of various important factors, including those set forth in this disclaimer. Readers are cautioned not to place undue reliance on such statements.

The important factors that could cause Sibanye-Stillwater’s and Lonmin’s actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, our future business prospects; financial positions; debt position and our ability to reduce debt leverage; business, political and social conditions in the United Kingdom, South Africa, Zimbabwe and elsewhere; plans and objectives of management for future operations; our ability to service our bond instruments (High Yield Bonds and Convertible Bonds); changes in assumptions underlying Sibanye-Stillwater’s and Lonmin’s estimation of their current mineral reserves and resources; the ability to achieve anticipated efficiencies and other cost savings in connection with past, ongoing and future acquisitions, as well as at existing operations; our ability to achieve steady state production at the Blitz project; the success of Sibanye-Stillwater’s and Lonmin’s business strategy; exploration and development activities; the ability of Sibanye-Stillwater and Lonmin to comply with requirements that they operate in a sustainable manner; changes in the market price of gold, PGMs and/or uranium; the occurrence of hazards associated with underground and surface gold, PGMs and uranium mining; the occurrence of labour disruptions and industrial action; the availability, terms and deployment of capital or credit; changes in relevant government regulations, particularly environmental, tax, health and safety regulations and new legislation affecting water, mining, mineral rights and business ownership, including any interpretations thereof which may be subject to dispute; the outcome and consequence of any potential or pending litigation or regulatory proceedings or other environmental, health and safety issues; power disruptions, constraints and cost increases; supply chain shortages and increases in the price of production inputs; fluctuations in exchange rates, currency devaluations, inflation and other macro-economic monetary policies; the occurrence of temporary stoppages of mines for safety incidents and unplanned maintenance; the ability to hire and retain senior management or sufficient technically skilled employees, as well as their ability to achieve sufficient representation of historically disadvantaged South Africans’ in management positions; failure of information technology and communications systems; the adequacy of insurance coverage; any social unrest, sickness or natural or man-made disaster at informal settlements in the vicinity of some of Sibanye-Stillwater’s operations; and the impact of HIV, tuberculosis and other contagious diseases. These forward-looking statements speak only as of the date of this presentation. Sibanye-Stillwater and Lonmin expressly disclaim any obligation or undertaking to update or revise any forward-looking statement (except to the extent legally required).
Sizeable long-life gold and PGM operations in Southern Africa

- **Bushveld Complex**
- **Great Dyke**
- **Witwatersrand Basin**
- **SA PGM operations**
- **PGM projects**
- **Gold operations and projects**

*50% Joint venture with Impala Platinum Holdings Limited (Implats)*

**50% pool and share agreement (PSA) with Anglo American Platinum; 100% managed by Sibanye-Stillwater**

**Tailings re-processing**

**Location of SA region's assets**

- **SOUTH AFRICA**
  - Free State operations and projects
    - Beatrix
    - Beisa
    - Bloemhoek
    - De Bron Merriespruit
    - Hakkies
    - Robijn
  - Mimosa JV*
    - Beatrix
    - Beisa
    - Bloemhoek
    - De Bron Merriespruit
    - Hakkies
    - Robijn
  - Rustenburg operations
  - Kroondal operations**
  - Platinum Mile***
  - Zondernaam project
  - Blue Ridge
  - South Rand project
    - Burnstone
  - West Wits operations and projects
    - Driefontein
    - Kloof
    - Cooke surface
    - WRTRP
  - Free State operations and projects
    - Beatrix
    - Beisa
    - Bloemhoek
    - De Bron Merriespruit
    - Hakkies
    - Robijn
Our operations on the western limb of the Bushveld Complex are best placed to benefit from synergies.

