



Sibanye**GOLD**
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Operating and Financial Results
for the six months and year
ended 31 December 2013

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1. Salient points for the six months ended 31 December 2013
2. Operating review
3. Financial review
4. Premium rating
5. Outlook
6. Questions

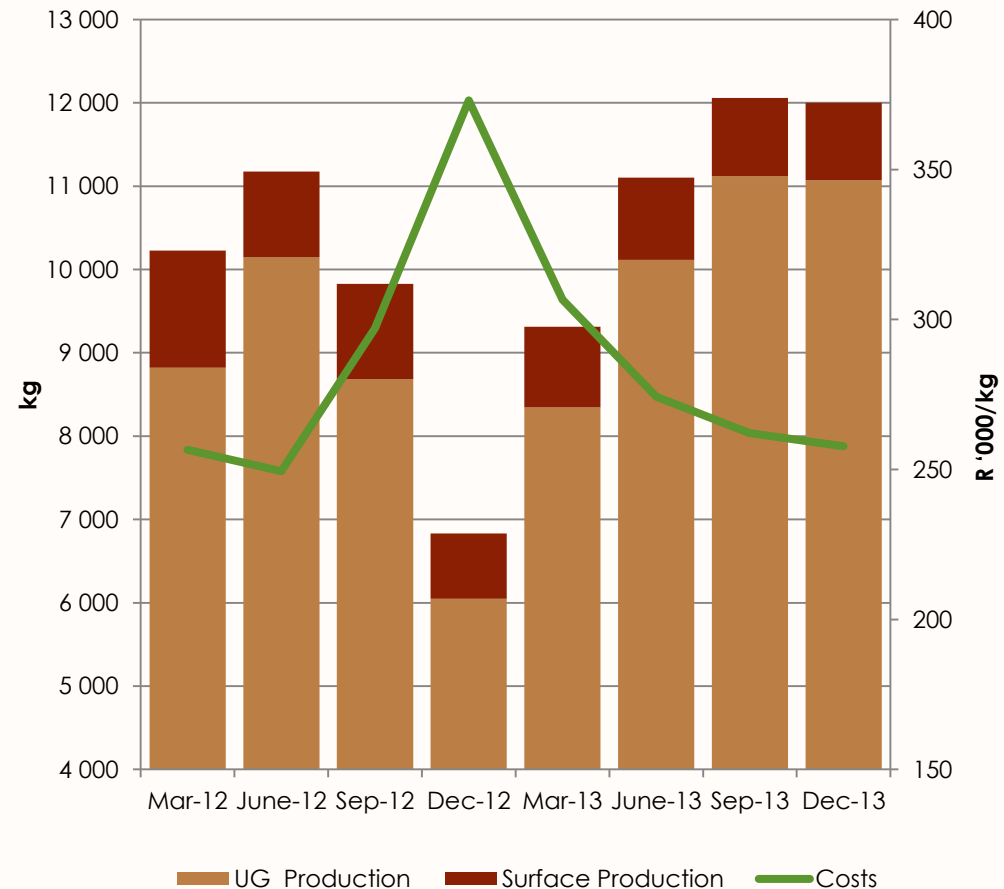


Salient points for the
six months ended
31 December 2013

Operating highlights

- 18% increase in gold produced to 24 061kg (774 600oz)
 - Highest production since Dec 2010 quarter – maintained
 - 12% increase in tons milled and 3% higher yield
- 12% lower total cash cost of R259 919/kg (US\$804/oz) – margin 38%
- 10% lower All-in cost of R336 848/kg (US\$1 043/oz) – margin 20%
- Two year wage increase agreed with labour – limited operational disruption

Sibanye Gold quarterly production and costs

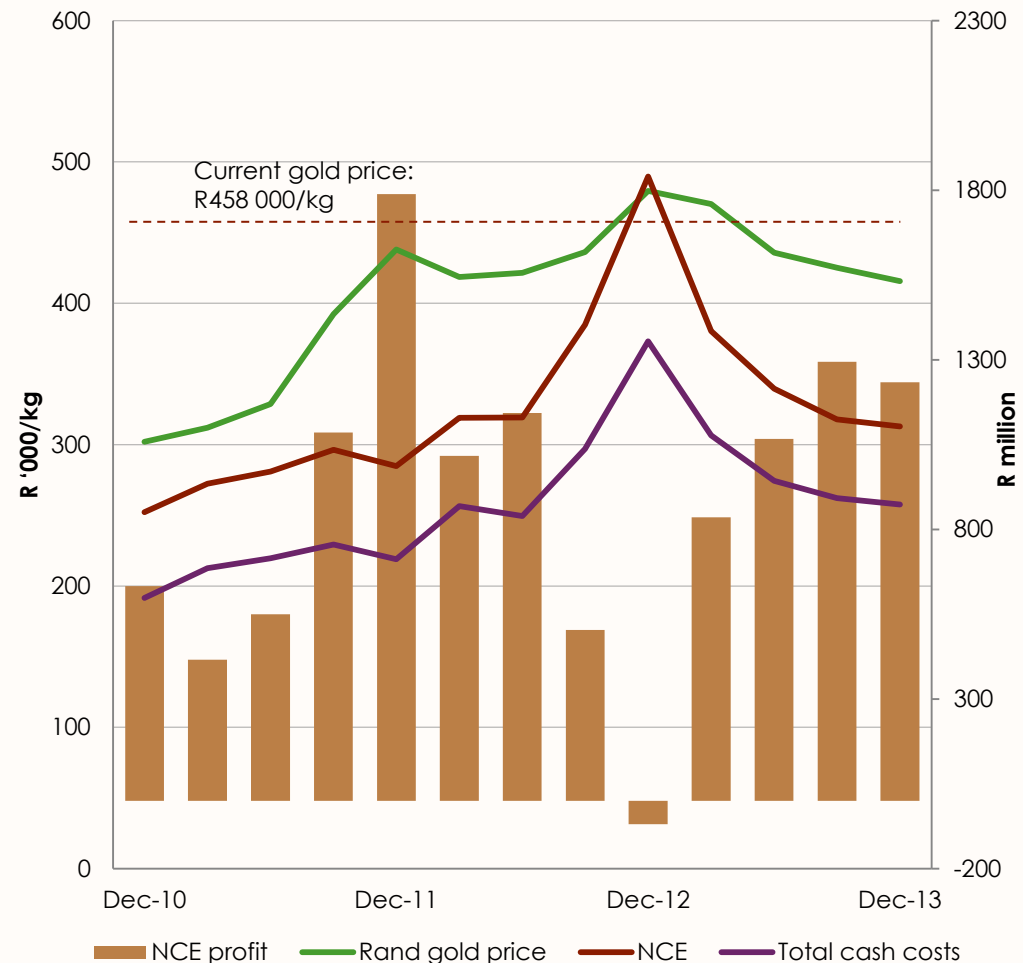


Continued improvement in cost and production trends

Financial highlights

- 19% increase in operating profit to R4.0 billion (US\$399 million)
- Cash from operating activities of 3.7 billion (US\$371m)
- Gross debt reduced to R2 billion (US\$193 million)
- R499 million (US\$48 million) net debt
- Bridge Loan restructured
- Final dividend of 75cps
- Full year dividend of 112cps – 9% yield at 31 Dec 2013

Sibanye Gold quarterly NCE cash flow



Debt and dividends

Debt

- Short term bridge loan facilities restructured
- New 4.5 billion three year facility secured:
 - R2.5 billion revolving credit facility and R2 billion term facility
 - Reduced interest rates
 - Revolving credit facility – 275 basis points over JIBAR
 - Term facility – 285 basis points over JIBAR
- No restrictions on dividends
- Debt reduced to R2 billion

Dividends

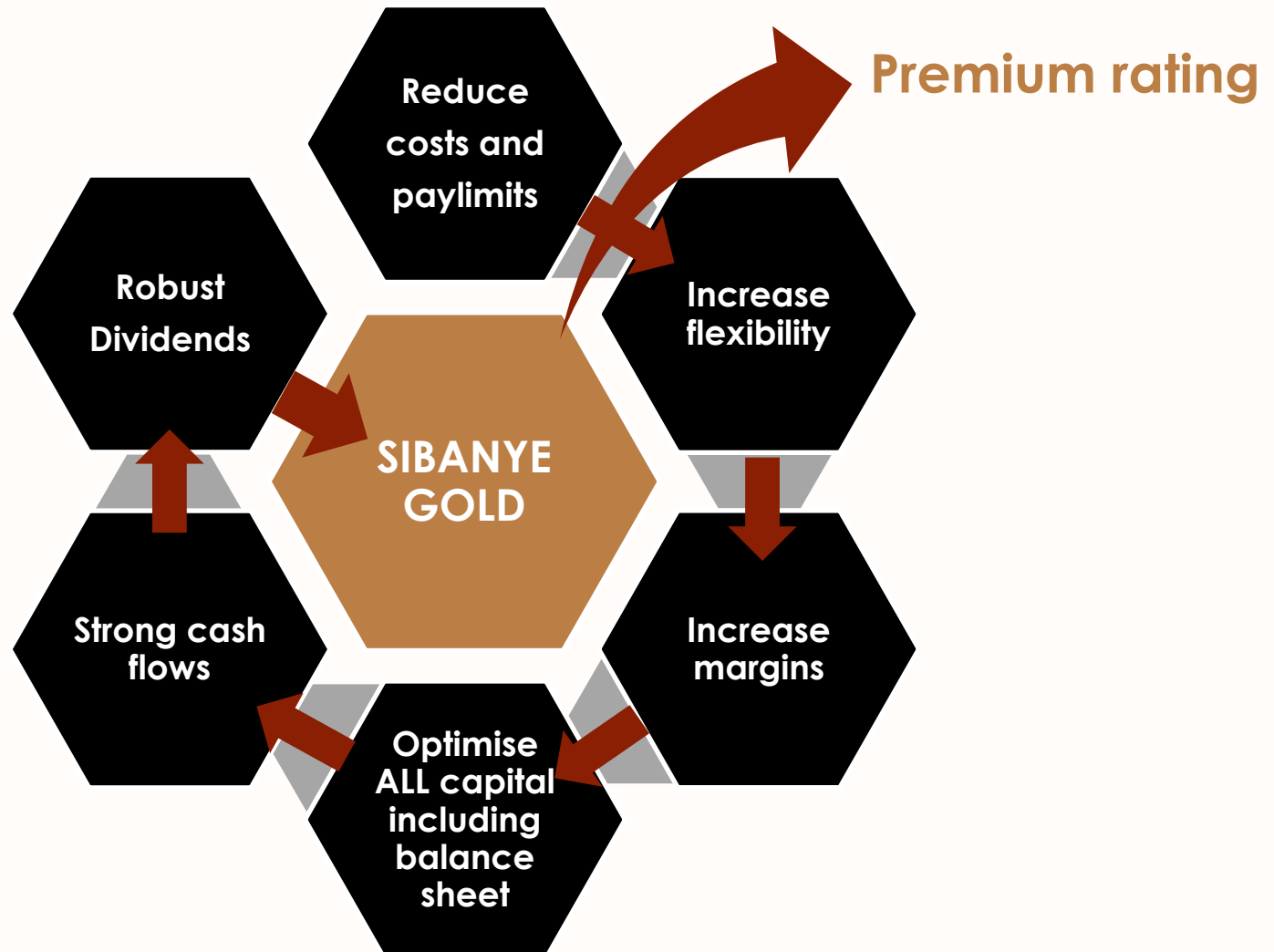
- Normalised earnings for six month period under review = R1 075 million
- Final dividend of 75 cents per share declared
- Full year dividend of 112 cents per share
 - 35% of 2013 normalised earnings
 - **9% dividend yield** at 31 December 2013

