

Operating and Financial Results

for the six months ended 30 June 2016

A proudly South African mining company

Introduction

This announcement is the responsibility of the directors of the company. The information disclosed is only a summary and does not contain full or complete details. Any investment decisions should be based on the consideration of the full results announcement. Sibanye Gold's full results announcement has been released on SENS and is available on the company's website: www.sibanyegold.co.za.

The full results announcement is available for inspection at the company's registered office and the offices of our sponsors during normal business hours and is available at no charge. Alternatively, copies of the full announcement may be requested from the company's investor relations department.

WESTONARIA 25 August 2016: Sibanye Gold Limited ("Sibanye") (JSE: SGL & NYSE: SBGL) is pleased to report operating results and reviewed condensed consolidated interim financial statements for the six months ended 30 June 2016.

Salient Features for the six months ended 30 June 2016

- **Interim dividend** of 85 cents per share (ZAR) declared;
- **Operating profit** increases 128% to R5.4 billion (US\$351 million);
- **Gold production** of 23,229kg (746,800oz) 5% higher year-on-year;
- **Gold All-in sustaining cost** 3% higher at R448,922/kg, in US\$ terms 20% lower at US\$908/oz; and
- **Annual production** guidance maintained.

United States Dollars Six months ended			Key Statistics		South African Rand Six months ended			
June 2015	Dec 2015	June 2016			June 2016	Dec 2015	June 2015	
				Gold Division				
713.9	822.1	746.8	000' oz	Gold produced	kg	23,229	25,571	22,204
1,207	1,115	1,220	US\$/oz	Revenue	R/kg	603,427	487,736	461,426
68	61	57	US\$/ton	Operating cost	R/ton	869	839	810
199.0	298.0	346.0	US\$m	Operating profit	Rm	5,320.7	3,971.0	2,366.0
23	32	38	%	Operating margin	%	38	32	23
1,137	941	908	US\$/oz	All-in sustaining cost	R/kg	448,922	411,795	434,769
				Platinum Division				
-	-	51,346	oz	Platinum produced	kg	1,597	-	-
-	-	92,773	oz	4E production	kg	2,886	-	-
-	-	832	US\$/4Eoz	Average basket price	R/4Eoz	12,499	-	-
-	-	4.7	US\$m	Operating profit	Rm	72.2	-	-
-	-	10	%	Operating margin	%	10	-	-
-	-	683	US\$/4Eoz	Cash operating cost	R/4Eoz	10,268	-	-
				Group				
15.1	41.1	21.7	US\$m	Basic earnings	Rm	333.0	537.1	179.8
14.3	38.6	72.4	US\$m	Headline earnings	Rm	1,113.9	505.0	169.6
20.5	75.2	139.9	US\$m	Normalised earnings	Rm	2,152.0	976.5	243.3
2	8	15	cps	Normalised earnings	cps	234	107	27

Statement by Neal Froneman, Chief Executive Officer of Sibanye Gold

"Sibanye delivered a strong financial result for the six months ended 30 June 2016, driven largely by a higher prevailing rand gold price, but underpinned by solid operational delivery from both the Gold and Platinum divisions, despite both being impacted by numerous unanticipated operational disruptions.

The highly leveraged nature of the gold operations was clearly evident during the period: a 31% increase in the average rand gold price to R603,427/kg and a 5% increase in gold production resulted in operating profit from the Gold Division increasing by 125% to R5,321 million (US\$346 million). The Platinum Division, which was incorporated from 12 April 2016 following the conclusion of the Aquarius Platinum Limited acquisition, delivered record quarterly production of 92,773oz (4E), resulting in an attributable operating profit of R72 million (US\$5 million).

Normalised earnings of R2,152 million for the six months ended 30 June 2016, was R1,909 million higher than the R243 million reported for the comparative period in 2015.

Considering the solid operating performance and constructive outlook for precious metals prices for the remainder of the year, the Board has declared an interim dividend of 85 cents per share (R785 million) equivalent to 36% of normalised earnings. The comparative interim dividend declared in 2015 was 10 cents per share (R91 million), with the total dividend of 100 cents per share (R917 million) for the year ended 31 December 2015.

Outlook

The South African mining industry generally delivers seasonally higher production and overall improved operational results during the second half of the calendar year, primarily due to fewer public holidays than in the first six months of the year. Barring any unplanned disruptions, Sibanye's Gold Division should deliver a significantly improved performance in the second half of the year.