Location of SA PGM operations – Western Limb

1. Northam
2. Anglo America Platinum
3. Siyanda Resources
4. Sedibelo Platinum
5. Wesizwe Platinum
6. Royal Bafokeng Platinum
7. Impala Platinum
8. Eastern Platinum

Acquisitions allow for regional synergies and operational flexibility
Mining right
Vertical shaft
Decline shaft
Concentrator
Merensky reef outcrop
UG2 reef outcrop
UG2 reef mined out
Decline shaft, trackless mining accessing UG2 reef
Vertical shaft, conventional mining accessing UG2 and Merensky reefs
Vertical shaft, conventional mining accessing Merensky reef
Vertical shaft on care and maintenance
Decline shaft on care and maintenance

Section 102 application underway to include in Rustenburg Mining Right NW82

40 kilometres of contiguous operations
Location of the Mimosa mine

Three distinct ore bodies

*M50% joint venture with Implats
Organisation and SA region management structures
Simplified corporate structure

Sibanye Gold Limited trading as Sibanye-Stillwater

SA region
Gold operations

SA region
PGM operations

US region
PGM operations

50%
Mimosa JV*

74%
Rustenburg operations**
(26% BEE structure)

50%
Kroondal PSA***

91.7%
Platinum Mile tailings retreatment

Thembelani
Khuseleka
Siphumelele
Bathopele
Other surface sources

Bambanani
Kwezi
K6
Kopaneng
Simunye

Note: The ownership structure has been simplified for illustrative purposes
• 50% joint venture with Implats
** As per the acquisition agreement, Anglo American Platinum will receive 35% of Rustenburg operations’ cash flows over 6 years (until 2023)
***PSA: 50% pool and share agreement with Anglo American Platinum: 100% managed by Sibanye-Stillwater

Regional and commodity diversification within Group

50%
SA region executive team

ROBERT VAN NIEKERK
EVP: Southern Africa Region

WILLIAM OLIVER
Head of Mining

KEVIN ROBERTSON
Head of Business Improvement

THEMBA NKOSI
Head of Human Resources

WAYNE ROBINSON
Head of Operations

THABISILE PHUMO
Head of Stakeholder Relations

PIETER HENNING
Head of Finance

HARTLEY DIKGALE
Head of Legal and Regulatory

NASH LUTCHMAN
Head of Protection Services

KEVIN ROBERTSON
Head of Business Improvement

BHEKI KHUMALO
Head of Organisational Development and Communication

Experienced management team
SA region operational management

WILLIAM TAYLOR
Head of Mining: Gold

DAWIE VAN ASWEGEN
Head of Mining: Platinum

WILLIAM OSAE
Head of Operational Health and Safety

CORNE STRYDOM
Head of Operational Improvement

WAYNE ROBINSON
Head of Operations: Southern Africa Region

SHADWICK BESSIT
Head of Technical

GRANT STUART
Head of Natural Environment and Projects

DR JAMESON MALEMELA
Head of Health and Wellness
Caters for key performance areas – delivery, integration, social responsibility and organisational development
Performance of SA PGM operations
SA PGM operations – safety performance

- Commendable safety track record, with improving trends
- The PGM operations are shallower than our gold operations and more mechanised

**Serious injury frequency rate (SIFR)**

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<tbody>
<tr>
<td>Rate</td>
<td>4.60</td>
<td>3.73</td>
<td>2.27</td>
<td>3.08</td>
<td>3.04</td>
<td>2.59</td>
<td>2.31</td>
<td>1.84</td>
<td>2.57</td>
<td>2.15</td>
<td>2.72</td>
<td>2.27</td>
<td>2.19</td>
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<tr>
<td>Per million hours worked</td>
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**Fatal injury frequency rate (FIFR)**

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<tbody>
<tr>
<td>Rate</td>
<td>0.07</td>
<td>0.10</td>
<td>0.04</td>
<td>0.02</td>
<td>0.11</td>
<td>0.04</td>
<td>0.08</td>
<td>0</td>
<td>0.20</td>
<td>0.21</td>
<td>0</td>
<td>0</td>
<td>0.14</td>
<td></td>
</tr>
<tr>
<td>Per million hours worked</td>
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<td></td>
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</tbody>
</table>