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Operating review

New operating strategy



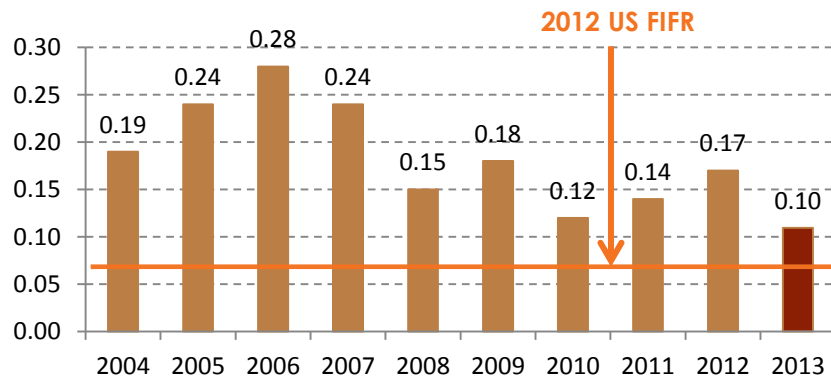
Focused on what investors want

Organisational restructuring

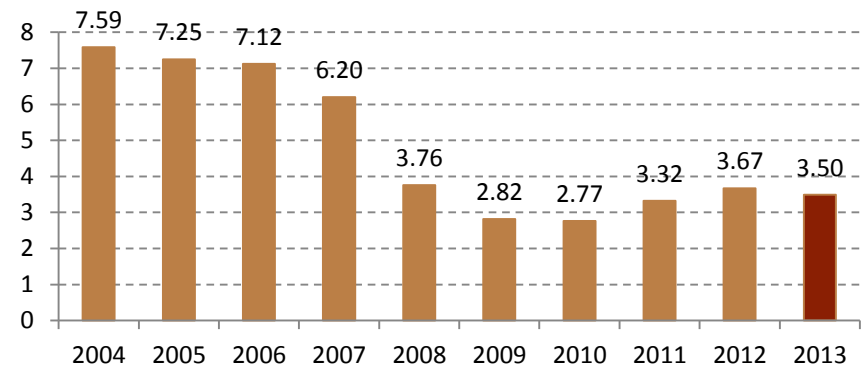
Action	Remarks
Right sized the organisation	Employee headcount reduced by 5 305 (13%) Contractors reduced by 1 486 (37%)
Combined corporate and regional functions	Reduced costs and bureaucracy
Intensified operational focus	Introduced multi-disciplined and empowered operating team structures
Reduced spans of control	Separated KDC into Kloof and Driefontein operations Introduced focused mining and metallurgical units
Flattened organisational structure	More experience and a higher level of skill closer to the face
Refocused and streamlined shared services	Service level contracts being implemented
Maximised plant utilisation	Filled excess plant capacity with low grade surface rock dump material

Improved safety performance

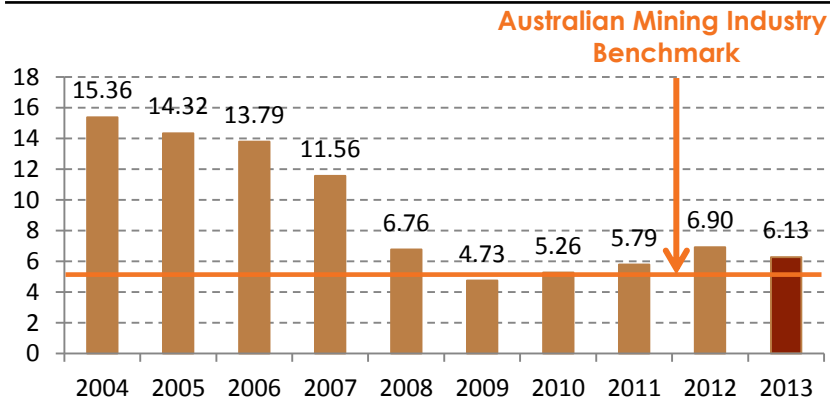
FIFR



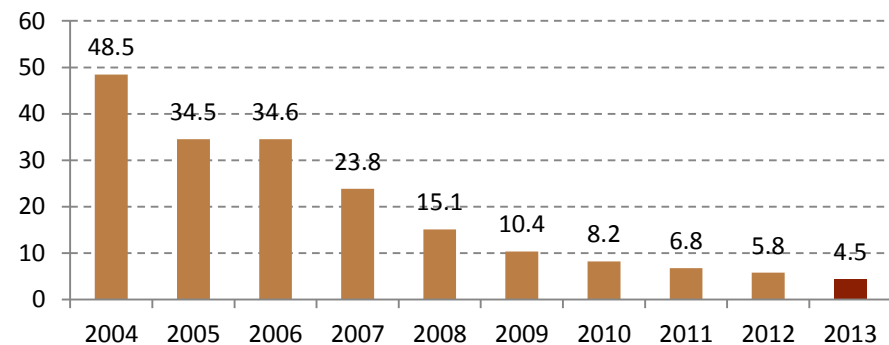
SIFR



LDIFR



T&RIFR

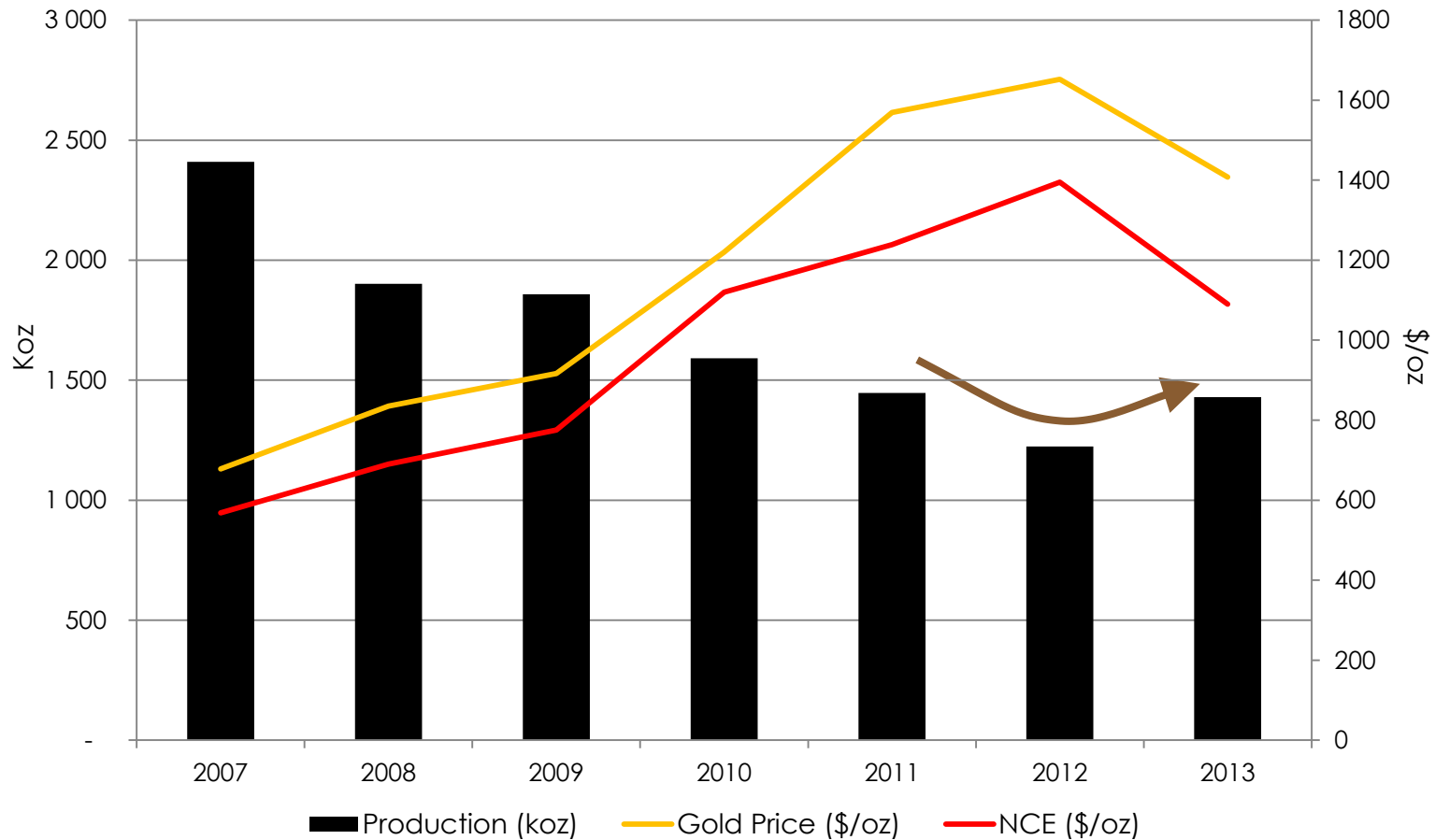


Operating results

		Six months to 31 Dec 2013	Six months to 30 June 2013	% Change
Gold produced	kg	24 061	20 413	18
Ore milled	'000t	7 188	6 436	12
Yield	g/t	3.3	3.2	3
Capex	Rm	1 463	1 439	2
Revenue	R/kg	420 423	451 448	(7)
Operating cost	R/t	852	909	(6)
Operating profit margin	%	39	37	5
Total cash cost	R/kg	259 919	289 031	(10)
NCE	R/kg	315 311	357 032	(12)
NCE margin	%	25	20	25
All in costs	R/kg	336 848	375 036	(10)
All in cost margin	%	20	17	18

