

Sibanye Stillwater Limited
Incorporated in the Republic of South Africa
Registration number 2014/243852/06
Share codes: SSW (JSE) and SBSW (NYSE)
ISIN – ZAE000259701
Issuer code: SSW
("Sibanye-Stillwater", "the Company" and/or "the Group")



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MEDIA RELEASE

Sibanye-Stillwater delivers record financial results and announces significant investment in high return organic growth projects

Salient points

- Basic earnings per share (EPS) 53,600% higher year-on year to 1,074 cents (US 261 cents/ADR)
- Record adjusted Free Cash Flow (FCF) of R19.9bn (US\$1.2bn) for 2020 – a 63 fold increase from R318m (US\$22m) in 2019
- Record financial results underpinned by successful recovery from COVID-19 lockdown in SA and larger, diversified production base
- Deleveraging successfully achieved – net cash of R3.1bn (US\$210m) at end 2020
- R10.7 billion (US\$649m) dividends declared for 2020 equivalent to Sibanye listing market capitalisation in 2013
 - leading dividend yield of 8.7%*
- R6.3bn investment in high return PGM and gold projects in South Africa approved
 - Creating approximately 7,000 jobs and securing operational sustainability - significant longer term benefits for stakeholders
 - Combined additional value of R5.1 billion created at conservative assumed project prices, increasing substantially to R26.9 billion at current spot prices
- Improved operational performance expected in 2021 post 2020 COVID-19 lockdown disruption
- Continued increase in precious metal prices supported by robust fundamentals
- Sibanye- Stillwater well positioned and offering significant value upside

* Based on the average share price of R42.52 for the year end 31 December 2020

Johannesburg, 18 February 2021: Sibanye-Stillwater (Tickers JSE: SSW and NYSE: SBSW) announced record financial results for the six months and year ended 31 December 2020. Attributable profit of R29,312 million (US\$1,781 million) for 2020 was 47 times higher than R62 million (US\$5 million) for 2019 to R29,312 million (US\$1,781 million). FCF was significantly higher for 2020, despite the impact of COVID-19 on the operations, with FCF of R19.914 million (US\$1,377 million) 63x higher than FCF for 2019 of R318 million (US\$19 million).

As a result of this strong performance and the improved outlook for the Group, the Board declared a year-end dividend which delivers a full year dividend to shareholders at the top end of the Group policy range. The full year dividends of R10,713 million (US\$649 million) or 371 cents per share (US\$25.15 cents per share or US\$100.62 cents per ADR) is equivalent to an approximate dividend yield of 8.7% average share price for 2020, well ahead of most peers. Adjusting for the 50 cent per share interim dividend (US\$2.94 cents per share or US\$11.79 cents per ADR) results in a final dividend for 2020 of approximately R9,375 million (US\$649 million) or 321 cents per share. (US\$22.21 cents per share or US\$88.83 cents per ADR)

The operational performance was pleasing, with the South African (SA) operations recovering strongly from the COVID-19 lockdown in Q2 2020, reaching normalised production levels by November 2020. The SA PGM operations produced 1,576,507 4Eoz, exceeding the upper limit of revised annual guidance of between 1,350,000 4Eoz and 1,450,000 4Eoz by 9%, with PGM production of 918,679 4Eoz for H2 2020, 40% higher than for H1 2020. The SA PGM production base has grown significantly with the inclusion of the Marikana operations from June 2019, and is significantly cash generative, with FCF of R11,746 million (US\$812 million) close to equalling the acquisition cost of the assets that now comprise the SA PGM operations.

Mined PGM production from the US PGM operations of 603,067 2Eoz in 2020 was marginally higher year-on-year, but below revised guidance of between 620,000 and 650,000 2Eoz, primarily due to the impact of a spike in COVID-19 infections at the US PGM operations in Q4 2020, associated with a severe wave of COVID-19 infections in Montana. Despite the COVID-19 disruptions, H2 2020 production of 305,327 2Eoz was 3% higher than for H1 2020, with most operating trends improving towards the end of the year. The US PGM operations reported FCF of US\$169 million (R2,780 million)

Production from the SA Gold operations (excluding DRDGOLD) of 25,190kg (809,877oz) was 3% above revised guidance of between 23,500 and 24,500kg (756,000oz and 788,000oz), with production of 15,023kg (483,001oz) for H2 2020, 48% higher than for H1 2020. The SA gold operations have now stabilised after the significant disruptions experienced in 2018 and 2019 and have made a strong return to profitability, generating FCF of R6,348 million (US\$439 million).

The Group deleveraging strategy was successfully achieved during the year, with borrowings reducing by R5,354 million (US\$444 million) to R18,383 million (US\$1,251 million) and cash and cash equivalents increasing to R20,240 million (US\$1,378 million). On a trailing 12 month basis, adjusted EBITDA increased by 230% to R49,385 million (US\$3,000 million) resulting in a net cash: adjusted EBITDA ratio of 0.06x compared to net debt: adjusted EBITDA of 1.25x at the end of 2019. The strategic focus has now shifted from deleveraging to appropriate allocation of capital to ensure ongoing value for all stakeholders and the sustainability of the Group.

