CONDENSED CONSOLIDATED PRELIMINARY FINANCIAL STATEMENTS

Condensed consolidated income statement

Figures are in millions unless otherwise stated

		South African Rand		
		Six months ended	Year	
	Notes	Reviewed Jun 2016	Reviewed Dec 2016	Audited Dec 2015
Revenue		14,704.7	**31,240.7**	22,717.4
Operating costs	2	(9,311.8)	**(20,709.1)**	(16,380.4)
Operating profit		5,392.9	**10,531.6**	6,337.0
Amortisation and depreciation		(1,945.4)	**(4,041.9)**	(3,636.6)
Net operating profit		3,447.5	**6,489.7**	2,700.4
Interest income		161.8	**331.4**	257.0
Finance expense		(385.2)	**(903.1)**	(561.8)
Net other costs		(85.1)	**(354.6)**	(78.6)
Exploration and feasibility costs		(0.1)	**(4.1)**	(23.6)
Share of results of equity-accounted investees after tax		(84.9)	**13.3**	116.0
Share-based payments	3	(137.4)	**(255.9)**	(274.4)
(Loss)/gain on financial instruments	4	(1,177.0)	**(1,032.8)**	(229.5)
Gain/(loss) on foreign exchange differences		37.9	**219.6**	(359.4)
Profit before non-recurring items		1,777.5	**4,503.5**	1,546.1
Gain on disposal of property, plant and equipment		53.1	**95.4**	58.7
Impairments	5	(819.1)	**(1,381.1)**	-
Share-based payment on BEE transactions	8	-	**(240.3)**	-
Gain on acquisition	8	-	**2,428.0**	-
Restructuring costs		(38.9)	**(187.7)**	(104.8)
Transaction costs		(113.6)	**(157.0)**	(25.7)
Net loss on derecognition of financial guarantee asset and liability		-	**-**	(158.3)
Profit before royalties and tax		859.0	**5,060.8**	1,316.0
Royalties		(265.5)	**(546.6)**	(400.6)
Profit before tax		593.5	**4,514.2**	915.4
Mining and income tax		(505.4)	**(1,243.2)**	(377.2)
- Current tax		(493.7)	**(1,111.8)**	(696.7)
- Deferred tax		(11.7)	**(131.4)**	319.5
Profit for the period		88.1	**3,271.0**	538.2
Profit for the period attributable to:				
- Owners of Sibanye		333.0	**3,701.6**	716.9
- Non-controlling interests		(244.9)	**(430.6)**	(178.7)
Earnings per ordinary share (cents)				
Basic earnings per share		36	**402**	79
Diluted earnings per share		36	**401**	78
Weighted average number of shares ('000)		919,089	**921,733**	912,038
Diluted weighted average number of shares ('000)		924,760	**923,894**	917,709
Headline earnings per ordinary share (cents)	6			
Headline earnings per share		121	**270**	74
Diluted headline earnings per share		120	**269**	74

The condensed consolidated financial statements for the year ended 31 December 2016 have been prepared by Sibanye Gold Limited's Group financial reporting team headed by Alicia Brink. This process was supervised by the Group's Chief Financial Officer, Charl Keyter and approved by the board of Sibanye Gold Limited.

Condensed consolidated statement of other comprehensive income

Figures are in millions unless otherwise stated

		South African Rand				
		Six months ended			Year	
			Reviewed		Reviewed	Audited
	Notes	Dec 2016	Jun 2016	Dec 2015	Dec 2016	Dec 2015
Profit for the period		**3,182.9**	88.1	453.2	**3,271.0**	538.2
Other comprehensive income, net of tax		**(140.9)**	9.5	-	**(131.4)**	-
Foreign currency translation adjustments		**(140.9)**	9.5	-	**(131.4)**	-
Currency translation adjustments[1]		**-**	-	-	**-**	-
Total comprehensive income		**3,042.0**	97.6	453.2	**3,139.6**	538.2
Total comprehensive income attributable to:						
- Owners of Sibanye		**3,227.7**	342.5	537.1	**3,570.2**	716.9
- Non-controlling interests		**(185.7)**	(244.9)	(83.9)	**(430.6)**	(178.7)

Condensed consolidated statement of financial position

Figures are in millions unless otherwise stated

		South African Rand		
	Notes	Reviewed Dec 2016	Revised Jun 2016	Audited Dec 2015
Non-current assets		**34,018.1**	29,203.5	25,515.0
Property, plant and equipment		**27,240.7**	22,968.0	22,132.4
Goodwill		**936.0**	1,137.3	736.7
Equity-accounted investments	9	**2,157.4**	2,192.2	167.5
Environmental rehabilitation obligation funds		**3,100.5**	2,655.5	2,413.9
Non-current financial assets		**355.3**	111.6	1.3
Deferred tax		**228.2**	138.9	63.2
Current assets		**7,703.2**	3,555.6	2,750.7
Inventories		**676.8**	550.8	405.9
Trade and other receivables		**5,747.9**	2,134.1	1,627.4
Current financial assets		**310.6**	-	-
Cash and cash equivalents		**967.9**	870.7	717.4
Total assets		**41,721.3**	32,759.1	28,265.7
Shareholders' equity		**16,697.4**	14,352.1	14,984.8
Non-current liabilities		**18,787.3**	10,238.1	7,933.6
Deferred tax liabilities		**4,707.1**	3,599.6	3,561.4
Borrowings	10	**8,221.5**	3,248.6	1,808.3
Environmental rehabilitation obligation	11	**3,982.2**	3,340.4	2,411.0
Post-retirement healthcare obligation		**16.3**	16.3	16.3
Share-based payment obligations	3	**246.5**	-	136.6
Non-current financial liabilities	7,8	**1,613.7**	33.2	-
Current liabilities		**6,236.6**	8,168.9	5,347.3
Trade and other payables		**5,180.5**	3,881.7	2,759.4
Tax and royalties payable		**68.6**	160.8	129.6
Current borrowings	10	**752.3**	3,780.3	1,995.3
Current share-based payment obligations	3	**235.2**	346.1	463.0
Total equity and liabilities		**41,721.3**	32,759.1	28,265.7
Net debt[1]		**6,292.8**	4,412.7	1,361.9

[1] *Net debt represents borrowings and bank overdraft less cash and cash equivalents. Borrowings are only those borrowings that have recourse to Sibanye and therefore exclude the Burnstone Debt. Net debt excludes Burnstone cash and cash equivalents.*