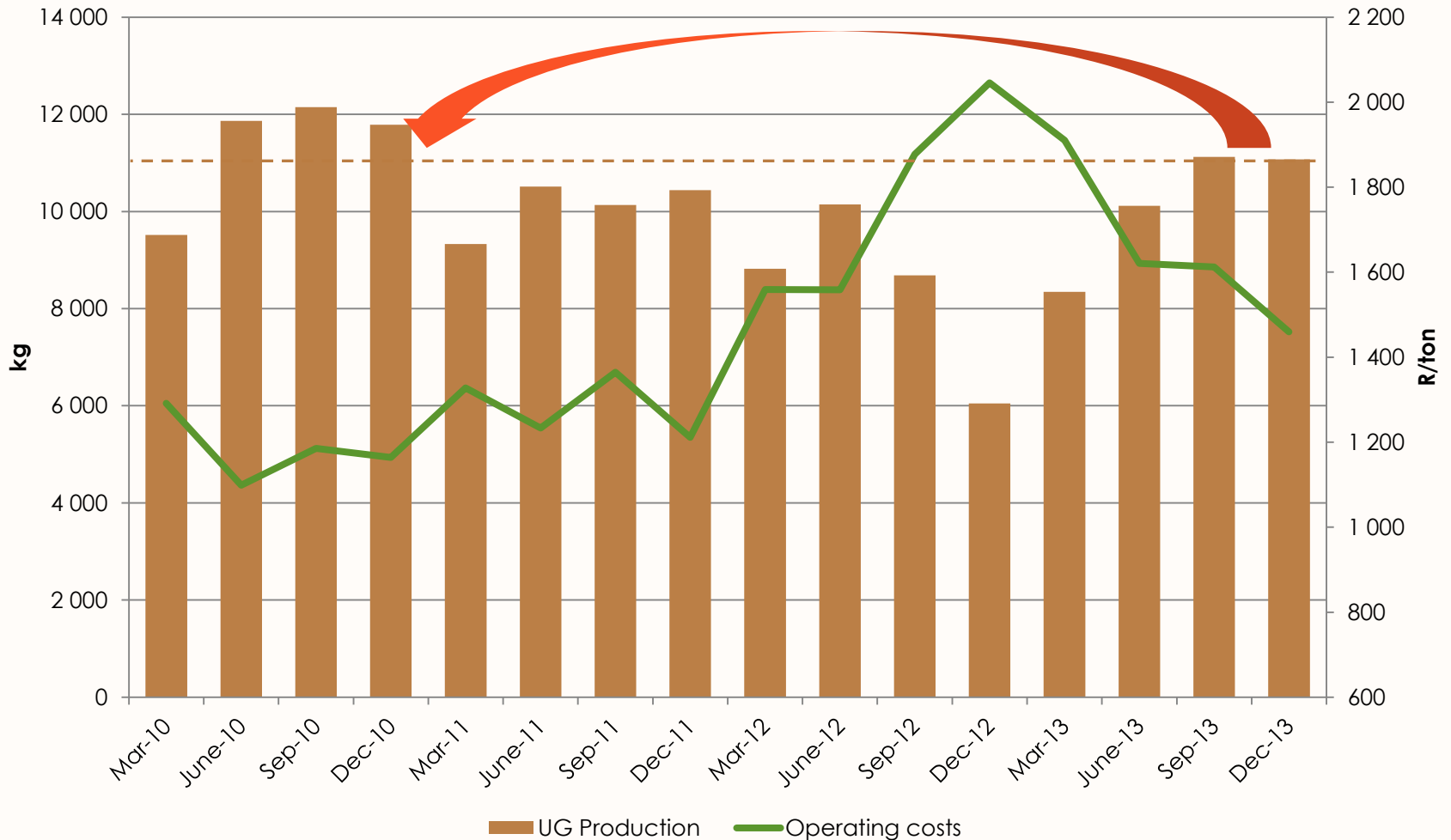
All operating trends moving in the right direction

Reversed negative operational trends



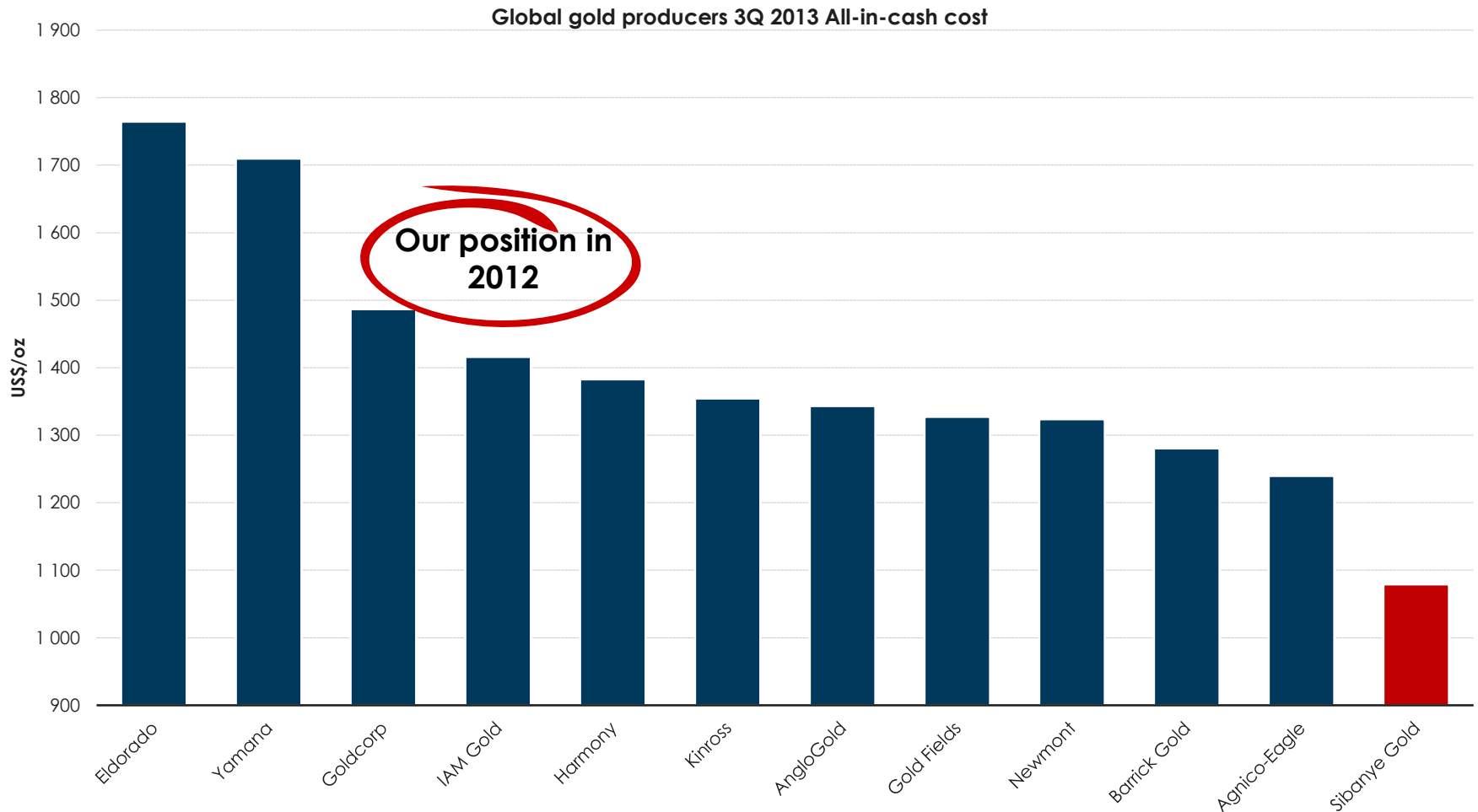
A turnaround has been initiated

Quarterly production and cost trends



Production back to 2010 levels

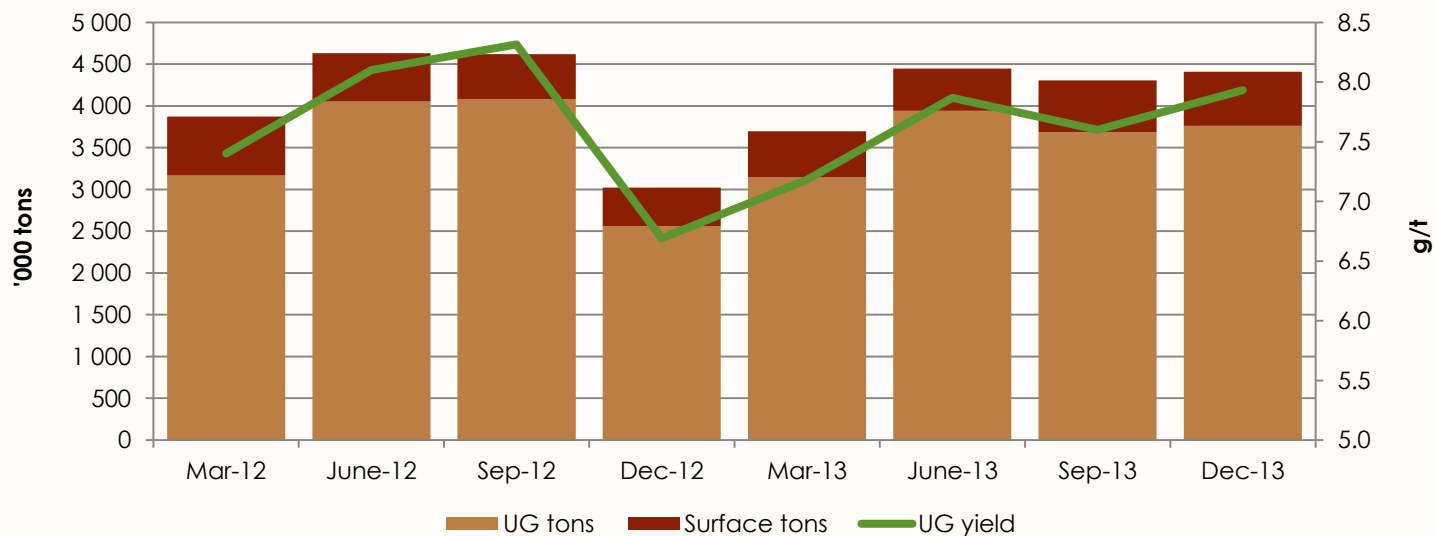
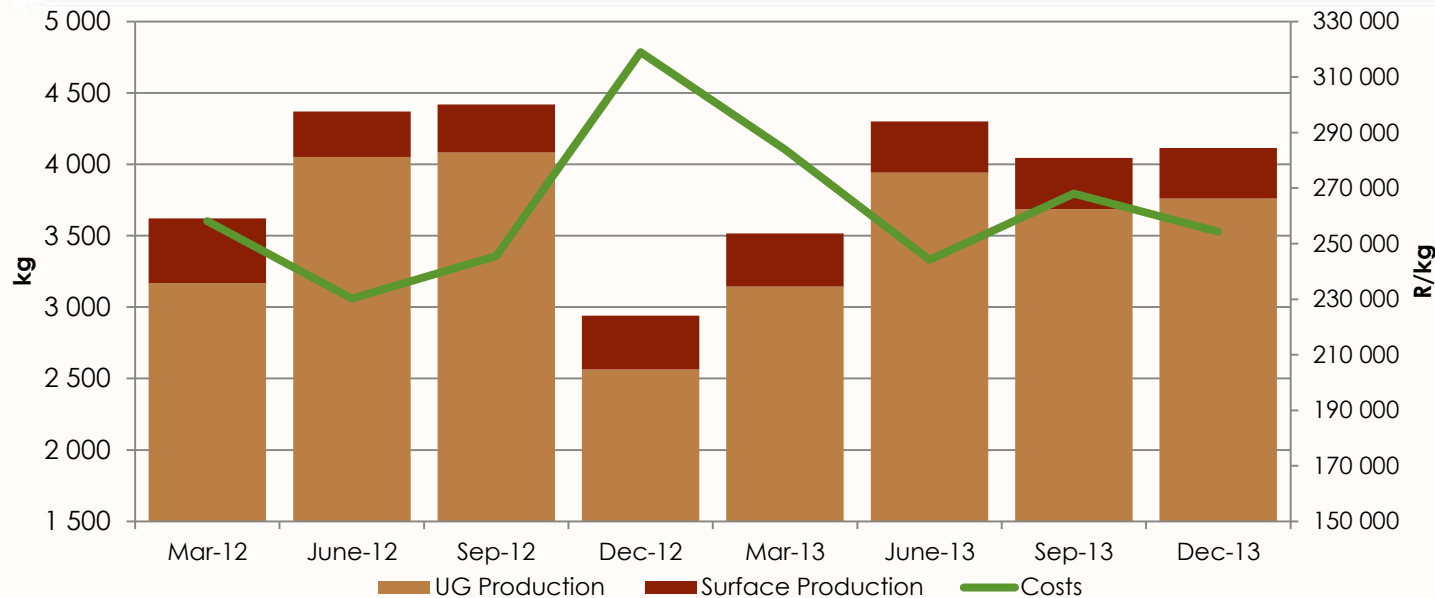
We improved our industry cost ranking