On the basis of normal operational performance during the second half of the year, production guidance of 50,000kg (1.6Moz) remains unchanged, albeit that the future of Cooke 4 shaft is currently under review. Total cash cost is forecast at approximately R355,000/kg (US\$760/oz) and the All-in sustaining cost at approximately R425,000/kg (US\$910/oz). The capital expenditure forecast also remains at R3.9 billion (US\$270 million) and All-in cost is forecast at approximately R440,000/kg (US\$945/oz). The dollar costs are based on an average exchange rate of R14.50/US\$.

Attributable production from the Platinum Division for the nine months to 31 December 2016 is forecast at 260,000oz (4E), at an average cash operating cost of R10,600/4Eoz (US\$735/4Eoz). Attributable capital expenditure is forecast at approximately R225 million (US\$15 million). These forecasts do not assume any production from the Rustenburg assets for 2016.

Gold and PGM prices have strengthened over the course of 2016 and the outlook for both remains supportive of further gains. The rand gold price has recently pulled back from record highs of around R650,000/kg, due to a sharp, recent recovery in the rand, but spot prices of approximately R580,000/kg remain significantly higher than the R450,000/kg used for internal planning purposes in 2016.

The long term fundamental outlook for PGM prices remains positive, but in the short term both rand and dollar PGM prices are likely to remain muted. Given current industry cost pressures and ongoing labour and regulatory related complexity and uncertainty the platinum sector is likely to remain under significant pressure in the short term."

(See full set of results for further information on www.sibanyegold.co.za).

Stock data for the six months ended 30 June 2016

Number of shares in issue		JSE Limited – (SGL)	
– at 30 June 2016	923,902,469	Price range per ordinary share	ZAR24.57 to ZAR61.20
– weighted average	919,088,871	Average daily volume	6,115,753
Free Float	80%	NYSE – (SBGL); one ADR represents four ordinary shares	
ADR Ratio	1:4	Price range per ADR	US\$6.09 to US\$16.35
Bloomberg/Reuters	SGLS / SGLJ.J	Average daily volume	1,693,348

Interim Dividend

The Sibanye Board approved an Interim Dividend, number 4, of 85 SA cents per share (gross) for the six months ended 30 June 2016.

Sibanye's dividend policy is to return between 25% and 35% of normalised earnings to shareholders. The Board may also consider declaring a special dividend after due consideration of the Group cash position and future requirements. Normalised earnings are defined as: basic earnings excluding gains and losses on foreign exchange and financial instruments, non-recurring items and its share of result of associates, after taxation.

The Interim Dividend is subject to the Dividends Withholding Tax. In accordance with paragraphs 11.17 (a) (i) and 11.17 (c) of the JSE Listings Requirements the following additional information is disclosed:

- The dividend has been declared out of income reserves;
- The local Dividends Withholding Tax rate is 15% (fifteen per centum);
- The gross local dividend amount is 85 SA cents per ordinary share for shareholders exempt from the Dividends Tax;
- The Dividend Withholding Tax of 15% will be applicable to this dividend;
- The net local dividend amount is 72.2500 SA cents (85% of 85 SA cents) per ordinary share for shareholders liable to pay the Dividends Withholding Tax;

- Sibanye currently has 923,902,469 ordinary shares in issue;
- Sibanye's Auditors are KPMG Inc. and the individual auditor is Jacques Erasmus; and
- Sibanye's income tax reference number is 9431 292 151.

Shareholders are advised of the following dates in respect of the Interim Dividend:

- Interim Dividend number 4: 85 SA cents per share.
- Last date to trade cum dividend: Tuesday, 20 September 2016.
- Sterling and US dollar conversion date: Wednesday, 21 September 2016.
- Shares commence trading ex-dividend: Wednesday, 21 September 2016.
- Record date: Friday, 23 September 2016.
- Payment of dividend: Monday, 26 September 2016.

Please note that share certificates may not be dematerialised or rematerialised between Wednesday, 21 September 2016, and Friday, 23 September 2016, both dates inclusive.