Condensed consolidated statement of changes in equity

Figures are in millions unless otherwise stated

	South African Rand				
	Total equity	Non-controlling interests	Accumulated loss	Other Reserves	Stated capital
Balance at 31 December 2014 (Audited)	**14,985.9**	**329.6**	**(9,897.4)**	**2,819.1**	**21,734.6**
Total comprehensive income for the period	**538.2**	(178.7)	716.9	-	-
Profit for the period	**538.2**	(178.7)	716.9	-	-
Other comprehensive income, net of tax	**-**	-	-	-	-
Dividends paid	**(658.4)**	-	(658.4)	-	-
Share-based payments	**119.1**	-	-	119.1	-
Transactions with non-controlling interests	**-**	(41.1)	41.1	-	-
Balance at 31 December 2015 (Audited)	**14,984.8**	109.8	(9,797.8)	2,938.2	21,734.6
Total comprehensive income for the period	**3,139.6**	(430.6)	3,701.6	(131.4)	-
Profit for the period	**3,271.0**	(430.6)	3,701.6	-	-
Other comprehensive income, net of tax	**(131.4)**	-	-	(131.4)	-
Dividends paid	**(1,611.9)**	(1.3)	(1,610.6)	-	-
Share-based payments	**172.0**	-	-	172.0	-
Transactions with non-controlling interests[1]	**-**	326.9	(326.9)	-	-
Acquisition of subsidiary with non-controlling interests	**12.9**	12.9	-	-	-
Balance at 31 December 2016 (Reviewed)	**16,697.4**	17.7	(8,033.7)	2,978.8	21,734.6

[1] *On acquisition of the Cooke Operations, the amount recognised as non-controlling interests represented the BEE consortium's proportionate share of the net assets at acquisition date after considering the loan amount due and payable to Sibanye. As the recoverable amount of the Cooke cash generating units (CGU) is lower than its carrying value, the BEE consortium's proportionate share of the net fair value at 31 December 2016 is not sufficient to fund the BEE consortium's attributable loss, and therefore the non-controlling interest was limited to zero.*

Condensed consolidated statement of cash flows

Figures are in millions unless otherwise stated

	South African Rand				
	Six months ended			Year	
	Dec 2016	Reviewed Jun 2016	Dec 2015	Reviewed Dec 2016	Audited December 2015
Cash flows from operating activities					
Cash generated by operations	**4,708.6**	5,126.5	3,877.2	**9,835.1**	6,130.3
Cash-settled share-based payments paid	**(28.8)**	(1,489.8)	(35.8)	**(1,518.6)**	(42.2)
Change in working capital	**(746.6)**	509.0	(705.3)	**(237.6)**	(668.0)
	3,933.2	4,145.7	3,136.1	**8,078.9**	5,420.1
Interest received	**48.8**	63.4	72.2	**112.2**	117.3
Interest paid	**(270.9)**	(170.2)	(141.7)	**(441.1)**	(260.2)
Royalties paid	**(299.6)**	(256.3)	(288.9)	**(555.9)**	(395.4)
Tax paid	**(691.8)**	(484.9)	(552.0)	**(1,176.7)**	(656.3)
Dividends paid	**(786.5)**	(825.4)	(91.3)	**(1,611.9)**	(658.4)
Guarantee release fee paid	**-**	-	-	**-**	(51.8)
Net cash from operating activities	**1,933.2**	2,472.3	2,134.4	**4,405.5**	3,515.3
Cash flows from investing activities					
Additions to property, plant and equipment	**(2,389.7)**	(1,761.4)	(1,787.9)	**(4,151.1)**	(3.344.8)
Proceeds on disposal of property, plant and equipment	**44.4**	55.0	47.2	**99.4**	65.1
Contributions to funds and payment of environmental rehabilitation obligation	**(71.4)**	(3.3)	(77.8)	**(74.7)**	(78.1)
Investment in subsidiaries	**(1,500.0)**	(4,301.5)	-	**(5,801.5)**	-
Cash acquired on acquisition of subsidiaries	**0.1**	494.1	-	**494.2**	-
Loan advanced to equity-accounted investee	**-**	(15.5)	(3.0)	**(10.1)**	(3.0)
Loan repaid by equity-accounted investee	**5.4**	-	20.9	**-**	20.9
Net cash used in investing activities	**(3,911.2)**	(5,532.6)	(1,800.6)	**(9,443.8)**	(3,339.9)
Cash flows from financing activities					
Loans raised	**11,955.0**	5,325.5	-	**17,280.5**	1,552.0
Loans repaid	**(9,879.8)**	(1,954.9)	(470.9)	**(11,834.7)**	(1,572.9)
Net cash from/(used in) financing activities	**2,075.2**	3,370.6	(470.9)	**5,445.8**	(20.9)
Net increase/(decrease) in cash and cash equivalent	**97.2**	310.3	(137.1)	**407.5**	154.5
Effect of exchange rate fluctuations on cash held	**-**	(157.0)	-	**(157.0)**	-
Cash and cash equivalents at beginning of period	**870.7**	717.4	854.5	**717.4**	562.9
Cash and cash equivalents at end of period	**967.9**	870.7	717.4	**967.9**	717.4

1. Basis of accounting and preparation

The condensed consolidated preliminary financial statements are prepared in accordance with the requirements of the JSE Listings Requirements for preliminary reports and the requirements of the Companies Act of South Africa. The JSE Listings Requirements require preliminary reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 *Interim Financial Reporting*. The accounting policies applied in the preparation of the condensed consolidated preliminary financial statements are in terms of IFRS and are consistent with those applied in the previous consolidated annual financial statements. The accounting policies (including significant accounting judgements and estimates), however, have been expanded for the PGM assets (due to the Aquarius and the Rustenburg Operations acquisitions) mainly relating to:

- Revenue arising from PGM concentrate sales is recognised when risks and rewards of ownership of the mine product has passed to the buyer pursuant to a sales contract. The sales price is determined on a provisional basis at the date of delivery. Adjustments to the sales price occur based on movements in the metal market price up to the date of final pricing. Revenue on provisionally priced sales is initially recorded at the estimated fair value of the consideration receivable, determined with reference to estimated forward prices using consensus forecasts. The fair value of the final sales price adjustment is re-estimated continuously and changes in fair value recognised as an adjustment to revenue in profit or loss and trade receivables in the statement of financial position.
- Judgement is required to determine when the Group has joint control, which requires an assessment of the relevant activities and when the decisions in relation to those activities require unanimous consent. The Group has determined that the relevant activities for its joint arrangements are those relating to the operating and capital decisions of the arrangement. The considerations made in determining joint control are similar to those necessary to determine control over subsidiaries. Judgement is also required to classify a joint arrangement as either a joint operation or a joint venture. Classifying the arrangement requires the Group to assess their rights and obligations arising from the arrangement.
- The consideration transferred for the acquisition of a business includes any liability resulting from a contingent arrangement. The contingent consideration for the Rustenburg Operations acquisition includes a deferred payment and is measured at fair value.

In terms of the Group's accounting policies:

- Joint ventures are accounted for using the equity method; and
- Joint operations are accounted for by recognising the proportionate share of assets, liabilities and transactions incurred jointly.

The condensed consolidated statement of financial position as at 30 June 2016 has been revised to reflect the adjustment of the initial accounting in respect of Aquarius acquired on 12 April 2016. The impact of these adjustments is presented in note 7.