Source: Company data, Absa Capital

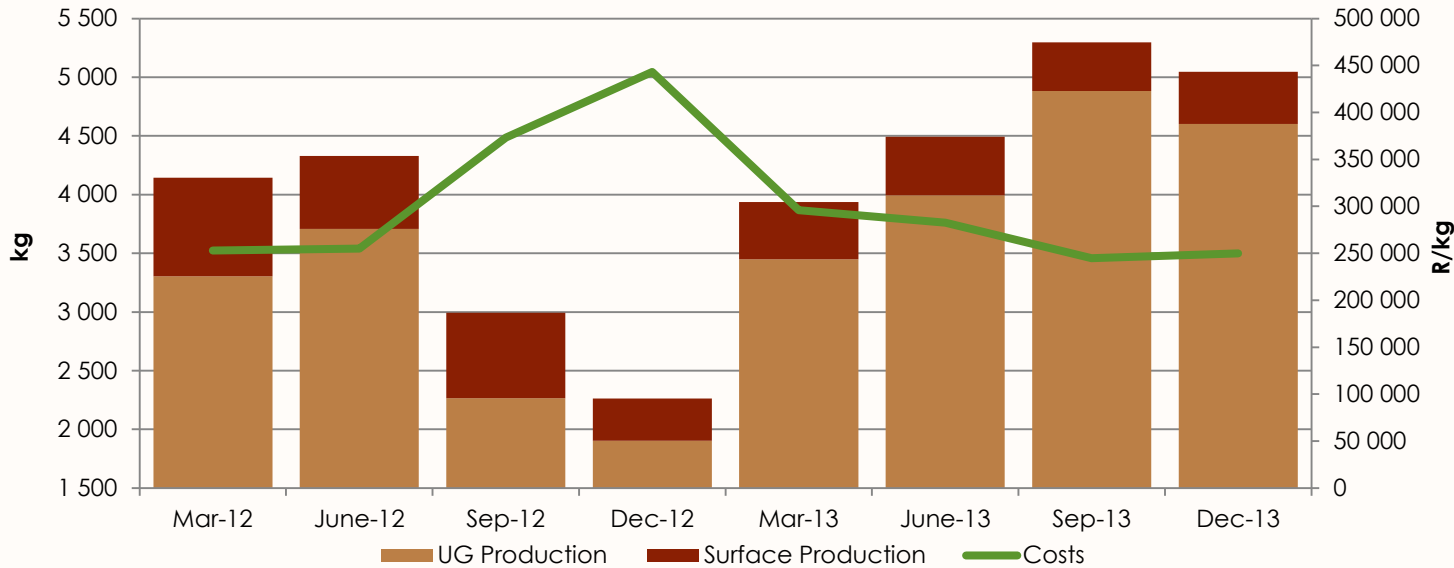
A low cost global producer still with significant upside

Kloof

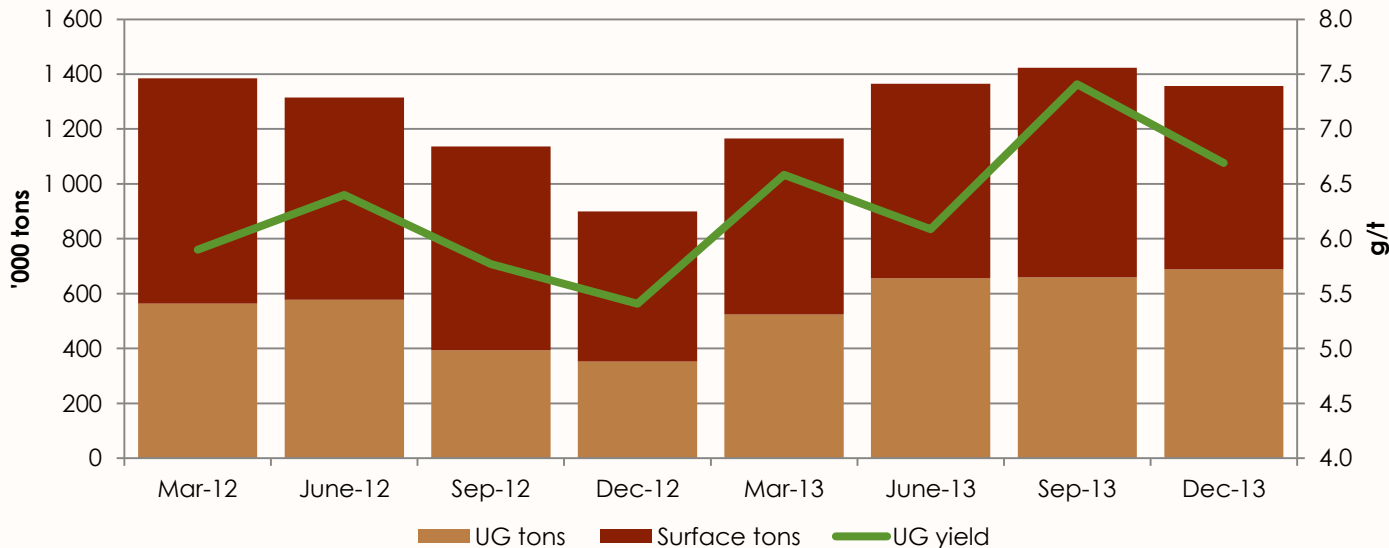


- R1.4 billion operating profit period ended 31 Dec 2013
- Total cash cost flat at R261 086/kg (US\$808/oz)
- All in cost 2% lower at R356 689/kg (US\$1 087)
- On reef development meters 5% higher – 28 months available reserve
- Development values 7% higher

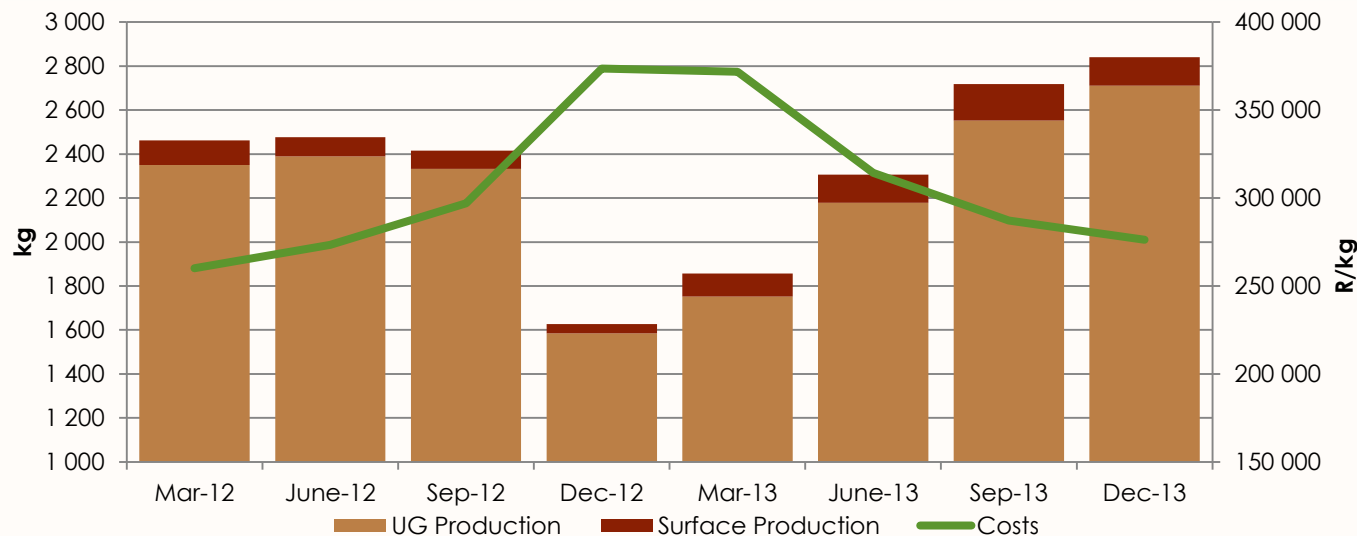
Driefontein



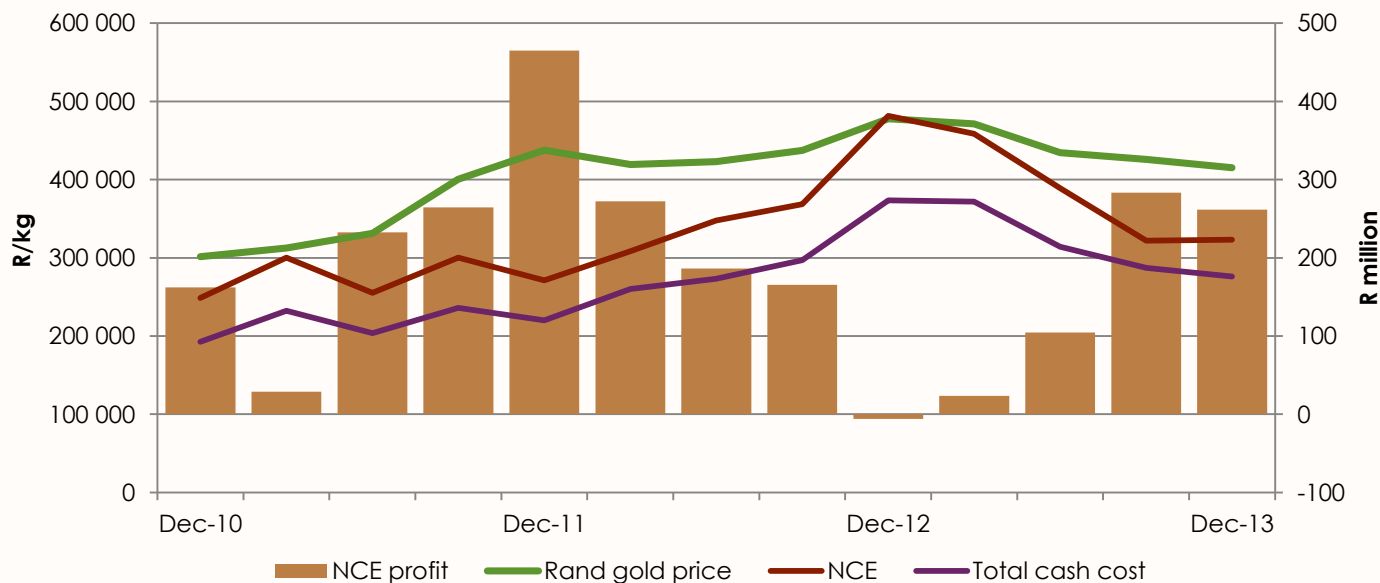
- R1.9 billion operating profit – up 34%
- Total cash cost 14% lower at R247 336/kg (US\$765/oz)
- All-in cost R312 472/kg (US\$967/oz) – margin of 26%
- Main development increased by 4% - 22 months available reserve



