

REGULATORY RELEASE

29 May 2013

Further Update on Union Recognition

Lonmin Plc (“the Company”) announces a further update on issues relating to union recognition and labour relations at its Marikana operations.

In a regulatory announcement on 17 May 2013, the Company announced that it was expediting procedures for the removal of majority union privileges from the National Union of Mineworkers (NUM), which is now a minority union at Marikana. These privileges come with majority union status which is now held at Lonmin by the Association of Mineworkers and Construction Union (AMCU) with approximately 70% representation.

The Company has been involved in lengthy discussions with AMCU aimed at concluding a new recognition agreement which, whilst recognising the union’s majority status and the rights which go with that, also provided the optimal platform for all stakeholders to ensure a reduction of tensions on the ground and the building of a long-term peace.

Lonmin also announced on 23 May 2013 that it had asked that the dispute with AMCU, in respect of the failure to conclude a new recognition agreement, be referred to arbitration. The Commission for Conciliation, Mediation and Arbitration has scheduled the arbitration for 26 June 2013.

The NUM issued a legal challenge concerning the timing of the notice period Lonmin is required to give for the removal of majority union privileges.

The Johannesburg Labour Court yesterday ordered that the notice period in terms of the recognition agreement between the NUM and Lonmin will expire on 16 July 2013 if by that date the NUM is unable to prove that it is sufficiently representative in terms of the current recognition agreement. During the notice period the NUM is entitled to access its current offices and transport facilities.

Lonmin had chosen to expedite the process in the interests of furthering peace and security on the ground. The Company was cognisant of the request on 15 May 2013 by the Cabinet of the Government of the Republic of South Africa which called on unions and Lonmin management to do all they could to resolve the recognition dispute peacefully.

Lonmin urges all parties to heed the advice of the Cabinet and to work to ensure that court ruling is implemented without risk of further unrest at Marikana.

This is an ongoing process and the Company will update the market further when appropriate.

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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 operations 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>