

REGULATORY RELEASE

11 November 2013

Fourth Quarter 2013 Production Report

Lonmin Plc (“Lonmin” or “the Company”), the world’s third largest Platinum producer, today announces its production results for the three months to 30 September 2013. Lonmin also publishes today, in a separate announcement, its final results for the year ended 30 September 2013.

Overview

The positive trend of our rolling 12 month average Lost Time Injury Frequency Rate (LTIFR) continued and LTIFR for 2013 was 3.50 incidents per million man hours compared to 3.55 at the end of June 2013 and 4.16 for 2012. Regrettably one of our colleagues, Ayanda Dziliyana, was fatally injured in August at Saffy shaft and we extend our sympathies to his family and friends.

We maintained the overall operational momentum built since the labour disruptions and achieved an impressive performance in the fourth quarter with 3.2 million attributable tonnes being mined reflecting an improvement of 9.5% against Q3 2013. This represents an increase of 1.5 million tonnes or 94.0% on the prior year period when production was affected by the labour unrest and Events at Marikana. Total tonnes lost in Q4 due to Section 54 safety stoppages, management induced safety stoppages (MISS) and industrial relations issues were 69,000 tonnes less than Q3. Momentum was interrupted in August following the fatality at Saffy shaft and the associated safety stoppage but the operations recovered resulting in the exceptional performance.

During the quarter, we produced total Platinum metal in concentrate of 198,428 ounces reflecting an improvement of 6.4% against Q3. Platinum sales were 288,280 ounces driven by good smelter performance in the quarter after the Number Two furnace forced shut down in Q3. For the financial year 2013 we achieved 750,942 ounces of Platinum metal in concentrate, the highest amount since 2007. Refined production of 709,029 Platinum ounces were lower as a result of refilling the pipeline and a stock build-up following the smelter incident at Number Two furnace which occurred during the planned shut down of the Number One furnace for maintenance. We sold 695,803 Platinum ounces during the financial 2013 year.

Mining Division

Our underground mining operations produced 3.0 million tonnes during the fourth quarter, an increase of 1.5 million tonnes or 101.0% more than the prior year period. The comparative numbers were negatively affected by the Events at Marikana during the prior year period. Production from our Merensky opencast operations was comparable to the prior year period. Pandora attributable production increased by 43,000 tonnes, or 171.4% on the prior year period following labour disruptions in 2012.

Production at Karee increased by 686,000 tonnes, up 105.0% on the prior year period and 12.9% compared to Q3. K4 was placed on care and maintenance at the beginning of the year having produced 22,000 tonnes in Q4 2012.

Similarly production at Westerns increased by 414,000 tonnes, or 108.9% on the prior year period and 15.1% against the previous quarter. Output from Rowland shaft increased by 20.8% or 86,000 tonnes compared to Q3 as the operations regained momentum following the fatal accident in April and Section 54 safety stoppage. The preliminary work around the de-bottlenecking project has started to deliver positive returns and the ore reserve position has been improved. Newman increased by 16,000 tonnes, or 7.0% compared to Q3.

Production at Middelkraal continued to increase, and was 296,000 tonnes or 96.1% more than the prior year. The quarter on quarter increase was, however, only 4.4% as the momentum established at Saffy was impacted by a Section 54 safety stoppage which resulted in a loss of 89,000 tonnes following the fatal accident on 14 August.

Production at Easterns increased by 92,000 tonnes over the prior year period. The planned depletion of East 1 shaft continues as it approaches the end of its life.

In total, 165,000 tonnes of production were lost during the quarter, of which 105,000 tonnes related to Section 54 safety stoppages, 9,000 tonnes to MISS and an additional 51,000 tonnes was due to labour stoppages. This compared to a total of 1,822,000 tonnes lost in the prior year period of which 26,000 tonnes were due to Section 54 safety stoppages, 2,000 tonnes were due to MISS and 1,794,000 tonnes were due to strike action.

Process Division

Total tonnes milled in the quarter increased by 1.4 million tonnes or 85.2% to 3.1 million tonnes with underground 92.4% higher than the prior year period and opencast down 27.2%.

Underground milled head grade decreased slightly by 3.0% to 4.55 grammes per tonne (5PGE+Au) when compared to 4.69 grammes per tonne in the prior year period and remains within our expected grade range. The overall milled head grade was 4.51 grammes per tonne, a decrease of 1.7% on the prior year period.