*Note: Annual data for 2012 - 2016 as published by previous owners*
<table>
<thead>
<tr>
<th>Summary of SA PGM information</th>
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<table>
<thead>
<tr>
<th></th>
<th>2017</th>
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</thead>
<tbody>
<tr>
<td>Resources 4E PGM</td>
<td>Moz</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Reserves 4E PGM</td>
<td>Moz</td>
</tr>
<tr>
<td></td>
<td></td>
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<tr>
<td>Annual PGM (4E) production</td>
<td>Moz</td>
</tr>
<tr>
<td></td>
<td></td>
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<tr>
<td>Average 4E prill split</td>
<td>%</td>
</tr>
<tr>
<td>Platinum</td>
<td>58.19</td>
</tr>
<tr>
<td>Palladium</td>
<td>31.16</td>
</tr>
<tr>
<td>Rhodium</td>
<td>8.39</td>
</tr>
<tr>
<td>Gold</td>
<td>2.26</td>
</tr>
<tr>
<td>Average basket price</td>
<td>R/4E oz</td>
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<tr>
<td></td>
<td>US$/4E oz</td>
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<td></td>
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<td></td>
<td>12,534</td>
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<td></td>
<td>942</td>
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<tr>
<td>All-in sustaining cost (AISC)</td>
<td>R/4E oz</td>
</tr>
<tr>
<td></td>
<td>US$/4E oz</td>
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<tr>
<td></td>
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<tr>
<td></td>
<td>10,399</td>
</tr>
<tr>
<td></td>
<td>782</td>
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<tr>
<td>Adjusted EBITDA* contribution</td>
<td>R1,594m</td>
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<tr>
<td>Plus – Mimosa contribution**</td>
<td>(US$120m)</td>
</tr>
<tr>
<td></td>
<td>R175m</td>
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<tr>
<td></td>
<td>(US$13m)</td>
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<tr>
<td>Capital expenditure</td>
<td>Rm</td>
</tr>
<tr>
<td></td>
<td>US$m</td>
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<tr>
<td></td>
<td></td>
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<tr>
<td></td>
<td>1,035</td>
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<td></td>
<td>78</td>
</tr>
<tr>
<td>No. of employees (including contractors)***</td>
<td></td>
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<td></td>
<td>23,807</td>
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</tbody>
</table>

* The Group reports adjusted earnings before interest, taxes, depreciation and amortisation (EBITDA) based on the definitions in Sibanye-Stillwater’s revolving credit facility agreements. Adjusted EBITDA is a pro forma number for JSE Listings Requirements purposes. It not an IFRS measure and is for illustrative purposes only and is the responsibility of the directors. For a reconciliation of the components of Adjusted EBITDA, please refer to note 24.10 on page 89 of the 2017 Group Annual Financial Statements available at https://www.sibanyestillwater.com/investors/financial-reporting/annual-reports/2017. Adjusted EBITDA margin is calculated by dividing adjusted EBITDA by revenue.

** Mimosa is equity-accounted and related contributions during the year are included in the “Share of results of equity-accounted investees after tax” line in the Consolidated Income Statement and do not form part of Adjusted EBITDA.

*** For Group numbers refer to p74 of Integrated Annual Report 2017.

Life of mine (year):
- Rustenburg: 2053
- Kroondal: 2032
- Mimosa: 2032

Based on reserves declaration at 31 Dec 2017.
Successful integration achieved

- Kroondal operations continuously testing new highs
- Improved performance from Rustenburg operations
- Mimosa steady

Quarterly 4E production (ounces)*

* Attributable production from Mimosa and Kroondal

SA PGM operations are exceeding expectations
Over R1 billion synergies realised in 14 months, well ahead of expectations

*Baseline annualised 2016 figures are based on Kroondal actuals for 10 months from July 2015 to April 2016 and 2 months forecast for May – June 2016, while the Rustenburg baseline is based on actuals for Jan – Oct 2016 with 2 months of forecast figures*
Ensuring role clarity and focus