Beatrix



- Operating profit up 74% to R777 million (US\$79 million)
- Gold produced increased by 34%
- UG tons milled increased 41%, yield 5% lower due to increased ROM waste
- All in cost 21% lower at R338 586/kg (US\$1 048/oz)
- Targeted development approved at West Section – 17 months total available reserves



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Financial review
Charl Keyter

Income Statement

	Six months to 31 December 2013		Six months to 30 June 2013	
Gold price – R/kg and US\$/oz	R420 423/kg	US\$1 301/oz	R451 448/kg	US\$1 535/oz
	Rand million	US\$ million	Rand million	US\$ million
Revenue	10 115.8	1 006.6	9 215.4	1 007.1
Operating costs	(6 123.8)	(607.9)	(5 849.5)	(639.3)
Operating profit	3 992.0	398.7	3 365.9	367.8
Operating profit margin - %		39%		37%
Amortisation	(1 715.1)	(171.5)	(1 388.8)	(151.8)
Net operating profit	2 276.9	227.2	1 977.1	216.0
Finance expenses	(187.2)	(18.4)	(233.1)	(25.4)
Share based payments	(190.9)	(19.3)	(114.9)	(12.6)
Sundry other	69.8	11.1	65.8	7.2
Profit before non-recurring items	1 968.6	200.6	1 694.9	185.2
continued				

Income Statement (cont.)

	Six months to 31 December 2013		Six months to 30 June 2013	
	Rand million	US\$ million	Rand million	US\$ million
Profit before non-recurring items	1 968.6	200.6	1 694.9	185.2
Non-recurring items	(130.8)	(11.8)	(1 163.6)	(127.2)
• Impairment Beatrix West	-	-	(821.0)	(89.7)
• Restructuring costs	(96.4)	(8.3)	(343.0)	(37.5)
• Other	(34.4)	(3.5)	0.4	-
Royalties	(247.5)	(24.9)	(167.1)	(18.3)
Current taxation	(539.0)	(54.8)	(270.8)	(29.6)
Deferred taxation	357.4	36.3	196.2	21.4
Net profit for the period	1 408.7	145.4	289.6	31.5
Headline earnings	1 428.9	147.6	880.8	96.1

Earnings

	Six months to 31 December 2013		Six months to 30 June 2013	
	Rand million	US\$ million	Rand million	US\$ million
Net profit (less non-controlling interests)	1 402.4	144.8	290.0	31.5
Impairment and profit on sale of assets	(5.1)	(0.6)	820.6	89.7
Loss on loss of control of subsidiary	30.2	3.1	-	-
Tax effect of remeasurement items	1.4	0.2	(229.8)	(25.1)
Headline earnings	1 428.9	147.6	880.8	96.1
Basic earnings per share (cents) #	191	20	51	6
Headline earnings per share (cents) #	195	20	156	17
# Based on the weighted average number of shares in issue during the period (31 December 2013 - 734 367 0030 and 30 June 2013 – 566 412 788)				
Adjusted basic earnings per share (cents) *	191	20	39	4
Adjusted headline earnings per share (cents)*	194	20	120	13
• Based on the actual number of shares in issue at the end of the current period being 31 December 2013 - 735 079 031.				

Cash flows and debt

	Six months to 31 December 2013		Six months to 30 June 2013	
	Rand million	US\$ million	Rand million	US\$ million
Cash flows				
Cash from operations	3 222.6	322.5	3 409.7	372.6
Dividend paid	(271.9)	(27.1)	-	-
Capital expenditure	(1 462.9)	(145.0)	(1 438.6)	(157.2)
Net loan repayments	(2 000.0)	(207.2)		
Other movements	(86.1)	(8.5)	(172.2)	(18.2)
Net cash generated/(utilised)	(598.3)	(65.3)	1 798.9	197.2
Debt:				
Long and short term	1 990.9	192.5	4,000.0	394.1
Less cash balance	(1 492.4)	(144.3)	(2 090.7)	(206.0)
Net debt	498.5	48.2	1 909.3	188.1
Net debt to EBITDA (in Rand terms)	0.07		0.36	

R272 million dividend paid in October 2013

Dividend Declaration for 2013

	Rand million
Earnings attributable to the owners of Sibanye Gold	1 692
Add back amounts required to normalise earnings: (including the Beatrix impairment [R821m] and retrenchments [R439m], partly offset by Tax on these items and a deferred tax rate adjustment [R559m], share of associates after tax [R51m] and other [R6m])	644
Total earnings for dividend purposes	2 356
Dividend earnings payout based on 35%	825
Less interim dividend paid in October	(272)
Earnings available for Final dividend	553
Final dividend based on 735 079 031 shares – c.p.s (ZAR)	75
Interim dividend – c.p.s. (ZAR)	37
Total dividend declared – cents per share (ZAR)	112
Dividend yield based on 18 February share price (cents 2040)	5.5%









Dividend policy to distribute between 25% and 35% of normalised earnings

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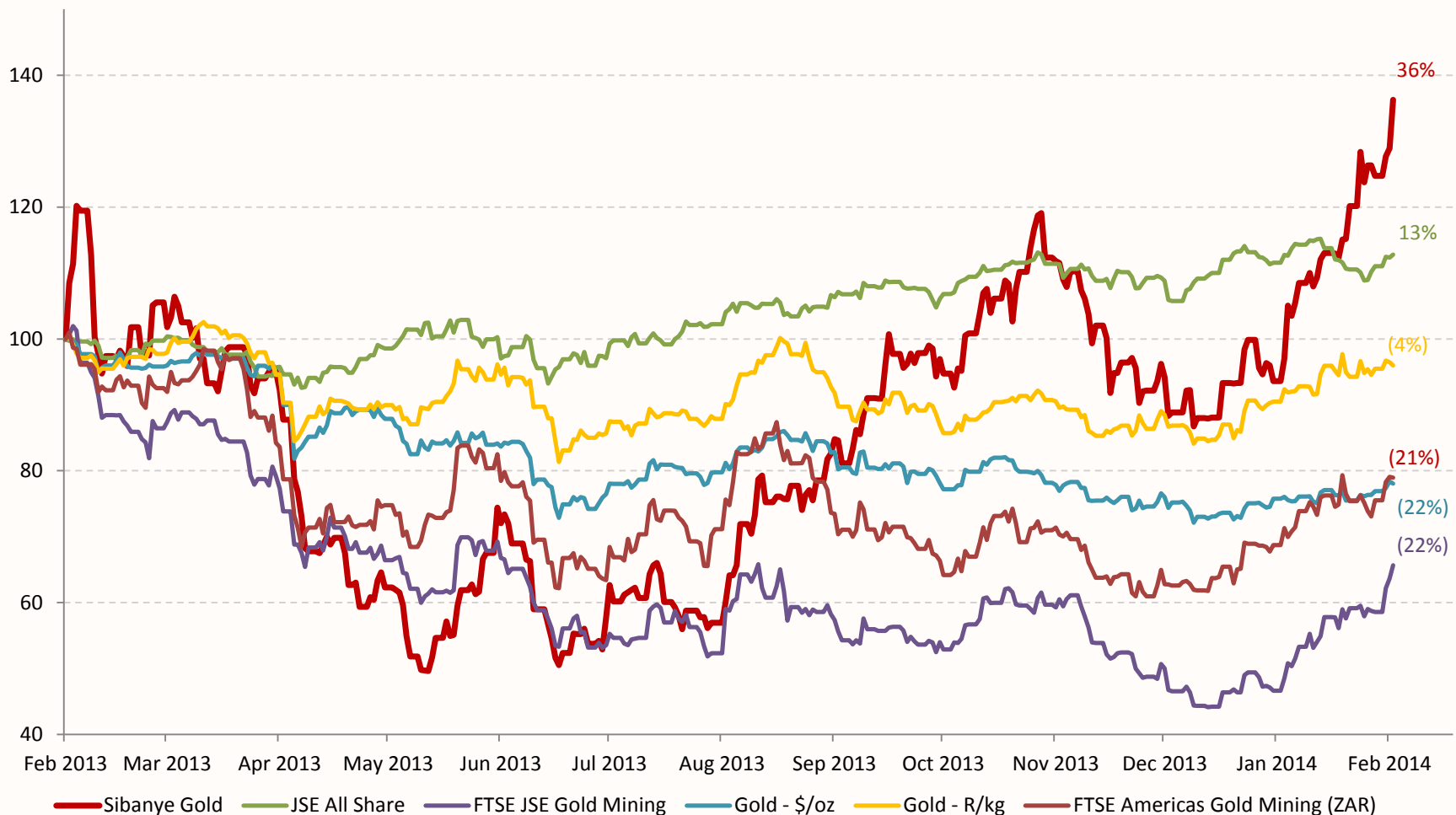


Premium Rating

2013 Scorecard

• Arrested the declining production profile	
• Reduced costs and reset the cost base	
• Two year wage agreement - limited operational disruption	
• Gold Reserves by increased 6.4Moz – higher production for longer	
• Unlock 4Moz gold and 43Mlb uranium in West Wits TSFs	
• Secured extended future for the Beatrix Operation	
• More than halved and favourably restructured debt	
• Delivered on commitment to be a benchmark dividend vehicle	