2. Operating costs

A net realisable value write down on uranium finished goods and uranium-in-process has been recognised in operating costs as follows:

Figures are in South African Rand millions unless otherwise stated

		Six months ended	Year ended	
		Jun 2016	Dec 2016	Dec 2015
Net realisable value write down		(37.7)	**(93.3)**	(24.0)

3. Share-based payments

Figures are in South African Rand millions unless otherwise stated

		Six months ended	Year ended	
		Jun 2016	Dec 2016	Dec 2015
Sibanye Gold Limited 2013 Share Plan		(82.2)	**(172.1)**	(119.1)
Sibanye Gold Limited Phantom Share Scheme		(55.2)	**(83.8)**	(155.3)
Total share-based payments		(137.4)	**(255.9)**	(274.4)

Sibanye Gold Limited Phantom Share Scheme

On 14 May 2013 Sibanye's Remuneration Committee limited the issuance of share options for the 2013 allocation under the Sibanye Gold Limited 2013 Share Plan (SGL Share Plan) to senior management only. Middle and certain senior management, who previously participated in the equity-settled share option scheme, now participate in a cash-settled share scheme, the Sibanye Gold 2013 Phantom Share Scheme (SGL Phantom Scheme).

The fair value of the cash-settled instruments at reporting date, used to value the share-based payment obligation, is determined using the same assumptions as for the grant date valuation. However, the respective models take into account the actual share data of the peer group for the period from the grant date to the reporting date.

Reconciliation of the share-based payment obligations:

Figures are in South African Rand millions unless otherwise stated

	Note	Six months ended Jun 2016	Year ended Dec 2016	Year ended Dec 2015
Balance at beginning of the period		599.6	**599.6**	399.2
Share-based payments expensed		55.2	**83.8**	155.3
Share-based payment on BBE transaction	8	-	**240.3**	-
Fair value adjustment of obligation[1]	4	1,181.1	**1,076.6**	87.3
Cash-settled share-based payments paid[2]		(1,489.8)	**(1,518.6)**	(42.2)
Balance at end of the period		346.1	**481.7**	599.6
Current share-based payment obligations		(346.1)	**(235.2)**	(463.0)
Non-current share-based payment obligations		-	**246.5**	136.6

[1] *The fair value adjustment at reporting date is included in loss on financial instruments in profit or loss and not as part of share-based payments expense. The appreciation in Sibanye's share price for the six month period ended 30 June 2016 of approximately 120%, resulted in a fair value loss of R1,181.1 million. The depreciation in share price for the six month period ended 31 December 2016 of approximately 49% resulted in a fair value gain of R110.7 million.*

[2] *Payments made during the period relate to vesting of shares to employees and proportionate vesting of shares to employees that have left the Group in good faith. Bonus Share (BS) options under the SGL Share Plan are issued on grant date and thus dividends are paid when the Company declares a dividend. Similarly, the BS holders under the SGL Phantom Scheme receive share-based payments to the equivalent of dividends paid, which were also paid during the period.*

4. (Loss)/gain on financial instruments

Figures are in South African Rand millions unless otherwise stated

	Note	Six months ended Jun 2016	Year ended Dec 2016	Year ended Dec 2015
Fair value adjustment of share-based payment obligations	3	(1,181.1)	**(1,076.6)**	(87.3)
Loss on revised cash flows of the Burnstone Debt	8	-	**(29.3)**	(162.5)
Other[1]		4.1	**73.1**	20.3
Total (loss)/gain on financial instruments		(1,177.0)	**(1,032.8)**	(229.5)

[1] *The other gain on financial instruments for the year ended 31 December 2016 includes fair value gains of R40.8 million of the Cooke hedges and R21.0 million on the purchase of concentrate debtor acquired on acquisition of the Rustenburg Operations.*

5. Impairments

Figures are in South African Rand millions unless otherwise stated

	Six months ended Jun 2016	Year ended Dec 2016	Year ended Dec 2015
Impairment of goodwill[1]	-	**(201.3)**	-
Impairment of property, plant and equipment[1,2]	(816.7)	**(1,171.7)**	-
Impairment of loan to equity-accounted investee	(2.4)	**(8.1)**	-
Total impairments	(819.1)	**(1,381.1)**	-

[1] *The gold price decreased from R628,000/kg at 30 June 2016 to R510,000/kg at 31 December 2016. As a result a decision was taken during the six months ended 31 December 2016, to impair the goodwill allocated to the Cooke CGU by R201.3 million and the Cooke 1, 2 and 3 mining assets by R355.0 million. The impairment was based on the estimated fair value less cost to sale over the life of mine calculated as expected discounted cash flows from the expected gold reserves and costs to extract the gold.*

[2] *Despite intense monitoring and interventions, the Cooke 4 Operation continued to fall short of production targets and losses continued to accumulate. As a result a decision was taken during the six months ended 30 June 2016 to impair the Cooke 4 Operation's mining assets by R816.7 million. This impairment was based on negative cash flow projections for the remainder of the life of mine.*

6. Reconciliation of headline earnings with profit for the period

Figures are in South African Rand millions unless otherwise stated

	Six months ended Jun 2016	Year ended Dec 2016	Year ended Dec 2015
Profit attributable to owners of Sibanye	333.0	**3,701.6**	716.9
Gain on disposal of property, plant and equipment	(53.1)	**(95.4)**	(58.7)
Impairments	819.1	**1,381.1**	-
Gain on acquisition	-	**(2,428.0)**	-
Taxation effect of re-measurement items	14.9	**(72.7)**	16.4
Headline earnings	1,113.9	**2,486.6**	674.6

7. Aquarius acquisition

On 6 October 2015 Sibanye announced a cash offer of US$0.195 per share for the entire issued share capital of Aquarius Platinum Limited (Aquarius) (the Aquarius Transaction), valuing Aquarius at US$294 million. The transaction was subject to the fulfilment of various conditions precedent which were completed on 12 April 2016.

On 12 April 2016, Sibanye paid R4,302 million to the Aquarius shareholders and obtained control (100%) of Aquarius.

The acquisition has a strong strategic and financial rationale for Sibanye, both as a stand-alone transaction and when considered in conjunction with the announcement on 9 September 2015 of the conditional acquisition of the Rustenburg PGM operations from Anglo American Platinum Limited. These acquisitions will result in significant value creation through the realisation of synergies between the PGM assets in the Rustenburg area, thereby enhancing Sibanye's platinum portfolio.

The Aquarius operations are efficiently managed, mechanised and low-cost operations that will consolidate Sibanye's position in the South African PGM sector and also provide Sibanye with additional PGM operational experience.

For the nine months ended 31 December 2016, Aquarius contributed revenue of R2,104.4 million and a profit of R223.6 million to the Group's results.

At 30 June 2016 the purchase price allocation (PPA) was prepared on a provisional basis in accordance with IFRS 3 *Business Combinations* (IFRS 3). If new information obtained within one year of the acquisition date, about facts and circumstances that existed at the acquisition date identifies adjustments to the below amounts, or any additional provisions that existed at the date of acquisition, then the accounting for the acquisition will be revised.

Subsequently, the Group received new information relating to probable PGM reserves that existed at acquisition date and adjustments were made to the provisional calculation of the fair values resulting in a decrease of R243.0 million in the fair value of property, plant and equipment, and decrease of R68.1 million to the net deferred tax liability, and an increase of R174.9 million in the reported value of goodwill. Accordingly, the PPA has been restated as required by IFRS 3.

