

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 performance for the six months ended 30 Jun 2021

- Headline earnings per share (HEPS) of 843 cents (US 39 cents/ADR), 141% higher year on year
- Record adjusted Free Cash Flow (AFCF) of R17.3 bn (US\$1.2bn)
- Record financial results underpinned by solid operational performance post H1 2020 COVID-19 disruptions and record PGM basket prices for H1 2021
- Net cash of R10.2bn (US\$712m) versus net debt of R16.1bn (US\$930m) at the end of H1 2020
- Interim dividend of SA 292 cents (US 77 cents per ADR) - approximately 10%*annualised yield
- Continued capital allocation discipline:
 - Debt further reduced on 2 August 2021 through R5.0bn (US\$354m) corporate bond redemption
 - 5% share buyback announced on 1 June 2021 (around 1.9% purchased to date)
- PGM fundamentals remain strong despite short term volatility
- Green metals strategy progressing:
 - purchase of an initial stake in the Keliber lithium project in Finland
 - proposed acquisition of the Sandouville nickel refinery in France

*Based on the closing share price of R59.66 at 30 June 2021

Johannesburg, 26 August 2021: Sibanye Stillwater (Tickers JSE: SSW and NYSE: SBSW) announced another record financial performance for the six months ended 30 June 2021 (H1 2021). Significantly higher production year-on-year from the SA PGM and gold operations reflects a sustained recovery in production from the COVID-19 disruptions experienced in 2020, with production from the US PGM operations flat year-on-year.

The improved operational performance, together with considerably higher commodity prices, resulted in Group profit for H1 2021 increasing by 160% to R25,319 million (US\$1,740 million) compared with R9,731 million (US\$584 million) for H1 2020. This surpassed the previous Group record of R20,891 million (US\$1,277 million) reported for H2 2020, by 21% or R4,428 million (US\$463 million).

Basic earnings per share (EPS) of 843 SA cents (58 US cents/232 US cents/ADR) and headline earnings per share (HEPS) of 843 SA cents (58 US cents/232 US cents/ADR) both increased by approximately 140% year-on-year, benefiting from the strong operating performance and robust commodity prices.

Normalised earnings of R24,411 million (US\$1,678 million) was 176% higher than for H1 2020. In line with the dividend policy, an interim dividend of approximately R8,544 million (US\$565 million) (292 cents per share/US77.2 cents per ADR), equivalent to an annualised dividend yield of 10%, was approved by the Board. This interim dividend is equivalent to 35% of normalised earnings and is at the upper end of the range specified in the Group dividend policy.

Disciplined implementation of our capital allocation framework supported continued delivery of our strategic imperatives during H1 2021, including:

- Significant investment in high-return brownfields projects to sustain our SA PGM and gold operations (approved in February 2021). Following the completion of initial planning during Q2 2021, development of these projects began during July 2021.
- Gross debt (excluding non-recourse debt) was reduced by 44% from R28,144 million (US\$1,622 million) at the end of H1 2020, to R15,901 million (US\$1,114 million) at the end of H1 2021. The early redemption of the 2022 corporate bond on 2 August 2021, has further reduced borrowings by US\$354 million (R5,049 million), improving balance sheet flexibility and reducing financing costs.
- The share buyback programme that commenced in June 2021 represents tangible value uplift for shareholders, consistent with our stated intention to return surplus capital to shareholders. The approximately R9,600 million (\$700 million) share buyback program for 5% of shares in issue, should, once completed, further enhance shareholder returns through higher dividend pay-outs to remaining shareholders.

STRATEGIC UPDATE

Becoming a meaningful participant in the green energy metals space is encapsulated by our strategic objective of "Building an operating portfolio of green energy metals and related technologies", which complements our existing leading PGM mining and recycling operations, our latent uranium potential and newly acquired battery metals presence, as well as our existing gold presence.

Growing our green metals portfolio starts with advancing our battery metals strategy; realising value from our uranium assets; leveraging our existing recycling and tailings re-treatment businesses and understanding the value opportunities available from participating in the nascent green hydrogen economy through our existing leading PGM business. This complements and builds on the initial steps taken in the battery metals space.

While not yet having material impact on internal combustion engine vehicle sales, increasing demand for battery metals to meet requirements for electric vehicle production is already starting to have substantial implications for battery metal supply. Moreover, recent experience with the global electronic chip shortage, combined with concerns related to China's trade policies, is resulting in automotive manufacturers striving to establish regional supply chains and strategic offtake agreements through which they can secure reliable supply for key commodities.

The resultant increased demand for battery metals to support a prolonged expansion of the global battery electric vehicle (BEV) fleet over the next two to three decades, is going to require commensurate increase in the supply of battery metals. Primary expansion of the scale needed to meet BEV growth projected by some market commentators, will be challenging.

As an alternative source of supply, recycling is therefore likely to become a more significant contributor to battery metal supply as batteries and vehicles start reaching the end of their useful lives in increasing numbers towards the end of the decade and a circular economy is established. Recognising the increasing likelihood (if not the quantum) of this shift towards increased electrification of the global automobile sector, some years ago, in 2019 we acquired SFA (Oxford) to carry out detailed research and analysis into the evolution of future mobility, including batteries and BEVs.

Preliminary steps to position the corporation in mobility battery metals were made during the H1 2021, with the acquisition of an initial stake in the Keliber lithium project in Finland and the proposed acquisition of the Sandouville Nickel Refinery in France.

Neal Froneman, CEO of Sibanye Stillwater commenting on the results, said: "The record financial results for H1 2021 are extremely pleasing and once again reflect the benefit of our geographic and commodity diversification. As per the strategic considerations outlined above, this growth and diversification is likely to evolve further as we position ourselves to create sustainable value through delivery on our green metals strategy.

We have also continued with our disciplined approach to capital allocation: investing in high return sustainable brownfields projects at our operations, continuing to improve financial flexibility and risk by ongoing debt reduction, returned significant value to shareholders and other stakeholders through dividends and returned surplus capital to shareholders through the share buyback programme which commenced in July 2021. All of these actions significantly de-risk the Group and are delivering real value to stakeholders.”

The progress made on our strategy to create additional value through an exposure to green metals is equally pleasing and Sibanye-Stillwater is particularly well placed to continue its value accretive growth strategy through long term delivery of the essential metals that the world requires.”

For the full results, please refer to <https://www.sibanyestillwater.com/news-investors/reports/quarterly/2021/>.

Results webcast and conference call

Sibanye-Stillwater will host a live presentation today at 15h00 (CAT) / 09h00 (EST) / 07h00 (MDT), shared via a webcast (<https://78449.themediiframe.com/links/sibanye210826.html>) and conference call (pre-registration is essential at <https://services.choruscall.za.com/DiamondPassRegistration/register?confirmationNumber=4552862&linkSecurityString=7ab5fd95a>).

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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).