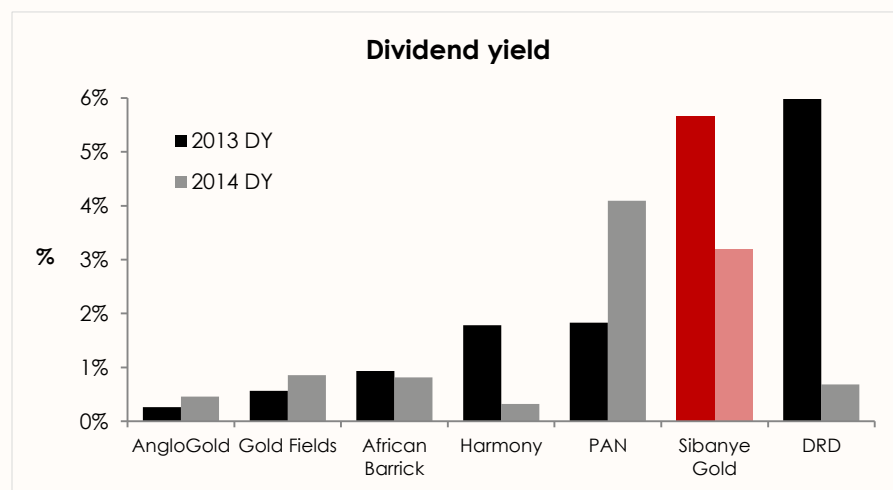
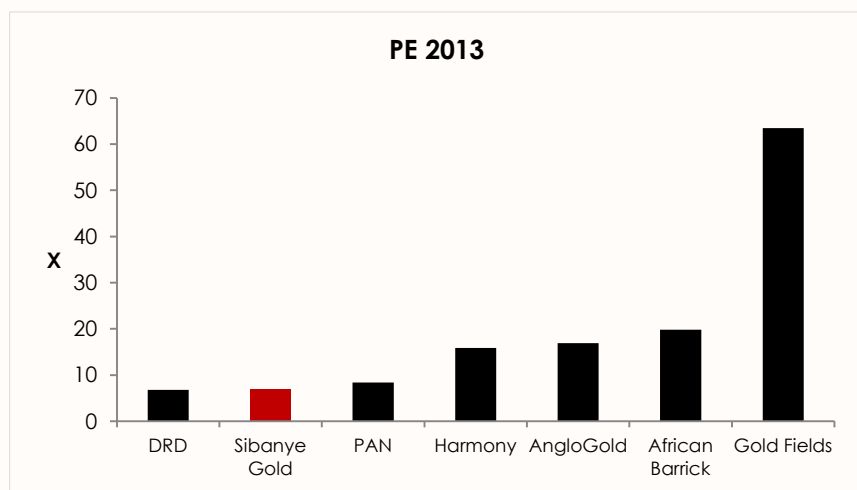
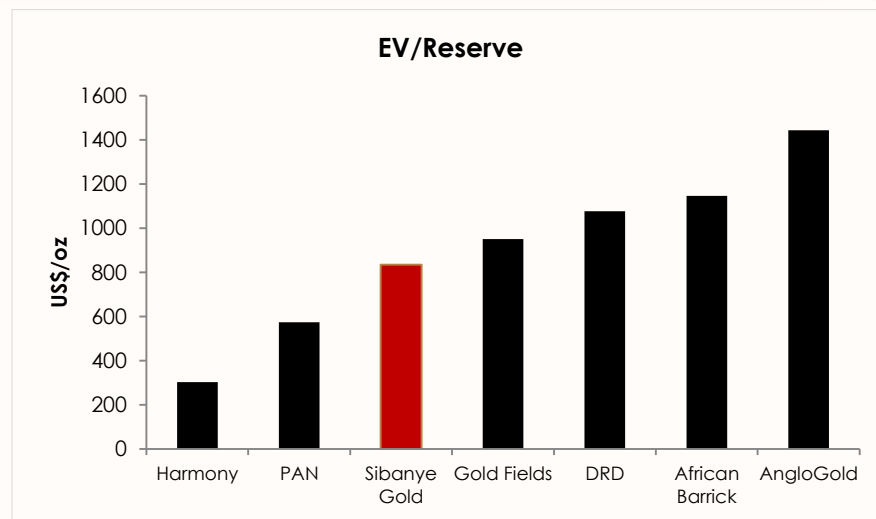
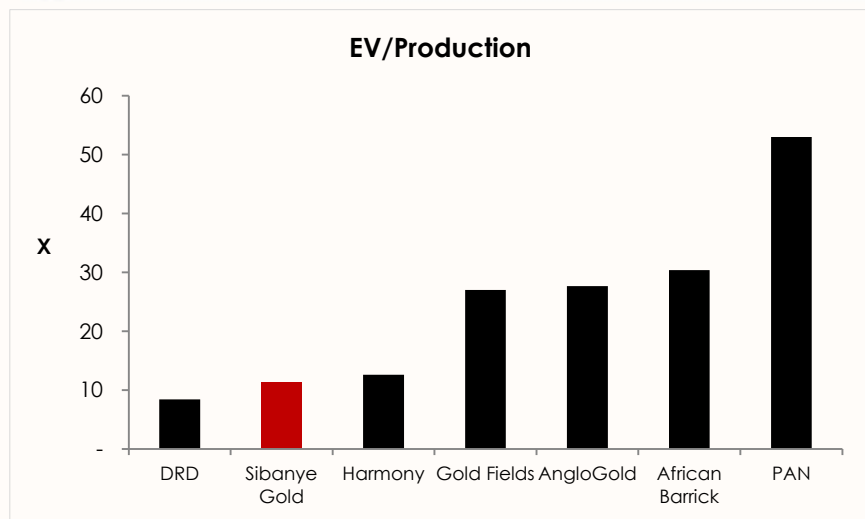
Sibanye Gold relative share price performance