Consideration

Figures are in South African Rand millions unless otherwise stated

	Dec 2016
Cash	**4,301.5**
Total consideration	**4,301.5**

Acquisition-related costs

The Group incurred acquisition-related costs of R93.1 million on advisory and legal fees. These costs are recognised as transaction costs in profit or loss.

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

Figures are in South African Rand millions unless otherwise stated

	Notes	Revised
Property, plant and equipment		**1,680.8**
Equity-accounted investments	9	**2,066.7**
Environmental rehabilitation obligation funds		**151.9**
Non-current financial assets		**108.4**
Inventories		**155.0**
Trade and other receivables		**908.9**
Cash and cash equivalents		**494.1**
Deferred tax		**49.2**
Environmental rehabilitation obligation	11	**(630.0)**
Non-current financial liabilities		**(32.4)**
Trade and other payables		**(1,025.6)**
Tax and royalties payable		**(13.2)**
Total fair value of identifiable net assets acquired		**3,913.8**

The fair value of assets and liabilities excluding property plant and equipment, and environmental rehabilitation obligation approximate their carrying value. The fair value of property, plant and equipment was based on the expected discounted cash flows of the expected (PGM) reserves and costs to extract the PGMs discounted at a discount rate of 9% for Kroondal and Platinum Mile, and 15% for Mimosa, and an average PGM (4E) basket price of R14,700/kg.

Goodwill

Goodwill arising from the acquisition has been recognised as follows:

Figures are in South African Rand millions unless otherwise stated

	Revised
Consideration paid	**4,301.5**
Fair value of identifiable net assets	**(3,913.8)**
Non-controlling interests, based on their proportionate interest in the recognised amounts of the assets and liabilities	**12.9**
Goodwill	**400.6**

The goodwill is attributable to the synergies between the PGM assets in the Rustenburg area. The allocation of goodwill has been provisionally allocated to the Kroondal and Rustenburg Operations cash-generating units. None of the goodwill recognised is expected to be deducted for tax purposes.

8. Rustenburg Platinum Mines acquisition

On 9 September 2015, Sibanye announced that it had entered into written agreements with Rustenburg Platinum Mines Limited (RPM), a wholly owned subsidiary of Anglo American Platinum Limited (Anglo Platinum) to acquire the Bathopele, Siphumelele (including Khomanani), and Thembelani (including Khuseleka) mining operations, two concentrating plants, an on-site chrome recovery plant, the Western Limb Tailings Retreatment Plant, associated surface infrastructure and related assets and liabilities on a going concern basis (the Rustenburg Operations) (the Rustenburg Operations Transaction).

The purchase consideration comprises an upfront payment of R1.5 billion at the closing of the Rustenburg Operation Transaction (Closing) and a deferred payment calculated as being equal to 35% of the distributable free cash flow generated by the Rustenburg Operations over a six-year period from the later of Closing or 1 January 2017 (Deferred Payment), subject to a minimum payment of R3.0 billion. In addition to the Deferred Payment, which allows for a favourable extended payment period; should the Rustenburg Operations generate negative distributable free cash flows in any of 2016, 2017 or 2018, RPM will be required to pay up to R267 million per annum to ensure that the free cash flows for the relevant year is equal to zero.

On 19 October 2016, Sibanye obtained consent in terms of section 11 of the Mineral and Petroleum Resources Development Act for the transfer of the mining right and prospecting right pursuant to the Rustenburg Operations Transaction. Sibanye obtained control (88.4%) of the Rustenburg Operations on this date.

For the two months ended 31 December 2016, the Rustenburg Operations contributed revenue of R1,656.0 million and a loss of R242.6 million to the Group's results.

The purchase price allocation has been prepared on a provisional basis in accordance with IFRS 3. The values measured on a provisional basis include, inter alia, deferred tax and the process to determine the effective date tax valuations.

If new information obtained within one year of the acquisition date, about facts and circumstances that existed at the acquisition date, identifies adjustments to the below amounts, or any additional provisions that existed at the date of acquisition, then the accounting for the acquisition will be revised.

Consideration

Figures are in South African Rand millions unless otherwise stated

	Dec 2016
Cash	**1,500.0**
Deferred Payment (included in non-current financial liabilities)	**1,553.3**
True-up amount	**65.1**
Total consideration	**3,118.4**

Acquisition-related costs

The Group incurred acquisition-related costs of R72.4 million on advisory and legal fees. These costs are recognised as transaction costs in profit or loss.

Identifiable assets acquired and liabilities assumed

The following table summarises the provisional fair value of assets acquired and liabilities assumed at the acquisition date:

Figures are in South African Rand millions unless otherwise stated

		Dec 2016
Property, plant and equipment		**4,021.5**
Environmental rehabilitation obligation funds		**280.7**
Non-current financial assets		**220.9**
Inventories		**80.4**
Trade and other receivables		**2,991.6**
Current financial assets		**242.0**
Cash and cash equivalents		**0.1**
Deferred tax		**(898.5)**
Environmental rehabilitation obligation	11	**(79.8)**
Trade and other payables		**(1,312.5)**
Total fair value of identifiable net assets acquired		**5,546.4**

The fair value of assets and liabilities excluding property, plant and equipment, and environmental rehabilitation obligation approximate their carrying value. The fair value of property, plant and equipment was based on the expected discounted cash flows of the expected PGM reserves and costs to extract the PGMs discounted at a discount rate of 9.2% and an average PGM (4E) basket price of R14,725/kg.

Share-based payment on BEE transactions

The share-based payment on BEE transactions amounted to R240.3 million. In terms of the Rustenburg Operations Transaction a 26% equity stake in Sibanye Rustenburg Platinum Mines Proprietary Limited (SRPM) was acquired by the BBBEE SPV (the "BBBEE Transaction") by a vendor financed facility from Sibanye Platinum Proprietary Limited (Sibanye Platinum), on the following terms:

- Interest at up to 0.2% above Sibanye's highest cost of debt;
- Post payment of the annual Deferred Payment to RPM and in respect of any repayment by SRPM of shareholder loans or the distribution of dividends, 74% will be paid to Sibanye Platinum and 26% to BBBEE SPV;
- Of the 26% payment to BBBEE SPV, 85% will be used to service the facility owing by BBBEE SPV to Sibanye Platinum;
- The remaining 15% of any such payment or 100%, once the facility owing by BBBEE SPV to Sibanye Platinum is repaid, will be declared by BBBEE SPV as a dividend to the BBBEE SPV shareholders; and
- The facility will be capped at R3,500 million.

The IFRS 2 *Share-based Payment* expense has been limited to 44.8% of the 26% interest relating to the Bakgatla-Ba-Kgafela Investment Holdings, as the Rustenburg Mine Community Trust and Rustenburg Mine Employees Trust are controlled and consolidated by Sibanye. The 44.8% interest was based on the expected discounted future cash flows of the expected PGM reserves and costs to extract the PGMs.

Gain on acquisition

Gain on acquisition has been recognised as follows:

Figures are in South African Rand millions unless otherwise stated

	Dec 2016
Consideration	**3,118.4**
Fair value of net identifiable assets	**(5,546.4)**
Gain on acquisition	**(2,428.0)**

The excess of the fair value of the net assets acquired over the consideration is recognised immediately in profit or loss as a gain on acquisition. The gain on acquisition is attributable to the fact the Rustenburg Operations were considered non-core operations by Anglo Platinum.

