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MEDIA RELEASE

12 December 2016

LONMIN RESPONSE TO PRESIDENCY UPDATE ON THE FARLAM COMMISSION RECOMMENDATIONS

Lonmin Plc notes the update made on Sunday 11 December 2016 by the Presidency on the steps taken to implement the Farlam Commission recommendations of 2015. Lonmin has implemented a number of measures as part of its ongoing housing plan and as the Presidency statement notes, Lonmin has completed the conversion of all hostels into 1,908 single and 776 family units respectively. We have fully complied with the Mining Charter as of December 2014.

The Company's revised housing plan was submitted to the Department of Mineral Resources in October 2014 as part of the Company's Social Labour Plans. Following engagement with and directions provided by the Department of Mineral Resources in September 2016 requiring certain revisions to Lonmin's housing plan, the Company is currently reviewing its plan and is confident that it will submit a plan that is compliant.

"Our revised employee housing strategy, which includes the construction of infill apartments, is the product of a continuing survey of employees' housing preferences. We have taken proactive steps to meet our obligations despite the unfavourable economic climate by including long term, sustainable housing solutions in our capital expenditure budgets," said Abey Kgotle, Executive Vice President, Human Resources.

We continue to work on collaborative projects such as the Special Presidential Package to improve infrastructure and housing.

-ENDS -

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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>