Source: Bloomberg as at 12 February 2014

Significant outperformance of peers since mid 2013

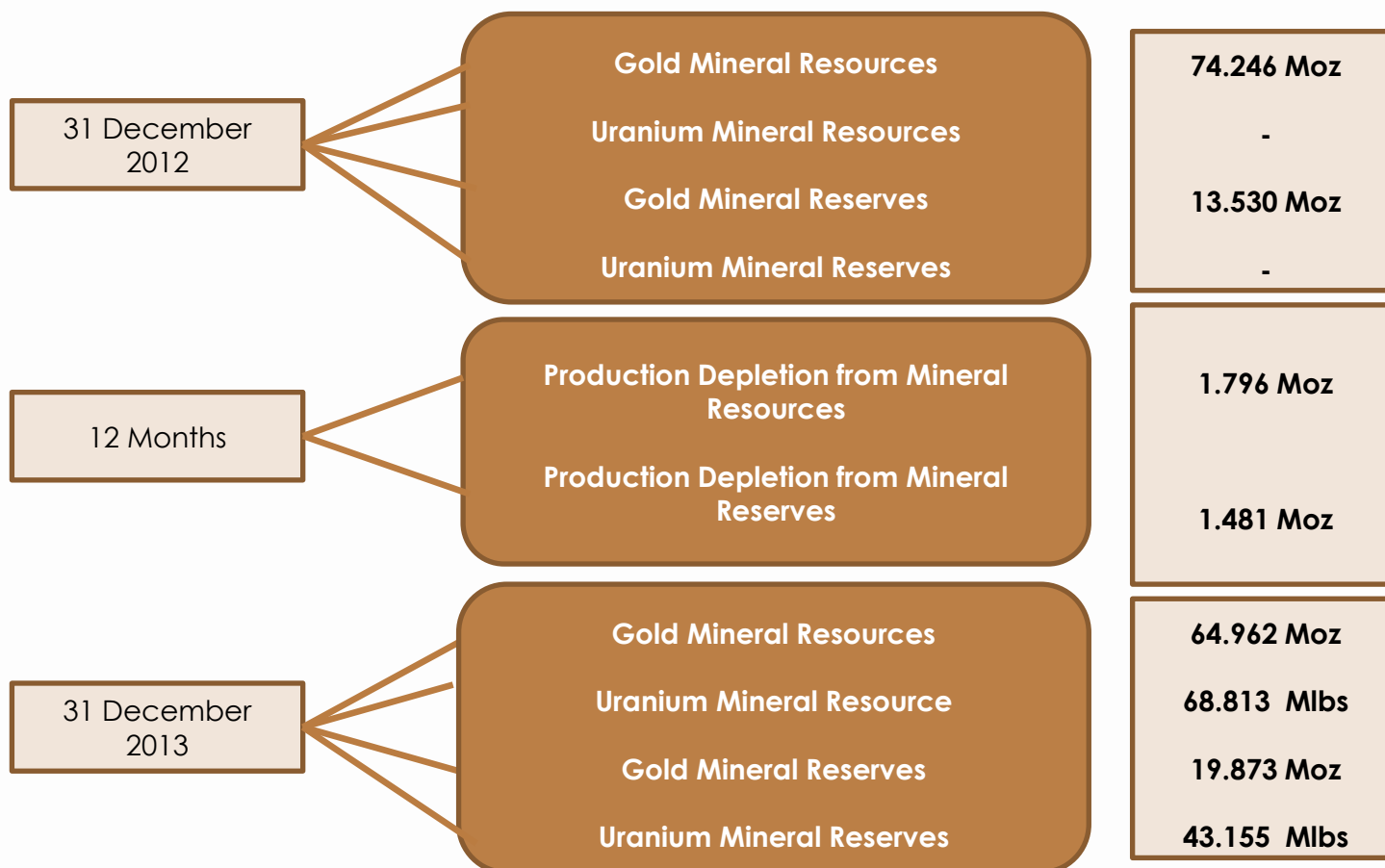
Peer benchmarking



Source: Bloomberg consensus 14 February 2014

Mineral Resources and Mineral Reserves

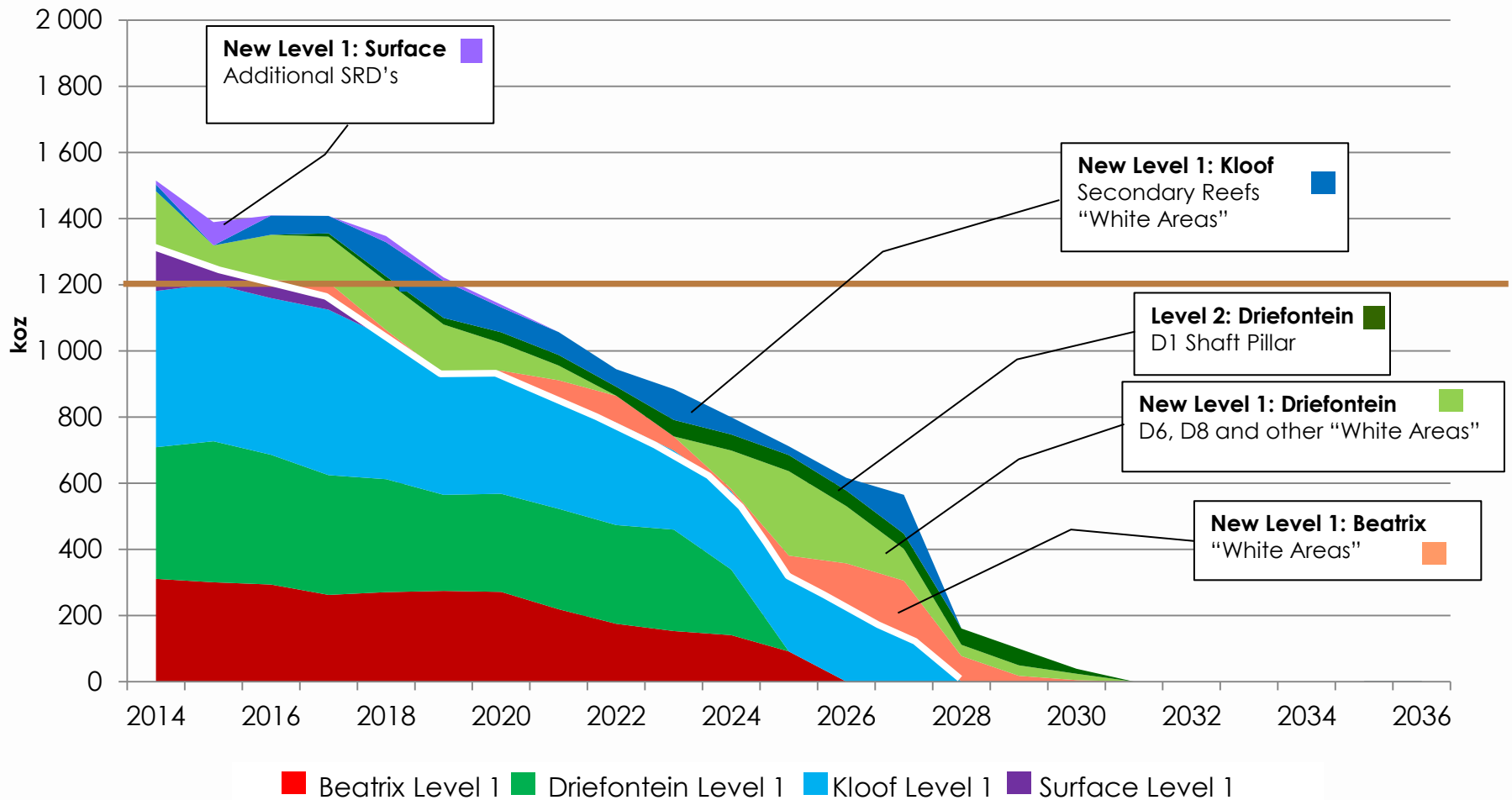
Headline numbers – 31 December 2013



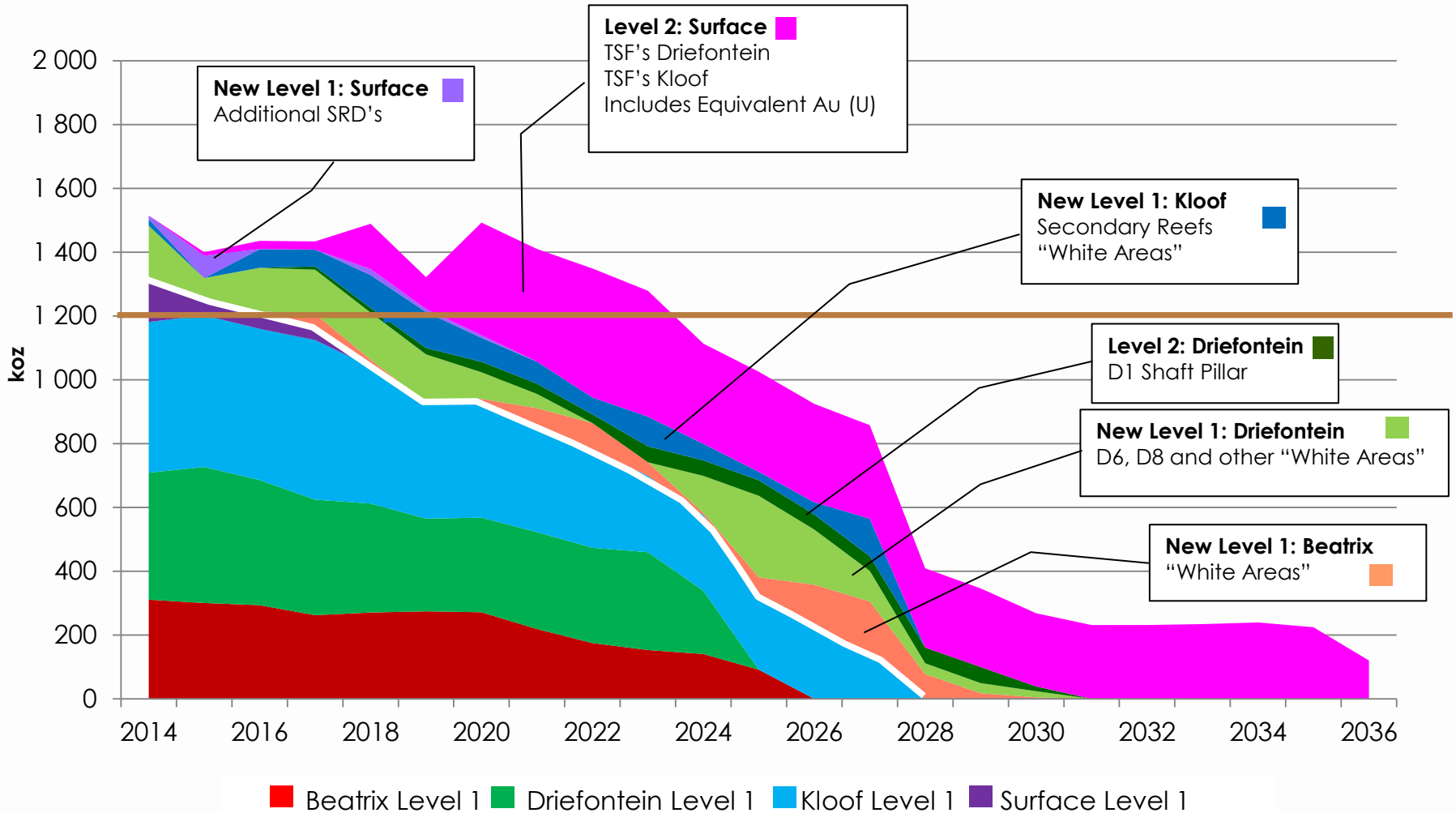
- 31 December 2013 figures are net of production depletion
- Gold Price of R410 000/kg
- Uranium Price of US \$60/lb

- All Mineral Resources and Mineral Reserves are Attributable and Managed by SGL
- Mineral Resources are inclusive of Mineral Reserves

Life of Mine Profile – Gold Produced

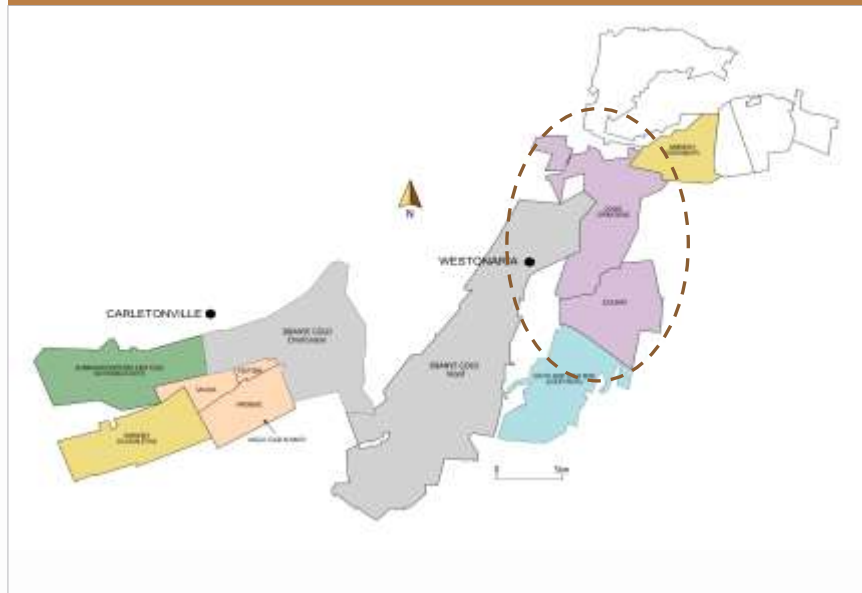


Life of Mine Profile – Gold Produced



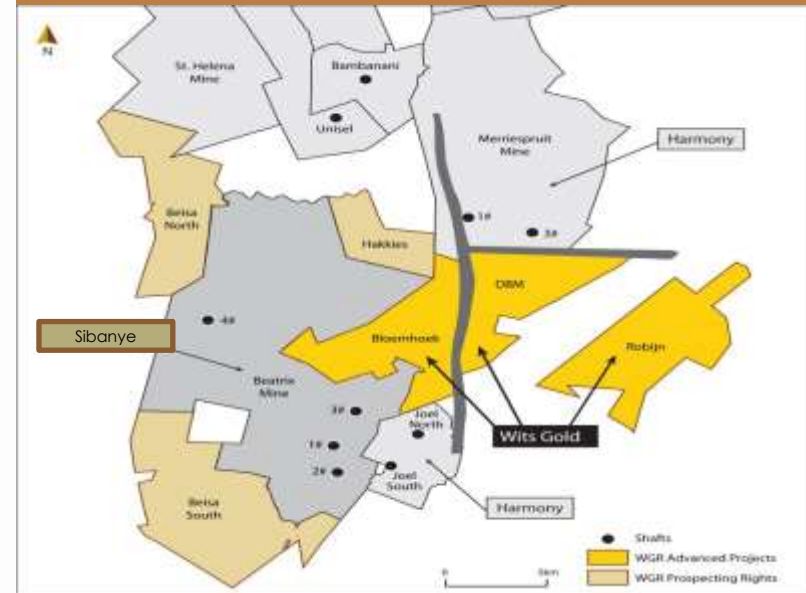
Proposed acquisitions update

Cooke Complex Acquisition (August 2013)



- Earnings and value accretive
- Regional synergies - operational/infrastructure
- Ave 260koz of gold and 500-570klbs of uranium production over 5 years
- Unlocks 4Mozs gold and 43Mlb uranium from Sibanye Gold TSFs

Wits Gold Offer (December 2013)