Underground and overall concentrator recoveries for the quarter increased by 0.9 percentage points to 87.6% when compared to the prior year and 1.0 percentage point versus Q3 2013. These are record achievements.

Platinum in concentrate from the Marikana operations for the quarter was 186,332 saleable ounces, an 81.2% increase on the prior year period and an increase of 6.7% on Q3. Total Platinum in concentrate at 198,428 ounces was 82.4% higher than the prior year period. The increases were a consequence of the increase in ore mined.

Total refined production for the fourth quarter was up 38.5% to 271,773 ounces of saleable Platinum when compared against the prior year period. Total Platinum Group Metals (PGMs) produced in the fourth quarter were 493,110 ounces, an increase of 24.4% on the prior year period reflecting the longer lead time for extracting non-Platinum PGMs. Both furnaces were running during the quarter and high smelting rates were achieved as the build-up in pipeline stock during the third quarter was processed.

Sales & Pricing

Platinum sales for the quarter were up 23.7% to 288,280 ounces and PGM sales were up 9.1% to 519,222 ounces. The US dollar basket price (excluding base metal credit) at \$1,058 per ounce during the quarter was broadly flat on the prior year period while the corresponding Rand basket price was 21.7% higher than the prior quarter on the back of Rand weakness.

- ENDS -

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 Igneous 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. 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>

				3 months to 30 Sep 2013	3 months to 30 Sep 2012
Tonnes mined	Marikana	Karee ¹	kt	1,340	654
		Westerns ¹	kt	793	380
		Middelkraal ¹	kt	605	308
		Easterns ¹	kt	242	150
		Underground	kt	2,980	1,491
		Opencast	kt	113	113
		Total	kt	3,093	1,604
	Pandora attributable ²	Underground	kt	68	25
	Lonmin Platinum	Underground	kt	3,048	1,516
		Opencast	kt	113	113
Total		kt	3,161	1,629	
% UG2		%	73.7%	71.0%	
Tonnes milled³	Marikana	Underground	kt	2,911	1,523
		Opencast	kt	74	102
		Total	kt	2,985	1,625
	Pandora ⁴	Underground	kt	160	72
	Lonmin Platinum	Underground	kt	3,071	1,596
		Head grade⁵	g/t	4.55	4.69
		Recovery rate⁶	%	87.6%	86.7%
		Opencast	kt	74	102
		Head grade⁵	g/t	2.93	3.06
		Recovery rate⁶	%	85.0%	86.9%
		Total	kt	3,145	1,698
		Head grade⁵	g/t	4.51	4.59
	Recovery rate⁶	%	87.6%	86.7%	

				3 months to 30 Sep 2013	3 months to 30 Sep 2012
Metals in concentrate ⁷	Marikana	Platinum	oz	186,332	102,822
		Palladium	oz	86,945	47,685
		Gold	oz	4,499	2,730
		Rhodium	oz	25,648	13,265
		Ruthenium	oz	38,329	21,532
		Iridium	oz	8,801	4,688
		Total PGMs	oz	350,554	192,721
		Nickel ⁸	MT	950	554
		Copper ⁸	MT	607	352
	Pandora ⁴	Platinum	oz	11,213	5,068
		Palladium	oz	5,345	2,368
		Gold	oz	86	38
		Rhodium	oz	1,812	778
		Ruthenium	oz	2,667	1,228
		Iridium	oz	479	207
		Total PGMs	oz	21,602	9,687
		Nickel ⁸	MT	21	9
		Copper ⁸	MT	12	5
	Concentrate purchases	Platinum	oz	883	905
		Palladium	oz	272	329
		Gold	oz	5	4
		Rhodium	oz	109	104
		Ruthenium	oz	105	132
		Iridium	oz	45	39
		Total PGMs	oz	1,418	1,513
		Nickel	MT	1	0
		Copper	MT	1	0
	Lonmin Platinum	Platinum	oz	198,428	108,795
		Palladium	oz	92,562	50,382
		Gold	oz	4,589	2,772
		Rhodium	oz	27,569	14,146
		Ruthenium	oz	41,101	22,892
		Iridium	oz	9,325	4,934
		Total PGMs	oz	373,574	203,921
Nickel ⁸		MT	972	564	
Copper ⁸		MT	619	358	