9. Equity-accounted investments

The Group holds the following equity-accounted investments:

Figures are in South African Rand millions unless otherwise stated

	Six months ended	Year ended	
	Jun 2016	Dec 2016	Dec 2015
Rand Refinery	93.9	**72.4**	148.7
Mimosa	2,046.8	**2,049.3**	-
Other equity-accounted investments	51.5	**35.7**	18.8
Total equity-accounted investments	2,192.2	**2,157.4**	167.5

Rand Refinery

Sibanye has a 33.1% interest in Rand Refinery Proprietary Limited (Rand Refinery) which is accounted for using the equity method.

Rand Refinery recognised losses during the period as a result of inefficiencies in processing by-product stockpiles.

The carrying value of Rand Refinery remains an area of estimation and uncertainty.

The equity-accounted investment in Rand Refinery movement for the period is as follows:

Figures are in South African Rand millions unless otherwise stated

	Six months ended	Year ended	
	Jun 2016	Dec 2016	Dec 2015
Balance at beginning of the period	148.7	**148.7**	55.1
Share of results of equity-accounted investee after tax	(75.5)	**(116.5)**	114.5
Interest on the loan to equity-accounted investee capitalised	20.7	**40.2**	-
Loan repaid by equity-accounted investee	-	**-**	(20.9)
Balance at end of the period	93.9	**72.4**	148.7

Mimosa

Sibanye has a 50% interest in Mimosa Investments Limited, which owns and operates the Mimosa mine.

The equity-accounted investment in Mimosa movement for the period is as follows:

Figures are in South African Rand millions unless otherwise stated

	Note	Six months ended Jun 2016	Year ended Dec 2016	Dec 2015
Balance at beginning of the period		-	**-**	-
Share of results of equity-accounted investee after tax		(29.0)	**114.9**	-
Foreign currency translation		9.1	**(132.3)**	-
Equity-accounted investment on acquisition of subsidiaries	7	2,066.7	**2,066.7**	-
Balance at end of the period		2,046.8	**2,049.3**	-

10. Borrowings

Figures are in South African Rand millions unless otherwise stated

	Six month periods ended Jun 2016	Year ended Dec 2016	Dec 2015
Balance at beginning of the period	3,803.6	**3,803.6**	3,170.0
Loans raised	5,325.5	**17,280.5**	1,552.0
- R6.0 billion facilities	-	**5,100.0**	-
- R4.5 billion facilities	1,936.4	**1,936.4**	1,000.0
- US$350 million revolving credit facility	2,217.5	**2,771.5**	-
- Other uncommitted facilities	1,171.6	**7,472.6**	552.0
Loans repaid	(1,954.9)	**(11,834.7)**	(1,527.9)
- R4.5 billion facilities	(650.0)	**(3,900.0)**	(1,020.9)
- US$350 million revolving credit facility	(653.3)	**(1,211.6)**	-
- Other uncommitted facilities	(651.6)	**(6,723.1)**	(552.0)
Franco-Nevada settlement (non-cash)	(21.3)	**(29.1)**	(34.6)
Unwinding of loans recognised at amortised cost	72.4	**141.4**	102.3
Loss on revised estimated cash flows[1]	-	**29.3**	162.5
(Gain)/loss on foreign exchange difference	(196.4)	**(417.2)**	424.3
Balance at end of the period	7,028.9	**8,973.8**	3,803.6
Borrowings consist of:			
- R6.0 billion facilities	-	**5,100.0**	-
- US$350 million revolving credit facility	1,470.0	**1,369.0**	-
- R4.5 billion facilities	3,249.2	**-**	1,961.6
- Franco Nevada	11.1	**2.7**	33.7
- Burnstone Debt	1,778.6	**1,752.6**	1,808.3
- Other borrowings	520.0	**749.5**	-
Borrowings	7,028.9	**8,973.8**	3,803.6
Current portion of borrowings	(3,780.3)	**(752.3)**	(1,995.3)
Non-current borrowings	3,248.6	**8,221.5**	1,808.3

[1] At 31 December 2016, the expected free cash flows expected to repay the Burnstone loan was revised as a result of revised cash flows over the life of mine plan updated for revised gold prices, exchange rates, forecast cost and capital expenditure. In terms of IAS 39 AG8 the carrying value of the Burnstone Debt increased by R29.3 million, disclosed as part of loss on financial instruments in profit or loss.

11. Environmental rehabilitation obligation

Figures are in South African Rand millions unless otherwise stated

	Note	Six months ended Jun 2016	Year ended Dec 2016	Dec 2015
Balance at beginning of the period		2,411.0	**2,411.0**	2,486.8
Interest charge		142.0	**291.4**	197.9
Payment of environmental rehabilitation obligation		-	**-**	(0.3)
Change in estimates[1]		157.4	**568.9**	(273.4)
Charge to profit or loss		-	**1.1**	-
Environmental rehabilitation obligation assumed on acquisition of subsidiaries	7,8	630.0	**709.8**	-
Balance at end of the period		3,340.4	**3,982.2**	2,411.0

[1] Changes in estimates are defined as changes in reserves and corresponding changes in life of mine, changes in discount rates, and changes in laws and regulations governing environmental matters. At acquisition the environmental rehabilitation obligation acquired was calculated based on the weighted average cost of capital in terms of IFRS 3 for acquisition purposes. Subsequent to initial recognition the provision was recalculated based on the risk free rate of interest in terms of IAS 37. The resulting change in estimate for Aquarius and Rustenburg Operations was R157.4 million and R197.6 million, respectively.

12. Fair value of financial assets and financial liabilities

The fair value of financial instruments is estimated based on ruling market prices, volatilities and interest rates at 31 December 2016.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1: unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices in level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following tables set out the Group's significant financial instruments measured at fair value by level within the fair value hierarchy:

Figures are in South African Rand millions unless otherwise stated

	Dec 2016			Jun 2016			Dec 2015		
	Level 1	**Level 2**	**Level 3**	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets measured at fair value									
Environmental rehabilitation obligation funds	**3,100.5**	**-**	**-**	2,655.5	-	-	2,413.9	-	-
Financial assets	**-**	**-**	**665.9**	-	-	111.6	-	-	1.3
Financial liabilities measured at fair value									
Non-current financial liabilities	**-**	**-**	**(1,613.7)**	-	-	(33.2)	-	-	-

13. Contingent liabilities

As previously indicated, the claims relating to silicosis and other occupational lung diseases are being defended.

On 13 May, 2016, the High Court ruled in favour of the applicants and found that there were sufficient common issues to certify two industry-wide classes: (i) a silicosis class comprising current and former mine workers who have contracted silicosis and the dependents of mine workers who have died of silicosis; and (ii) a tuberculosis class comprising current and former mine workers who have worked on the mines for a period of not less than two years and who have contracted pulmonary tuberculosis and the dependents of deceased mine workers who died of pulmonary tuberculosis. The High Court ordered a two-stage process in the class action: (i) resolve common issues and allow individuals to opt out, and (ii) allow the individuals to opt in to the class to make claims against the Respondents. The High Court also decided that claims for general damages will transmit to the estate of any deceased mine worker who dies after the date of filing of the certification application.

