

MEDIA RELEASE**31 October 2013****Bench Marks Foundation Policy Gap 7 Report**

The latest study (Policy Gap 7) released by the Bench Marks Foundation is an attempt to highlight the shortcomings in the sustainability reporting practices of South African mining companies. In the process, it raises a number of relevant issues and makes some important recommendations that not just Lonmin, but the entire mining industry, should take on board.

We have studied the contents of the report, particularly the sections that apply to Lonmin, and its approach of relying primarily on data gleaned from the company's sustainability reports to highlight perceived shortcomings.

We are concerned that the underlying assumption in PG7 is that changes in measurement, reporting or commitments ought to be taken as evidence of failure or deception. Sustainability reporting is not an exact science and has changed a great deal in the last decade, as have environmental and other standards. We acknowledge that some of the data contained in Lonmin's reports is not accurate across the entire period and that some of the standards and measures have changed. While our data and collections methods have improved, we still have some challenges in this area, which we are addressing. Our reports are audited and are prepared in terms of the Global Reporting Initiative's guidelines and the mandatory Position Statements of the International Council on Mining and Metals (ICMM). Our 2012 report was compliant with the GRI requirements for an A+ level of reporting.

We are also very concerned that Bench Marks would call for Lonmin's mining licence to be revoked. This is a call we find both contradictory and irresponsible, given it would have a direct effect on the 27,000 employees, their families and the surrounding communities who depend on the company for their livelihood.

Lerato Molebatsi, Executive Vice President of Public Affairs at Lonmin, said: "We have invited the Bench Marks Foundation to engage with us constructively, understand better the context in which we operate and help us to deliver outcomes that are truly sustainable, and had a meeting with them on Tuesday 29 October. We respect the importance of Bench Marks' constituency and the fact that we all have common interests and to some extent common purpose. While we believe that the foundation has pointed to some areas where we can improve; and while we acknowledge that there is some inconsistency over the course of the Sustainability Reports over the past ten years, we have to stress that we are complying and, in general, exceeding the legislative and reporting requirements and also global best practice. We believe the best way forward is to engage constructively with all stakeholders on these issues."

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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>