Sibanye Gold Limited
Trading as Sibanye-Stillwater
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Incorporated in the Republic of South Africa
Share code: SGL
ISIN – ZAE000173951
Issuer code: SGL
("Sibanye-Stillwater","the Company" and/or "the Group")

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MEDIA RELEASE

SIBANYE-STILLWATER RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2017

- Group operating profit of R3,233 million (US$245 million) impacted by lower average gold price and gold production for the period
  - Gold production of 21,418kg (688,600oz) resulting in an operating profit of R2,353 million (US$178 million)
  - Operating profit of R506 million (US$38 million) from SA PGM operations. Operational turnaround exceeding expectations
    - R550 million operational synergies realised, well ahead of schedule, at SA PGM operations, with annualised synergies forecast at R1,000 million
  - Successful integration of US PGM operations and higher palladium price resulting in an attributable operating profit from the Stillwater operations of US$28 million for the first two months since acquisition
    - The Blitz project to be commissioned ahead of schedule in the December 2017 quarter
- Refinancing of the US$2,650 million Stillwater Bridge Facility was well supported, with $2,050 million refinanced through capital raised during the June 2017 quarter. The residual portion will be refinanced before year-end
- A capitalisation issue of 2 (two) new shares for every 100 (one hundred) held, maintaining our commitment to deliver industry leading returns to shareholders

Westonaria, 30 August 2017: Sibanye-Stillwater (Tickers JSE: SGL and NYSE: SBGL) today reported operating and financial results for the 6 months ended 30 June 2017.

On the whole, the operating results are pleasing with the integration of the new PGM acquisitions proceeding smoothly, and with the SA PGM operations in particular delivering significant synergies.

To date, approximately R550 million of the R800 million annual cost and operational synergies which were identified on acquisition of the Aquarius and Rustenburg operations, have been achieved, with annualised benefits of approximately R1,000 million expected by year end. This is significantly earlier than the three year period initially forecast to realise the R800 million benefits, underpinning the strong rationale for making these acquisitions and for consolidation of the industry.

Despite the average 4E PGM basket price for the period remaining subdued the SA PGM operations recorded a R506 million (US$38 million) operating profit, with Mimosa contributing an additional attributable R195 million (US$15 million), as a contribution from associates.

The US PGM operations, comprising the Stillwater Mine, East Boulder Mine, Columbus processing facilities, the recycling operations and the Blitz project have been incorporated into the Sibanye-Stillwater group effective from 4 May 2017 and have performed strongly despite the completion of the transaction and integration into the Group. Development of the Blitz project, which is expected to increase production from the US PGM operations by approximately 50% by 2021/2022, is well ahead of schedule with first production expected in the December 2017 quarter.

The timing of the Stillwater Transaction has been most opportune, with palladium among the top performing commodities in 2017. Should PGM prices remain at current spot prices (US$950/2Eoz), the US Region will continue to finance its own capital, service the financing costs associated with its purchase and contribute significant additional cash flow to the Group.

The industry leading Recycling Operation at Columbus delivered strong growth in recycling volumes, averaging approximately 25.2 tonnes of feed material per day compared with 20.4 tonnes per day during the first half of 2016 and contributed US$3 million to the US region operating profit of US$28 million, for the two months since acquisition.

The 14% appreciation of the rand relative to the US dollar resulted in the average rand gold price achieved declining by 13% to R523,303/kg for the six months ended 30 June 2017. Despite the challenging economic environment, the SA gold operations have generally performed satisfactorily, barring the Cooke Operations and the Beatrix West mine.

Gold produced was 8% lower primarily due to the suspension of operations at Cooke 4 during the second half of 2016, the impact of illegal mining at the Cooke Operations, and lower volumes and grades from Beatrix West. Operating profit declined to R2,353 million.

Unfortunately continuing to operate the Cooke and Beatrix West business units at a loss is unsustainable and threatens the sustainability of other operations. As such, notice has been given to all stakeholders and S189 consultations, which were announced on 3 August 2017, have begun. Placing these business units on care and maintenance will result in the AISC for the SA gold operations being approximately R25,000/kg (US$60/oz) lower.

Financial results

The Group recorded a net loss for the period of R4,803 million (US$364 million) compared with a R88 million (US$6 million) net profit for the comparable period in 2016. Net other losses for the six months ended 30 June 2017 amounted to R5,780 million (US$438 million) primarily due to non-recurring expenses including impairments, mainly at Cooke and Beatrix, of R2,796 million (US$212 million), a provision for the expected future occupational healthcare settlement of R1,077 million (US$82 million) as well as net finance expenses of R1,245 million (US$94 million), an increase year-on-year of R1,021 million (US$80 million) due to increased debt and fees related to the Stillwater Transaction (refer to the notes to the financial statement for more detail).

The normalised loss (attributable profit/loss adjusted for gains and losses on foreign exchange and financial instruments, non-recurring items and share of result of equity-accounted investees after tax) for the six months ended 30 June 2017 was R1,002 million (US$76 million).