On 16 February 2021, the Board approved the development of the K4 and Klipfontein projects at the SA PGM operations and the resumption of capital development and equipping at the Burnstone gold project. This represents a significant capital investment of approximately R6.3 billion in high return organic projects in South Africa. The projects have a combined NPV of R5.1 billion at conservative project prices assumed for the evaluations, which increases significantly to R26.9 billion at current spot prices. In addition to this value add for investors in Sibanye Stillwater, the ancillary benefits for communities and other stakeholders will be significant. Approximately 7,000 jobs will be created and sustained over the life of the projects, with significant financial benefits likely to accrue to local communities and regional and national government

From a social perspective, assisting stakeholders to manage the COVID-19 pandemic was a primary focus during 2020 and will continue to be in 2021. Board approval has already been granted to commit up to R200 million in direct and indirect funding/assistance to the vaccine roll out effort, subject to certain conditions, and Sibanye-Stillwater stands ready to assist Government with the logistics of the vaccine roll out throughout the country. Significant Company resources are available to assist should it be required including our 44 healthcare facilities and qualified healthcare professionals spread throughout the regions in which we operate.

Neal Froneman, CEO of Sibanye Stillwater commenting on the results, said: "These are excellent results which demonstrate the benefits of the Group's larger, diversified production base. The manner in which the Group was able to navigate its way through the challenges posed by COVID-19, emerging with a very robust balance sheet and having provided good substantial financial and social support to its employees, local communities, government, shareholders and all stakeholders is a significant achievement given the backdrop of 2020. Sibanye-Stillwater has again demonstrated its ability to deal with volatility and significant challenges. With a tailwind of strong commodities and increased production for 2021, the Group is positioned for an even stronger financial performance for 2021. The global focus has shifted to prioritising a cleaner and greener future, Sibanye-Stillwater is particularly well placed in pursuing its growth strategy and producing the essential metals that the world requires"

For more information on the results and presentation, please refer to <https://www.sibanyestillwater.com/news-investors/reports/quarterly/2020/>.

Results webcast and conference call

Sibanye-Stillwater will host a live presentation to day shared via a webcast (<https://78449.themediaframe.com/links/sibanye210218.html>) and conference call (pre-registration is essential) at 10h00 (CAT) / 03h00 (EST) / 01h00 (MDT). There will also be a conference call for participants in the Americas at 17h00 (CAT) / 10h00 (EST) / 08h00 (MDT). For the webcast link and conference call dial-in details, please refer to our website: <https://www.sibanyestillwater.com/news-investors/reports/quarterly/2020/>.

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FORWARD-LOOKING STATEMENTS

The information in this announcement may contain forward-looking statements within the meaning of the “safe harbour” provisions of the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements, including, among others, those relating to Sibanye Stillwater Limited’s (“Sibanye-Stillwater” or the “Group”) financial positions, business strategies, plans and objectives of management for future operations, are necessarily estimates reflecting the best judgment of the senior management and directors of Sibanye-Stillwater. All statements other than statements of historical facts included in this announcement may be forward-looking statements. Forward-looking statements also often use words such as “will”, “forecast”, “potential”, “estimate”, “expect” and words of similar meaning. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances and should be considered in light of various important factors, including those set forth in this disclaimer. Readers are cautioned not to place undue reliance on such statements.

The important factors that could cause Sibanye-Stillwater’s actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, our future business prospects; financial positions; debt position and our ability to reduce debt leverage; business, political and social conditions in the United States, South Africa, Zimbabwe and elsewhere; plans and objectives of management for future operations; our ability to obtain the benefits of any streaming arrangements or pipeline financing; our ability to service our bond instruments; changes in assumptions underlying Sibanye-Stillwater’s estimation of their current mineral reserves and resources; the ability to achieve anticipated efficiencies and other cost savings in connection with past, ongoing and future acquisitions, as well as at existing operations; our ability to achieve steady state production at the Blitz project; the success of Sibanye-Stillwater’s business strategy; exploration and development activities; the ability of Sibanye-Stillwater to comply with requirements that they operate in a sustainable manner; changes in the market price of gold, PGMs and/or uranium; the occurrence of hazards associated with underground and surface gold, PGMs and uranium mining; the occurrence of labour disruptions and industrial action; the availability, terms and deployment of capital or credit; changes in relevant government regulations, particularly environmental, tax, health and safety regulations and new legislation affecting water, mining, mineral rights and business ownership, including any interpretations thereof which may be subject to dispute; the outcome and consequence of any potential or pending litigation or regulatory proceedings or other environmental, health and safety issues; power disruptions, constraints and cost increases; supply chain shortages and increases in the price of production inputs; fluctuations in exchange rates, currency devaluations, inflation and other macro-economic monetary policies; the occurrence of temporary stoppages of mines for safety incidents and unplanned maintenance; the ability to hire and retain senior management or sufficient technically skilled employees, as well as their ability to achieve sufficient representation of historically disadvantaged South Africans in management positions; failure of information technology and communications systems; the adequacy of insurance coverage; any social unrest, sickness or natural or man-made disaster at informal settlements in the vicinity of some of Sibanye-Stillwater’s operations; and the impact of HIV, tuberculosis and the spread of other contagious diseases, such as coronavirus (“COVID-19”). Further details of potential risks and uncertainties affecting Sibanye-Stillwater are described in Sibanye-Stillwater’s filings with the Johannesburg Stock

Exchange and the United States Securities and Exchange Commission, including the Integrated Annual Report 2019 and the Annual Report on Form 20-F for the fiscal year ended 31 December 2019.

These forward-looking statements speak only as of the date of the content. Sibanye-Stillwater expressly disclaims any obligation or undertaking to update or revise any forward-looking statement (except to the extent legally required).