Operating structure

- Governance and oversight
- Company business strategy
- Region operations delivery strategy
- Operational delivery

Sibanye-Stillwater Board
CEO/CFO
Sibanye-Stillwater Executive Committee
SA Region Executive
US Region Executive
Business units and service areas
Kroondal costs are well controlled

- Trackless mining – on reef development expensed
- Three-year wage contract in place until June 2020

Cost awareness culture entrenched

*50% pool and share agreement with Anglo American Platinum
** All-in sustaining cost (AISC) is calculated by including cost of sales before amortisation and depreciation, royalties, community costs, share-based payments, rehabilitation interest and amortisation, ore reserve development, sustaining capital expenditure and less by-product credits
Integration synergies and savings have made Rustenburg operations sustainable.

Ore reserve development capital aimed at maintaining the current level of production at the conventional shafts.

* All-in sustaining cost (AISC) is calculated by including cost of sales before amortisation and depreciation, royalties, community costs, share-based payments, rehabilitation interest and amortisation, ore reserve development, sustaining capital expenditure and less by-product credits.
Mimosa is a consistent cost performer

- Stay-in-business capital is inclusive of on-reef development

*Note: Mimosa is a 50:50 joint venture with Implats

* All-in sustaining cost (AISC) is calculated by including cost of sales before amortisation and depreciation, royalties, community costs, share-based payments, rehabilitation interest and amortisation, ore reserve development, sustaining capital expenditure and less by-product credits
Financial information

Pieter Henning
Head of Finance, SA region
Key accounting principles

• **Kroondal Pool and Share Agreement (PSA)** – Sibanye Stillwater mining defined PGM reserves under agreement with Anglo American Platinum. Sibanye-Stillwater consolidates 50% attributable share. 50% attributable share of concentrate smelted and refined via a PoC agreement with Anglo American Platinum.

• **Mimosa Joint Venture (JV)** – Sibanye-Stillwater has a 50% interest in Mimosa in Zimbabwe. Financial interest in Mimosa is equity accounted and not included in adjusted EBITDA. Sibanye-Stillwater’s 50% share of concentrate smelted and refined via a PoC agreement with Impala Platinum.

• **Purchase of Concentrate agreement (PoC)** – concentrate smelted and refined under agreement by a third party for a percentage of metal in concentrate and final metal sold by processing company. Cost of PoC offset against revenue.

• **Toll agreement** – concentrate smelted and refined under agreement by a third party for a fixed cost per tonne. Sibanye-Stillwater owns final metal and gets 100% of revenue.

• **By-product accounting** – revenue from by-products included in Group revenue. AISC includes net by-product credit.
PoC vs toll processing schematic

Significant revenue benefits to toll agreement at higher basket prices
Conventional shafts at Rustenburg more labour and power intensive
Operating costs to AISC reconciliation

- All-in sustaining cost is a cost measure which has been generally adopted by global gold companies
  - AISC provides a better measure of cash profitability (pre-tax) than operating cost
- Benefit of by-product credits generally excluded from costs by PGM industry, thereby often underestimating profitability

AISC more reflective of actual cash profitability of company
Environmental rehabilitation obligations

- 2017 liability assessment independently determined by Golder Associates
- Assessment methodology aligned with draft regulations published on 10 October 2017
  - proposed regulations remain contentious in a number of areas, namely the inclusion of VAT and a CPI+2%
- Engagement continues with the DMR and DEA on clarification of VAT requirements
- Closure obligations increased 34% year on year due to
  - alignment of Sibanye-Stillwater model
  - revision of unit rates
- Closure provisions are funded through ring-fenced trust fund accounts and guarantee insurance policies