Capitalisation issue to shareholders

Mindful of our track record of paying industry leading dividends, but cognizant of the need to refinance the remaining US$361 million Stillwater Bridge facility and possible restructuring costs in H2 2017, the Board has resolved to issue 2 capitalisation shares per 100 held, to shareholders.

Refinancing the Stillwater Bridge facility

It was pleasing to note the overwhelming support by shareholders for the Stillwater Transaction. The subsequent refinancing of the US$2,650 million Stillwater Bridge Facility was also strongly supported, with the US$1,000 million equity capital raise five times oversubscribed and the US$1,050 million corporate bond 100% oversubscribed and competitively priced.

Refinancing of the residual US$361 million of the Stillwater Bridge Facility is well advanced. A number of financing options are currently available and a decision is expected to be made during the course of the September 2017 quarter.

Commenting on the results, CEO Neal Froneman said: "We remain confident that the strategic rationale and timing of the move into the PGM sector are sound, and that the PGM operations will contribute strongly to the Group and create significant shareholder value. We are restructuring the SA Gold operations for further sustainability and profitability and the outlook is positive. The Group as whole has undergone significant change and done so under challenging circumstances, with commodity prices subdued and the South African operating environment uncertain. Sibanye-Stillwater is now well positioned to benefit from any upside in precious metal prices."

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FORWARD LOOKING STATEMENTS

This document includes "forward-looking statements" within the meaning of the "safe harbour" provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "target", "will", "would", "expect", "anticipate", "plans", "potential", "can", "may" and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters.

These forward-looking statements, including, among others, those relating to Sibanye-Stillwater's future business prospects, revenues and income, expected timings of the Stillwater transaction (including completion) (the Transaction), potential Transaction benefits (including statements regarding growth and cost savings) or information related to the Blitz Project, wherever they may occur in this document and the exhibits to this document, are necessarily estimates reflecting the best judgment of the senior management and directors of Sibanye-Stillwater, and involve a number of known and unknown risks and uncertainties that could cause actual results, performance or achievements of the Sibanye-Stillwater Group to differ materially from those suggested by the forward-looking statements. As a consequence, these forward-looking statements should be considered in light of various important factors, including those set forth in this document. Important factors that could cause the actual results to differ materially from estimates or projections contained in the forward-looking statements include, without limitation, economic, business, political and social conditions in South Africa, Zimbabwe and elsewhere; changes in assumptions underlying Sibanye's estimation of its current Mineral Reserves and Resources; the ability to achieve anticipated efficiencies and other cost savings in connection with past and future acquisitions, as well as at existing operations; the ability of Sibanye-Stillwater to successfully integrate acquired businesses and operations (whether in the gold mining business or otherwise) into its existing businesses; Sibanye-Stillwater's or Stillwater's ability to complete the Transaction; the inability to complete the Transaction due to failure complete any conditions; Sibanye-Stillwater's ability to achieve anticipated efficiencies and other cost savings in connection with the Transaction; the success of Sibanye-Stillwater's business strategy and changes thereto, exploration and development activities; the ability of Sibanye-Stillwater to comply with requirements that it operate in a sustainable manner; changes in the market price of gold, platinum group metals (PGMs) and/or uranium; the occurrence of hazards associated with underground and surface gold, PGMs and uranium mining; the occurrence of labour disruptions and industrial action; the availability, terms and deployment of capital or credit; changes in relevant government regulations, particularly environmental tax health and safety regulations and new legislation affecting water, mining, mineral rights and business ownership, including any interpretations thereof which may be subject to dispute; the outcome and consequence of any potential or pending litigation or regulatory proceedings or other environmental, health and safety issues; power disruptions, constraints and cost increases; supply chain shortages and increases in the price of production inputs; fluctuations in exchange rates, currency devaluations, inflation and other macro-economic monetary policies; the occurrence of temporary stoppages of mines for safety incidents and unplanned maintenance; Sibanye-Stillwater's ability to hire and retain senior management or sufficient technically skilled employees, as well as its ability to achieve sufficient representation of historically disadvantaged South Africans' in its management positions; failure of Sibanye-Stillwater's information technology and communications systems; the adequacy of Sibanye-Stillwater's insurance coverage; any social unrest, sickness or natural or man-made disaster at informal settlements in the vicinity of some of Sibanye-Stillwater's operations; and the impact of HIV, tuberculosis and other contagious diseases. Further details of potential risks and uncertainties affecting Sibanye-Stillwater are described in Sibanye-Stillwater's filings with the JSE and the SEC, including in Sibanye-Stillwater's Integrated Annual Report 2016 and Annual Report on Form 20-F, for the fiscal year ended 31 December 2016. These forward-looking statements speak only as of the date of this document.

The Sibanye-Stillwater Group undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events, except as required by law.