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Update on safety and other relevant issues – script

2 July 2018

Thank you for joining us on this call today. I apologise for not being available sooner, but it was essential to advance our engagements with stakeholders in order to be in a position to present credible perspectives on our safety challenges to the investment community.

As you are no doubt aware, over the last 5 months there has been a significant increase in fatal incidents resulting in an unacceptable loss of life at our South African gold operations. This is of grave concern to Sibanye-Stillwater's board and management, and, I can assure you, it is being addressed with utmost urgency.

We are appalled by the loss of our employees' lives and are aware that the grave consequences of these incidents will continue to affect the families, colleagues and friends of our deceased colleagues for many years. We will continue to support the families in as comprehensive a manner as possible recognising that, while we cannot rectify the harm that has occurred, we can and will take active steps to try and prevent similar tragic incidents from ever happening again.

The spate of fatalities since February, with 21 employees losing their lives, is unparalleled in Sibanye-Stillwater's history and is a significant departure from our historic safety performance since the company formed in 2013. In my entire 40 year career I have never experienced anything like this. I am deeply saddened and traumatised to have lost so many Sibanye-Stillwater family members in this way.

We are a values based organisation and our decisions are always framed around our Purpose, Vision and Values which were developed in 2013 and have formed the roots of our culture. It is important at such a difficult time like this that we need to remind ourselves of what we strive for. It is therefore most appropriate for me to state that our purpose is that our "Mining improves lives", that our vision is about creating superior value for all stakeholders, and that we deliver through the values encapsulated in our CARES construct by honouring Commitment, Accountability, Respect, creating an Enabling environment and Safe behaviour.

During the five years prior to 2018, our operations have often delivered industry leading safety rates relative to their South African gold and platinum deep level hard rock mining peers, with the Group fatal injury rate showing a clear downward trend. In 2017, after an extensive roll out of a revised safety strategy early in the year, there was a significant improvement in all safety indicators, with the Group achieving 3.4 million fatality free shifts across the Southern Africa (SA) Region in late 2017, and the SA gold operations experiencing no fatalities for a four month period until early February 2018. I am also pleased to note that our Beatrix gold operation has recently achieved 2 million fatality free shifts and is fatality free year to date.

Because it is so inconsistent with our safety history, the sharp increase in the number of employees who have lost their lives due to accidents since February is of major concern. We need as a matter of urgency to address this. Whatever we do will not bring those men back to their families, though it should be noted that 12 of the 21 deaths experienced this year are due to two specific incidents which were unrelated to

one another and very different in nature. I will expand on the steps we have taken to address the safety challenges shortly.

The multiple fatality at Driefontein operations on 3 May 2018, was due to a seismic event. This was covered in some detail at our investor day on 7 June 2018.

Seismic activity is common across the West Wits gold fields and on average our Kloof and Driefontein mines experience 640 events of between 1 and 2 magnitude per year, and approximately 84 larger than 2 magnitude events on average per year. Our deep level mine designs and safety procedures are in line with leading practice for seismicity management worldwide. Our investigations suggest that the event was caused by slippage on an unknown geological feature 15m ahead of the face on the reef horizon, which is abnormally close to the workings. There is no indication that any of the operational controls had failed, and we are confident in the quality and efficacy of our seismic monitoring systems. We still need to fully determine the mechanism of failure so we can prevent events like this from occurring again.

The Ikamva tragedy at our Kloof operations on 11 June 2018 was due to a deviation from safety procedures, reasons for which remain unclear. The incident is still the subject of a mandatory investigation being carried out by management, the DMR and other stakeholders. We can confirm however, that there is photographic evidence that the ventilation door through which our employees entered was chained and had clear and visible no entry signs. The investigation by the DMR will attempt to establish the reasons as to why our employees broke well known and established procedures when entering this area.

Management takes full responsibility for ensuring that our 64,000 employees and approximately 700 supervisors and managers own and live our values. It is imperative that decisions with potentially severe consequences are consistently made in accordance with our values throughout all levels of the organisation. This is a primary area of focus supported by all stakeholders in our safety management action plan that covers cultural and behavioural interventions.

As per convention, all of the incidents will be investigated by the Department of Mineral Resources (DMR) and we will ensure the outcomes of the investigations are made public. We remain committed to the regulatory processes and maintaining an open, transparent and constructive relationship with the DMR. We will ensure that any remedial actions that may be identified through the investigations are implemented in order to prevent similar incidents in future.

In this regard, we wish to note our disappointment with a number of inaccurate statements from influential sources that speculate on the underlying factors for the recent deterioration in safety and the potential implications that could arise. Such statements with no factually objective basis detract from resolution of the safety issues and create confusion. We note the calls made by various parties to take drastic action against the company, but believe that these calls are premature before investigations are complete and that the legal basis and practical consequences have not been considered. I would appeal to all commentators to exercise restraint and avoid unnecessary conjecture in support of a concerted focus on restoring our safety performance.