On 3 June 2016, Sibanye and the other Respondents filed an application with the High Court for leave to appeal to the Supreme Court of Appeal. Arguments in the application for leave to appeal were heard on 23 June 2016. On 24 June 2016, leave to appeal was (i) granted in respect of the transferability of general damages claims but (ii) denied in respect of certification of silicosis and tuberculosis classes. On 15 July 2016, Sibanye and the other Respondents each filed petitions with the Supreme Court of Appeal for leave to appeal against the certification of the two separate classes for silicosis and tuberculosis.

At this stage, Sibanye can neither quantify the potential liability from the action due to the inherent legal and factual uncertainties with respect to the pending claims and other claims not yet filed against the Group nor can the length of time until finalisation be estimated.

14. Events after the reporting date

There were no events that could have a material impact on the financial results of the Group after 31 December 2016, other than those disclosed below:

Dividend declared

A final dividend in respect of the six months ended 31 December 2016 of 60 cents per share (ZAR) was approved by the Board. This dividend is not reflected in these financial statements. The final dividend will be subject to Dividend Withholding Tax.

Stillwater

Good progress has been made regarding the proposed acquisition of Stillwater Mining Company Limited (Stillwater), which was announced on 9 December 2016. Ultimately, this transaction will attractively position Sibanye's Platinum Division on the global cost curve, enhancing Sibanye's ability to sustain and pay industry-leading dividends.

15. Mineral Reserves and Resources

Reserves and Resources as at 31 December 2016 are in the process of being updated and reviewed. Included in this update will be added 4E reserves and resources from the recent Platinum acquisitions.

Segment financial results

Figures are in millions unless otherwise stated

South African Rand	For the six months ended 30 June 2016											
	Group	Total Gold	Driefontein	Kloof	Beatrix	Cooke	Corporate	Total[1] Platinum	Kroondal	Platinum Mile	Mimosa	Corporate
Revenue	**14,704.7**	**14,017.0**	**4,752.1**	**4,457.8**	**2,926.4**	**1,878.5**	**2.2**	**687.7**	**658.3**	**29.4**	**419.6**	**(419.6)**
Underground	**13,170.7**	**12,512.4**	4,054.1	4,009.6	2,795.6	1,650.9	**2.2**	**658.3**	658.3		419.6	(419.6)
Surface	**1,534.0**	**1,504.6**	698.0	448.2	130.8	227.6	**-**	**29.4**	-	29.4	-	-
Operating costs	**(9,311.8)**	**(8,696.3)**	**(2,767.4)**	**(2,518.8)**	**(1,828.1)**	**(1,582.0)**	**-**	**(615.5)**	**(586.5)**	**(29.0)**	**(351.5)**	**351.5**
Underground	**(8,460.5)**	**(7,874.0)**	(2,431.7)	(2,315.3)	(1,728.7)	(1,398.3)	**-**	**(586.5)**	(586.5)	-	(351.5)	351.5
Surface	**(851.3)**	**(822.3)**	(335.7)	(203.5)	(99.4)	(183.7)	**-**	**(29.0)**	-	(29.0)	-	-
Operating profit	**5,392.9**	**5,320.7**	**1,984.7**	**1,939.0**	**1,098.3**	**296.5**	**2.2**	**72.2**	**71.8**	**0.4**	**68.1**	**(68.1)**
Underground	**4,710.6**	**4,638.4**	1,622.4	1,694.3	1,066.9	252.6	2.2	**71.8**	71.8	-	68.1	**(68.1)**
Surface	**682.3**	**682.3**	362.3	244.7	31.4	43.9	-	**0.4**	-	0.4	-	**-**
Amortisation and depreciation	**(1,945.4)**	**(1,889.5)**	(494.3)	(565.5)	(391.3)	(425.7)	(12.7)	**(55.9)**	(45.9)	(0.4)	(67.9)	58.3
Net operating profit	**3,447.5**	**3,431.2**	**1,490.4**	**1,373.5**	**707.0**	**(129.2)**	**(10.5)**	**16.3**	**25.9**	**-**	**0.2**	**(9.8)**
Investment income	**161.8**	**145.1**	36.2	31.7	17.3	16.6	43.3	**16.7**	4.2	0.3	0.5	11.7
Finance expenses	**(385.2)**	**(353.7)**	(70.6)	(70.5)	(38.2)	(40.0)	(134.4)	**(31.5)**	(0.7)	-	(3.5)	(27.3)
Share-based payments	**(137.4)**	**(137.4)**	(10.9)	(9.4)	(6.7)	-	(110.4)	**-**	-	-	-	-
Exploration and feasibility costs	**(0.1)**	**(0.1)**	-	-	(0.1)	-	-	**-**	-	-	-	-
Net other costs	**(1,309.1)**	**(1123.3)**	(225.4)	(182.2)	(151.7)	(5.0)	(559.0)	**(185.8)**	(4.6)	(0.2)	(1.6)	(179.4)
Non-recurring items	**(918.5)**	**(915.1)**	(4.9)	29.8	2.4	(820.4)	(122.0)	**(3.4)**	(1.0)	-	-	(2.4)
Royalties	**(265.5)**	**(262.7)**	(102.0)	(99.9)	(52.3)	(8.5)	-	**(2.8)**	-	-	(27.1)	24.3
Current tax	**(493.7)**	**(493.6)**	(203.0)	(208.3)	(85.5)	(0.8)	4.0	**(0.1)**	-	-	-	(0.1)
Deferred tax	**(11.7)**	**(15.9)**	(13.1)	(5.7)	9.1	(7.6)	1.4	**4.2**	-	(0.3)	2.5	2.0
Profit for the period	**88.1**	**274.5**	**896.7**	**859.0**	**401.3**	**(994.9)**	**(887.6)**	**(186.4)**	**23.8**	**(0.2)**	**(29.0)**	**(181.0)**
Profit attributable to:												
Owners of Sibanye	**333.0**	**519.3**	896.7	859.0	401.3	(750.0)	(887.6)	**(186.4)**	23.8	(0.2)	(29.0)	(181.0)
Non-controlling interests	**(244.9)**	**(244.9)**	-	-	-	(244.9)	-	**-**	-	-	-	-
<u>Capital expenditure</u>												
Total expenditure	**(1,761.4)**	**(1,693.3)**	(468.2)	(539.8)	(289.2)	(113.2)	(282.9)	**(68.1)**	(67.3)	(0.8)	(60.7)	60.7
Sustaining capital	**(334.0)**	**(265.9)**	(71.5)	(85.9)	(32.0)	(21.8)	(54.7)	**(68.1)**	(67.3)	(0.8)	(60.7)	60.7
Ore reserve development	**(1,142.3)**	**(1,142.3)**	(379.8)	(418.6)	(257.0)	(86.9)	-	**-**	-	-	-	-
Growth projects	**(285.1)**	**(285.1)**	(16.9)	(35.3)	(0.2)	(4.5)	(228.2)	**-**	-	-	-	-

