

Lonmin Plc (Incorporated in England and Wales)
(Registered in the Republic of South Africa under
registration number 1969/000015/10)
JSE code: LON
Issuer Code: LOLMI & ISIN : GB0031192486 ("Lonmin")



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REGULATORY RELEASE

18 September 2014

Related Party Transaction

Lonmin Plc ("Lonmin" or "the Company") announces that Western Platinum Limited ("WPL"), a subsidiary of the Company, has today entered into certain commitments with Incwala Platinum (Proprietary) Limited ("Incwala") under which WPL will advance a non-interest bearing loan to Incwala, and commits to make a further such loan in March 2015. Incwala beneficially owns 18% of the issued share capital of WPL and its sister company Eastern Platinum Limited, Lonmin's principal operating subsidiaries in South Africa, which forms the cornerstone of the Company's Black Economic Empowerment arrangements. As such, this is a smaller related party transaction falling within the scope of Listing Rule 11.1.10R.

WPL will advance the sum of R242 million (circa \$22 million at current exchange rates) to Incwala on or before 30 September 2014, and has entered into a commitment to advance a further R242 million on the same interest-free basis, on or before 31 March 2015 (collectively, the "Loans"). The Loans will enable Incwala to meet the covenants and other obligations in relation to existing preference share funding it has raised from local banks. The Loans will be repaid over time by the relevant subsidiary of Lonmin withholding sums that would otherwise be payable to Incwala by way of dividend.

- ENDS -

Sponsor: J.P. Morgan Equities South Africa (Pty) Ltd

ENQUIRIES

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Notes to editors

Lonmin, which is listed on both the London Stock Exchange and the Johannesburg Stock Exchange, is one of the world's largest primary producers of PGMs. These metals are essential for many industrial applications, especially catalytic converters for internal combustion engine emissions, as well as their widespread use in jewellery.

Lonmin's producing assets are situated in the Bushveld Complex in South Africa, where nearly 80% of known global PGM resources are found.

The Company creates value for shareholders through mining, refining and marketing PGMs and has a vertically integrated operational structure - from mine to market. Lonmin's mining operations extract ore from which the Process Division produces refined PGMs for delivery to customers. Underpinning the operations is the Shared Services function which provides high quality levels of support and infrastructure across the operations.

For further information please visit our website: <http://www.lonmin.com>