By order of the Board

25 August 2016
Cain Farrel – Company Secretary

ADMINISTRATION AND CORPORATE INFORMATION

Investor Enquiries

James Wellsted
Senior Vice President:
Investor Relations
Cell: +27 83 453 4014
Tel: +27 11 278 9656
james.wellsted@sibanyegold.co.za

Corporate Secretary

Cain Farrel
Tel: +27 10 001 1122
Fax: +27 11 278 9863
cain.farrel@sibanyegold.co.za

Registered Office

Libanon Business Park
1 Hospital Street, (Off Cedar Ave),
Libanon, Westonaria, 1780, South Africa

Private Bag X5
Westonaria, 1780, South Africa
Tel: +27 11 278 9600
Fax: +27 11 278 9863

Sibanye Gold Limited

Incorporated in the Republic of South Africa
Registration number 2002/031431/06
Share code: SGL Issuer code: SGL
ISIN – ZAE E000173951

Listings

JSE : SGL
NYSE : SBGL

Directors

Sello Moloko* (Chairman)
Neal Froneman (CEO)
Charl Keyter (CFO)
Chris Chadwick#
Robert Chan#
Timothy Cumming*
Barry Davison*
Rick Menell*
Nkosemntu Nika*
Keith Rayner*
Susan van der Merwe*
Jerry Vilakazi*
Jivu Yuan#
*Independent Non-Executive
#Non-Executive

JSE Sponsor

J.P. Morgan Equities South Africa
Proprietary Limited
Registration number 1995/011815/07
1 Fricker Road, Illovo, Johannesburg,
2196, South Africa
(Private Bag X9936, Sandton, 2196,
South Africa)

American Depository Receipts

Transfer Agent

Bank of New York Mellon
BNY Mellon Shareowner Services
P O Box 358516
Pittsburgh, PA15252-8516
US toll-free telephone:
+1 888 269 2377
Tel: +1 201 680 6825
e-mail: shrelations@bnymellon.com

Office of the United Kingdom Secretaries

London
St James's Corporate Services
Limited
Suite 31, Second Floor
107 Cheapside
London
EC2V 6DN
United Kingdom
Tel: +44 20 7796 8644
Fax: +44 20 7796 8645

Website

www.sibanyegold.co.za

Transfer Secretaries

United Kingdom
Capita Asset Services
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU
England
Tel: 0871 664 0300
[calls cost 10p a minute plus
network extras, lines are open
8.30am – 5pm Mon-Fri] or
[from overseas]
+44 20 8639 3399
+44 20 8658 3430
e-mail: ssd@capitaregistrars.com

Transfer Secretaries

South Africa
Computershare Investor Services
(Proprietary) Limited Ground Floor
70 Marshall Street
Johannesburg, 2001
P O Box 61051
Marshalltown, 2107
Tel: +27 11 370 5000
Fax: +27 11 688 5248

FORWARD LOOKING STATEMENTS

Certain statements in this document constitute "forward-looking statements" within the meaning of Section 27A of the US Securities Act of 1933 and Section 21E of the US Securities Exchange Act of 1934.

These forward-looking statements, including, among others, those relating to Sibanye's future business prospects, revenues and income, wherever they may occur in this document and the exhibits to this document, are necessarily estimates reflecting the best judgment of the senior management and directors of Sibanye, and involve a number of known and unknown risks and uncertainties that could cause actual results, performance or achievements of the Group to differ materially from those suggested by the forward-looking statements. As a consequence, these forward-looking statements should be considered in light of various important factors, including those set forth in this document. Important factors that could cause the actual results to differ materially from estimates or projections contained in the forward-looking statements include, without limitation, economic, business, political and social conditions in South Africa, Zimbabwe and elsewhere; changes in assumptions underlying Sibanye's estimation of its current Mineral Reserves and Resources; the ability to achieve anticipated efficiencies and other cost savings in connection with past and future acquisitions, as well as at existing operations; the ability of Sibanye to successfully integrate acquired businesses and operations (whether in the gold mining business or otherwise) into its existing businesses; the success of Sibanye's business strategy, exploration and development activities; the ability of Sibanye to comply with requirements that it operate in a sustainable manner; changes in the market price of gold, platinum group metals ("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; Sibanye's ability to hire and retain senior management or sufficient technically skilled employees, as well as its ability to achieve sufficient representation of historically disadvantaged South Africans' in its management positions; failure of Sibanye's information technology and communications systems; the adequacy of Sibanye's insurance coverage; any social unrest, sickness or natural or man-made disaster at informal settlements in the vicinity of some of Sibanye's operations; and the impact of HIV, tuberculosis and other contagious diseases. These forward-looking statements speak only as of the date of this document.

The Group 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 document or to reflect the occurrence of unanticipated events.