[1] *The Platinum Division's results for the six months ended 30 June 2016 include Aquarius for three months since acquisition.*

Segment financial results (continued)

Figures are in millions unless otherwise stated

South African Rand		For the year ended 31 Dec 2016												
		Group	Total Gold	Driefontein	Kloof	Beatrix	Cooke	Corporate	Total[1] Platinum	Kroondal	Platinum Mile	Mimosa	Rustenburg	Corporate
Operating results														
Ore milled	000't		**20,181**	5,971	4,676	4,333	5,201		**11,611**	2,732	5,669	1,012	2,198	
Underground			**8,084**	2,055	2,009	2,862	1,158		**4,948**	2,732	-	1,012	1,204	
Surface			**12,097**	3,916	2,667	1,471	4,043		**6,663**	-	5,669	-	994	
Yield	g/t		**2.33**	2.70	3.25	2.32	1.09		**1.72**	2.48	3.57	0.65	2.69	
Underground			**5.21**	6.77	6.82	3.35	4.19		**2.99**	2.48	-	0.65	3.65	
Surface			**0.41**	0.56	0.56	0.30	0.20		**0.78**	-	3.57	-	1.53	
Gold produced/PGM's	Kg		**47,034**	16,130	15,210	10,041	5,653		**-**	-	-	-	-	
Underground			**42,078**	13,920	13,704	9,601	4,853		**-**	-	-	-	-	
Surface			**4,956**	2,210	1,506	440	800		**-**	-	-	-	-	
Gold sold/PGM's	kg		**46,905**	16,046	15,176	10,041	5,642		**13,087**	5,543	425	2,833	4,286	
Underground			**41,960**	13,836	13,670	9,601	4,853		**12,092**	5,543	-	2,833	3,716	
Surface			**4,945**	2,210	1,506	440	789		**995**	-	425	-	570	
Revenue	R/kg		**586,319**	585,884	585,853	585,997	595,923		**287,339**	355,999	308,471	431,768	386,374	
Total cash cost	R/kg		**377,034**	355,416	340,762	381,625	527,916		**-**	-	-	-	-	
All-in-cost	R/kg		**472,585**	424,872	435,609	453,232	595,959							
All-in-cost margin	%		**19**	28	26	23	(1)		**-**	-	-	-	-	
Operating cost	R/t		**862**	937	1,080	866	575		**373**	619	16	958	720	
Underground			**1,941**	2,374	2,300	1,246	2,268		**832**	619	-	958	1,209	
Surface			**140**	182	162	126	90		**33**	-	16	-	128	
Revenue		**31,240.7**	**27,501.3**	**9,401.1**	**8,890.9**	**5,883.9**	**3,362.2**	**(36.8)**	**3,739.4**	**1,973.3**	**131.1**	**1,223.2**	**1,656.0**	**(1,244.2)**
Underground		**28,026.5**	**24,608.4**	8,105.3	8,012.6	5,626.9	2,900.4	(36.8)	**3,418.1**	1,973.3	-	1,223.2	1,465.8	(1,244.2)
Surface		**3,214.2**	**2,892.9**	1,295.8	878.3	257.0	461.8	-	**321.3**	-	131.1	-	190.2	-
Operating costs		**(20,709.1)**	**(17,346.0)**	**(5,566.6)**	**(5,041.0)**	**(3,753.4)**	**(2,985.0)**	**-**	**(3,363.1)**	**(1,689.8)**	**(90.8)**	**(969.0)**	**(1,582.5)**	**969.0**
Underground		**(18,800.6)**	**(15,655.1)**	(4,852.1)	(4,609.4)	(3,567.4)	(2,626.2)	-	**(3,145.5)**	(1,689.8)	-	(969.0)	(1,455.7)	969.0
Surface		**(1,908.5)**	**(1,690.9)**	(714.5)	(431.6)	(186.0)	(358.8)	-	**(217.6)**	-	(90.8)	-	(126.8)	-
Operating profit		**10,531.6**	**10,155.3**	**3,834.5**	**3,849.9**	**2,130.5**	**377.2**	**(36.8)**	**376.3**	**283.5**	**40.3**	**254.2**	**73.5**	**(275.2)**
Underground		**9,225.9**	**8,953.3**	3,253.2	3,403.2	2,059.5	274.2	(36.8)	**272.6**	**283.5**	**-**	**254.2**	**10.1**	**(275.2)**
Surface		**1,305.7**	**1,202.0**	581.3	446.7	71.0	103.0	-	**103.7**	**-**	**40.3**	**-**	**63.4**	**-**
Amortisation and depreciation		**(4,041.9)**	**(3,814.7)**	(1,012.9)	(1,190.7)	(818.0)	(770.8)	(22.3)	**(227.2)**	(136.2)	(1.2)	(223.7)	(58.6)	192.5
Net operating profit		**6,489.7**	**6,340.6**	**2,821.6**	**2,659.2**	**1,312.5**	**(393.6)**	**(59.1)**	**149.1**	**147.3**	**39.1**	**30.5**	**14.9**	**(82.7)**
Investment income		**331.4**	**289.6**	70.8	62.3	34.1	32.5	89.9	**41.8**	12.0	(9.0)	0.5	(2,918.8)	2,957.1
Finance expenses		**(903.1)**	**(806.2)**	(143.1)	(156.0)	(77.6)	(75.8)	(353.7)	**(96.9)**	(1.4)	-	(11.2)	(26.2)	(58.1)
Share-based payments		**(255.9)**	**(255.9)**	(16.5)	(13.7)	(9.1)	-	(216.6)	**-**	-	-	-	-	-
Exploration and feasibility costs		**(4.1)**	**(4.1)**	-	-	(4.1)	-	-	**-**	-	-	-	-	-
Net other costs		**(1,154.5)**	**(1,025.2)**	(226.1)	(187.9)	(166.4)	(115.0)	(329.8)	**(129.3)**	(65.8)	(0.6)	187.7	(92.2)	(158.4)
Non-recurring items		**557.3**	**(1,548.5)**	(20.8)	15.7	(12.6)	(1,423.9)	(106.9)	**2,105.8**	(1.3)	-	-	2,354.6	(247.5)
Royalties		**(546.6)**	**(528.0)**	(204.8)	(194.3)	(113.2)	(15.7)	-	**(18.6)**	-	-	(82.9)	(8.3)	72.6
Current tax		**(1,111.8)**	**(1,111.3)**	(472.3)	(422.0)	(223.0)	(1.1)	7.1	**(0.5)**	-	-	(22.8)	-	22.3
Deferred tax		**(131.4)**	**(164.5)**	(64.3)	(148.5)	19.4	35.3	(6.4)	**33.1**	-	(11.6)	13.1	27.0	4.6
Profit for the period		**3,271.0**	**1,186.5**	**1,744.5**	**1,614.8**	**760.0**	**(1,957.3)**	**(975.5)**	**2,084.5**	**90.8**	**17.9**	**114.9**	**(649.0)**	**2,509.9**
Profit attributable to:														
Owners of Sibanye		**3,701.6**	**1,619.4**	1,744.5	1,614.8	760.0	(1,523.5)	(976.4)	**2,082.2**	90.8	15.6	114.9	(649.0)	2,509.9
Non-controlling interests		**(430.6)**	**(432.9)**	-	-	-	(433.8)	0.9	**2.3**	-	2.3	-	-	-
Capital expenditure														
Total expenditure		**(4,151.2)**	**(3,824.2)**	(1,051.6)	(1,304.2)	(628.4)	(249.2)	(590.8)	**(327.0)**	(175.8)	(1.3)	(159.8)	(148.7)	158.6
Sustaining capital		**(1,010.5)**	**(683.5)**	(218.5)	(261.2)	(84.8)	(48.9)	(70.1)	**(327.0)**	(175.8)	(1.3)	(159.8)	(148.7)	158.6
Ore reserve development		**(2,394.4)**	**(2,394.4)**	(779.0)	(912.9)	(542.9)	(159.6)	-	**-**	-	-	-	-	-
Growth projects		**(746.3)**	**(746.3)**	(54.1)	(130.1)	(0.7)	(40.7)	(520.7)	**-**	-	-	-	-	-