<table>
<thead>
<tr>
<th></th>
<th>Rustenburg</th>
<th>Kroondal</th>
<th>Total</th>
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<tbody>
<tr>
<td><strong>Undiscounted obligation</strong></td>
<td>1,031.6</td>
<td>1,491.1</td>
<td>2,450.7</td>
</tr>
<tr>
<td><strong>Obligation per financials (discounted)</strong></td>
<td>315.2</td>
<td>1,132.4</td>
<td>1,447.6</td>
</tr>
<tr>
<td><strong>Funded</strong></td>
<td></td>
<td></td>
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<tr>
<td>Trust fund</td>
<td>307.7</td>
<td>163.8</td>
<td>471.5</td>
</tr>
<tr>
<td>Cash behind guarantees</td>
<td>92.3</td>
<td>–</td>
<td>92.3</td>
</tr>
<tr>
<td>Guarantees</td>
<td>1,058.8</td>
<td>132.7</td>
<td>1,191.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,458.8</td>
<td>296.5</td>
<td>1,755.3</td>
</tr>
</tbody>
</table>

www.sibanyestillwater.com
Income tax and royalties

- SA PGM Industry taxed at SA corporate tax rate of 28%
- Royalty is payable to the State on refined and unrefined minerals. The royalty is calculated
  - refined minerals - dividing earnings before interest and taxes (EBIT) by the product of 12.5 times gross revenue calculated as a percentage, plus an additional 0.5%.
  - unrefined minerals - dividing earnings before interest and taxes (EBIT) by the product of 9 times gross revenue calculated as a percentage, plus an additional 0.5%.
- EBIT refers to taxable mining income but after capital expenditure. A maximum royalty of 5% or 7% of mining revenue has been introduced on refined and unrefined minerals respectively.
- Effective royalty tax rate payable for the year ended 31 December 2017 was approximately 0.6% of revenue at the SA PGM operations (2016: 0.5%)

Tax balances as at 31 December 2017:

<table>
<thead>
<tr>
<th>Entity</th>
<th>Unredeemed capex</th>
<th>Estimated assessed loss</th>
<th>Normal tax</th>
<th>Royalty tax</th>
<th>Royalty tax % of Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kroondal</td>
<td>927.7</td>
<td>120.2(^{(1)})</td>
<td>10.0</td>
<td>5.6</td>
<td>0.2</td>
</tr>
<tr>
<td>Rustenburg</td>
<td>122.5(^{(2)})</td>
<td>-</td>
<td>-</td>
<td>67.6</td>
<td>0.7</td>
</tr>
<tr>
<td>Platinum Mile</td>
<td>-</td>
<td>-</td>
<td>9.5</td>
<td>N/A(^{(3)})</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Notes:
(1) Non-mining assessed loss
(2) Excludes the total Partial Annual Redemption items claimable over period of eight years (R14m pa = R112m)
(3) No royalties as Platinum Mile is not an extractor of minerals
Competent persons’ declaration

The Competent Persons, designated in terms of SAMREC, who take responsibility for the reporting of Mineral Resources and Mineral Reserves and the overall regulatory compliance are the respective operational (per mining unit) and project based Mineral Resource Managers. The Competent Persons have sufficient experience relative to the type and style of mineral deposit under consideration and are full-time employees of Sibanye-Stillwater. The Competent Persons confirmation signatures are presented in the CPRs per operation.

The Competent Persons further consent is given to the disclosure of this Mineral Resource and Mineral Reserve statement.

Corporate governance on the overall compliance of the company’s figures and responsibility for the generation of a Group consolidated statement has been overseen by the lead Competent Persons listed below. The lead Competent Persons have given written consent to the disclosure of the 2017 Mineral Resources and Mineral Reserves statement. They are permanent employees of Sibanye-Stillwater.

**Competent persons for the SA PGM operations:**

**Lead: Andrew Brown,** Vice President Mine Technical Services, MSc (Mining Engineering), SAIMM 705060  
**Leonard Changara,** Unit Manager Geology, MSc (Geology), SACNASP 400089/08  
**Brian Smith,** Unit Manager Survey, NHD (Mine Survey); MEng MRM; MSCC, SAIMM 702313