What are we doing to address the safety challenges?

We are taking structured and well-defined steps to restore our safety performance. At our 2017 year end results presentation in February this year, I stated that in order to break through the safety plateau we had reached, we would need to do things differently by impacting attitude and safe behaviour, and that a Health and Safety compact between all stakeholders was necessary if we were to achieve ZERO harm in the workplace. ZERO HARM involves rethinking and recommitting to building bridges of collaboration between every stakeholder in the mining sector. It is our singular focus to improve mine safety and enhance the values-based behaviours that will achieve that success.

I am pleased to share with you that, in partnership with our stakeholders, we have constructed a twelve point plan, which enjoys the full support of our Board of Directors, based on our Values Based Culture to secure progress towards ZERO HARM. While some of the action steps are still being fully developed, what I can share is the progress made to date and an outline of the future priority areas for attention.

As a **first step** on this journey, we convened a multi-stakeholder Safety and Health Summit on 25 May, which was well attended by all the unions and the DMR as well as senior management from Sibanye Stillwater. All the stakeholders committed to working together to make the workplaces safer, protect jobs and collaborate on all matters pertaining to the health, safety and wellbeing of workers. A safety pledge was jointly developed setting out the scope and spirit in which stakeholders agree to work further towards achieving Zero Harm, and reads as follows:

'As Organised Labour, the DMR and the Management of Sibanye-Stillwater, we acknowledge the parties statutory obligation and workers right that our destiny is shared and commit ourselves, through constructive, transparent collaboration and compliance, to achieving Zero Harm'.

The initial summit was followed by a second summit on 29 June, at which the pledge was formally signed by all of the unions, the DMR and Sibanye-Stillwater, and commitments were made to pursue joint programmes in specific areas, which I will highlight later. This is a significant achievement and step forward, and the first time that I am aware all stakeholders in the industry have committed to a compact of this nature.

The second step in our quest for improved safety, involves funding an independent study by a leading academic at the University of the Witwatersrand, with the aim of developing practical recommendations for enhancing risk management effectiveness at our operations. Effective risk management needs to be part of our culture and daily practice, and is at the core of operating safely. This work, which forms part of a wider study on the origins and impact of the MHSA, will be performed through the Centre for Sustainability in Mining and Industry.

Thirdly, we have appointed a globally recognized expert in mine safety, Dr Kobus de Jager as Corporate Head of Safety. Kobus has over 40 years' experience in mine safety with academic and practical credentials in leadership and behavioural safety. His primary remit will be to fully review the company's safety management systems and processes.

The Fourth step is our sponsorship of DigiMine, which is a collaborative partnership with the University of the Witwatersrand. DigiMine is expected to complement these initiatives through the provision of digital solutions that enhance the timely availability of information to improve safety and operating effectiveness.

As a fifth step, we are holding a safety day at each of our operations dedicated to recommitting to safe operations, reinforcing the right of employees under Section 23 to withdraw, identifying factors that contribute adversely to safety, and fixing workplaces to standard through an intense safe declaration process.

The remaining steps towards achieving a zero harm environment require the commitment and support of all of our stakeholders, and are encapsulated in the outcomes of the second Health and Safety summit held on 29 June. The agreed priority areas in which joint action plans will be developed with our stakeholders comprise:

- Ensuring continuous safety of workplaces, compliance and the right of employees to withdraw from unsafe workplaces
- Leadership effectiveness, values and culture transformation
- Review of safety structures
- Training and development
- Accelerating research and development (technology, systems and processes)
- Review of incentive schemes and recognition programmes to drive safe behaviour
- Trust building, effective engagement and communication

As we progress on this journey, the summit will provide multi-stakeholder oversight, monitoring and evaluation on the implementation of the Plan of Action.

I am delighted that our stakeholders have committed to partner with us to restore our operations to acceptable levels of safety. This is a pivotal milestone that includes our Values Based Culture. This journey cannot be achieved alone. I wish to reiterate our commitment to providing a safe work environment and we will do everything we can to eliminate the loss of life at our operations as we work towards zero harm in the workplace.

While questions around safety are our primary focus on today's call, let me now move on to other areas that have been identified as concerns among our investors.

Production update

There is compelling evidence that a safe working environment is a productive working environment. In addition to the tragic loss of life, the impact these safety incidents have on the operational and financial performance of the mines is significant.