[1] *The Platinum Division's results for the year ended 31 December 2016 include Aquarius for nine months since acquisition and the Rustenburg Operations for two months since acquisition.*

Segment operating and financial results (continued)

Figures are in millions unless otherwise stated

			Group	Driefontein	Kloof	Beatrix	Cooke	Corporate
	For the year ended 31 December 2015			**South African Rand**				
	Operating results							
000't	Ore milled	000't	**19,861**	5,772	3,977	4,319	5,793	-
	Underground		**8,584**	2,412	1,979	2,723	1,470	-
	Surface		**11,277**	3,360	1,998	1,596	4,323	-
g/t	Yield	g/t	**2.41**	3.01	3.54	2.34	1.08	-
	Underground		**5.02**	6.36	6.49	3.51	3.65	-
	Surface		**0.41**	0.60	0.61	0.34	0.21	-
000'oz	Gold produced/sold	kg	**47,775**	17,350	14,068	10,105	6,252	-
	Underground		**43,109**	15,345	12,848	9,557	5,359	-
	Surface		**4,666**	2,005	1,220	548	893	-
$/oz	Gold price	R/kg	**475,508**	474,697	475,647	476,546	475,768	-
$/oz	Total cash cost	R/kg	**347,613**	309,764	342,764	340,792	474,584	-
$/oz	All-in-cost	R/kg	**430,746**	374,790	430,751	408,422	544,658	-
%	All-in-cost margin	%	**9**	21	9	14	(14)	-
$/t	Operating cost	R/t	**825**	907	1,201	785	514	-
	Underground		**1,741**	1,941	2,251	1,169	1,782	-
	Surface		**128**	165	161	129	83	-
	Financial results							
	Revenue		**22,717.4**	**8,236.0**	**6,691.4**	**4,815.5**	**2,974.5**	**-**
	Underground		**20,515.0**	7,284.1	6,112.8	4,555.7	2,562.4	-
	Surface		**2,202.4**	951.9	578.6	259.8	412.1	-
	Operating costs		**(16,380.4)**	**(5,234.2)**	**(4,777.2)**	**(3,391.0)**	**(2,978.0)**	**-**
	Underground		**(14,940.8)**	(4,681.2)	(4,454.9)	(3,184.5)	(2,620.2)	-
	Surface		**(1,439.6)**	(553.0)	(322.3)	(206.5)	(357.8)	-
	Operating profit		**6,337.0**	**3,001.8**	**1,914.2**	**1,424.5**	**(3.5)**	**-**
	Underground		**5,574.2**	**2,602.9**	**1,657.9**	**1,371.2**	**(57.8)**	**-**
	Surface		**762.8**	**398.9**	**256.3**	**53.3**	**54.3**	**-**
	Amortisation and depreciation		**(3,636.6)**	(1,142.6)	(1,029.3)	(739.4)	(704.6)	(20.7)
	Net operating profit		**2,700.4**	**1,859.2**	**884.9**	**685.1**	**(708.1)**	**(20.7)**
	Investment income		**257.0**	67.5	50.6	31.3	27.1	80.5
	Finance expenses		**(561.8)**	(147.7)	(150.1)	(57.2)	(61.3)	(145.5)
	Net other costs		**(551.5)**	(64.0)	(59.8)	(46.4)	(28.2)	(353.1)
	Share-based payments		**(274.4)**	(35.1)	(27.6)	(23.5)	-	(188.2)
	Exploration/feasibility costs		**(23.6)**	(13.9)	(0.6)	(0.9)	(1.9)	(6.3)
	Non-recurring items		**(230.1)**	(2.9)	7.2	(8.4)	(31.8)	(194.2)
	Royalties		**(400.6)**	(196.8)	(98.4)	(88.7)	(16.7)	-
	Current tax		**(696.7)**	(430.8)	(97.4)	(153.4)	-	(15.1)
	Deferred tax		**319.5**	53.4	0.9	18.0	122.0	125.2
	Profit for the period		**538.2**	**1,088.9**	**509.7**	**355.9**	**(698.9)**	**(717.4)**
	Profit attributable to:							
	Owners of Sibanye		**716.9**	1,088.9	509.7	355.9	(519.9)	(717.7)
	Non-controlling interests		**(178.7)**	-	-	-	(179.0)	0.3
	Capital expenditure							
	Total expenditure		**(3,344.8)**	(994.2)	(1,129.9)	(596.5)	(337.4)	(286.8)
	Sustaining capital		**(668.9)**	(249.2)	(225.6)	(86.1)	(92.9)	(15.1)
	Ore reserve development		**(2,304.9)**	(727.0)	(840.6)	(510.4)	(226.9)	-
	Growth projects		**(371.0)**	(18.0)	(63.7)	-	(17.6)	(271.7)

INDEPENDENT AUDITOR'S REVIEW REPORT ON ON CONDENSED CONSOLIDATED PRELIMINARY FINANCIAL STATEMENTS

To the shareholders of Sibanye Gold Limited

We have reviewed the condensed consolidated preliminary financial statements of Sibanye Gold Limited, contained in the accompanying preliminary report, which comprise the condensed consolidated statement of financial position as at 31 December 2016 and the condensed consolidated income statement and the condensed consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and selected explanatory notes.

Directors' Responsibility for the Condensed Consolidated Preliminary Financial Statements

The directors are responsible for the preparation and presentation of these condensed consolidated preliminary financial statements in accordance with the requirements of the JSE Limited Listings Requirements for preliminary reports, as set out in note 1 to the financial statements, and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on these financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, which applies to a review of historical information performed by the independent auditor of the entity. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated preliminary financial statements of Sibanye Gold Limited for the year ended 31 December 2016 are not prepared, in all material respects, in accordance with the requirements of the JSE Limited Listings Requirements for preliminary reports, as set out in note 1 to the financial statements, and the requirements of the Companies Act of South Africa.

KPMG Inc

Per J Erasmus
Chartered Accountant (SA)
Registered Auditor
Director
23 February 2017

85 Empire Road
Parktown
2193
Gauteng
South Africa