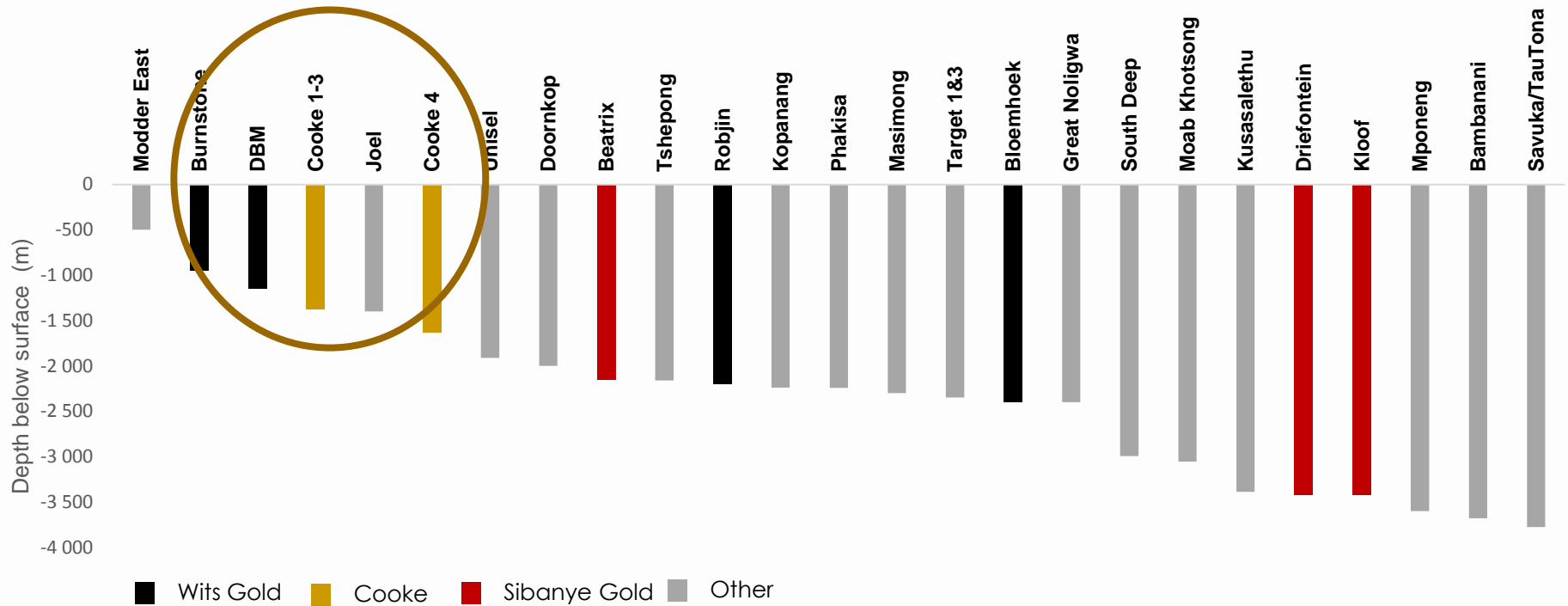


- Secures key resources adjacent to Beatrix, which will extend Beatrix's LOM
- Operational/infrastructure synergies enhance the value of Wits Gold's advanced Southern Free State projects
- Beisa North and South provide critical mass to Beisa uranium Section

Outstanding conditions precedent: Section 11 approval from DMR

Enhancing LOM and optimising asset utilisation

Gradual shift to shallower mining



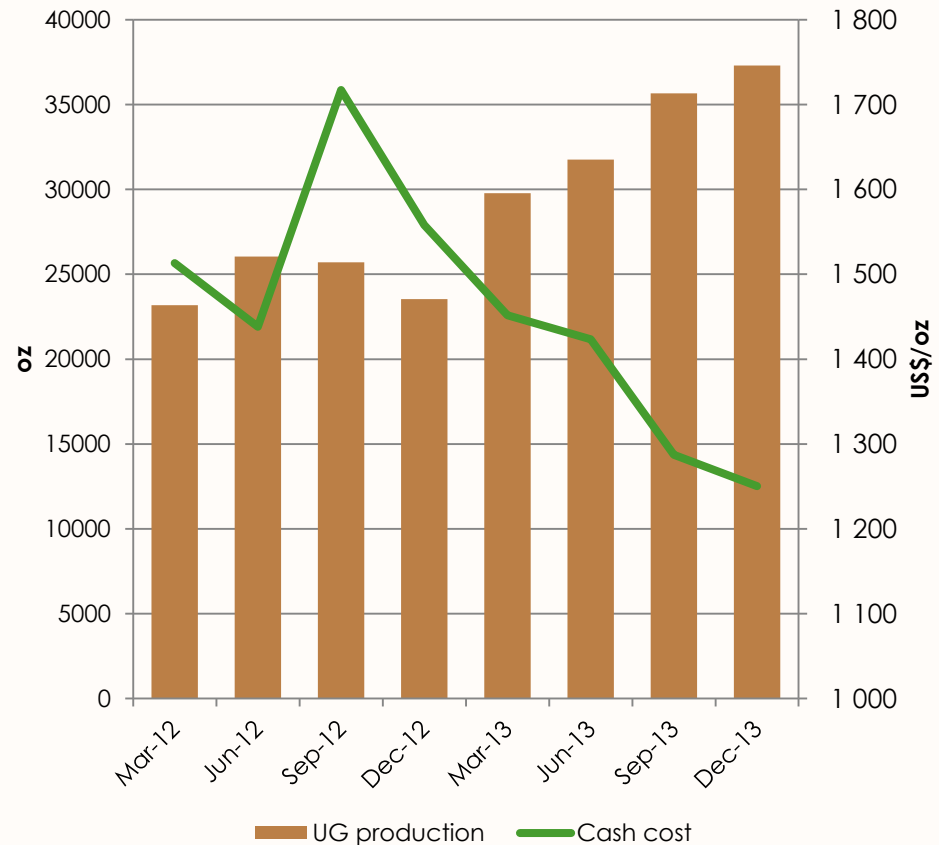
Source: QR Research

Targeting shallower mining horizons

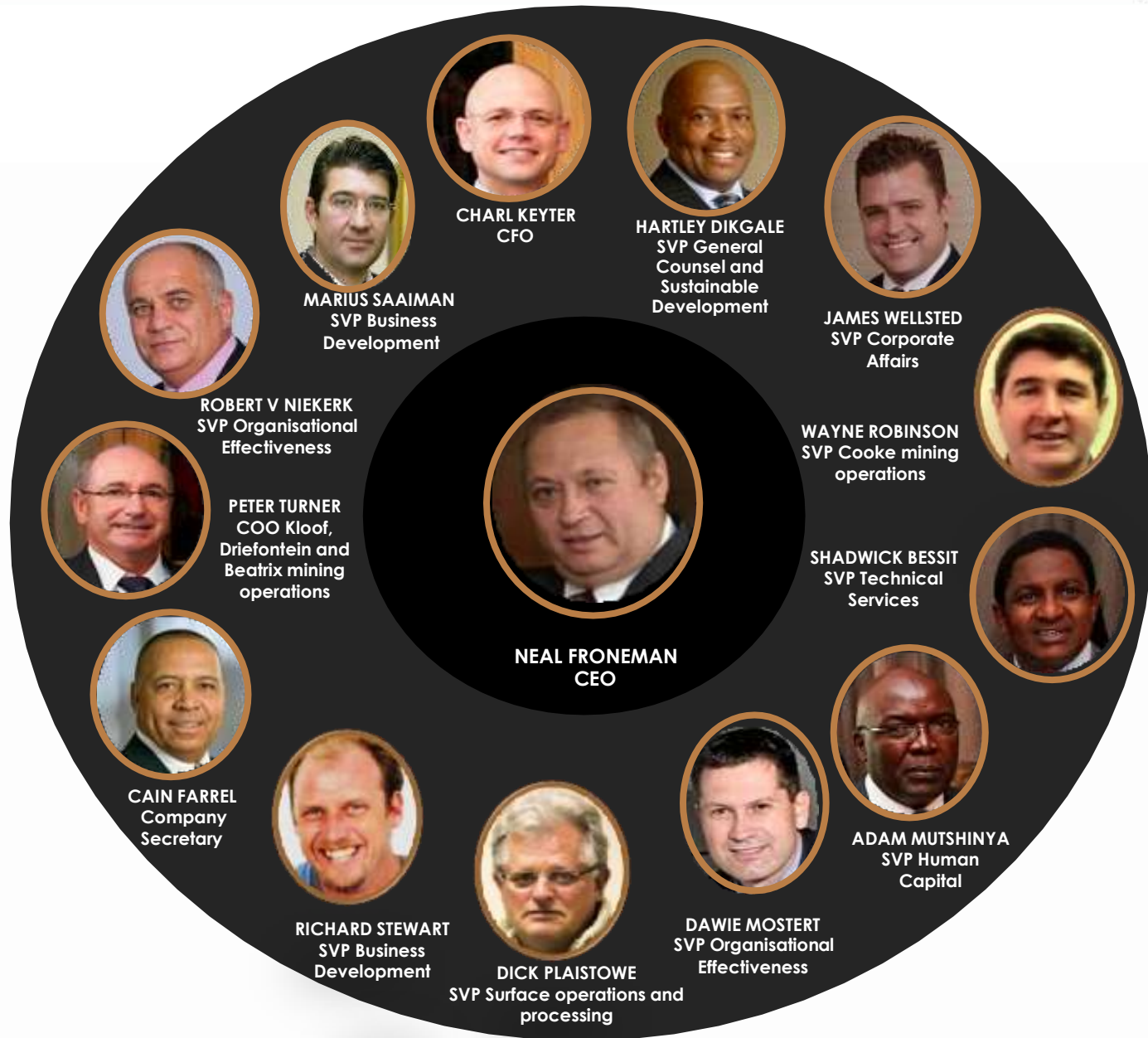
Cooke Operations update

- Dec 2013 quarter underground gold production – 37 303 ounces - 14% above guidance
- Randfontein Surface Operations gold production – 10 144 ounces - exceeded guidance by 16%
- Cooke 4 gold production – 11 585 ounces - 35% q-on-q increase
- Underground cash costs (including Cooke 4) - US\$1 250/oz
- Commissioning of first 50 000 ton per month uranium plant module successfully concluded during the Dec 2013 quarter
- Underground development of co-product uranium areas continues

Cooke UG production and costs



EXECUTIVE MANAGEMENT



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Outlook

2014 focus areas

Action	Remarks
Optimise the organisation for sustainable production levels	Ongoing rightsizing and cost management
Increase underground productivity with revised work arrangements and profit share schemes	Face time analysis – effective shift arrangements and utilisation
Fast track the surface tailings re-treatment opportunity	Gold One JV prefeasibility complete and currently under review
Turn to account the high quality measured resource	New “stronger for longer“ LOM plans based on the new operating philosophy, secondary reef potential, high grade pillars and remnant areas
Integrate acquisitions	Cooke operations and Wits Gold

2014 Operating Forecast

- Gold production: 44 000 kg (1.4 million oz)
- Total cash costs of ~ R260 000/kg (US\$850/oz)
- All in costs of ~ R360 000/kg (US\$1 100/oz)
- Capital expenditure: Total capex R3.05 billion
 - R1.75 billion Ore Reserve Development and R1.3 billion sustaining

Our strengths, weaknesses, opportunities & threats

Strengths

- Large high quality Resource
- Good people
- Ability to run deep level, safe operations

Weaknesses

- High cost structures
- Rising costs
- Relatively small Reserve
- High grade mind-set; costs are ok
- Declining gold production

Opportunities

- Refocus/ Reorganise operating strategy
- Reduce costs and pay limits
- Arrest declining production
- Pay dividends
- Growth through value accretive industry consolidation

Threats

- Gold price and volatility
- Political uncertainty and unclear legislation
- Labour unrest and work stoppages
- Community unrest due to the lack of service delivery
- Illegal mining
- Safety stoppages

Conclusion

- ✓ Established as a benchmark dividend yield company in the gold sector
- ✓ Operational credibility restored
- ✓ Further productivity and cost improvements likely
- ✓ Reserve increases support stronger for longer mine plans at similar level of capital expenditure
- ✓ Recent acquisitions value accretive and strategic
- ✓ An experienced management team focused on delivery

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Questions