As per our announcement earlier today, primarily due to the cumulative impact of these safety incidents and a later seismic event at the Masakhane mine we have revised our guidance for the SA gold operations from previous guidance of between 1.24Moz-1.29Moz to between 1.17Moz and 1.21Moz, a 6% decline. All in Sustaining Costs are now expected to be between R515,000-R530,000/kg (US\$1,227 – 1,263/oz) with capital expenditure of R3,000 million (US\$230 million)

Following a thorough assessment of the damage caused by the seismic event to the footwall infrastructure on the western side of the Masakhane mine, a decision has been taken to rehabilitate the footwall infrastructure in order to enable access to the western side of the mine. Access to the eastern side of the Masakhane mine was unaffected, and operations in that area resumed on 11 June 2018.

The resumption of full production of approximately 250kg (8,038oz) per month from the Masakhane mine in April 2019, should result in annual production from the SA gold operations increasing in 2019.

The SA PGM operations have maintained their strong performance from Q1 2018 and 4E PGM production is likely to be at the upper limit of previous guidance, with costs at the bottom end of guidance.

Importantly though, with the rand having depreciated by approximately 20% relative to the dollar since February, spot revenues and margins for the SA operations have significantly improved.

The spot rand gold price is currently about R550,000/kg compared to an average of R507,719/kg in Q1 2018 and the spot 4E PGM basket price R13,800/oz, which is some R1000/oz higher than the average of R12,839/oz in Q1. This bodes well for cash flow from these operations should these prices persist for the remainder of the year.

The US PGM operations also continue to perform well and guidance has been maintained. Continued strength in the palladium price is ensuring solid cash flow from these operations.

The proposed Lonmin transaction

This increase in spot prices for South African mining companies will also be positive for Lonmin and may allay concerns raised by some analysts about Lonmin's cash position at year end.

It was pleasing to see the announcement by the Competition and Markets Authority ("CMA"), the UK authority responsible for investigating any merger that could restrict competition, last Friday that it has unconditionally cleared the proposed acquisition. This is an important milestone and we continue to engage constructively with the South African competition authorities with a view to obtaining similar clearance in South Africa. Pending these and other approvals, we still expect to close the transaction in the second half of this year.

We remain fully committed to the transaction and believe that the rationale for the transaction remains compelling for all stakeholders.

Deleveraging

Our focus on deleveraging our balance sheet continues. As mentioned at our investor day, these options include US\$500 million via a streaming arrangement and US\$100 million working capital financing at our US recycling operations. The recent depreciation of the rand will also obviously benefit our deleveraging efforts.

I would also like to highlight the strategic partnership we have entered into at our Altar copper project in Argentina, which was announced last Friday. While this is not a significant transaction for us from a cash flow perspective, I think it is consistent with our commitment to unlocking value at our assets and we continue to explore ways to create value from all of our assets.,

U.S. class action

A purported class action lawsuit, naming Sibanye-Stillwater, Charl Keyter and Neal Froneman, as defendants, has been filed in U.S. federal court in Brooklyn, New York. The complaint alleges that Sibanye-Stillwater violated the U.S. securities laws by making materially false statements in its 2016 and 2017 20-Fs with respect to its safety program. According to the complaint, Sibanye-Stillwater's statements about its safety program were false and/or misleading because the company failed to disclose: (1) that Sibanye-Stillwater places short-term profits over safety; and (2) that almost half of South Africa's 2018 mining fatalities occurred in Sibanye-Stillwater mines. We note that other law firms in the United States have announced that they are considering file similar class actions. Although it is premature for the Company to comment on these matters in any detail, the Company will vigorously defend itself and the interests of our employees and shareholders. I hope this addresses most of the questions you may have? If not, I am happy to take questions.

Ends.

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FORWARD LOOKING STATEMENTS

This announcement contains forward-looking statements, including "forward-looking statements" within the meaning of Section 27A of the U.S. Securities Act of 1933 and the "safe harbour" provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "target", "will", "would", "expect", "can", "unlikely", "could" and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements, including among others, those relating to our future business prospects, financial positions, debt position and our ability to reduce debt leverage, plans and objectives of management for future operations, plans to raise capital through streaming arrangements or pipeline financing, our ability to service our Bond Instruments (High Yield Bonds and Convertible Bonds), our ability to achieve steady state production at the Blitz project and the anticipated benefits and synergies of our acquisitions are necessarily estimates reflecting the best judgement of our senior management and involve a number of known and unknown risks, uncertainties and other factors, many of which are difficult to predict and generally beyond the control of Sibanye-Stillwater, that could cause Sibanye-Stillwater's actual results and outcomes to be materially different from historical results or from any future results expressed or implied by such forward-looking statements. As a consequence, these forward-looking statements should be considered in light of various important factors, including those set forth in the Group's Annual Integrated Report and Annual Financial Report, published on 2 April 2018, and the Group's Annual Report on Form 20-F filed by Sibanye-Stillwater with the Securities and Exchange Commission on 2 April 2018 (SEC File no. 001-35785). These forward-looking statements speak only as of the date of this announcement. Sibanye-Stillwater undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this announcement or to reflect the occurrence of unanticipated events, save as required by applicable law.