				3 months to 30 Sep 2013	3 months to 30 Sep 2012
Refined production	Lonmin refined metal production	Platinum	oz	271,773	178,158
		Palladium	oz	122,904	89,857
		Gold	oz	7,081	5,006
		Rhodium	oz	21,651	44,096
		Ruthenium	oz	61,982	38,675
		Iridium	oz	6,286	8,475
		Total PGMs	oz	491,677	364,269
	Toll refined metal production	Platinum	oz	-	18,021
		Palladium	oz	-	8,564
		Gold	oz	-	48
		Rhodium	oz	-	263
		Ruthenium	oz	1,333	4,224
		Iridium	oz	100	939
		Total PGMs	oz	1,433	32,058
	Total refined PGMs	Platinum	oz	271,773	196,179
		Palladium	oz	122,904	98,421
		Gold	oz	7,081	5,054
		Rhodium	oz	21,651	44,359
		Ruthenium	oz	63,315	42,900
		Iridium	oz	6,386	9,414
		Total PGMs	oz	493,110	396,327
	Base metals	Nickel ⁹	MT	1,224	921
Copper ⁹		MT	776	531	
Sales	Refined metal sales	Platinum	oz	288,280	233,054
		Palladium	oz	122,951	121,096
		Gold	oz	5,885	5,262
		Rhodium	oz	25,108	53,534
		Ruthenium	oz	68,611	51,887
		Iridium	oz	8,387	11,271
		Total PGMs	oz	519,222	476,104
		Nickel ⁹	MT	1,246	1,074
		Copper ⁹	MT	845	724
		Chrome ⁹	MT	378,361	287,165

			3 months to 30 Sep 2013	3 months to 30 Sep 2012
Average prices	Platinum	\$/oz	1,443	1,477
	Palladium	\$/oz	718	603
	Gold	\$/oz	1,475	1,526
	Rhodium	\$/oz	975	1,106
	Ruthenium	\$/oz	70	100
	Iridium	\$/oz	841	1,033
	\$ basket excl. by-product revenue ¹⁰	\$/oz	1,058	1,053
	\$ basket incl. by-product revenue ¹¹	\$/oz	1,110	1,103
	R basket excl. by-product revenue ¹⁰	R/oz	10,556	8,674
	R basket incl. by-product revenue ¹¹	R/oz	11,070	9,031
	Nickel ⁹	\$/MT	11,242	11,866
	Copper ⁹	\$/MT	6,827	6,948
	Chrome ⁹	\$/MT	18	21
Exchange Rates	Average rate for period ¹²	R/\$	9.95	8.24
	Closing rate	R/\$	9.99	8.30

Notes:

- 1 Karee includes the shafts K3, K4 (currently on care and maintenance) and 4B/1B. Westerns comprises Rowland, Newman and ore purchases from W1. Middelkraal represents Hossy and Saffy. Easterns includes E1, E2 and E3.
- 2 Pandora attributable tonnes mined represents Lonmin's share (42.5%) of the total tonnes mined on the Pandora joint venture.
- 3 Tonnes milled excludes slag milling.
- 4 Lonmin purchases 100% of the ore produced by the Pandora joint venture for onward processing which is included in downstream operating statistics.
- 5 Head grade is the grammes per tonne (5PGE + Au) value contained in the tonnes milled and fed into the concentrator from the mines (excludes slag milled).
- 6 Recovery rate in the concentrators is the total content produced divided by the total content milled (excluding slag).
- 7 Metals in concentrate include metal derived from slag processing and have been calculated at industry standard downstream processing losses to present produced saleable ounces.
- 8 Corresponds to contained base metals in concentrate.
- 9 Nickel is produced and sold as nickel sulphate crystals or solution and the volumes shown correspond to contained metal. Copper is produced as refined product but typically at LME grade C. Chrome is produced in the form of chromite concentrate and volumes shown are in the form of chromite.
- 10 Basket price of PGMs is based on the revenue generated in Rand and Dollar from the actual PGMs (5PGE + Au) sold in the period based on the appropriate Rand / Dollar exchange rate applicable for each sales transaction.
- 11 As per note 10 but including revenue from base metals.
- 12 Exchange rates are calculated using the market average daily closing rate over the course of the period.